



FLORIDA POLYTECHNIC
UNIVERSITY

Board of Trustees Finance & Facilities Committee Meeting

Wednesday, May 22, 2019
9:15 AM – 11:00 AM

SUN 'n FUN Fly-In, 4175 Medulla Road, Lakeland, FL

Dial In Number: 240-454-0887 | Access Code: 640 724 241#

Frank Martin, Chair
Dr. Victoria Astley

Henry McCance, Vice-Chair
Rear Admiral Philip Dur

Bob Stork
Gary Wendt

AGENDA

- | | |
|---|---------------------|
| I. Call to Order | Frank Martin, Chair |
| II. Roll Call | Julie Ann Hudson |
| III. Public Comment | Frank Martin, Chair |
| IV. Approval of the March 13, 2019 Minutes
Action Required | Frank Martin, Chair |
| V. 2018-2020 Finance and Facilities Committee Work Plan Review | Frank Martin, Chair |
| VI. University and Foundation Financial Review | Mark Mroczkowski |
| VII. Anticipated Use of University Resources by the Foundation for 2019-20
Action Required | Mark Mroczkowski |
| VIII. Approval of Super Transportation of Florida, LLC Contract
Action Required | Mark Mroczkowski |
| IX. Review of Contracts over \$200,000 | Mark Mroczkowski |

- | | | |
|-------|---|---------------------|
| X. | <u>2019-20 University Operating and Capital Budgets</u>
<i>*Action Required*</i> | Mark Mroczkowski |
| XI. | <u>2019-20 Foundation Operating Budget</u>
<i>*Action Required*</i> | Mark Mroczkowski |
| XII. | <u>Applied Research Center (ARC) Update</u> | David Calhoun |
| XIII. | <u>Approval of Foundation Board New Appointment</u>
<i>*Action Required*</i>

1. Cindy Alexander | Bob Kennedy |
| XIV. | <u>Approval of Foundation Board Reappointments</u>
<i>*Action Required*</i>

1. Shelley Robinson
2. Seretha Tinsley | Bob Kennedy |
| XV. | Closing Remarks and Adjournment | Frank Martin, Chair |

Florida Polytechnic University
Board of Trustees

Finance & Facilities Committee Meeting

MEETINGS MINUTES

Wednesday, March 13, 2019

12:15 PM – 12:45 PM

Florida Polytechnic University, Admissions Building, 4700 Research Way, Lakeland, FL 33805-8531

I. Call to Order

Committee Chair Frank Martin called the Finance & Facilities Committee meeting to order at 12:34 p.m.

II. Roll Call

Julie Ann Hudson called the roll: Committee Chair Frank Martin, Committee Vice-Chair Henry McCance, Trustee Bob Stork, Trustee Jim Dewey, Trustee Philip Dur, and Trustee Gary Wendt were present (Quorum).

No other trustees were present.

Staff present: Provost Terry Parker, Mr. Mark Mroczkowski, Mr. David Blanton, Mr. Derek Horton, Mr. David Calhoun, Mrs. Kris Wharton, Mrs. Melaine Schmitz and Mrs. Julie Ann Hudson were present.

III. Public Comment

There were no requests received for public comment.

IV. Approval of the December 5, 2018 Minutes

Trustee Bob Stork made a motion to approve the Finance & Facilities Committee meeting minutes of December 5, 2018. Committee Vice-Chair Henry McCance seconded the motion; a vote was taken, and the motion passed unanimously.

V. 2018-2020 Finance and Facilities Committee Work Plan Review

The 2018 -2020 Finance and Facilities Committee Work Plan remains unchanged and no discussion occurred.

VI. Regulation FPU-1.007 Demonstrations

Mrs. Melaine Schmitz presented the proposed amendments to existing Regulation FPU-1.007 Demonstrations. This regulation is being substantially revised to reflect the provisions of the Campus Free Expression Act Section 1004.097, Florida Statutes. The regulation is being renamed to "Campus Free Expression". The regulation defines campus expression and describes the parameters placed on campus

expression to maintain the safe and normal operations of the University and the expressive rights of other parties. Specifically, the changes to the regulation are:

1. Defines campus expression, University grounds, and indoor areas;
2. Provides that persons may engage in campus expression on University grounds and indoors areas, however, indoor demonstrations, assemblies, events and other similar functions must follow the procedures in University Regulation FPU 1.003 Use of University Facilities and Property, and University Policy FPU-1.0038 Events on Campus;
3. Clarifies that campus expression cannot materially and substantially disrupt or interfere with the operations of the University and rights of others as the Act requires the disruption or interference to be material and substantial; and
4. Removes a provision requiring persons wanting to demonstrate on University grounds to notify the University at least 2 business days in advance if the demonstration will consist of more than 30 participants or will use sound amplification as this provision violates the freely, spontaneously, and contemporaneously provision of the Act.

The University does not have free speech zones, no revision regarding the prohibition of free speech zones is necessary.

The regulation was noticed on the University's website on February 10, 2019 and no comments were received.

Trustee Bob Stork made a motion to approve the proposed amendments to Regulation FPU-1.007 Demonstrations. Trustee Rear Admiral Phillip Dur seconded the motion; a vote was taken, and the motion passed unanimously.

VII. Financial Review

Mr. Mark Mroczkowski reviewed highlights from the 2018-2019 University Second Quarter Financial Review including updates to the University Financial Dashboard, University Q2 Budget, Foundation Financial Dashboard, and the Foundation Q2 Budget along with explanations on significant budget and year-over-year variances.

Mr. Mroczkowski shared the University's operations are stabilized and not experiencing large fluctuations. University carryforward, unrestricted and auxiliary fund balances grew by 28%, 7%, and 25% respectively. Growth in revenue and investments is significantly impacted by an \$8.2 million insurance recovery that will be used to repair the IST building. Expenses are up year-over-year largely due to faculty hiring and implementation of the student information system. Auxiliary funds experienced significant growth due to increased revenues incurred from new food venues. The University's composite financial index remains strong at 97%. The Foundation is performing poorly on key performance indicators and a Foundation revitalization is in process.

Trustee Gary Wendt initiated questions surrounding the Foundation Financial Dashboard and the \$587,542 University Support line item. The committee requested clarity regarding cash versus accrual and how much cash had actually been given to the University. As part of that discussion, trustees asked where the Foundation support is included in the University's financial statements. Mr. Mroczkowski explained the Foundation support is included in the University's tuition revenue line item because the support provided

by the Foundation is primarily intended to contribute towards student tuition.

Trustee Philip Dur asked for clarification on the University Q2 Budget Update, line item Tuition & Fees and the Foundation Financial Dashboard, line item University Support. For future meetings, a request was made by the committee to separate the line items and make clear the amount of financial support versus student tuition received from the Foundation. Mr. Mroczkowski agreed to provide such clarity in future reports.

VIII. Approval of Contracts Over \$500,000

There were no contracts exceeding \$500,000 presented for approval. Mr. Mroczkowski shared the Skanska quote for \$9.6 million will be presented for approval at the May meeting. This quote is to replace the pergolas damaged during Hurricane Irma in September 2017. A concern arose from the committee whether property insurance premiums would increase caused by the Hurricane Irma claims. Mr. Mroczkowski responded premiums from the state were reasonable but there is an expectation that premiums will rise.

A brief discussion took place on the cost differential between the Skanska quote for pergola repairs (\$9.6M) and the insurance recovery payment (\$8.2M). Committee Vice Chair Henry McCance asked if the difference of \$1.4 million would be covered by FEMA. Mr. Mroczkowski stated that a claim was in process with FEMA and that he was optimistic of recovery.

Trustee Bob Stork initiated a discussion regarding the selection process of Skanska for the pergola repairs. Mr. Mroczkowski added the insurance adjusters obtained quotes from additional companies, but such quotes were not comparable in that they used other materials and did not include engineering. He further offered that Skanska was selected as the sole source due to the unique nature of the building. Mr. David Calhoun elaborated Skanska is the only contractor that has the specific expertise required to complete the repairs of the pergolas without any potential negative impact on the existing building envelope and without voiding the warranty. Committee Chair Martin asked for clarification on the sole source process and if additional quotes were obtained. Mr. David O'Brien responded the State Department of Financial Services requested the additional quotes as part of their claims adjusting process which did not alter the validity of a sole source selection process.

IX. Review of Contracts over \$200,000

Mr. Mroczkowski reviewed the status of the Waybetter Marketing, Inc. contract. Waybetter Marketing, Inc. provides student recruitment services. The vendor is currently under contract with New College of Florida, ITN 111617SRS. This service will work as an extension of our admissions and marketing team. They collaborate and recruit potential students by assisting in the enrollment services process to ensure prospective students find their way to our doors. Expected spend for this contract is \$378,000 over a three-year term ending December 31, 2021.

X. Closing Remarks and Adjournment

With no further comments, the meeting adjourned at 1:05 p.m.

**Florida Polytechnic University
Finance & Facilities Committee
Work Plan 2018-2020**

September 5 , 2018	December 5. 2018	March 13, 2019	May 21-22, 2019
<ul style="list-style-type: none"> • University and Foundation Financial Update • Contract Review • Construction Update 	<ul style="list-style-type: none"> • University and Foundation Financial Update • Contract Review • Construction Update 	<ul style="list-style-type: none"> • Educational Plant Survey • University & Foundation Financial Update • Contract Review • Construction Update 	<ul style="list-style-type: none"> • 2018 Legislative Session Appropriations • 2019-2020 Legislative Budget Request (Operating and Fixed Capital Outlay) • 2019-2020 University Operating Budget • 2019-2020 Foundation Operating Budget • University & Foundation Financial Update • Contract Review • Construction Update
September 11, 2019	December 11, 2019	February, 2020	May, 2020
<ul style="list-style-type: none"> • University & Foundation Financial Update • Contract Review • Construction Update 	<ul style="list-style-type: none"> • University & Foundation Financial Update • Contract Review • Construction Update 	<ul style="list-style-type: none"> • University and Foundation Financial Update • Contract Review • Construction Update 	<ul style="list-style-type: none"> • 2019 Legislative Session Appropriations • 2020-2021 Legislative Budget Request (Operating and Fixed Capital Outlay) • 2020-2021 University Operating Budget • 2020-2021 Foundation Operating Budget • University & Foundation Financial Update • Contract Review • Construction Update
September, 2020	December, 2020		
<ul style="list-style-type: none"> • University and Foundation Financial Update • Contract Review • Construction Update 	<ul style="list-style-type: none"> • University and Foundation Financial Update • Contract Review • Construction Update 		

**Florida Polytechnic University
Board of Trustees
Finance and Facilities Committee
May 22, 2019**

Subject: University and Foundation Financial Review

Proposed Committee Action

No action required – information only.

Background Information

Mark Mroczkowski, Vice President and Chief Financial Officer will provide the Committee with an update of the following:

- 2018-2019 Third Quarter Financial Review
-

Supporting Documentation:

1. 2018-2019 Third Quarter Financial Review

Prepared by: Mark Mroczkowski, Vice President & CFO



FLORIDA POLYTECHNIC
UNIVERSITY

2018-2019
3rd Quarter Financial Review

Mark Mroczkowski



University Financial Dashboard

9 Months YOY Summary

Revenue	\$55,904,795	+17.19%
Expenses	\$47,446,661	+15.88%
Investments	\$57,321,223	+23.15%
Carryforward	\$30,784,318	+29.67%
Unrestricted	\$8,900,410	+6.61%
Auxiliaries	\$1,805,691	+4.96%
Net Position	\$204,835,935	+1.71%

Financial Ratios

Metric	University	Benchmark*
Primary Reserve Ratio	125.36%	40%
Net Income Ratio	15.13%	2-4%
Return on Net Assets	1.71%	3-4%
Viability Ratio	10,879.14%	125-200%

Florida Poly has enjoyed financial growth and has sustainable financial strength with a composite financial index score of 96.94 compared to the benchmark of 10. However, it is also important to note that we received revenue from an insurance recovery of approx. \$8.2mm this year for which we have not accrued the related expense. We anticipate this could reduce the CFI to 78.45.

