DRAFT MEETING MINUTES

Tuesday November 15, 2022
12:30 PM – 1:30 PM

Florida Polytechnic University
Applied Research Center

I. Call to Order

Committee Chair Beth Kigel called the Finance and Facilities Committee meeting to order at 12:30 p.m.

II. Roll Call

Kim Abels called the roll: Committee Chair Beth Kigel, Committee Vice-Chair Bob Stork, Trustee Melia Rodriguez, Trustee Gary Wendt, and Trustee Mark Bostick were present.

Other Board Members present: Board Chair Cliff Otto, Trustee Susan LeFrancois, Trustee Laine Powell, Trustee Narendra Kini and Trustee Lyn Stanfield were present.

Staff present: President Randy Avent, Provost Terry Parker, Dr. Allen Bottorff, Kathy Bowman, Mike Dieckmann, David Fugett, Penney Farley, David Blanton, David Calhoun, Larry Locke, Melaine Schmiz, Alex Landback, Maggie Mariucci, Lydia Guzman, Lauren Mariano, and Kristen Wharton.

III. Public Comment

There were no requests received for public comment.

IV. Approval of Minutes

Trustee Melia Rodriguez made a motion to approve the Finance and Facilities Committee meeting minutes of September 21, 2022. Trustee Bob Stork seconded the motion; a vote was taken, and the motion passed unanimously.

V. Finance and Facilities Committee Work Plan Review

Committee Chair Kigel reviewed the Finance and Facilities Committee Work plan. There was no discussion on this item.

VI. University Finance and Budget

Dr. Allen Bottorff, Vice President and Chief Financial Officer, presented the University’s financial results for the quarter ended September 30, 2022. He noted that the University started fiscal year 2023 strong with an increase of 8.27% over last year.

Salaries and benefits decreased 18.9% YOY for the University and are below budget by 36%. Vacancies remain open and the University experienced a heavier than normal transition period in July and August. Other Personnel Services (“OPS”) increased both YOY and against the budget supported by an increase in funded grants. Operating expenses
have increased 28.4% YOY due to increases in utilities, contractual services and professional development with travel but remain under budget by 20%.

The University continues to spend CARES funding on technology and technology infrastructure. The institutional portion will be spent by the Federal deadline of June 30, 2023, and the financial aid portion will be spent in full in the Spring 2023 semester.

The Education and General (E&G) and Capital Carryforward Plans are disbursing according to expectations.

Trustee Gary Wendt asked for more information on GASB 87, and Dr. Bottorff will send out more detailed information to the trustees.

Regarding the cash to current liability ratio of 930 to 1, Trustee Bob Stork inquired how low that ratio will go. Dr. Bottorff explained it may drop 200-250 points as the University moves forward with construction; however, it will never drop to two or three to one like other SUS institutions unless Florida Poly takes on substantial debt.

Dr. Bottorff reviewed the annual bad debt write-offs for student receivables. Per FPU Policy 7.0014P, the President has reviewed the aging report of write-offs and has approved a total amount of $4,225.25 for six (6) students. The terms of attendance include spring 2015 through fall 2017.

VII. Campus Facilities Update

David Calhoun, AVP Facilities and Safety Services, presented an update on campus construction projects:

- The Applied Research Center (ARC) is fully funded and operational. All remaining purchases have been procured, and the University is awaiting receipt.

- The Gary C. Wendt Engineering building is fully funded with carryforward funds. Three short-listed design-build firms are in the process of responding to the second phase of selection. A Request for Proposal (RFP) is scheduled for early December.

- In effort to maintain chilled water redundancy, the University is installing an additional 600-ton chiller and cooling tower. The project for the addition of the equipment is 50% complete and expected to be complete before the end of this fall.

- The Public Safety and Operations Center is a facility proposed to replace the leased trailers on campus. The University has engaged a Continuing Service Provider to help program the effort and provide Conceptual Designs for consideration. The facility will be a hardened amenity, equipped to support the Police, Emergency Management, IT, and Facilities Operations.

- Construction of International Flavors and Fragrances’ (IFF) new facility, located on the West side of the campus, has begun; current activities include site clearing and foundation work. A ground-breaking event was held in late October 2022 as a celebrating milestone on the project.

- Schematic and Design Development phases are complete for Student Housing III. The development partner is compiling estimates based on the latest design submissions to ensure the project remains in budget. Construction is estimated to start in Spring 2023.

Trustee Wendt questioned if the University bears any expenses with the IFF building. The answer was no, they are responsible for all expenses with no costs encumbered by the
University. Trustee Stork asked why the SUS did not ask that the building be two stories; Calhoun replied IFF did not request a second floor be built; however, that is an option in the future if the building reverts to the University at the end of the 30-year lease. Trustee Stork also questioned if there were plans for IT infrastructure improvement. Mike Dieckmann, VP and CIO responded that as part of the Campus Communication Center (CCC) improvements, the IT data center would also be improved.

VIII. Advancement and Foundation Update

A. Advancement & Foundation Report:

Kathy Bowman, VP Advancement, presented an update on the advancement department activities including stewardship, upcoming events, alumni relations, and foundation. She also stated the current Campaign is forecast to finish the fiscal year at $10 million dollars.

Trustee Susan LeFrancois asked if donors respond better to packaged giving opportunities such as naming opportunities. Bowman replied it is hard to raise unrestricted funds; donor like to give to programs, and naming opportunities will be the driver for the campaign.

B. Foundation F23 Q1 Financial Update

Larry Locke presented the Foundation’s FY23 first quarter financials. He also stated the University Foundation received a clean audit from the Auditor General. Trustee Wendt inquired how well the Foundation’s stocks performed this year. Locke responded nearly all stocks are in the negative due to current market conditions. Among the SUS, our Foundation’s stocks rank somewhere in the middle.

C. Foundation’s Actual Use of University Personnel and Property for FY22

The Board of Governors (BOG) requires each SUS institution to report on University employees who use time, pay, benefits, and space usage for its Direct Support Organization (DSO). Florida Polytechnic University Foundation, Inc. had University resource usage of $239,595.53 for FY22, and a space usage cost of $18,704.29, totaling $258,299.83. The usage amount approved by the Board of Trustees in April 2021 was $235,000.

IX. Closing Remarks and Adjournment

With no further business to discuss the meeting adjourned at 1:36 p.m.