FLORIDA A&M UNIVERSITY

FINAL rev 3-1-19

Budget, Finance, and Facilities Committee Meeting
March 6, 2019

PRESENTED BY

Finance and Administration

Florida Agricultural and Mechanical University

FLORIDA A&M UNIVERSITY

ACTION ITEM IV : Approval of Brooksville Solar Farm Initiative

PRESENTED BY

Attorney David Self

Florida Agricultural and Mechanical University

Approval of Brooksville Solar Farm Initiative

PREFACE

Dr. Larry Robinson, President of Florida A&M University, appointed a representative committee of staff, faculty, students and stakeholders with the task of determining if the Brooksville Agricultural and Environmental Research Station would be a suitable site for the location of a solar farm. The Committee organized itself and discussed at length the task before it; and how should it proceed toward the ultimate goal of making a value added and well researched list of recommendations that would be acceptable to President Robinson and the University's Board of Trustees. The Committee demonstrated remarkable brilliance and focus as it processed the potential benefits that would accrue from a solar farm on behalf of students, faculty and the University.

After much discussion with possible vendors and product users, the Committee has come to make the best value added recommendation to President Robinson and the Board of Trustees. We, the Committee, wish to express our thanks and appreciation to President Robinson for his absolute support in making this a red letter day for Florida A&M University.

Approval of Brooksville Solar Farm Initiative

MEMORANDUM OF UNDERSTANDING
BY AND BETWEEN
FLORIDA AGRICULTURAL AND MECHANICAL UNIVERSITY BOARD OF TRUSTEES

In accordance with Section 732 of Public Law (P.L.) 112-55 as extended under P.L. 113-76, Consolidated Appropriations Act, 2014, the Secretary of Agriculture is authorized to convey certain Agricultural Research Service facilities identified within said P.L. to eligible entities, including Land Grant institutions as defined in Section 1404(13) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977; 1994 Institutions, as defined in Section 532 of the Equity in Educational Land-Grand Status Act of 1994; ;and Hispanic serving agricultural colleges and universities, as defined in Section 1404(10) of the National Agricultural Research Extension, and Teaching Policy Act 1977.

WHEREAS, the University agrees that in the performance of this MOU, in lieu of consideration being paid for the above-referenced conveyance, and in compliance with P.L. 112-15 and P.L. 113-76, the Property shall be used for agricultural and natural resources research a period of not less than twenty-five (25) years; and

Approval of Brooksville Solar Farm Initiative

USDA APPROVAL

Attached are copies of e-mails between Dr. Robert Taylor and the United States Department of Agriculture regarding the use of land at the Brooksville Agricultural and Environmental Research Station for a solar farm. As the response indicates, the answer is yes. Solar farming is indeed classified as agricultural. In November 2018, the Branch Chief for Real Property Management, Dr. Linda Wurzberger, Agriculture Research Service (ARS) was presented the same question. The Branch Chief confirmed the answer previously given to Dr. Robert Taylor, Dean of the College of Agriculture and Food Science.

Approval of Brooksville Solar Farm Initiative

EMAIL RE: SOLAR FARM UPDATED APPROVAL

From: Wurzberger, Linda <Linda.Wurzberger@ARS.USDA.GOV>
Sent: Wednesday, February 13, 2019 3:06 PM
To: Gainous, Fred J.
Subject: RE: Solar Farm Updated Approval

ARS is fine with you doing a solar farm. We have many at ARS and we totally support this effort.
Thanks, Linda

Dr. Linda B. Wurzberger
Chief, Real Property Management Branch
Facilities Division, Agricultural Research Service
5601 Sunnyside Avenue, Beltsville, MD 20705-5123
301-504-1228

Email: linda.wurzberger@ars.usda.gov

Approval of Brooksville Solar Farm Initiative

SOLAR FARM COMMITTEE MEMBERS

Name	Current Employment	Area of Expertise
Dr. Robert Taylor	Dean CAFS	Soil Chemistry
Dr. Stephen Leong	Associate Dean CAFS	Agricultural Economics
Dr. Aavudai Swamy	Assistant Professor	Civil Engineering
Dr. Pedro Moss	Assistant Professor FAMU-FSU College of Engineering	Electrical Engineering
Mr. Jeffrey Rogers	Deputy County Administrator (Hernando County)	Civil Engineering P.E.
Mr. Davis G. Moye	Ph.D. Student	Electrical Engineering
Mr. Ruben Nelson	Ph.D. Student	Electrical Engineering
Mr. Tolulope Fasakin	Masters Degree Student	Electrical Engineering
Dr. Fred Gainous	Executive Director (BAERS)	Agriculture Education/ Curriculum and Instruction

