

FLORIDA **A&M** UNIVERSITY
Board of Trustees

Budget, Finance and Facilities Committee Meeting
Trustee Kimberly Moore, Committee Chair
Wednesday, June 1, 2022 Location: Band Rehearsal Hall

MINUTES

Committee Members Present: Kimberly Moore, Otis Cliatt, Kelvin Lawson, Belvin Perry and Kenny Stone

Call to Order/Roll Call

Chair Moore called the meeting to order. Dr. Turner called the roll. A quorum was present.

ACTION ITEMS

Approval of Minutes – February 16, 2022.

There were no revisions to the minutes.

The motion to approve this action item was carried.

Amendment to Regulation 3.017, Schedule of Tuition & Fees

Interim VP Brown requested board approval to amend regulation 3.017, Schedule of Tuition and Fees to decrease the 2022-23 repeat course fee rate to \$189.74 as mandated by the Florida Board of Governors. A comparison of previous fiscal years' schedule of tuition and fees were provided.

The motion to approve this action item was carried.

Budget Amendment for Childcare Center

Interim VP Brown requested additional budget authority of \$100,000 for the FAMU Educational Research Center for Child Development. The additional revenue was received from the CARES Act revenue recovery.

The motion to approve this action item was carried.

Budget Amendment for Student Orientation

Additional budget authority of \$191,000 was requested for the new student orientation and welcome center. The additional revenue was received from the CARS Act revenue recovery.

The motion to approve this action item was carried.

Barnes and Noble Agreement

The current Barnes and Noble Contract will expire June 30, 2022. Interim VP Brown requested board approval to authorize the President to execute the Agreement with Barnes & Noble after review and comments by the Office of General Counsel.

Questions/Comments re: Barnes and Noble Agreement

- Trustee Moore asked if there were any anticipated savings for the students.
Response: Interim VP Brown affirmed and explained that the First Day Complete Program is a Textbook Affordability Program that allows students to have their course materials on the first day of class at a discounted rate.
- Trustee Lawson asked if the contract allows the students to have aggressive abilities to get textbooks on-line.
Response: Interim VP Brown explained the service will still be available for students to get textbooks on-line.

The motion to approve this action item was carried.

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Contract Amendment - CDW

Interim VP Brown requested an amendment for an additional \$6 million spend to CDW's current agreement to purchase computer software, computers and computer equipment. The request included an extension of the contract term (through June 2024).

The motion to approve this action item was carried.

2022-2023 Preliminary University Budget

Interim VP Brown requested board approval of the 2023 preliminary operating budget pursuant to Board of Governors' Regulation 9.00, State University Operating Budgets. A comparison of previous fiscal years' operating budget was provided.

Questions/Comments re: 2022-2023 Preliminary University Budget

- Trustee Lawson asked if the state allocated more dollars toward nursing and if it was factored into our operating budget, but not officially approved.
Response: Interim VP Brown explained that it was not included in their recommendation in the preliminary budget because it is subject to the Governor's veto.
- Trustee Lawson asserted that with the benefit of the debt relief and with the University no longer having the debt service, how are those dollars being reallocated to the budget?
Response: Budget Director Nichole Murry explained that the additional debt services would have been for the payment for housing has been distributed to cover items such as COVID personnel, additional expenses, maintenance.
- Trustee Lawson asked what is our current debt ratio.
Response: AVP Jackson answered that the current debt ratio as of March 2022 is 9.09.
- Trustee Lawson asked if the reduction still impact the bond rating.
Response: AVP Jackson answered there is no bond ratings as of yet, the university is bond free.

The motion to approve this action item was carried.

2023-2024 Fixed Capital Outlay Budget – Capital Improvement Plan

All state universities are required to submit a five-year Capital Investment Improvement Plan (CIP) to the Board of Governors by July 1, 2022. Interim VP Brown requested board approval of the 2023-2024 Fixed Capital Outlay Budget: Capital Improvement Plan.

Questions/Comments re: 2023-2024 Fixed Capital Outlay Budget – Capital Improvement Plan

- Trustee Lawson asked if Howard Hall (line item 6 on the CIP list) is considered a military facility and if the federal government would assist in the upgrades vs. having to maintain the upgrades ourselves.
Response: AVP Hessel indicated that Howard Hall is an E&G building and it is not federally funded.
- Trustee Lawson asked staff to look into and provide clarification of the University's ability to potentially obtain and leverage federal funds to upgrade eligible campus facilities.

The motion to approve this action item was carried.

Property Write-offs

Pursuant to the Florida Statute Chapter 273 and FAMU Board of Trustees Policy 2008-03, Interim VP Brown requested board approval to Property Write-Offs. An explanation of previous fiscal years' write-offs was provided. Trustee Moore.

Questions/Comments re: Property Write-Offs

- Trustee Moore asked what was the property write-off amount in the prior cycle.
Response: AVP Jackson answered that \$80,000 was written off in the last cycle.