*National Association of Colleges & University Business Officers (NACUBO) performance benchmarks

Outline

- Introduction
- **University Q3 Financial Review**
- **Foundation Q3 Financial Review**
- **Summary**



FLORIDAPOLY

University Q3 Budget Update

	FY 18-19 Budget	9 Months Budget 03/31/19	9 Months Actual 03/31/19	Budget Variance	9 Months Actual Prior Year	YOY Change
Summary of Sources						
Education & General (E&G)	37,180,747	27,885,560	27,952,825	0.24%	27,374,134	2.11%
Florida Industrial & Phosphate Research Institute (FIPR)	1,800,000	1,350,000	1,212,285	-10.20%	1,141,302	6.22%
Public Education Capital Outlay (PECO)	0	0	31,109	0.00%	2,015,725	0.00%
Educational Enhancement Trust Fund (Lottery)	290,790	218,093	218,093	0.00%	182,361	19.59%
Financial Aid	7,000,000	5,250,000	8,860,364	68.77%	7,838,668	13.03%
Tuition & Fees	3,124,429	2,343,322	2,129,048	-9.14%	2,100,157	1.38%
Activity & Service Fees	305,289	228,967	273,459	19.43%	300,809	-9.09%
Athletic Fees	244,644	183,483	220,739	20.30%	240,373	-8.17%
Health Fees	165,973	124,480	148,684	19.44%	163,239	-8.92%
Auxiliaries (Dining, Bookstore, Parking etc.)	4,664,672	3,498,504	5,367,855	53.43%	4,703,070	14.14%
Other Capital Construction	0	0	8,283,772	100.00%	404,760	1946.59%
Grants & Contracts	1,654,569	1,240,927	1,206,561	-2.77%	1,239,949	-2.69%
Total Revenue	56,431,113	42,323,335	55,904,794	32.09%	47,704,548	17.19%
Education & General (E&G) Carryforward	25,802,667	19,352,000	19,352,000	0.00%	4,244,330	355.95%
Florida Industrial & Phosphate Research Institute Trust Fund	1,145,111	858,833	858,833	0.00%	858,833	0.00%
Public Education Capital Outlay (PECO) Carryforward	7,000,000	5,250,000	5,250,000	0.00%	5,250,000	0.00%
Total Other	33,947,778	25,460,834	25,460,834	0.00%	10,353,164	145.92%
Total Sources	90,378,891	67,784,168	81,365,628	20.04%	58,057,711	40.15%
Summary of Uses						
	FY 18-19 Budget	9 Months Budget 03/31/19	9 Months Actual 03/31/19	Budget Variance	9 Months Actual Prior Year	YOY Change
Salary & Benefits	28,923,465	21,692,599	19,745,829	-8.97%	16,371,321	20.61%
Part-Time Employment (adjunct faculty, student workers etc.)	2,265,033	1,698,775	1,374,232	-19.10%	1,467,746	-6.37%
General Expense (instructional supplies, equipment, utilities etc.)	19,150,492	14,362,869	11,470,875	-20.14%	9,087,511	26.23%
Capital Projects	27,746,000	20,809,500	1,447,919	-93.04%	1,142,977	26.68%
Scholarships/Federal Aid	7,000,000	5,250,000	9,277,725	76.72%	9,087,602	2.09%
Depreciation/Other	5,293,901	3,970,426	4,130,081	4.02%	3,786,685	9.07%
Total Uses	90,378,891	67,784,168	47,446,661	-30.00%	40,943,842	15.88%



Variance Analysis

- **Significant Budget and YOY Variances (over 10%)**
 - FIPR severance tax was estimated at \$1.8mm and receipts are tracking 10.20% below budget, but 6.22% ahead of prior year-to-date.
 - Lottery YOY is up due to increased lottery funding from the state this year.
 - Financial aid is higher compared to budget and YOY due to more students taking advantage of federal aid.
 - Student fees are over budget due to increase in out-of-state fee waivers, which disproportionately waive more tuition than student fees.
 - Auxiliaries continue to grow. In addition, investment activity is included in auxiliaries and is also performing well. Combined they contributed to exceeding budget expectations as well as performance prior year.
 - Other capital construction includes \$8.2 million of new funds received from the State Department of Financial Services self-insurance fund as reimbursement for damages to IST suffered during Hurricane Irma.
 - ARC commitments increased budgeted uses of carryforward over the prior year by 356%.
 - Increased faculty hiring resulted in a 20.61% YOY increase in salary and benefits but is under budget by 8.97%. Part-time employment is down.
 - General expense is under budget for current year, but up 26.23% YOY due to overall growth, increased cost of sales in dining, and consultant expenses for implementation of the student information system.
 - Variance for capital projects is driven by the ARC construction timeline.

Outline

- Introduction
- University Q3 Financial Review
- **Foundation Q3 Financial Review**
- **Summary**



FLORIDAPOLY

Foundation Financial Dashboard

Accrual Basis As of March 31, 2019			Cash Basis As of March 31, 2019		
Revenue (donations, interest)	\$627,364	-53.26%	Revenue (donations, interest)	\$1,041,651	-43.03%
Operating Expenses (advocacy, events, travel, etc..)	\$431,202	-50.18%	Operating Expenses (advocacy, events, travel, etc..)	\$424,863	+24.34%
University Support (scholarships, salaries)	\$940,046	-40.50%	University Support (scholarships, salaries)	\$0	0%
Investments (TIAA)	\$5,852,414	+2.13%	Investments (TIAA)	\$5,852,414	+2.13%
Permanently Restricted Funds (endowments)	\$1,593,424	+1.29%	Permanently Restricted Funds (endowments)	\$1,359,759	1.51%
Temporarily Restricted Funds (scholarships, health informatics)	-\$4,540,352	+10.68%	Temporarily Restricted Funds (scholarships, health informatics)	\$3,849,816	-10.22%
Unrestricted Funds	\$1,108,130	-26.17%	Unrestricted Funds	\$1,447,961	-21.34%
Total Net Position	-\$1,838,798	-78.85%	Total Net Position	\$6,657,536	-10.85%



Variance Analysis

- **Significant Variances**

- Revenue on a cash basis is higher than an accrual basis for cash received against prior year donor commitments.
- Operating expenses on a cash basis are lower than an accrual basis because of unpaid obligations related to advocacy and PIVOT.
- University support on a cash basis is lower than an accrual basis because scholarships have not yet been remitted to the University and are subject to available cash.
- Temporarily restricted fund balance on a cash basis is higher than an accrual basis due to accrued scholarships pledges to the University. This is also the most significant factor in the net position variance.
- Unrestricted fund balance on a cash basis is higher than an accrual basis due to accounts payable.



Foundation Q3 Budget Update

	Revised FY 18-19 Budget	9 Months Budget 3/31/19	9 Months Actual 3/31/19	Budget Variance	9 Months Actual Prior Year	YOY Change
REVENUE						
Donations	1,053,981	790,486	758,396	-4.06%	1,619,620	-53.17%
Investment Income	364,784	273,588	277,392	1.39%	208,782	32.86%
Other Revenue	5,863	4,397	5,863	33.33%	0	0.00%
Total Revenue	1,424,628	1,068,471	1,041,651	-2.51%	1,828,402	-43.03%
EXPENSES						
Salary & Benefits	403,637	302,728	0	-100.00%	0	0.00%
General Expense	500,000	375,000	424,863	13.30%	341,684	24.34%
Scholarships	1,263,000	947,250	0	-100.00%	0	0.00%
Total Expenses	2,166,637	1,624,978	424,863	-73.85%	341,684	24.34%



Variance Analysis

- **Significant Budget Variances**

- We have not paid out scholarships and salaries due to the University. These will be paid later in the fiscal year.
- General expense is up 13.30% due to timing of PIVOT event.

- **Significant YOY Actual Variances**

- Donations to the Foundation are down significantly compared to prior year primarily due to a \$1mm donation made last year that was not received this year.
- Investments have out performed prior year and is currently yielding 5.96%.
- General expense is up due to PIVOT event.

- **Budget Revisions (approved by Foundation Board)**

- Budget revised to report on a cash basis to better see cash collections of donations
- The revised cash receipts budget for donations is composed of year to-date collections of \$654,000 plus collections of \$400,000 expected between now and fiscal year-end totaling \$1,053,981.
- The Foundation reduced its current year commitment to fund scholarships to \$650,000 and kept its prior year commitment of \$613,000 for a total of \$1,263,000.
- Salaries and other expenses have been reduced to compensate for revenue reductions.

Outline

- Introduction
- University Q3 Financial Review
- Foundation Q3 Financial Review
- **Summary**

Summary

- **University carryforward, unrestricted and auxiliary fund balances grew by 30%, 7% and 5%, respectively.**
- **University's composite financial index remains strong at 97%.**
- **The Foundation is working towards improving it's productivity.**

**Florida Polytechnic University
Board of Trustees
Finance & Facilities Committee
May 22, 2019**

Subject: Anticipated Use of University Resources by the Foundation

Proposed Action

Recommend approval of estimated University resources provided to the Foundation for the 2019-2020 fiscal year.

Background Information

The Board of Trustees must approve use of University personnel and facilities for Foundation use.

Supporting Documentation:

1. Anticipated Use of University Resources by the Foundation

Prepared by: Mark Mroczkowski, Vice President and CFO

**Anticipated Use of University Resources
by the Foundation
For the Fiscal Year Ending 6/30/20**

Staff Name	Title
Robert Kennedy	Director, Development
Kim Kennedy	Executive Asst to VP Advancement
Lidia Vigil	Events & Annual Giving Coordinator
Joel Helm	Assistant Director, Development
Alyson Barber	Assistant Director, Development
Ben Wagner	Assistant Director, Development
Jake Morrow	Database Analyst
Nick Abraham	Operations Coordinator (Development)
Kim Johnson (OPS)	Data Input Operator
Vacant	Associate VP
Vacant*	VP Advancement
Derek Horton	AVP, Fin & Admin/Foundation Treasurer
Regina Siewert	Director, Budget
John Sprenkle	Director, Finance & Accounting
Jill Hernandez	Assistant Director, Treasury Mgmt
Andrew Strazi	Director, Reporting & Analytics
Walter Mackoon	Accounting Coordinator
Larry Locke	Financial Analyst
Emily Gerrard	A/P Coordinator
Regina Delulio*	General Counsel

(A) Total Estimated Personal Service Costs	\$ 245,146.96
(B) Total Estimated Space and Property	<u>\$ 12,404.00</u>

Total Estimated Resources to be provided \$ **257,550.96**

(A) Based on anticipated effort ranging from 5 - 20 percent of total time.

(B) Based on square footage of office space at Poly South used.

* Foundation directly pays personal service costs for employee.

Source: Estimate prepared by University Accounting & Finance

**Florida Polytechnic University
Board of Trustees
Finance and Facilities Committee
May 22, 2019**

Subject: Approval of Super Transportation of Florida, LLC Contract

Proposed Committee Action

Recommend approval of Super Transportation of Florida LLC contract for a one year term, in the amount of \$558,008, to the Board of Trustees.

Background Information

- **Vendor:** Super Transportation of Florida LLC
- **Contract Type:** TransDev Services Inc., Student Transportation Services
- **Contract Dates (Original with Renewals):** Start 08/12/16 End 07/31/19
- **Contract Dates (Final Renewal):** Start 08/01/19 End 06/30/20
- **Contract Amounts:** Original \$418,002 Renewal \$140,000 New Amount \$558,008
- **Description of Services:** Super Transportation of Florida, LLC (TransDev), provides student transportation services through University owned shuttle.
- **Renewal Terms:** The agreement between TransDev and Florida Poly has one remaining renewal, August 1, 2019 – June 30, 2020, at \$140,000 for the fiscal year 2020, which would increase the total value of the contract to \$558,002. There are no further renewals available under this Agreement.
- **Selection Process:** Florida Poly entered into a Piggyback agreement with TransDev Services, Inc. on August 12, 2016, to provide on/off campus shuttle service for students. The Piggyback agreement was procured under the contract between the University of Central Florida's (UCF) and TransDev (formerly Veolia Transportation), competitively bid under RFP #1114ZCSA.
- **Additional Notes:**
 - The University currently owns the shuttle vehicle (valued at approximately \$25K); however, any expense for repair and maintenance of the shuttle as well as shuttle driver is provided by TransDev under the current agreement.
 - The shuttle service makes four scheduled off campus stops to three apartment complexes and Publix Plantation Square during each day of service.
 - Hours of operation during the fall and spring terms are typically 12 hours per day as requested by Academic Affairs. Summer hours are currently 6 hours per day.
 - Auxiliary Enterprises will activate an Activity/Event Monitoring Device to capture actual student ridership on the shuttle this fall 2019.
 - During FY20, student ridership will be tracked via activity/event monitoring device to capture true usage of shuttle. Data analysis based on ridership will be reviewed by stakeholders following the fall term as current and new modes of student transportation are considered for FY21 and beyond.
- **Desired Outcome:** As all contracts greater than or equal to \$500,000 must be approved by the Florida Polytechnic University Board of Trustees and this renewal now places the total

value over \$500,00, we request approval of the final contract renewal with TransDev Services, Inc. for the coming academic year 2019-2020.

Supporting Documentation:

1. Transdev Services Inc. – Third Amendment Renewal

Prepared by: Mark Mroczkowski, Vice President and CFO

THIRD AGREEMENT RENEWAL
Florida Polytechnic University
and
Transdev Services, Inc.

THIS THIRD AMENDMENT RENEWAL (“Amendment”) to agreement is effective August 1, 2019, and is made by and between The Florida Polytechnic University Board of Trustees, a public body corporate (“University”) and Transdev Services, Inc., a wholly owned subsidiary of Transdev North America, Inc. and sister to Super Shuttle International, Inc., Super Transportation of Florida, LLC, a Florida limited liability company and wholly owned subsidiary of Transdev North America, Inc. (“Contractor”).

WHEREAS, The Florida Polytechnic University Board of Trustees, entered into an agreement with Contractor on or about August 12, 2016 (the “Agreement”), to provide shuttle services for the University; and

WHEREAS, the parties wish to renew the Agreement for an additional one year period (“renewal period”).

NOW, THEREFORE, for and in consideration of the mutual promises contained herein, the parties agree as follows

1. The above recitals are true and correct and incorporated herein.
2. The Agreement is hereby renewed for the renewal period effective August 1, 2019 through June 30, 2020, based on the University of Central Florida and TransDev Services, Inc. contract end date of June 30, 2020.
3. The Contract Amount for the 2019-2020 fiscal year shall not exceed \$140,000.00 (based on 2019-2020 estimated hours at \$53.06 per hour inclusive of fuel). Rate for Transdev shuttle at \$70 per hour.
4. Total amount of contract shall not exceed \$558,002.00.
 - a. \$125,750.00 for term of 8/12/2016 – 7/31/2017.
 - b. \$157,000.00 for term of 8/1/2017 – 7/31/2018.

