

FLORIDA **A&M** UNIVERSITY
Board of Trustees

Budget, Finance, and Facilities Committee Meeting

Trustee Craig Reed, Committee Chair

Wednesday, May 29, 2024 Location: The Grand Hyatt Cypress Tampa Bay

MINUTES

Committee Members Present: Ezzeldin Aly, Otis Cliatt, Kristin Harper, Kelvin Lawson, Kenny Stone, Craig Reed, and Michael White

Call to Order/Roll Call

Trustee Reed called the meeting to order. Ms. Schloss called the roll. A quorum was present.

ACTION ITEMS

Chair Reed requested that President Robinson provide an update on the campus recovery efforts at the start of the meeting. President Robinson, along with VP Brown, provided a synopsis indicating that the cleanup process was progressing diligently. They emphasized that full recovery would require more time to complete.

Approval of Minutes – March 6, 2024

There were no revisions to the minutes.

The motion to approve this action item was carried.

Approval of Accounts Receivables Write-offs

VP Brown requested board approval for the fiscal year 2023-2024 Student Accounts Receivable Write-Offs in the amount of \$368,774.34. A detailed list of the receivables, by department was provided in the written materials, showing a 75% decrease from the previous fiscal year's write-offs.

Questions/Comments re: Accounts Receivables Write-offs

- a. Trustee Lawson stated he assumed the COVID funds helped reduce that outstanding debt.
Response: VP Brown confirmed that the decrease was indeed helped by COVID funds, along with some internal dollars.

The motion to approve this action item was carried.

Approval of Surplus Property Write-offs

VP Brown requested board approval to write-off tangible personal property, effective June 30, 2024, with a total acquisition cost of \$46,628.28

The motion to approve this action item was carried.

Approval of 2024-2025 Preliminary Operating Budget

VP Brown requested board approval of the 2024-2025 Preliminary Operating Budget.

Questions/Comments re: 2024-2025 Preliminary Operating Budget

- a. Trustee Washington expressed her concern about the athletic expenses in the preliminary operating budget only being increased by \$500,000.00, stating that the amount is dramatically under budget. She asked if there is a plan on the back end, knowing that the projected revenue is probably at least a million dollars under what is going to be spent.
Response: VP Brown explained that the university is required to present a balanced budget, and the strategy includes examining the gap between actual collections and using some allowable institutional funds to supplement the budget. VP Brown deferred to President Robinson for further discussion.

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- b. President Robinson acknowledged the annual challenge with athletic funding and proposed a detailed assessment of athletics revenue and expenses during the summer. He suggested discussing a more comprehensive strategy at the upcoming August retreat to reach a reasonable point for this document.
- c. Trustee Lawson remarked that historically, funds have been sourced from scholarships, student fees, and athletic fees, suggesting a review to determine if adjustments are possible. He noted that auxiliary interest could help cover any financial gaps.
- d. President Robinson spoke about exploring an opportunity to waive out-of-state fees for student-athletes. He also stated we need a more reliable revenue source for athletics that we can count on.
- e. Trustee Washington acknowledged her question had been addressed but inquired how the preliminary budget could more accurately reflect the actual financial situation.
- f. Trustee Harper reminded the board of the special committee created to ensure the sustainability and operating model of athletics to look at the need for reliable year-over-year revenue.
- g. Trustee Lawson recommended scheduling a discussion at the next Board of Governors meeting to explore additional legitimate funding sources for the athletic budget.

The motion to approve this action item was carried.

Approval of 2025-2026 Fixed Capital Outlay Budget – Capital Improvement Plan (CIP)

VP Brown requested board approval for the 2025-2026 Fixed Capital Outlay Budget – Capital Improvement Plan.

The motion to approve this action item was carried.

Approval of Amendment to Regulation 6.005, Procurement of Commodities and Contractual Services

VP Brown requested board approval of Amendment to Regulation 6.005, Procurement of Commodities and Contractual Services.

