

FAU FINANCE CORPORATION

BOARD OF DIRECTORS

MINUTES

Monday, October 30, 2023

1. ROLL CALL AND APPROVAL OF THE MINUTES OF THE MAY 26, 2023, FAU FINANCE CORPORATION (FAUFC) BOARD OF DIRECTORS.

The meeting of the FAUFC BOD in person and via Zoom was convened at 12:00 p.m. by Mr. Bob Rubin. Chair. Roll call commended, confirming quorum, with the following members of the FAUFC BOD, in addition to Mr. Rubin, participation, Mr. Pablo Paez, Mr. Roland Valdivieso, and Mr. Joseph Ambrosio.

No public comments.

The following Directors were in attendance:

Mr. Jayson Iroff, Executive Director and VP of Financial Affairs & CFO

The following staff was in attendance:

Mr. Jayson Iroff, Executive Director and VP of Financial Affairs & CFO; Dr. Larry Faerman, Vice President; Student Affairs; Dr. Brian Fisher, Associate VP for Student Affairs and Operations. Ms. Elizabeth Rubin, Associate General Counsel; Mr. Ken Kurdziel, CPA; James Moore & Co. Ms. Louisa Kelly, Associate VP of Financial Operations and University Controller. Mrs. Lien McMullen, Associate Controller General Accounting, Financial Reporting, and Property Management; Mrs. Trecia Myrie-Reid, Associate Controller Treasury Services. Mr. Matt Eisner, Financial Analyst. Mrs. Henri Padron, Executive Assistant.

A motion was made and seconded to approve the minutes from the previous meeting for May 26, 2023. It was approved. Motion to accept the minutes passed. **The motion passed unanimously.**

2. FY 22-23 AUDITED FINANCIAL REPORT JAMES MOORE PRESENTATION:

Mr. Ken Kurdziel, two audit reports 2nd audit report is specific to the Internal Rules, Laws, and Regulations. Both audit reports are clean, unmodified, and prepared in accordance with GAP. As this DSO is a direct support of FAUFC, it falls under the Government Auditing standards.

The first report provides a snapshot of what the Finance Corp owes, its liabilities, and its net balance sheet. The report shows a gradual decrease in overall debt. Since 2012, the net debt balance has gone from \$31 million to a current \$1M.

3. Question regarding Revenue and Expenses: Mr. Jayson Iroff explains that expenses were relatively flat, except for the most recent year when hotel expenses of \$1.35M were realized.

The floor is open for any questions: No questions or comments.

A motion was made and seconded to approve and accept the Audited Financial Statement; the **motion passed unanimously and was accepted.**

4. FIRST QUARTER FINANCIAL UPDATE:

Mr. Jayson Iroff, Housing Presentation: Housing operations and expenses for the 1st quarter are on track with historical trends, which includes all the Fall revenues. There are no noted anomalies in the expenses to budget for the quarter. Housing operations would like to plan to attend the June 2024 Board of Governors meeting with materials for the BOG in March 2024. From November – to December 2023, meet with the consultants to review the analysis to prepare for submission of the Housing Construction budget.

5. HOUSING PROJECT UPDATE:

Dr. Larry Faerman; Mr. Jayson Iroff. Rental Rate Increase for University Housing. General overview of our programmatic needs As we look into the upcoming year, we will need to do a room reconstruction process due to capacity on the Jupiter Campus. The CCDI report details the life cycles of the current housing units and the estimated cost of renovations, additions, and updates needed to be considered “up to date,” which is why the report has such a significant cost on the deferred maintenance. In order to counteract that, a five-year plan for incremental housing rates is needed.

The new facility hopefully will open in Fall 2026 – the master plan has been approved by the BOT and BOG. The report detailed the two-unit layout options, their furnishings, and offerings to the students; these new facilities will not require the student to purchase a meal plan. Rental/housing prices have not been increased since the Fall of 2016 – 8 of the 12 SUS institutions have a multi-year increase plan based on market analysis, and FAU is looking to become the 9th due to the increase in demand and market increase. This analysis considers the other institutes’ approved increases and demand for student housing.

The floor was opened for questions and comments, but none had.

ADJOURNMENT OF MEETING. With no other issues to discuss, a motion was made and seconded to adjourn the meeting. The meeting was adjourned at 1:20 pm.