The above are members of the Florida A&M University Solar Farm Committee as appointed by President Larry Robinson. The Committee was tasked to ultimately make a recommendation(s) to President Larry Robinson as to if a solar farm would accrue benefits to Florida A&M University, its students and faculty all while providing resources necessary to operate the 3800-acre research station in Brooksville, Florida. Committee members consisted of three graduate level engineering students (one MS and two Ph.D. students), one faculty person from the College of Engineering, two civil engineers, one soil chemist, one agricultural economist and one agricultural educator. Although not an appointed member of the Solar Farm Committee, Attorney David Self attended committee meetings providing legal advice throughout the process. He also reviewed all documents and negotiated the final draft of the ground lease contract.

Committee members participated throughout the process and were involved in every aspect of the decision making process.

Approval of Brooksville Solar Farm Initiative

SOLAR PROJECT SOLICITATION

March 9, 2018

Name of Company: _____

1. Information about Company/Corporation
- Organization and corporate structure _____
- Financial capital and resources _____
- Annual revenue/sales and employment _____

2. Expertise in the planning, construction, and operation of a solar farm
- Project planning, technical design and specification construction documents _____
- Development and construction of a solar farm_____

3. Technical training and personnel management of solar farm_____
- Other relevant information_____
- Technical and financial information of solar farm
- Size of solar farm – 75/50/25 megawatt_____
- Total acreage required_____
- Project time-line_____
- Infrastructures at site_____
- Project/Investment cost_____
- Budgetary Information – If available_____
- Number and types/categories of employees and annual payroll_____
- Other relevant information_____

Approval of Brooksville Solar Farm Initiative

SOLAR PROJECT SOLICITATION

4. Business nature/structure of solar farm

- Leasing the land – number of years, lease rate, profit sharing, please identify other economic incentives, etc. Company will develop and construct the solar farm and operate it.
- Leasing the land - number of years, lease rate, etc. After establishing the solar farm, Company will transfer the project to investors.
- Leasing the land – number of years, payment will be on rate or percentage basis of kilowatt hours produced and sold.
- Leasing the land – minimal lease rate. After 10 years, the whole solar farm will be acquired by FAMU. Terms and conditions to be determined.
- Joint venture approach in which FAMU will acquire equity share in the project. Project cost will be financed by Company. FAMU will use revenue from

  sale of electricity to pay off its equity share.
- Company will provide partial financing and FAMU will provide the balance. Terms and conditions to be agreed upon.
- Company will finance the whole project for FAMU with terms and conditions to be agreed upon, including management and personnel training.
- Please suggest other business models, if appropriate.

5. Technical, management, and consulting services available to FAMU

- Technical design and preparation of construction documents_____
- Materials and supplies_____
- Financing and investment capital_____
- Construction and establishment of solar farm_____
- Training of technical and managerial personnel_____
- Other relevant information_____

6. How solar farm will enable FAMU to achieve the following goals

- Develop a strong academic and research program in solar and alternative energy
- Develop the necessary infrastructures for a mini campus to train undergraduate and graduate students in biological systems engineering and agricultural sciences
- Establish a strong research program in cattle and small ruminants, including pasture management
- Establish a strong extension program in the Pasco-Hernando County to serve the needs of local farmers and the community

Approval of Brooksville Solar Farm Initiative

The SOLAR PROJECT SOLICITATION

The attached was provided to the teams of presenters to guide the direction of presentations and information presented to the Committee. In addition, nearly all presenters visited the Brooksville Agricultural and Environmental Research Station and flew camera mounted drones as they sought to customize the project and determine an ideal location for the solar farm. All chose the same site, Bankhead Jones II (2100 acres) for the location of their proposed solar farm. In addition, all considered the feasibility of connecting to the local power grid and the need for a Power Purchase Agreement (PPA) with local utilities.

Each team was made aware that the information provided to them was not intended to limit their initiative, but to establish baseline data. All teams were provided the latitude of making a best fit for FAMU.

