

FAU FINANCE CORPORATION

BOARD OF DIRECTORS

MINUTES

Thursday, September 19, 2024

1. **ROLL CALL AND APPROVAL OF THE MINUTES OF THE MAY 7, 2024, FAU FINANCE CORPORATION (FAUFC) BOARD OF DIRECTORS (BOD) MEETING.**

The meeting of the FAUFC BOD was convened at 2:00 p.m. in person and virtually by Mr. Pablo Paez, Vice Chair. Roll call commenced, confirming quorum, with the following members of the FAUFC BOD, in addition to Mr. Paez, participating: Mr. Roland Valdivieso, Mr. Joseph Ambrosio, and Mr. Scott Mc Cleneghen.

The following staff were 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 of Student Affairs and Operations; Ms. Elizabeth Rubin, Associate General Counsel; Mrs. Azita Dotiwala, Director; Budget and Planning, Mr. Matt Eisner, Financial Analyst; Ms. Louisa Kelly, Associate VP of Financial Operations and University Controller and Mrs. Henri Padron, Executive Assistant.

No public comments:

A motion was made and seconded to approve the May 7, 2024, meeting minutes without change or correction. **The motion passed unanimously.**

NOMINATION AND ELECTION OF OFFICERS:

Mr. Roland Valdivieso was nominated and elected as the new Chair of the FAUFC board, and Mr. Scott McCleneghen was welcomed, nominated, and elected Treasurer-Secretary.

A motion was made and seconded to approve Mr. Roland Valdivieso's election as Chair of the FAUFC board. **The motion passed unanimously.**

Mr. Scott McCleneghen was welcomed as a new member and was elected to Treasurer-Secretary of the FAUFC board.

A motion was made and seconded to approve Mr. Scott McCleneghen as treasurer-secretary of the FAUFC board. **The motion passed unanimously.**

2. FINANCIAL OPERATIONS UPDATED:

Mr. Jayson Iroff provided an update on the financial performance through June 30, highlighting a strong financial position and no significant anomalies. Current assets increased by nearly 40% over five years, while non-current assets decreased due to depreciation. Liabilities remain stable, with a notable increase in accounts payable due to third-party operations. Operating revenues are up 32% over five years, with net operating income increasing by 46.1%.

Dr. Faerman provided an update on housing financial performance, strong occupancy levels, and the restructuring of housing assignments to maximize space utilization. The university is planning to build a new residence hall in fall 2023 to address high demand. Challenges with summer enrollment and housing utilization are noted, with efforts to balance summer course offerings and housing needs. The board discusses the potential impact of a 12-month housing contract on revenue and operational costs. Occupancy rates for various facilities, with overall strong occupancy levels. Occupancy rates for the fall of 2023 are strong, with Boca Raton Facilities at 99.5% and Jupiter at 93.1%. The board discusses the impact of summer enrollment on housing demand and the challenges of maintaining high occupancy in Jupiter. The university is working with the honors college to increase first-year enrollment in Jupiter to support housing demand. The board considers the potential benefits and challenges of a 12-month housing contract for undergraduate students. The board discusses funding options, including unrestricted funds and potential proceeds from housing development.

PROPOSED WATER CHILLER PLANT:

Mr. Jayson Iroff describes the new water chiller plant's project and provides a financial analysis. The project is estimated to cost \$6.6 million and is expected to provide long-term operational savings. We are focusing on the long-term benefits and cost savings.

A motion was made to approve the Water Chiller Plant and seconded and passed unambiguously.

INVESTMENT POLICY STATEMENT:

Mr. Jayson Iroff introduces the proposed Investment Policy Statement to broaden investment options for the operating surplus. The policy includes compliance with state statutes, preservation of capital, and using a third-party advisor, FEG. The board discusses the importance of compliance and the potential for future changes to investment strategies. The board plans to select committee members and continue working with the advisor.

A motion was made to approve the Investment Policy Statement and seconded and passed unambiguously.

ADJOURNMENT OF MEETING. With no other issues to discuss, a motion was made and seconded to adjourn the meeting. The meeting was adjourned at 3:00 pm.