



Budget, Finance and Facilities Committee Meeting
March 3, 2021
Presided by Trustee Kimberly Moore

ACTION ITEM:

December 2, 2020 Minutes

Trustee Kimberly Moore

ACTION ITEM:

**The Coronavirus Response and Relief
Supplemental Appropriations Act
(CRRSAA) Budget**

Dr. Robertson and Dr. Edington

The Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) Budget

Rationale / Background:

An amendment to the FY 2020-2021 Operating Budget is needed for additional Budget Authority in the following budget entity:

Higher Education Emergency Relief Fund (HEERF II) Funds 210 & 211 – \$20,845,563

An allocation from the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) provides for Higher Education Emergency Relief Fund (HEERF II). A budget has been developed in collaboration with the divisions of Academic Affairs, Finance and Administration and Student Affairs. The budget has been approved by the University President's Senior Leadership Team and the University Budget and Planning Council.

Recommendation:

It is recommended that the Board of Trustees approve the amendment to the FY 2020-2021 Operating Budget.

FAMU HEERF II Draft Spending Plan (2/17/2021)

Area		Rationale	HEERF II
Student Support (\$7.76M)	Financial Assistance	The funding priority for CRRSAA required FAMU to provide at least \$6.5M and prioritized for students with exceptional need. The first awarding tier will encompass students who are Pell eligible (Estimated Family Contribution (EFC) less than \$5,500) as these students have the highest demonstrated financial need. The second tier will be Graduate and Law School students with EFCs under \$5,500. The third tier will be all students who have an EFC between \$5500 and \$12,000. Receipt of funds are not contingent upon students agreeing to use these funds to pay down their balances. They are to be used by students to defray any expenses associated with the Cost of Attendance, such as tuition/fees, room/board, books, personal expenses, transportation, and health insurance.	\$ 7,000,000
	Counseling Services	Will support student mental health services including group sessions, licensed mental health contracted services, tele-mental health, increasing scheduled appointments, and other psychological services. The funding will be used specifically to support student mental health services through OPS contracts with licensed mental health professionals, Well Track interactive self-help therapy, Titanium scheduling, and Well Connect tele-counseling after hours on the main campus, College of Law, Pharmacy Satellite campuses, and out of state students.	\$ 246,000
	Financial Aid Office - Technology and Staffing	The pandemic has stressed the office in terms of increased access to students and other constituents within a virtual environment, along with additional traffic due to the adverse impact of the economic downturn on our student population. The Office requires additional staffing and IT to support the processing of supplemental aid. The request for additional positions and IT support will improve the delivery of financial aid services to our student population. The additional resources will improve processing times, increase efficiency, and help ensure students receive the aid for which they are eligible as expeditiously as possible. Improved access to data will also serve to increase productivity and reduce compliance issues. Currently, the University receives more than \$150M annually in Financial Aid resources for our students.	\$ 513,000
Distance Education / Academic Instruction (\$2.6M)	Classroom Upgrades/Instructional Technology	This funding will assist the University with expanding Distance Learning capabilities and instructional technology support. It will be used to upgrade the instructional technology in 50 classrooms, enhance the Canvas Learning Management System, upgrade academic software, and contract with 3rd party services to develop online courses and training programs.	\$ 1,975,000
	Technology and Software for Students, Faculty and Staff	Computers, software and technology will be purchased for students, faculty and staff to support remote learning and working. Software packages/licenses and instructional technology will also be purchased for use by academic programs to support instruction and testing.	\$ 656,563
Operational Costs (\$10.45M)	Auxiliary Revenue Loss (Spring 2021)	Due to the significant decline of in-person traffic, we experienced declines in revenue from the business auxiliary units that provide services to the campus community (e.g., Dining, Parking Services, Copy Service, Bookstore). These offices continue to provide service for in-person and remote campus stakeholders. These funds will be used for operating expenses including repairs, maintenance and staffing for cleaning and sanitization for the Student Center and the Dining Facilities.	\$ 3,500,000
	Technology Upgrades for Contactless Business Operations and Student Services	The funds will be used to provide technology upgrades to the Rattler Card Office, Post Office, Dining Services, and Bookstore services to support contactless operations to reduce potential exposure to COVID-19.	\$ 287,000
	Housing Services Revenue Loss (Summer & Spring 2021)	Due to the significant reduction in on campus housing population, housing revenue declined. These funds will be used for operating expenses of the Department including maintenance, utilities, renovation projects, programming, salaries of student, custodial, maintenance, residence life, and administrative staff.	\$ 2,000,000
	PPE & Sanitization Equipment	Funding is needed for UVC lighting for air handlers and fan coils, motion sensors, hands free fixtures, HVAC filters, face masks and shields, sneeze guards, hand sanitizer, electrostatic sprayers, chemicals, and other needed items.	\$ 1,400,000
	Contracted Services	Funds needed for external supplemental contractor for deep cleaning and mitigation.	\$ 600,000
	OPS and Overtime Pay	Hire temporary staff and provide overtime pay to clean and sanitize University facilities in accordance with established CDC and University reopening plan guidelines.	\$ 600,000
	COVID-19 Vaccine Rollout Expenses	Staffing and supplies needed to manage the University's vaccination site.	\$ 734,000
	COVID-19 Testing Laboratory	Staffing and supplies needed to manage the University testing laboratory.	\$ 734,000
Facilities Enhancements / Utilities for Testing Sites	Repair and maintain facilities, and cover utilities costs at the University's COVID-19 testing sites.	\$ 600,000	
Total:			\$20,845,563

ACTION ITEM:

Accounts Receivable Write-offs

Mrs. Tonya Jackson

Accounts Receivable Write-offs

Rationale / Background:

Pursuant to Section 1010.03, Florida Statutes, this is a submission for approval of the accounts receivable write-off list for uncollected receivables recorded prior to June 30, 2021. In each instance the receivable is at least two years old and internal collection efforts have been exhausted or the accounts have been returned by our external collection agency as uncollectible. Accounts older than two years are written off for financial reporting purposes. Records of debt to the University are maintained and students are not allowed to register or obtain transcripts.

In FY2020 the Board approved Student Account write-offs totaling \$2,212,155.45 as compared to \$3,434,389.23 proposed for write-off for FY21. The proposed amount results in an increase of \$1,212,233.78 or 55% in uncollectible accounts from the previous fiscal year.

Recommendation:

The recommendation is for the Board of Trustees to approve the Student Accounts Receivable write-off of \$3,424,389.23 for FY 2020-2021.

ACTION ITEM:

Revision to BOT Policy 2005-05: Preparation and Submission of Budget

Mrs. Nichole Murry

Revisions to BOT Policy 2005-05: Preparation and Submission of Budget

Proposed Board Action:

BOT Review and revise the BOT Policy 2005-05: Preparation and Submission of Budget that has not been revised since December 2009. The threshold for FAMU Board of Trustees approval is currently \$100,000 or 2% of the respective fund. The current policy threshold creates issues with everyday processes due to the low threshold that requires BOT approval.

