



UNIVERSITY OF CENTRAL FLORIDA

Board of Trustees
Finance and Facilities Committee Meeting
April 22, 2020
Virtual Meeting

MINUTES

CALL TO ORDER

Trustee Alex Martins, chair of the Finance and Facilities Committee, called the meeting to order at 8:30 a.m. Committee members Harold Mills, Danny Gaekwad, Kyler Gray, Caryl McAlpin, David Walsh, and William Yeargin attended by teleconference. Board of Trustees Chair Beverly Seay attended by teleconference. Trustee Joseph Harrington attended by teleconference.

MEETING MINUTES

The minutes of the January 28, 2020, March 24, 2020, and March 26, 2020, Finance and Facilities Committee meetings were unanimously approved as submitted.

NEW BUSINESS

Chief Financial Officer Update (INFO-1)

Joseph Trubacz, Interim Vice President for Financial Affairs and Chief Financial Officer, presented to the committee a high-level presentation displaying the possible fiscal impacts due to the COVID-19 pandemic. Trubacz provided a breakdown of the potential drop in tuition revenue due to enrollment drops that could be possible for the Summer 2020 and Fall 2020 semesters. According to Trubacz's presentation, if enrollment is reduced by 5 percent for the Summer 2020 semester, the university will have a loss of \$2.5 million. Trubacz also gave the scenario for a 10 percent reduction in enrollment, which was approximately \$4.9 million in revenue lost.

Trubacz continued the discussion with a breakdown of housing, meal plans, and other revenues that potentially could be lost due to the pandemic. The estimated total loss including all areas would be approximately \$48.8 million. Discussion ensued from several committee members regarding Trubacz's comments regarding the meal plan refunds given to students. Chair Martins asked Trubacz if any money that was refunded from the meal plans could be recouped from Aramark. Trubacz referred the question to Misty Shepherd, Interim Vice President for Administrative Affairs and Chief Operating Officer. Shepherd informed the committee they had tried to work with Aramark, but had been unsuccessful in reaching an agreement. Trustee McAlpin asked Shepherd when the contract with Aramark was complete in which Shepherd provided the details of the Aramark contract. Committee members expressed the need to consider an RFP due to Aramark's lack of partnership in refunding meal plans.

Trustee Mills asked Shepherd and Trubacz for the number of employees who are currently furloughed. Shepherd informed the committee that no employees are currently furloughed; however, several scenarios have been developed on how to proceed with furloughs if needed. Trustee Mills requested that the plan Shepherd referenced be shared with the committee. Chair Martins asked Shepherd when the committee could expect to see the written plan. Shepherd informed the committee she would share the plan with the committee by the following day or sooner if possible.

Several members of the committee stressed the urgency to complete a detailed expense reduction plan, including personnel expenses, as soon as possible, in light of the expected impacts to revenues due to COVID-19.

McAlpin inquired as to how much of the carryforward balance was still available, to which Trubacz replied that the university still has a significant balance, partly due to the hiring and spending freezes that the university had already implemented.

Finance and Facilities Committee Charter Review (FFC-1)

Shepherd presented for approval the Finance and Facilities Charter. Shepherd highlighted the changes that were made, which were very minimal. The changes included the split between the Vice President for Administration and the Vice President for Finance. It also included renumbering section 5 for cohesion throughout the charter.

Shepherd also informed the committee of the addition of sections 5.7 and 5.8, which were pulled directly from the Board of Trustees charter requirement for certain capital projects to be reviewed by the committee.

The committee unanimously approved the changes made to the Finance and Facilities Charter.

Post Investigation Action Plan Implementation Update (FFC-2)

Trubacz introduced Kathy Mitchell, Associate Vice President for Financial Initiatives, to present for approval the Post Investigation Action Plan Implementation Update. Mitchell reminded the committee of the background regarding the recommendations by the chair of the Board of Trustees to develop a plan for oversight of transfers of the E&G funds to construction.

Mitchell provided the committee with the tasks associated with the Finance and Facilities Committee and asked the committee to remove item number 10 as a recommendation, which requires that all capital projects in excess of \$1 million come before the committee. Mitchell requested that the threshold for capital projects requiring Board approval remain in excess of \$2 million.

