



BOARD OF TRUSTEES

Finance and Facilities Committee **DRAFT** Meeting Minutes

November 7, 2024
10:30 A – 12:00 P

Florida Polytechnic University
Virtual via Microsoft Teams

I. Call to Order

Committee Chair Lyn Stanfield called the Finance and Facilities Committee meeting to order at 10:30 a.m.

II. Roll Call

Kristen Wharton called the roll: Committee Chair Lyn Stanfield, Trustee Ilya Shapiro, Trustee Patrick Hagen, Trustee Christos Tsetsekas, and Trustee Brad Towle were present (Quorum).

Committee members not present: Vice Chair Jesse Panuccio

Other Trustees Present: Board Chair Beth Kigel, Trustee Sidney Theis, and Trustee Dorian Abbot

Staff Present: President Devin Stephenson, Interim Provost Brad Thiessen, Dr. Allen Bottorff, David Fugett, Kathy Bowman, Jasmine Peterson, David Blanton, Mike Dieckmann, Penney Farley, David Calhoun, and Kristen Wharton

III. Public Comment

There were no requests received for public comment.

IV. Approval of September 06, 2024, Minutes

Trustee Patrick Hagen motioned to approve the Finance and Facilities Committee meeting minutes of September 6, 2024. Trustee Brad Towle seconded the motion; a vote was taken, and the motion passed unanimously.

VI. 2024-2026 Finance & Facilities Committee Work Plan

Committee Chair Stanfield stated that the Committee's Work Plan for 2024-2026 has been revised to align the Florida Poly Student Housing System Updates with the end of both fall and spring semesters. She opened the floor for discussion, however there were no questions or comments.

Trustee Ilya Shapiro motioned to recommend approval of the 2024-2026 Academic and Student Affairs Committee Work Plan. Trustee Brad Towle seconded the motion; a vote was taken, and the motion passed unanimously.

VI. University Finance and Budget

A. University FY24 Q4 Financial Update

Dr. Allen Bottorff began his report with a review of institutional ratios, followed by the University's net position for FY24 which ended with an 8.4% increase. Bottorff shared year-over-year (YOY) variances between FY23 and FY24, the FY24 budget-to-actual, and carryforward balances. He noted the 7% reserve required by state statute amounted to \$4.7M. The capital carryforward FY24 ending balance is \$17.8M.

B. University FY25 Q1 Financial Update

Bottorff reviewed institutional ratios, net position, YOY variances, budget-to-actual, and carryforward balances for the first quarter of FY25. University Controller Penney Farley provided answers regarding the accounting treatment of waivers for Trustee Brad Towle.

C. HES Facilities Management Contract - Custodial Services

Bottorff presented the \$2.1M five-year contract with HES Facilities Management (HES) for custodial services. The contract was put out for a national bid with HES coming in as the lowest qualified bidder.

Trustee Patrick Hagen motioned to recommend to the Board of Trustees approval of a five-year contract with HES Facilities Management (HES) for custodial services, with an option to renew for one additional five-year period, for a total five-year contract value of \$2,173,915.

In addition, the President, or his designee, will be given the authority to approve additional full-time employees, mutually agreed upon by the University and HES, at an annual rate of \$29,950 per employee to meet the University's growing needs. Trustee Brad Towle seconded the motion; a vote was taken, and the motion passed unanimously.

D. Florida Poly Student Housing System Update: Rate Reapproval

Bottorff provided an update on the Florida Poly Student Housing System, noting a scrivener's error in the agenda item and the pro forma provided to trustees in December 2022. The University is not changing the rates, only the designation of *when*.

Trustee Ilya Shapiro motioned to recommend to the Board of Trustees approval of the amended rental rate thresholds in the Florida Poly Student Housing System – from fiscal year (FY) to Fall of the indicated year. Trustee Christos Tsetsekas 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, AVP Facilities and Safety Services, provided updates on the following

construction projects: the Gary C. Wendt Engineering Building, Residence Hall III, Public Safety and Campus Operations Center, Parking Lot 5, the Residence Hall III Campus Shop, and the Student Achievement Center (SAC).

Trustee Patrick Hagen inquired if there are plans for additional parking on campus. Calhoun responded that a parking study has been done to identify additional areas suitable for parking; however, Bottorff added that vertical parking is ideal, yet costly. Trustee Towle asked where the University Police and the facilities management teams will relocate while the new Public Safety and Campus Operations Center is built. Calhoun replied that the Police will relocate to a different modular trailer while the facilities team will relocate on the first floor of Residence Hall III.

B. Residence Hall III Retail Space Remodel Project Approval

Calhoun requested trustee approval to construct a campus retail space in Residence Hall III not to exceed \$1.2M of auxiliary funds.

Trustee Brad Towle motioned to recommend to the Board of Trustees approval of and authorization for the President to sign instruments, documents, and contracts as necessary to effectuate the Residence Hall III Retail Space Remodel Project, to design, construct, and equip a campus store within a total budget not to exceed \$1,200,000 and using auxiliary enterprise funds. Trustee Christos Tsetsekas seconded the motion; a vote was taken, and the motion passed unanimously.

VIII. Advancement and Foundation

A. Advancement and Foundation Update

Kathy Bowman, Vice President, Advancement and CEO, University Foundation, provided an update on alumni relations, annual giving, the Corporate Impact Network, the Parent Network, scholarships, and giving societies.

B. Foundation Year-End Financial Report FY24 (audited)

Jasmine Peterson, Staff Accountant, presented the Foundation's audited FY24 financial report. Budget-to-actuals show a 5% increase in revenue; however, there was a 72% increase in expenses due to how the reporting on usage of University resources change in November of 2023. Net surplus for FY24 increased 40%.

Peterson then presented the FY24 statement of activities YOY which reveal a net deficit of -79% from FY23 YTD. This is due to a large seven-figure gift that was donated in FY23. The FY24 statement of financial position YOY shows fourth quarter total assets and total liabilities were down, while the ending fund balance was up 9.26% over FY23 YTD.

C. Foundation FY25 Q1 Financial Update

Peterson also presented the FY25 Q1 financial update, including the budget-to-actuals. Trustee Towle noted the downward trend in revenue and increase in expenses. Bowman responded that much of the reporting depends on the timing of receiving gifts, and that the numbers tend to level out as the year goes on. Peterson also reported on the statement of

activities YOY for Q1 and the statement of financial position YOY. The FY25 ending fund balance is up 11% over FY24 YTD.

IX. Closing Remarks and Adjournment

With no further business to discuss the meeting adjourned at 11:35 a.m.

Respectfully submitted:

Kristen J. Wharton
Corporate Secretary