

Florida Polytechnic University  
Board of Trustees  
Finance and Facilities Committee Meeting

**MEETING MINUTES**

Tuesday, May 22, 2018  
12:00 PM-2:00 PM

Joker Marchant Stadium, 2301 Lakeland Hills Blvd., Lakeland, FL 33805

I. Call to Order

Committee Chair Bob Stork called the Finance and Facilities Committee meeting to order at 12:05 p.m.

II. Roll Call

Kris Wharton called the roll: Committee Chair Bob Stork, Committee Vice Chair Henry McCance, Trustee Mark Bostick, Trustee Jim Dewey, Trustee Cliff Otto and Trustee Gary Wendt were present (Quorum).

Other trustees present: Chair Frank Martin, Trustee Don Wilson, Trustee Dick Hallion, Trustee Cliff Otto, Trustee Louis Saco, Trustee Adrienne Perry, and Trustee Travis Hills.

Staff present: President Randy Avent, Provost Terry Parker, Ms. Gina Delulio, Mr. Mark Mroczkowski, Mr. Kevin Aspegren, Mr. Rick Maxey, Mrs. Kris Wharton and Mrs. Maggie Mariucci were present.

III. Public Comment

There were no requests received for public comment.

IV. Approval of Minutes

**Trustee Mark Bostick made a motion to approve the Finance and Facilities Committee meeting minutes of February 28, 2018. Trustee Gary Wendt seconded the motion; a vote was taken, and the motion passed unanimously.**

V. 2016-18 Finance and Facilities Committee Work Plan Review

The 2016-2018 Work plan remains unchanged and no discussion occurred.

VI. ARC Funding Recommendation

President Randy Avent reviewed the SUS plant survey which shows Florida Poly has a significant unmet need in both research and office space. He reviewed the history of the Board of Trustees and Legislative actions toward funding the Applied Research Center (ARC). The state requires that 72% of funds be acquired before construction can begin. As Florida Poly did not receive any PECO funding this year to support the construction of the ARC, President Avent presented two options for the Board of Trustees

to consider: wait another year and request funding again in the 2019 legislative session, or use \$15.8M of the University's carry forward funds, which achieves the required 72%, and begin construction. Trustees discussed the advantages and disadvantages of both options. There is a potential for the state to sweep carry forward funds next year which gives a sense of urgency to this decision. The remaining \$10.8M needed to complete the building can be requested over the next two legislative sessions.

Mr. David Calhoun stated that using carry forward funds to begin construction enables the shell to be dried in and the mechanical components put in place. The additional \$10.8M is needed to put the equipment and furnishings in the building. Discussion also occurred on the benefit of increasing the building size by an additional 10,000 feet. This would require additional funds from carry forward which the Board did not find favorable.

**Trustee Gary Wendt made a motion to recommend approval to the Board of Trustees for an additional \$15.8M in carry forward funding be committed so ARC construction can begin immediately. Trustee Henry McCance seconded the motion; a vote was taken, and the motion passed unanimously.**

Mr. Calhoun reviewed the ARC construction schedule and projects an August 2021 completion date.

President Avent shared the University has been soliciting private donations as well as exploring non-traditional ways to pay for additional buildings.

#### VII. 2018-19 University Financial Review and Budget Approval

Mr. Mark Mroczkowski reviewed the financial dashboard and the Q3 budget update along with explanations on variances. He then reviewed the proposed University operating budget for 2018-2019.

**Trustee Cliff Otto made a motion to recommend approval of the 2018-2019 University Operating Budget to the Board of Trustees. Trustee Henry McCance seconded the motion; a vote was taken, and the motion passed unanimously.**

#### VIII. Contracts for Review and Approval

Mr. Mroczkowski presented one contract for Board approval: \$1.5M, 3-5 year contract with Clark Nikdel Powell (CNP) for PR and marketing services. University Relations and Admissions both utilize CNP's services. Trustee Bostick inquired if bids were obtained. Mr. Mroczkowski responded that an ITN was issued and contracts were awarded to several companies. The purpose of a multi-year contract is to allow for flexibility of University Relations and Admissions to obtain services as they need them. Chair Martin requested that in the future, that a narrative be provided explaining the details of the ITN. Some Trustees were concerned with approving the contract without knowing exactly how the funds will be spent, while other Trustees understood the need for ease of servicing staff needs as they arise.

