

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

Budget, Finance, and Facilities Committee Meeting

Trustee Craig Reed, Committee Chair

Wednesday, October 11, 2023 Location: FAMU Grand Ballroom

MINUTES

Committee Members Present: Otis Cliatt, Kelvin Lawson, and Belvin Perry

Call to Order/Roll Call

Trustee Perry called the meeting to order. Ms. Schloss called the roll. A quorum was present.

ACTION ITEMS

Approval of Minutes – June 7, 2023.

There were no revisions to the minutes.

The motion to approve this action item was carried.

Approval of 2020-2030 Campus Master Plan Update

Shawn Kalbli of Kimley-Horn began his presentation of the final stages of the Campus Master Plan Update, after which VP Brown for Finance and Administration/CFO requested board approval of the 2020-2030 Campus Master Plan Update.

During his presentation, Kalbli provided an update on the progress of the Campus Master Plan Update. He mentioned that they had completed public meetings and transmitted the plan to the host community and state agencies. They received feedback from various agencies and addressed their comments. The next step involves negotiating a campus development agreement with the City of Tallahassee Growth Management Office and the City Attorney's Office. This agreement will be crucial for moving forward with the plan's identified projects. Kalbli also mentioned upcoming public hearings at City Commission meetings and highlighted that the agency feedback didn't substantially alter the land use and physical master plan. They aim to secure the Campus Development Agreement by January 2024, with the possibility of some adjustments depending on City Commission meetings. Updates will be provided to the VP, Facilities team, and the Board.

Questions/Comments re: Approval of 2020-2030 Campus Master Plan Update

- a. Trustee Lawson asked if there were any substantive recommendations from the organizations that were referenced that changed from what the team had shown originally.
Response: Shawn Kalbli responded affirmatively, explaining that the local comments primarily focused on aligning with local policy, including comprehensive plans and land development codes, mainly involving language adjustments. Some non-substantive comments from the city involved street name changes and drainage boundary refinements for cleanup purposes. The State agencies emphasized coordination with the State Historic Preservation Office when evaluating structures for renovation, rehabilitation, or demolition. Lastly, the Department of Economic Opportunity sought more detailed future utility planning and coordination than what the master plan scope necessitated, though existing mechanisms with the City of Tallahassee for water and sewer were already in place. Due to the nature of funding for capital facilities, developing an extensive analysis as requested by the State was deemed overly proactive.

The motion to approve this action item was carried.

II INFORMATION ITEMS

Vice President for Finance and Administration's Report

a. Department Spotlight: University Box Office

VP Brown highlighted the University's Box Office achievements along with a short video clip showcasing their ticketing event services and outstanding customer service.

b. Quarterly Financial Report- Budget to Actuals

VP Brown presented an update of the budget to actuals, comparing the fourth quarter FY 21-22 to FY 22-23, as of June 28, 2023. The overall percentage of the budget expended was 90%, which showed a slight increase compared to the previous fiscal year's 88%. The presentation then delved into categories with significant variances of either + or - 10%. The first category discussed was the technology fee, which saw a significant increase of 59%. This rise was attributed to a shift in funding from COVID relief dollars to Technology Fees for certain expenditures. The second category was Financial Aid, which had a notable increase of 42%. This increase was primarily due to a rise in the amount of financial aid awarded. It was emphasized that this category operates as a pass-through account, where the received aid is subsequently awarded.

Questions/Comments re: Quarterly Financial Report-Budget to Actuals

- a. Trustee Cliatt asked about the Financial Aid category, asking several questions about how the category of Financial Aid got to over 100%.

Response: VP Brown clarified that surpassing 100% simply indicated that the budget had been based on previous year's expenditures and that there were more funds available for awarding. There was no overexpenditure; these were essentially pass-through dollars received from the Federal Government based on student profiles and then disbursed to students as awards. Trustee Cliatt expressed discomfort with the term "over a hundred percent" and suggested recategorizing.

c. Compensation Study Update

VP Brown reported that the compensation study is on schedule, and the final report will be submitted in December 2023. VP Brown displayed a timeline of the five phases, showing the completion of phases 1 and 2 and the finalization of phase 3 of the study, which involves reviewing market data and completing faculty and staff market assessment results. Later in the month, Segal will begin phase 4 of the study, which includes providing a draft of faculty and staff salary structures for review with final approval in mid-November. This is in alignment with our strategic priority #4, long-term fiscal health and sustainability.

Questions/Comments re: Compensation Study Update

- a. Trustee Perry inquired whether the report would include a comparison with compensation updates from other State University System (SUS) schools for similar positions once the update is completed.

Response: VP Brown stated that we would be making a decision shortly on our aspiration peers and the ones within SUS.

Interim AVP for Human Resources, Terrisa Brown, stated that we will not receive other comparison data from other SUS universities with this study.

