

**Florida Agricultural and Mechanical University
Board of Trustees**



**Budget and Finance Committee
Grand Ballroom
Tallahassee, Florida
March 5, 2014
3:00 p.m.**

Budget and Finance Committee Members:

Trustee Rufus Montgomery, Chair
Trustee Kelvin Lawson
Trustee Kimberly Moore
Trustee Narayan Persaud
Trustee Cleve Warren
Trustee Karl White

Agenda

I. Call to Order

Chairman Rufus Montgomery

Action Items

II. Approval of Minutes – January 8, 2014

Chairman Rufus Montgomery

III. Approval of 4-day Work Week

Joseph Bakker

IV. Approval of Early Redemption of Student Services
Center Bonds – Series 1997

Joseph Bakker

V. Approval of Budget Amendments to FY 2013-14
Housing Operating Budget

Joseph Bakker

VI. Approval of University Auxiliaries Facilities Income
Statements

Joseph Bakker

VII. Approval of Authorized Signatories for University
Checks

Joseph Bakker

Information Items

VIII. Updates

a) Quarterly Financial Reports

Joseph Bakker

b) Contracts over \$100,000

Joseph Bakker

c) Draft Amendment to BOT Policy 2005-13 – Benefits and
Leave

Joseph Bakker

d) Government Relations

Tola Thompson

e) Athletics

Michael Smith

II. Approval of January 8, 2014 Minutes

**FLORIDA A&M UNIVERSITY
BOARD OF TRUSTEES
BUDGET & FINANCE COMMITTEE
GRAND BALLROOM
SUMMARY MINUTES**

January 8, 2014

Committee Members Present: Trustee Rufus Montgomery (Chair); Trustee Kelvin Lawson; Trustee Kimberly Moore; Trustee Narayan Persaud; Trustee Cleve Warren; and, Trustee Karl White.

Others Attending: Trustee Solomon Badger; Trustee Torey Alston; Trustee Glenton Gilzean, Jr.; Trustee Belinda Reed-Shannon; Trustee Anthony Siders; Trustee Spurgeon McWilliams; Interim President Larry Robinson; Provost Rodner Wright; Interim Vice President Joe Bakker; W. Rebecca Brown, Interim Assistant Vice President of Administrative Affairs; Vice President Ken Redda; Interim Vice President Richard Givens; General Counsel Avery McKnight; Attorney Linda Barge-Miles; Attorney David Self; Attorney Shira Thompson; Chief Information Officer Sharon Saunders; Interim Budget Director Ronica Mathis; Director Michael James; Interim Athletic Director Michael Smith; and, Mr. Tola Thompson, Director of Legislative Affairs.

Chairman Montgomery called the meeting to order at 11:23 A.M. Ms. Darlene Garcia was recognized to call the roll. A quorum was established.

Action Items

Approval of Minutes – October 2, 2013

Chairman Montgomery asked for approval of the minutes for October 2, 2013. Trustee Lawson made a motion to approve the minutes and it was seconded by Trustee Moore. The motion carried.

Approval of Amendments to FY 2013-14 Operating Budget

Chairman Montgomery recognized Mr. Joseph Bakker, Interim CFO and Vice President for Administrative and Financial Services to present the amendments to the FY 2013-14 Operating Budget.

Subsequent to the Board of Trustees' (BOT) approval of the FY 2013-14 Operating Budget, approximately \$2.2 million was indirectly appropriated by the Legislature and was made available to the University for:

- Health care subsidy;
- Salary Increases for E&G Employees;
- Salary Increases to Graduate Assistants; and
- Performance-based Funding

In addition to these amendments, a reduction of \$154,000 in the Tuition Differential Carry Forward Budget was requested. The University re-evaluated its financial statements and this reflects a correction in our previous calculations.

An amendment to the Carry Forward Budget for the Student's Activity and Service Fee to incorporate the unexpended funds from last year into this year's budget was requested. This is in accordance with the statutory requirement.

The final budget amendment requests were associated with the new dining services contract which became effective this semester. The new contract includes revenues and expenditures that are different from those previously projected. In particular, the new contract includes the receipt of more cash revenues and less in-kind services. That has resulted in a \$365,000 amendment. The University is also using this period of change in dining services providers to replace and repair its dining services equipment that is in poor condition; hence, \$255,000 for the replacement and repair of this equipment is required.

Chairman Montgomery asked for approval of the amendments to the FY 2013-14 Operating Budget. A motion was made by Trustee Lawson and it was seconded by Trustee Warren. The motion carried.

Special Budget Amendment for the Purchase of the Centennial Building

Chairman Montgomery recognized Mr. Joseph Bakker again to present the Special Budget Amendment for the Purchase of the Centennial Building.

The following is Mr. Bakker's presentation and discussion items: At the Board of Trustees (BOT) meeting of August 7, 2013, the BOT authorized the President to continue negotiations with the Leon County Research and Development Authority (LCRDA) for the acquisition of the Centennial Building and other lands located in Innovation Park (Park). Documentation has been submitted to the Department of Environmental Protection's Division of State Lands requesting that the lands be assigned to FAMU.

The BOT also directed the President to look into the best ways of securing financing for the acquisition of the Centennial Building which will have an acquisition cost of approximately \$2.8 million. The University evaluated the options for financing the acquisition and concluded that the use of internally generated funds, Auxiliary Trust funds, would be the best option. The Auxiliary Trust Fund is comprised of approximately 60 different accounts, with a balance of approximately \$20 million in unallocated funds. Within that fund is an interest bearing account, with a balance of approximately \$3.3 million. In 2012, the University used \$4.1 million to assist with the construction of the 800-Bed Residence Hall. There is nothing specifically allocated for the use of these funds. There would be no adverse fiscal impact realized by using these funds for the acquisition of the Centennial Building. A hand out was provided on this fund based on a question Trustee Turnbull had previously asked regarding its impact.

The use of internally generated funds will provide us with two (2) very important advantages.

1. There is a high probability of acquiring State Funding for the utilities and maintenance of the building in the amount of \$732,038. This funding could be available as early as July 2014 if the University acquires the building quickly.
2. The University will realize annual savings of approximately \$700,000 in interest payments to another entity.

The \$2.8 million will be repaid over approximately a nine (9) year period by using the current lease payments of \$310,000.

The Board of Trustees was requested to approve the amendment to add \$2.8 million to the budget for the Auxiliary Trust Fund for the purpose of acquiring the Centennial Building.

Trustee Moore requested to be recused from voting on this amendment in both the Budget and Finance Committee and the Full Board meeting due to her involvement with the Leon County Research and Development Authority (LCRDA). She read the reason for recusal for the record, as suggested by the General Counsel, to avoid any possible concerns regarding conflict of interest. She also voiced her support of the purchase of the Centennial Building and the other properties.

There was some discussion regarding the \$310,000 being a guaranteed revenue stream and the Board was assured by Dr. Ken Redda, Vice President of the Division of Sponsored Research, that this money is associated with Federal Grants; however, it is money received for indirect costs. This indirect cost money has been very reliable for approximately 35 years and it more than likely will continue to be reliable.

As a point of clarification, Trustee White stated that the University has a lease obligation to pay \$310,000 annually until 2026. The revenue stream is going to continue so the University will still be paying \$310,000 to own the building as opposed to leasing. In addition, the building should be paid off in nine (9) years. Mr. Bakker added that without the interest on the lease, the University would realize an additional \$9 million in savings.

Trustee Gilzean and Trustee Warren asked if an appraisal had been done. Mr. Bakker replied that an appraisal had been done and it came back at \$3.6 million.

It was requested that a Space Utilization Study in accordance with State accountability requirements be done. The concern was that the building be used to the fullest extent possible and to ensure accountability for the purchase and use.

Trustee Warren asked for clarification on how the maintenance is being paid currently and how it will be paid if the acquisition takes place. Mr. Bakker responded that the University is maintaining the building to the tune of \$210,000 per year with our own General Revenue (E&G) funds. The University is not currently getting a General Maintenance appropriation to cover utilities and maintenance from the State. If the building was purchased, the University will receive approximately \$732,000 in General Maintenance dollars from the State by April 1, 2014. This will be new money. It will also free up General Revenue funds that have been used for other things.

Chairman Montgomery asked for approval of the Special Budget Amendment for the Purchase of the Centennial Building. Trustee Lawson made a motion to approve the amendment and it was seconded by Trustee White. The motion carried.

Information Items

Fiscal Update on 800-Bed Residence Hall

The Chairman added this item to the agenda and recognized Mr. Joseph Bakker to give an update on the 800-Bed Residence Hall.

Mr. Bakker reported that the 800-Bed project is on budget and on schedule with a projected completion date of May 2014.

Fiscal Health of University

The Committee heard from Mr. Joseph Bakker who presented information on this item. Mr. Bakker reported that the University is in sound financial health with adequate reserves. The following points were highlighted:

- **Beginning Reserves:** At the beginning of FY 2013-14 the University had approximately \$22 million in Educational and General (E&G) uncommitted reserves - including the statutorily-based 5% reserve requirement of approximately \$8.2 million reserve.
- **FY 2013-14 Available Funding:** For FY 2013-14, the E&G allocation from the State was restored to FY 2011-12 levels after being cut by \$19.85 million in FY 2012-13. In view of the anticipated decline in enrollment, the tuition portion of the E&G revenues was expected to decline. As such the University prepared its FY 2013-14 budget on the basis of an 11,000 headcount enrollment for Fall 2014. The actual Fall headcount was 10,744. This will result in a revenue shortfall of approximately \$1.5 million. A portion of this shortfall has been offset by \$869,565 received from the performance-based funding allocated by the Legislature. Unfilled vacancies will yield more than enough savings to cover the remainder of the shortfall.
- **Outlook for the rest of FY 2013-14:** With continued prudent budget management, it is anticipated that the uncommitted reserves at the end of the fiscal year will show a small increase, if no significant budget amendments are made.