Approval of Brooksville Solar Farm Initiative

INTERVIEWS OF SELECTED VENDORS

The Committee was very process oriented in the manner in which the opportunity was extended to presenters and the conduct of their presentations. Any deviation allowed for one presenter was extended to all, and any follow-up question deemed significant to the process was then asked of all following presenters. In order to maintain the integrity of the process, the chair was militaristic regarding the enforcement of the defined process. The same question generated the same answer.

Many of the presenters asked if their proposal, in part or totally, would be shared as each indicated that some of their information was considered proprietary and or confidential. The Committee treated all information as a matter of form to be proprietary, and did not share any information of one company with another. The presenters did not know who their competition was. When they asked the chair of the committee who their competition was, they were given the name of their own company as their chief competitor. After they understood the response they never asked again.

Approval of Brooksville Solar Farm Initiative

RESPONSES AT A GLANCE

Provider	Land Requirement Acres	Due Diligence Time Frame	Construction Time Frame	Initial Lease Length	Lease Option	Lease Rate Per Acre In Dollars	Lease Rate Annual Increase	Mega Wattage Produced
Gil Berry and Associates	150-500 acres	5 - - -	2 years	30-40 years	Two 5-year Options	500.00	1.5 percent	25
RAI Energy International	450 acres	60 days				850.00		74.5
Origis Energy	350-400 acres			25 years				75
ESA Renewables	653.4 acres	2-3 years		35 years	One 5-year Option	25,000.00 (1) 800.00 (1)	1.0 percent	
Duke Energy	800 acres	2 years	2 years	25 years	Two 5-year Options	40.00 (1) 400.00 (2) 850.00 (3)	2.5 percent	74.9
Team of Sustainability, LLC			1136 days 3.11 years	25 years		20,000.00 85,000.00	2.0 percent	25
Oscar Fields*								

* Never Submitted a Proposal or Interview Schedule

(1) Due Diligence

Approval of Brooksville Solar Farm Initiative

ABSTRACT OF PROPOSED GROUND LEASE

FLORIDA A&M UNIVERSITY

as Landlord

DUKE ENERGY

as Tenant

****

1. Effective Date:	
2. Tenant/Provider:	Duke Energy
3. Property:	800 acres of the 2,100 acre tract in Brooksville (Bankhead Jones Donation 2)
4. Due Diligence Period:	Not to exceed 24 months (Expires February 28 2021)
5. Due Diligence Period Rent:	$40.00 per acre ($32,000.00) per year
6. Construction Period:	Not to exceed 24 months after the Due Diligence Period (Deadline would be February 28, 2023)
7. Construction Period Rent:	$400.00 per usable acre (est $240,000.00 -- $320,000.00) per year
8. Operational Period:	25 years (Expires February 28, 2048)
9. Operational Period Rent:	$850.00 per usable acre (est $510,000.00 -- $680,000.00) per year
10. Annual Rent Escalation	2.5%
11. Renewal Options:	Two options to renew – each for a 5-year period (Expiration: February 28, 2058)

Approval of Brooksville Solar Farm Initiative

QUESTIONS CONCERNING THE BAERS SOLAR FARM PROJECT

Question 1:

Is FAMU getting the biggest bang for the buck?

FAMU is getting $850 per acre with a 2.5 percent escalator to be applied annually starting the second year of power production. No other solar entity generates revenue at the rate of FAMU. There is a general lease range of $600 to $1,000 in the market place. However, the $1,000 is a true outlier. Most ground leases are between $600 and $800, and with no more than a 2.0 percent escalator. The Florida Public Service Commission and the Georgia Public Service Commission would not release specific information about any solar farm. Each considered the requested information to be proprietary or private. If approved by the Board of Trustees, Florida A&M University would have a ground lease with an escalator clause that is neither matched or exceeded by any other solar farm project currently under consideration. The only investment by the University is the lease of not more than 800 acres. Attached is the amount of funds generated annually at $850 and a 2.5 percent escalator for twenty-five years. The acreage, under the proposed lease, will not exceed 800 acres and it is projected it will not be less than 600 acres. The attached examples are calculated using 600, 700 and 800 acres. The land of the Brooksville Agricultural and Environmental Research Station has to remain in agriculture for twenty-five years as defined by the Memorandum of Understanding between FAMU and the United States Department of Agriculture (USDA). We believe the best use of this property at this time would be for the production of solar power. In the State University System of Florida, FAMU stands alone in terms of a connection to such a large solar power plant.

