

**Florida Polytechnic University
Board of Trustees
Finance & Facilities Committee Meeting**

MEETING MINUTES

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

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

I. Call to Order

Committee Chair Frank Martin called the Finance & Facilities Committee meeting to order at 09:45 a.m.

II. Roll Call

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

Other trustees present: Chair Don Wilson, Vice Chair Otto, Trustee Perry, Trustee Perez, Trustee Saco, Trustee Hallion, and Trustee Bostick.

Staff present: Provost Terry Parker, Mr. Mark Mroczkowski, Mrs. Regina Deiulio, Mr. David Blanton, Mr. Derek Horton, Mr. John Sprenkle, Mr. David Calhoun, Mr. David O'Brien, Mr. Ben Beachy, Mr. Rick Maxey, Mrs. Maggie Mariucci, Mrs. Kris Wharton, Mr. David Brunell, Mr. Bob Kennedy, Ms. Michele Rush, Mrs. Kimberly Abels, and Mrs. Julie Ann Hudson were present.

III. Public Comment

There were no requests received for public comment.

IV. Approval of the March 13, 2019 Minutes

Trustee Bob Stork made a motion to approve the Finance & Facilities Committee meeting minutes of March 13, 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. University and Foundation Financial Reviews

Mr. Mark Mroczkowski presented the 2018-2019 Third Quarter Financial Review of the University's and the Foundation's financial results for the quarter ended March 31, 2019.

Mr. Mroczkowski shared the University continues to enjoy a strong financial position and liquidity; and operations are consistent with the prior year with no significant budget variances. University carryforward, unrestricted and auxiliary fund balances grew by 30%, 7% and 5%, respectively. University's composite financial index remains strong at 97%.

Mr. Mroczkowski stated the University Foundation has not performed well this year. Budgeted revenues have been reduced to \$1.4 million for the current fiscal. The Foundation is working towards improving it's productivity.

VII. Anticipated Use of University Resources by the Foundation for 2019-20

Mr. Mark Mroczkowski reviewed the estimate of University resources to be provided to the Foundation for the 2019-2020 Fiscal Year. Mr. Mroczkowski stated the Board of Trustees must approve use of University personnel and facilities for Foundation use.

Committee Chair Frank Martin requested future reports providing the anticipated use of University Resources identify employees serving full time vs part time. Mr. Mroczkowski responded they would provide that information as well as a report reflecting actual costs after the fiscal year closes.

Trustee Bob Stork made a motion to approve the request for \$257,551 in estimated resources to be provided to the Foundation for the 2019-2020 Fiscal Year. Trustee Victoria Astley seconded the motion; a vote was taken, and the motion passed unanimously.

VIII. Approval of Contracts Over \$500,000

Mr. Mark Mroczkowski presented one new (renewal) contract \$500,000 to the committee for board approval. Super Transportation of Florida LLC. This vendor provides student transportation services using the University owned shuttle. 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 increase the total value of the contract from \$418,000 to \$558,002. There are no further renewals available under this agreement.

Trustee Bob Stork made a motion to approve the Super Transportation of Florida renewal contract at \$140,000 for the Fiscal Year 2020, increasing the total value of the contract from \$418,000 to \$558,002. Vice Chair Henry McCance seconded the motion; a vote was taken, and the motion passed unanimously.

IX. Review of Contracts over \$200,000

Mr. Mark Mrozkowski reviewed three new contracts in excess of \$200,000 as well as the list of current contracts excess of \$200,000. The three new contracts reviewed were:

- (1) NuPark by Passport; a University Parking Management System.
- (2) Hall Arbery Gilligan Roberts and Shanlever LLP; legal consultant for Office of General Counsel for Union related legal services.
- (3) Higher One, Inc.; cashiering functionality for the University.

No further discussion occurred.

X. 2019-20 University Operating and Capital Budgets

Mr. Mark Mroczkowski presented seven recommendations from Florida House Public Integrity and Ethics Committee related to budgeting and funds management and made the committee aware of the University's compliance with those recommendations.

Mr. Mroczkowski reviewed three proposed budgets for the 2019-2020 Fiscal Year for the committee's approval: \$59.6 million Operating Budget, \$22.5 Capital Outlay Budget, and \$8.1 million Carryforward Budget.

President Randy Avent initiated a discussion regarding the Applied Research Center (ARC) funding. President Avent stated the University had the 72.5% required to begin construction on the ARC but did not receive the additional funding necessary to complete the building. President Avent added there is no guarantee the University will receive the additional funding from the state needed to complete the building. Present Avent shared the University has committed a large portion of the Carry Forward budget to the building and recommended to move forward with construction. The committee agreed they had previously voted on this matter and unanimously agreed to move forward.

Committee Chair Frank Martin urged the Foundation to renew efforts to locate potential donors and assist with a faculty building and student achievement center on the main campus. Chair Martin inquired whether we are encouraging the Board of Governors, Chancellor, and the Chair to tour the campus and understand the University's needs. Mr. Rick Maxey responded his office has been actively working on scheduling the vice chair, incoming chair, two committee members, and facilities chair for a campus tour.

Vice Chair Henry McCance made a motion to approve three proposed budgets for the 2019-2020 Fiscal Year: \$59.6 million Operating Budget, \$22.5 Capital Outlay Budget, and \$8.0 million Carryforward Budget. Trustee Bob Stork seconded the motion; a vote was taken, and the motion passed unanimously.

XI. 2019-20 Foundation Operating Budget

Mr. Mark Mrozkowski presented the Foundation's \$1.6 million Operating Budget for the 2019-20 Fiscal Year beginning July 1, 2019. The Florida Polytechnic University Foundation Board of Directors unanimously approved the 2019-2020 Foundation Operating Budget

during their April 5, 2019 meeting. The 2019-2020 Foundation Operating Budget reflects 2019-budget revisions and the fiscal year 2020-proposed budget. Mr. Mroczkowski presented the budget to the committee for secondary oversight approval.

Trustee Bob Stork made a motion to approve the Foundation's Fiscal Year 2019-budget revisions and the Fiscal Year 2020-budget proposal. Trustee Victoria Astley seconded the motion; a vote was taken, and the motion passed unanimously.

XII. Applied Research Center (ARC) Update

Mr. David Calhoun provided an update on the Applied Research Center to the committee. The project budget is \$38.7 million with an estimated project cost of \$10.8 million remaining to be funded from PECO. However, price increases are expected to drive up the total cost by approximately \$2.0 million. The proposed completion date is August 2021.

Discussion and questions ensued but no further action was taken.

XIII. Approval of Foundation Board New Appointment

Trustee Bob Stork made a motion to approve the appointment of Cindy Alexander for service to the Florida Polytechnic University Foundation, Board of Directors for a two-year term. Vice Chair Henry McCance seconded the motion; a vote was taken, and the motion passed unanimously.

XIV. Approval of Foundation Board Reappointments

Trustee Bob Stork made a motion to approve the reappointments of Shelley Robinson and Seretha Tinsley for service to the Florida Polytechnic University Foundation, Board of Directors for a two-year term. Trustee Gary Wendt seconded the motion; a vote was taken, and the motion passed unanimously.

XV. Closing Remarks and Adjournment

With no further business to discuss, the meeting adjourned at 11:45AM.