

Finance and Facilities Committee

Minutes

December 1, 2011

2:00 PM EST

Trustee Scott called the meeting to order at 2pm. In attendance were Trustees Steven Scott (chair), Susan Cameron, Al Warrington, Juliet Roulhac, Anthony Reynolds, and Scott Nygren.

Minutes from June 9, 2011 were reviewed.

Susan Cameron made the motion to approve, Scott Nygren seconded the motion, and the motion passed unanimously.

Minutes from September 6, 2011 were reviewed.

Susan Cameron made the motion to approve, Juliet Roulhac seconded the motion, and the motion passed unanimously.

Matt Fajack, Vice President and Chief Financial Officer (CFO), explained the presentation of the 2011-12 Budget of Revenue and Expenses and the requested amendment (which is \$3,500,963,197 of revenues and \$3,533,963,197 of expenses). There is a projected deficit for 2011-2012 but this can change. There was a projected deficit for 2010-2011 when it was first presented which was not true at year end. This was due in large part to salary savings, grant revenue not being counted until received, departments having some cash in the bank and people having been conservative in their projections.

Scott Nygren made a motion to approve the amendment, Juliet Roulhac seconded the motion, and the motion passed unanimously.

A request to name the garden on the west side of the George A. Smathers Libraries "The Todd C. Prosser Memorial Garden" was considered. Information provided explained that this would honor Ted and Ellen Prosser's son Todd who attended UF but died suddenly at age 25.

Scott Nygren made a motion to approve the resolution, Al Warrington seconded the motion, and the motion passed unanimously.

There was a resolution to open a new bank account with Citibank for prepaid bank cards. As requested, Matt Fajack will provide a short presentation on cash controls for the next committee meeting. Matt also noted the University's two-signature protocol.

Al Warrington made a motion to approve the resolution, Susan Cameron seconded the motion, and the motion passed unanimously.

A resolution was presented requesting the issuance of up to \$31,000,000 in bonds for 20 years to finance significant renovations to Corry Village, Weaver Hall, Thomas Hall and Buckman Hall. These renovations include adding air conditioning to both Thomas and Buckman Halls (the last two dorms on campus without air conditioning).

Al Warrington made a motion to approve the resolution, Susan Cameron seconded the motion, and the motion passed unanimously.

Discussion Items

The quarterly financial statements were presented with some discussion regarding the change as of 7/1/2011 of the capitalization of equipment from \$1,000 to \$5,000. This totals over \$59,000,000 and represents more than 103,000 items (74% of items tracked but only 26% of the total costs). These items are still being tracked within the departments.

Tom Mitchell gave a brief update on the UFF campaign – Florida Tomorrow. This is a seven-year effort, which started in the fall of 2005, with a goal \$1.5B. With only ten months to go it is doing well with only \$50M still to be raised.

- December is historically a good month for donations.
- We are looking to have 100-120 endowed faculty positions soon.
- A thank you tour of different cities was moved to the last year of the campaign and highlights the programs, students, issues, etc. in their own back yards.
- Dr. Scott attended one of these events and encourages all board members to try and attend at least one. He feels that it would be very meaningful.
- Tom Mitchell will be ready to answer more questions at the next meeting.

Carol Walker gave a construction update. She highlighted the ground breaking with UF, City and County officials on November 30, 2011 at the Eastside campus and answered questions regarding the changes that occur to construction budgets for several projects. She was asked to provide a summary of major changes in the future, which would be helpful and might answer questions. Al Warrington suggested that the construction update be presented in the pre-meeting since it is a large issue so that the board can ask questions.

Carol also let the board know that UF is sharing our space tracking system with Florida Gulf Coast University.

Matt Fajack gave an update on PECO funds (used for new construction and repair). These monies depend on growth in Florida and the outlook is not expected to be good for the next 3 years. Florida authorizes bonds for PECO but the Governor does not want to bond any more money. Matt will be working with a group to come up with other options. UF cannot pledge general obligation bonds or pledge future tuition.

Dave Kratzer gave an update on Reitz Union project. He expects to bring a request for a bond to the next committee meeting. This project will add 110,000 GSF and renovate another 75,000 GSF. We were expecting to use existing A&S fees to secure and fund bonds for the expansion portion of the project, which is most of the work, but will need to find some funding to help cover the costs for renovations. Matt is working with the Division of Bond Financing.

Doug Wynkoop provided a presentation on UFICO, including an overview of the current position and the endowment's performance over the years in comparison to benchmarks and peers.

Gene Brandner from Facilities and Planning was presented with a plaque by Interim Vice President for Business Affairs, Bob Miller, in recognition of forty years of service. Gene, a licensed architect, has served as project manager on many projects and has saved the University a great deal of money over the years.

With no further business to conduct, the committee meeting was adjourned at 3:00 PM.