- c. \$135,252.00 for term of 8/1/2018 – 7/31/2019.
 - d. \$140,000.00 for term of 8/1/2019 – 6/30/2020.
5. All other terms and conditions of the Agreement, including any amendments thereto, shall remain in full force and effect to the extent they are not in conflict with this Third Agreement Renewal.

IN WITNESS WHEREOF, the parties have affixed their signatures, effective on the date first written above for Amendment No. 3 amending the Agreement with TransDev..

UNIVERSITY:

The Florida Polytechnic University
Board of Trustees

CONTRACTOR:

TransDev Services, Inc.

Signature

Signature

Print Name

Print Name

Date

Date

President on behalf of the
University Board of Trustees

Approved as to form and legality:

BY: _____
Dr. Randy Avent

BY: 

Florida Poly Attorney

DATE: _____

DATE: 5/6/19

**Florida Polytechnic University
Board of Trustees
Finance and Facilities Committee
May 22, 2019**

Subject: Review of Contracts over \$200,000

Proposed Committee Action

No action required – information only.

Background Information

1. Review and disclosure of new contracts over \$200,000 and less than \$500,000.
 - See supporting documentation **New Contracts \$200K - \$500K**
 - (a) NuPark by Passport
 - (b) Hall Arbery Gilligan Roberts and Shanlever LLP
 - (c) Higher One, Inc

 2. Report on existing and active procurement contracts in excess of \$200,000 with spend-to-date information.
 - See supporting documentation **Active Contracts in Excess of \$200K**
-

Supporting Documentation:

1. New Contracts \$200K - \$500K
2. Active Contracts in Excess of \$200,000

Prepared by: Mark Mroczkowski, Vice President and CFO

FLORIDA POLYTECHNIC UNIVERSITY

NEW CONTRACTS \$200K - \$500K

APPROXIMATE SPEND TO DATE

APRIL 2019

Vendor	Contract Type	Start Date	End Date	Original Amt	Revised Contract Amt	Spend
NuPark by Passport	University Parking Management System	3/28/2019	3/27/2026	\$215,100.00	N/A	\$0.00

NuPark by Passport is a University Parking Management System which will replace current manual processes with automation and integration into our current Workday ERP system. NuPark solution was compared with two other parking proposals submitted under RFQ 19-003, and was selected based on best value and best price. Contract was sourced under The National Cooperative Purchasing Alliance Administration (the "NCPAA") RFP #26-16 for Integrated Parking Management System. Five year contract with two 1-year renewals. Original amount referenced above includes all renewal periods.

Vendor	Contract Type	Start Date	End Date	Original Amt	Revised Contract Amt	Spend
Hall Arbery Gilligan Roberts and Shanlever LLP	Legal consultant for Office of General Counsel and Provost	7/1/2018	6/30/2019	\$100,000.00	\$340,000	\$262,718

Hall Arbery Gilligan Roberts and Shanlever LLP provide collective bargaining legal counsel. Contracted sourced under BOG Competitive Solicitation Exception 18.001(6)(d)(5). Original agreement was \$100,000; 1st Amendment increased contract amount to \$190,000 (10/24/2018); 2nd Amendment increased contract amount to \$300,000 (2/20/2019). One year contract with no renewals.

Vendor	Contract Type	Start Date	End Date	Original Amt	Revised Contract Amt	Spend
Higher One, Inc.	Cashiering functionality for the University	5/15/2018	5/14/2021	\$336,716.21	N/A	\$0.00

Higher One, Inc. (CashNet) solution provides cashiering functionality for the University with Workday interface (ERP System). CashNet was compared with another cashiering system and was selected based on best value and best price. Contract was sourced as a Shared Initiative Agreement through University of North Florida. Payments will begin at GoLive tentatively scheduled for June 2019. Three year contract with two 1-year renewals. Original amount referenced above includes all renewal periods.

**FLORIDA POLYTECHNIC UNIVERSITY
ACTIVE CONTRACTS IN EXCESS OF \$200,000
APRIL 2019**

Vendor	Contract Type	Start Date	End Date	Original Amt	Spend
Ardaman & Associates Inc.	Leaching Study - Water - Deep Injection Well	10/25/2016	no cost extension	\$234,839	\$78,000
Boring Business Systems, Inc.	Copier/Printer Service (Services/Lease)	6/19/2018	6/30/2023	\$315,630	\$44,968
Bright House Networks LLC	High Speed Communications Service	10/28/2013	10/27/2023	\$1,444,400	\$520,445
Clark Nikdel Inc.	Creative Services	7/1/2018	6/30/2023	\$1,500,000	\$528,764
Clarke Environmental Mosquito Management Inc.	Mosquito Control Services	7/1/2016	6/30/2021	\$222,915	\$112,519
Elliance, Inc.	Creative Services	3/19/2018	3/18/2023	\$375,000	\$10,000
Global University Systems (GUS)	International Student Recruitment (5 year)	12/6/2018	12/5/2023	\$3,047,682	\$0
Hall Arbery Gilligan Roberts and Shanlever LLP	Legal consultant for OGC's Office	7/1/2018	6/30/2019	\$340,000	\$262,718
Hellmuth Obata and Kassabaum Inc	HOK - Applied Research Center	10/1/2017	5/30/2022	\$2,762,795	\$1,094,508
Higher One, Inc. (CashNet)	Cashiering functionality for the University	5/15/2018	5/14/2021	\$336,716	\$0
Indie Atlantic LLC	Creative Services	7/1/2018	6/30/2023	\$375,000	\$52,250
International Business Machines Corporation	IBM Implementation Services - Workday Student	5/15/2017	12/31/2019	\$2,584,494	\$615,332
Lakeland Regional Medical Center	Student Health Care Services	8/20/2014	8/20/2019	\$275,000	\$269,774
Liberty Lawn Care LLC	Grounds Maintenance	1/28/2016	1/26/2020	\$2,317,965	\$1,434,767
NuPark by Passport	University Parking Management System	3/28/2019	3/27/2026	\$215,100.00	0
Potthast Studios, Inc.	Creative Services	4/24/2018	4/23/2020	\$375,000	\$13,338
Presidio Networked Solutions Inc	Cisco SmartNet; Network equipment repair and maintenance	12/15/2017	6/30/2019	\$274,633	\$274,633
SalesForce	Customer Relationship Management Software	10/1/2016	6/30/2019	\$338,131	\$250,274
Skanska USA Building Inc	Construction Manager for ARC Building/Preconstruction	7/1/2018	until work completed	\$310,000	\$32,000
Skanska USA Building Inc	IST Building Reconstruction	PENDING	PENDING	\$9,600,000	\$0
S3Media Group	Creative Services	3/20/2018	3/19/2020	\$375,000	\$0
Safari Micro	VMWare (Software/Hardware/Implementation)	7/16/2018	7/15/2021	\$376,752	\$15,785
Super Transportation of Florida LLC	TransDev Services Inc. - Student Transportation Services	8/12/2016	7/31/2019	\$418,022	\$348,888
Tinsley Creative	Creative Services	3/15/2018	3/14/2020	\$375,000	\$3,194
Tucker Hall Inc.	Creative Services	6/5/2014	6/4/2019	As budget allows	\$253,470
WFF Facility Services	Custodial Services	1/1/2019	2/15/2022	\$920,243	\$70,919
Workday Inc.	Workday Student (Subscription & Delivery Assurance)	7/29/2016	7/28/2021	\$1,371,867	\$566,056
Workday Inc.	Workday HCM & Finance (Subscription & Delivery Assurance Renewal)	4/30/2015	4/29/2021	\$2,132,537	\$1,797,549

NOTES

1. "As budget allows" means there was no firm fixed Total Value for the Agreement, only estimates based on budget availability.
2. Continuing Service Contracts for architectural, engineering, & construction services are based on multiple releases for minor projects and are limited to \$2 million

**Florida Polytechnic University
Board of Trustees
Finance and Facilities Committee
May 22, 2019**

Subject: 2019-20 University Operating and Capital Budgets

Proposed Committee Action

Recommend approval of the University Operating and Capital Budgets for the 2019-2020 fiscal year to the Board of Trustees.

Background Information

The Board of Governors requires that the University's fixed capital outlay, operating and carryforward budget information be approved by the Board of Trustees and provided to the Board of Governors who will be reviewing and approving each budget during its August 29, 2019 Board meeting. The President and the CFO in accordance with their fiduciary responsibility to the University must certify that the budgets are true and materially correct to the best of their knowledge. The President and the CFO must further certify that these budgets have been reviewed and approved by the board of trustees at its meeting held on May 22, 2019 and that funds will only be expended in accordance with the approved budget as well as all applicable Statutes, Board of Governors Regulations, and university regulations.

Supporting Documentation:

1. 2019-20 Operating, Capital, Carry Forward Budgets
2. 2019-20 Carry Forward Fund - Roll Forward Analysis – Missing Documentation
3. 2019-20 Budget Detail

Prepared by: Mark Mroczkowski, Vice President and CFO

House Public Integrity and Ethics Committee

Report of Investigation into Unauthorized Use of Appropriated Funds for Fixed Capital Outlay Projects

Recommendations to SUS Leadership

#1 - Capital Outlay Budgets must comply with statutory requirements showing all capital projects and the actual source of funds committed to each project.

Response - We have prepared our annual capital outlay budget for fiscal year 2019-20 using the Board of Governors format that is compliant with this recommendation.

#2 - Capital projects in excess of \$1 million in cost should not be undertaken before the President and General Counsel certify the actual source of all funds to be expended and that planning and funding conform to the Capital Outlay Budget, Capital Improvement Plan, Master Plan, applicable laws and regulations. Such certifications should be submitted to the Board of Trustees for information at the next scheduled meeting.

Response - The University did certify to this Board and the Board of Governors that, from April 20, 2012 (date of Florida Poly's inception) to November 2, 2018, the university has constructed seven new capital projects adding more than 10,000 gross square feet of space or exceeding \$2 million in cost. Pursuant to the recommendation, we will certify to this Board that Capital projects in excess of \$1 million in cost will not be undertaken before the President and General Counsel certify the actual source of all funds to be expended and that planning and funding conform to the Capital Outlay Budget, Capital Improvement Plan, Master Plan, applicable laws and regulations.

#3 - E&G funds should not be transferred or encumbered except as authorized in budgets and carryforward commitment lists approved by the Board of Trustees.

Response - All transfers and encumbrances are and will continue to be included within our board approved budget authority and carryforward commitment list.

#4 - All SUS leadership should jointly search for best practices in budgeting and accountability. Each Board of Trustees should adopt policies to ensure adherence to budget and planning laws and regulations.

Response - The University routinely reviews its business processes and policies to ensure we are leveraging best practices and to ensure we are adhering to all applicable laws and regulations.

#5 - University investment policies and accounting of investment shares of various university accounts should disclose the source and possible use of all funds commingled in investment programs. Care should be taken to avoid risking university reserves or endowments through internal allocation practices that are not fully accountable to the Board of Trustees.

Response - The University does track and disclose to management the sources and possible uses of all investment activity. This information is included in your board materials.

#6 - Internal loans should be fully disclosed and audited to ensure the safety and security of all funds, particularly E&G funds.

Response - We have no internal loans. However, in the event such actions are considered, we would ensure compliance with this recommendation.

#7 - Each SUS institution should foster a culture that respects and responds to Auditor General Audit Findings.

Response - The University has always respectfully responded to all findings of the Auditor General and has implemented all of their recommendations.