Approval of Brooksville Solar Farm Initiative

GROUND LEASE VALUE FOR 600 ACRES

Ground Lease Annual Payment Chart Duke Energy to Florida A&M University				
2.5% Escalator	Year	Acres	Lease Cost Per Acre	Total
	1	600	850.00	510,000.00
21.25	2	600	871.25	522,750.00
21.78	3	600	893.03	535,818.75
22.33	4	600	915.36	549,214.22
22.88	5	600	938.24	562,944.57
23.46	6	600	961.70	577,018.19
24.04	7	600	985.74	591,443.64
24.64	8	600	1010.38	606,229.73
25.26	9	600	1035.64	621,385.48
25.89	10	600	1061.53	636,920.11
26.54	11	600	1088.07	652,843.12
27.20	12	600	1115.27	669,164.20
27.88	13	600	1143.16	685,893.30
28.58	14	600	1171.73	703,040.63
29.29	15	600	1201.03	720,616.65
30.03	16	600	1231.05	738,632.06
30.78	17	600	1261.83	757,097.87
31.55	18	600	1293.38	776,025.31
32.33	19	600	1325.71	795,425.95
33.14	20	600	1358.85	815,311.59
33.97	21	600	1392.82	835,694.38
34.82	22	600	1427.64	856,586.74
35.69	23	600	1463.34	878,001.41
36.58	24	600	1499.92	899,951.45
37.50	25	600	1537.42	922,450.23
			Total	17,420,459.61

Approval of Brooksville Solar Farm Initiative

GROUND LEASE VALUE FOR 700 ACRES

Ground Lease Annual Payment Chart Duke Energy to Florida A&M University				
2.5% Escalator	Year	Acres	Lease Cost Per Acre	Total
	1	700	850.00	595,000.00
21.25	2	700	871.25	609,875.00
21.78	3	700	893.03	625,121.88
22.33	4	700	915.36	640,749.92
22.88	5	700	938.24	656,768.67
23.46	6	700	961.70	673,187.89
24.04	7	700	985.74	690,017.58
24.64	8	700	1010.38	707,268.02
25.26	9	700	1035.64	724,949.72
25.89	10	700	1061.53	743,073.47
26.54	11	700	1088.07	761,650.30
27.20	12	700	1115.27	780,691.56
27.88	13	700	1143.16	800,208.85
28.58	14	700	1171.73	820,214.07
29.29	15	700	1201.03	840,719.42
30.03	16	700	1231.05	861,737.41
30.78	17	700	1261.83	883,280.84
31.55	18	700	1293.38	905,362.87
32.33	19	700	1325.71	927,996.94
33.14	20	700	1358.85	951,196.86
33.97	21	700	1392.82	974,976.78
34.82	22	700	1427.64	999,351.20
35.69	23	700	1463.34	1,024,334.98
36.58	24	700	1499.92	1,049,943.36
37.50	25	700	1537.42	1,076,191.94
			Total	20,323,869.54

Approval of Brooksville Solar Farm Initiative

GROUND LEASE VALUE FOR 800 ACRES

Ground Lease Annual Payment Chart Duke Energy to Florida A&M University				
2.5% Escalator	Year	Acres	Lease Cost Per Acre	Total
	1	800	850.00	680,000.00
21.25	2	800	871.25	697,000.00
21.78	3	800	893.03	714,425.00
22.33	4	800	915.36	732,285.63
22.88	5	800	938.24	750,592.77
23.46	6	800	961.70	769,357.58
24.04	7	800	985.74	788,591.52
24.64	8	800	1010.38	808,306.31
25.26	9	800	1035.64	828,513.97
25.89	10	800	1061.53	849,226.82
26.54	11	800	1088.07	870,457.49
27.20	12	800	1115.27	892,218.93
27.88	13	800	1143.16	914,524.40
28.58	14	800	1171.73	937,387.51
29.29	15	800	1201.03	960,822.20
30.03	16	800	1231.05	984,842.75
30.78	17	800	1261.83	1,009,463.82
31.55	18	800	1293.38	1,034,700.42
32.33	19	800	1325.71	1,060,567.93
33.14	20	800	1358.85	1,087,082.13
33.97	21	800	1392.82	1,114,259.18
34.82	22	800	1427.64	1,142,115.66
35.69	23	800	1463.34	1,170,668.55
36.58	24	800	1499.92	1,199,935.26
37.50	25	800	1537.42	1,229,933.65
			Total	23,227,279.47

Approval of Brooksville Solar Farm Initiative

QUESTIONS CONCERNING THE BAERS SOLAR FARM PROJECT

Question 2:

What is the economic benefit to Duke?

