# MINUTES

**Members Present**: Hans Tanzler (Chair), John Aloszka, Tom Bryan, Doug Burnett, Kevin Hyde and Stephen Joost

**Members Absent** (Excused): Oscar Munoz

## Item 1 Call to Order

Chair Tanzler recognized a quorum and called the Finance and Facilities Committee to order at 11:22 am.

## Item 2 Public Comments

Chair Tanzler offered those in attendance an opportunity to comment on items on the Finance & Facilities Committee’s agenda. There were no public comments.

## Item 3 Consent Agenda

Chair Tanzler asked for a MOTION to consider the approval of the consent agenda which included the draft Minutes of the March 14, 2019 Finance & Facilities Committee meeting.

Trustee Joost made a MOTION to approve the consent agenda. Trustee Hyde SECONDED the motion. The committee APPROVED the consent agenda unanimously.

Additional items on the consent agenda not requiring approval were –

Capital Projects Quarterly Report and Change Orders

New digital signs are being installed at the three entrances and should be completed by August 31st.

Treasurer’s Report (We changed the report to identify the benchmark appropriate for each money manager.)

Budget Quarterly Report (There are no budgetary concerns. A new Carry Forward report will be included at future BOT meetings.)

## Item 4 Approval of Amended Regulation – 11.0010R Schedule of Tuition and Fees

Shari Shuman, Vice President of Administration & Finance, shared the history of the Activity and Service, Health and Athletics Fees and noted that the Activity and Service fee will be decreased in FY20 by 5¢ and the fee moved to the Counseling Center. The 19¢ ADA Accommodations fee will be eliminated with 4¢ also being moved to the

Counseling Center. Overall, fees will decrease by $.15.

Vice President Shuman presented a proposed amended regulation regarding the Schedule of Tuition and Fees. The proposed amendment revises the Activity and Service Fee as well as the Health fee. In addition, the proposed amendment sets forth tuition for graduate level courses taken by students classified as undergraduates or students, who matriculate within three terms of receiving a baccalaureate degree at UNF and maintained continuous enrollment. Graduate tuition for these students will be reduced from $408.10 per credit hour to $275 per credit hour.

Trustee Joost made a MOTION to approve the amended regulation, 11.0010R Schedule of Tuition and Fees, as revised. Trustee Bryan SECONDED the motion and the committee APPROVED the motion unanimously.

## Item 5 Approval of Amended Regulation – 11.0020R Special Fees, Fines and Penalties

Vice President Shuman presented the proposed amended regulation for special fees, fines and penalties. The proposed amendment states the application fee may not be assessed for approved undergraduate to graduate admission pathways. The proposed amendment also adds replacement costs for security/access/identification cards at $15.00

Trustee Joost made a MOTION to approve the amended regulation, 11.0020R Special Fees, Fines and Penalties, as revised. Trustee Bryan SECONDED the motion and the committee APPROVED the motion unanimously.

## Item 6 Three-Year and Five-Year (CIP-2) and LBR for 2020-2021 through 2025-2026 (PECO)

Vice President Shuman presented the Five-Year Capital Improvement Plan and Legislative Budget Request. Each year, Florida’s public universities are required to submit a Fixed Capital Outlay Request to the Board of Governors for potential incorporation into the Board of Governors’ budget request. At the same time, they are expected to submit a Five-Year Capital Outlay request. The University of North Florida’s Board of Trustees is charged with approving and submitting the PECO plan for the university in consultation with the President. The attached schedule shows UNF’s proposed five-year capital requests (PECO).

## Item 6 Three-Year and Five-Year (CIP-2) and LBR for 2020-2021 through 2025-2026 (PECO) (continued)

Each of the items included in this proposed request is consistent with the university’s goals and master plan.

Vice President Shuman shared that Senate Bill 190 requires the BOG to prioritize projects using specified criteria. The vice president stated the various criteria to the committee. In addition, if a project has not received a prior appropriation, funding (equal to 2% for UNF) from sources other than a project-specific state appropriation to assist with completion of the project is required. Also, for new construction, funds equal to 1% of the total building value

Vice President Shuman shared the current requests. This request assumes that Lassiter Hall will be funded for $2 million. The PECO-eligible requests include the remaining amount needed for Roy Lassiter Hall renovations of $3 million, Coggin Business Expansion for $22 million, Brooks College of Health remodel of $5 million and the RDA Land Acquisition. The CITF project request is for a new pool. A 500 bed Student Housing for Honors and a remodel of the Arena are the current items on the list for non-state supplemental funding.

Trustee Burnett made a MOTION to approve the Three-Year and Five-Year Capital Improvement Plan (CIP-2) and Legislative Budget Request for 2020-2021 through 2025-2026 (PECO). Trustee Aloszka SECONDED the motion and the committee APPROVED the

request.

