# MINUTES

**Members Present**: Hans Tanzler (Chair), Kevin Hyde, Stephen Joost, Tom Bryan, Doug Burnett, Thomas Beaucham

**Members Absent**: Oscar Munoz

## Item 1 Call to Order

Chair Tanzler recognized a quorum and called the meeting to order at 10:43 am.

## Item 2 Approval of Minutes - January 11, 2018

Chair Tanzler asked for a motion for approval of minutes from the Finance & Facilities committee meeting January 11, 2018.

Trustee Joost made a MOTION to approve the minutes from the Finance & Facilities committee meeting January 11, 2018. Trustee Bryan SECONDED the motion and the committee APPROVED the approval of the minutes.

## Item 3 Public Comments

Trustee Tanzler offered those in attendance an opportunity to comment on items on the Finance and Facilities Committee agenda. There were no public comments.

## Item 4 Approval of Acceptance of a Forgivable Loan from the Downtown Investment Authority

Vice President Shuman presented a request for approval of acceptance of a forgivable loan from the Downtown Investment Authority. The University of North Florida downtown expansion is being developed with the adult working professional in mind by offering lunch classes, evening classes, hybrid options, and a wide variety of online asynchronous graduate programming. This extension of the University is intended to augment existing academic programming, expand the University’s downtown presence beyond the Museum of Contemporary Art, and connect the University more closely

## Item 4 Approval of Acceptance of a Forgivable Loan from the Downtown Investment Authority (continued)

with ongoing downtown development. Per BOG regulations, the University solicited proposals for leased space under RFP 18-07 and received and evaluated three proposals; subsequently selecting the 4th and 5th floors of the old Barnett National Bank Building (Laura Street Trio). The five-year lease includes 6,150 square feet on the 4th floor that will house the UNF Center for Entrepreneurship with co-work space, collaboration areas, and offices, and 6,150-square feet on the 5th floor which will be built-out for multi-function office space and four state of the art classrooms for UNF graduate programs (including the expansion of Coggin’s MBA and MSM programs). The developer is providing 40 dedicated parking spaces for faculty and staff, and student parking will be purchased from the city using a voucher system. Occupancy is scheduled for December 2018 with the first classes being offered in the Spring 2019 term.

The University was successful in soliciting support from the Downtown Investment Authority (DIA) and received a $380,000 forgivable loan to help cover the cost of technology equipment and classroom furniture. The loan will be forgiven at a rate of 1.667% per month such that it is fully forgiven by the end of the initial five-year lease term. The Debt Service Guidelines allow for exceptions from Board of Governor approval under certain circumstances. One of these exceptions is DSOs may finance the acquisition of equipment and software financings provided the overall term of the financing, including any extension, renewal or refinancing, hereof, does not exceed five years or the estimated useful life of the equipment or software, whichever is shorter. Board of Governor staff have confirmed that this transaction does not require Board of Governor approval and they are aware of the terms of this transaction. This action is asking the Board of Trustees to approve the acceptance of the forgivable loan from the DIA.

Trustee Hyde made a MOTION to approve the acceptance of the forgivable loan in the amount of $380,000 from the Downtown Investment Authority. Trustee Bryan SECONDED the motion and the committee APPROVED the request.

## Item 5 Capital Projects Quarterly Report & Change Orders

Vice President Shuman presented the report on capital projects and change orders for the last quarter. Her report included the following –

1. Skinner Jones Hall renovation is now completed but will remain on the list for a time while the project is closed out.
2. The Science & Engineering expansion will provide programming, design and construction to expand needed space for Physics and Chemistry in the Science & Engineering building.
3. The softball press box project replaces the existing building that was damaged by Hurricane Matthew.
4. We are currently programming for the future East Ridge Honors Housing. Recently tours of other honors housing and living/learning communities were conducted to provide ideas for designing the housing. As university enrollment grows and housing occupancy increases, the project will be ready to build.
5. The wireless improvement project will replace the existing campus wireless infrastructure. Phase 1 includes installing new fiber, control hardware components and the hanging of wireless access points. The first phase is approximately $3 million of a $7 million project.

Vice President Shuman also shared with the committee that the university is currently looking for 3000 sf of space for Engineering and the Brooks College of Health in East Park. The space would be used for research.

## Item 6 Quarterly Budget Report

Vice President Shuman presented the Quarterly Budget Report through February 28, 2018, noting that tuition is currently up 500 FTE from the original budget, increasing revenue by almost $3.5 million. There are no budgetary concerns at this time. The Auxiliary Status Report highlighted five departments, also with no concerns noted. Continuing Education has reduced their projected surplus due to low enrollment resulting in the cancellation of some classes, but revenues are currently on the rise. Their financial picture is better than it has been for a while.

## Item 7 Treasurer’s Report

Vice President Shuman presented the Treasurer’s Report as of January 2018. The current net cash balance is $130.1 million. Ending current investments total $131.7 million between three money managers: RBC, Sawgrass and the state’s Special Purpose Investment Account (SPIA). The report also shows the university’s current debts.

## Item 8 Overview of Projected Financial Position

Vice President Shuman discussed with the committee potential projections for the fiscal year 18-19 E&G budget. Showing two potential scenarios, she explained that the difference between the two will be the possible reduction of $855,000 for Advanced Manufacturing and performance funding. She noted that changes in performance funding including the six-year to four-year graduation requirement and the PELL access rate change could result in lower performance funding.

Trustee Hollingsworth suggested that the board create a position to be communicated to the Board of Governors on the proposed calculation to be used for the new four year and access metrics.

## Item 9 Adjournment

Chair Tanzler adjourned the meeting at 11:40 am.