



**Budget, Finance, and Facilities Committee Meeting
June 5, 2019**

PRESENTED BY

Finance and Administration

Florida Agricultural and Mechanical University



ACTION ITEM IV:

Preliminary University Budget 2019-2020

PRESENTED BY

Ronica Mathis, Director, University Budget Office

Florida Agricultural and Mechanical University



Budget Development Process

Units Submit Budget Requests

- List of unit priorities, goals, and objectives
 - Consistent with the priorities, goals, and objectives set forth by the President
 - Used to guide the development of budget request
- Planning document
 - No more than five (5) pages
 - Consider the following:
 - a) Explain accomplishments with previous year's funds
 - b) Describe continuing efforts toward performance metrics and University's strategic mission
 - c) List next fiscal year's major areas of concern
 - Elevated risks
 - Vulnerabilities
 - Possible disruptions
 - d) Provide brief overview of staffing & strategic goals
 - e) Identify opportunities for new or modified programs, policies or processes
 - Potential interdisciplinary collaboration
 - Elimination or reduction of programs and/or process within next 3 years for cost savings
 - f) Indicate quality improvements to academic programs or administrative services in previous year





Budget Development Process

Conduct Budget Review Committee Meetings

- Each Dean / VP separately met with the Budget Council*
 - Presented their budgets
 - Provided accomplishments from the use of last year's funding
 - Explained how current and new requests tie to the University's Strategic Priorities
 - Ranked top 3 priorities and shared justification for ranking
- The Budget Review Committee meets
 - Discuss top 3 budget priorities
 - Determine allocation of new (performance-based funding) or existing funds to address Strategic Priorities

**Budget Review Committee Members: University President, Provost, Vice Provosts (2), Assistant Vice President of Academic Affairs, Vice President for Finance & Administration, Vice President of Strategic Planning, Faculty representative, Budget Director*





Budget Development Process

Next Level Approvals:

- **Budget Counsel:** Budget Counsel has completed meetings with all the Deans and VPs. Next steps will include their deliberations before making their recommendations to the President
- **President:** President will consult with the Budget Counsel and make necessary changes prior to taking it to the Board of Trustees for review and approval
- **University BOT:** Review and approve the proposed budget prior to the submission to the Board of Governors
- **Board of Governors**