Recommendation:

Staff recommends that the Board of Trustees approve the revisions to BOT Policy 2005-05 that gives the President the authority to amend the approved operating budgets as necessary to accommodate changes in revenues, expenditures, statutory budget changes, salary increases, health insurance increases, retirement rate increases, and technical amendments without additional Board of Trustees' approval up to a limit of \$1 million.

ACTION ITEM:

Revision to BOT Policy 2008-01A: Enterprise Information Systems Security and Controls

Mr. Ron Henry

Revisions to BOT Policy 2008-01A: Enterprise Information Systems Security and Controls

Rationale / Background:

Review and revise the policy adopted in 2008 to eliminate redundancy and to bring it into compliance with federal guidelines established by the National Institute of Standards and Technology (NIST). The two most common cybersecurity NIST protocols are NIST 800-53 *NIST Privacy Framework and Cyber Security* and NIT 800-171 *Protecting Controlled Unclassified Information in Nonfederal Information Systems*. Additionally, compliance with NIST 800-171 is required for federal research funding and may also become a requirement for all federal funding. Our existing University Policy 2008-01a does not adequately address the basic and derived requirements for NIST 800-53 and NIST 800-171. The proposed modification to BOT Policy 2008-01a specifically identifies that compliance with both NIST 800-53 and NIST 800-171 are the basis of the University's Enterprise Information Systems Security and Controls.

Recommendation:

Staff recommends that the Board of Trustees approve the revisions to University Policy 2008-01A to improve the overall cybersecurity for Florida A&M University as well as clearly identify the goal of compliance with NIT 800-53 and NIST 800-171.

Information Item

Financial Status Report / Quarterly Budget Review

Dr. Alan Robertson
Vice President for Finance and Administration / CFO

FLORIDA A&M UNIVERSITY
Financial Status FY20-21 Quarter 2

FLORIDA A&M UNIVERSITY
Financial Status FY19-20 Quarter 2

Fund	Fund Name	Encumbrances and Expenditures				Percent of Budget Expended %	Encumbrances and Expenditures				
		Approved Budget	PeopleSoft as of 12/31/2020	Budget Status (Over) Under			FY2019-20 Approved Budget	PeopleSoft as of 12/31/2020	Budget Status (Over) Under	Percent of Budget Expended %	
		-1-	-2-	-3-	-4-	-1-	-2-	-3-	-4-		
Education and General						Education and General					
101	General Revenue	\$ 100,412,258	\$ 114,270,171	\$ (13,857,913)		\$ 103,192,373	\$ 123,033,106	\$ (19,840,733)			
102	Tuition and Student Fees	67,801,614	30,939,676	36,861,938		67,801,614	30,606,053	37,195,561			
104	Educational Enhancement (Lottery)	22,663,971	0	22,663,971		19,881,878	0	19,881,878			
Total Educational and General		\$ 190,877,843	\$ 145,209,847	\$ 45,667,996	76%	\$ 190,875,865	\$ 153,639,159	\$ 37,236,706	80%		
Auxiliary Enterprises						Auxiliary Enterprises					
110	Housing Trust Fund	15,575,659	10,114,171	\$ 5,461,488		\$ 19,239,862	\$ 12,942,126	\$ 6,297,736			
116	Auxiliary Trust Fund	26,299,530	14,357,267	11,942,263		33,027,605	15,761,867	17,265,738			
601	Housing R&R Fund	1,190,469	1,188,708	1,761		5,107,802	1,526,050	3,581,752			
603	Auxiliary R&R Fund	3,671,349	181,986	3,489,363		3,181,886	89,752	3,092,134			
701	Housing Debt Service	381,000	2,646,076	(2,265,076)		4,477,932	3,411,194	1,066,738			
Total Auxiliary Enterprises		\$ 47,118,007	\$ 28,488,208	\$ 18,629,799	60%	\$ 65,035,087	\$ 33,730,989	\$ 31,304,098	52%		
Total Intercollegiate Athletics		\$ 6,503,487	\$ 5,596,579	\$ 906,908	86%	\$ 10,231,120	\$ 7,066,362	\$ 3,164,758	69%		
Total Concessions		\$ 71,790	\$ 17,043	\$ 54,747	24%	\$ 241,309	\$ 55,217	\$ 186,092	23%		
Total Technology Fee		\$ 1,840,117	\$ 1,466,060	\$ 374,057	80%	\$ 3,327,952	\$ 1,906,765	\$ 1,421,187	57%		
Student Activities						Student Activities					
117	Late Registration Fee (480910)	\$ 53,566	\$ 25,135	\$ 28,431		\$ 77,021	\$ 46,575	\$ 30,446			
117	Orientation Fee (482000)	247,408	106,470	140,938		389,667	288,251	101,416			
117	Student Activities- Activities and Services Fee (43 Series)	3,136,559	1,961,347	1,175,212		3,622,795	2,714,547	908,248			
Total Student Activities		\$ 3,437,533	\$ 2,092,952	\$ 1,344,581	61%	\$ 4,089,483	\$ 3,049,373	\$ 1,040,110	75%		
Student Financial Aid						Student Financial Aid					
117	Late Payment Fee Controller (480920)	\$ 349,387	\$ 180,363	\$ 169,024		\$ 330,040	\$ 192,365	\$ 137,675			
117	Administrative Expense Fin. Aid (481210)	161,317	99,500	61,817		135,962	146,809	(10,847)			
117	Administrative Controller (481220)	243,223	56,460	186,763		194,182	75,843	118,339			
201	Title IV Administrative Expense (410333)	115,382	115,235	147		199,933	120,469	79,464			
201	College Work Experience Program (410405)	22,200	1,418	20,782		275,000	11,453	263,547			
201	Federal Work Study Program (410452)	825,000	130,170	694,830		825,000	228,262	596,738			
202	Scholarship Fund	33,636,548	17,116,757	16,519,791		42,000,000	19,627,117	22,372,883			
301	Federal Perkins Loan Program (550100) and other Fund 301	130,000	60,100	69,900		400,000	(2,879)	402,879			
901	Other Tuition Assistance Grant (511700)	2,641,472	1,506,209	1,135,263		3,800,000	1,731,368	2,068,632			
Total Financial Aid		\$ 38,124,529	\$ 19,266,212	\$ 18,858,317	51%	\$ 48,160,117	\$ 22,130,807	\$ 26,029,310	46%		
Contracts & Grants						Contracts & Grants					
118	FAMU DRS Trust Fund	\$ 5,215,030	\$ 4,285,619	\$ 929,411		\$ 5,768,769	\$ 5,313,765	\$ 455,004			
203	Sponsored Research Trust Fund (402210)	82,313,195	76,657,375	5,655,820		60,121,126	53,372,393	6,748,733			
Total Contracts and Grants		\$ 87,528,225	\$ 80,942,994	\$ 6,585,231	92%	\$ 65,889,895	\$ 58,686,158	\$ 7,203,737	89%		
Grand Total		\$ 375,501,531	\$ 283,079,895	\$ 92,421,636	75%	\$ 387,850,828	\$ 280,264,830	\$ 107,585,998	72%		

