#  MINUTES

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| **Members Present:** | John Gol (Chair), Jason Barrett, Mike Binder, John Grosso, Kevin Hyde (ex-officio), Paul McElroy, Steve Moore, Nik Patel  |
| **Members Absent:** | Chris Lazzara |
| **Item 1** | **Call to Order**Chair Gol recognized a quorum and called the meeting to order. |
| **Item 2** | Public Comment Chair Gol confirmed there were no requests for public comments.  |
| **Item 3** | **Consent Agenda**Chair Gol requested a motion to approve the items on the consent agenda. There was one item: the draft September 11, 2023, Finance and Facilities Committee Meeting Minutes.BOT Chair Hyde made a MOTION to APPROVE the consent agenda as presented. Trustee McElroy SECONDED the motion, and the committee unanimously APPROVED.  |
| **Item 4** | Annual Review of Bonuses for Fiscal Year 2023Vice President Bennett presented the annual bonuses paid in Fiscal Years 2022 and 2023, in accordance with the Florida Statute § 1012.978 and BOG Regulation 9.015. He stated the bonus data reflects the type of bonuses, funding sources and amounts that paid out over the last two fiscal years. The Compensation Policy (4.0110P) was included in the materials and details what is allowed and not allowed for bonus pay. Fiscal year 2022 paid 39 bonuses totaling just over $140,000, and fiscal year 2023 paid 77 bonuses for a total of $249,000. Vice President Bennett stated that many of the bonuses are paid out contractually and fluctuations can be seen year-to-year, especially on auxiliaries. Several auxiliaries have metrics and key performance indicators (KIP’s) associated with their performance and if those performances are met, associated bonuses will be paid, and in years they are not met, there is no bonus. President Limayem stated that as UNF rethinks recruitment efforts and accountability, we will see more performance-based bonuses. Most leadership roles have a bonus included in a contract for key metrics based on success. Trustee Binder asked if the bonus data is broken out by what the metrics are, and Vice President Bennett responded there is a detailed spreadsheet with that information. Trustee Patel made a MOTION to APPROVE. BOT Chair Hyde SECONDED the motion, and the committee unanimously APPROVED.  |
| **Item 5** | Reallocation of CITF fundsVice President Bennett presented the request to reallocate a portion of the current year CITF funds. Each year, the administration meets with Student Government and discusses projects that may be of interest to the student body as a whole and then brought to the Board for inclusion in the fixed capital outlay budget. Vice President Bennett stated there was not a priority recognized for the allocation of funding at the time of this past year’s discussions. Approximately $2.2M - $2.4M was put in the fixed capital outlay budget towards the new Student Services building, which is also a request for legislative funding. Since the initial discussions, Student Government and Athletics has requested to re-allocate $320,000 of that funding for the tennis complex. The request includes paving the existing tennis courts and turning one of them into two or three pickleball courts, which has become big for the students. The project would include fencing and lighting those areas. The re-allocation of these funds will not affect the existing project it is allocated for, and it will go to the Board of Governors staff for final approval. Trustee Grosso expressed his full support of the request and stated he walked through the tennis complex spaces and feels these funds are much needed. In addition to improving the athletics spaces, it is an important priority for UNF’s growing campus and a great opportunity for all students, faculty, and staff to utilize and enjoy the space. Athletics Director Nick Morrow added there are only two courts on the entire campus that serves both tennis and pickleball. Pickleball lines were recently added to the courts which opens more opportunities for the campus community. As Athletics looks to further collaborate with different departments and areas on campus, this initiative provides a great start and will beautify the tennis complex area. Trustee McElroy made a motion to APPROVE the reallocation of CITF Funds. Trustee Grosso SECONDED the motion, and the committee unanimously APPROVED.  |
| **Item 6** | Approval of New Dormitory CA ServicesThe East Ridge Honors Residence Hall change order was presented by Vice President Bennett. He stated there is no change to the existing contract amount for services, only an increase to the initial purchase order amount as different scopes of work is started. Due to the next scope of services being over $1M for the construction administration services in the next phase, committee approval is required to increase the PO. Associate Vice President John Hale stated tree clearing will begin in December and the project is ready to move forward. Trustee McElroy asked to clarify the total amount of the change order. Associate Vice President Hale confirmed a total of $1,000,036 will be added to the previously encumbered amount of $3.3M, bringing the total contract value on the PO to $4.3M Trustee McElroy stated it’s interesting that the committee would approve a $1M change order to a $3M+ contract that wasn’t approved by the committee. Vice President Bennett stated that contracts over $1M are sent to the committee chair for approval, and every $1M change order after that is brought to the full committee. This procedure was recently discussed, and the bylaws will be reviewed to propose a better process for approvals. Trustee McElroy made a motion to APPROVE the change order request. BOT Chair Hyde SECONDED the Motion, and the committee unanimously APPROVED.  |
| **Item 7** | Fiscal Year 2022-2023 Results: Draft Financial StatementsVice President Bennett reported on the draft financial statements for Fiscal Year 2022-2023 which is due to the State at the end of October. Historically, there have been no issues with the audit, and they have all come back clean. Report highlights were discussed, and the full financial statement was available in the materials. * There was an overall net position increase of $30.4M, resulting from an increase in assets and deferred outflows of $16.5M (2.3%), and a decrease in liabilities and deferred inflows of $13.9M (3%).