Mr. Bakker also reported that the University's Auxiliary Trust Fund is in sound financial health! The following detail was presented.

- **Uncommitted Reserves:** At the beginning of FY 2013-14 the University had approximately \$20 million in uncommitted reserves in its Auxiliary Trust Fund which comprises all of the auxiliaries except Housing and Athletics. It is anticipated that this reserve will decrease by \$2.8 million by the end of this fiscal year if the proposed budget amendment to fund the purchase of the Centennial Building from the Auxiliary Trust Fund is approved. Such a decrease will have no adverse impact on the operations of any of the associated auxiliaries. The Housing Department had an uncommitted reserve of over \$5 million at the beginning of the fiscal year. That uncommitted reserve is expected to decline to approximately \$3.3 million by the end of the year. The decrease is a result of the one year delay in the opening of the 800-bed residence hall. The Housing reserve is expected to increase in subsequent years. The Athletics deficit which was approximately \$7 million at the beginning of the year is of concern and will be discussed separately at a later time.
- Our Sponsored Research Division is in the process of working on a 5-year financial plan. It will be reported at a later meeting.

The Chairman requested that Mr. Bakker provide a comparison with the other Universities on reserves and email it to all the Trustees as soon as possible.

Governmental Relations Overview

The Committee heard from Mr. Tola Thompson, Director of Legislative Affairs to summarize ongoing efforts.

Mr. Thompson reported the following. During the November Legislative Committee Week, Interim President Larry Robinson welcomed House Speaker Will Weatherford, Wesley Chapel (Nov. 4), and Representative Jeanette Nunez, Miami, Chair, House Higher Education & Workforce subcommittee (Nov. 6) to the FAMU campus. Their visits gave us an opportunity to not only share with them a few of the "Great Things Happening at FAMU Everyday", but also show them. Speaker Weatherford and Chair Nunez had an opportunity to tour the campus and see some of our research strengths and meet some of our outstanding students and faculty.

Dr. Robinson also had Capitol visits with House Appropriations Chair Seth McKeel, Representative Eric Fresen, Chair, Education Appropriations subcommittee, and Senator John Galvano, Chair, Senate Education Appropriations subcommittee.

Dr. Robinson's comments focused on the University's 2014 Legislative Priorities:

- \$1.5 million (recurring) – FAMU Crestview Pharmacy School
- \$10 million – Complete Pharmacy Building Phase II
- \$3.4 million – To Improve Retention & Graduation Rates
- \$2.3 million – Improve Success on Professional Licensure Exams
- \$1 million – To Enhance Distance Learning/Online Offerings

Dr. Robinson also addressed the need for additional PECO funding options. He also stated that the University has made a concerted effort to change the student profile by sharply reducing the number of profile admits over the past four years (from 1,380 in Fall 2010 to 190 in Fall 2013).

The meetings with the legislative leaders were beneficial and responses were positive and generally supportive of our goals.

The University's outside consultant, Pittman Law Group, assisted in scheduling the Capitol visits. Mr. Pittman also joined us for Speaker Weatherford's campus visit.

FAMU Alumni and the University Community now have access to the Rattler Impact eAdvocacy web portal. So far, more than 300 alumni, faculty, staff and friends have signed up to become Rattler Advocates.

Chairman Montgomery requested that Mr. Thompson begin sending the Legislative Reports to the Trustees for all interim meetings as well as for the duration of the Legislative Session. He requested the reports be sent weekly.

Contracts over \$100,000

The Chairman recognized Mr. Bakker to give an update on Contracts over \$100,000.

Mr. Bakker presented the following contracts over \$100,000. FAMU has a master contract with the federal government for an Environmental Cooperative Science Center (ECSC) Project and is collaborating with Jackson State University and the University of Texas at Brownville as sub-recipients. The University has just entered into annual contract extensions with these two institutions for \$218,200 and \$191,217 respectively.

Chairman Montgomery asked the Board what their pleasure was regarding holding another Budget Workshop this year. The Board members were supportive. The Chairman requested that Mr. Bakker look into setting a date for a 2-day session in May.

The meeting adjourned at 11:57 A.M.

Rufus Montgomery
Committee Chairman

Transcribed by:
Darlene W. Garcia

III. Approval of 4-Day Work Week



**Florida Agricultural and Mechanical University
Board of Trustees Action Item**

Meeting Date: March 6, 2014

Agenda Item

Item Origination and Authorization

Policy _____ Award of Bid _____ Budget Amendment X Change Order _____
 Resolution _____ Contract _____ Grant _____ Other X

Action of Board

Approved _____ Approved w/ Conditions _____ Disapproved _____ Continued _____ Withdrawn _____

**Subject: Approval of 4-Day Work Week Schedule – Friday, May 9, 2014
through Thursday, July 31, 2014**

Rationale: The University is requesting approval by the Board of Trustees to implement a 4-Day Work Week Schedule for the period beginning **Friday, May 9, 2014, through Thursday, July 31, 2014**. During this period, employees will work four 10-hour days from Monday through Thursday; Friday through Sunday will be observed as regular days off. **The University's daily hours of operation will be from 7:30 a.m. until 6:00 p.m.** All offices will be operational during these regular business hours.

The 4-day work week results in approximately \$250,000 in energy savings and supplies. Employees overwhelming support the 4-day work week schedule which provides a boost to employee morale.

Within the standard hours of operation, a flexible 10-hour schedule may be used, i.e., 7:30 a.m. through 5:30 p.m. or 8:00 a.m. through 6:00 p.m., both with a 30-minute paid lunch break.

Supervisors and/or managers will have flexibility in adjusting the work schedules or granting annual or compensatory leave or leave without pay for those employees who will require such due to childcare, second jobs, or other personal obligations.

Exceptions to the 4-Day Work Schedule will include areas with 24-hour operations such as the Police Department, Heating Plant and buildings with research activities occurring in Research Laboratories, University Housing, Student Health Clinic, and New Beginnings Childcare which provide external services to the local areas outside the University; and other areas as determined by the appropriate authorities.

Recommendation: It is recommended that the Board of Trustees approves the 4-Day Work Week schedule during the requested period of Friday, May 9, 2014, through Thursday, July 31, 2014.

Prepared By: The Office of Human Resources

Approved By: Interim Vice President Joseph Bakker

**IV. Approval of Early
Redemption of Student Services
Center Bonds – Series 1997**



**Florida Agricultural and Mechanical University
Board of Trustees Action Item**

Meeting Date: March 6, 2014

Agenda Item

Item Origination and Authorization

Policy _____ Award of Bid _____ Budget Amendment X _____ Change Order _____
 Resolution _____ Contract _____ Grant _____ Other _____

Action of Board

Approved _____ Approved w/ Conditions _____ Disapproved _____ Continued _____ Withdrawn _____

Subject: Approval of the Early Redemption of the Student Services Center Revenue Bonds, Series 1997.

Rationale: In 1997, \$6,310,000 in revenue bonds were issued for the construction of the Student Services Center located on the University's main campus in Tallahassee. The Student Services Center houses the University's main dining facility, the bookstore, and the copy center.

The outstanding principal on the bond is currently \$1,850,000 with the next payment on the principal, \$425,000, due on July 1, 2014. This \$425,000 payment is already included in the University's Fiscal Year 2013-14 budget. The bonds will mature in 2017. The payoff schedule for the bonds is attached.

From its operations since 1998, the Student Services Center has generated over \$4 million in cash reserves and by the end of this fiscal year is expected to have a reserve balance of \$4.1 million. Of this amount, \$1.0 is being held in reserve for repair and replacement purposes. The remaining \$3.1 is unrestricted. The University is requesting a budget amendment that would allow the use of \$1.4 million from the Student Services Center's reserve to pay off the principal on the bonds. The payoff would result in savings of \$156,150 in interest payments (rates for the bonds are 5.3% and 5.4%). In addition, the early redemption of the bonds would relieve the University from restrictive bond covenants and external reporting requirements. As such, the University will have more flexibility in using the resources made available from the operations of the Student Services Center. No adverse impacts are expected to result from the proposed early redemption action.

This request will increase the operating budget for the Auxiliary Trust Fund (Fund 116) from \$19,886,281 to \$21,286,281 (see attached FY 2013-14 Reconciliation by Budget Entity).

The actual bond redemption process is handled by the state's Division of Bond Financing. A Resolution from the Board of Trustees requesting the redemption of the bonds is required to trigger the bond redemption action by the Division of Bond Financing. Attached is the associated Resolution.



Florida Agricultural and Mechanical University
Board of Trustees Action Item

Recommendation:

That the BOT approves:

- (a) An amendment to add \$1.4 million to the operating budget for the Auxiliary Trust Fund for the purpose redeeming the Student Services Center Revenue Bonds, Series - 1997; and
- (b) The attached Resolution requesting the Division of Bond Financing to redeem the Student Service Center Revenue Bonds – Series 1997.

Supporting Documents:

1. Student Service Center 1997 Revenue Bonds Payoff Schedule;
2. Resolution Requesting the Redemption of the Student Service Center Revenue Bonds – Series 1997.
3. Proposed Change to FY 2013-14 Reconciliation by Budget Entity

Prepared By: Business Auxiliary Services

Approved By: Interim Vice President Joseph Bakker

**STUDENT SERVICES CENTER - 1997 REVENUE BONDS
PAY OFF SCHEDULE AS OF 02/14/2014**

Maturity Date	Principal	Interest	Fiscal Year Total Principal + Interest
7/01/2014	\$425,000.00	\$49,512.50	\$474,512.50
7/1/2015	\$450,000.00	\$76,500	\$526,500.00
7/01/2016	\$475,000.00	\$52,650.00	\$527,650.00
7/01/2017	\$500,000.00	\$27,000.00	\$527,000.00
Total:	\$1,850,000.00	\$205,662.50	\$2,055,662.50

RESOLUTION NO. __-2014

A RESOLUTION OF THE BOARD OF TRUSTEES OF FLORIDA AGRICULTURAL AND MECHANICAL UNIVERSITY (UNIVERSITY) REQUESTING THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA TO REDEEM THE REMAINING STATE OF FLORIDA BOARD OF REGENTS FLORIDA AGRICULTURAL AND MECHANICAL UNIVERSITY STUDENT SERVICES CENTER REVENUE BONDS, SERIES 1997.