**Florida Polytechnic University
2019-20 Proposed Budget**

	Educational & General	Contracts & Grants	Auxiliaries	Local Funds	Total
<u>Receipts/Revenues</u>					
General Revenue	37,347,306				37,347,306
Lottery	363,360				363,360
Student Tuition	2,054,602				2,054,602
Phosphate Research	2,945,111				2,945,111
Other US Grants		472,500			472,500
Sales of Goods/Services			5,019,143		5,019,143
Fees				952,803	952,803
Concessions			35,000		35,000
Sub-Total	42,710,379	472,500	5,054,143	952,803	49,189,825
Transfers in	200,421			10,250,000	10,450,421
Total Receipts/Revenues	42,910,800	472,500	5,054,143	11,202,803	59,640,246
<u>Operating Expenditures</u>					
Salaries & Benefits	29,488,731		998,752	211,119	30,698,602
Other Personal Services	1,772,565		40,800	100,000	1,913,365
Expenses	8,654,393	472,500	3,953,945	702,330	13,783,168
Risk Management					-
Financial Aid	50,000			10,250,000	10,300,000
Phosphate Research	2,945,111				2,945,111
Total Operating Expenditures	42,910,800	472,500	4,993,497	11,263,449	59,640,246
<u>Non-Operating Expenditures</u>					
Fixed Capital Outlay					22,500,141
Carry Forward (from Prior Period)					8,010,778
Total Non-Operating Expenditures					30,510,919
Grand-Total Expenditures					90,151,165

Florida Polytechnic University			
		Operating Budget	
		BOT APPROVED	PROPOSED
		2018-19	2019-20
<u>Receipts/Revenues</u>			
<u>Education & General</u>			
General Revenue		37,180,747	37,347,306
Lottery		290,790	363,360
Student Tuition		2,659,113	2,054,602
Phosphate Research		2,744,690	2,945,111
<u>Contracts & Grants</u>			
Other US Grants		1,626,919	472,500
<u>Auxiliaries</u>			
Sales of Goods/Services		4,643,672	5,019,143
Concessions		21,000	35,000
<u>Local Funds</u>			
Fees		1,181,222	952,803
<u>Transfers</u>			
FIPR to General Revenue		200,421	200,421
Financial Aid		7,000,000	10,000,000
Other Unrestricted		27,650	250,000
<u>Total Receipts/Revenues</u>		57,576,224	59,640,246
<u>Operating Expenditures</u>			
<u>Education & General</u>			
Salaries & Benefits		26,475,028	29,488,731
Other Personal Services		1,884,741	1,772,565
Expenses		11,921,302	8,654,393
Financial Aid		50,000	50,000
Phosphate Research		2,945,111	2,945,111
<u>Contracts & Grants</u>			
Expenses		1,654,569	472,500
<u>Auxiliaries</u>			
Salaries & Benefits		836,982	998,752
Other Personal Services		26,520	40,800
Expenses		2,981,555	3,953,945
<u>Local Funds</u>			
Salaries & Benefits		146,107	211,119
Other Personal Services		149,760	100,000
Expenses		1,083,000	702,330
<u>Transfers</u>			
Financial Aid		7,000,000	10,000,000
Other Unrestricted		27,650	250,000
<u>Total Operating Expenditures</u>		57,182,325	59,640,246
<u>Non-Operating Expenditures</u>			
Fixed Capital Outlay		7,000,000	22,500,141
Carry Forward (from Prior Period)		26,196,567	8,010,778
<u>Total Non-Operating Expenditures</u>		33,196,567	30,510,919
GRAND-TOTAL		90,378,892	90,151,165

FISCAL YEAR 2019-20
ANNUAL CAPITAL OUTLAY BUDGET
AS OF 5-10-2019

PROJECT TITLE	FUNDING SOURCE	TOTAL PROJECT COST	AVAILABLE APPROVED BUDGET	ENCUMBRANCES	ACTIVITY TO DATE	BALANCE	FY 19/20 PROJECTED ADDITIONAL SPEND
Applied Research Center	Carryforward/PECO (a)	38,696,763	27,864,000	2,019,288	934,194	24,910,519	12,455,260
Auburndale Reclaimed Water Project	Carry Forward	2,000,000	2,000,000	600,000	150,000	1,250,000	300,000
Pergola Repair Project	Ins Reimb/Carry Forward (b)	9,557,855	9,557,855	0	0	9,557,855	9,557,855
Recreation Building	CITF	125,917	125,917	0	0	125,917	125,917
Misc Capital Project	CITF (Est 2020)	120,000	120,000	0	0	120,000	0
TOTALS		50,500,535	39,667,772	2,619,288	1,084,194	35,964,291	22,439,032
OTHER MINOR PROJECTS							
Rem, Ren, Maint, Rep & Site Improv	PECO	31,109	31,109	0	0	31,109	31,109
Rem, Ren, Maint, Rep & Site Improve	PECO (Est 2020)	30,000	30,000	0	0	30,000	30,000
Total Budget Request for FY 2019-20							22,500,141
(a) Includes \$7M of PECO funding - must be matched before used							
(b) Insurance Proceeds \$8.2M and \$1.4M from carry forward. Reimbursement expected from FEMA.							

Florida Polytechnic University		
Education and General		
2019-20 PROPOSED Operating Budget - Beginning Carryforward Fund Balance Composition		
April 2019		
	<u>University E&G</u>	<u>Special Unit or Campus (FIPR)</u>
A. Beginning E&G Carryforward Fund Balance - July 1, 2018 :		
Cash	\$ 412,289	\$ 97,196
Investments	\$ 29,903,103	\$ 7,049,536
Accounts Receivable	\$ -	\$ -
Less: Accounts Payable	\$ -	\$ -
Less: Deferred Fees	\$ -	\$ -
Beginning E&G Fund Balance Before Encumbrances :	\$ 30,315,392	\$ 7,146,732
B. Expenditures to Date :	\$ 1,810,103	\$ -
B2 Transfers out within the agency	\$ 22,864,000	
C. Encumbrances to Date :	\$ 766,913	\$ -
D. E&G Carryforward Fund Balance - as of April 30, 2019 :	\$ 4,874,375	\$ 7,146,732
D2 Estimated carry forward rolled over from FY 2018-19	\$ 5,587,626	
E. <u>Restricted / Contractual Obligations</u>		
7% Statutory Reserve Requirement	\$ 2,614,311	\$ -
Restricted By Appropriations	\$ -	\$ 7,146,732
University Board of Trustee Reserve Requirement	\$ -	\$ -
Restricted by Contractual Obligations:	\$ -	\$ -
Compliance Program Enhancements	\$ -	\$ -
Audit Program Enhancements	\$ -	\$ -
Campus Security and Safety Enhancements	\$ -	\$ -
Student Services, Enrollment, and Retention Efforts	\$ -	\$ -
Student Financial Aid	\$ -	\$ -
Faculty / Staff Instructional and Advising Support and Start-Up Funding	\$ -	\$ -
Faculty Research and Public Service Support and Start-Up Funding	\$ 250,000	\$ -
Library Resources	\$ -	\$ -
Infrastructure, Capital Renewal, Roofs, Renovation, Repair	\$ -	\$ -
Utilities	\$ -	\$ -
Information Technology (ERP, Equipment, etc.)	\$ 1,470,000	\$ -
Total Restricted Funds :	\$ 4,334,311	\$ 7,146,732
F. <u>Commitments</u>		
Compliance, Audit, and Security		
Compliance Program Enhancements	\$ -	\$ -
Audit Program Enhancements	\$ -	\$ -
Campus Security and Safety Enhancements	\$ -	\$ -
Academic and Student Affairs		
Student Services, Enrollment, and Retention Efforts	\$ -	\$ -
Student Financial Aid	\$ -	\$ -
Faculty / Staff Instructional and Advising Support and Start-Up Funding	\$ -	\$ -
Faculty Research and Public Service Support and Start-Up Funding	\$ -	\$ -
Library Resources	\$ -	\$ -
Facilities, Infrastructure, and Information Technology		
Infrastructure, Capital Renewal, Roofs, Renovation, Repair	\$ 1,400,000	\$ -
Utilities	\$ -	\$ -
Information Technology (ERP, Equipment, etc.)	\$ 2,276,467	\$ -
Total Commitments :	\$ 3,676,467	\$ -
TOTAL FY 2019-20 ESTIMATED EXPENSES	\$ 8,010,778	
G. ESTIMATED E&G Carryforward Balance as of June 30, 2020 :	\$ 2,451,223	\$ -

Florida Polytechnic University
 Carryforward Budget Roll Forward
 Fiscal Year 2018-19 to 2019-20

Project	Fiscal Year 18-19			Fiscal Year 19-20		
	BOT Approved Uses	Used, Transferred or Obligated	(Over) Under Budget	Proposed Increase (decrease)	Proposed Budget	
Statutory Reserve 5% now 7%	1,859,037	-	1,859,037	755,274	2,614,311	Increased by the 2019 State Legislature
Applied Research Center	20,864,000	20,864,000	-	-	-	Transferred to construction funds
Reclaimed and Redundant Water	2,000,000	2,000,000	-	-	-	Transferred to construction funds
Redundant Water Interconnect	100,000	100,000	-	-	-	Contract paid in full
IST Building Improvements	820,000	389,962	430,038	(430,038)	-	Equipment leasing reduced the cash outlay
Workday Enterprise	1,470,000	1,623,642	(153,642)	1,623,642	1,470,000	FIN, HCM, PLAN, SIS & Enterprise
IT Projects	316,667	-	316,667	1,859,800	2,176,467	Various IT projects, contracts and leases
Finance and Administration	150,000	147,643	2,357	97,643	100,000	Used for periodic consulting
Pergola repair	-	-	-	1,400,000	1,400,000	Costs to be paid in advance of FEMA recovery
Advanced Mobility Institute ("AMI")	-	-	-	350,000	350,000	Restricted non-recurring funds received in 18-19 not used
Total	27,579,704	25,125,247	2,454,457	5,656,321	8,110,778	

FLORIDA POLYTECHNIC UNIVERSITY
FY 2019-20 "ALL SOURCES" Operating Budget Request
 Budget Council Meeting of 5-3-19 Revised to tie to 2019-20 BOG Final Senate/House Budget

COST CENTER HIERARCHY	FY 2018-19 Operating Budget				FY 2019-20 Operating Budget Request				FY 2019-20 vs FY 2018-19 Increase %	
	Salary & Benefit	OPS	EXPENSE	TOTAL Operating Budget	Salary & Benefit	OPS	EXPENSE	TOTAL Operating Budget		
EDUCATIONAL & GENERAL (E&G)										
1 Board of Trustees	-	-	33,950	33,950	-	-	29,876	29,876	(4,074)	(12.0%)
2 TOTAL OF BOARD OF TRUSTEES	-	-	33,950	33,950	-	-	29,876	29,876	(4,074)	(12.0%)
3										
4 OFFICE OF PRESIDENT										
5 Office of the President	843,385	-	180,000	1,023,385	873,072	-	158,400	1,031,472	8,086	0.79%
6 Audit & Compliance	149,786	-	10,000	159,786	157,306	-	8,800	166,106	6,320	3.96%
7 Ombudsman	19,305	-	2,240	21,545	-	-	4,752	4,752	(16,793)	(77.94%)
8 Title IX	112,225	-	62,080	174,305	110,040	-	54,630	164,670	(9,635)	(5.53%)
9 TOTAL OFFICE OF THE PRESIDENT	1,124,702	-	254,320	1,379,022	1,140,418	-	226,582	1,367,000	(12,021)	(0.87%)
10										
11 ACADEMIC AFFAIRS DIVISION										
12 OFFICE OF THE EXEC. VICE PRESIDENT & PROVOST										
13 Office of the Provost Academic Affairs	4,872,766	1,167,800	720,275	6,760,841	6,480,687	1,213,800	534,457	8,228,944	1,468,103	21.71%
13a Graduate Program Growth -NR					500,000			500,000	500,000	
13b Advanced Mobility Research - NR					500,000			500,000	500,000	
14 College of Engineering	2,597,721	-	121,500	2,719,221	2,630,888	-	142,000	2,772,888	53,667	1.97%
15 College of Innovation & Technology	2,215,516	-	133,000	2,348,516	2,529,137	-	116,000	2,645,137	296,620	12.63%
16 General Education	1,832,719	-	111,000	1,943,719	1,826,536	-	131,500	1,958,036	14,317	0.74%
17 One-Time to IT and Central Admin	1,825,105			1,825,105					(1,825,105)	(100.00%)
18 Salary Increase__FACULTY__ to be transferred to CC 1003	140,076			140,076					(140,076)	
Sub-Total OFFICE OF THE EXEC. VICE PRESIDENT & PROVOST	13,483,903	1,167,800	1,085,775	15,737,478	14,467,247	1,213,800	923,957	16,605,004	867,526	5.51%
20										
21 ACADEMIC AFFAIRS - VICE PROVOST										
22 Registrar	415,989	34,020	101,517	551,526	420,698	32,573	111,105	564,375	12,849	2.33%
23 Institutional Effectiveness / SACS	515,508	12,000	152,810	680,318	499,831	12,000	134,340	646,171	(34,147)	(5.02%)
24 Academic Support Services	470,706	24,000	207,000	701,706	478,822	24,000	141,662	644,484	(57,222)	(8.15%)
25 Library	74,460	-	210,519	284,979	96,298	-	214,019	310,317	25,338	8.89%
26 Disabilities	-	-	26,000	26,000	-	-	26,000	26,000	0	0.00%
27 Career	17,696	-	58,000	75,696	19,159	-	56,538	75,697	1	0.00%
28 Sub-Total ACADEMIC SERVICES	1,494,359	70,020	755,846	2,320,225	1,514,807	68,573	683,664	2,267,044	(53,182)	(2.29%)
29										
30 ENROLLMENT & STUDENT DEVELOPMENT										
31 Enrollment Services	343,650	-	955,600	1,299,250	183,504	21,600	895,818	1,100,923	(198,327)	(15.26%)
32 Admissions	670,171	107,625	221,779	999,575	718,323	106,080	204,449	1,028,852	29,278	2.93%
33 International Students	78,713	36,180	72,000	186,893	80,121	36,180	70,500	186,801	(93)	(0.05%)
34 Financial Aid	374,182	10,400	76,500	461,082	403,954	10,400	46,729	461,083	1	0.00%
35 Student Development	239,919	27,360	114,080	381,359	384,781	27,360	111,580	523,721	142,362	37.33%
36 Sub-Total ENROLLMENT SERVICES	1,706,635	181,565	1,439,959	3,328,159	1,770,682	201,620	1,329,076	3,301,379	(26,780)	(0.80%)
37										
38 RESEARCH										
39 Industry Partnerships Entrepreneurship	176,098	30,000	58,300	264,398	214,653	30,000	15,800	260,453	(3,945)	(1.49%)
40 Grants & Contracts	176,442	-	25,000	201,442	175,344	-	26,000	201,344	(99)	(0.05%)
41 Research (Health Informatics)	335,284	100,000	7,000	442,284	421,656	100,000	13,000	534,656	92,372	20.89%
42 Advanced Mobility Institute (AMI)	246,000	54,000	200,000	500,000	-	-	-	-	(500,000)	(100.00%)
43 Research Program	-	50,000	20,000	70,000	-	-	-	-	(70,000)	(100.00%)
44 Applied Economic Analysis (FPLI)	43,418	-	31,582	75,000	74,000	1,000	-	75,000	(0)	0.00%
45 Sub-total RESEARCH	977,242	234,000	341,882	1,553,124	885,652	131,000	54,800	1,071,452	(481,671)	(0.31)
TOTAL DIVISION OF ACADEMIC AFFAIRS										
46 AFFAIRS	17,662,140	1,653,385	3,623,462	22,938,986	18,638,389	1,614,993	2,991,497	23,244,880	305,893	3.69%
47										
48 ADVANCEMENT DIVISION										
49 University Relations	793,212	-	1,099,520	1,892,732	747,270	-	967,578	1,714,848	(177,885)	(9.40%)
50 Government Affairs	171,380	-	20,000	191,380	174,583	-	17,600	192,183	803	0.42%
51 Development	1,020,751	41,472	187,080	1,249,303	1,057,356	41,472	164,630	1,263,458	14,155	1.13%
52 TOTAL ADVANCEMENT DIVISION	1,985,343	41,472	1,306,600	3,333,415	1,979,209	41,472	1,149,808	3,170,489	(162,927)	(4.89%)
53										
54 FINANCE & ADMINISTRATION										
55 Office of the CFO	302,318	41,040	13,760	357,118	371,823	-	12,109	383,932	26,813	7.51%
56 Central Administration	-	-	1,250,000	1,250,000	31,097	-	100,903	132,000	(1,118,000)	(89.44%)
57 One-Time from AA to Central Admin			(1,100,000)	(1,100,000)					1,100,000	
58 Risk Management	-	-	100,000	100,000	-	-	88,000	88,000	(12,000)	(12.00%)
59 Special Projects / ERP	364,471	-	820,080	1,184,551	368,462	7,344	721,671	1,097,477	(87,074)	(7.35%)
60 Facilities & Safety Services	681,690	-	2,370,733	3,052,423	742,465	-	2,086,245	2,828,710	(223,714)	(7.33%)
61 Environmental Health & Safety	131,727	-	83,000	214,727	139,736	-	73,040	212,776	(1,951)	(0.91%)
62 Public Safety & Police	864,029	-	125,105	989,134	894,916	-	110,092	1,005,008	15,874	1.60%
63 Human Resources	492,749	1,193	138,835	632,777	657,013	-	89,619	746,632	113,855	17.99%
64 Procurement	327,388	-	35,278	362,666	328,288	-	31,045	359,332	(3,334)	(0.92%)
Sub-total FINANCE & ADMINISTRATION	3,164,372	42,233	3,836,791	7,043,397	3,533,800	7,344	3,312,723	6,853,867	(189,530)	(2.69%)
66										
67 Finance & Accounting										
68 University Bursar Office	35,176	20,800	47,313	103,289	44,032	-	41,635	85,667	(17,622)	(17.06%)
69 Finance & Administration	469,091	-	76,080	545,171	495,558	-	66,950	562,508	17,337	3.18%
70 Budget	244,859	-	7,000	251,859	236,515	-	6,160	242,675	(9,184)	(3.65%)
71 Finance & Accounting	540,336	-	29,125	569,461	546,764	-	25,630	572,394	2,933	0.52%
72 Sub-Total FINANCE & ACCOUNTING	1,289,463	20,800	159,518	1,469,781	1,322,870	-	140,375	1,463,245	(6,536)	(0.44%)
73										