*KEY ASSUMPTIONS
*Salaries are encumbered for 12 months

Information Item

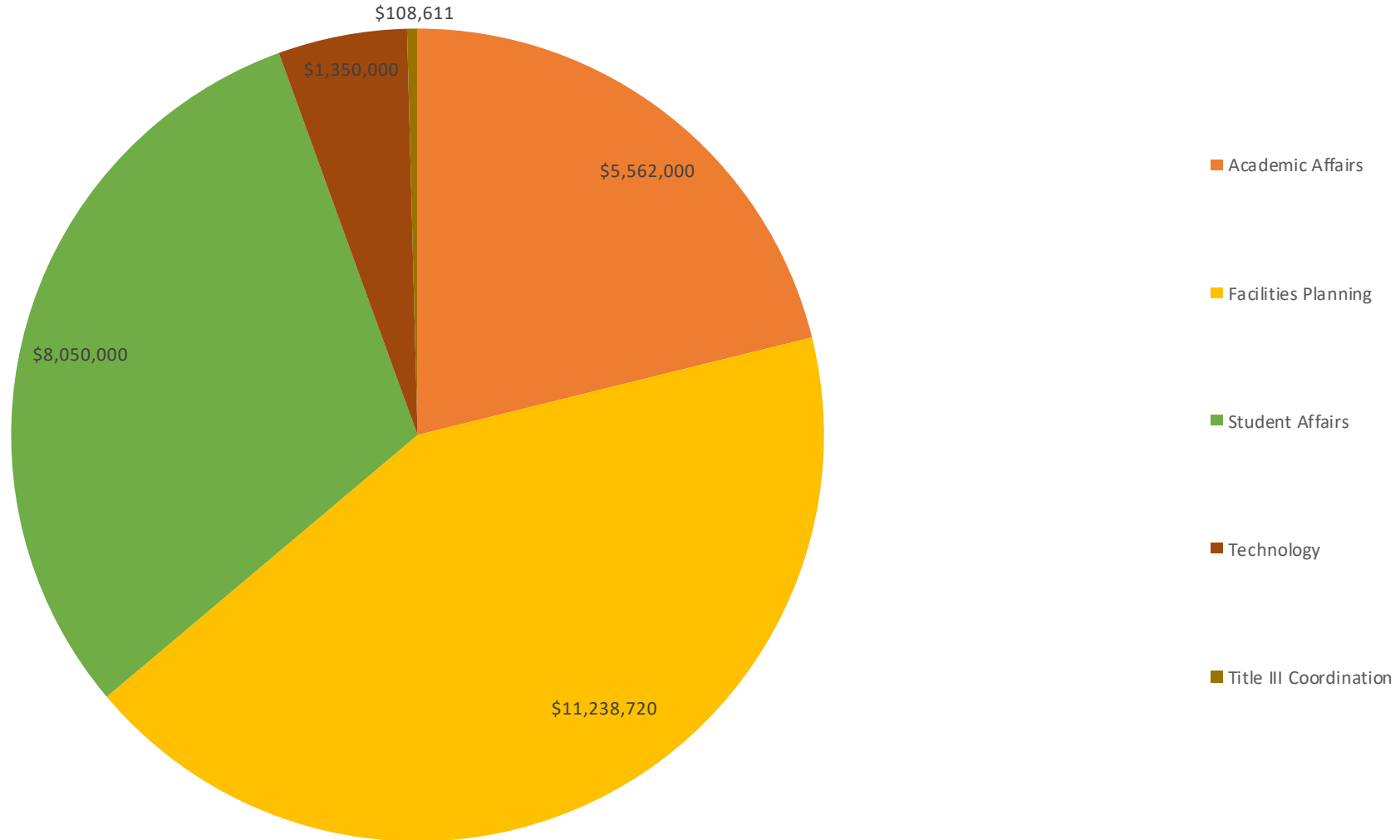
COVID 19 Expenditure Report to Date

Dr. Erick Akins

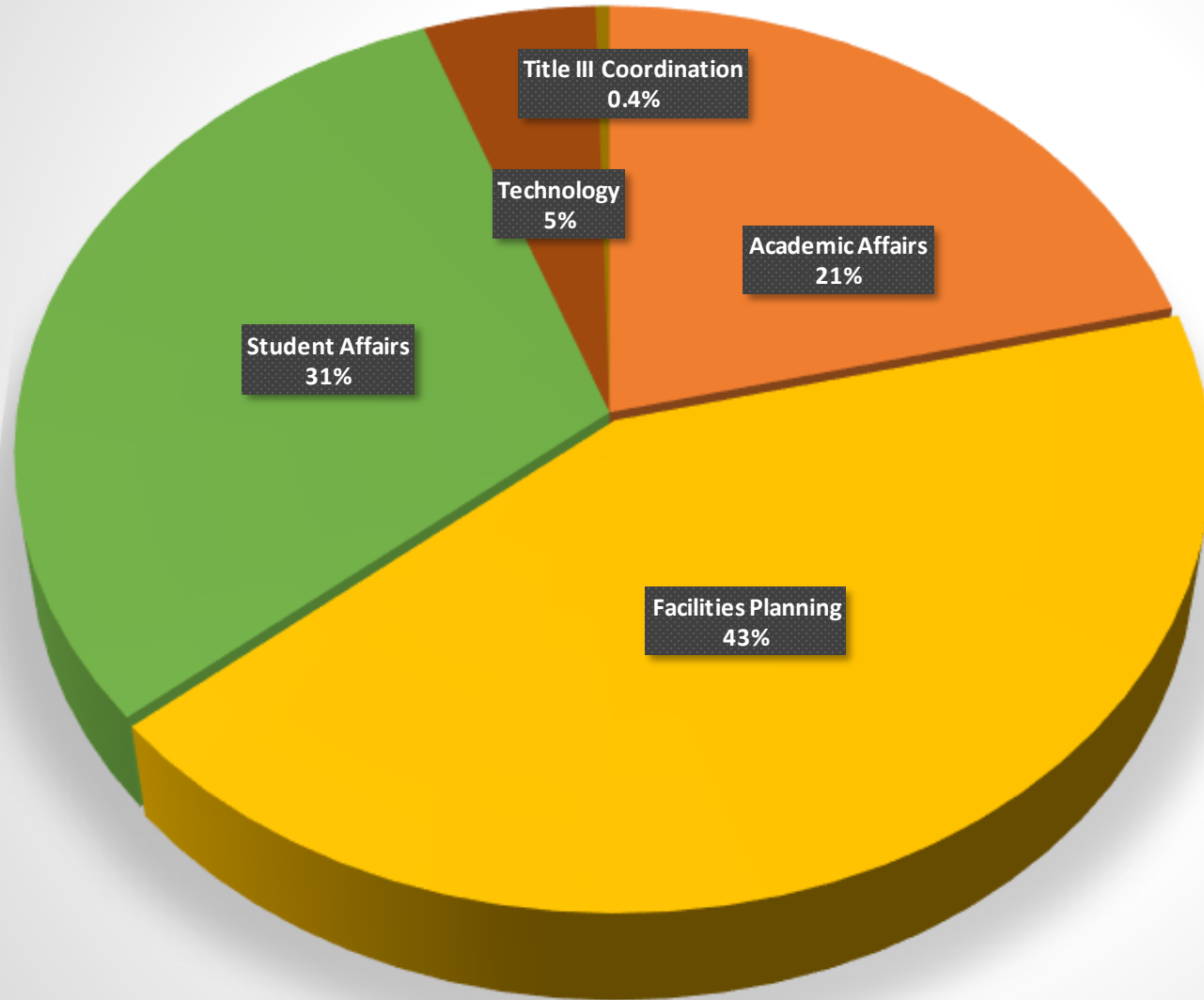
CARES Act Initial Funding Distribution

\$26,309,331

May 5, 2020 – April 30, 2021



CARES Act Percentage Distribution

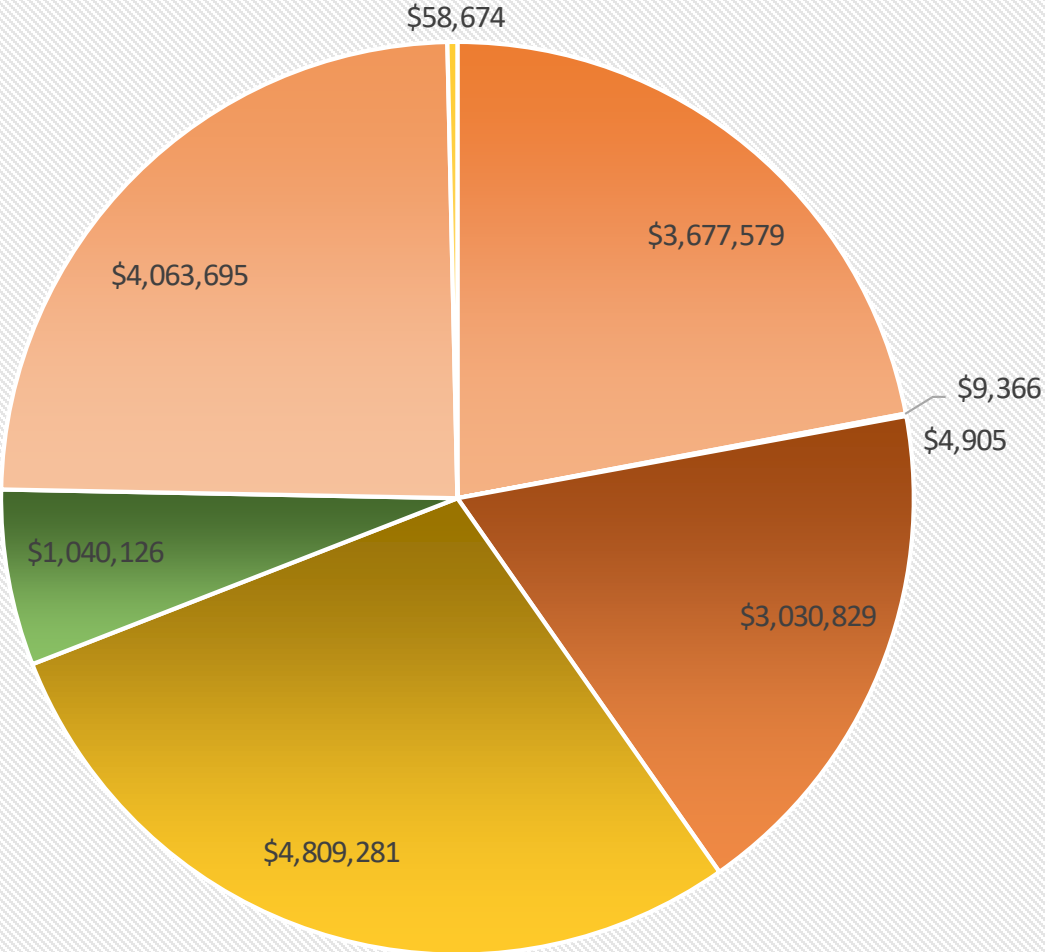