* * * * *

WHEREAS, the State of Florida Board of Regents issued Florida Agricultural Mechanical University Student Services Center Revenue Bonds, Series 1997 (the "Bonds"); and

WHEREAS, there are \$1,850,000 outstanding on the Bonds accruing interest at a rates of 5.30% and 5.4% annually and maturing July 1, 2017; and

WHEREAS, the University has sufficient reserves in the Student Services Center reserve fund to redeem the outstanding Bonds without adversely impacting the operations of the Student Services Center; and

WHEREAS, the early redemption of the outstanding Bonds will result in a significant debt service savings to the University.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE BOARD OF TRUSTEES OF FLORIDA AGRICULTURAL AND MECHANICAL UNIVERSITY THAT:

SECTION 1: The Trustees of the University hereby request the Division of Bond Finance of the State Board of Administration of Florida (Division of Bond Finance) to redeem the outstanding Bonds with funds provided by the University as soon as practicable.

SECTION 2: The Interim President is directed to execute all documents necessary to redeem the outstanding Bonds subject to the review and approval of the Office of the General Counsel and the Division of Bond Finance.

SECTION 3: This resolution shall become effective immediately upon passage and delivered to the Division of Bond Finance.

PASSED AND ADOPTED THIS 6th DAY OF MARCH, 2014.

**FLORIDA AGRICULTURAL AND
MECHANICAL UNIVERSITY BOARD
OF TRUSTEES**

ATTEST:

Solomon L. Badger, III, Ed. D., Chair

Larry Robinson
Corporate Secretary

Approved as to form and legal sufficiency:

David C. Self, II
Associate General Counsel

March 6, 2014



Florida Agricultural and Mechanical University Board of Trustees Action Item

2013-14 Approved Operating Budget

Proposed Changes to Reconciliation by Budget Entity as of 02/28/2014

		Educational and General		
Fund	Department Name/Number(s)	Approved Budget BOT as of 01/09/14	Requested Budget Approval	Amendments Requested
		-1-	-2-	-3-
101	General Revenue	86,894,385	86,894,385	0
102	Student Fee Trust Fund	72,218,894	72,218,894	0
104	Educational Enhancement (Lottery)	11,940,834	11,940,834	0
	Sub-Total Educational and General	171,054,113	171,054,113	0
Capital Improvement				
108	Capital Improvement Fee Trust Fund	2,250,000	2,250,000	0
	Total Capital Improvement	2,250,000	2,250,000	0
119	Certified Forwards	3,169,114	3,169,114	0
120	Carry Forward General Revenue	24,210,757	24,210,757	0
127	Tuition Differential Need Base Aid (30%) Carryforward	389,256	389,256	0
128	Tuition Differential 70% Carry Forward	2,916,900	2,916,900	0
	Sub-Total Educational and General	30,686,027	30,686,027	0
	Total Educational and General	203,990,140	203,990,140	0
Auxiliary Enterprises				
110	Housing Trust Fund	14,264,114	15,148,064	883,950
116	Auxiliary Trust Fund (includes transfer to aux. debt service)	19,886,281	21,286,281	1,400,000
601	Housing R&R (045210), (045313) & (045314)			0
601	Housing Fund - R&R		986,950	986,950
602	Athletic Fund -R&R	78,225	78,225	0
603	Auxiliary R&R Fund	1,920,607	1,920,607	0
701	Housing Debt Service	5,912,359	5,912,359	0
702	Aux. Debt Service (for payment to Div. of Bond Finance)	756,650	2,156,650	1,400,000
	Total Auxiliary Enterprises	42,818,236	47,489,136	4,670,900
Intercollegiate Athletics				
115	Intercollegiate Athletics	9,164,768	9,164,768	0
	Total Intercollegiate Athletics	9,164,768	9,164,768	0
Concessions				
117	Concessions (450100)	183,512	183,512	0
	Total Concessions	183,512	183,512	0
Law School Bar Prep Fee				
117	Law School Bar Prep Fee (482300)	493,381	493,381	0
	Law School Bar Prep Fee	493,381	493,381	0
Technology Fee				
117	Technology Fee (482200)	4,204,640	4,204,640	0
	Total Technology Fee	4,204,640	4,204,640	0
Student Activities				
117	Late Registration Fee (480910)	273,231	273,231	0
117	Orientation Fee (482000)	325,981	325,981	0
117	Student Activities- Activities and Services Fee (43 Series)	3,835,154	3,835,154	0
	Total Student Activities	4,434,366	4,434,366	0
Student Financial Aid				
117	Late Payment Fee Controller (480920)	287,522	287,522	0
117	Administrative Expense Fin. Aid (481210)	293,069	293,069	0



Florida Agricultural and Mechanical University Board of Trustees Action Item

117	Administrative Controller (481220)	244,515	244,515	0
201	Title IV Administrative Expense (410333)	140,480	140,480	0
201	College Work Experience Program (410405)	15,000	15,000	0
201	Federal Work Study Program (410452)	798,797	798,797	0
301	Regents Emergency Loan (560900)			0
301	SBI Short Term Loan (585300)			0
901	Other Tuition Assistance Grant (511700)			0
902	Access Group Inc. EFT (449587)			0
202	Scholarship Fund	63,848,833	63,848,833	0
301	Federal Perkins Loan Program (550100) and other Fund 301	2,159,240	2,159,240	0
901	Other Tuition Assistance Grant (511700)	3,000,000	3,000,000	0
902	Great Lakes Loan (449588)	0		0
Total Financial Aid		70,787,456	70,787,456	0
		Contracts & Grants		
118	FAMU DRS Trust Fund	3,428,369	3,428,369	0
203	Sponsored Research Trust Fund (402210)	48,772,609	48,772,609	0
Total Contracts and Grants		52,200,978	52,200,978	0
Total BOT Approved Operating Funds		388,277,477	392,948,377	4,670,900
PASS THROUGH FUNDING				
902	Federal Direct Student Loan Program	1,500,000	1,500,000	0
902	FFFELP Alternative Loan Program (585500)	3,500,000	3,500,000	0
903	Pass thru Funds (<i>Univ. acts as Custodian</i>)	8,459,776	8,459,776	0
904	Direct Loans	150,000,000	150,000,000	0
Grand Total		551,737,253	556,408,153	4,670,900

**V. Approval of Budget
Amendments to FY 2013-14
Housing Operating Budget**



**Florida Agricultural and Mechanical University
Board of Trustees Action Item**

Meeting Date: March 6, 2014

Agenda Item _____

Item Origination and Authorization

Policy _____ Award of Bid _____ Budget Amendment X Change Order _____
 Resolution _____ Contract _____ Grant _____ Other X

Action of Board

Approved _____ Approved w/ Conditions _____ Disapproved _____ Continued _____ Withdrawn _____

Subject: Approval of Amendments to the FY 2013-14 Operating Budget

Rationale: The following are requests for additions to the FY 2013-14 Operating Budget approved by the Board of Trustees:

1. **Housing Repair and Replacement (Fund 601) \$986,950** – These funds are required to complete necessary repairs at the following dorms: Paddyfote, Palmetto South, Phase III, and Sampson Hall. The dollars will come from the Housing Repair and Replacement Reserve Fund which is set aside for such purposes. These repairs are required before Fall 2014. A list of the projects is attached.

2. **Housing Trust Fund (Fund 110) \$883,950** – This additional budget authority is requested to cover Interest and Administrative Fees associated with the University Dormitory Revenue Bonds. This amount, while correctly included in the other financial documents, was erroneously quoted in the Operating Budget that was submitted.

Recommendation: It is recommended that the Board of Trustees approves the above amendments to the FY 2013-14 Operating Budget.

Supporting Documents Included:

1. University Housing - New Capital Projects Through June 2014
2. Proposed Changes to FY 2013-14 Reconciliation by Budget Entity

Prepared By: Budget Office

Approved By: Interim Vice President Joseph Bakker



Florida Agricultural and Mechanical University
Board of Trustees Action Item

Florida A&M University

1. University Housing - New Capital Projects Through June 2014

Facility	Project	Projected	Start Date	Completion Date	Condition
Paddyfote	6 A/C Stacks	\$48,000	14-May-14	4-Jun-14	Exceeded life cycle
Palmetto South	Chiller	\$404,585	2-Jun-14	7-Jun-14	Exceeded life cycle
Phase III	Chiller	\$404,585	9-Jun-14	13-Jun-14	Exceeded life cycle
Sampson Hall	Water intrusion from exterior, seal building's exterior, gutter repairs, and caulk windows	\$129,780	28-Apr-14	28-May-14	Exterior was not renovated
	Total	\$986,950			