FLORIDA POLYTECHNIC UNIVERSITY
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COST CENTER HIERARCHY	FY 2018-19 Operating Budget				FY 2019-20 Operating Budget Request				FY 2019-20 vs FY 2018-19 Increase %	
	Salary & Benefit	OPS	EXPENSE	TOTAL Operating Budget	Salary & Benefit	OPS	EXPENSE	TOTAL Operating Budget		
74 TECHNOLOGY SERVICES										
75 Information Security	435,011	-	557,000	992,011	442,785	18,900	32,736	494,421	(497,590)	(50.16%)
76 Administrative Computing	1,029,215	-	187,900	1,217,115	828,865	-	35,640	864,505	(352,610)	(28.97%)
77 User Services	684,115	89,856	168,756	942,727	645,968	89,856	93,825	829,649	(113,078)	(11.99%)
78 Technology Services	347,296	-	554,500	901,796	353,832	-	74,360	428,192	(473,604)	(52.52%)
79 One-Time from AA to IT			(725,105)	(725,105)					725,105	(100.00%)
80 Sub-Total TECHNOLOGY SERVICES	2,495,637	89,856	743,051	3,328,544	2,271,450	108,756	236,561	2,616,767	(711,777)	(21.38%)
TOTAL FINANCE & ADMINISTRATION										
81 DIVISION	6,949,472	152,889	4,739,360	11,841,722	7,128,119	116,100	3,689,659	10,933,878	(907,843)	(7.67%)
82										
83 GENERAL COUNSEL DIVISION										
84 General Counsel	578,477	-	225,500	803,977	602,596	-	198,440	801,036	(2,941)	(0.37%)
85 TOTAL GENERAL COUNSEL DIVISION	578,477	-	225,500	803,977	602,596	-	198,440	801,036	(2,941)	(0.37%)
86 GR REDUCTION							(489,063)	(489,063)	(489,063)	
87 RESERVE							907,593	907,593	907,593	
TOTAL E&G	28,300,134	1,847,746	10,183,192	40,331,071	29,488,731	1,772,565	8,704,393	39,965,689	(365,383)	(0.91%)
FIPR	1,465,349	204,012	1,275,750	2,945,111	1,541,362	155,628	1,248,121	2,945,111	(1)	0.05%
STUDENT FEES										
87 Technology Fee			100,260	100,260			88,893	88,893	(11,367)	(11.34%)
88 Student Development -Orientation	-	-	91,375	91,375	-	-	60,000	60,000	(31,375)	(34.34%)
89 Student Development - Health Services	63,578	-	102,395	165,973	94,975	-	49,776	144,751	(21,222)	(12.79%)
Student Development - Student Government	-	-	305,289	305,289	-	-	266,245	266,245	(39,044)	(12.79%)
91 Student Development -Athletics	82,529	149,760	210,000	442,289	116,144	100,000	59,000	275,144	(167,145)	(37.79%)
92 Financial Aid Fee			129,411	129,411			95,901	95,901	(33,510)	(25.89%)
93 International Fee			5,000	5,000			4,000	4,000	(1,000)	(20.00%)
94 Late Fee Registration			-	-			1,983	1,983	1,983	
95 Application Fees			50,000	50,000					(50,000)	
96 Transcript Fee			4,270	4,270			4,570	4,570	300	7.03%
97 Capital Improvement Fee	-	-	85,000	85,000	-	-	71,962	71,962	(13,038)	(15.34%)
TOTAL STUDENT FEES	146,106	149,760	1,083,000	1,378,867	211,119	100,000	702,330	1,013,449	(365,418)	(26.50%)
AUXILIARIES										
Business Services										
98 Auxiliary: Bookstore	-	-	27,660	27,660	-	-	10,830	10,830	(16,830)	(60.85%)
99 Auxiliary: Campus Mail	-	-	600	600	-	-	26,500	26,500	25,900	4,316.67%
100 Auxiliary: Copy Center	8,840	-	1,160	10,000	31,097	20,000	116,790	167,887	157,887	1,578.87%
101 Auxiliary: Campus Dining	254,652	-	2,460,800	2,715,452	213,328	-	2,933,055	3,146,383	430,931	15.87%
102 Auxiliary: Parking & Transportation	117,308	17,680	122,300	257,288	110,636	20,800	315,392	446,828	189,541	73.67%
103 Auxiliary: Poly Card	-	-	4,000	4,000	-	-	28,090	28,090	24,090	602.25%
104 Auxiliary: Housing	-	-	112,756	112,756	-	-	119,521	119,521	6,765	6.00%
105 Auxiliary: Concessions	-	-	21,000	21,000	-	-	25,794	25,794	4,794	22.83%
106 Auxiliary: Rebates	-	-	-	-	-	-	12,720	12,720	12,720	
107 Sub-Total Business Services	380,800	17,680	2,750,276	3,148,756	355,061	40,800	3,588,692	3,984,554	835,798	26.54%
108 Finance Auxiliary	408,544	-	35,200	443,744	583,085	-	30,200	613,285	169,541	38.21%
109 Academic Support							4,000	4,000	4,000	
110 Safety & Police	56,478		22,129	78,607	60,606		32,860	93,466	14,859	18.90%
111 SGA Auxiliary							4,000	4,000	4,000	
112 Late Fees (Payment)			500	500			7,300	7,300	6,800	
113 Misc							25,000	25,000	25,000	
114 FIPR Auxiliary			173,450	173,450			261,893	261,893	88,443	50.99%
TOTAL AUXILIARIES	845,821	17,680	2,981,555	3,845,056	998,752	40,800	3,953,945	4,993,497	1,148,441	29.87%
CARRY FORWARD										
120 Advanced Mobility Institute (AMI)							250,000	250,000	250,000	
121 Special Projects / ERP			1,470,000	1,470,000			1,470,000	1,470,000	0	0.00%
122 Facilities & Planning Services			3,070,000	3,070,000					(3,070,000)	(100.00%)
123 Finance and Administration			100,000	100,000			100,000	100,000	0	0.00%
124 Technology Services			50,000	50,000					(50,000)	
125 User Services			292,667	292,667					(292,667)	
126 Central Administration - ARC/ Capital			19,354,227	19,354,227			1,400,000	1,400,000	(17,954,227)	(92.77%)
127 Central Administration							2,176,467	2,176,467	2,176,467	
128 FPU Mandated Reserve (5% & 7%)			1,859,672	1,859,672			2,614,311	2,614,311	754,639	40.58%
TOTAL CARRY FORWARD			26,196,566	26,196,566	-	-	8,010,778	8,010,778	(18,185,788)	-69.4%
OTHER UNRESTRICTED FUNDS			27,650	27,650			250,000	250,000	222,350	804.2%
CONTRACTS & GRANTS			1,654,569	1,654,569			472,500	472,500	(1,182,069)	-71.4%
FINANCIAL AID			7,000,000	7,000,000			10,000,000	10,000,000	3,000,000	42.9%
PECO/Capital Budget			7,000,000	7,000,000			37,237,002	37,237,002	30,237,002	
TOTAL BUDGETED EXPENSES ALL SOURCES										
130 Educational & General (E&G)	28,300,134	1,847,746	10,183,192	40,331,071	29,488,731	1,772,565	8,704,393	39,965,689	(365,383)	-0.9%
131 FIPR	1,465,349	204,012	1,275,750	2,945,111	1,541,362	155,628	1,248,121	2,945,111	(1)	0.0%
132 Student Fees	146,106	149,760	1,083,000	1,378,867	211,119	100,000	702,330	1,013,449	(365,418)	-26.5%
133 Auxiliaries	845,821	17,680	2,981,555	3,845,056	998,752	40,800	3,953,945	4,993,497	1,148,441	29.9%

FLORIDA POLYTECHNIC UNIVERSITY
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COST CENTER HIERARCHY	FY 2018-19 Operating Budget				FY 2019-20 Operating Budget Request				FY 2019-20 vs FY 2018-19 Increase %	
	Salary & Benefit	OPS	EXPENSE	TOTAL Operating Budget	Salary & Benefit	OPS	EXPENSE	TOTAL Operating Budget		
134 Carry Forward	-	-	26,196,566	26,196,566	-	-	8,010,778	8,010,778	(18,185,788)	-69.4%
135 Other Unrestricted Funds	0	-	27,650	27,650	-	-	250,000	250,000	222,350	804.2%
136 Contracts & Grants	0	-	1,654,569	1,654,569	-	-	472,500	472,500	(1,182,069)	-71.4%
137 Financial Aid	0	-	7,000,000	7,000,000	-	-	10,000,000	10,000,000	3,000,000	42.9%
138 PECO/Capital Budget	0	-	7,000,000	7,000,000	-	-	37,237,002	22,500,141	30,237,002	432.0%
TOTAL BUD EXP ALL SOURCES	30,757,411	2,219,198	57,402,282	90,378,891	32,239,963	2,068,993	70,579,069	90,151,164	14,509,134	16.1%

REVENUES/ALLOCATIONS		
139	Appropriation - Operating Funds	37,297,306
140	Lottery Funds	363,360
141	Need-Based Financial Aid	50,000
142	Tuition & Fees Trust Fund	2,054,602
143	FIPR Shared Services	200,421
Sub-Total State Allocation & Student Fee TF		39,965,689
144	FIPR	2,945,111
145	Student Fees	952,803
146	Auxilliaris	5,054,143
147	Carry Forward	8,010,778
148	Other Unrestricted	250,000
149	Contracts & Grants	472,500
150	Financial Aid	10,000,000
151	PECO/Capital Budget	22,500,141
TOTAL BUDGETED REVENUES		90,151,165

BUDGET SURPLUS OR (DEFICIT) ALL SOURCES	0
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**Florida Polytechnic University
Board of Trustees
Finance & Facilities Committee
May 22, 2019**

Subject: 2019-20 Foundation Operating Budget

Proposed Action

Recommend approval of The Florida Polytechnic University Foundation operating budget for the 2019-2020 fiscal year to the Board of Trustees.