Duke Energy Florida is a regulated monopoly with the Florida Public Service Commission, and as such, Duke Energy Florida can only earn a reasonable profit. All revenue above the reasonable profit maximum must be passed on to the customers of Duke Energy. The ground lease is consistent for twenty-five years except the value of the lease per acre will increase by 2.5 percent (2.5%) annually. This potential company-owned facility on University property would be one of ten dependable, reliable and cost-effective solar facilities under development by Duke Energy in Florida. All aspects of this project falls under the Public Service Commission for regulation.

Approval of Brooksville Solar Farm Initiative

QUESTIONS CONCERNING THE BAERS SOLAR FARM PROJECT

Question 3:

Is there an option of FAMU selling Duke the acreage for 2.5 million dollars?

No. There is absolutely not a possibility of any of this land (3800 acres) being sold over the next twenty-one years. There is a clause and an agreement between Florida A&M and the United States Department of Agriculture that land comprising the Brooksville Agricultural Research Station cannot be sold until after twenty-five (25) years of being in the control of FAMU.

Approval of Brooksville Solar Farm Initiative

QUESTIONS CONCERNING THE BAERS SOLAR FARM PROJECT

Question 4:

What economic values have other state university system entities received from solar farms?

The available information does not indicate that another post-secondary school, college or university have under its purview a large scale solar power plant in Florida. There, however, are those who have much smaller solar facilities that are used for renewable energy education and sustainability.

Approval of Brooksville Solar Farm Initiative

QUESTIONS CONCERNING THE BAERS SOLAR FARM PROJECT

Question 5:

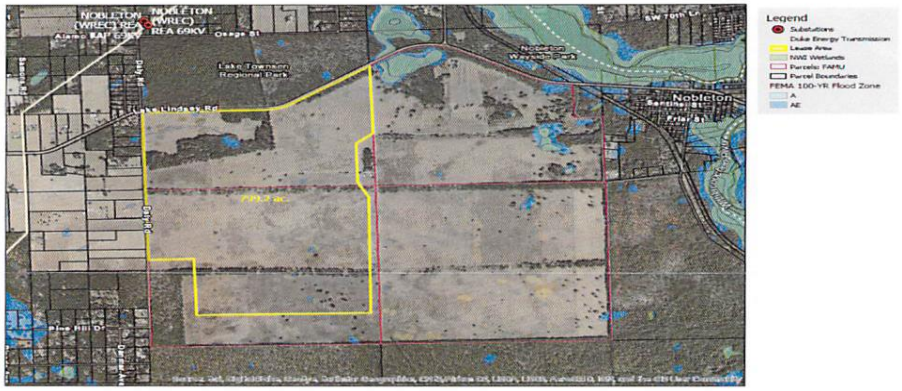
What is the profit received by Duke as a result of the FAMU solar farm? Can we (FAMU) negotiate a percent of gross profit?

No. The Committee did make an effort to share in the revenue earned by Duke Energy through this solar project. Duke Energy is a regulated monopoly with the Florida Public Service Commission and is allowed a reasonable return on its investment. Beyond that, all other revenue/profit must be returned in an appropriate way to customers of Duke Energy Florida. (Please review the response for Question 2.)

Approval of Brooksville Solar Farm Initiative

EXHIBIT A

EXHIBIT A



Approval of Brooksville Solar Farm Initiative

BRIEFING OF BOARD OF TRUSTEE MEMBERS

As the Chairwoman of the Board of Trustees Committee of the Budget, Finance, and Facilities Committee, Trustee Moore and members of the committee were provided a scheduled opportunity to be briefed on the solar farm project individually. Secondly, the committee, as a whole, in a scheduled skype meeting for its agenda items scheduled for the March 6 & 7, 2019, meeting was again briefed on the project. Thirdly, the full Board of Trustees during its scheduled Board meeting on January 24, 2019, had the opportunity to participate in a briefing on the solar farm proposal for BAERS. At the conclusion of the discussion, Board members asked questions so as to comprehend the total scope of what would be a staff recommendation regarding the proposal. The follow up included telephone calls to Trustee members in order to clarify the questions asked. The questions and answers are included in this document.