- Academic Affairs
- Facilities Planning
- Student Affairs
- Technology
- Title III Coordination

**CARES Act Quarterly Reporting
to the
Department of Education
May 5, 2020 – February 5, 2021**

CARES Act Expenditures (Period Ending February 5, 2021)

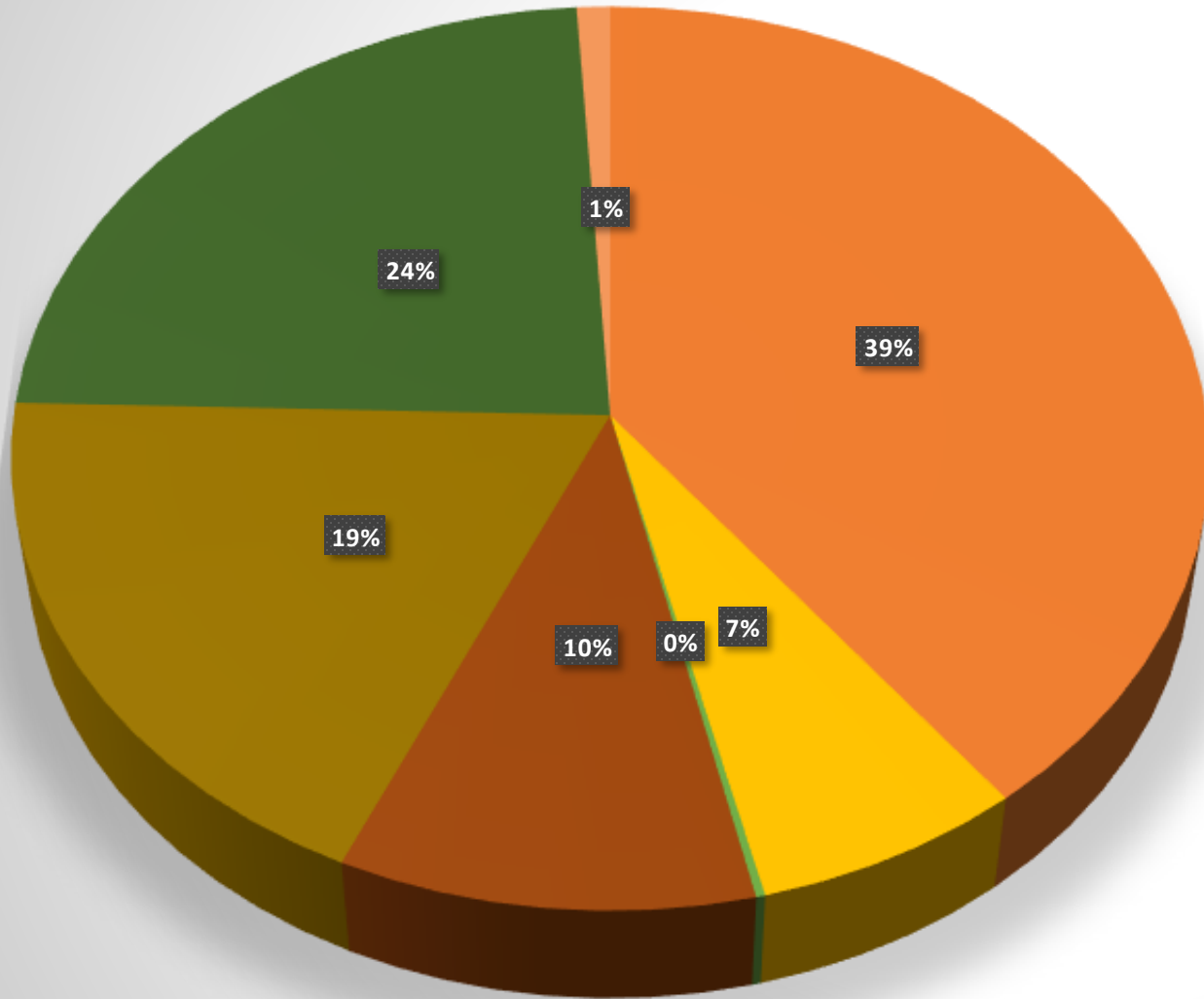
Institutional CARES Act Spending
\$16,694,455