FLORIDA A&M UNIVERSITY
STATE UNIVERSITY SYSTEM OF FLORIDA
2019-2020 OPERATING BUDGET
SUMMARY SCHEDULE I

	Education & General ¹	Contracts & Grants ²	Auxiliaries ³	-----Local Funds ⁴ -----							Faculty Practice Plan ⁵	Summary Totals
				Student Activities	Student Financial Aid	Concessions	Intercollegiate Athletics	Technology Fee	Self-Insurance	Board - Approved Fees		
1 Beginning Fund Balance :	\$ 24,300,336	\$ (11,245,012)	\$ 28,193,906	\$ 262,295	\$ 4,531,885	\$ 425,158	\$ -	\$ 396,011	\$ -	\$ -	\$ -	\$ 46,864,579
2												
3 <u>Receipts/Revenues</u>												
4 General Revenue	\$ 73,910,741											\$ 73,910,741
5 Lottery	\$ 19,881,878											\$ 19,881,878
6 Student Tuition	\$ 67,801,614											\$ 67,801,614
7 Phosphate Research												\$ -
9 Other U.S. Grants		\$ 53,372,393			\$ 42,825,000							\$ 96,197,393
10 City or County Grants												\$ -
11 State Grants		\$ 5,432,610										\$ 5,432,610
12 Other Grants and Donations					\$ 4,200,000							\$ 4,200,000
13 Donations / Contrib. Given to the State												\$ -
14 Sales of Goods / Services			\$ 9,060,501				\$ 2,490,000					\$ 11,550,501
15 Sales of Data Processing Services												\$ -
16 Fees			\$ 39,065,745	\$ 3,301,868	\$ 791,485		\$ 4,275,000	\$ 2,297,590				\$ 49,731,688
17 Miscellaneous Receipts							\$ 3,650,000					\$ 3,650,000
18 Rent												\$ -
19 Concessions						\$ 221,092						\$ 221,092
20 Assessments / Services												\$ -
21 Other Receipts / Revenues ⁴												\$ -
22 Subtotal:	\$ 161,594,233	\$ 58,805,003	\$ 48,126,246	\$ 3,301,868	\$ 47,816,485	\$ 221,092	\$ 10,415,000	\$ 2,297,590	\$ -	\$ -	\$ -	\$ 332,577,517
23 Transfers In												\$ -
24 Total - Receipts / Revenues:	\$ 161,594,233	\$ 58,805,003	\$ 48,126,246	\$ 3,301,868	\$ 47,816,485	\$ 221,092	\$ 10,415,000	\$ 2,297,590	\$ -	\$ -	\$ -	\$ 332,577,517
25												
26 <u>Operating Expenditures</u>												
27 Salaries and Benefits	\$ 113,594,584	\$ 23,297,440	\$ 9,461,786	\$ 198,867	\$ 452,542		\$ 3,931,810					\$ 150,937,029
28 Other Personal Services	\$ 9,271,543	\$ 7,424,112	\$ 2,638,658	\$ 363,850	\$ 140,750		\$ 162,253					\$ 20,001,166
29 Expenses	\$ 33,255,385	\$ 22,710,111	\$ 18,600,628	\$ 1,126,822	\$ 47,200,000	\$ 120,000	\$ 3,367,197	\$ 2,009,641				\$ 128,389,784
30 Operating Capital Outlay	\$ 513,568	\$ 1,122,019	\$ 410,000					\$ 150,000				\$ 2,195,587
31 Risk Management	\$ 1,693,723											\$ 1,693,723
32 Financial Aid	\$ 624,417											\$ 624,417
33 Scholarships						\$ 150,000	\$ 2,950,000					\$ 3,100,000
34 Waivers	\$ 130,838											\$ 130,838
35 Finance Expense												\$ -
36 Debt Service	\$ 1,514,846		\$ 5,926,788									\$ 7,441,634
37 Salary Incentive Payments												\$ -
38 Law Enforcement Incentive Payments	\$ 14,799											\$ 14,799
39 Library Resources	\$ 782,530											\$ 782,530
40 Institute of Government												\$ -
41 Regional Data Centers - SUS												\$ -
42 Black Male Explorers Program	\$ 198,000											\$ 198,000
43 Phosphate Research												\$ -
44 Other Operating Category (Provide Details)												\$ -
45 Total Operating Expenditures :	\$ 161,594,233	\$ 54,553,682	\$ 37,037,860	\$ 1,689,539	\$ 47,793,292	\$ 270,000	\$ 10,411,260	\$ 2,159,641	\$ -	\$ -	\$ -	\$ 315,509,507

**FLORIDA A&M UNIVERSITY
STATE UNIVERSITY SYSTEM OF FLORIDA
2019-2020 OPERATING BUDGET
SUMMARY SCHEDULE I**

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				Student Activities	Student Financial Aid	Concessions	Intercollegiate Athletics	Technology Fee	Self-Insurance	Board - Approved Fees		
1 Beginning Fund Balance :	\$ 24,300,336	\$ (11,245,012)	\$ 28,193,906	\$ 262,295	\$ 4,531,885	\$ 425,158	\$ -	\$ 396,011	\$ -	\$ -	\$ -	\$ 46,864,579
2												
47 Non-Operating Expenditures												
48 Transfers		\$ 4,523,302	\$ 12,773,315	\$ 1,638,518				\$ 137,849				\$ 19,072,984
49 Fixed Capital Outlay												\$ -
50 Carryforward (From Prior Period Funds)												\$ -
51 Other ⁷												\$ -
52 Total Non-Operating Expenditures :	\$ -	\$ 4,523,302	\$ 12,773,315	\$ 1,638,518	\$ -	\$ -	\$ -	\$ 137,849	\$ -	\$ -	\$ -	\$ 19,072,984
53												
54 Ending Fund Balance :	\$ 24,300,336	\$ (11,516,993)	\$ 26,508,977	\$ 236,106	\$ 4,555,078	\$ 376,250	\$ 3,740	\$ 396,111	\$ -	\$ -	\$ -	\$ 44,859,605
55												
56 Fund Balance Increase / Decrease :	\$ -	\$ (271,981)	\$ (1,684,929)	\$ (26,189)	\$ 23,193	\$ (48,908)	\$ 3,740	\$ 100	\$ -	\$ -	\$ -	\$ (2,004,974)
57 Fund Balance Percentage Change :	0	2.42%	-5.98%	-9.98%	0.51%	-11.50%	#DIV/0!	0.03%	#DIV/0!	#DIV/0!	#DIV/0!	-4.28%