Approval of Brooksville Solar Farm Initiative

SUBJECT: APPROVAL OF BROOKSVILLE SOLAR FARM INITIATIVE

Rationale: In 2015, the University accepted a donation of approximately 3,800 acres of agricultural real estate located in Hernando County, on the outskirts of Brooksville, Florida from the U. S. Department of Agriculture. The property comprises four non-contiguous tracts of land ranging in size from 140 acres to 2,100 acres. The property is known as the Brooksville Agricultural and Environmental Research Station ("BAERS"). One condition for the conveyance to the University was that the property be used for research in agriculture for not fewer than 25 years. Since acquiring the property the University has received several unsolicited proposals for use of the BAERS.

In 2018, the University issued a solicitation for the design, construction, and operation of a solar farm on the 2,100 acre parcel. The committee evaluated the proposals, and selected the proposal by Duke Energy as providing the greatest value to the University.

The chair of the evaluation committee, Dr. Fred Gainous, Associate General Counsel, David Self, and officials from Duke Energy have made presentations to the Budget, Finance and Facilities Committee and the to the Board of Trustees at large.

Recommendation: The staff recommends the University enter into the agreement with Duke Energy for the development of a not to exceed 800 acre solar farm to be located at the Brooksville Agricultural and Environmental Research Station in substantially the form attached hereto and subject to the review and approval of the Office of the General Counsel.

Approval of Brooksville Solar Farm Initiative

GROUND LEASE AGREEMENT

(Please see draft Ground Lease Agreement document in the Committee Materials Packet)

FAMU - Duke Energy Ground Lease Agreement Clean - 12102018_Link.doc

Approval of Brooksville Solar Farm Initiative

STAFF NEXT STEPS

1) Approval of the FAMU Board Trustees
2) Submit to the Board of Governors
3) Ratify Ground lease agreement with Duke Energy Florida as advised by the Office of the General Counsel
4) Duke Energy Florida obligations to the Florida Public Service Commission and the Duke organization structure
5) Local activities with citizens of Hernando County

FLORIDA A&M UNIVERSITY

ACTION ITEM V : Carry-Forward Budget (5% BOT requirement)

PRESENTED BY

Ms. Ronica Mathis, Director – Office of Budgets

Florida Agricultural and Mechanical University

Approval of Carryforward (5% BOT Requirement)

Rationale:

The 5% reserve amount currently totals $8,869,385 and is in addition to the 5% Statutory Reserve Requirement which is $8,869,385. The staff is recommending for consideration distribution of the 5% BOT Reserve to support existing priorities.

Recommendation:

The staff recommends approval of the proposed distribution of the 5% BOT Reserve.

Education and General 2018-19 Operating Budget – Beginning Carryforward Fund Balance Composition, January 2019

		University E&G	Special Unit or Campus (Title)
A.	**Beginning E&G Carryforward Fund Balance - July 1, 2018 :**		
	Cash	$ 31,800,000	$ -
	Investments	$ -	$ -
	Accounts Receivable	$ 17,100,000	$ -
	Less: Accounts Payable	$ 10,000,000	$ -
	Less: Deferred Fees	$ -	$ -
	Beginning E&G Fund Balance Before Encumbrances :	$ 38,900,000	$ -
B.	**Expenditures to Date :**	$ 4,257,220	$ -
C.	**Encumbrances to Date :**	$ 1,117,795	$ -
D.	**E&G Carryforward Fund Balance - as of August 21, 2018 :**	$ 33,524,985	$ -
E.	**Restricted / Contractual Obligations**		
	5% Statutory Reserve Requirement	$ 8,869,385	$ -
	Restricted By Appropriations		$ -
	World Class Faculty and Scholar Program	$ 728,728	
	Professional and Graduate Degree Excellence Program	$ 785,392	
	University Board of Trustee Reserve Requirement	$ 8,869,385	$ -
	Restricted by Contractual Obligations:	$ -	$ -
	Compliance Program Enhancements	$ -	$ -
	Audit Program Enhancements	$ -	$ -
	Campus Security and Safety Enhancements	$ -	$ -
	Tuition Differential	$ 1,500,000	
	Student Services, Enrollment, and Retention Efforts	$ -	$ -
	Student Financial Aid	$ 3,500,000	$ -
	Faculty / Staff Instructional and Advising Support and Start-Up Funding	$ -	$ -
	Faculty Research and Public Service Support and Start-Up Funding	$ -	$ -
	Library Resources	$ -	$ -
	Infrastructure, Capital Renewal, Roofs, Renovation, Repair	$ -	$ -
	FAMU/FSU Engineering Building C	$ 1,500,000	
	Research Laboratory Build Out	$ 2,000,000	
	Utilities	$ -	$ -
	Information Technology (ERP, Equipment, etc.)	$ -	$ -
	Total Restricted Funds :	$ 27,752,890	$ -