- Financial Aid Grants to Students
- Providing or subsidizing the costs of high speed internet
- Subsidize off-campus housing costs due to dormitory closure
- Campus Safety/PPE
- Replacing lost revenue from non-tuition sources
- Purchasing faculty and staff training in online instruction or staff providing training
- Purchasing, leasing or renting additional equipment software to enable distance learning
- Other (Administrative Cost)

CARES Act Expenditures (Period Ending February 5, 2021)

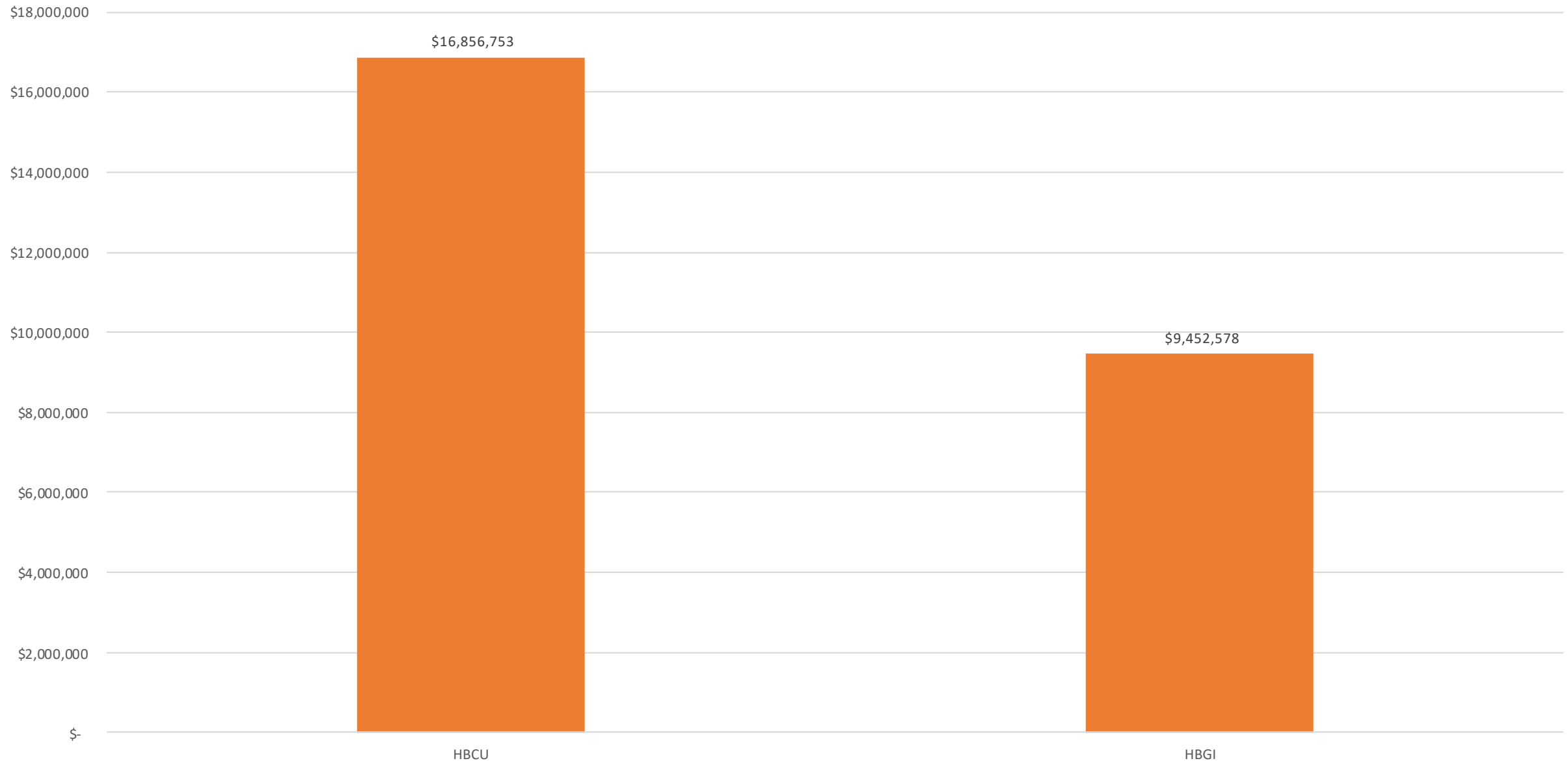
Institutional CARES Act Spending



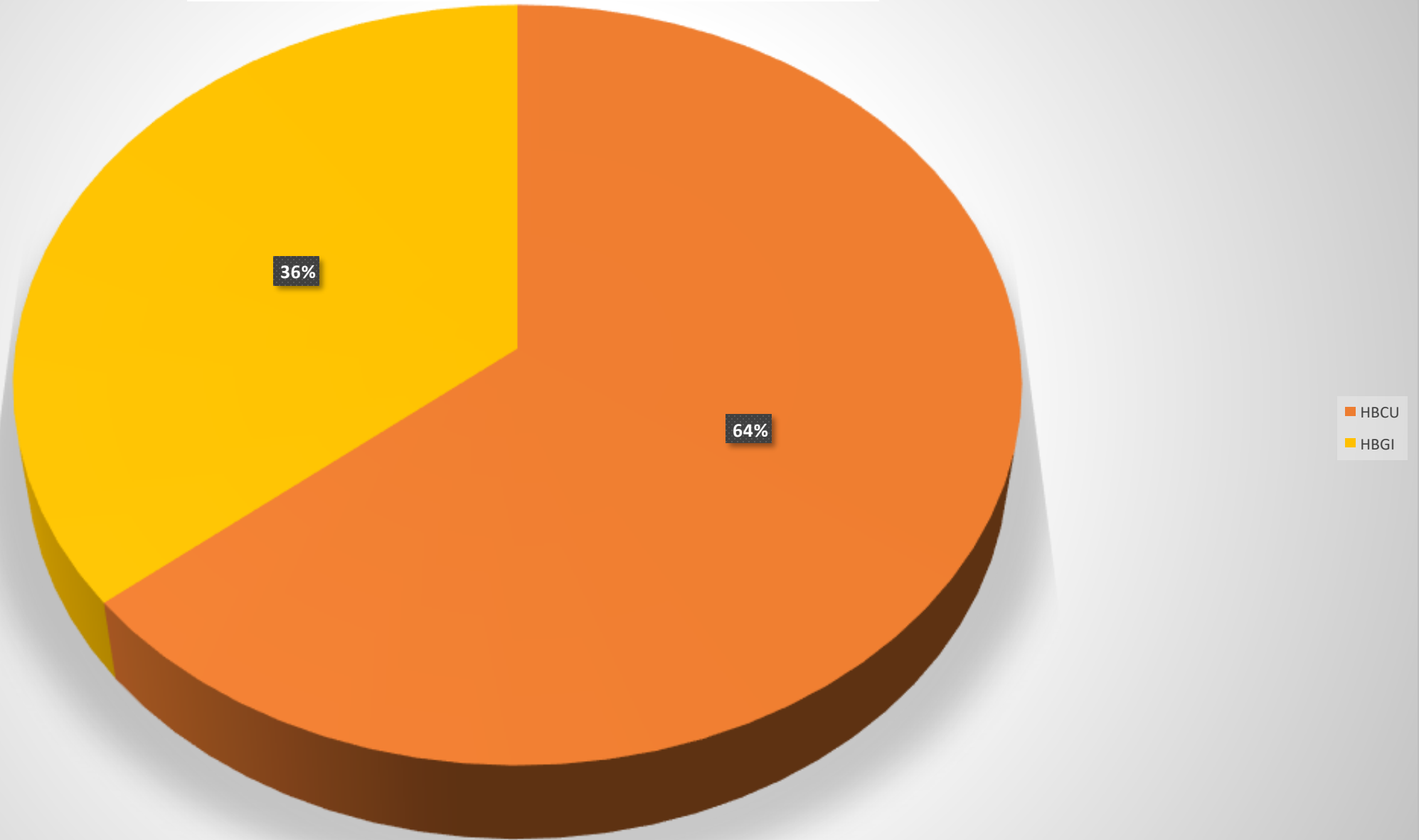
- Financial Aid Grants to Students
- Technology Hardware to Students and High Speed Internet for Students
- Subsidize off-campus housing costs due to dormitory closure
- Campus Safety/PPE
- Purchase of faculty and staff training online
- Purchasing, leasing or renting additional equipment software to enable distance learning
- Other (Administrative Cost)

CARES Act
Most Recent Spending
For following period
May 5, 2020 - February 12, 2021