1. The Education and General budget funds the general instruction, research, and public service operations of the universities. Universities have accumulated ending fund balances for activities such as the implementation and maintenance of Enterprise Resource Program systems, contingency for unfunded enrollment growth, potential budget reductions, anticipated increases in utilities, and prior year encumbrances (recorded, estimated liability at year-end for ordered or received goods or services), and compliance with Section 1011.40(2) F.S. on maintaining a 5% reserve.

2. The Contracts and Grants budget contains activities in support of research, public service, and training. Large fund balances are due to the timing of receipt of Federal contracts or grants.

3. Auxiliaries are ancillary support units on each university campus. Some of the major activities include housing, food services, book stores, student health centers, facilities management, and computer support. Ending fund balances includes financial activities such as debt service payments, reserve, repair and replacement reserves for future maintenance costs, construction/renovation of auxiliary facilities, and prior year encumbrances.

4. Local funds include the following university activities:
a. Student Activities - Supported primarily by the student activity and service fee and funds operations of the student government, cultural events, organizations, and intramural/club sports.
b. Financial Aid - This activity represents the financial aid amounts for which the university is fiscally responsible. Examples include: student financial aid fee, bright futures, federal grants, college work study, and scholarships. The ending fund balance represents a timing difference between the receipts of funds and disbursement to the students.
c. Concessions - These resources are generated from various vending machines located on the university campuses.
d. Athletics - Revenues are primarily derived from the student athletic fee, ticket sales, and sales of goods. Sufficient fund balances are maintained to provide the necessary support for ongoing athletic activities.
e. Technology fee - Collections are used to enhance instructional technology resources for students and faculty.
f. Self-Insurance Program - These programs are directed by the respective self-insurance councils and the captive insurance companies (These companies underwrite the risks of its owner and the owner's affiliates.). These activities are supported by premiums charged to the insured individuals and entities (primarily medical faculty and institutions).
g. Board-Approved Fees - Student fees proposed by each university and authorized by the Board of Governors to address specific student-based needs not addressed through another service or fee.

5. Faculty Practice - The Faculty Practice Plan collects and distributes income from faculty billings for patient services provided in conjunction with state university medical school programs.

6. Other Receipts/Revenues includes categories such as interest, penalties, refunds, admissions, fines, taxes, etc.

7. Other Non-Operating Expenditures includes categories such as refunds, payment of sales taxes, or indirect costs.





STATE
UNIVERSITY
SYSTEM
of FLORIDA
Board of Governors

2019-2020 Fixed Capital, Operating & Carryforward Budget Certification

University Name: _____

Fixed Capital Outlay, Operating & Carryforward Budgets Certification Representations

I hereby certify to the Board of Governors that the referenced fixed capital outlay, operating and carryforward budget information provided to the Board of Governors in accordance with my fiduciary responsibility to the university is true and materially correct to the best of my knowledge. I further certify that these budgets have been reviewed and approved by the board of trustees at its meeting held on _____, and that funds will only be expended in accordance with the approved budget as well as all applicable Statutes, Board of Governors Regulations, and university regulations. I understand that any unsubstantiated, false, misleading, or withheld information relating to these statements may render this certification void. My signature below acknowledges that I have read and understand these statements.

Certification: _____ Date _____
Chief Financial Officer

Certification: _____ Date _____
President

I certify that the above referenced university budgets for fiscal year 2019-2020 has been approved by the university board of trustees and is true and materially correct to the best of my knowledge.

