

Finance and Facilities Committee
Meeting Minutes
March 29, 2007

The meeting was called to order by Chair Diana Morgan, and the minutes of the Finance and Facilities Committee Meeting of November 30, 2006, were approved.

The proposed University of Florida regulation changes were presented to the committee and approved unanimously.

The consent agenda item for *Facilities Namings* was amended to remove a proposed naming of the graduate school of business as “The Hough Graduate School of Business.” This proposed naming has not completed the University’s internal process of approval in time for the Board to act at this meeting. This naming will be brought to the Board at their next meeting in June.

With the above change made to the namings agenda item, the following namings were approved unanimously:

The new (to be built) Graduate Studies Building to be named “William R. Hough Hall.”

The naming of the Center for Real Estate Studies, “The Kelley A. Bergstrom Center for Real Estate Studies.”

The, to be formed, “Blue Cross Blue Shield of Florida Center for Health Care Access, Patient Safety and Quality Outcomes.”

The naming of the plaza at McKethan Stadium to “Disney Plaza.”

The committee then approved the proposed Parking Bond Resolution which authorizes and requests the Board of Governors to approve the issuance of tax-exempt bonds not to exceed \$23 million.

The CIP Five-Year Plan and Courtelis Matching report was approved by the committee.

Agenda discussion items were then brought before the committee.

The committee was presented with the University of Florida Annual Financial Report for the fiscal year ended June 30, 2006. The committee expressed their appreciation for a well-prepared report that would represent the University well.

The committee then reviewed the Quarterly Financial Report as of December 31, 2006. University Controller Mike McKee explained that the data presented for December 31, 2006, was fully accrued; however, the comparative data as of December 31, 2005, had been prepared on a cash basis. Mr. McKee reported to the committee that the cost to

prepare fully accrued quarterly financial reports was approximately \$8,000 per quarter, or \$24,000 per year, since the fourth quarter financials of each fiscal year are already accrued. Mr. McKee said this cost may be reduced in the future by further automating the preparation effort. The committee agreed that the fully accrued quarterly financial reports provided valuable information and were worth the cost and effort.

The committee was then presented with the Construction Project Status Report.

Highlights of the report include:

- the recent opening of the renovated HUB.
- the start-up of Phase 1 of the Stadium addition.
- the Emerging Pathogens building in its design phase.
- the newly renovated Human Resource Services building, which will be complete in late April.
- notation that both Steinbrenner and Pugh Hall construction are underway and going well.

The committee was given an update on the pending settlement of the O'Connell Center roof law suit. The University will receive \$280,000, which should provide funding for periodic cleanings of the roof for approximately 10 years.

The University's Investment Committee met since the last Board meeting and is preparing to begin investing a portion of available University funds with UFICO. The Finance and Facilities Committee will receive additional updates on the University's investing activity.

Vice President Poppell informed the committee that a strategic sourcing initiative by the University would result in lower prices being paid for a number of commodities. Savings to the University, as a result of these efforts, would be up to \$9 million in the next several years.

The committee was informed that the College of Health and Human Performance would like to name the Florida Gym, "The College of Health and Human Performance." While the name would change, the Gymnasium etched in stone on the building would not be removed.

The committee was then provided with information regarding the site of the proposed new parking garage. A minor amendment to the University's Master Plan will be required, as the proposed site is approximately 500 yards from the site currently identified in the Master Plan.

The committee then discussed several items not on the agenda.

A recommendation was made that when future UF Regulation changes are presented to the Board for approval, a summary of these revisions be prepared. The summary should

include information as to the review and approval process that has occurred at the University, and should note the committee vote for and against the change recommended.

Also discussed were future bond resolutions. The committee would like for an executive summary of the resolution and bond information be prepared for their review. The summary would discuss the approvals received, reviews conducted, key financials, and the processes followed in preparing the bond resolution and supporting documentation.

The committee asked the University to conduct a risk management review to determine the adequacy of insurance on the University's property, plant and equipment, and report the results of this review back to the committee at their next meeting.

The committee would also like the General Counsel to periodically update them on any litigation that would be of significance.

The committee then recognized four University employees for their outstanding service.

Sheri Munn and Linda Cowart are employees of IFAS who worked diligently with FEMA over the last four years to file over \$5.8 million of claims for hurricane damage to IFAS facilities. They assumed this task in addition to their day-to-day duties, and their efforts helped the University collect from FEMA reimbursements that may not have been paid without their skill and persistence.

Bob Burton is the accountant in Finance and Accounting responsible for the preparation and coordination of the Annual Financial Report and the quarterly financial statements. Bob has been in his position for 19 years, takes great pride in his work, and is recognized throughout the Florida university system as an expert in financial statement presentation. Yesterday's recognition is very timely as the 2005-2006 University of Florida Annual Financial Report has just been printed and made available.

Lacy Rabon has worked in the Physical Plant Division at the University since April 23, 1962, 45 years next month. Lacy keeps the heat, air conditioning, steam, and control/alarm systems working on this large campus. His knowledge and work help cool the campus facilities in the summer and keep them warm in the winter. His dedication to his job is demonstrated by the fact that he has accumulated over 4,000 hours of unused sick leave during his 45 years of employment.

The meeting was adjourned.