Florida Agricultural and Mechanical University Board of Trustees Action Item

2013-14 Approved Operating Budget

Proposed Changes to Reconciliation by Budget Entity as of 02/28/2014

		Educational and General		
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Capital Improvement				
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128	Tuition Differential 70% Carry Forward	2,916,900	2,916,900	0
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Auxiliary Enterprises				
110	Housing Trust Fund	14,264,114	15,148,064	883,950
116	Auxiliary Trust Fund (includes transfer to aux. debt service)	19,886,281	21,286,281	1,400,000
601	Housing R&R (045210), (045313) & (045314)			0
601	Housing Fund - R&R		986,950	986,950
602	Athletic Fund -R&R	78,225	78,225	0
603	Auxiliary R&R Fund	1,920,607	1,920,607	0
701	Housing Debt Service	5,912,359	5,912,359	0
702	Aux. Debt Service (for payment to Div. of Bond Finance)	756,650	2,156,650	1,400,000
Total Auxiliary Enterprises		42,818,236	47,489,136	4,670,900
Intercollegiate Athletics				
115	Intercollegiate Athletics	9,164,768	9,164,768	0
Total Intercollegiate Athletics		9,164,768	9,164,768	0
Concessions				
117	Concessions (450100)	183,512	183,512	0
Total Concessions		183,512	183,512	0
Law School Bar Prep Fee				
117	Law School Bar Prep Fee (482300)	493,381	493,381	0
Law School Bar Prep Fee		493,381	493,381	0
Technology Fee				
117	Technology Fee (482200)	4,204,640	4,204,640	0
Total Technology Fee		4,204,640	4,204,640	0
Student Activities				
117	Late Registration Fee (480910)	273,231	273,231	0
117	Orientation Fee (482000)	325,981	325,981	0
117	Student Activities- Activities and Services Fee (43 Series)	3,835,154	3,835,154	0
Total Student Activities		4,434,366	4,434,366	0
Student Financial Aid				
117	Late Payment Fee Controller (480920)	287,522	287,522	0
117	Administrative Expense Fin. Aid (481210)	293,069	293,069	0



Florida Agricultural and Mechanical University Board of Trustees Action Item

117	Administrative Controller (481220)	244,515	244,515	0
201	Title IV Administrative Expense (410333)	140,480	140,480	0
201	College Work Experience Program (410405)	15,000	15,000	0
201	Federal Work Study Program (410452)	798,797	798,797	0
301	Regents Emergency Loan (560900)			0
301	SBI Short Term Loan (585300)			0
901	Other Tuition Assistance Grant (511700)			0
902	Access Group Inc. EFT (449587)			0
202	Scholarship Fund	63,848,833	63,848,833	0
301	Federal Perkins Loan Program (550100) and other Fund 301	2,159,240	2,159,240	0
901	Other Tuition Assistance Grant (511700)	3,000,000	3,000,000	0
902	Great Lakes Loan (449588)	0		0
Total Financial Aid		70,787,456	70,787,456	0
		Contracts & Grants		
118	FAMU DRS Trust Fund	3,428,369	3,428,369	0
203	Sponsored Research Trust Fund (402210)	48,772,609	48,772,609	0
Total Contracts and Grants		52,200,978	52,200,978	0
Total BOT Approved Operating Funds		388,277,477	392,948,377	4,670,900
PASS THROUGH FUNDING				
902	Federal Direct Student Loan Program	1,500,000	1,500,000	0
902	FFFELP Alternative Loan Program (585500)	3,500,000	3,500,000	0
903	Pass thru Funds (<i>Univ. acts as Custodian</i>)	8,459,776	8,459,776	0
904	Direct Loans	150,000,000	150,000,000	0
Grand Total		551,737,253	556,408,153	4,670,900

**VI. Approval of University
Auxiliaries Facilities Income
Statements**



Florida Agricultural and Mechanical University
Board of Trustees Action Item

Meeting Date: March 6, 2014

Agenda Item _____

Item Origination and Authorization

Policy _____ Award of Bid _____ Budget Amendment _____ Change Order _____
Resolution _____ Contract _____ Grant _____ Other X _____

Action of Board

Approved _____ Approved w/ Conditions _____ Disapproved _____ Continued _____ Withdrawn _____

Subject: Approval of University Auxiliary Facilities Operating Budgets with Revenue Bond for Prior Year, Current Year and Projected Year

Rationale: Pursuant to Board of Governors Regulation 9.008, the collection of fiscal information related to certain auxiliary facilities with revenue bond covenant language requiring prior year, current year, and projected subsequent year income and expenditure must be adopted by the University Board of Trustees prior to being presented to the Board of Governors for approval. Attached are the income and expenditure statements for the Student Services Center, Parking Services, and Housing.

Recommendation: It is recommended that the Board of Trustees approves the Income and Expenditure Statement (Operating Budgets) for these Auxiliary Facilities with Outstanding Revenue Bonds.

Supporting Documents Included: BOG Regulation 9.008 and Income and Expenditure Statements.

Prepared By: Budget Office

Approved By: Interim Vice President Joseph Bakker

Attachments:

- Regulation 9.008 University Auxiliary Facilities with Outstanding Revenue Bonds
- Income and Expenditure Statement – Student Services Center
- Income and Expenditure Statement - Parking Services
- Income and Expenditure Statement – Housing Operations



Florida Agricultural and Mechanical University Board of Trustees Action Item

Regulation 9.008 University Auxiliary Facilities with Outstanding Revenue Bonds.

(1) Certain outstanding state university system bond issues for auxiliary facilities have covenants that state: "The Board of Governors shall annually, at least ninety (90) days preceding the beginning of each fiscal year, or at any other time as requested by the Board of Administration, prepare a detailed budget providing reasonable estimates of the estimated current revenues and expenses of the university during the succeeding fiscal year and setting forth the amount to be deposited in the (facility name) Maintenance and Equipment Reserve Fund. The budget shall be adopted by the Board of Governors and shall not be changed during the fiscal year except by the same procedure by which it was adopted."

(2) In order to satisfy bond covenant requirements specified in (1), it is necessary for each university to develop and submit, in advance of the annual submission of institutional budgets in August, operating budget detail approved by the University Board of Trustees for auxiliary facilities with such bond covenants and to report the anticipated amount to be deposited in the (facility) Maintenance and Equipment Reserve Fund(s). The reserve fund amount for each auxiliary bond issue shall be determined by each university's Board of Trustees in accordance with institutional policy and/or bond covenant requirements.

(3) Universities shall prepare an Income and Expenditure Statement, in a format provided by the Board of Governors, for each auxiliary bond issue (or series issue as amended) containing these bond covenants. The required annual submission date shall be as published on the BOG Information Resources Management Data Request Calendar website, but shall be no later than ninety (90) days prior to the beginning of the fiscal year reporting period. The financial information provided will be presented to the Board of Governors for approval as soon as meeting scheduling permits.

Authority: Section 7(d), Art. IX, Fla. Const., Specific Revenue Bond Covenant Language, State Bond Act, Section 11(d), Art. VII, Fla. Const., History-New 12-6-07.



Florida Agricultural and Mechanical University Board of Trustees Action Item

INCOME AND EXPENDITURE STATEMENT

UNIVERSITY: Florida A&M University

BOND TITLE: Student Service Center Revenue Bond Series 1997

AUXILIARY FACILITY (IES): Student Service Center

		2012-13 Actual	2013-14 Estimated	2014-15 Projected
1.	REVENUE CARRIED FORWARD			
	A. Operating Cash Carried Forward:			
	Liquid	6,245,588	4,874,601	2,319,370
	Investments	0	0	0
	Sub-Total:	6,245,588	4,874,601	2,319,370
	B. Replacement Reserve Forward:			
	Bond Covenants (Facilities Maintenance and Equipment)	1,005,882	672,112	355,718
	Other	0	0	0
	Sub-Total:	1,005,882	672,112	355,718
	TOTAL CARRIED FORWARD (A + B):	7,251,470	5,546,713	2,675,088
2.	CURRENT YEAR REVENUE:			
	* Revenue	1,465,339	1,249,517	2,517,339
	Interest Income	0	0	0
	Other Income	0	0	0
	TOTAL CURRENT YEAR REVENUE:	1,465,339	1,249,517	2,517,339
3.	SUMMARY OF AVAILABLE REVENUES (1 + 2):	8,716,809	6,796,230	5,192,427
4.	EXPENDITURES			
	Salaries and Matching	471,283	634,001	434,136
	Other Personal Services	0	0	0
	Operating Expense	710,522	848,585	1,346,259
	Repairs and Maintenance	0	0	0
	Debt Service	525,623	1,924,025	0
	Repair and Replacement Expense	0	0	0
	Operating Capital Outlay	79,999	0	0
	Other Expense & Transfers Out	982,669	354,278	106,824
	TOTAL EXPENDITURES:	2,770,096	3,760,889	1,887,219
5.	TRANSFERS TO REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	66,230	43,859	75,520
	Other	0	0	0
	Sub-Total:	66,230	43,859	75,520
6.	TRANSFERS FROM REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	400,000	360,253	0
	Other	0	0	0
	Sub-Total:	400,000	360,253	0
7.	ENDING REPLACEMENT RESERVES (1B + 5 - 6)			
	Bond Covenants (Facilities Maintenance and Equipment)	672,112	355,718	431,238
	Interest Income Earned on Reserve Balance	0	0	0
	Sub-Total:	672,112	355,718	431,238
8.	ENDING OPERATING CASH (1A + 2 - 4 - 5)	4,874,601	2,319,370	2,873,970
9.	SUMMARY OF ENDING REVENUES (7 + 8)	5,546,713	2,675,088	3,305,208

Date budget approved by University Board of Trustees (Required): _____

Prepared By: _____ Telephone: _____

* Revenue as outlined in the Bond Covenants to support the debt servicing of the bonds.