Certification: _____ Date _____
Board of Trustees Chair





Preliminary University Budget 2019-2020

Rationale:

Pursuant to Board of Governor's Regulation 9.007 state University Operating Budgets, the FY 2019-20 preliminary operating budget must be approved by the University Board of Trustees (BOT) prior to submission to the Board of Governors. The preliminary budget is due to the Board of Governors on June 20, 2019. The Board of Governors must submit the approved budgets to the State Comptroller's Office before June 28, 2019 to have cash releases processed from the State Treasury for the university operations.

The University's Budget Council is currently working to complete the final operating budget. The final operating budget will be presented to the BOT for approval in August 2019. Each university is required to submit a signed certification form after the Board of Trustees has approved the final budget.

Recommendation:

It is recommended that the Board of Trustees approve the 2019-20 Preliminary Operating Budget.





ACTION ITEM V:

Capital Improvement Program

PRESENTED BY

Sameer Kapileshwari P.E., Associate Vice President for Facilities

Florida Agricultural and Mechanical University



Capital Improvement Plan (CIP) 2020-2025

Background:

Each year all SUS Universities are required to prepare and submit their five year Capital Improvement Plan (CIP) requests. These requests for academic facilities should be consistent with the findings of the University's Educational Plant Survey and the Master Plan.

Our CIP project requests for 2019 -2020 are listed in order of priority. The CIP due date to the Board of Governors is July 1, 2019.

Recommendation: Board of Trustees approve the Five-Year Capital Improvement Plan 2020–2025 and authorizes the President to forward the Board approved plan to the BOG.





Capital Improvement Plan 2020-2025

PECO-ELIGIBLE PROJECT REQUESTS		
Priority		
No	Project Title	Cost
1	STUDENT AFFAIRS BUILDING/CASS (*)	\$24,573,149
2	INFRASTRUCTURE -CENTRAL PLANT IMPROVEMENTS	\$21,126,000
3	INTERDISCIPLINARY RESEARCH BUILDOUT	\$14,388,433
4	ARMY ROTC - HOWARD HALL RE-PURPOSE (REMODEL)	\$9,713,603
5	NAVY ROTC/PERRY-PAIGE RE-PURPOSE (REMODEL) /ADDITION	\$10,315,718
6	BENJAMIN BANNEKER DEMOLITION	\$1,851,130
7	LAND ACQUISITIONS	\$15,500,000
8	COMPUTER INFORMATION SYSTEMS BUILDING	\$53,530,234
9	SOCIAL SCIENCES BUILDING	\$31,834,135
10	FAMU-FSU COLLEGE OF ENGINEERING PHASE III	\$87,000,000
11	ENGINEERING TECHNOLOGY BUILDING	\$23,757,174
* Awaiting approval from the Governor's Office		





ACTION ITEM VI:

Amendment to Regulation 3.017, Schedule of Tuition & Fees

PRESENTED BY

Tiffany Holmes, Assistant Vice President / University Controller

Florida Agricultural and Mechanical University



Amendment to Regulation 3.017, Schedule of Tuition & Fees

Rationale:

Amendment is required to reflect the BOG-determined Repeat Course Fee of \$192.85 for fiscal year 2019-20. This represents a \$2.01 increase from the fiscal year 2018-19 rate.

Recommendation:

Approval of the amendment to Regulation 3.017 – Schedule of Tuition and Fees





Information Item VII: Financial Status Report

PRESENTED BY

Tiffany Holmes, Assistant Vice President / University Controller

Florida Agricultural and Mechanical University



Financial Status Report

Florida A&M University
Financial Status Report, as of March 31, 2019

Revenues		YTD (A)	Year End est	Prior Year	
				3/31/2018	2018 YE est
Total Revenue	Budget	267,528,499	337,456,132	270,021,577	334,597,615
	Actual/ Forecast	245,092,310	307,920,387	238,864,844	297,707,740
Total Expenses	Budget	266,477,333	332,001,956	244,637,837	316,822,389
	Actual/ Forecast	224,970,661	294,560,935	225,974,448	292,035,964
Revenues over Expenses					
	Budget	1,051,166	5,454,176	25,383,740	17,775,226
	Actual/ Forecast	20,121,649	13,359,452	12,890,396	5,671,775
Other Sources (Uses) of Cash (Capex & Debt Service)					
Net	Budget	(3,005,461)	(4,646,765)	(1,682,363)	(4,155,666)
	Actual/ Forecast	(388,300)	(4,617,329)	(795,639)	(4,307,746)
Net Balance					
	Budget	(1,954,295)	807,411	22,247,304	13,619,560
	Actual/ Forecast	19,733,349	8,742,123	12,304,000	1,364,030
		60%	541%		





