

Item: BF: A-M

BUDGET AND FINANCE COMMITTEE

Tuesday, November 18, 2025

**SUBJECT: ROLL CALL AND APPROVAL OF THE DRAFT MINUTES FOR THE
September 9, 2025 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 September 9, 2025 Budget and Finance Committee meetings.

COMMITTEE MEMBERS

Mr. Pablo Paez, Chair	_____
Mr. Robert Flipppo, Vice Chair	_____
Mr. Shaun Davis	_____
Mr. Scott McCleneghen	_____
Mr. Piero Bussani (ex-officio)	_____
Mrs. Sherry Murphy (ex-officio)	_____

BOT MEMBERS

Mr. Darsham Gonzalez	_____
Mr. Jon Harrison	_____
Mr. Brad Levine	_____
Mr. Jonathan Satter	_____
Mrs. Linda Stoch	_____
Dr. William Trapani	_____
Ms. Tina Vidal-Duart	_____



FLORIDA ATLANTIC UNIVERSITY

Board of Trustees

BUDGET AND FINANCE COMMITTEE MINUTES

Tuesday, September 9, 2025

BF: A-M Roll Call and Approval of Minutes for June 10 and 27, 2025, BOT Budget and Finance Committee Meeting.

Mr. Piero Bussani, Chair of the Board of Trustees (BOT), Mr. Gonzalez, President of Student Government, Mr. Jon Harrison, Mr. Levine, Mr. Jonathan Satter, Mr. William Trapani, Mrs. Linda Stoch and Mrs. Tina Vidal-Duart.

The Budget and Finance Committee (BFC) convened this meeting at 10:00 a.m. The role commenced with the following: Chair, Mr. Paez, Vice Chair, Flippo. Trustees, Mr. Shaun Davis, Mr. Scott MCCLENEGHEN, and Mr. Piero Bussani, Chair, you have a quorum.

The following university officials participated: Mr. Adam Hasner, President, Dr. Stacy Volnick, EVP of Administrative Affairs; Mr. Jayson Iroff, Vice President of Financial Affairs and CFO; and Mr. Joseph Scott Vam de Bogart, Vice President of Legal Affairs and General Counsel.

A motion was made and seconded to approve the minutes of June 10 and 27, 2025, without change or correction. **The motion passed unanimously.**

BF: A-1 Approval of the FAU 2025-26 E&G Carryforward Spending Plan:

Mr. Jayson Iroff presented. The carry-forward plan is an integral component of the university's overall budget, reflecting unspent resources that are rolled into the next fiscal year. As previously communicated in June during the operating budget approval, the Board must review and approve the carry-forward plan in September. Upon Board of Trustees (BOT) approval, the plan is submitted to the Board of Governors (BOG) by October 1 for final approval. Definition of Carry-forward Equivalent to "retained earnings" in non-government accounting. Defined as unspent Education & General (E&G) funds carried into the next fiscal year. BOG requirements: BOT and BOG approval are required on an annual basis. A minimum of 7% of the BOT-approved operating budget must be reserved. A new requirement mandates that 12% of carry-forward balances be allocated to deferred maintenance and spent within the fiscal year. Allowable uses of carry-forward funds: Operating expenses supporting the University's mission. Capital repair, maintenance, infrastructure, and facility replacement projects. Disaster recovery and completion of PECO-funded projects. Restrictions have eased in recent years, providing more flexibility.

Sources include:

- Net tuition revenue above budget.
- Investment income (cannot be budgeted in advance; goes directly to carry forward).
- Underspending against budgeted expenses. Balances are reduced by prior-year carry-forward spending.

For the trends, FY Previous Year: \$270.5, Current FY: \$265.9 (1.7% decrease — the first since inception). BOT and BOG have emphasized reducing carry-forward balances, and this trend is now evident. The current Carry-forward breakdown is as follows.

- Beginning Balance: FY 2025-26 \$265.6M
- Encumbrances: Prior-year contractual obligations.
- 7% Holdback Reserve: \$31.4M (restricted).
- Deferred Maintenance Reserve (12%): \$26.4M.
- Carry Forward Reserve Fund: \$21.1M (for deferred maintenance, administration, and Presidential strategic use).
- Available Balance: \$172.2M.
- Previously approved budget: \$124M.
- **New Resources Available for FY25–26: \$48M.**

Here is the allocation of \$48M in new resources.

- Deferred Maintenance: \$19M
- Human Capital: \$12.4M (recruitment and retention of employees)
- Facilities Studies: \$4.3M (master plan and space analysis)
- Student Success: \$3.8M (scholarships and wraparound services)
- Research Support: \$2.7M
- Information Technology: \$2.5M
- Consulting Services: \$1.9M (e.g., Deloitte budget redesign)
- Campus Security Enhancements: \$1.5M
- Marketing Initiatives: \$0.9M

The deferred maintenance focus total Investment: \$92.1M (42% of the total plan). Allocations include:

- Small and large fixed capital outlay projects (the most significant portion).
- 12% BOG-required set-aside (\$26.4M).
- Other operating requirements: \$5.6M

Reserve fund projects to be allocated during the year. Reduction in carry-forward balances achieved, addressing the Board of Governors' directive. Strategic allocation prioritizes infrastructure, student success, and research. University remains committed to responsible financial stewardship and alignment with state requirements.

A motion was made and seconded to approve the **E&G Carryforward Spending Plan for FY2025-26**, without change or correction. **The motion passed unanimously.**

BF-A-2 Approval of the Florida Atlantic University 2025-26 Fixed Capital Outlay (FCO)

Budget:

Dr. Stacy Volnick presented. This is the 2025–2026 Fixed Capital Outlay (FCO) Budget, submitted annually to the Board with a recommendation for approval. Many projects span multiple fiscal years, and submission guidelines follow BOG Regulations 9.07 and 14. The FCO budget excludes DSO and bond-financed projects. It overlaps with projects reported in other submissions, such as the Carry Forward Budget and the Capital Improvement Plan (approved in June), as well as the University-wide operating budget (also approved in June). The project categories EMG-funded projects are not exceeding \$1 million in total cost across all funding sources. **Carry Forward Small Projects:** Projects not exceeding \$2 million. **Carry Forward Large Projects:** Projects up to \$10 million—state **Appropriated Projects:** Projects funded through state appropriations, such as PECO and Capital Improvement Trust Fund. Excludes projects directly or indirectly financed by the state—example: Projects funded through private donations. Funding reflects a **university-wide commitment** from colleges and divisions, not just central facilities. **EMG Projects:** Bundled projects totaling approximately \$887,000. **Carry Forward Small Projects:** 130 projects totaling \$39.4 million. **Carry Forward Large Projects:** 14 projects totaling \$59 million—example: Campus infrastructure upgrades on the west end to support future development. **State Appropriated Projects:** 3+ bundled projects totaling \$91 million. Example: Student Union Expansion (in design phase). Example: Health Professions and Research Facility (\$10 million appropriated this session; programming already begun). **Non-Appropriated Projects:** 2 projects funded through private donations.

Example: Wallach Building (construction kickoff recently held).

Example: Hillel Renovation and Expansion. **Total FCO Budget:** \$211.7 million.

Estimated expenditures for the current fiscal year: \$101 million. I respectfully request approval of the 2025–2026 Fixed Capital Outlay Budget.

Upon call, a motion was made and seconded to **approve** and unanimously pass the **Approval of the Florida Atlantic University 2025-26 Fixed Capital Outlay (FCO) Budget**.

Motion to adjourn the Finance Committee update.

Without questions or comments, a motion was made and seconded to adjourn the meeting. **The meeting was adjourned at 10:18 am.**

