

THE FLORIDA STATE UNIVERSITY  
BOARD OF TRUSTEES  
Finance and Business Committee Meeting Minutes

Tuesday, October 26, 2021

Members Present: Max Alvarez, Jim Henderson, Peter Collins, Jorge Gonzalez, Drew Weatherford

I. Call to Order at 2:26pm (EST)

II. Approval of September 23, 2021 Minutes

III. Action Items:

i. Request for approval: Status Report on Construction Projects over \$2.0 million and Change Orders (Consent)

a. Vice President Clark began with the Major Construction Projects Summary Report listing projects over \$4 million dollars. Eight projects are on the list and currently active. The first project reviewed was the Student Union. The Student Union's challenges, costs, and timeline were discussed. After discussing, questions were acknowledged. Chairman Henderson asked if there was a performance bond on the project. Larry Rubin explained, projects over \$200,000 is bonded with bigger projects having a more robust bond.

Trustee Alvarez commented on the construction challenges at this time. Trustee Weatherford inquired of the contractor's rationale behind asking for \$3 million additional dollars. Vice President Clark clarified that it is pertaining to site issues and unexpected costs in materials and equipment. Trustee Weatherford asked for an explanation of the adjusted timeline. Vice President Clark explained that the Student Union was supposed to be completed in May of 2021. Currently, the completion date is tentatively May 2022. The timeline is indefinite due to supply issues. Ajax is the contractor for the Student Union and discussions with them regarding cost, timeline, and supplies will continue.

Chairman Henderson questioned efforts on the Interdisciplinary Research and Commercialization Building and the College of Business Building. Vice President Clark explained a third vendor party was hired to create budgets for these buildings. Both range about 30% higher in cost than anticipated. IRCB has funds if needed and will break ground approximately Winter of 2022. The College of Business Building is not fully funded, and the design documents are not complete. Phasing the project's construction in pieces is being discussed as a solution. Vice President Clark commented on the other projects listed, Huffman Teaching Lab, Bio Unit One, STEAM Classroom Building, Center for Advanced Power

Systems and Bayside Residence Hall in Panama City are complete except a few punch-list items and closing out financials. Approval for the status report to go before the full board in November is requested.

*Motion for Approval: Approved*

#### IV. New Business

##### i. Collective Bargaining Update

Associate Vice President Gibbs explained that bargaining is complete for this year except for one outstanding contract with the United Faculty of Florida (UFF). UFF includes the teachers in the developmental research school; discussions will start November 2<sup>nd</sup>. Final negotiation for GAU, AFSCME, FNA, and PBA bargaining groups were discussed. Two collective bargaining multi-year agreements were signed with PBA and GAU. Vice President Clark explained the process behind gathering market data used for determining faculty and graduate student wages. The cost of living and merit promotions are other factors figured when negotiating contracts.

##### ii. FSU Police Department Overview & Security Report

Vice President Clark stressed the importance of knowing the services and mission of the FSUPD. He introduced Chief Maloy to explain with more detail the services provided by FSUPD. Chief Maloy described that the Department's mission is to promote a safe and secure higher education environment while providing proactive police service. Customer service is the key component to the Department's success and in keeping the University a welcoming and safe place for faculty, staff, students, and visitors. The core values of pride, enthusiasm, professionalism, and integrity are important as well.

The Department is a full-service, accredited law enforcement agency with eighty-four sworn officers and numerous support staff, which includes the Panama City campus and The Ringling campus in Sarasota. The command staff and specialty units were broken down and an FSUPD organizational chart was provided. Education is top priority with the agency. Officers attend many training programs. The variety of safety programs available to the FSU community were discussed. To keep relationships strong, communication is constant between officers, deans, and students.

Chief Maloy presented the annual Security and Fire Safety Report. The history of the report, called Clery Act & Crime Reporting, was explained along with all the information the report entails. Safety & Crime Prevention efforts were also discussed.

Vice President Clark added, the biggest challenge is pedestrian safety. Efforts are continuing with state and county officials to improve pedestrian safety.

iii. Enrollment Trends

Vice President Clark brought to light; FSU is currently up on enrollment hours. There are currently 34,000 additional semester hours for in-state students than budgeted for. There are almost 16,000 more semester hours for out-of-state students than budgeted for. There are over 50,000 tuition differentials. This would bring additional non-recurring funds that could be spent one time on strategic initiatives. The situation is being monitored closely and Chairman Henderson will be kept up to date while the situation progresses.

iv. Stimulus Money Update

Approximately \$155 million was received from the federal government. After funds are disbursed to appropriate areas, about \$30 million will be left for operating funds to help mitigate the effects from COVID-19. These funds are to be spent by the end of April 2022.

v. Audit Updates

Vice President Clark gave updates on current audits that were taking place. Recently an audit for the stimulus money occurred with no issues to report; the University's operational audit is almost complete. The financial statements are being finalized and the state auditor is starting to review. The Board of Governors is currently working on a comprehensive audit on State University System's direct support organizations controls.

Chairman Henderson asked for any ideas the committee might want to hear reported in the future. State funding was suggested by Chairman Henderson. Vice President Clark asked for emails on different ideas for his presentation as it relates to state funding, along with continuing discussions on student fees. The rating process is another topic that will be discussed with the committee in the future.

Meeting Adjourned at 4:32pm (EST)