Financial Status : Cost Savings Impact

Florida A&M University

Financial Status Report, as of March 31, 2019: Cost Savings Impact

	Operating Expenses										Savings thru		
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	YTD (A)	Year End Est	QTR 3	Year End Est
Utilities & Telephone	806,799	(435,224)	1,435,745	139,968	1,559,000	1,266,563	257,769	780,801	206,368	6,017,789	9,199,689		
Travel	293,761	228,076	397,884	451,756	424,256	686,176	344,535	487,159	564,816	3,878,419	5,119,374		
Repairs & Maintenance	849,573	426,180	1,092,081	552,848	668,263	306,102	651,913	298,432	406,325	5,251,717	7,199,242	231,604	308,805
Materials & Supplies	631,918	327,576	842,413	848,386	742,061	502,010	511,236	705,130	746,409	5,857,139	7,804,322	137,546	183,395
IT Services	780,600	408,712	391,496	388,716	455,095	1,083,115	619,263	338,819	173,666	4,639,482	6,393,348	53,700	71,600
Research Grant Subrecipients	997,413	(432,825)	807,000	849,101	500,784	194,147	489,914	320,176	184,958	3,910,668	5,368,479		
Other Contractual Services	1,028,915	149,302	696,943	650,329	838,186	621,305	780,289	627,677	633,210	6,026,156	8,018,645	27,853	37,137
Furniture, Equip & Library Res	197,450	1,206,060	219,663	1,031,039	191,167	578,579	313,292	403,438	280,920	4,421,608	6,133,588	161,940	215,920
Other Operating Expense	526,739	(54,473)	894,946	828,550	424,264	220,194	680,112	235,627	281,057	4,037,016	5,457,126	545	727
	6,113,168	1,823,384	6,778,171	5,740,693	5,803,076	5,458,191	4,648,323	4,197,259	3,477,729	44,039,994	60,693,813	613,188	817,584
												1%	1%





Information Item VIII: Cost Savings Initiatives

PRESENTED BY

Archie L. Bouie II, M.Ed., CASP, Associate Vice President for Operational Effectiveness and Procurement Services

Florida Agricultural and Mechanical University



Cost Savings Initiatives

- Evaluate all vendor agreements to ensure FAMU is receiving best-in-class service and pricing.
- Strategically collaborate with others where outcomes can be improved and redundancies eliminated.
- Identify innovative funding sources to meet the needs of a 21st Century institution and mitigate the debt exposure to FAMU (e.g. P3's, Grants, etc....).
- In collaboration and consultation with Facilities Planning, Construction and Safety, assist in evaluating scalability and are our facilities appropriately sized, as well as efficiently used.





Information Item IX: Community Partnerships Update

PRESENTED BY

Archie L. Bouie II, M.Ed., CASP, Associate Vice President for Operational Effectiveness and Procurement Services

Florida Agricultural and Mechanical University



Community Partnerships

In alignment with Florida A&M University's *Strategic Priority #4* (Transformative Alumni, Community, and Business Engagement), we are building and expanding our partnerships. We will increase engagement with our alumni base, business partners, and within our local, national and global communities to increase our impact and grow financial support for the University.