- b. Trustee Cliatt thanked VP Brown for the report and expressed that the board has been very diligent on the compensation study, and it's gone on for some time. He wants to make sure the study stays on schedule.

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Response: VP Brown stated that phase 4 is ending shortly, and phase 5 will begin soon. The report will be ready in December, however, it would not be available for submission before the December BOT meeting. The plan is to present the report for February's meeting.

- c. Trustee Brown expressed interest in considering cost of living, especially for programs with faculty and staff in different cities, as it could significantly affect compensation.

Response: Terrisa Brown explained that the study would not incorporate the cost of living factor and clarified that the focus was on examining the Fair Labor Standards Act (FLSA) and its potential impact. VP Brown mentioned that preliminary discussions had taken place with Chief Operating Officer, Dr. Palm and President Dr. Robinson about the percentiles to be used, whether national or regional, which would have implications for cost of living considerations. Trustee Perry pointed out that when the report is presented to the Board, staff might have questions about how their compensation compares to that of peer institutions in Florida for individuals performing similar roles at other universities.

d. Project Updates

VP Brown provided progress reports on five university projects: the Bragg Memorial Stadium Videoboard, Bragg Memorial Stadium Parking Lot Renovation, The Al Lawson Videoboard, Gaither Gymnasium Scoreboard, the new 700-bed housing project, and the Deferred Maintenance and Utilities Infrastructure Project. VP Brown commended the successful completion of the Bragg Memorial Stadium Videoboard, highlighting that it remained on schedule without any delays. This achievement was attributed to the efforts of the newly appointed AVP Kendall Jones of Facilities, Planning, Construction and Safety, and the entire Facilities team. Bragg Memorial Stadium Parking Lot Renovation was completed on time, along with The Al Lawson Videoboard, and Gaither Gymnasium Scoreboard.

Questions/Comments re: Bragg Memorial Stadium Videoboard

- a. Trustee Cliatt applauded the group involved in the completion of the projects for being on time and on budget.

VP Brown reported that the Board had approved seeking revenue bonds for financing a 700-bed student housing facility at the August Board meeting. Subsequently, the University successfully hosted a campus site visit with representatives from Rice Financial, the U.S. Department of Education, the Florida Board of Governors, and the Division of Bond Finance. Currently, they are actively engaged in weekly meetings with the same parties to ensure that all required documents are meticulously prepared and submitted for loan qualification and approval. Further approvals will be necessary from the Florida Board of Governors and the Division of Bond Finance. The University expects to finalize a Guarantee Maximum Price (GMP) Contract by late 2023 and close on the HBCU loan in January 2024, with project construction starting afterward.

VP Brown reported on the allocated funds of 26.9 million to address deferred maintenance and capital replacement renewal issues and 27.7 million to address campus-wide utility infrastructure. At present, 11.9 million of the 26.9 million has been encumbered, and no changes to the previous 6.4 million of the 27.7 million that was encumbered.

Questions/Comments re: Deferred Maintenance/Utility Infrastructure Update

- b. Trustee Lawson provided compliments to the facilities team for staying on time and on or under budget.

Stimulus Funding Expenditure

Dr. Akins presented an update on expenditures, encumbrances, pre-encumbrances, and the impact of stimulus funding. He reported that out of the allocated \$195,448,168.00 million, there is currently a remaining balance of \$2.7 million in the G5 system operated by the Department of Education. Within the Famu iRattler system, \$192,740,545.24 has been expended. Of the total allocated amount, \$195 million, there are encumbrances and pre-encumbrances totaling \$1.2

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million, leaving an available balance of \$1.4 million in stimulus dollars. It was noted that there is a deadline to spend these funds by June 30, 2024.

Dr. Akins also addressed questions raised in the previous board meeting regarding how the stimulus dollars were spent in a specific area. He referred to the attachments provided in the meeting materials to provide clarification on this matter.

Questions/Comments re: Stimulus Funding Expenditure Report to Date

- a. Trustee Lawson asked Dr. Akins how comfortable was he with all of the record-keeping that the Federal government requires of us against these dollars.
Response: Dr. Akins emphasized that expenditures must be supported by proper documentation and approvals in place before any spending can occur. Additionally, he mentioned that there is a designated dropbox for all allocated expenditures.
- b. Trustee White asked if there was a vendor that helped us with the audit process or if was this done in-house.
Response: Dr. Akins reported that it was done in-house.

Budget, Finance, and Facilities Committee Action Plan 2023-2024

Trustee Perry introduced the Action Plan for the BFF Committee, explaining that it is customary to provide the Board with a framework of standard actions and informational items as a reference for the 2023-24 budget. However, these items may undergo changes due to operational factors that may arise periodically. VP Brown shared a sample of the expected items based on the current business cycle and emphasized that additional action and informational items will be incorporated as needed throughout the fiscal year.

The meeting adjourned.