Florida Agricultural and Mechanical University Board of Trustees Action Item

INCOME AND EXPENDITURE STATEMENT

UNIVERSITY: Florida A&M University

BOND TITLE: Parking Facilities Revenue Bond Series 1997

AUXILIARY FACILITY (IES): Parking Operations

		2012-13 Actual	2013-14 Estimated	2014-15 Projected
1.	REVENUE CARRIED FORWARD			
	A. Operating Cash Carried Forward:			
	Liquid	2,347,619	2,150,224	1,792,589
	Investments	0	0	0
	Sub-Total:	2,347,619	2,150,224	1,792,589
	B. Replacement Reserve Forward:			
	Bond Covenants (Facilities Maintenance and Equipment)	745,615	547,677	600,758
	Other	0	0	0
	Sub-Total:	745,615	547,677	600,758
	TOTAL CARRIED FORWARD (A +B):	3,093,234	2,697,901	2,393,347
2.	CURRENT YEAR REVENUE:			
	* Revenue	2,341,618	1,964,117	2,103,450
	Interest Income	0	0	0
	Other Income	0	0	0
	TOTAL CURRENT YEAR REVENUE:	2,341,618	1,964,117	2,103,450
3.	SUMMARY OF AVAILABLE REVENUES (1 +2):	5,434,852	4,662,018	4,496,797
4.	EXPENDITURES			
	Salaries and Matching	791,041	850,929	927,877
	Other Personal Services	84,757	0	0
	Operating Expense	1,110,328	960,805	1,018,895
	Repairs and Maintenance	0	0	0
	Debt Service	231,420	232,625	233,265
	Repair and Replacement Expense	0	0	0
	Operating Capital Outlay	5,694	18,120	0
	Other Expense & Transfers Out	233,711	191,192	116,806
	TOTAL EXPENDITURES:	2,456,951	2,253,671	2,296,843
5.	TRANSFERS TO REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	82,062	68,081	63,104
	Other	0	0	0
	Sub-Total:	82,062	68,081	63,104
6.	TRANSFERS FROM REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	280,000	15,000	0
	Other	0	0	0
	Sub-Total:	280,000	15,000	0
7.	ENDING REPLACEMENT RESERVES (1B +5 -6)			
	Bond Covenants (Facilities Maintenance and Equipment)	547,677	600,758	663,862
	Interest Income Earned on Reserve Balance	0	0	0
	Sub-Total:	547,677	600,758	663,862
8.	ENDING OPERATING CASH (1A +2 -4 -5)	2,150,224	1,792,589	1,536,092
9.	SUMMARY OF ENDING REVENUES (7 +8)	2,697,901	2,393,347	2,199,954

Date budget approved by University Board of Trustees (Required) : _____

Prepared By : _____ Telephone : _____

* Revenue as outlined in the Bond Covenants to support the debt servicing of the bonds.



Florida Agricultural and Mechanical University Board of Trustees Action Item

INCOME AND EXPENDITURE STATEMENT			
UNIVERSITY: Florida A&M University			
BOND TITLE: Student Dormitory Revenue and Revenue Refunding, Series 2010 A&B			
AUXILIARY FACILITY (IES): Housing Operations			
	2012-13 Actual	2013-14 Estimated	2014-15 Projected
1. REVENUE CARRIED FORWARD			
A. Operating Cash Carried Forward:			
Liquid	6,572,545	6,831,257	5,936,908
Investments	0	0	0
Sub-Total:	6,572,545	6,831,257	5,936,908
B. Replacement Reserve Forward:			
Bond Covenants (Facilities Maintenance and Equipment)	4,677,092	5,058,780	4,461,758
Other	0	0	0
Sub-Total:	4,677,092	5,058,780	4,461,758
TOTAL CARRIED FORWARD (A + B):	11,249,637	11,890,037	10,398,666
2. CURRENT YEAR REVENUE:			
* Revenue	11,693,715	12,812,614	14,894,714
Interest Income	0	0	0
Other Income	4,742,428		
TOTAL CURRENT YEAR REVENUE:	16,436,143	12,812,614	14,894,714
3. SUMMARY OF AVAILABLE REVENUES (1 + 2):	27,685,780	24,702,651	25,293,380
4. EXPENDITURES			
Salaries and Matching	2,110,806	2,210,791	2,545,487
Other Personal Services	600,724	701,945	970,000
Operating Expense	3,065,221	3,941,003	3,873,755
Repairs and Maintenance			
Debt Service	4,360,761	5,912,359	5,916,000
Repair and Replacement Expense			
Operating Capital Outlay	3,985	161,009	100,000
Other Expense & Transfers Out	5,654,246	389,928	744,736
TOTAL EXPENDITURES:	15,795,743	13,317,035	14,149,978
5. TRANSFERS TO REPLACEMENT RESERVES			
Bond Covenants (Facilities Maintenance and Equipment)	381,688	389,928	744,736
Other	0	0	0
Sub-Total:	381,688	389,928	744,736
6. TRANSFERS FROM REPLACEMENT RESERVES			
Bond Covenants (Facilities Maintenance and Equipment)		986,950	0
Other	0	0	0
Sub-Total:	0	986,950	0
7. ENDING REPLACEMENT RESERVES (1B +5 -6)			
Bond Covenants (Facilities Maintenance and Equipment)	5,058,780	4,461,758	5,206,494
Interest Income Earned on Reserve Balance	0	0	0
Sub-Total:	5,058,780	4,461,758	5,206,494
8. ENDING OPERATING CASH (1A +2 -4 -5)	6,831,257	5,936,908	5,936,908
9. SUMMARY OF ENDING REVENUES (7 +8)	11,890,037	10,398,666	11,143,402

Date budget approved by University Board of Trustees (Required) :

Prepared By : Ronica O. Mathis

Telephone : 850-412-5289

* Revenue as outlined in the Bond Covenants to support the debt servicing of the bonds.

VII. Approval of Authorized Signatories for University Checks



Florida Agricultural and Mechanical University
Board of Trustees Action Item

Meeting Date March 6, 2014

Agenda Item

Item Origination and Authorization

Policy _____ Award of Bid _____ Budget Amendment _____ Change Order _____
Resolution X Contract _____ Grant _____ Other _____

Action of Board

Approved _____ Approved w/ Conditions _____ Disapproved _____ Continued _____ Withdrawn _____

Subject: Approval of Resolution – Naming Authorized Signatories

Rationale: Section 1011.42, Florida Statutes, and University Regulation 1.021 requires the Board of Trustees to designate and record in the minutes the legal name and position title of any university employee authorized to sign checks to pay the legal obligations of the University.

The attached Resolution modifies the existing Resolution and makes Dr. Mangum an authorized signatory effective April 1, 2014.

Recommendation: That the Board of Trustees:

- (a) Designates the following as the University employees that are authorized to sign checks on behalf of the University:

President Elmira Mangum;
Interim Vice President, Administrative and Financial Services – Joseph Bakker;
Assistant Vice President/Controller- William Featherstone; and

- (b) Requires that each such check be signed by the President and at least one of the authorized signatories listed above.

Supporting Documents Included: A copy of the Resolution

Prepared By: Office of the Vice President of Legal Affairs

RESOLUTION NO. ___-14

A RESOLUTION OF THE BOARD OF TRUSTEES OF FLORIDA A&M UNIVERSITY (THE "UNIVERSITY") DESIGNATING BY NAME AND TITLE THE PRESIDENT, THE INTERIM VICE PRESIDENT FOR ADMINISTRATIVE AND FINANCIAL SERVICES AND/OR THE ASSISTANT VICE PRESIDENT/CONTROLLER AS PERSONS HAVING AUTHORITY TO SIGN CHECKS TO PAY LEGAL OBLIGATIONS OF THE UNIVERSITY ("AUTHORIZED SIGNATORIES") AND TO OPEN ANY ACCOUNTS AS NECESSARY TO HOUSE AND MANAGE FUNDS OF THE UNIVERSITY; REQUIRING THAT ALL CHECKS ISSUED BY THE UNIVERSITY BE SIGNED BY THE PRESIDENT AND AT LEAST ONE OF THE OTHER AUTHORIZED SIGNATORIES; AUTHORIZING THE USE OF MECHANICALLY GENERATED SIGNATURES OF SAID AUTHORIZED SIGNATORIES; RESCINDING ANY PRIOR AUTHORIZATIONS AND DESIGNATIONS; PROVIDING AN EFFECTIVE DATE AND FOR OTHER PURPOSES.

WHEREAS, Section 1011.42, Florida Statutes, and Board of Trustees Regulation 1.021 require the Board of Trustees to designate on its records the legal names and position titles of any employees authorized to sign checks to pay the legal obligations of the University; and

WHEREAS, it is in the best interest of the University that mechanically generated signatures of the Authorized Signatories be authorized for the use on any checks issued by the University; and

WHEREAS, on January 9, 2014, the Board of Trustees appointed Dr. Elmira Mangum to serve as President of the University.

NOW THEREFORE, BE IT DULY RESOLVED BY THE FLORIDA AGRICULTURAL AND MECHANICAL UNIVERSITY BOARD OF TRUSTEES that:

SECTION 1: The above recitals are incorporated herein as though set forth fully.

SECTION 2: The Board of Trustees hereby approves and designates the following persons to sign checks to pay legal obligations of the University and to open any accounts necessary to house and manage funds of the University:

- A. President – Elmira Mangum
- B. Interim Vice President for Administrative and Financial Services – Joseph Bakker
- C. Assistant Vice President/Controller – William Featherstone

the "Authorized Signatories."

SECTION 3: All checks issued by the University are required to be signed by the President and at least one of the other Authorized Signatories.

SECTION 4: Any accounts opened by the University are required to be opened by the President and at least one of the other Authorized Signatories.

SECTION 5: Any check issued by the University may bear the mechanically generated signature(s) of any Authorized Signatory.

SECTION 6: Any authorizations or designations provided to persons prior to the effective date of this resolution are rescinded.

SECTION 7: For all accounts opened to house and manage funds of the University, the President shall provide a report to the Board of Trustees at its regularly scheduled meeting after the opening of any such accounts.

SECTION 8: The Corporate Secretary shall ensure that a copy of this resolution and minutes of the Board of Trustees are provided to any financial institution serving as a depository of University funds.

