



Item: BF: A-M

BUDGET AND FINANCE COMMITTEE

Tuesday, February 16, 2021

SUBJECT: ROLL CALL AND APPROVAL OF THE DRAFT MINUTES FOR THE NOVEMBER 17, 2020 AND DECEMBER 3, 2020 BOT BUDGET AND FINANCE COMMITTEE MEETINGS.

PROPOSED COMMITTEE ACTION

Initiate roll call to document member participation to ensure appropriate quorum numbers are achieved and to approve the minutes of the November 17, 2020 Budget and Finance Committee meeting and December 3, 2020 Budget and Finance Committee Workshop.

COMMITTEE MEMBERS

Mr. Robert Stilley, Chair	_____
Mr. Brent Burns, Vice Chair	_____
Mr. Abdol Moabery (ex-officio)	_____
Mr. Shaun Davis	_____
Ms. Mary Beth McDonald	_____
Mr. Daniel Cane	_____
Dr. Kevin Wagner	_____

BOT MEMBERS

Dr. Malcolm Dorman	_____
Ms. Barbara Feingold	_____
Mr. Brad Levine	_____
Ms. Elycia Morris	_____
Ms. Celine Persaud	_____



**BUDGET AND FINANCE COMMITTEE
MINUTES**

Tuesday, November 17, 2020

Action Items

BF: A-M. Roll Call and Approval of Minutes for the June 2, 2020 BOT Budget and Finance Committee Meeting.

Mr. Robert Stilley, Chair of the Board of Trustees (BOT) Budget and Finance Committee (BFC), convened this meeting at 10:45 a.m. Roll call commenced with the following Committee members, in addition to Mr. Stilley, participating: Mr. Brent Burns, Mr. Shaun Davis, Mr. Abdol Moabery, Mr. Robert Rubin and Dr. Kevin Wagner. Other Trustees attending the meeting included: Mr. Brad Levine, Ms. Elycia Morris, Ms. Celine Persaud.

The following University officials participated: Dr. John Kelly, President; Ms. Dorothy Russell, Interim Vice President for Financial Affairs and CFO.

Upon call, a motion was made and seconded to approve the minutes of the June 2, 2020 BFC meeting without change or correction. **The motion passed unanimously.**

Information Items

BF: I-1. Review of FAU Financials (June 30, 2020).

Ms. Russel presented a year-end financial report which shows actual revenues and expenditures for each of the budgetary components and informs the board of the financial condition of the University. An update on each of the budget components was given by Ms. Russell with a summary of FY2019-20 year-end financial data including a comparison of budget to actuals, a comparison of revenues and expenses, an update on student credit hours and 4th quarter expense actuals. Ms. Russell also showed savings by category in regards to task force recommendations as well as an update on CARES dollars expenditures and the current balance. Unspent CARES balances will continue to go towards costs associated with supporting the FAU Health and Safety Plan.

Ms. Russell reviewed the E&G holdback of 8.5% or \$18.1M which includes position reductions, OPS reductions and expense reductions, as well as the Carryforward holdback of 17% or \$5.3M.

Upon query, Ms. Russell provided an update on the rating agencies. All of FAU's bond ratings ranked as Investment Grade with low credit risk.

Chair Stilley provided thoughts on cost savings and efficiencies for the University and requested a progress report on task force updates at the next meeting with a final report possibly in June of 2021. Chair Stilley opened it up for discussion amongst the board members and the administration. President Kelly stated that all suggestions will be taken into consideration and will work on a long term strategy.

With no questions or comments put forth, a motion was made and seconded to adjourn the meeting. **The meeting was adjourned at 11:25 a.m.**

**BUDGET AND FINANCE COMMITTEE WORKSHOP
MINUTES**

Thursday, December 3, 2020

Roll Call:

Mr. Robert Stilley, Chair of the Board of Trustees (BOT) Budget and Finance Committee, convened this workshop at 2:00p.m. Roll call commenced with the following board members, in addition to Mr. Stilley, participating: Mr. Brent Burns, Mr. Shaun Davis, Mr. Abdol Moabery, Mr. Robert Rubin, Dr. Kevin Wagner, Mr. Brad Levine, Dr. Jeffrey Feingold, Ms. Elycia Morris, and Ms. Celine Persaud.

The following University officials participated: Dr. John Kelly, President; Dr. Bret Danilowicz, Vice President for Academic Affairs and Provost; Ms. Stacy Volnick, Vice President for Administrative Affairs, Ms. Dorothy Russell, Interim Vice President for Financial Affairs and CFO and Mr. David Kian, Vice President Legal Affairs and General Counsel.

Discussion:

Chair Stilley stated that this workshop was scheduled to discuss how to move forward as a University with the budgeting process and strategic planning.

President Kelly provided updates to the board regarding the fiscal task force and aligning with the strategic plan. He specified areas of savings over the prior year including \$5.1M savings due to restricting travel, \$6.9M savings due to hiring only with Presidential approval, \$11.4M savings by cutting operating expenses and requiring Presidential approval for any expenditures over \$10,000. Long term financial stability for the University will be a priority by looking for further efficiencies and cost reduction. President Kelly reviewed growth within different areas of the strategic plan.

Dr. Danilowicz reviewed the academic financial dashboard for all academic programs, a partnership between the Provost's office and CFO's office. The model shows how academic programs work financially by college, department, course and faculty member along with factors such as gross tuition, net margin per student credit hour, applied waivers, etc. It also allows comparison by semester and provides historical data trends and direct comparisons based on program size. The state performance metrics will be used as a guide on how to be more efficient.

The board members discussed ideas, goals, priorities and objectives for the University going forward including land use, housing, academic programs, vendors, task force strategies as well as short-term and long-term planning. A suggestion was made to create two different task force groups, one that focuses on cost reduction strategies and one with more of a focus on opportunities. Discussion ensued, and President Kelly suggested the task force stay as one group to analyze all information together.

President Kelly made a closing statement and the task force is to provide an update to the board in 30 days. The meeting was adjourned at 3:15p.m.