



Finance & Facilities Committee Meeting Minutes

DRAFT MEETING MINUTES

September 21, 2023
8:30 AM – 11:00 AM

Florida Polytechnic University VIRTUAL VIA MICROSOFT TEAMS

I. Call to Order

Committee Chair Beth Kigel called the Finance and Facilities Committee meeting to order at 9:00 a.m.

II. Roll Call

Kristen Wharton called the roll: Committee Chair Beth Kigel, Committee Vice-Chair Lyn Stanfield, Trustee Melia Rodriguez, Trustee Gary Wendt, Trustee Ajeet Kaushik, and Trustee Mark Bostick were present.

Committee Members not present: N/A

Other Board Members present: Board Chair Cliff Otto, Trustee David Williams

Staff present: President Randy Avent, Provost Terry Parker, Dr. Allen Bottorff, Mike Dieckmann, David Fugett, Dr. Kathryn Miller, Penney Farley, David Blanton, Joel Helm, David Calhoun, Melaine Schmiz, Maggie Mariucci, and Kristen Wharton.

III. Public Comment

There were no requests received for public comment.

IV. Approval of the August 21, 2023 Minutes

Trustee Melia Rodriguez made a motion to approve the Finance and Facilities Committee meeting minutes of August 21, 2023. Trustee Ajeet Kaushik seconded the motion; a vote was taken, and the motion passed unanimously.

V. Finance and Facilities Committee Work Plan

Committee Chair Kigel reviewed revisions to the Finance and Facilities Committee Work Plan. There were no questions by the Committee.

Trustee Lyn Stanfield made a motion to approve the revisions to the Finance and Facilities Committee Work Plan. Trustee Melia Rodriguez seconded the motion; a vote was taken, and the motion passed unanimously.

VI. University Finance and Budget

A. University Annual Financial Report FY23 (Unaudited)

Dr. Allen Bottorff, Vice President and Chief Financial Officer, presented an update on the University FY23 Q4 financials showing an increase in net position of 3.8%. He reviewed the University's net position and year-over-year (YOY) variance. In reviewing the YOY, Trustee Gary Wendt asked for a breakdown of the \$7.1M in "other operating sources." Bottorff responded that \$5M comes from auxiliary services and \$2M comes from contracts and grants.

Trustee Wendt inquired if this report is cash or accrual-based accounting. Penney Farley, University Controller, stated the University operates on an accrual basis. Trustee Wendt requested more detail on cash flow in the future; staff stated it will be provided in future meetings.

Bottorff reported on budget-to-actual variances. Committee Chair Beth Kigel inquired about the changes to student tuition and fees; Farley explained two accounting treatments for these fees and how the direct method is the best method for Florida Poly as the University utilizes tuition waivers. It is a more accurate presentation of how the University handles tuition and fees.

Bottorff continued, reporting on the remaining \$19k in HEERF funds to be expensed, and the \$3.2M in ARP funds to be encumbered, followed by a report on education and general (E&G) and capital carryforward balances.

B. Student Housing System Update

Bottorff gave a brief re-cap on the student housing system. The next significant milestone is the opening of Residence Hall III in fall 2024. Currently, the project is on time and on budget.

Dr. Kathryn Miller, Vice Provost Student Affairs, provided additional detail on the programming of Residence Hall III. She also reported there are 554 students currently living in on-campus housing. Leasing for all three dorms for AY2025 will begin January 2024. Trustee Mark Bostick asked if there is a plan for Residence Hall I; Bottorff replied that it currently belongs to Vestcor who will continue to operate it.

C. Ellucian Contract

Bottorff and Mike Dieckmann, Vice President and Chief Information Officer, presented a lengthy report on the decision-making process for a new student information system (SIS) and the details of the contract for the Ellucian Banner system. As it is a significant investment of nearly \$7M, it requires Board of Trustees review and approval.

Committee Chair Kigel asked about one-time fees and annual license fees and if the University is able to use the program now. Dieckmann responded the implementation will be gradual, however, it is mostly a cut over to the new system; therefore, the University will run a duplicate system until the product is fully online in fall 2025. Paying license fees for a cloud service from the beginning of the contract is standard in the marketplace.

Trustee Melia Rodriguez made a motion to recommend to the Board of Trustees approval of seven-year contract for licensing and implementation of the Ellucian Banner student information system as a replacement for the University's current CAMS system, for the total contract cost of \$6,383,956. In addition, in order to provide flexibility during implementation, staff further recommends that the President be given authority to sign and approve change orders for unforeseen additional parts and/or services not to exceed \$525,000. Trustee Gary Wendt seconded the motion; a vote was taken, and the motion passed unanimously.

