



Item: BF: A-M

BUDGET AND FINANCE COMMITTEE

Wednesday, March 20, 2024

SUBJECT: ROLL CALL AND APPROVAL OF THE DRAFT MINUTES FOR THE November 14, 2023 BOT BUDGET AND FINANCE COMMITTEE MEETING.

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 14, 2023 Budget and Finance Committee meeting.

COMMITTEE MEMBERS

Mr. Pablo Paez, Chair	_____
Mr. Robert Flippo, Vice Chair	_____
Mr. Piero Bussani (ex-officio)	_____
Ms. Barbara Feingold (ex-officio)	_____
Mr. Shaun Davis	_____
Ms. Elycia Morris	_____

BOT MEMBERS

Ms. Dalia Calvillo	_____
Mr. Daniel Cane	_____
Mr. Shaun Davis	_____
Dr. Kimberly Dunn	_____
Mr. Earnie Ellison	_____
Mr. Brad Levine	_____
Ms. Sherry Murphy	_____
Ms. Linda Stoch	_____


BOARD OF TRUSTEES
Florida Atlantic University

Budget and Finance
Committee Minutes
Tuesday, November 14, 2023

Action Items:

BF: Roll call BOT Budget and Finance Committee Meeting.

Mr. Robert Flippo, Chair of the Board of Trustees (BOT) Budget and Finance Committee (BFC) Convened this meeting at 10:00 a.m. The roll call commenced with the following Trustees participating: Dr. Kimberly Dunn, Vice Chair, Mr. Piero Bussani, Mrs. Barbara Feingold, Mr. Paulo Paez, Mrs. Sherry Murphy, Mrs. Elycia Morris, Mr. Earnie Ellison, Mr. Shaun Davis, and Ms. Linda Stoch. Chair Flippo, you have a quorum.

The Following University officials participated: Ms. Stacy Volnick, President; Mr. Jayson Iroff, Vice President of Financial Affairs and CFO; Milena Alban, Director of University Budget. Matt Eisner, Finance Analysis; Louisa Kelly, Associate Vice President of Financial Operations and University Controller Mr. Ken Kurdziel, James Moore, Ms. Christine Horrocks, Rehmann, Lynn Asseff, Assistant Vice President, Division of Research Financial Management, and Mr. David Kim, Vice President of Legal Affairs and General Counsel.

AC: I-1 Office of Inspector General's (OIG) Report of Annual Activities:

Mr. Reuben Lyamu, Inspector General, opened the Office of Inspector General's Annual Activities. Mr. Jayson Iroff opened the Audit and Financial Statements for FY 2023 for DOSs.

AC: I-2 Audited Financial Statements FY 23 for DOSs

FAU Financial Corporation (FAUFC)

Mr. Ken Kurdziel presented Audit and Compliance Committee - the Review of the Financial Statements of the FAU Direct Support. Ken detailed the findings in the report by presenting the Analysis, Net Position, Revenues, Expenses, and Changes in Net Position. Ken also discussed the Cash. Flow and additional notes on the Financial Statements.

FAU Research Corporation (FAURC)

Ms. Christine Horrocks, from Rehmann, presented the FAU Research Corporation audit process. The Research Corp changes there was a large swing in investment balance from making up for losses in last year to a gain in revenue for this current year. A significant change was an approved investment to set aside funds to invest in a Bioactive Research firm that was approved by the board to invest in start-up research companies.

The floor was open for questions. The question proposed: "Is it normal to take funds to invest? Directly into these types of companies? Is that new practice?" Yes, it is a new practice, and the amount set aside for this investment is \$67,000.

FAU Clinical Practice Corporation (FAU CPO)

Clinical practice detailed that patient care revenue increased over this past year, and medical staffing. Revenue was down due to open positions and no other significant changes in the clinical practice division.

FAU FOUNDATION Inc. (FAUF)

BF: I-1 Update on University Financial Performance -Year End FY 23, and FY 2024 First Quarter July -September 2023

Mr. Jayson Iroff presented the Update on the Financial Performance – Year End FY 23 and FY 2024 first Quarter, July – September 2023. The detailed report highlighted the FY23 budget to actuals and showed an increase in revenue in E&G, contracts, and grants and a decrease in auxiliary funds. The report showed the actual also saw an increase in revenue and an increase in budget. The 5-Year trend shows an increase in revenue along with an increase in expenses, which correlates with the projected trending growth of the university. This year's FY24 Q1 has outperformed last year's with a Fall revenue growth of 25.5% over the past 5 years, both Resident vs. Non-Resident FY24 Q1 revenues have seen growth, bringing our 5-year auxiliary revenue up by 7.0M. Spend rate has remained relatively flat. One area that is increasing our expense growth is the consumer price in personnel costs, personnel investment, inflation, and remaining competitive with our current employees.

BF: I-2: Update on Budget Redesign

Mr. Jayson Iroff provided a detailed update on the Budget Design and Testing for the project. The project timeline provides details beginning Step 1 in September 2023, Step 2, Step 3, and Step 4, concluding in May 2024. Jayson provided the guiding principles for the financial redesign and advised us to expect a complete finalized presentation at the January 2024 meeting.

Upon call, a motion was made and seconded to approve and unanimously pass the Audited Financial Statements FY 23 for DSOs.

The meeting was adjourned at 1:07 p.m