Background Information

The Florida Polytechnic University Foundation, Inc. Board of Directors unanimously approved the 2019-20 Foundation Operating Budget as documented in the Foundation Board meeting minutes for April 5, 2019. The 2019-20 Foundation Operating Budget reflects 2019-budget revisions and the fiscal year 2020-proposed budget. This matter now comes before the Board of Trustees for final approval.

Supporting Documentation:

1. 2019-20 Foundation Operating Budget
2. Foundation Finance and Investment Committee Minutes 04.05.19 - Draft

Prepared by: Mark Mroczkowski, Vice President and CFO



FLORIDA POLYTECHNIC
UNIVERSITY

2019-2020
Foundation Operating Budget

Derek Horton



FY19-20 Operating Budget

					Converted to Cash Basis		
	FY 18-19 Budget	8 Months Budget 02/28/19	8 Months Actual 02/28/19	Budget Variance	8 Months Actual 02/28/19	Revised FY 18-19 Budget	Proposed FY 19-20 Budget
REVENUE							
Donations	2,197,795	1,465,197	390,839	-73.33%	672,503	1,053,981	1,283,111
Interest	0	0	81,014	0.00%	278,011	354,296	354,296
Other Revenue	0	0	5,863	0.00%	5,863	5,863	0
Total Revenue	2,197,795	1,465,197	477,716	-67.40%	956,377	1,414,140	1,637,407
EXPENSES							
Salary & Benefits	486,485	324,323	269,091	-17.03%	0	0	424,407
General Expense	711,310	474,207	321,529	-32.20%	270,665	500,000	500,000
Scholarships	1,000,000	666,667	645,528	-3.17%	0	1,263,000	713,000
Total Expenses	2,197,795	1,465,197	1,236,148	-15.63%	270,665	1,763,000	1,637,407



Action Items

- **Approval of FY19 Budget Revisions**
- **Approval of FY20 Budget Proposal**

Foundation Board Meeting Minutes

April 5, 2019

Florida Polytechnic University • Student Development Center

DRAFT

I. Call to Order

Chair, Ford Heacock, called the Foundation Board meeting to order at 11:54 a.m.

II. Roll Call

Kim Kennedy called the roll: Chair, Ford Heacock; Vice-Chair, Alice Hunt, Ralph Allen, Phillipa Greenberg, Jack Harrell, Rob Kincart, Joshua McCoy, Marlene O'Toole, Blake Paul, Shelley Robinson, Loretta Sanders, Donna Slyster, Vic Story and Seretha Tinsley were present.

Staff members present were: President Randy K. Avent, David Blanton, Gina Delulio, Derek Horton, Bob Kennedy, Maggie Mariucci, Laura Neff-Henderson and Dr. Terry Parker.

III. Public Comment

Kim Kennedy stated there were no requests received for public comment.

IV. Approval of Minutes

Donna Slyster made a motion to approve the minutes of the Florida Polytechnic University Foundation, Inc. meeting held of November 16, 2018. Shelley Robinson seconded the motion; a vote was taken, and the motion passed unanimously.

V. Presentation and Updates

A. Applied Research Center Presentation

David Calhoun, Assistant Vice President of Facilities and Safety Services, provided an update regarding the Applied Research Center.

B. President's Update

Dr. Avent reiterated a few of the statistics he presented during the recent PIVOT event as many of the Board were not present. He stated that in the last US Census the average salary in Florida was approximately 10% less than the average salary across the United States. Also, the average salary in Polk County is approximately 10% less than the average salary in Florida, and the average salary in Lakeland is approximately 10% less than the average salary in Polk County. Therefore, the average salary within Lakeland is approximately 30% less than the average salary across the United States, which equates to approximately \$15,000 less.

Dr. Avent stated much of the excitement around creating a new university was to create new jobs. He went further to state that creating good paying jobs will lead to the lower paying jobs which leads to jobs for everyone.

He stated the good news is when looking at rural counties across the nation, the average three-year growth in their GDT is approximately 7.3%. However, if a specific county happens to have a technical research institution in it, the three-year growth in GDT increases to approximately 25%.

Dr. Avent mentioned that if you look at a community such as where Michigan Technical University resides, which is in the Upper Peninsula and quite far from civilization, that community's three-year GDT growth rate is 28%. This is one of Florida Poly's peer universities. CalPoly, also one of our peer universities, has a GDT growth rate of approximately 22%. Therefore, there is huge potential for Florida Poly to have a big effect on growing the Polk County economy.

Dr. Avent then spoke about production cycles. In order to have a production cycle, you either create new knowledge or a new product. It then must be built, produced, commercialized, integrated and then maintained. Universities and colleges play a role in each of these areas.

He stated that individuals who create things must have a very strong background in theory. They must understand fields deeply. The educational goal of an institution that is trying to produce people that create is the focus on theory.

To build things, you must have strong foundational principles. There must be a strong understanding of the basics and then use those basics to build new devices.

For integration, you do not have to have a strong basis in theory, but must understand technology. You must be able to put components together to build something. This is more of a workforce focus. Lastly, to maintain something, the understanding of technology must also exist.

The degrees associated with these types of focus are:

- Maintenance – Associate Degree in Science – Creates technicians that can maintain a factory and keep it running
- Integration – Master of Science Degree in Engineering Technology
- Building things/understanding foundational principles – Bachelor Degree in Engineering or Professional Science Master Degree (like an MBA, but for engineers)
- Create things – PhD or traditional Master Degree in Engineering

One of the important things to focus on is the difference between theory (fundamental principles) and technology. Theory and fundamental principles are constant – never changing. Technology is continually changing.

Dr. Avent stated that 85% of the jobs that will exist in 2030 do not exist today. Those jobs cannot be taught because they do not currently exist. Therefore, when an educational institution teaches technology, it is a short term thing because that technology is going to change. What then occurs is the need to re-educate those people, and re-educate those people, etc. General Motors is a good example of this. Factories are being closed due to automation and now the workers are being displaced

and are going back to school in order to become retrained on the latest technology. But, if the focus is on fundamental principles and theory, then you can adapt to the needs of technology.

Dr. Avent mentioned Florida Poly intentionally walks a very thin line between teaching theory and fundamentals because that makes students life-time employable. This is done by providing our students with abstract problems and requiring them to work with others to come to a conclusion. Florida Poly also provides its students a steady stream of hands-on problems so they become accustomed to working on those problems, the solution to which cannot be found in a textbook.

Dr. Avent stated that currently Florida Poly falls in the Professional Science Master Degree category and that over time, will strengthen its degrees in this area and has already begun to do so.

He mentioned there are currently two types of polytechnic universities in the United States:

- New, emerging polytechnics (Purdue, Arizona State, NYU, etc.) – Their focus is workforce and accomplish this by offering a Bachelor of Science in Engineering Technology degree. Dr. Avent stated he feels a good portion of Polk County believes this is where Florida Poly falls. However, that is not correct. We are the second category which is...
- The top level (Worcester Poly, Rensselaer Poly, etc.). Florida Poly is trying to create new jobs and new industries and, therefore, a new economy.

Dr. Avent reiterated the first five years for Florida Poly were about existence. It was about getting the University up and running, achieving accreditation, and increasing the student body to 1300. Accreditation marked the end of that time period and the University is now moving from existence to excellence.

Dr. Avent also commented on two different types of conducting business: top down and bottom up (system pull or technology push). System pull indicates there is a problem and you must build something to fix the problem. Technology push is when you do something for the fun of it because you think it is interesting. What is known is that system pull (top down) is about productivity. It's about building something and you never get more out of it than what you thought. However, the bottom up approach is about creativity.

Currently, the University is trying to figure out how much emphasis to place on the top down philosophy versus attempting some long shot type of situation that could really put the University on the map.

Dr. Avent stated that as part of moving from existence to excellence in the faculty and student body and programs, Dr. Terry Parker has been working a great deal in these areas.

Where the Foundation is concerned, the University needs to continue to offer great scholarships in order to attract the best students. Dr. Avent stated Florida Poly does not have to be large, but has to be good.

Student SAT scores are continuing to rise, but this remains a challenge. Last year, the statistics in the state of Florida indicated 233,000 students took the SAT exam. Out of those students, 1810 students want the majors Florida Poly offers. Out of those 1,810 students, many want to go out of state to attend college. Therefore, we are trying to capture as many of the 1,810 students to remain in state and attend Florida Poly. One way to do that is by offering very good scholarships, which is done through a combination of fundraising and waivers.

Dr. Avent mentioned that over time the University will be going out of state more. The University received approval last year to have 10% of its student body be international. Such students help increase the overall quality of the student body because they tend to be very good students. The other reason this was done is because engineering is a very global field and our in-state students who have never been out of the state need to begin interacting with students and faculty from other states and countries thereby preparing them to function in the workforce.

Dr. Avent stated that last year Florida Poly had 350 graduates and approximately 80% of those graduates obtained jobs with a starting salary of \$50,000-\$70,000/year. In conclusion, our students are graduating and getting good paying jobs. The University expects approximately 200 graduates in May 2019.

When looking nationally, 68% of students that graduate with a Bachelor's Degree do so with debt. The average debt is approximately \$38,000. Because of the efforts of the Foundation providing scholarships, only 11% of our students graduate with debt and the average debt is \$7,000.

Dr. Avent mentioned the current legislative session is rather tumultuous. The Speaker of the House has stated publicly he believes universities are funded excessively and he wants to pull back a lot of that funding. We will not know until the end of the session what Florida Poly's funding will be. The House has proposed a cut of approximately \$5M which would be devastating. The Senate, on the other hand, has submitted a budget increase for Florida Poly, so we are hopeful for that.

Another issue is related to the Applied Research Center. The state has given the University \$7M toward this project. The University decided that because this is such an important building and extremely necessary in order to move the campus forward, most of its carryforward funds were added to that initial \$7M to get the funds to 75% in order to begin construction. That funding will build the shell and the University is hopeful to receive funding the next two years to complete the building.

Dr. Avent stated that although University of Central Florida is currently in the headlines due to the use of carryforward funds, they did so illegally. When Florida Poly was put into existence, part of the statute read that for brand new universities carryforward funds can be used for buildings for up to ten years. Therefore, we have done so legally.

Dr. Avent mentioned he is concerned about the ARC because right now not only has the House stated they will not provide Florida Poly any new funding, but they are also taking back the previously provided \$7M. He stated that every time we have the opportunity to voice support for Florida Poly with the legislators is a good thing. Therefore, he requested that any of the Directors who feel so inclined to please do so. He will provide the appropriate information to those who wish to contact legislators.

C. Provost's Update

Dr. Terry Parker provided the Board with an update.

1. Admissions and Financial Aid

There is a great deal of activity underway in order to have the same size class as the previous year. Early indicators are the quality of students is holding.

2. Student Services

There has been ongoing conversation regarding how the University supports mental health. The model has been changed utilizing a network health provider and Case Manager. That provided the University with scalability which basically allows the network provider's services to be scaled based upon student events and activities (i.e. finals week, etc.). The Case Manager is a non-clinician and, therefore, is free to provide certain information that is not protected by the things that come with clinical conversations.

The positive numbers speak for themselves. In 2016-17, the University provided services to 60 students with one on-site campus counselor. Through February 2019, 80 students were seen by an on-campus counselor, 146 students were supported by the Case Manager, and 59 students were referred to a counselor for services. Overall, the University is extremely pleased with this new model. We are providing more services to more students.

Dr. Parker reported another support system for students is Career Fair. This year there were 55 companies and 436 students involved. A second project that has just begun is The First 45 Day Project. This project brings together enrollment management, student services and first year curriculum. The goal is to better service and message integration.

He also mentioned that student success will be an increasing focus moving forward. The University's first three years were dominated by "opening pains". The second two years are implementations of academic quality standards. Now, moving forward, we have to focus on "total quality" (better integration across the curriculum and stronger student life experiences).

3. Four year graduation improvement plan

Dr. Parker stated he is hopeful to move the four-year graduation rate from the 30% range to 40%.