Community Involvement / Partnerships

- City of Tallahassee Commission Meetings (Municipal Engagement)
- Leon County Commission Meetings (Municipal Engagement)
- City of Tallahassee Southside Update (Municipal Engagement)
- Blueprint Meetings (Resource Development)
- FAMU/OEV Economic Impact Study (Resource Development)
- CRA Meetings (Resource Development)
- Gadsden County Commission Meetings (Municipal Engagement)
- Bond Community Meetings (Community Engagement)





Information Item X: Project Updates

PRESENTED BY

Sameer Kapileshwari P.E., Associate Vice President for Facilities

Craig Talton, Director – Facilities Planning and Construction

Dr. Jennifer Wilder, Director – University Housing

Florida Agricultural and Mechanical University



Center for Access and Student Success (CASS)



Proposed Completion Date – Fall 2020 (pending Governor's approval of funding)

Status:

- Excavation and foundation work for north and south portions of the building is complete. Basement structures for North and South ends of the building is complete
- Slab for the North section of the building is complete and the South section slab for ground level is 50% complete
- Structural steel installation for North section of the building has commenced and is about 20% complete
- Metal stairs connecting basement level to ground level have been installed





Housing Project Plan – Phase 1A



Status:

- Project design documents are 100% complete
- Initial introductory meeting with the DOE HBCU Program Construction Representative was conducted on April 2, 2019.
- On April 18th an official kick off meeting was conducted.
- The site laydown areas and construction areas have been mapped and fences installed
- Site demolition and retention pond work has commenced
- Next Steps: Building foundation work to commence in June followed by pre-cast installations in September





Housing Facilities Update/Move-in Prep

Status:

POM, Housing and vendors/contractors are partnering to work towards one common goal – a successful fall move-in. Our goal is to provide a living environment that is aesthetically pleasing to our student customers (clean, presentable, functional and well-maintained regardless of their ages).

- Developed a strategical schedule that allowed certain residential halls to remain off-line for the entire summer (i.e. Paddyfote, Gibbs, Palmetto North and Palmetto South will remain offline for the entire summer)
- Efforts started immediately following the Spring Commencement and will continue throughout the summer semester and through fall move-in.
- On March 20, 2018 an Invitation to Bid (ITB) for the pressure washing, painting and cleaning of the residential halls was advertised.
- The decision to combine the pressure washing, painting and cleaning components into one ITN and award the work to multiple vendors/contractors has proven to be a significant cost savings to the University (more than \$250,000 saved over last year).





Housing Facilities Update/Move-in Prep continued

Status:

- POM's auxiliary custodial staff will team-up with the Housing custodial staff to supplement the light cleaning tasks which allows the resources to be focused on the heavy cleaning being provided by the vendors/contractors
- The painting/cleaning contractors will also be assisting our teams with the placement of existing and newly acquired furniture in certain residential halls
- The POM and Housing maintenance teams are working on a variety of projects consisting of repair/replacement of valves, drives, coils, piping and roofs throughout. Our teams are working with our Environmental Health and Safety partners and as repairs and enhancements are completed, Environmental Health and Safety is validating the effectiveness of these efforts.
- Our Environmental Health and Safety team has established an overall plan-of-action which is consistent and a part of the plan to address each residential dorm room. This treatment will be the very last task prior to the students moving in for the fall
- POM is working closely with our Housing partners to coordinate the student room assignments to ensure the rooms are ready for their arrivals. This will apply to both the Summer and Fall semesters



Housing Facilities Action Items

ACTION ITEMS	ESTIMATED TIMELINE	STATUS (as of 2-12-19)	RESPONSIBLE PARTY
Track repair cost by building	Continuous	Tracking occurs monthly at the end of the month	Dr. Wilder
Technology New Housing Assignments System	In use	Housing Portal opened November 19, 2018	Dr. Wilder
Technology POM Work Management System (AIM)	In use	Housing Maintenance staff began using the POM Work Management system (AIM) as of November 19, 2018 to streamline tracking of maintenance requests and work orders.	Dr. Wilder & Housing Maintenance Staff
Fundraising Strategy Launch	Ongoing	Portfolio completed	Dr. Wilder and Housing staff
Monthly residence hall facility meeting	Monthly	Continuous starting August 2018	Housing Staff



Information Item XI: Auxiliary Services Update

PRESENTED BY

Rebecca Brown, Assistant Vice President, Business and Auxiliary Services

Florida Agricultural and Mechanical University



Auxiliary Services Update

- *See Supplemental Materials in Committee Packet for Written Update*
- *See Video for Visual Update*





Thank you



“At FAMU, Great Things Are Happening Every Day.”

established 1887