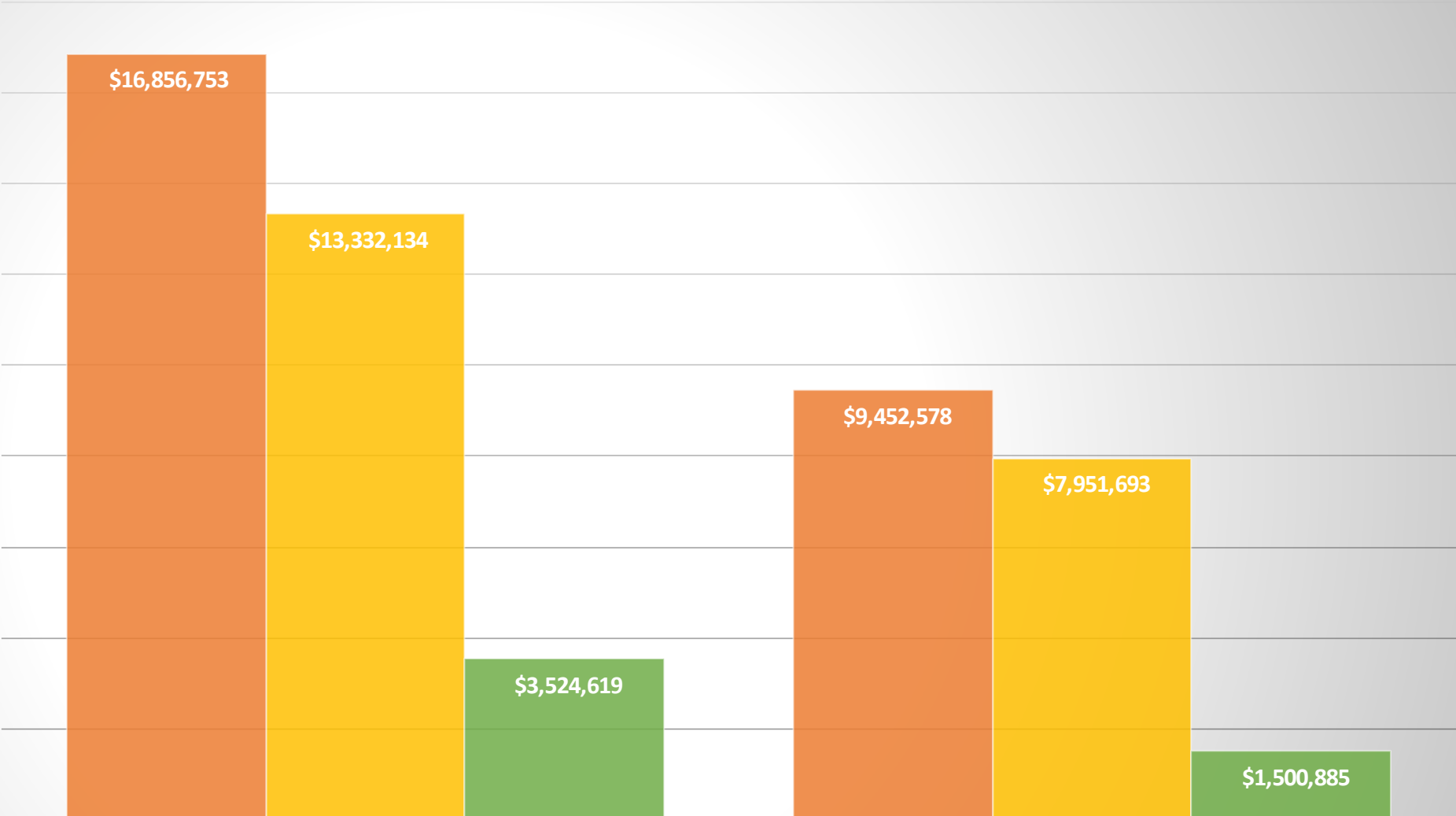
CARES Act Funding HBCU and HBGI



Percentage Breakdown of CARES Act Funding



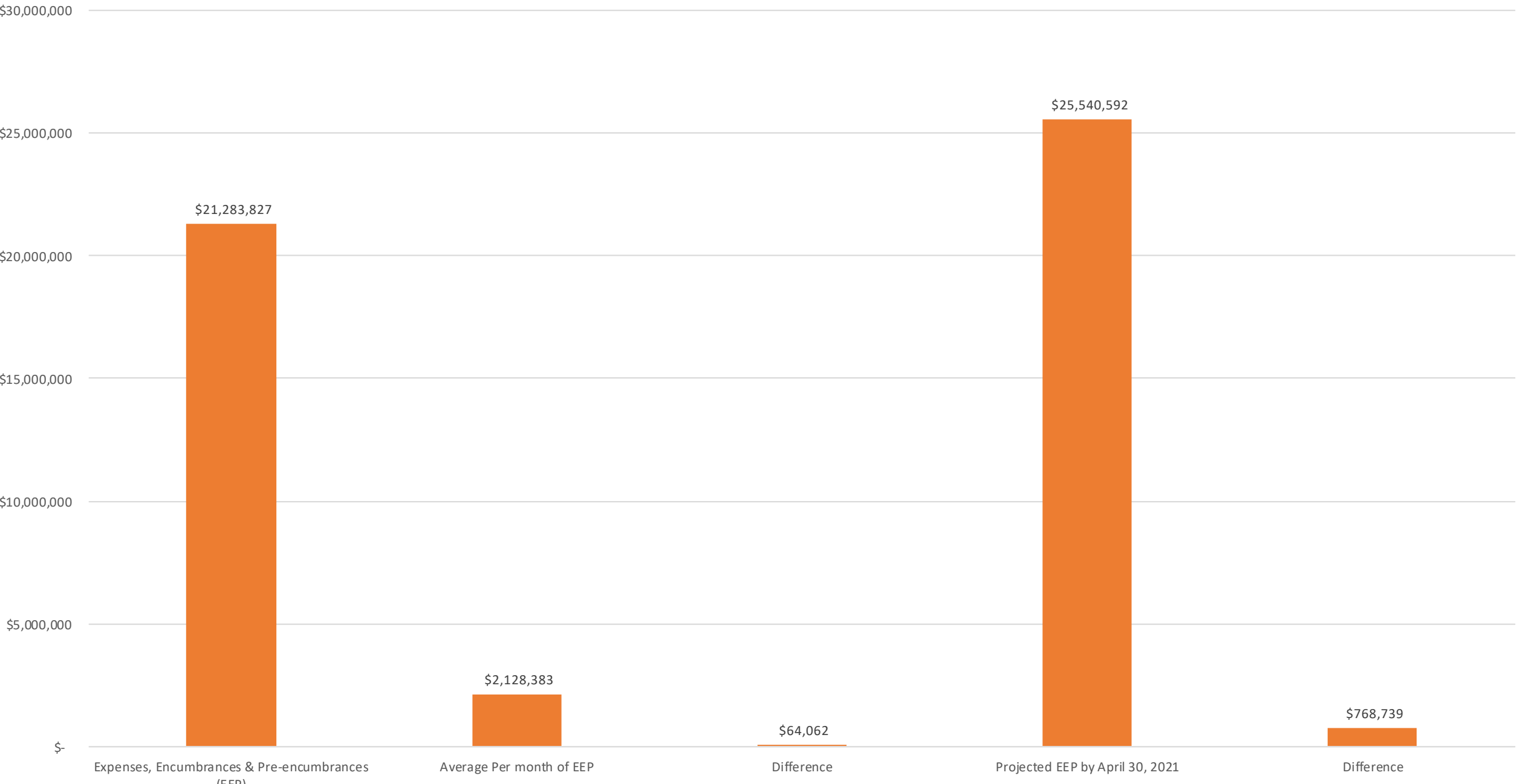
Budgeted vs. Expenses/Encumbrances/Pre-Encumbrances vs. Available Balance



	HBCU	HBGI
Budget	\$16,856,753	\$9,452,578
Expense, Encumbrance and Pre-Encumbrance	\$13,332,134	\$7,951,693
Available Balance	\$3,524,619	\$1,500,885

■ Budget
 ■ Expense, Encumbrance and Pre-Encumbrance
 ■ Available Balance

Projection (Where we Are)



Information Item

Project Updates – University Construction / Operations

Dr. Alan Robertson
Vice President for Finance and Administration / CFO

Major Capital Projects Update

- ❖ Center for Access and Student Success (CASS)
- ❖ FAMU Student Service Center Dining Hub
- ❖ Student Amphitheater
- ❖ Bragg Memorial Stadium

Center for Access and Student Success (CASS)



Center for Access and Student Success (CASS)

Project Status Report:		Budget: \$41,000,000	Date: 2/18/2021	
Project #:	Project Name:	University Project Manager:	Project Status: Close Out	