* Operating revenues decreased by $13.6M (9.5%) primarily due to the decrease in net tuition of $10.1M. Auxiliary operations increased by $1.8M.
* Operating expenses also decreased by $13.9M (4.2%), which moved up the net position. This is a result of a decrease in scholarships and fellowships as the federal COVID money was no longer flowing through.
* Capital assets increased by $16.7M net of depreciation and long-term debt decreased by $9.1M.

Vice President Bennett noted that as debt is paid down now, there will be a significant increase in long-term debt in the coming year.  |
| **Item 8** | Reports and RatiosVice President Bennett presented the following quarterly and annual financial reports:* Treasurer’s Report
	+ As of September 30, 2023, there was a net cash balance of $186M and investments of $187.5M
	+ Investment returns in the short term are ahead of the benchmarks, and the three-year returns are overall within benchmarks with some that are lower, but no reason for concern.
	+ Debt is at $109.4M, with an uptick forthcoming due to the housing project.
* Capital Projects and Change Orders Quarterly Report
	+ Many projects have been completed and more will be completed within this fiscal year.
	+ The Boathouse improvement project is complete, and it is back open and doing well.
	+ Associate Vice President Hale reported the Master Plan is required by statutes to be updated every five years and the search for a consultant planner is in process. The revision will take approximately one year, and plans are to present it at the Spring 2025 Board meeting.
* Budget Report
	+ The final E&G year-end actuals were reported at 99.1% of total projected revenues collected, with tuition and fees coming in just under projections at 97%.
	+ Expense totals were below 90% which left a balance to roll funds in to carry-forward for fiscal year 2024.
	+ The total auxiliary budget began with a $75M fund balance and ended at $71M. Most auxiliaries started using cash on hand this year.
* Ratios
	+ Ratios are calculated after the Financial Statement is submitted. A comparison to other universities will not be available until after the beginning of the year.
	+ The Current and Quick Ratios reflects the liquidity of current assets and current liabilities and UNF does very well on those measures. 2023 came in a little lower than previous years at 12.24, due to federal COVID money flowing through resulting in higher numbers and a slight distortion of cash balances for a couple of years.
	+ The Tuition Contribution Ratio calculates the tuition and fees revenue divided by the total operating expenses to determine what our reliance is on tuition to pay our bills. Each university has their own unique model, so this ratio is difficult to compare to other institutions.
	+ The Defensive Interval is another liquidity ratio measuring cash on hand and shows that UNF can pay bills for 134 days without any other funds coming in.
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| **Item 9** | **Review of Finance and Facilities Committee Annual Work Plan** Per the 2023-2026 Board of Trustee Action Plan for Continuing Performance Improvement, each committee developed an annual work plan based on the elements of the new strategic plan. Vice President Bennett stated the Finance and Facilities Workplan includes action items and information brought forth to the committee for approvals. The current plan shows items presented at the September meeting and those from the current meeting. The February meeting will include the Educational Plant Survey which will be an important piece, especially to the Master Plan.  |
| **Item 10** | Administration and Finance Update by Vice President BennettVice President Bennett gave an update on several Administration and Finance topics. * Bonds for the Honors Housing project were issued totaling $80.9M for a 30-year issuance at 5%. Construction will begin in December and is scheduled for completion in Fall 2025.
	+ Results from three rating agencies came back with all A’s.
* The search for the Assistant Vice President and Chief Human Resource Officer has concluded. Julian Carter will begin January 4, 2024. His previous experience includes: vice president at Tufts University; associate vice president at the University of Texas at Austin and at Louisville; he served as a commissioner of employee relations on the State of Minnesota Governor’s Cabinet; and he most recently worked at American University in Dubai.
* A Request for Proposal (RFP) will be issued in the next month for the next phase of an additional 1,000 bed housing project on foundation land.
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| **Item 11** | **Adjournment**Chair Gol adjourned the meeting at 1:18 pm. |