**Trustee Gary Wendt made a motion to recommend approval of the Clark Nikdel Powell contract for \$1.5M to the Board of Trustees. Trustee Henry McCance seconded the motion; a vote was taken, and the motion passed with one dissenting vote.**

Mr. Mroczkowski reviewed the status on all existing purchasing contracts valued at over \$200k. There was no further discussion.

#### IX. Legislative Budget Request for 2019-2020

Dr. Terry Parker presented the four items in the Legislative Budget Request (LBR) operating budget for 2019-2020:

1. Graduate Program Growth: \$2.5M in recurring funds to support building a strong graduate program.
2. Three-Year Graduation Pathway: \$2.25M to support accelerated learning.
3. Outreach to Underserved Populations in Support of STEM Degrees: \$750k in recurring funds to provide summer STEM boot camps to underserved populations (in partnership with Polk State College).
4. Advanced Mobility Institute (AMI): \$3.5M in recurring funds to support continued operation of AMI.

Discussion occurred regarding the four items and how they align with state legislators' initiatives.

**Trustee Henry McCance made a motion to recommend approval of the Legislative Budget Request for the Operating Budget for 2019-2020 to the Board of Trustees. Trustee Gary Wendt seconded the motion; a vote was taken, and the motion passed unanimously.**

Mr. Calhoun reviewed the Capital Improvement Plan (CIP) for 2019-2020. The CIP includes funding requests for three buildings: the ARC, the Student Achievement Center (SAC), and a Faculty/Staff Office building. This year's proposed CIP focuses on the request for the remaining \$10.8M needed to complete construction of the ARC. The other two facility fund requests are staggered into future years.

**Trustee Cliff Otto made a motion to recommend approval of the Legislative Budget Request for the Capital Improvement Plan for 2019-2020 to the Board of Trustees. Trustee Henry McCance seconded the motion; a vote was taken, and the motion passed unanimously.**

#### X. Foundation Action Items

Mr. Kevin Aspegren reviewed the following four items for Committee approval:

1. Senate Bill 4 asks the Board of Trustees to take greater oversight of the Foundation Board. This includes approval and confirmation of Foundation Board members.

**Trustee Mark Bostick made a motion to recommend the Board of Trustees recognize and confirm the current Florida Polytechnic University Foundation, Inc. Board Members. Trustee Jim Dewey seconded the motion; a vote was taken, and the motion passed unanimously.**

2. The 2018-2019 Foundation Budget was approved by the Foundation Board on April 5, 2018. This budget includes a \$1M goal (not commitment) for scholarships.

**Trustee Henry McCance made a motion to recommend approval of the 2018-2019 Foundation Budget to the Board of Trustees. Trustee Jim Dewey seconded the motion; a vote was taken, and the motion passed unanimously.**

3. Four financial gifts were presented for approval:

- Chess Club Endowed Scholarship: \$26K
- Avent Family Endowed Scholarship: \$25K
- Boring Business Solutions Naming Opportunity: \$50K
- The Gidel Family Foundation Endowed President's Fund: \$100K

**Trustee Cliff Otto made a motion to recommend approval of the four financial gifts to the Board of Trustees. Trustee Henry McCance seconded the motion; a vote was taken, and the motion passed unanimously.**

XI. Consideration and Approval of Anticipated Use of University Resources for 2018-2019

David Blanton shared that state auditors are asking university boards to recognize and approve the resources that the university provides to the foundation.

**Trustee Cliff Otto made a motion to recommend approval of estimated resources of \$232,885 to be provided to the Florida Polytechnic University Foundation for the 2018-19 fiscal year to the Board of Trustees. Trustee Henry McCance seconded the motion; a vote was taken, and the motion passed unanimously.**

XII. Closing Remarks and Adjournment

With no further comments, the meeting adjourned at 1:59 p.m.