The motion to approve this action item was carried.

Banking Resolution

Pursuant to the Florida Statute, Section 10.11.2.7 and University Regulation 1.0, General Counsel Denise Wallace requested board approval to designate the University President, the newly appointed Chief Financial Officer Dr. Gloria Walker and Assistant Vice President / Controller as authorized signatories on checks issued to pay University obligations.

The motion to approve this action item was carried.

INFORMATION ITEMS

Vice President for Finance and Administration’s Report

a. Division of Finance & Administration’s Report – Department Spotlight

Interim VP Brown acknowledged the Office of Procurement Services, headed by Director Mattie Hood, in the Department Spotlight. Director Hood presented a video of the department that highlighted their primary duties and accomplishments.

b. Financial Status Report / Quarterly Budget Review

Interim VP Brown stated that since the Financial Status Report / Quarterly Budget Review was presented during the Budget Workshop, there was no need for an additional review.

c. Report on MWBE

Interim VP Brown reported on expenditures for Minority and Women-owned Business Enterprises for FY 2021-22. Overall, the university spend, outside of planning and construction, is approximately \$41 million with 12% of the services procured by certified MWBEs. Regarding construction, minority vendors accounted for 20% of minor projects and 12% of major projects on campus. An Action and Outreach Plan was presented that comprised strategies currently implemented and those that are planned to continuously enhance MWBE involvement. Mr. Keith Bowers, Regional Director of the FAMU Small Business Development Center (SBDC), presented outreach and engagement activities facilitated by SBDC for all certified / non-certifies suppliers. Director Hood shared additional information on the participation in the recent Industry Day and Black Expo events.

Questions/Comments re: MWBE

- Trustee Stone requested information on the participation and engagement in the networking sessions and webinars.
Response: Mr. Bowers stated that there were over 110 participants for the networking session on May 4. On May 18 there were approximately 179 participants.
- Trustee Dubose asked how we are doing with women-owned businesses and how do we deal with attracting women-owned businesses to these forums and doing business with them.
Response: Mr. Bowers answered that he didn’t have the information on the participants broken down by gender at the time, but by his observation it is about 60% of the women that participate.
- Trustee Dubose followed up with asking how does that breakout in terms of the 12% that we actually spent.
Response: Interim VP Brown explained that the breakdown is based on the numbers that we have on the university side for 7% for African American businesses and 3% for American women businesses.
- Trustee Dubose replied that we need to do more.
- Trustee Moore commented that we will build on the traction that we heard in this meeting and want to celebrate what we have seen thus far.

d. Master Plan Update (including Housing Comprehensive Study)

Interim VP Brown reported that the Conceptual Master Plan is 95% complete which represents a 5% increase from the last report. The preliminary Master Plan is 25% complete, which is an increase of 10% from the February report. Since then stakeholder engagement was extended to include board input. The draft Master Plan is tentatively scheduled to be finalized by July 2022 and will be transmitted to local state agencies for

review and feedback by August 2022. Interim VP Brown reviewed additional steps and deadlines based on the Updated Schedule located in the committee materials packet.

e. Compensation Study Update

Interim VP Brown reminded the BOT that this is a two- part study: Administrative and Academic. Interim VP Brown proceeded to review the updates regarding the study. By late August, there will be three years of benchmark data. The bulk of the Academic Performance Management Project is complete. The compensation study contract is scheduled to be signed by the President, no later than June 30, 2022. Phase 1 of the project (the university's initiation discovery and compensation philosophy) will begin in July 2022 and is anticipated to end at the close of fiscal year 2023/2024.

f. Stimulus Funding Expenditure Report to Date

Dr. Erick Akins presented an update of expenditures, encumbrances, and pre-encumbrances of stimulus funds allocated to the university to address COVID-19. The three stimulus awards are the HBCU / HBGI, Institutional, and Student Aid and the total dollar amount of the awards is \$195 Million.

Questions/Comments re: Stimulus Funding Expenditure Report to Date

- Trustee Dubose asked about the scholarships to the Foundation and wanted to know how some of that monies can be directed toward the Law School where we are trying to build up funding for their students for retention.
Response: Dr. Adkins stated he has met with the Law School Dean about a Title III HBCU grant that will assist the law school in retaining students and providing financial support.
- Trustee Moore asked how much money had been identified.
Response: Dr. Adkins answered that it was \$180,000.
- Trustee Cliatt mentioned the goal is 1 million.
- President Robinson asked Dr. Akins to provide the BOT with information on the overall dollars that have been provided to the Law School from Title III. to give an allocation of how much has the COL received so far?
Response: Dr. Adkins stated the Law School has an allocation of \$360,000 and with the additional \$180,000 that will total \$480,000, which almost brings it to a half million.

The meeting adjourned.