SECTION 9: This resolution shall take effect on April 1, 2014.

PASSED AND ADOPTED THIS 6th DAY OF MARCH, 2014.

**FLORIDA AGRICULTURAL AND
MECHANICAL UNIVERSITY
BOARD OF TRUSTEES**

ATTEST:

Solomon L. Badger, III, Chair

Corporate Secretary

Approved as to form and legal sufficiency:

Vice President and General Counsel

VIII. Information Items

VIII. (a) Quarterly Financial Reports

**FLORIDA A&M UNIVERSITY
FINANCIAL REPORT
For Board of Trustees Meeting – March 5, 2014**

This report is submitted in accordance with the requirements of BOT Policy 2005-02 which requires the University to submit the following quarterly reports:

- *Statement of Net Position (Balance Sheet) and Statement Revenues, Expenses, and Changes in Net Position.*
- *Report of the investment and cash balances of University funds.*
- *Budget Status Report by Division showing salaries and other expenditure activities for the quarter and year-to-date totals by object of expenditure.*

1. STATEMENT OF NET POSITION (BALANCE SHEET) AND STATEMENT REVENUES, EXPENSES, AND CHANGES IN NET POSITION.

The following overview provides the financial position and results of operation for the 2nd quarter ended December 31, 2013. The overview includes comparisons of the Statements of Net Position and Statements of Revenues, Expenses and Changes in Net Position for the periods ended December 31, 2013 and June 30, 2013. The statement of net position shows the assets, liabilities, and net position of the University. Net position equals assets less liabilities, which is one indicator of the University's current financial condition. The statement of revenues, expenses and changes in net position presents the University's revenue and expense activity.

SUMMARY

Based on the results of the Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position for the period ended December 31, 2013, the University's financial position remains sound.

ASSETS

As of December 31, 2013, the University's assets totaled \$690.9 million. This balance represents a \$20.8 million or 2.9 percent decrease as compared to June 30, 2013. Total assets are comprised of current assets of \$124.7 million and noncurrent assets of \$566.2 million. Assets consist primarily of cash, investments, accounts receivable, receivable due from State, and depreciable capital assets.

FLORIDA A&M UNIVERSITY
FINANCIAL REPORT
For Board of Trustees Meeting – March 5, 2014

Due From State Receivable

As of December 31, 2013, the due from State receivable increased \$3.3 million or 11.8 percent. The \$31.5 million receivable represents allocations due the University from Public Education Capital Outlay (PECO) allocations to fund campus construction projects. As well as, State lottery revenue owed for the first six months of the fiscal year (\$4,975,348).

Noncurrent Assets

Noncurrent assets decreased \$8.4 million as of December 31, 2013. The \$566.2 million balance is comprised primarily of net depreciable capital assets totaling \$461.6 million. This amount decreased \$6.5 million or 1.4 percent, at December 31, 2013 as compared to June 30, 2013.

LIABILITIES

The University's liabilities totaled \$128.3 million as of December 31, 2013. Total liabilities are comprised of current (\$11.7 million) and noncurrent (\$116.6 million) components. This balance represents a decrease of \$12.1 million or 8.6 percent as compared to June 30, 2013.

NET POSITION

For the period ended December 31, 2013, the University's net position totaled \$562.7 million. As presented in Table 2, this balance reflects a decrease of \$8.7 million or 1.5 percent when compared to June 30, 2013. The decrease is primarily due to decreases in the capital projects fund (\$11.6 million) and unrestricted fund (\$3.1 million). The decreases are partially offset by an increase in the capital assets fund (\$5.9 million).

**FLORIDA A&M UNIVERSITY
FINANCIAL REPORT
For Board of Trustees Meeting – March 5, 2014**

NET POSITION

FUND	UNAUDITED AS OF DECEMBER 31, 2013	UNAUDITED AS OF JUNE 30, 2013	INCREASE (DECREASE) NET ASSETS
Capital Assets	\$470,992,114	\$465,108,843	\$5,883,271
Debt Service	\$4,677,258	\$4,677,258	(\$0)
Loans	\$2,298,708	\$2,136,447	\$162,261
Capital Projects	\$25,163,183	\$36,809,342	(\$11,646,159)
Other Restricted	\$0	\$0	\$0
Unrestricted	\$59,530,349	\$62,677,948	(\$3,147,599)
Total	\$562,661,612	\$571,409,838	(\$8,748,226)

Table 2: Comparative analysis of net assets balances as of December 31, 2013 and June 30, 2013. *Source: iRattler.*

The increase of \$5.8 million in the net position of capital assets and capital projects (\$5,883,271-\$11,646,159) is primarily due to fixed asset additions and spending to fund construction projects. The \$3.1 million decrease in unrestricted net assets is the result of timing (recognition of revenues) rather than a decline in financial performance. Revenues and expenditures do not have a uniform flow throughout the fiscal year. According to recent budget projections, management anticipates a breakeven in the unrestricted fund for the fiscal year. Management will continue to review and update its forecast as the year progresses.

REVENUES AND EXPENSE

For the period ended December 31, 2013, operating revenues totaled \$74.5 million. This amount is offset by tuition allowance of \$17.3 million, resulting in net operating revenues of \$57.2 million. Net nonoperating revenues totaled \$69 million which consists primarily of State appropriations (\$48.7 million), federal and state student financial aid (\$19.5 million), and noncapital grant, contracts, and gifts (\$2.1 million). Accordingly, revenues totaled \$126.2

FLORIDA A&M UNIVERSITY
FINANCIAL REPORT
For Board of Trustees Meeting – March 5, 2014

million for the period. Operating expenditures of \$134.9 million comprised compensation and employee benefits (\$83.8 million), services and supplies (\$25.5 million), utilities and communications (\$6.9 million), scholarships, fellowships and waivers (\$9.8 million), and depreciation (\$8.9 million). Expenditures for the period ended December 31, 2013, were approximately 49 percent of expenditures reported at June 30, 2013 which is consistent with spending patterns for 50 percent of the fiscal year (6mos. ÷ 12mos.).

**FLORIDA A&M UNIVERSITY
FINANCIAL REPORT
For Board of Trustees Meeting – March 5, 2014**

**FLORIDA A&M UNIVERSITY
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2013**

	UNAUDITED As Of December 31, 2013	UNAUDITED As Of December 31, 2012	UNAUDITED As Of June 30, 2013
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 9,327,331	\$ 18,424,860	\$ 12,033,642
Investments	64,736,063	74,788,836	75,337,531
Accounts Receivable, Net	15,986,059 [▼]	22,373,146	20,231,302
Loans and Notes Receivable, Net	27,101	28,901	28,901
Due From State	31,525,270	37,144,239	28,199,421
Due From Component Unit	2,061,596 [*]	2,183,346	-
Inventories ¹	447,751	481,457	447,751
Other Current Assets	601,060	-	601,060
Total Current Assets	<u>124,712,232</u>	<u>155,424,785</u>	<u>136,879,608</u>
Noncurrent Assets:			
Restricted Cash and Cash Equivalents	17,820,558	17,316,498	9,779,231
Restricted Investments	28,937,506	43,976,870	50,754,522
Loans and Notes Receivable, Net	2,315,988	2,175,296	2,200,534
Depreciable Capital Assets, Net	461,606,930	455,915,090	468,059,744
Nondepreciable Capital Assets	55,527,283	38,349,354	44,065,298
Total Noncurrent Assets	<u>566,208,265</u>	<u>557,733,108</u>	<u>574,859,329</u>
TOTAL ASSETS	<u>690,920,497</u>	<u>713,157,893</u>	<u>711,738,937</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	2,226,033	5,159,164	5,799,730
Construction Contracts Payable ¹	-	-	3,825,890
Accrued Salaries and Wages Payable	2,586,394	2,187,016	2,187,974
Deposits Payable	1,244,263 [▼]	2,211,843	1,261,863
Due to State ¹	110,486	118,188	110,486
Unearned Revenue ¹	913,166	681,997	5,007,179
Long-Term Liabilities - Current Portion:			
Capital Improvement Debt Payable	2,650,000	1,185,000	3,289,000
Loan and Notes Payable	-	-	83,334
Capital Leases Payable	518,064	119,555	753,164
Compensated Absences Payable ¹	1,424,400	1,410,763	1,424,400
Total Current Liabilities	<u>11,672,806</u>	<u>13,073,526</u>	<u>23,743,020</u>
Noncurrent Liabilities:			
Capital Improvement Debt Payable	71,609,324	71,043,353	71,609,324
Loans and Notes Payable ¹	-	83,334	-
Capital Leases Payable ¹	13,909,652	14,714,014	13,909,652
Compensated Absences Payable ¹	19,070,575	18,237,741	19,070,575
Postemployment Health Care Benefits Payable ¹	9,747,000	7,231,000	9,747,000
Other Noncurrent Liabilities ¹	2,249,528	2,260,668	2,249,528
Total Noncurrent Liabilities	<u>116,586,079</u>	<u>113,570,110</u>	<u>116,586,079</u>
TOTAL LIABILITIES	<u>128,258,885</u>	<u>126,643,636</u>	<u>140,329,099</u>

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NET POSITION			
Invested in Capital Assets, Net of Related Debt	470,992,114	463,401,293	465,108,843
Restricted:			
Expendable:			
Debt Service	4,677,258	1,202,406	4,677,258
Loans	2,298,708	2,142,444	2,136,447
Capital Projects	25,163,183	39,909,260	36,809,342
Other	-	354,446	-
Unrestricted	59,530,349 ¹	79,504,408	62,677,948
Total Net POSITION	<u>562,661,612</u>	<u>586,514,257</u>	<u>571,409,838</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 690,920,497</u>	<u>\$ 713,157,893</u>	<u>\$ 711,738,937</u>

NOTES:

¹ Balances are adjusted annually as part of the year-end audit process.