4. Degree Program Additions

Dr. Parker stated that within the Florida SUS, approval of new degrees requires several formal steps:

- We are currently developing three new degrees
 - Engineering Mathematics
 - Engineering Physics
 - Environmental Engineering
- Degree approval process
 - Initial development
 - Presentation to Council of Academic Vice Presidents for the SUS
 - Concept approval from the Board of Trustees (BOT)
 - Formal proposal development
 - BOT approval of formal proposal (received in mid-January)
 - Submission to Board of Governor’s staff
 - Addition to the Inventory of Degrees after acceptance of the proposal

5. Faculty Hiring

Dr. Parker reported the following faculty hiring status:

Department	Rank	No. of Openings	Forecast	Current Status
Computer Engineering	Assistant	3	2	Interviewing
Electrical Engineering	Assistant or Associate	3	2	Interviewing
DSBA	Assistant	1	1	Offer Out
DSBA	Professor	1	1	Done
Computer Science	Open Rank	4	3	Interviewing, Offer Out
Mechanical Engineering	Assistant or Associate	6	5	Hired 3 (on site), Interviewing
Environmental Engineering	Open Rank	3	1	Starting
Physics	Open Rank	2	2	Screening
Math	Open and instructor	4	3	Interviewing

6. ABET Accreditation Update

Dr. Parker provided the following regarding ABET accreditation:

- Seeking initial accreditation for:
 - Computer Science
 - Computer Engineering
 - Electrical Engineering
 - Mechanical Engineering

- Two site visits in October 2018
 - Prior to visit (August, September)
 - Significant effort to address Program Evaluator’s questions
 - Initial results positive
 - Lessons learned
 - Departments formed 11 months ago were critical
 - Summer space reconfiguration was critical
 - TEAM effort – Vice Provost Assessment and Instruction, Chairs, a few key faculty members
7. Hiring of a Director of Teaching and Learning
 Dr. Parker provided the following information regarding the hiring of a Director of Teaching and Learning:
- Director of Teaching and Learning should have a strong foundation in:
 - Pedagogy and research in learning
 - Instructional methods and design
 - Instructional technology as it supports active learning methods
 - Delivering faculty instructional development programs
 - Ability to facilitate and support faculty research in education
 - Our hire
 - Doug Holton, PhD Instructional Technology, MS Cognitive Psychology, Vanderbilt University
 - Faculty Developer, Valencia College, 2017-present
 - Associate Director, Center for Teaching and Learning Excellence, Embry-Riddle, 2012-2017
 - Assistant Professor, Department of Instr. Technology, Utah State University, 2007-2011
 - Co-PI on 3 NSF grants related to Science and Technology education, combined over \$400K
8. Discussion of slides from HOK
 Dr. Parker stated the following regarding HOK (architecture firm designing the Applied Research Center).
- Focused effort on integrating the IST and the ARC
 - The ARC is such a major addition to the Academic Campus that extra effort on how the buildings interact is required
 - The ARC must meet our planned academic needs through at minimum 2026.
 - Slides indicate the depth of planning required.

Rob Kincart asked if the addition of the ARC will allow the University to go after good grants (National Health Foundation, etc.). Dr. Parker stated the ARC will certainly help and that activity is already picking up.

Dr. Parker stated the following are the key messages:

- Admissions and Financial Aid
 - Forecast (lots of uncertainty) for down by ~5-10%
- Student services
 - Positive indicators for our change in mental health service model
 - Successful Career Fair
- Four year graduation plan
 - The importance of retention
- Degree Program Additions and Faculty Hiring
 - Status on degree approvals
 - Faculty hiring underway
 - ABET continues to look positive
- Student and Faculty Diversity
 - Student numbers the same, some success in faculty hiring
- Graduate Programs
 - No report
- Technology and Pedagogy
 - Hired a Director
- Strong space planning effort for IST and ARC
 - Will inform short term space needs for the campus

VI. Committee Reports

A. Finance and Investment Committee

Chair Heacock reported the Finance and Investment Committee unanimously approved the minutes of the Finance and Investment Committee meeting held on November 16, 2018.

The Committee also heard an informational update provided by TIAA.

Chair Heacock reported the Committee unanimously approved four items which now come before the full Board for final approval.

1. Approval of Foundation 2018-19 Budget Revision

Ralph Allen made a motion to approve the 2018-19 Foundation Budget Revision as presented. Donna Slyster seconded the motion; a vote was taken, and the motion passed unanimously.

2. Approval of the 2019-20 Foundation Budget

Donna Slyster made a motion to approve the Foundation 2019-20 Budget as presented. Vic Story seconded the motion; a vote was taken, and the motion passed unanimously.

3. Approval of the Endowment Distribution

Donna Slyster made a motion to approve the Endowment Distribution as presented. Alice Hunt seconded the motion; a vote was taken, and the motion passed unanimously.

4. Approval of Convergent Proposal

Marlene O'Toole made a motion to approve the Convergent proposal as presented. Donna Slyster seconded the motion; a vote was taken, and the motion passed unanimously.

B. Audit Committee

Chair Heacock reported the Audit Committee unanimously approved the minutes of the Audit Committee meeting held on April 6, 2018.

He also stated the Audit Committee received the 2017-2018 Foundation Audit presented by Mike Carter of CliftonLarsonAllen. The audit was unanimously approved as presented and is now being brought before the full Board for final approval.

Donna Slyster made a motion to approve the 2017-2018 Florida Polytechnic University Foundation, Inc. audit as presented. Phillipa Greenberg seconded the motion; a vote was taken, and the motion passed unanimously.

C. Development Committee

Committee Chair, Alice Hunt, reported the Development Committee unanimously approved the minutes of the Development Committee meeting held on November 16, 2018.

Additionally, Bob Kennedy provided a detailed fundraising report from the Development Department. Discussion also occurred regarding the hiring process for the new VP of Advancement, alumni, and Poly Fellows.

D. Policy and Governance Committee

Committee Chair, Blake Paul, reported the Policy and Governance Committee unanimously approved the minutes from the Policy and Governance Committee meeting held on November 16, 2018.

Additionally, the Committee unanimously approved three items which now come before the full Board for final approval.

1. Approval of Foundation Bylaw Revisions

Loretta Sanders made a motion to approve the Florida Polytechnic University Foundation, Inc. Bylaw revisions as presented. Marlene O'Toole seconded the motion; a vote was taken, and the motion passed unanimously.

2. Approval of Foundation Resolutions

Loretta Sanders made a motion to approve the establishment of a resolution to form two Advisory Boards: Foundation Advisory Board and Alumni Advisory Board. Rob Kincart seconded the motion; a vote was taken, and the motion passed unanimously.

3. Approval of Policy Revision – FPUF 2.01 – Gift Related Naming of Buildings and Facilities

Alice Hunt made a motion to approve the revisions to Foundation Policy FPUF 2.01 – Gift Related Naming of Buildings and Facilities as presented. Loretta Sanders seconded the motion; a vote was taken, and the motion passed unanimously.

E. Nomination Committee

Committee Chair, Donna Slyster, reported the Nomination Committee unanimously approved the minutes of the Nomination Committee meeting held on November 16, 2018.

Additionally, the Nomination Committee unanimously approved three items which now come before the full Board for approval.

1. Election of Foundation Board of Directors

Alice Hunt made a motion to approve Cindy Alexander to a two year term to the Florida Polytechnic University Foundation, Inc. Board of Directors. If approved, Cindy's name will go before the Board of Trustees for final confirmation during their next scheduled meeting. Seretha Tinsely seconded the motion; a vote was taken, and the motion passed unanimously.

2. Approval of Foundation Board of Directors Reappointments

Ralph Allen made a motion to reappoint Gregory Fancelli, Seretha Tinsley and Shelley Robinson to a two-year term to the Florida Polytechnic University Foundation, Inc. Board of Directors. If approved, their names will then be presented to the Board of Trustees for final approval at their next scheduled meeting. Marlene O'Toole seconded the motion; a vote was taken, and the motion passed unanimously.

3. Election of Foundation Board Officers

Donna Slyster made a motion to approve Alice Hunt as the Chair of the Florida Polytechnic University Foundation, Inc. Board of Directors and Jack Harrell as Vice Chair. Vic Story seconded the motion; a vote was taken, and the motion passed unanimously.

Dr. Avent then provided his approval of these Board Officers.

F. Future Dates and Events

Chair Heacock mentioned the following upcoming events:

- Foundation Board Meetings
 - August 23, 2019
 - November 22, 2019

- Upcoming Events
 - Main Events
 - ABLAZE Awards (annual staff/faculty awards)
 - Founder's Day Event – April 19, 2019

 - Poly Fellows
 - Event in Lakeland – April 23, 2019
 - Event in Winter Haven – May 8, 2019

 - Student Events
 - Game Expo – April 11, 2019
 - Capstone Project Presentations – April 24, 2019

With no further business to discuss, the Florida Polytechnic University, Inc. Foundation Board meeting adjourned at 12:57 p.m.

**Florida Polytechnic University
Board of Trustees
Finance and Facilities Committee
May 22, 2019**

Subject: Applied Research Center (ARC) Update

Proposed Committee Action

No action required – information only.

Background Information

Design, schedule, construction and budget update on the Applied Research Center.

Supporting Documentation:

1. Applied Research Center (ARC) Update

Prepared by: David Calhoun, Assistant Vice President of Facilities and Safety Services



**FLORIDA POLYTECHNIC
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Applied Research Center (ARC) Update

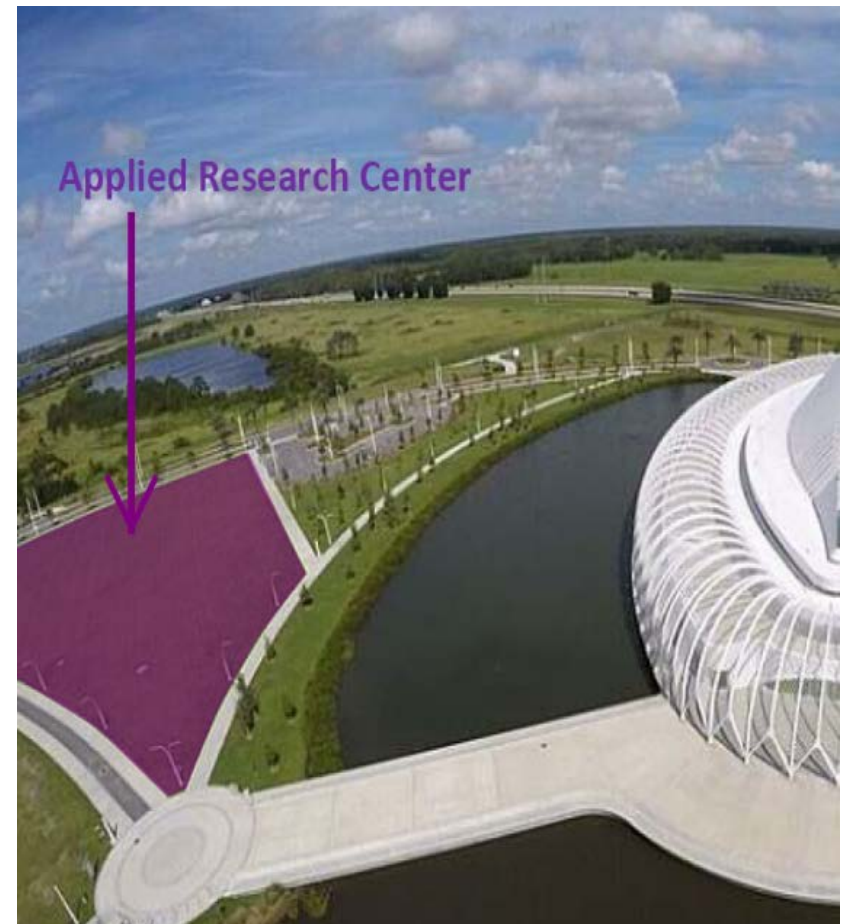
David Calhoun

May 22, 2019



ARC Overview

- **Total project budget (\$38.7M)**
- **Prior funding**
 - PECO funding 16-17 (\$5.0M)
 - PECO funding 17-18 (\$2.0M)
 - CF funding 16-17 (\$5.0M)
 - CF funding 18-19 (\$15.9M)
- **Estimated project cost remainder (\$10.8M)**
- **Projected PO&M (\$2.0M)**
- **Proposed completion date 08/2021**
- **Building size**
 - NAS (60,786)
 - GSF (85,100)

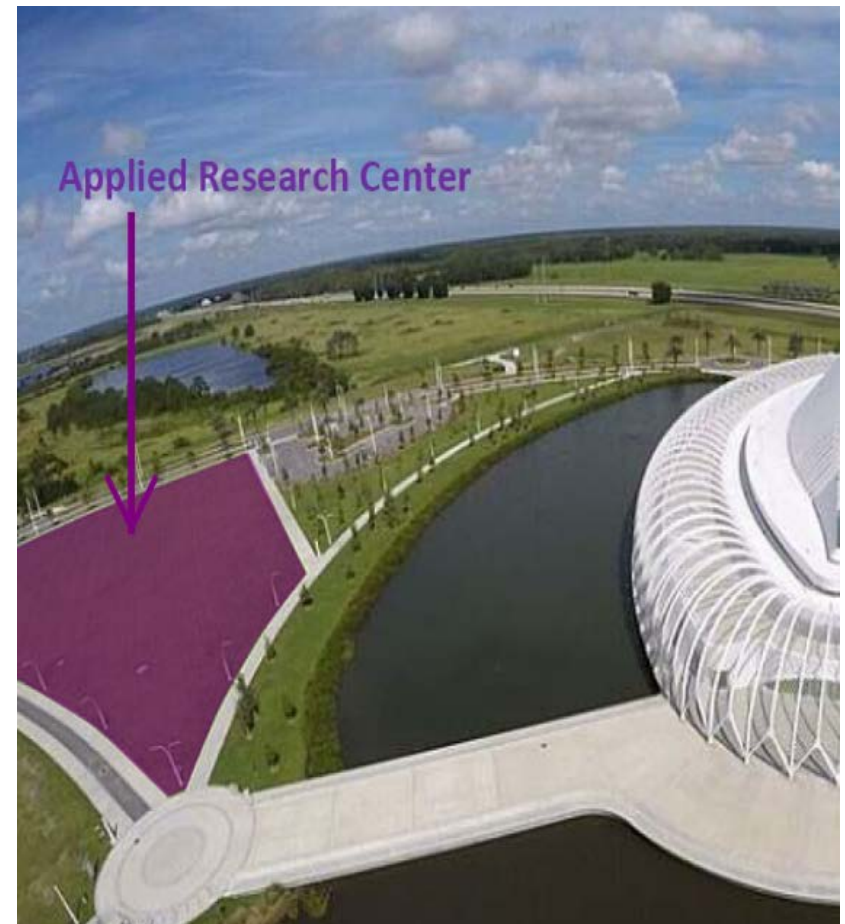


ARC Budget Update

- **Building Cost Estimates**
 - Schematic Design (9/18/18)
 - Revised Schematic Design (11/2/18)
 - Advanced Schematic Design (12/12/18)
- **Advanced Schematic Design Construction Estimate**
 - Current Estimate = \$36,565,169
 - Target Value = \$33,068,613
 - Above target value \$3,496,556
- **Concurrent IST/ARC Planning Effort**
 - In progress
 - Objective is to align both buildings with the Academic Mission.

