

Finance and Facilities Committee
Telephone Conference Call – Pre-Trustee’s Meeting
Meeting Minutes
March 8, 2010

The telephonic meeting was called to order at 4:05 p.m. In attendance were Steve Scott, Chair; Marshall Criser; Jack Mecholsky; Dianna Morgan; and Al Warrington.

Trustee Scott informed the committee he would not be in attendance at next week’s meeting and that Al Warrington had agreed to chair the Finance and Facilities committee in his absence.

Proposed action items were brought to the committee:

The Transportation and Parking Services auxiliary budget for fiscal year 2010-11 was presented to the committee. The University has several parking decks funded by long term bonds containing covenants requiring the Board of Governors to receive and approve the subject budget. There were no questions from the committee regarding the budget.

The proposed naming of the new lacrosse stadium was presented to the committee. Donald R. Dizney has provided extraordinary financial support for the athletic program, and in recognition, it is recommended that the new lacrosse stadium be named the Donald R. Dizney Lacrosse Stadium.

The committee was provided with proposed changes to Board of Trustee resolution R04-21 regarding University depositories. It is necessary to amend the lists of designated depositories and employees authorized to sign checks. In response to a question, it was explained to the committee that foreign bank accounts only require one signature because in most instances there is only one University employee on site conducting programs in Italy and France. Compensating internal controls have been implemented by the University to ensure that all foreign checks are adequately supported and reconciled. Additionally, foreign bank accounts of the University never exceed a balance of \$100,000.

The final action item presented was the recommended approval of the internal loan for construction of the Eastside Campus Data Center. The loan will be provided by the UF Foundation in the amount of \$12,000,000 and repaid from auxiliary revenues of the Computer Network Services department. The \$12,000,000 cost will include running fiber-optic cable to the site and some other non-construction costs such as equipment.

Proposed discussion items were then discussed by the committee.

An update of the University's sustainability efforts will be presented to the committee at their March 15th meeting.

The quarterly financial report as of December 31, 2009, was discussed with the committee. A summary review of items of interest and variance as shown on the report was provided.

The committee was informed that the University of Florida's Annual Financial Report for the fiscal year ended June 30, 2009 has been issued and electronic versions of the report have been sent to all trustees. The University received an unqualified opinion from the State of Florida Auditor General on their financial statements and hard copies of the report will be available at next week's committee meeting.

A construction update will be provided to the committee at next week's meeting.

The committee was provided with a brief recap of Responsibility Center Management committee activities. More than 100 meetings have been held across campus to inform and prepare the departments for the new budgeting. Training is on-going and is available on line to employees. The budget review counsel is currently reviewing the five support centers selected for a "zero-based" budget review. Overall, the budget project is going well.

A brief preview of the State of Florida budget was provided. The House preliminary budget calls for higher education reductions of approximately 6.9% from last year. It is anticipated the legislature may raise tuition by 8%. The University is permitted to raise tuition 15% but 30% of the raise must go to needs based financial aid. The state's general revenue estimating conference will be held March 9, 2010. State revenue this year is slightly ahead of last year.

A group of employees will be presented for recognition at the committee meeting on March 15th.