

THE FLORIDA STATE
UNIVERSITY
BOARD OF TRUSTEES
Finance and Business Committee Meeting
Minutes Wednesday, August 31, 2022

Members Present: Max Alvarez, Jim Henderson, Jorge Gonzalez

- I. Call to Order at 1:02pm (EST)
- II. Approval of June 9, 2022 Minutes
- III. Action Items:
 - i. Request for Approval of the 2022-2023 Carryforward Spending Plan (Consent)
 - a. The Carryforward Spending Plan is a document prepared yearly for the Board of Governors and outlines how the non-recurring funds will be spent. The potential expenditures were broken down into broad categories based on the university's operating budget. Vice President Clark asked of consent for the President to make any adjustments to the budget as necessary, given the maximum contracted price were to change. Examples were given of funding changes regarding the College of Business Building and the Interdisciplinary Research and Commercialization Building. Chairman Henderson asked for the committee to be advised if any changes were to occur prior to the board meeting. Approval was requested for the 2022-2023 Carryforward Spending Plan, including any modifications to be provided to the Finance & Business Committee in advance of the September Board meeting.

Motion for Approval: Approved

- ii. Request for Approval of the 2022-2023 Revised Fixed Capital Outlay Budget (Consent)
 - a. Previously, the board approved \$293 million for the Fixed Capital Outlay Budget. Vice President Clark shared a detailed chart with the committee and explained that the amended construction amount was modified to \$214 million for the fiscal year. Any adjustments to be made would be shared with the committee before the September board meeting. Approval was requested for the Revised 2022-2023 Fixed Capital Outlay Budget Plan.

Motion for Approval: Approved

- iii. Request for Approval of the Amendment to the Fiscal Year 2023-2024 Capital Improvement Plan (Full Board)
 - a. Upon the approval of the Fiscal Year 2023-2024 Capital Improvement Plan at the June 22nd meeting, necessary changes were made by President McCullough. Vice President Clark clarified the reasoning for the modifications; the projects could be considered for debt financing in the future. They became Back of the Bill (BOB) eligible, and details of the process were explained. Request was made for the approval of the amendment to the Fiscal Year 2023-2024 Capital Improvement Plan.

Motion for Approval: Approved

- iv. Request for Approval of the Status Report on Purchase Orders over 1.0 million and 5+ Year Service Contracts (Consent)
 - a. An annual report was provided to the committee, giving details on purchase orders over one million and service contracts of five-years and over. Vice President Clark explained the procurement approval process each project goes through. A request was asked for approval of the given status report on purchase orders over \$1.0 million and over five-year service contracts.

Motion for Approval: Approved

- v. Request for Approval of the Florida State University Employee Bonus Plan Report (Consent)
 - a. Associate Vice President for Human Resources, Renisha Gibbs, presented the Florida State University Bonus Plan Report. The report is submitted to the Board of Trustees to certify that bonuses paid during the given report period comply with the bonus plan criteria. AVP Gibbs explained the different bonuses, and the reasons behind distributing them. A chart explaining funding of the bonuses was also provided. Approval was asked for the current bonus plan report.

Motion for Approval: Approved

- vi. Request for Approval of the University's Radioactive Materials License #32-10 (Consent)
 - a. Associate Vice President for Facilities, Dave Irvin, presented a new requirement that was added to Florida State University's license of research that involves low level radioactive materials. The Florida Department of Health now requires FSU to provide a current decommission cost estimate, and a statement of available funds for decommissioning research with low level radioactive materials. If FSU saw intention of abandoning this research, the estimated cost would be \$6,075,000.00. Approval was requested of the university's radioactive material license #32-10.

Motion for Approval: Approved

IV. Other Business

- a. Operating Budget
Vice President Clark continued with other business. He commented the latest Operating Budget and financial information will be shared to the Board of Trustees in September; a preliminary estimate of actual expenses will be given. Vice President Clark stated that the university finished the year in a positive position.
- b. Collective Bargaining
Associate Vice President Renisha Gibbs gave an overview of the Collective Bargaining Units, United Faculty of Florida, Graduate Assistants United, Police Benevolent Association, Florida Nurse Association and American Federation of State County and Municipal Employees.
- c. FSU Current Bond Ratings
Vice President Clark discussed ratings received from the bond rating agencies, Fitch, Moody, S&P. Florida State University had the highest credit rating of the state agencies of any university in the state of Florida. Highlights were given of the comments.

- d. Student Union Bond Issuance
Vice President Clark updated the committee on the Student Union debt and gave details of the debt structure with explanation of the latest proceeds towards the internal loans. The new average annual debt service will be approximately \$3.5 million.
- e. Crowe DSO Review
Associate Vice President Michael Williams gave an overview of Crowe's assessment of the financial controls and processes of the university's Direct Support Organizations. The assessments were conducted to ensure the organizations were protected from theft or malfeasance. In all, the Direct Support Organizations performed well, and will correct any observations that were made.
- f. Football Operations Facilities Update
The Football Operations Facilities will be a 155,000 gross square foot facility; the design and budget will continue to be organized. Populous was selected for the architect, and Childers as the construction firm. Total project cost is \$90 million. The idea is being explored for soliciting a public/private partnership to join with the lease of this project.
- g. Lastly, Vice President Clark gave an overview of the schedule for the upcoming Board of Trustees meeting in September. A tour will be conducted of the Student Recreation Center, and the Grand Opening of the Student Union will be included in the agenda for the board members to take part.

Meeting Adjourned at 2:16 pm (EST)