FLORIDA A&M UNIVERSITY
FINANCIAL REPORT
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FLORIDA A&M UNIVERSITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
AS OF DECEMBER 31, 2013

	UNAUDITED For the Period December 31, 2013	UNAUDITED For the Period December 31, 2012	UNAUDITED For the Period June 30, 2013
OPERATING REVENUES			
Student Tuition and Fees	\$ 39,635,555	\$ 45,771,269	\$ 94,411,330
Less: Scholarship Allowances	<u>(17,273,855)</u>	<u>(16,398,355)</u>	<u>(34,547,709)</u>
Student Tuition and Fees, Net of Scholarship Allowances	22,361,700	29,372,914	59,863,621
Federal Grants and Contracts	17,307,675	17,969,315	37,367,711
State and Local Grants and Contracts	3,278,342	2,486,320	5,456,257
Nongovernmental Grants and Contracts	894,663	859,556	1,323,297
Sales and Services of Auxiliary Enterprises	9,560,256	10,435,249	20,904,241
Interest on Loans and Notes Receivable	-	33,570	77,688
Other Operating Revenues	<u>3,807,377</u>	<u>2,814,378</u>	<u>3,472,582</u>
Total Operating Revenues	<u>57,210,013</u>	<u>63,971,302</u>	<u>128,465,397</u>
OPERATING EXPENSES			
Compensation and Employee Benefits	83,822,682	77,937,074	159,824,837
Services and Supplies	25,451,999	25,204,312	54,922,333
Utilities and Communications	6,930,921	6,778,000	12,759,318
Scholarships, Fellowships and Waivers, Net	9,811,723	13,592,743	28,450,102
Depreciation	<u>8,925,301</u>	<u>8,732,543</u>	<u>17,850,578</u>
Total Operating Expenses	<u>134,942,626</u>	<u>132,244,672</u>	<u>273,807,168</u>
Operating (Loss)	<u>(77,732,613)</u>	<u>(68,273,370)</u>	<u>(145,341,771)</u>
NONOPERATING REVENUES (EXPENSES)			
State Appropriations	48,743,256	34,338,827	77,458,589
Federal and State Student Financial Aid	19,452,607	20,841,120	38,778,392
Noncapital Grant, Contracts, and Gifts	2,061,596	2,183,347	2,604,353
Investment Income, Net	456,357	1,061,913	4,013,018
Net Increase (Decrease) in Fair Value of Investments ¹	-	-	(1,438,491)
Other Nonoperating Revenues	-	-	1,277,884
Gain (Loss) on Disposal of Capital Assets ¹	-	-	16,444
Interest on Capital Asset-Related Debt	(1,793,626)	(1,704,724)	(3,238,648)
Other Nonoperating Revenues (Expenses)	<u>64,197</u>	<u>87,671</u>	<u>(1,467,318)</u>
Net Nonoperating Revenues (Expenses)	<u>68,984,387</u>	<u>56,808,154</u>	<u>118,004,223</u>
Income (Loss) Before Other Revenues, Expenses, Gains or Losses	<u>(8,748,226)</u>	<u>(11,465,216)</u>	<u>(27,337,548)</u>

**FLORIDA A&M UNIVERSITY
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Capital Appropriations	-	-	783,023
Capital Grants, Contracts Donations and Student Fees	<u>-</u>	<u>177,722</u>	<u>162,612</u>
Total Other Revenues, Expenses, Gains, or Losses	<u>-</u>	<u>177,722</u>	<u>945,635</u>
Increase (Decrease) in Net Position	(8,748,226)	(11,287,494)	(26,391,913)
Net Position, Beginning of Period	<u>571,409,838</u>	<u>597,801,751</u>	<u>597,801,751</u>
Net Position, End of Period	<u>\$ 562,661,612</u>	<u>\$ 586,514,257</u>	<u>\$ 571,409,838</u>

NOTES:

¹Balances are adjusted annually as part of the year-end audit process.

FLORIDA A&M UNIVERSITY
FINANCIAL REPORT
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**2. REPORT OF THE INVESTMENT AND CASH BALANCES OF
UNIVERSITY FUNDS**

DATE	CASH	INVESTMENTS	TOTAL
December 31, 2013	\$27,147,889	\$93,673,569	\$120,821,458
June 30, 2013	\$21,812,873	\$126,092,053	\$147,904,926

Table 1: Comparative analysis of cash and investment balances as of December 31, 2013 and June 30, 2013. *Source: iRattler*

Cash and Investments

As presented in Table 1 above, cash and investments totaled \$27.1 million and \$93.7 million, respectively, as of December 31, 2013. When compared to June 30, 2013, cash increased \$5.3 million and investments decreased \$32.4 million. The decrease in investments is attributed to the withdrawal of funds to finance ongoing construction projects, primarily the new student residence facility.

**FLORIDA A&M UNIVERSITY
FINANCIAL REPORT
For Board of Trustees Meeting – March 5, 2014**

3. BUDGET STATUS REPORT

**FLORIDA A&M UNIVERSITY
FINANCIAL REPORT
For Board of Trustees Meeting – March 5, 2014**

2013-2014 E&G OPERATING BUDGET					
As of December 31, 2013					
ADMINISTRATION	BUDGET	ENCUMB	EXPEND	TOTAL EXPEND/ COMMITTED	%EXPENDED/ COMMITTED
PRESIDENT	2,898,324	1,091,715	1,146,540	2,238,255	77.23%
VP ADMINISTRATION	10,552,381	3,182,362	5,326,221	8,508,583	80.63%
VP DEVELOPMENT	1,754,691	863,596	869,302	1,732,898	98.76%
VP AUDIT AND COMPLIANCE	695,000	305,313	327,320	632,633	91.03%
VP LEGAL AFFAIRS	1,275,728	522,077	646,114	1,168,191	91.57%
EIT	9,244,312	2,604,171	3,772,730	6,376,901	68.98%
CAMPUS SECURITY	2,634,437	1,217,266	1,300,528	2,517,794	95.57%
TOTAL ADMINISTRATION	29,054,873	9,786,500	13,388,755	23,175,255	79.76%
PLANT OPERATIONS & MAINTENANCE					
PHYSICAL PLANT	19,266,339	8,523,425	7,517,034	16,040,459	83.26%
FACILITIES PLANNING	950,899	444,793	428,817	873,610	91.87%
ENVIRONMENTAL SAFETY	365,940	174,511	179,962	354,473	96.87%
TOTAL PO&M	20,583,178	9,142,729	8,125,813	17,268,542	83.90%
LIBRARIES	4,644,786	1,148,730	2,345,621	3,494,351	75.23%
STUDENT SERVICES					
VP STUDENT AFFAIRS	8,661,876	1,995,568	2,217,225	4,212,793	48.64%
TUITION Differential NEED BASE	2,385,022		1,065,657	1,065,657	44.68%
WOMEN ATHLETICS	464,878	193,469	249,517	442,986	95.29%
TOTAL STUDENT SERVICES	11,511,776	2,189,037	3,532,399	5,721,436	49.70%
TOTAL NON I&R	65,794,613	22,266,996	27,392,588	49,659,584	75.48%
INSTRUCTIONS AND RESEARCH					
VP ACADEMIC AFFAIRS	8,431,079	2,236,414	2,379,152	4,615,566	54.74%
ESI	1,533,923	749,539	666,757	1,416,296	92.33%
ARCHITECTURE	3,638,273	1,560,049	1,546,415	3,106,464	85.38%
SOCIAL SCIENCES	12,319,597	5,836,168	5,922,977	11,759,145	95.45%
SBI	7,289,352	3,274,766	3,393,671	6,668,437	91.48%
CESTA	4,528,808	2,034,586	2,049,994	4,084,580	90.19%
JOURNALISM	2,860,051	1,194,752	1,276,756	2,471,508	86.41%
EDUCATION	5,857,294	2,336,889	2,628,079	4,964,968	84.77%
NURSING	1,605,569	791,946	805,638	1,597,584	99.50%
PHARMACY	9,464,596	3,736,533	4,089,724	7,826,257	82.69%
ALLIED HEALTH	3,886,498	1,476,654	1,711,606	3,188,260	82.03%
SCIENCE AND TECHNOLOGY	7,851,571	3,527,212	3,614,242	7,141,454	90.96%
GRADUATE STUDIES	2,202,649	200,157	701,903	902,060	40.95%
ENGINEERING	10,967,802	1,993,859	4,309,159	6,303,018	57.47%
LAW SCHOOL	12,274,190	5,348,957	5,903,642	11,252,599	91.68%
TUITION DIFFERENTIAL	5,565,052	1,727,306	2,274,529	4,001,835	71.91%
TOTAL I&R	100,276,304	38,025,787	43,274,244	81,300,031	81.08%
TOTAL ALLOCATED E&G	166,070,917	60,292,783	70,666,832	130,959,615	78.86%
	4,983,196			0	0.00%
TOTAL UNALLOCATED E&G	4,983,196	0	0	0	
TOTAL E&G	171,054,113	60,292,783	70,666,832	130,959,615	76.56%
** TUITION NOT COLLECTED BECAUSE OF DECREASE IN ENROLLMENT. THIS IS BUDGET AUTHORITY ONLY AND CANNOT BE SPENT IF NOT COLLECTED.					