Education and General 2018-19 Operating Budget (continued)
Beginning Carryforward Fund Balance Composition, January 2019

F.	**Commitments**		
	Compliance, Audit, and Security		
	Compliance Program Enhancements	$ 500,000	$ -
	Audit Program Enhancements	$ 300,000	$ -
	Campus Security and Safety Enhancements	$ 1,000,000	$ -
	Academic and Student Affairs		
	Student Services, Enrollment, and Retention Efforts	$ 1,000,000	$ -
	Student Financial Aid	$ 1,500,000	$ -
	Faculty / Staff Instructional and Advising Support and Start-Up Funding	$ -	$ -
	Faculty Research and Public Service Support and Start-Up Funding	$ -	$ -
	Library Resources	$ 500,000	$ -
	Facilities, Infrastructure, and Information Technology		
	Infrastructure, Capital Renewal, Roofs, Renovation, Repair due to Hurrican Micheal	$ 500,000	$ -
	Utilities		$ -
	Information Technology (ERP, Equipment, etc.)	$ 472,095	$ -
	Total Commitments :	$ 5,772,095	$ -
G.	**Available E&G Carryforward Balance as of August 21, 2018 :**	$ -	$ -
	* Please provide details of earmark reserve balances (specific issue name, appropriation year, amount).		
	Disclosure Notes:		

Carry-forward Budget (5% BOT requirement)

FLORIDA A&M UNIVERSITY
5% BOT RESERVE PROPOSED DISTRIBUTION

Proposed Facilities/Infrastructure Projects	
Campus Wide Water and Sewer Improvements	1,300,000
Campus Wide Electrical Distribution Upgrade	1,000,000
Roofing (Lee Hall, Pool Locker Room)	1,200,000
Lee Hall Improvements and Upgrade (A/V, Lighting, and Draperies)	100,000
Research Equipment Replacement (Research Buildings)	275,000
Steam Building Connections	175,000
Second Return Well (Chilled Water)	850,000
Building Boiler Replacements	350,000
Campus Wide Smart Classroom Upgrades	700,000
Fire Alarm System Upgrades	500,000
Steam Distribution Repairs	75,000
Sub-Total:	**6,525,000**
Research Infrastructure Enhancements	
Establish cutting edge research laboratories	1,000,000
Sub-Total	**1,000,000**
Student Services Support	
*Oracle Student Financial Planning Cloud Service Software	500,000
**Sales Force Customer Relation Management System	500,000
***Kognito Annual Licensing Cost	20,000
Update Telephones in Admissions and Financial Aid	20,000
Enrollment Management Software	95,000
Software and technology upgrades to enhance tracking of student progression	200,000
Sub-Total	**1,335,000**
Total	**8,860,000**

FLORIDA A&M UNIVERSITY

ACTION ITEM VI : Approval to Amend Policy #2006-04

(P-card language change)

PRESENTED BY

Ms. Mattie Hood, Director – Office of Procurement Services

Florida Agricultural and Mechanical University

FLORIDA A&M UNIVERSITY

ACTION ITEM VII : Approval of Budget Amendment for Housing Repairs

PRESENTED BY

Ronica Mathis, Director – Office of University Budgets

Florida Agricultural and Mechanical University

Approval of Budget Amendment for Housing Repairs

Rationale:
Fund 601 - Inspection of Gibbs Hall has indicated there is a public safety hazard. The additional budget authority is being requested to address the existing structural related concerns. The attached reports include the findings and recommendations for repair that will restore and enhance the structural integrity of Gibbs Hall. The dollars will be provided from the Housing Repairs and Replacement Reserves.