Mitchell also requested the committee consider whether the General Counsel's signature should be removed from the Funding Certification Form. Scott Cole, Vice President and General Counsel, suggested that the certification form wording could be changed to reflect his legal approval of the funding shown on the certification form, not as to whether that source of funding was, in fact, later used on the project. The certification form may be modified and submitted for approval at a future Finance and Facilities Committee meeting.

The committee unanimously approved removing item number 10 from the Post-Investigation Action Plan, keeping capital projects at a \$2 million threshold, and retaining the General Counsel's signature on the Funding Certification Form.

Update Signature Authority for Checks (FFC-3)

Trubacz explained to the committee that personnel changes within the division required updating the current signature authority for check signing on the Bank of America account.

Philip Henson's and Tera Alcala's authorities should be removed due to no longer being employed by the university and obtaining a new role within the university, respectively.

Trubacz also requested that he, Mitchell, Kristie Harris, Associate Vice President for Financial Affairs, and Danta White, Assistant Vice President and University Controller, be added as the authorized signatories on the Bank of America account.

The committee unanimously approved updating the signature authority for checks as requested.

University Operating Budget Quarter Ended December 31, 2019 (INFO-2)

Trubacz gave a brief overview of the University Operating Budget for the quarter ending December 31, 2019. Trubacz explained overall revenues and expenditures as a percent of the operating budget were 48.7 percent and 39.8 percent, respectively, compared to 57.6 percent and 43.4 percent in the prior year.

The committee had no questions regarding the University Operating Budget.

UCF Investments Quarterly Report Ended December 31, 2019 (INFO-3)

Trubacz introduced Harris to give the committee a brief breakdown of the university's total cash and investments. Harris informed the committee that, as of December 31, 2019, the university had a total of \$567,115,396 in cash and investments. Trubacz then introduced Dave West of AndCo Consulting to provide an update on the university's investment portfolio. West stated that the portfolio remains liquid to give the university the flexibility it needs to access funds during this time. West explained that the market had experienced turbulence since March due to the COVID-19 pandemic and let the committee know it would be an extreme test on all current investment pools. However, West remained optimistic that the university still had plenty of funds available should it need them to assist during the pandemic.

The committee had no questions regarding UCF Investments Quarterly Report.

Due to time limitations and with no questions from the committee members, Chair Martins proceeded to INFO-7.

Huron UCF Rising Master Services Agreement Amendment #5 and #6 (INFO-7)

Mitchell provided the committee with an overview of amendments #5 and #6 regarding the Huron UCF Rising Master Services Agreement. Mitchell stated that Amendment #5 is a no-cost change to the Huron personnel assigned to the PeopleSoft Grants Management portion of the project. The total project cost was unchanged at \$5,318,298.

Amendment #6 is also a no-cost change order that redirects personnel to provide additional support to the Office of Research. The integration of the Huron Research Suite and the PeopleSoft Grants applications led to delays in award setup and modification in PeopleSoft. The total project cost was unchanged at \$5,318,298.

The committee had no questions regarding the Huron UCF Rising Master Services Agreement.


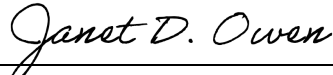
Technology Fee Update (INFO-8)

Joel Hartman, Vice President and Chief Information Officer, briefly discussed the technology fee update. This item is brought to the trustees annually for information purposes only.

Hartman provided the committee with a spreadsheet that broke down the proposals submitted and funded from Technology Fees for 2019-20 and prior years. He informed the committee that total funding of \$18,285,014 was requested for 2019-20, of which \$7,551,153 was awarded to 15 colleges or units.

The committee had no questions regarding the Technology Fee Update.

Martins adjourned the Finance and Facilities Committee meeting at 10:06 a.m.

Reviewed by:		6/22/2020
	Alex Martins	Date
	Chair, Finance and Facilities Committee	
Respectfully submitted:		6/22/2020
	Janet Owen	Date
	Associate Corporate Secretary	