

Finance and Facilities Committee

Minutes – Pre-meeting conference call

June 5, 2012

The meeting was called to order at 2:05 pm after a quorum was confirmed. Committee members attending via phone: Steven Scott (chair), Susan Cameron, Al Warrington, and Juliet Roulhac. Attending in person: Dr. Cheri Brodeur.

Other attendees included:

Bob Miller, Carol Walker, Curtis Reynolds, Eugene Herring, Janine Sikes, Jamie Lewis Keith, Jamal Sowell, Kathleen Tillett, Matt Fajack, Mike Ford, Mike McKee, Scott Nygren, Sheela Moudgil, Stuart Hoskins, Suzanne K. Sindledecker, William Li, Nathan Crabbe, Kelsey Antle, Rob Short, Nuri Yeralan, and Jose R. Soto.

The Committee discussed the following action items:

FF1 -- University of Florida Regulation, 3.074 (proposing approval of an amendment updating the regulation on construction to conform with current BOG and statutory thresholds as follows: professional service providers on construction projects are proposed to be evaluated annually rather than twice a year and the major project threshold is proposed to be increased from over \$1M to over \$2M). The following discussion occurred:

Question – what is the rationale for the change to annual evaluations? Per Carol Walker, the phases are so long (well over 6 months) that it does not seem to be necessary to do the review more than annually. There is an added benefit of saving money.

Comment – changes to the regulation deleted the narrative representation of the dollar thresholds and replaced them with numbers alone. Wording and numerical representations should be used for the new two million dollar threshold.

FF2 -- Construction Internal Operating Memoranda 02-2, 06-16 (making corresponding changes to Regulation 3.074)

Purpose – to make the same changes as above to the internal operating memos and to use the opportunity to correct the names of the VP's office and the BOT committee names.

FF3 -- PECO Spending Plan for FY2012-13 (proposing the approval of the spending plan for \$6M for Lake Nona's Research and Development Center and \$2.7M for maintenance, repair, renovation and remodeling). The following discussion occurred:

Question -- What about the \$5M from the BOG that was discussed at the last meeting? Per Jamie Keith and Matt Fajack – that money is from the CITF (Capital Improvement Trust Fund) for the Reitz Union and for FY2013-14.

Question -- How much deferred maintenance are we accumulating? The BOT and Senior Administration needs to be aware.

Curtis Reynolds agreed to provide that information on an annual basis rolling forward and a total amount.

FF4 -- FY 2012-13 Fixed Capital Outlay Legislative Budget Request (proposing the approval of UF's legislative request to the Board of Governors for PECO, CITF, bond, and other funding for projects). The following discussion occurred:

Per Carol Walker - This is an annual report due to the BOG by August 1st. This year for the first time, we were required to remove Cortelis funded projects from the listing.

Question – is the priority given to the Chemistry building realistic?

Per Carol Walker – the design phase on this building is complete, and it is ready now for construction. Lake Nona drops off the list as it will be finished, the Harn came off the list because it was listed for Cortelis funding, so Chemistry moved up. Also, it relates to STEM which improves its ranking.

FF5 -- Designated Depositories Update (proposing to change and update the University's authorized depositories and the officials who are authorized signatories):

This is an updated list of depositories and who can sign. It also deletes the two signature requirement, which are electronic, but require the CFO, in consultation with the Chief Audit Executive, to approve the internal control protocols. There will be a presentation of these protocols to the Committee.

Question – what program was deleted.

Per Mike McKee – the Paris program.

FF6 – Auxiliary Facilities with Outstanding Revenue Bonds (proposing the approval of the FY2012-13 budget for the Transportation and Parking auxiliary). The following discussion occurred:

Per Bob Miller – this action is required by the BOG to be taken annually in this format. The purpose is to show that there is enough revenue being generated to pay the bonds. There were no questions/comments.

FF7 -- Preliminary FY2012-13 Operating Budget of Revenues and Expenses (proposing approval of the preliminary operating budget for FY13) and the President's Budget Reduction Proposal and associated resolution, R12-102 (which will be forwarded to all Trustees in early June once the applicable special faculty shared governance process is completed and the President can finalize his proposal).

FF8 -- The President's Budget Reduction proposal and its accompanying Resolution R12-102.

This will be presented in the full meetings. Committee members were reminded that they can access the details of the budgets for each college on the main UF website

(www.ufl.edu) if they would like to review. Click on the orange Budget Proposals button on the top right.

The following discussion items were addressed as follows:

4.1-Construction Update;

This will be presented in the full meeting.

4.2-Quarterly Financial Update, as of 3.31.12;

There were no questions.

4.3-UFICO Update

This will be presented in the full meeting.