BRFM 337	Center for Access and Student Success	David Rosenfeld/Craig Talton		
Design Status (% Complete):	Designer:	Substantial Completion Date:		
100%	JRA Architects	Nov 18, 2020		
Construction Status (% Complete):	Contractor:	Occupancy Date:		
100%	Ajax Construction	Dec 31, 2020		
Timely Completion Risk:		COVID-19, Material Delivery		
Mitigation Strategy:		Contractors Following State & Federal Guidelines		
Project Contracts:	Expenses:	Encumbrances:	Remaining:	
\$41,000,000	\$34,399,611	\$4,314,352	\$2,286,037	

Student Service Center Dining Hub



Student Service Center Dining Hub

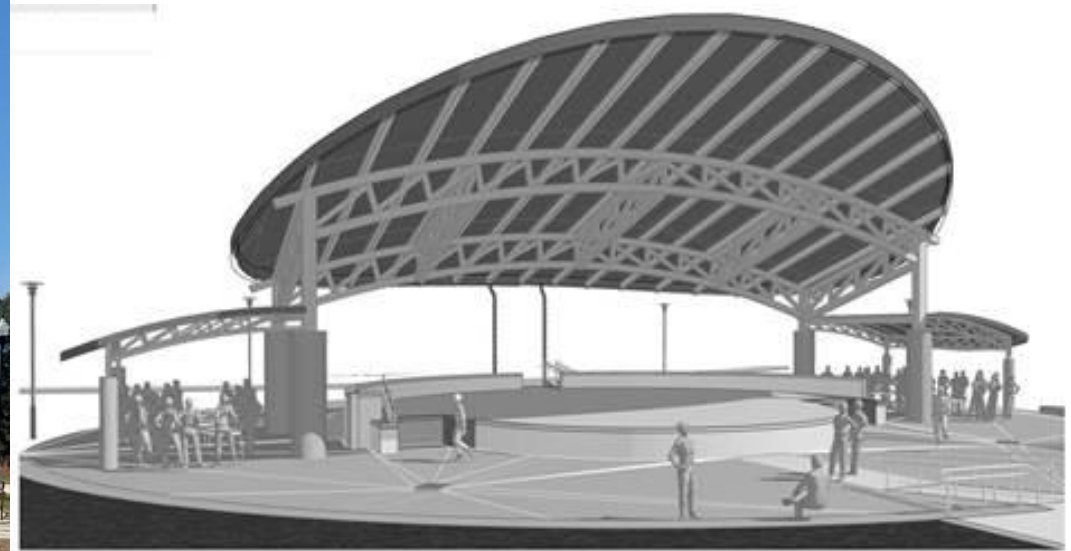
Project Status Report:	Budget: \$10,869,230	Date: 2/18/2021
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Project #:	Project Name:	University Project Manager:	Project Status:
BRFM 343	Student Dining Facility	Elston Peets	
Design Status (% Complete):	Designer:	Substantial Completion Date:	Revised Schedule
100%	Andy Share and Associates	Feb 22, 2021	
Construction Status (% Complete):	Contractor:	Occupancy Date:	
97%	CTG/Genterra	Feb 28, 2021	

