Board of Trustees Meeting  
Budget and Finance Committee  
November 16, 2022  
Lake Nona Wave Hotel, Orlando, FL

MINUTES

CALL TO ORDER

Trustee Harold Mills, chair of the Budget and Finance Committee, called the meeting to order at 3:55 p.m. Committee members Tiffany Altizer, Bill Christy, Jeff Condello, and Michael Okaty were present.

Other trustees attending included Board Chair Alex Martins, Caryl McAlpin, Stephen King, and Beverly Seay.

MINUTES

The minutes of the September 28, 2022, Budget and Finance Committee meeting were unanimously approved as submitted.

REPORTS

DISC – 1 SVP Update

Gerald Hector, Senior Vice President for Administration and Finance, provided the committee with an update on major accomplishments since the last meeting.

- SUS Internal Control Audit has been completed and showed no material weaknesses or significant deficiencies. Items of note centered around policy, timeliness and accuracy which are all a part of the work that is being done with the Workday and Service Enhancement Transformation (SET) implementations.
- Convocation Corporation bonds have been refinanced which provides a net cashflow of approximately $300k per year.
- Insurance coverage and premiums have been renegotiated for both Convocation and Stadium Corporations with a savings of over $600k per year.
- Launched a new Workday system. All 13 colleges and direct supper organizations (DSOs) are operating on one platform. Training is ongoing and policies, practices, and procedures will be aligned with the new system. All four
tenets of “go live” are showing improvement with each passing week. System stabilization is the main goal for fiscal year 2022-23.

- Budget versus actuals template developed.
- Reporting and variations on reports is ongoing.
- Formed new bi-weekly meetings with all Budget Directors and the SVP/CFO to look at financial and operational management in a more holistic manner.
- First iteration of “How Much It Costs to Educate a Knight?” has been completed. Review is underway. A benchmark of peers across the country is needed next.

Hector added that two key hires have been added to the division: Kimberly Banks, Senior Assistant Vice President for Budget, Planning and Analysis, and Benjamin Davis, Assistant Vice President for Planning, Design and Construction.

He next gave a Higher Education Emergency Relief Funding (HEERF) update. The university currently has $59M. 91% of this amount pertains to IT and Facilities expenses. The rest is to be spent by June 2023, as extensions may not be available after this time. The supply chain and labor issues are still having an impact.

**ACTION**

**BUDC – 1 University Investment Program Structure Update**

Hector presented for approval an update of the University Investment Program Structure. Hector stated that the university is looking at a different way to manage cash resources.

The university is now trying to take advantage of the current interest rates. Bert Francis, Assistant Vice President for Debt Management and University Treasurer, then shared some history of the program structure and outlined what the changes entailed. There are four suggested changes:

1. Reestablishment of pool one, which hasn’t existed for a period of time because returns were minimal.
2. Conversion of equity index funds.
3. Change of Bloomberg Aggregate Index from 30 years to 10 years.
4. Reduction of International Equities allocation from 15% to 10% and an increase of Domestic Equities allocation from 45% to 50%

Francis reiterated that safety, liquidity and returns are paramount in these changes and are requirements via state statute.

Trustee Altizer made a motion to approve the Proposed University Investment Program Structure Update. Trustee Christy seconded the motion. The motion was unanimously approved.

**INFORMATION**

The committee had no questions regarding the information items.
NEW BUSINESS

The committee had no other business to discuss.

ADJOURNMENT

Chair Mills adjourned the Budget and Finance Committee meeting at 4:47 p.m.

Reviewed by:

[Signature]
Harold Mills
Chair, Budget and Finance Committee

Respectfully submitted:

[Signature]
Michael A. Kilbride
Associate Corporate Secretary

2/23/23 Date

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