Committee and Board members present:
Marsha D. Powers (Committee Chair), David L. Brandon, John E. Brinkman, Richard P. Cole, Christopher T. Corr, James W. Heavener, Morteza “Mori” Hosseini (Board Chair), Daniel T. O’Keefe, Rahul Patel (Board Vice Chair), Fred S. Ridley, Danaya C. Wright, and Anita G. Zucker.

Others present:
Ben Sasse, President; Scott Angle, Provost and Senior Vice President for Academic Affairs; Melissa Curry, Vice President for Human Resources; Kurt Dudas, Vice President/Jacksonville Lead; Elias Eldayrie, Vice President and Chief Information Officer; Amy Hass, Vice President and General Counsel; Taylor Jantz, Interim Chief Financial Officer; Mark Kaplan, Vice President for Government and Community Relations and University Secretary; David Kratzer, Senior Vice President for Construction, Facilities, and Auxiliary Operations; Maria Gutierrez Martin, Interim Vice President for Advancement; Stephen Motew, President and System Chief Executive Officer of UF Health; David Nelson, Senior Vice President for Health Affairs and President of UF Health; Mary Parker, Vice President and Chief Enrollment Strategist; Raymond Sass, Vice President for Innovation and Partnerships; Jim Staten, Senior Advisor to the President; James Wegmann, Vice President for Communications; Heather White, Vice President for Student Life; William Reeser, Chief Investment Officer of UFICO; members of the University of Florida community, and the public.

1.0 Call to Order and Welcome
Committee Chair Marsha D. Powers welcomed everyone in attendance and called the meeting to order at 10:27 a.m.

2.0 Roll Call
Interim Chief Financial Officer Taylor Jantz conducted a roll call, and all Committee members were present, except Trustee Zalupski.

3.0 Review Draft Agenda for June Meeting
Committee Chair Powers noted the pre-meeting is for discussion only and no action will come to the Committee. The following items were addressed by the Committee:
3.1 Review Draft Minutes

- March 7, 2024

Committee Chair Powers reminded committee members to review the draft minutes prior to the board meeting in June.

3.2 Review Action Items

- **FSPPM1 Preliminary Operating Budget FY25**
  Interim CFO Jantz stated we are required to annually submit a preliminary operating budget to the Florida Board of Governors (BOG) for approval. The Preliminary Operating Budget FY25 is our projection of how we anticipate the university will look financially for the coming year. As we all know, Governor DeSantis has not signed the budget yet, but we expect to receive a strong level of state support funds. The university continues to see stronger forecast for patient service revenue and investment income remains strong as well. There is not much change year over year to the budget. However, there are some new factors that will provide us flexibility to continue to add to our goals.

- **FSPPM2 Estimated Direct Support Organization Use of University Resources (FY25)**
  Interim CFO Jantz stated at the recommendation of Operational Audit Report No. 2019-193 for the FY2016, we create an annual estimated summary of Direct Support Organization (DSO) Use of University Resources to present to the Board to improve its understanding and oversights of our DSO’s. The FY25 summary outlines the estimated resources (facilities, technology systems, personnel, travel, etc.) the university will provide to our 13 active DSO’s in the coming year.

- **FSPPM3 Approval of West Palm Beach Funding Reallocation**
  Interim CFO Jantz stated the State of Florida allocated $100M to UF in support of creating a new campus in West Palm Beach. As a result of shifting strategic priorities, UF no longer plans to use this funding for a new West Palm Beach campus and requested approval to reallocate the funding to other key infrastructure needs. The State Legislature approved our reallocation request pending Board of Trustees approval. Board Chairman Hosseini expressed the university’s gratitude to the State for this approval. Interim CFO Jantz summarized the 4 key infrastructure projects UF would like to allocate funds to: Workday ERP Solution ($60M), Research equipment upgrades for The Herbert Wertheim UF Scripps Institute ($18M), UF Campus technical debt ($15M), and the Renovation/Lease of South Florida MBA Program ($7M).

  After further discussion of cross walking the 10x10x10 initiative and overall university financials, this action item was removed from consideration for June and will be brought back to the Board later this year.

- **FSPPM4 Adoption of Student Payment Plan Mechanism**
  Interim CFO Jantz stated that unlike many of our Florida SUS peer universities, UF does not offer an option for installment plans to our students for their tuition and associated fees. While many of our students and families can pay their fees at the beginning of each term, this practice can cause a financial burden for many of the students in the following categories: students whose financial aid package does not fully cover their expenses, students enrolled in
certifications or programs that are not eligible for financial aid, and students in professional programs. The CFO’s Office modeled the proposed installment plan after the successful programs at FSU, UCF, and FAU. We completed a pilot program of 25 enrolled students in Spring 2024 and received positive feedback from students and families. The installment plan would not cause interruptions to our university cash flow, students would not be charged interest for participating, and would be managed by a third-party vendor. To cover the cost of the third-party vendor management, we are requesting the Board approve a $15 service fee per enrollment in installment plans as allowable under the Florida Board of Governors Regulation 7.003(4)(f).

Trustee David Brandon asked if the pilot program produced data that can be shared with the Board and Interim CFO Jantz confirmed he will provide it at the June meeting.

### 3.3 Review Discussion Items

- **CFO Report**
  - Interim CFO Jantz stated his CFO Report in June will include his standard overview of our year-to-date performance, an update on Baby Gator, increases in state funding since FY2017, radical financial transparency, housing debt capacity analysis, and general CFO updates.

  Further discussion ensued regarding the housing debt capacity item and UF’s need for additional student housing. Although UF is financially healthy and able to obtain financing easily, we are a state public entity that must follow the Public Private Partnership (P3) regulations set forth by state legislature. The idea was raised to discuss with the state legislature the benefits of using pro forma instead of P3 to obtain financing. Interim CFO Jantz noted his housing update in June will include an overview of our debt capacity, our constraints, impacts, and projected housing rate increases for the Board to discuss and decide if they would like to take action on this at a future board meeting. Board Chairman Hosseini noted he is in talks with the President for a major expansion of student housing. President Sasse added two points: 1. data shows more university engagement by students who live on campus their freshman and sophomore years and 2. students who want to partake in study abroad programs or internships need flexible leases to participate.

- **UF Health Update**
  - UF Health President and Chief Executive Officer Stephen Motew outlined the 3 areas he will report on at the June meeting: Clinical, Q3/YTD Performance (budget and finance), and a summary focused on 2-3 core strategic initiatives of his first several months at UF Health.

Committee Chair Powers commented how pleased we are to have Dr. Motew on board and is thankful for his fantastic work on the UF Health Transition Committee. Board Chairman Hosseini echoed her comments. UF Health is very important because it carries 2/3 of our budget and providing this report regularly is essential to the Board. The goal of the Board, President, and Senior Administration is to keep UF Health at #1 or #2 in the state. The Board looks forward to working with you not only be at the top of our game in quality of care, but to also be financially healthy to give us the opportunity for continued growth and the ability to negotiate the best deals with insurance providers. Committee Chair Powers added our goal is to
become a $10B corporation and the only way to achieve that goal is through a high-quality organization.

- **UFICO Update**
  UFICO Chief Investment Officer William Reeser stated he will provide a quarterly update of the Operating and Endowment portfolios 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 Marsha D. Powers adjourned the meeting at 11:06 a.m.