



Item: BF: A-M

BUDGET AND FINANCE COMMITTEE

Tuesday, April 21, 2020

SUBJECT: ROLL CALL AND APPROVAL OF THE DRAFT MINUTES FOR THE DECEMBER 6, 2019 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 December 6, 2019 Budget and Finance Committee meeting.

COMMITTEE MEMBERS

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

BOT MEMBERS

Mr. Kevin Buchanan	_____
Dr. Michael Dennis	_____
Dr. Malcolm Dorman	_____
Dr. Jeffrey Feingold	_____
Mr. Brad Levine	_____
Ms. Elycia Morris	_____



**BUDGET AND FINANCE COMMITTEE
DRAFT MINUTES
Friday, December 6, 2019**

BF: A-M. Roll Call and Approval of Minutes for the June 4, 2019 BOT Budget and Finance Committee Meeting.

Mr. Robert Stilley, Chair of the Board of Trustees (BOT) Budget and Finance Committee, convened this meeting at 2:50pm. Roll call commenced with the following Committee members, in addition to Mr. Stilley, participating: Mr. Brent Burns, Vice Chair; Mr. Anthony Barbar (ex-officio), Mr. Abdol Moabery (ex-officio), Mr. Shaun Davis, Ms. Mary Beth McDonald and Dr. Kevin Wagner.

Other Trustees attending the meeting included: Dr. Michael Dennis, Dr. Malcolm Dorman, Mr. Brad Levine and Mr. Kevin Buchanan.

The following University officials participated: Dr. John Kelly, President; Mr. Jeff Atwater, Vice President for Strategic Initiatives & CFO; and Dr. Larry Faerman, Acting Vice President Student Affairs & Enrollment Management.

Upon call, a motion was made and seconded to approve the minutes of the June 4, 2019 Budget and Finance Committee meeting without change or correction. The motion passed unanimously.

BF: I-1. Review of FAU Financials (June 30, 2019).

Mr. Atwater provided a review of the financial statements for the University. This new and improved report presented new data points and explanation on year-end expenditures for each of the budgetary components of the University: Educational and General; Auxiliary Enterprises; Sponsored Research/Grants and Contracts; Financial Aid; Student Government/Student Activities; Athletics; and, Concessions. Budgetary comparisons with the prior year were also presented.

In addition to the expenditures and revenues, Mr. Atwater reminded the board that FAU has improved academic excellence. Credit hours per student were improved, the freshman GPA moved from a 3.5 to a 3.8, increased National Merit Scholars from 5 to 35 and improved 70% on the freshman graduation rate. Five years ago, 4.5% of credit hours earned in undergraduate studies were out of state students, this past year it is up to 9%. That change alone has brought \$16M in revenue.

Budget to Actual expenses and revenues were presented along with student credit hours and enrollment which directly impact Education and General, Auxiliary, Student Activity and Athletic fund types. Year over year changes were shown comparing actuals over the past six years in revenues and

expenditures. The growth in expenditures was largely due to the Schmidt Family Complex and research expenses. Carryforward dollars are being used more each year to preserve Education and General dollars.

Mr. Atwater presented a 3-year trend of tuition waivers and fee exemptions. University waivers have not changed much over those years, however; state mandated waivers have increased by over 76% or \$6M from three years prior.

Regarding debt management, Mr. Atwater explained that FAU has had a low risk or very low risk rating grade from the rating agencies. The University debt portfolio by project was presented as well and all debt is Investment Grade with a low credit risk, all is tax exempt and all debt is fully amortizing and performing well. Several refunding opportunities were approved in this past year with significant savings.

Upon query, Larry Faerman came to the stand to explain veterans attending FAU. There are currently 101 veterans and their dependents utilizing the in-state waiver, 200+ former military and approximately 150-200 dependents of former military.

With no further questions or comments put forth, a motion was made and seconded to adjourn the meeting. **The meeting was adjourned at 3:25 p.m.**