



UNIVERSITY OF CENTRAL FLORIDA

Board of Trustees Meeting
Budget and Finance Committee
October 18, 2022
President's Boardroom, UCF Main Campus

MINUTES

CALL TO ORDER

Trustee Harold Mills, chair of the Budget and Finance Committee, called the meeting to order at 4:00 p.m. Committee members Tiffany Altizer, Bill Christy, Jeff Condello, Joseph Conte, and Michael Okaty were present.

Other trustees attending included Stephen King, Caryl McAlpin, John Miklos and Board Chair Alex Martins.

MINUTES

The minutes of the May 19, 2022, Budget and Finance Committee meeting were unanimously approved as submitted.

ACTION

BUDC – 1 2022-23 Carryforward Spending Plan

Gerald Hector, Senior Vice President for Administration and Finance, presented for approval the 2022-23 Carryforward Spending Plan. This document follows a Board of Governors (BOG) template that must be annually submitted to the BOG after approval by the Board of Trustees

Hector explained that the university has a high carryforward balance, but a plan is in place to spend the balance down in a strategic manner. Changes to address the carryforward balance include a new carryforward policy where colleges can now only retain 5% of their annual operating budget, the remaining carryforward will be held centrally by the Provost's Office to deploy on strategic priorities; Colleges and units that currently have carryforward balances will be required to submit spending plans that will be tracked better with the new Workday system.

Trustees had the following questions:

- Martins inquired about the possibility of producing monthly financial statements now that Workday has gone live. Hector stated that the books can be closed monthly but mapping is a challenge. Information can be rolled up to a summary level, but the analysis is a priority since the university doesn't currently have the human capital needed to get it all done. Hector stated that the hope is that the mapping process will be sorted by the end of November/December.
- King inquired about the dollar amount of all open positions in Facilities, IT and HR, in terms of Education and General (E&G) dollars. Hector stated that the number is not known at this time. UCF does not yet have position control, but it is being worked on. The goal is to have position control/management instituted with the new Workday system such that the total value of the university's staffing establishment can be known at any point in time. With the creation of budget to actual reporting, that will also provide a view into knowing this better.
- Condello voiced concerns regarding the \$40 million faculty start-up seed funding. Hector and Provost Johnson explained the nature of start-up funding, how it works, what it costs, how funds are allocated and how it is monitored. President Cartwright noted that the investment in faculty at the beginning of their careers has a high return on investment (ROI) if the university retains them for an extended period.

Trustee Christy made a motion to approve the Proposed 2022-23 Carryforward Spending Plan. Trustee Altizer seconded the motion. The motion was unanimously approved.

BUDC – 2 Proposed 2022-23 University Operating Budget

Hector presented for approval the Proposed 2022-23 University Operating Budget. The university budget will be balanced even though there was a diminution of revenues of about \$16-17M due to a decrease in student enrollment and an increase in expenses of approximately \$13 million due to critical needs. The combined shortfall of \$20 million will be addressed during the course of the fiscal year. With the new "all funds" approach to university's budget, every source of revenue and fund balances will be researched to find the right solution.

Trustee Altizer made a motion to approve the Proposed 2022-23 University Operating Budget. Trustee Christy seconded the motion. The motion was unanimously approved.

BUDC – 3 Proposed 2022-23 Fixed Capital Outlay Budget

Hector presented the Proposed 2022-23 Fixed Capital Outlay Budget for approval. This is a required item that must be submitted to the BOG on an annual basis and was discussed in depth during the Facilities and Infrastructure Committee meeting.

Trustees had the following questions:

- Martins inquired about an inconsistency in lines five and six regarding the chemistry and biology buildings. The document shows certain funds were spent this year and a remaining balance, but at the same time, it notes that both are to

be completed this year. Hector indicated that the template creates this discrepancy. Jon Varnell, Vice President for Facilities and Business Operations, stated that because the initial requirement from the state was that the funds must be under contract on June 30, but there has since been further clarification from the BOG relative to the timeline. The materials predate the clarification and will be corrected.

- Mills requested a master schedule for these projects that demonstrates expected spending by year until the completion date.

Trustee Conte made a motion to approve the Proposed 2022-23 Fixed Capital Outlay Budget. Trustee Altizer seconded the motion. The motion was unanimously approved.

INFORMATION

The committee had no questions regarding the information items.

NEW BUSINESS

Trustees had the following comments:

- Altizer would like to revisit these topics in a future meeting, specifically the operating budget process
- Mills and McAlpin requested future discussion regarding faculty and start-up packages.

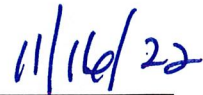
ADJOURNMENT

Chair Mills adjourned the Budget and Finance Committee meeting at 5:07 p.m.

Reviewed by:



Harold Mills
Chair, Budget and Finance Committee



Date

Respectfully submitted:



Mike Kilbride
Associate Corporate Secretary



Date