



**COMMITTEE ON FINANCE, STRATEGIC PLANNING
AND PERFORMANCE METRICS**

Pre-Meeting Minutes

Virtual Meeting

Thursday, May 20, 2021

Time Convened: 10:00 a.m.

Time Adjourned: 10:42 a.m.

Committee and Board members present:

Thomas G. Kuntz (Committee Chair and Board Vice Chair), David L. Brandon, Richard P. Cole, Christopher T. Corr, Daniel T. O'Keefe, Rahul Patel, Marsha D. Powers, Fred S. Ridley, and Anita G. Zucker.

Others present:

W. Kent Fuchs, President; Chris Cowen, Senior Vice President and Chief Financial Officer; Jodi Gentry, Vice President for Human Resources; Joseph Glover, Provost and Senior Vice President for Academic Affairs; Amy Hass, Vice President and General Counsel; Mark Kaplan, Vice President for Government and Community Relations and University Secretary; members of the University of Florida community, and the public.

1.0 Call to Order and Welcome

Committee Chair Thomas G. Kuntz welcomed everyone in attendance and called the meeting to order at 10:00 a.m.

2.0 Roll Call

Senior Vice President Chris Cowen conducted a roll call of all Committee and Board members present. Committee member Bill Heavener did not attend.

3.0 Review Draft Agenda for June Meeting

3.1 Review Draft Minutes

- March 19, 2021
- May 20, 2021

Committee Chair Kuntz asked Trustee Patel to review the March minutes to be sure they incorporate the correct conditions for Board approval of non-honors students in the Honors Dorms.

3.2 Review Action Items

- **FSPPM1 Preliminary Operating Budget FY22**

Senior Vice President Chris Cowen provided an overview of the action item. He noted changes to this year's budget including additional funds from the State for the faculty/AI initiative and New Worlds Reading Initiative. He also indicated a recent change that caps E&G paid faculty salary at \$200,000, which largely affects the College of Business and the College of Law and amounts to about \$7M that the university will have to fund from other sources. Committee Chair Kuntz noted a revenue decrease for UAA when compared to past years. There was a discussion about this, and request that the number be adjusted to reflect the additional \$26M that UAA will receive from the SEC for COVID-19 financial losses. SVP Cowen indicated that the budget will likely change, and that the changes will be reflected in the preliminary budget at the June meeting, and that a revised preliminary budget would be circulated incorporating the items discussed and any other updates prior to the June meeting. Trustee Dan O'Keefe asked for information on the budget process along with a schedule/calendar. SVP Cowen stated that much is dependent upon the State, but once the State budget is done the rest follows. He stated a budget schedule will be provided to the committee before the June meeting. There was also a discussion about the \$200,000 salary cap. The committee requested details on where the positions are along with the number of professors being affected in each area. SVP Cowen indicated that the Budget Office had the information and that he would circulate it to the committee.

- **FSPPM2 Investment Policy**

SVP Cowen gave an overview of the action item. He indicated that no changes had been made since last discussing the new policy at the last BOT meeting. Committee Chair Kuntz mentioned that the new policy would roughly increase annual income by about \$17M, increase liquidity, and mitigate risk.

3.3 Review Discussion Items

- **Faculty 500/AI 100 Hiring Update**

Committee Chair Kuntz indicated Vice President Jodi Gentry will provide an update of the Faculty 500/AI 100 hiring report in June.

- **UFICO Update**

Committee Chair Kuntz indicated that Chief Investment Officer of UFICO, Bill Reeser, was not on the call so no update would be given today. An abbreviated update will be provided at the full meeting in June.

- **CFO Report**

SVP Chris Cowen provided highlights of the CFO report during each discussion item. Aside from the discussion items, he noted that Carryforward money is continually being spent down and has a balance of only about \$10M after encumbrances and the 7% reserve. Trustee Cole asked if we were planning to fund married student housing. There was also a discussion about graduate housing, in which Trustee Rahul Patel explained third parties are being considered and an update will be provided at a future meeting.

- **Update on Student Housing Bond and CEP Process**

SVP Cowen indicated there was no update since approval of the bond issuance at the last Board of Governors (BOG) meeting. He stated that the bond will be issued through the Florida Department of Bond Finance through a competitive process. He anticipates that the bond will be sold early next week, and that he will provide an update in June. SVP Cowen also mentioned that we have started to solicit bids for construction and are working to reduce costs. He indicated that part of BOG's approval included a stipulation that any cost savings are used for deferred maintenance. Committee Chair Kuntz reminded the committee that any rooms not assigned to honors students must obtain Board approval.

SVP Chris touched on the CEP process, stating that the project, along with Baby Gator, will be presented as an action item during the Facilities and Capital Investments committee meeting. He noted that the CFO's Office has been involved with both projects and have provided financial analyses. Committee Chair Kuntz mentioned that FSPPM and FCI are working to be better connected to ensure priorities are met and dollars are connected to buildings.

- **Quarterly Financials**

SVP Cowen spoke briefly on quarterly financials, stating that the University is moving along positively and that there is nothing of concern.

- **Performance Metrics Update**

Committee Chair Kuntz began the discussion by noting that UF's score in the BOG system has decreased and indicated that a performance improvement plan may need to be submitted. SVP Chris Cowen suggested that the university has a plan to increase score and address the three metrics that were below desired levels. Committee Chair Kuntz asked for an explanation on why results were not as expected. Provost and Senior Vice President Joseph Glover stated that the lower score was due to a Pell grant issue, 2-year transfer rate, and 6-year graduation rate. He affirmed the University has a plan to increase scores and stated that he would go into detail at the June meeting.

4.0 New Business

There was no new business to come before the committee.

5.0 Adjourn

There being no further discussion, Committee Chair Kuntz adjourned the meeting at 10:42 a.m.