

Finance and Facilities Committee
Meeting Notes
September 4, 2008

The meeting was called to order by Chair Al Warrington. Trustees Joelen Merkel, Kevin Reilly, Frank Bova and Courtney Cunningham were in attendance.

The minutes of the Finance and Facilities Committee Meeting of June 12, 2008 were approved.

Action items were presented to the committee.

Proposed namings of the NCEF Pediatric Dental Center and the Douglas Williams Executive Health Center Program were brought before the committee. The naming of the Pediatric Dental Clinic will be a non-consent agenda item requiring Board of Trustees approval in compliance with Board of Governor's regulations. The proposal to name the Executive Health Center Program for Douglas Williams was approved by the committee as presented.

The proposed amendments to the Operating Budget for 2008-09 were reviewed by the committee and approved as presented. Vice President Poppell then provided the committee with a utilities update. Taking into account the upcoming increases in electricity, steam, water and natural gas the university's E&G shortfall for utilities funding will be in the vicinity of \$8.9 million and the total deficit will approach \$10 million. The University will work to obtain additional funding from the state to address the shortfall.

The committee was presented the proposed 2009-2010 Fixed Capital Outlay Legislative Budget Request. The only change in the budget request since it was last reviewed was an exchange of priority projects 7 and 19 which was requested by the Dean of the College of Engineering. The budget request was approved as presented.

Agenda discussion items were then brought before the committee.

Assistant Vice President Carol Walker briefed the committee on the status of construction projects. Projects are going forward with no significant issues. The current status of funding for the University's review of St. Augustine facilities was discussed. At this time the extent of funding has been \$300,000 for planning.

An update on the status of the Courtelis Facilities Enhancement Challenge Grant was provided. Construction of Hough Hall will begin in January and the Harn Museum addition in February. Construction will be funded for both projects by using the donor's contribution first. When these funds are expended the University will borrow additional funds to continue the construction. The University has confidence that the matching dollars will be provided by the legislature in their 2009 session.

CFO Matt Fajack updated the committee on the current budget status of the State. For the 2008-2009 fiscal year, the state is expecting a revenue shortfall of approximately \$2 billion in general revenue and \$75 million in lottery funds. Another cut in this year's state funding may occur. The State University System is asking the Governor and legislature to consider using the State's rainy day fund to avoid mid-year budget cuts.

The financial report as of June 30, 2008 was reviewed by the committee and no questions were forthcoming.

Vice President Poppell informed the committee that Direct Support Organization budgets were due on August 29th. Three organizations have not submitted their budgets at this time. All other budgets have been received and are undergoing review. At the next committee meeting a report on the result of the budget reviews will be provided.

Linda Dixon presented a summary of changes made to the 2005-2015 Master Plan. The changes did not trigger any thresholds requiring public hearings or interagency review. The changes were minor amendments to maps, text and the capital improvement element of the plan.

University employees were presented to the committee for recognition of their dedicated service to campus.

Jim Crocker of the Division of Housing and Residence Education and the Surplus Property Warehouse Team, comprised of Bill Hedges, Vincent McCray, Mark Davis, David Dykes and Rick Rembert, were introduced to the committee and their achievements highlighted.

All were commended by the committee for their loyalty and tireless efforts on behalf of the University.

With no further business to conduct the committee meeting was adjourned.