D. Annual Review of Contracts over \$1M

Bottorff reviewed the current contracts over \$1M. Trustee Wendt asked if there are any changes from last year's report. Bottorff replied only one change, which is the \$5M contract with Capstone.

E. FY24 University Carryforward Spending Plan and Fixed Capital Outlay Budget

Bottorff reported the University projects a \$14.5 million carryforward balance for FYE23. The University has committed those funds for non-recurring university operations and construction. He then reviewed detailed projected use of funds for the FY24 fixed capital outlay (FCO) budget. Committee Chair Kigel asked Bottorff to explain the changes in Florida Poly's ability to spend carryforward funds for building projects. Bottorff stated that up until June 30, 2023, the University was able to use any dollar amount of carryforward funds to supplement building projects. Now, while SUS institutions can spend carryforward dollars on building projects, they are limited to funding remodel and renovation of buildings that are 10k square feet or the cost less than \$4M.

Trustee Lyn Stanfield made a motion to recommend to the Board of Trustees approval of the fiscal year 2024 University Carryforward Spending Plan and Fixed Capital Outlay Budget. Trustee Melia Rodriguez seconded the motion; a vote was taken, and the motion passed unanimously.

VII. Advancement and Foundation

A. Advancement & Foundation Update

Joel Helm, Senior Director of Advancement, Major Gifts, gave the Advancement and Foundation update. He announced Advancement staff's goal of completing the Changemaker Campaign before President Avent retires in 2024. Trustee Wendt inquired about the "FL Poly Innovation Fund," to which Helm responded these are unrestricted funds.

B. Foundation Year-End Financial Report FY23 (Unaudited)

Helm continued by reviewing the Foundation's year-end financial report for FY23. Trustee Wendt inquired as to the Foundation's liabilities. Farley responded there is a pledge on the Foundation's financials, and while it is decreasing, it sits on the balance sheet as a liability.

C. Foundation's Actual Use of University Resources FY23

Helm reported the Foundation Inc. had actual resource usage cost for FY23 of \$231,477.38 and space usage cost of \$20,228.00, totaling \$251,705.38. The approved resources amount for FY23 was \$275,000.

D. Naming Opportunity

Helm shared that the Barnett family has been an ardent supporter of the University from its inception to the current day. This naming request is to honor and recognize their significant contributions exceeding \$10,000,000 to Florida Poly. Today's request is for approval to name the newest academic building opened on campus the Barnett Applied Research Center.

Trustee Mark Bostick made a motion to recommend to the Board of Trustees approval of the following naming opportunity ratified by the Florida Polytechnic

University Foundation Board of Directors on July 26, 2023: Barnett Applied Research Center. Trustee Gary Wendt seconded the motion; a vote was taken, and the motion passed unanimously.

VIII. University Facilities Planning, Design, and Construction

A. Campus Construction Update

David Calhoun provided an update on four campus construction projects: the Gary C. Wendt Engineering Building; the International Flavors and Fragrances (IFF) building; Residence Hall III; and the Public Safety and Campus Operations Center.

B. Gary C. Wendt Engineering Building Architectural Design Review

Calhoun introduced members from the CPPI group and DLR who presented the architectural design review for the Gary C. Wendt Engineering Building. Design and materials for both interior and exterior spaces were presented. Architectural elements for the building will be taken from both the IST building and the Applied Research Center (ARC) building.

IX. 2023 Florida Polytechnic University Equity Report

Michelle Disson, Title IX and ADA coordinator reviewed four areas that were identified for improvement, and reported four-year graduation rates, degrees awarded in 2021-2022, newly enrolled FTIC for fall 2022, and FTIC retention rates. Additionally, Disson reviewed changes from fall 2021 to fall 2022 in non-tenured faculty and senior-level administrative positions.

Trustee Gary Wendt made a motion to recommend approval of the 2023 Florida Polytechnic University Equity report to the Board of Trustees. Trustee Melia Rodriguez seconded the motion; a vote was taken, and the motion passed unanimously.

X. Closing Remarks and Adjournment

With no further business to discuss the meeting adjourned at 10:46 a.m.

Respectfully submitted:

Kristen J. Wharton
Corporate Secretary