Capital Improvement Plan

- **Current total project budget (\$38.7M)**
- **Funded to date**
 - PECO funding 16-17 (\$5.0M)
 - PECO funding 17-18 (\$2.0M)
 - CF funding 16-17 (\$5.0M)
 - CF funding 18-19 (\$15.9M)
- **Proposed new total project budget (\$40.6M)**
- **Projected PO&M (\$2.0M)**



LEED Design/Certification

- **Design LEED Silver (50-59 Points)**
 - Current LEED design status is 51 Points
- **Design LEED Gold (60-79 Points)**
 - Total possible points for the ARC is 64 Points

2			C	Credit 6	Interior Lighting	2
1		2	C	Credit 7	Daylight	3
1			C	Credit 8	Quality Views	1
	1		D	Credit 9	Acoustic Performance	1
12	1	3			16 Points Available	16
Innovation & Design Process						
1			C	Credit 1.1	Innovation in Design: Biophilic Design (Pilot Credit)	1
1			C	Credit 1.2	Innovation in Design: Exemplary Performance Low Emitting Materials	1
1			C	Credit 1.3	Innovation in Design: Design for Active Occupants	1
1			C	Credit 1.4	Innovation in Design: Education & Outreach	1
1			C	Credit 1.5	Innovation in Design: Low Mercury Lighting	1
1			D	Credit 2	LEED Accredited Professional	1
6	0	0			6 Points Available	6
Regional Priority						
1				Credit 1	Regional Priority: Heat Island	1
1				Credit 1	Regional Priority: Open Space	1
1				Credit 1	Regional Priority: Sensitive Land Protection	1
1				Credit 1	Regional Priority: Optimize Energy Performance	1
				Alternate	Regional Priority: Building Lifecycle Optimization	
				Alternate	Regional Priority: Surrounding Density & Diverse Uses	
4	0	0			4 Points Available	4
51	13	44		Total	Certified 40-49 points Silver 50-59 points Gold 60-79 points	110



Energy Lifecycle Cost



Facilities & Safety Services
 4700 Research Way
 Lakeland, FL 33805-8531
 863-874-8593 www.floridapoly.edu

Energy Lifecycle Cost Analysis Summary Form					
Date: March 27 2019		Project Architect: HOK Inc			
Project No.: PC55327		Mechanical Engineer: Affiliated Engineers (AEI)			
Project Name: ARC		Computer Program: Trane Trace			
Schemes:	Scheme Name:		Narrative:		
	A.	Standard VAV Reheat	District chilled water, heating hot water boiler HVAC system with single duct VAV chilled water air handler systems		
	B.	Active Chilled Beams	Same as A with active chilled beams for areas with high sensible load		
	C.	Fixed Plate Energy Recovery	Same as A with sensible and latent energy recovery integral to AHUs		
	D.	Demand Control Ventilation	CO2 and shut off VAV control in offices and classrooms.		
Attach continuation pages when needed.					
Building Parameters:		Prepared by:		Name: Jason Compton	
Thermal transmittance of exterior walls		U = .0843	Btuh/sq.ft - °F		
Thermal transmittance of roof		U = .0397	Btuh/sq.ft - °F		
Thermal transmittance of glazing		U = .26	Btuh/sq.ft - °F		Signature:
Glazing shade coefficient		SC=.3			Date: 2019/3/25
Building Area (Gross)		A =80000	Sq. Ft.		Phone:352.264.3000
Item	Energy Data (MBtu/sq.ft. - year)				
	(MBtu = Thousands or BTUs)				
	Scheme A	Scheme B	Scheme C	Scheme D	
Interior lights	800880	800880	800800	800880	
Heating Primary	485876	72232	438318	474918	
Cooling Primary	8429795	6944999	7861960	8240185	
Terminal Systems	1258147	660629	810440	1144548	
Other Uses *	1800754	1800754	1800754	1800754	
Total	12,775,452.00	10,279,494.00	11,712,272.00	12,461,285.00	
* List Other Uses: e.g., Hot Water Heating, Exhaust Fans, Elevators, Exterior Lights.					
Life Cycle		Cost Value (Present Value Dollars)			
Cost Item	Scheme A	Scheme B	Scheme C	Scheme D	
Initial Cost	0	405900	210000	11200	
Replacement Costs	0	8300	0	2600	
Energy Costs	7754984	6336248	6992786	7467750	
O&M Costs	272659	254642	0	48925	
Total for 25 Years	11681700	10650000	11221000	11459300	
Energy Cost/Year	\$ 211,889.00	\$ 173,462.00	\$ 192,257.00	\$ 207,201.00	

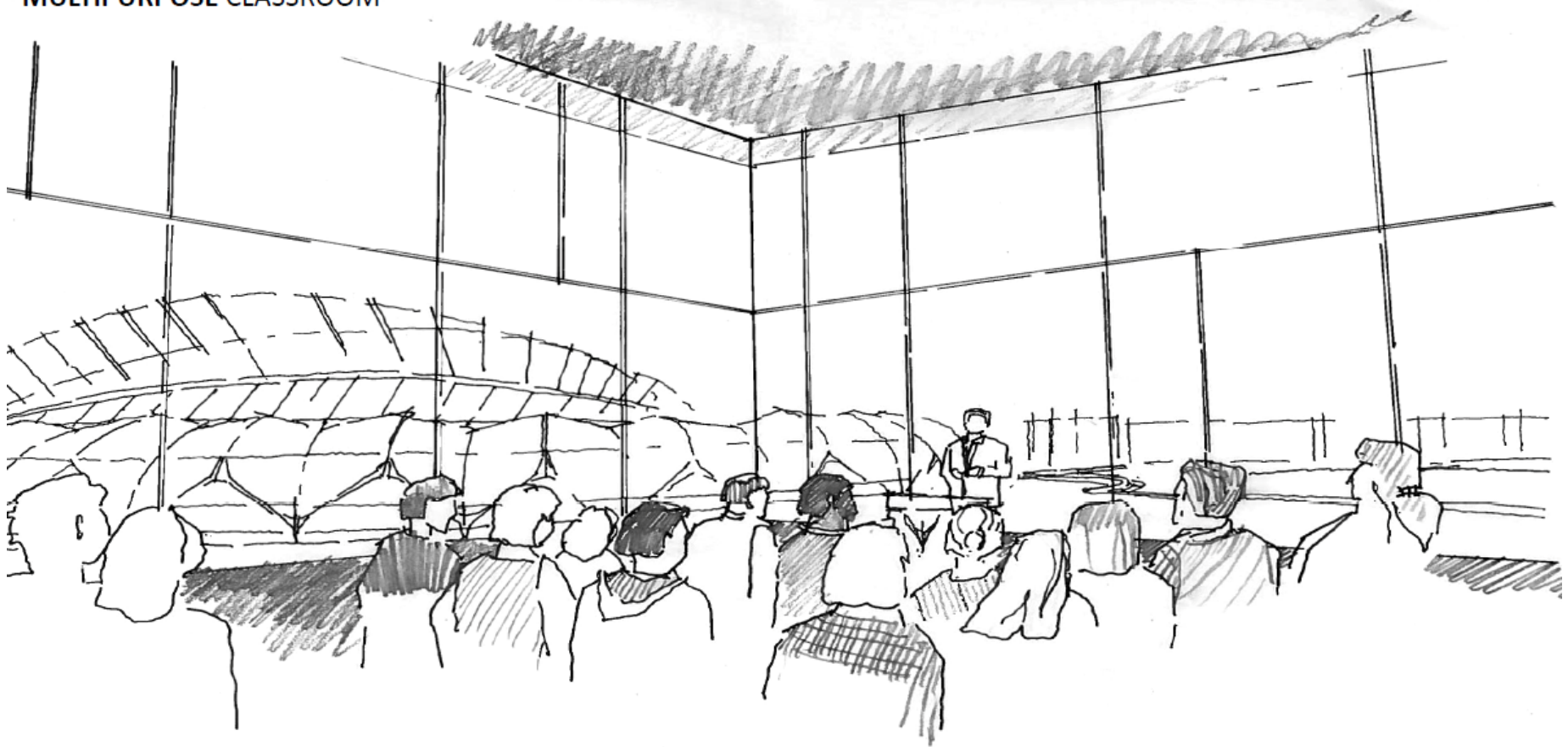
ARC Design





ARC Design

MULTIPURPOSE CLASSROOM



ARC Design



**Florida Polytechnic University
Finance and Facilities Committee
Board of Trustees
May 22, 2019**

Subject: Approval of Foundation Board New Appointment

Proposed Committee Action

Recommend approval to the Board of Trustees the following nominee to the Florida Polytechnic University Foundation, Inc. Board of Directors:

- Cindy Alexander (new two-year term)

Background Information

The Florida Polytechnic University Foundation, Inc. Board of Directors unanimously approved these nominees as documented in the Foundation Board meeting minutes for April 5, 2019. This matter now comes before the Board of Trustees for final approval.

Supporting Documentation:

1. BOT Nominee Alexander
2. Foundation Board Meeting Minutes 04.05.19 - Draft

Prepared by: Bob Kennedy, COO, Florida Polytechnic University Foundation, Inc.



FLORIDA POLYTECHNIC
UNIVERSITY

Approval of Foundation Board New Appointment

Bob Kennedy

22 May 2019

Foundation Board New Appointment

Cindy Alexander

Career Accomplishments

- Florida Polytechnic University; Associate VP of Advancement – 2015-2019
- United Way of Central Florida; Chief Operating Officer – 1988-2008
- Lake Wales Arts Council; Volunteer Executive Director – 2008-2010
- Hooker Barnes Development; Commercial Real Estate Marketing Director – 1984-1988



Advancement Leadership

- Florida Polytechnic University Foundation; Inaugural Board Chair – 2013-2015
- Bok Tower Gardens; Board of Directors – 2006 to present
- BayCare, Winter Haven Hospital; Board of Directors – 2009-2012
- Alexis de Tocqueville; Co-Chair – 2007-2010; Annual Campaign Chair – 2011 and Women's Leadership Council Executive Committee – 2011-2014
- All Saints Academy; Board of Trustees – 1999-2011

Foundation Board New Appointment

Additional Community Leadership Roles

- Leadership Orlando 2016
- Polk Leadership – Class 1
- Leadership Lakeland – Class VIII
- Volunteer of the Year Lake Wales 2012
- Mountain Lake Community Service Board – 2013 to present
- Women’s Resource Center Development, AFI Annual Gala Chair
- Central Florida Speech and Hearing Capital Campaign Committee
- Lake Wales Care Center Advisory Board, Foundation Board and volunteer
- Frostproof Care Center Strategic Planning Consultant
- Polk Museum of Art Board of Directors, Development and Strategic Planning Committees
- Winter Haven Hospital Foundation Board of Directors, Development Committee
- Polk State College Foundation Board of Directors
- Lake Wales School Search Committee for Foundation Executive, Bok Academy Advisory Committee for STEM advancement

Education

Agnes Scott College, Bachelor of Arts Mathematics; Bachelor of Arts Economics – Class of 1982

**Florida Polytechnic University
Finance and Facilities Committee
Board of Trustees
May 22, 2019**

Subject: Approval of Foundation Board Reappointments

Proposed Committee Action

Recommend approval to the Board of Trustees the following nominees to the Florida Polytechnic University Foundation, Inc. Board of Directors:

- Shelley Robinson (reappointment to two-year term)
- Seretha Tinsley (reappointment to two-year term)

Background Information

The Florida Polytechnic University Foundation, Inc. Board of Directors unanimously approved these nominees as documented in the Foundation Board meeting minutes for April 5, 2019. This matter now comes before the Board of Trustees for final approval.

Supporting Documentation:

1. BOT Reappointment Nominees
2. Foundation Board Meeting Minutes 04.05.19 - Draft

Prepared by: Bob Kennedy, COO, Florida Polytechnic University Foundation, Inc.



FLORIDA POLYTECHNIC
UNIVERSITY

Approval of Foundation Board Reappointments

Bob Kennedy

22 May 2019

Foundation Board Reappointment

Shelley Robinson

- Reappointment to two-year term

Seretha Tinsley

- Reappointment to two-year term