Questions/Comments re: Amendment to Regulation 6.005, Procurement of Commodities and Contractual Services

- a. Trustee Lawson stated he's fine with the amended regulation; he also noted the university should be mindful that when procurement and contracts become available, we do our due diligence to find small and minority businesses. Trustee Lawson suggested to VP Brown the university should be more diligent in finding small and minority businesses.

Response: VP Brown agreed with Trustee Lawson, noting the debris site on campus is totally operated and managed by a minority vendor. VP Brown mentioned the team is doing a very good job of ensuring that they give opportunities to minority businesses.

The motion to approve this action item was carried.

Approval of Contract Authority- South Chiller Plant /Construction Manager (CM)

VP Brown requested board approval and authorization for the President to execute a contract between the owner and construction manager, after review and approval by the Office of the General Counsel, for a total sum not to exceed \$8M.

The motion to approve this action item was carried.

Approval of Contract Authority- Dining Hub Expansion/Construction Manager (CM)

VP Brown requested board approval and authorization for the President to execute a contract between the owner and construction manager, after review and approval by the Office of the General Counsel, for a total sum not to exceed \$3.6M.

The motion to approve this action item was carried.

Approval of Contract Authority- Foote Hilyer Sprinkler /Construction Manager (CM)

VP Brown requested board approval for the President to execute a contract between the owner and construction manager, after review and approval by the Office of the General Counsel, for a total sum not to exceed \$2M.

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The motion to approve this action item was carried.

Approval of Contract Authority- EAB Global, Inc.

VP Brown requested board approval for the President to execute the necessary contracts and agreements with Education Advisory Board (Navigate360 & Edify) for a total sum not to exceed \$2.5M, pending review and comments from the General Counsel.

Questions/Comments re: EAB Global, Inc.

- a. Trustee Washington inquired about on opt-out clause and wanted to confirm if the agreement was for five years.

Response: VP Brown affirmed the duration and deferred to Chief Operating Officer (COO), Dr. Palm for further details. COO Palm confirmed the five-year commitment but was unsure about the inclusion of an opt-out clause. VP Brown added that the General Counsel's office typically ensures the presence of an opt-out clause and that contracts are generally not signed without one.

- b. Trustee Washington expressed concerns about committing to a technology agreement for five years given the rapid advancements in technology. She emphasized the importance of flexibility in the contract to switch to a better product if one becomes available. She also mentioned mixed reviews about EAB and sought assurance that it was the right choice for the university.

Response: VP Brown acknowledged her concerns and stated that this would be taken as an action item for follow-up.

During the discussion, Vice President and General Counsel, Denise Wallace, interjected to inform the board that Attorney David Self had confirmed the inclusion of a termination clause in the contract.

The motion to approve this action item was carried.

Approval of Contract Amendments- iHeartMedia and Upscale Events by Mosaic, Inc.

VP Brown recommended that the Board of Trustees authorize the President to execute the contract amendments for iHeartMedia and Upscale Events by Mosaic, Inc., not to annually exceed \$4,085,764 and \$1,700,000 respectively.

Questions/Comments re: Contract Amendments

- a. Trustee Washington highlighted the university's leadership in the state with these initiatives and inquired how the university could enhance its efforts to be bigger, bolder, and better. She also noted receiving numerous concerns during legislative sessions about the university's outreach methods and its innovation capabilities
- b. Trustee Harper expressed appreciation for Trustee Washington's input and sought clarification on what enhanced efforts might entail—whether it involved expanding outreach, increasing frequency, or diversifying messaging types

Response: Trustee Washington suggested that the events could be improved and proposed that further discussions could take place offline. VP Brown indicated that representatives from MMERI were present and could offer additional insights. GP Mendie provided details on the ongoing outreach and education campaigns across the state, particularly in smaller counties.

- c. Trustee Lawson shared that his collaboration with The Boys and Girls Club has supported MMERI's outreach initiatives.
- d. Trustee Reed found the information presented to be valuable and recommended that a method for measuring the success of these contracts be implemented.

The motion to approve this action item was carried.

The meeting adjourned.