FLORIDA A&M UNIVERSITY
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NON E&G Budget Status								
As of December 31, 2014								
	Fund	07/01/2013 Beginning Fund Balance	Budgeted Revenue	13-14 Revenue Collected YTD	Available Revenue	2013-2014 Expense Budget	13-14 Expenditures & Encumbrances as of 12/31/13	Notes
Academic Affairs								
DRS Fund 118	118	33,760	3,421,105	1,828,914	1,862,674	3,428,369	3,104,797	A
Late Registration (Fund 117)	117	165,821	150,000	45,100	210,921	273,231	244,384	B
Law School Bar Prep Fee	116	20,501	480,000	357,600	378,101	493,381	6,101	
Law School Library Coin Oper	116	25,684	17,000	7,253	32,937	27,250	-	
Journalism Lab Fee	116	(5,003)	17,640	4,440	(563)	9,365	100	C
Graphic Arts Lab Fee	116	(64,723)	19,890	2,505	(62,218)	2,976	2,976	C
Nursing Lab Fees	116	19,701	18,225	15,465	35,166	28,499	16,362	
Nursing ATI Fees	116	29,286	36,810	31,006	60,292	50,348	31,252	
FAMU/Leon Cty Pharmacy	116	318,087	313,723	121,271	439,358	427,048	268,982	
Pharmacy Lab Fees	116	55,692	36,900	33,840	89,532	47,212	10,137	
Allied Health Lab Fees	116	15,907	15,400	5,950	21,857	15,921	13,307	
Music Lab Fees	116	(1,745)	10,000	4,150	2,405	2,668	-	
Biology Material Supplies Fee	116	62,888	65,000	34,185	97,073	118,022	117,420	D
Chemistry Lab Fee	116	63,982	31,000	16,965	80,947	74,624	8,715	
CIS Lab Fees	116	12,376	31,000	14,445	26,821	23,644	10,996	
Continuing Education	116	(459,338)	119,420	73,907	(385,431)	83,561	80,377	E
Marching 100 Summer Camp	116	13,131	-	-	13,131	-	-	
Entomology Field Day	116	42,032	23,690	25,967	67,999	27,144	24,304	
Edmonds Youth theatre	116	14,517	26,500	8,967	23,484	34,155	19,771	
Office of Inst Tech - Support	116	(9,645)	205,000	205,000	195,355	208,698	63,188	
Distance Learning- SBI	116	246,960	587,664	205,128	452,088	773,979	412,024	
Distance Learning- Nursing	116	11,190	218,082	186,660	197,850	194,731	72,471	
Distance Learning- Public Health	116	23,929	338,650	181,350	205,279	170,365	169,980	
Pharmacy Seminars	116	(85,542)	140,000	147,491	61,949	90,205	80,222	F
Challenger Learning Center	116	329,232	802,000	283,658	612,890	1,065,977	623,372	G
Univ. Library Copy/Print Services	116	74,871	32,000	23,147	98,018	69,466	60,936	
Transcript Fee	116	20,659	152,402	85,571	106,230	158,632	159,621	H
Student Hlth Ctr Pharmacy	116	57,128	270,000	167,149	224,277	204,576	180,914	
Administrative & Financial								
Controller's Office								
Surplus Property	116	69,039	35,000	13,118	82,157	83,288	59,985	
Auxiliary Overhead	116	1,558,368	1,681,000	325,105	1,883,473	1,752,340	815,063	
Late Payment Fund 117	117	1,807,195	265,550	298,950	2,106,145	287,522	167,925	
Fin Aid Adm Exp ControllerFund 117	117	1,172,754	225,000	225,000	1,397,754	244,515	136,634	
Business and Aux Services								
Bookstore	116	441,766	320,000	177,209	618,975	305,138	163,971	
University Commons	116	3,278,058	775,000	200,118	3,478,176	1,432,685	911,947	
University Parking	116	1,689,781	2,269,375	1,693,468	3,383,249	2,501,328	1,964,720	
Bus & Aux. Services	116	48,370	110,000	110,000	158,370	114,239	67,824	
Post Office	116	96,774	279,378	271,082	367,856	294,015	275,693	
Procurement Contracts	116	88,415	80,000	84,270	172,685	112,280	70,098	
Rattler Card	116	184,777	229,700	221,673	406,450	243,977	201,571	
Copy Center	116	80,600	366,981	226,317	306,917	367,111	341,025	I
Construction & Facilities Planning								
Building Code	116	57,916	180,000	108,532	166,448	148,093	119,686	
Events department	116	187,538	90,000	31,666	219,204	145,825	36,794	
Events department-Ticket Sales	116	-	50,000	31,308	31,308	50,000	-	

**FLORIDA A&M UNIVERSITY
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NON E&G BUDGET STATUS - Continued

Student Affairs								
Fin Aid Adm Exp Fund 117	117	206,769	250,000	250,000	456,769	293,069	199,080	
Orientation Fee (Fund 117)	117	(28,271)	319,080	259,156	230,885	325,981	300,264	J
Rattler Aquatics	116	72,476	53,795	53,795	126,271	117,062	54,926	
Student Union	116	(30,731)	746,105	751,255	720,524	810,455	664,500	
Student Union Bowling Alley	116	32,074	10,000	4,007	36,081	11,280	6,173	
Rattler Express	116	(2,691)	220,226	170,162	167,471	217,215	214,026	K
Campus Recreation	116	-	543,578	546,954	546,954	546,877	487,810	
Famuan Fund 117	117	(154,742)	162,052	46,183	(108,559)	164,907	80,529	L
FAMU DPS Alarm Monitor	116	33,599	18,774	-	33,599	40,260	24,783	
FAMU Child Care Center	116	75,894	668,584	322,071	397,965	820,924	584,414	M
Hosp O&M Student Hlth	116	2,298,578	2,037,934	1,854,741	4,153,319	2,415,051	2,204,663	
Counseling Services	116	41,987	330,388	330,388	372,375	377,599	347,552	
LifeScan Finger Printing	116	40,513	30,000	18,125	58,638	33,716	29,830	
Housing Fund 110	110	5,174,821	12,997,614	10,435,464	15,610,285	14,264,114	8,198,341	
E.I.T								
Technology Fee	117	2,962,560	1,969,913	1,795,761	4,758,321	4,204,640	1,164,423	
Telecommunications	116	(772,206)	1,977,884	1,970,750	1,198,544	1,935,965	1,089,504	
President								
Athletics	115	(7,800,291)	9,175,161	5,358,944	(2,441,347)	9,164,768	7,112,751	N
Concessions	117	186,504	180,630	198,341	384,845	183,512	179,648	
NOTES:								
A Collections are received from DOE bi-monthly. These collections are calculated using the FEFP. All salaries and OPS have been encumbered for the entire fiscal year.								
B Revenues are generated from fees that are assessed each semester when fees are paid late.								
C The Item Types for this department are being researched and will be corrected so that revenue collections will go the correct department.								
D Revenues are generated from fees that are assessed at the beginning of each semester.								
E A debt reduction plan is currently being developed by the Continuing Education department. Spending has been restricted until the plan has been submitted to the Budget Office.								
F Revenue will continue to be collected as seminars take place throughout the fiscal year. All Salaries and OPS have been encumbered for the entire fiscal year.								
G It has been indicated that the majority of funds are collected during the Spring and Summer.								
H As students request transcripts throughout the year, revenue will be collected.								
I A debt reduction plan is currently being developed by the Business and Auxiliary Services office.								
J Revenues for Orientation Fee are generated during summer orientation programs which will eliminate the projected negative balance								
K Rattler Express is continuously generating revenue throughout the fiscal year, and the Director is working to eliminating the projected negative fund balance.								
L FAMUAN deficit is attributed to continued increases in printing costs and lack of advertising revenue collections. A debt reduction plan has is being developed, also all Salaries and OPS have been encumbered for the entire year.								
M Revenue is collected continuously throughout the year for each child on a per month basis.								
N A debt reduction plan has been implemented to reduce the deficit.								

**VIII. (b) Contracts over
\$100,000
(none since the last meeting)**

**VIII. (c) Draft Amendment
to BOT Policy 2005-13 –
Benefits and Leave**



Florida Agricultural and Mechanical University Board of Trustees Information Item

Meeting Date: March 6, 2014

Agenda Item

POLICY AMENDMENTS FOR DISCUSSION

(The amendments modify the language for the Benefits and Leaves Policy regarding the Winter Break and the creation of a new category for a Modified Summer Work Week Schedule for the summer months. The proposed changes are outlined below.)

Board of Trustees Policy Number: 2005-23

Date of Adoption/Revision: March 6, 2014

Subject: Benefits and Leaves Policy (Winter Break and Modified Summer Work Week Schedule)

Authority: Chapters 110, 117, 1012 and Sections 92.142, 110.121, 110.118, 110.122, 110.222, Florida Statutes; Fair Labor Standards Act (FLSA) of 1938, as amended, Family and Medical Leave Act (FMLA) of 1993; Americans with Disabilities Act (ADA) of 1990.

I. Policy Changes

4. WINTER BREAK

Winter break refers to that period of time between the end of the fall semester and the beginning of the spring semester. During the winter break, the President, in consultation with the Vice President for Administration ~~Administrative~~ and Financial Services, may provide all eligible salaried employees up to five (5) paid winter break days ~~paid personal holidays~~ in addition to the officially designated holidays for December 25 and January 1. The President shall inform the Board of Trustees of the ~~decision~~ details regarding the winter break as soon as practicable.

15. MODIFIED SUMMER WORK WEEK SCHEDULE

The President, in consultation with the Vice President of Administrative and Financial Services, is authorized to implement a Modified 4-Day Work Week Schedule for all eligible salaried employees for a period of time between the end of the spring semester and the beginning of the fall semester. This authorization shall be subject to renewal every three years, beginning in 2015. The President shall notify the Board of Trustees of the details regarding the Modified 4-Day Work Week Schedule as soon as practicable.



Florida Agricultural and Mechanical University Board of Trustees Information Item

II. Establishment of Other Procedures

The University President shall establish procedures as appropriate to ensure these policy changes are implemented.

**VIII. (d) Government Relations
(not available at this time)**

**VIII. (e) Athletics
(posted separately)**