Timely Completion Risk:	Severe weather, equipment delivery, COVID-19.
Mitigation Strategy:	Developer will work with Auxiliary Services, Metz and Genterra weekly to reduce the risk associated with long lead time equipment.

Project Contracts:	Expenses:	Encumbrances:	Remaining:
\$10,869,230	\$7,491,183	\$734,158	\$2,643,890

Student Amphitheater



Student Amphitheater

Project Status Report:		Budget: \$2,533,541	Date: 2/18/2021	
Project #:	Project Name:	University Project Manager:	Project Status: Revised Schedule	
CITF 2019	Student Amphitheater	David Rosenfeld		
Design Status (% Complete):	Designer:	Substantial Completion Date:		
100%	GRC Architects	March 19, 2021		
Construction Status (% Complete):	Contractor:	Occupancy Date:		
93%	RAM Construction	March 31, 2021		
Timely Completion Risk: Severe weather and delivery of materials Mitigation Strategy: None				
Project Contracts:	Expenses:	Encumbrances:	Remaining:	
\$2,533,541	\$2,383,340	\$150,178	\$0	

Bragg Memorial Stadium



Bragg Memorial Stadium

Project Status Report:		Budget: \$10,000,000	Date: 2/18/2021	
Project #:	Project Name:	University Project Manager:	Project Status: RFQ/RFP Process	
BRFM 346	Bragg Stadium Renovation	Bodie young/Elston Peets		
Design Status (% Complete):	Designer:	Substantial Completion Date:		
0%	Barkley Engineering	-		
Construction Status (% Complete):	Contractor:	Occupancy Date:		
0%	Ram Construction	-		
<p>Timely Completion Risk: Severe weather, material delays, COVID Mitigation Strategy: Identifying critical path materials that could impact the schedule</p>				
Project Contracts:	Expenses:	Encumbrances:	Remaining:	
\$308,175	\$98,850	\$209,325	\$9,691,825	

Information Item

Duke Energy / Brooksville Update

Dr. Fred Gainous, Executive Director
Brooksville Agricultural and Environmental Research Station

Introduction

- In March 2019, the Florida A&M University (FAMU) Board of Trustees (BOT) and Duke Energy Florida (“DEF”) entered into a ground lease for not more than 800 acres at the Brooksville Agricultural and Environmental Research Station to determine the feasibility of building and operating a 75 megawatt solar energy plant.
- The due diligence period was 24 months and expired February 28, 2021. Duke energy has paid the University \$32,000 per year for each year of the due diligence period.
- Duke Energy will need to request an extension of the due diligence period.

Due Diligence Has Revealed

- If the 74.9 megawatts of proposed Solar Farm electricity were to be added to the interconnection point with Withlacoochee Electric Cooperative, the surge would put Withlacoochee Electric Cooperative at 101 percent of its maximum load.
- In the formative planning for the interconnection with Withlacoochee, Duke Energy Florida estimated that it may cost approximately \$10 million dollars to connect. However, after several engineering studies by Duke Energy engineers, the cost was revised upwards to approximately \$50 million dollars. This would make the project cost prohibitive for Duke Energy Florida requiring DEF to abandon the project.

Proposed Solution

- Duke Energy Florida is currently undertaking a fifth Interconnection Study. The internal planning team of Duke Energy has come to the conclusion that there is a way to remove the interconnection cost away from Duke Energy Florida and provide for the cost to be carried by the Duke Energy parent corporation. If so, the cost of the Interconnection would become the responsibility of Duke Energy Corporate and allow the project to move forward.
- Duke Energy is expecting to have completed the fifth Due Diligence Study during the month of February 2021. If the conclusions of the study prove the assumptions upon which all current hypothesis are based, the project completion date remains unchanged 2023.

Due Diligence Agreement

All information will be forwarded to President Larry Robinson for appropriate action. The ground lease provides for a one year extension of the due diligence period upon 30 days notice, a \$3,000 extension fee and \$32,000 in additional annual rent.

Information Item

Housing Facilities Update

Dr. Jennifer Wilder
Director, University Housing

Projections

Summer 2021

Summer School Beds = 232

Fall 2021

- Full occupancy = 2450 beds
 - Projected revenue @ 90% = **\$7,719,354.00**
- All Single rooms= 1754 beds
 - Projected revenue @ 90% = **\$5,584,669.20**

Current Enrollment as of 2/11/2021

Spring 2021	Spring 2020
1404	2326 (Pre Covid19)

Fall Assignments

Fall 2021 (as of February 11,2021)	Fall 2020 (as of March 12,2020)
809	733

Deferred Maintenance Progress

Category	10 Year Projections	Expenditure to Date	% Completed
HVAC	\$2,508,747.00	\$114,934.00	0.05%
Accessibility	\$2,158,135.00	\$171,523.00	0.01%
Interior	\$4,496,499.00	\$2,808,210.00	0.62%
Plumbing	\$1,717,317.00	\$63,300.00	0.04%
Fire/Life Safety	\$3,866,062.00	\$31,051.00	0.01%
Vert. Trans	\$401,970.00		
Electrical	\$2,345,417.00		
Exterior	\$1,251,759.00	\$671,287.00	0.54%
Exterior Glazing	\$918,773.00	\$45,720.00	0.05%
Site	\$13,697.00		
Total	\$19,678,376.00	\$3,906,025.00	0.20%

Gibbs Hall Update



Photo Credits: Alychia Cole, The FAMUAN Staff Reporter



FLORIDA A&M UNIVERSITY

Founded in 1887 as the State Normal College for Colored Students, Florida Agricultural and Mechanical University (FAMU) is the only historically state supported educational facility for African Americans in Florida. It has always been co-educational. In 1890, the second Morrill Act was passed. This enabled the school to become the Black Land Grant College for the State of Florida. In 1891, the college was moved from its original location west of town to its present location which was once the site of "Highwood," Territorial Governor W.P. Duval's slave plantation. The site is one of the highest hills in Tallahassee. The school was known as Florida A&M College from 1909 until 1953 when it attained university status.