## Item 7 2019-2020 Budget Review for DSOs

1. UNF Foundation
2. UNF Training &
3. Services Institute, Inc.
4. UNF Financing Corporation, Inc.
5. MOCA Jacksonville

Vice President Shuman presented the following DSO budgets for review and approval, noting that a projected actuals column for FY19 has been added to the budgets.

* UNF Foundation, Inc.

 The FY20 budget revenue versus projected FY19 has decreased slightly due to a decrease in management fees charged to endowments. However, investment earnings on non-endowed investments increased to offset the decrease in revenue. Expenses remain similar to the FY19

## Item 7 2019-2020 Budget Review for DSOs (continued)

budget. Campaign planning has been included in the amount of $90K. Trustee Joost made a MOTION to approve the FY20 UNF Foundation budget. Trustee Aloszka SECONDED the motion and the committee APPROVED it unanimously.

* UNF Training & Services Institute, Inc.

Vice President Shuman noted that a budget revision was approved by the TSI Board for last year’s budget because the DSO received some large grants. IPTM is on schedule to bring in $500K in net income this year and plans the same for next year. Other expenses included in this DSO are the ADT lease, RDA expenses, and Governmental Relations expenses. Trustee Gonzalez made a MOTION to approve the FY20 UNF Training & Services Institute, Inc. budget. Trustee Aloszka SECONDED the motion and the committee APPROVED it unanimously.

* UNF Financing Corporation, Inc.

The Financing Corporation maintains a minimal budget. The three auxiliaries with bonds provide the revenue. Trustee Joost made a MOTION to approve the FY20 UNF Financing Corporation budget. Trustee Hyde SECONDED the motion and the committee APPROVED it unanimously.

* MOCA Jacksonville, Inc.

MOCA increased revenue for memberships and grants from last year’s budget.

Trustee Bryan made a MOTION to approve the FY20 UNF Financing Corporation budget. Trustee Aloszka SECONDED the motion and the committee APPROVED it unanimously.

Vice President Shuman presented the amount of university expenses related to personal services, resources and space provided to each of the DSOs:

Foundation - $2,573,320

MOCA - $1,089,631

TSI - $0

## Item 8 Annual Capital Outlay Plan for Fiscal Year 2019-2020

Vice President Shuman presented the Annual Capital Outlay Plan for Fiscal Year 2019-2020. Florida law requires each state university board of trustees to adopt a capital outlay budget for the upcoming year. This plan designates the proposed capital outlay expenditures by project from all fund sources. Also included in Senate Bill 190 is a change to carry forward accounts. Each university shall maintain 7% of its state operating budget in a carry forward reserve. The Board of Governors will review approve and amend each university’s spending plan, if necessary, in October of each year. Authorized expenditures in a carry forward spending plan may include a) commitment of funds to a public education outlay project for which an appropriation has been previously approved that requires additional funds to be completed, b) completion of a renovation, repair or maintenance project (up to $5 million) and replacement of a minor facility (not to exceed 10,000 sf and up to $2 million), c) completion of a remodeling or infrastructure project up to $10 million, and d) completion of a repair or replacement project necessary due to damage caused by a natural disaster for buildings included in the inventory. This annual capital outlay plan meets the new requirements for capital spending from carry forward

Trustee Hyde made a MOTION to approve the Annual Capital Outlay Plan for Fiscal Year 2019-2020. Trustee Bryan SECONDED the motion and the committee APPROVED the plan unanimously.

## Item 9 Update on Lease Extension with ADT

Vice President Shuman updated the committee on the lease extension for ADT. The University has negotiated a new five-year lease with ADT. The university will net approximately $4.5 million after five years.

## Item 10 Update on Operational Review of the Incident on February 11, 2019

Vice President Shuman provided the status of the recommendations from the incident on February 11, 2019. Several items have been completed with the rest in progress.

## Item 11 Report on Agreements for Goods and Services over $1.0 Million

Per the Presidential Delegation, all agreements for goods and services exceeding $1,000,000 requires approval by the Chair of the Finance and Facilities Committee. The

report will include the agreement approved to date and potential future agreements that will require approval.

### Vice President Shuman shared the approval of the Chair of the Finance & Facilities Committee for the marketing and recruiting of online programs. Following a competitive

## Item 11 Report on Agreements for Goods and Services over $1.0 Million

### solicitation process a new vendor has been selected at a cost of $550,000 for the first year and a possible 3-year renewal option.

## Item 12 Rating Agency Reviews

Vice President Shuman provided an update on the recent bond rating reviews from the three rating agencies, Moodys, S&P and Fitch. Moody’s completed their annual review and re-affirmed the A2 rating. In the past, S&P has rated the university an A on some bonds and A- on others. No changes are anticipated in the review currently taking place. Our current rating with Fitch is A+ but will probably be rated lower as they have changed their criteria. They are now including pension liability in their analysis.

## Item 13 Adjournment

Chair Tanzler adjourned the meeting at 12:14 pm.