



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

Pre-Meeting Minutes

Virtual Meeting

October 4, 2021

Time Convened: 9:00 a.m.

Time Adjourned: 10:17 a.m.

Committee and Board members present:

Thomas G. Kuntz (Committee Chair and Board Vice Chair), David C. Bloom, David L. Brandon, Richard P. Cole, Christopher T. Corr, James W. Heavener, Morteza “Mori” Hosseini (Board Chair), Daniel T. O’Keefe, Rahul Patel, Marsha D. Powers, 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; Amy Hass, Vice President and General Counsel; Mark Kaplan, Vice President for Government and Community Relations and University Secretary; David Nelson, Senior Vice President for Health Affairs and President of UF Health; Curtis Reynolds, Vice President for Business Affairs; George Kolb, Assistant Vice President; 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 9:00 a.m.

2.0 Roll Call

Senior Vice President Chris Cowen conducted a roll call of all Committee and Board members present.

3.0 Review Draft Agenda for October Meeting

The following items were addressed by the Committee:

3.1 Review Action Items

Committee Chair Kuntz began the discussion by explaining that SVP Cowen will provide an overview of each action item. These items will be approved at the Board of Trustees meeting immediately following this FSPPM pre-meeting.

FSPPM1 Board of Governors Operating Budget FY 21-22

Senior Vice President Chris Cowen gave an overview of the operating budget explaining that the format used for the action item is required by the Board of Governors and does not net out transfers. He indicated that the university has seen some growth and that the budget reflects a return to normal operations since COVID. There was a conversation about SCRIPPS initiated by Board Chair Mori Hosseini that discussed the ICR (indirect cost rates) and potential loss. SVP Cowen explained that there is the potential to negotiate rates. Board Chair Hosseini asked the committee to take a look at what SCRIPPS and other institutions are doing in regard to ICR and report back to the board. Following the discussion, Committee Chair Kuntz returned to the operating budget and suggested that the university is in good financial shape and asked SVP Cowen to briefly provide a breakdown of revenues. SVP Cowen provided a breakdown and explained that there is only about \$19M left in Carryforward. Trustee Bill Heavener questioned what would happen if all carryforward funds were used, i.e. do we have anything else or access to lines of credit or savings. SVP Cowen explained that UF is legally prohibited from having a line of credit for operating expenses but that the budget is conservatively realistic and provides the opportunity to reallocate funds from various areas if needed. Trustee O'Keefe questioned a line item that indicates donations and contributions to the state. Assistant Vice President George Kolb explained that the line includes transfers from DSOs and does not reflect any contributions. There was also a discussion about CARES and HERF funds, in which AVP Kolb provided a breakdown of these monies were disbursed from the state and then spent at the university. Committee Chair Kuntz asked about the state appropriation increase and SVP Cowen explained that much of it was for the New Worlds Reading Initiative. Committee Chair Kuntz asked for a motion to approve Action Item FSPPM1 and it was approved unanimously.

FSPPM2 FY 2021-2022 Carryforward Spending Plan

SVP Cowen provided a brief overview of the action item explaining the carryforward spending plan and how it is devised. He mentioned that much of it is held by colleges, and that it's not all centrally located. Committee Chair Kuntz indicated how important it is that this item be reviewed by the committee and full Board of Trustees. Trustee O'Keefe asked for an explanation of the 7% reserve. Committee Chair Kuntz explained that it is required by the Board of Governors and that anything over that amount must have a plan and the university must show how it is used. Committee Chair Kuntz asked for a motion to approve Action Item FSPPM1 and it was approved unanimously.

FSPPM3 FY 2021-2022 DSO and Affiliate Budgets

SVP Cowen briefly reviewed the action item and explained that the university is working on making some changes in regard to DSOs and how they operate financially. He also mentioned that the state is doing an audit on all DSOs within the state university system and that ours includes UF Health. Senior Vice President David Nelson explained that SVP Cowen has been intimately involved with UF Health along with Trustees' Kuntz, Powers, and Hosseini indicating full Board involvement. Committee Chair Kuntz suggested that SVP Cowen should be able to explain changes in DSO budgets and the FSPPM committee should be able to fully understand the numbers presented. SVP Cowen indicated that he is working on a more systemic way to be involved with DSOs and provide greater visibility. Committee Chair Kuntz suggested that a summary sheet that looks at each DSO and gives an explanation of significant changes would be

very helpful and requested it at the next meeting. There was a conversation about governance in which Board Chair Hosseini asked that SVP Cowen or someone he designates sits on each DSO Board. Committee Chair Kuntz agreed and stated that by sitting on these Boards there will be reinforcement and reminders that the BOT approves their budgets. Committee Chair Kuntz asked for a motion to approve Action Item FSPPM1 and it was approved unanimously.

Following the discussion, Board Chair Hosseini reminded the committee that the budget must be submitted this week. He also mentioned that going forward it be approved at the June Board of Trustees meeting and suggested that the FSPPM committee begin looking at the budget in January. There was also a brief discussion about the 5% holdback across the enterprise, in which President Kent Fuchs indicated that Executive Chief of Staff, Winfred Phillips is leading the project and making good progress.

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 11:57 a.m.