Recommendation:
It is recommended that the Board of Trustees approve the additional budget authority for the Housing R&R Fund.

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Information Item VIII : Succession Planning Overview

PRESENTED BY

Joyce A. Ingram – Associate Vice President, Chief HR and Diversity Officer

Florida Agricultural and Mechanical University

Succession Planning Overview

Progress

- Developed a Training Guide and supporting materials
- Converted all information into a formal online tract for campus use
  FAMU Succession Planning
- Provided education and training to the President and Senior Leadership Team
- Received approval to move forward to execute within the Divisions

Succession Planning Overview

Next Steps

- Education and training for the SLTs of the Colleges and Divisions
- Career development and talent review discussions within the Divisions
- Succession Planning/Replacement Planning in and across divisions, recommended at the Assistant Vice President level and above or at other levels as determined most appropriate by University Leadership
- Timeline for completion – 70% complete by June 2019

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Information Item IX- Budget Development Overview

PRESENTED BY

Ms. Ronica Mathis, Director – Office of Budgets

Florida Agricultural and Mechanical University

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Information Item X- Financial Status Report / Cost Savings

PRESENTED BY

Ms. Tiffany Holmes, AVP/University Controller

Florida Agricultural and Mechanical University

Financial Status Report

Florida A&M University
Financial Status Report Summary, as of December 31, 2018

		YTD (A)	Year End est
Revenues			
Total Revenue	Budget	159,299,808	337,456,132
	Actual/ *Forecast*	143,869,570	309,752,888
		90%	*92%*
Operating Expenses			
Total Expenses	Budget	164,165,958	332,001,956
	Actual/ *Forecast*	140,123,065	302,338,935
		85%	*91%*
Revenues over Expenses	Budget	(4,866,150)	5,454,176
	Actual/ *Forecast*	3,746,505	7,413,953
		-77%	*136%*
Other Sources (Uses) of Cash (Capex & Debt Service) **Net**	Budget	(1,449,410)	(4,132,017)
	Actual/ *Forecast*	(345,038)	(4,242,320)
		24%	*103%*
Net Balance	Budget	(6,315,560)	1,322,159
	Actual/ *Forecast*	3,401,467	3,171,633
		-54%	*240%*

Financial Status: Cost Savings Impact

Florida A&M University

Financial Status Report, as of December 31, 2018: Cost Savings Impact

	Operating Expenses								Savings thru	
	Jul	Aug	Sep	Oct	Nov	Dec	YTD (A)	Year End Est	QTR 2	Year End Est
Utilities & Telephone	806,799	(435,224)	1,435,745	139,968	1,559,000	1,266,563	4,772,851	9,545,701		
Travel	293,761	228,076	397,884	451,756	424,256	686,176	2,481,909	4,963,818		
Repairs & Maintenance	849,573	426,180	1,092,081	552,848	668,263	306,102	3,895,047	7,790,097	*196,783*	*393,566*
Materials & Supplies	631,918	327,576	842,413	848,386	742,061	502,010	3,894,364	7,788,730	*69,335*	*138,670*
IT Services	780,600	408,712	391,496	388,716	455,095	1,083,115	3,507,734	7,015,466	*47,262*	*94,524*
Research Grant Subrecipients	997,413	(432,825)	807,000	849,101	500,784	194,147	2,915,620	5,831,242		
Other Contractual Services	1,028,915	149,302	696,943	650,329	838,186	621,305	3,984,980	7,969,958	*21,770*	*43,540*
Furniture, Equip & Library Res	197,450	1,206,060	219,663	1,031,039	191,167	578,579	3,423,958	6,847,918	*98,243*	*196,486*
Other Operating Expense	526,739	(54,473)	894,946	828,550	424,264	220,194	2,840,220	5,680,440	*339*	*678*
	6,113,168	1,823,384	6,778,171	5,740,693	5,803,076	5,458,191	31,716,683	63,433,370	433,732	867,464
									1%	*1%*
									31,716,683	63,433,370

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Information Item XI- Student Write-Off and Property Write-Off

PRESENTED BY

Ms. Tiffany Holmes, University Controller and AVP

Florida Agricultural and Mechanical University

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Information Item XII- Project Updates

PRESENTED BY

Dr. Wanda Ford, Vice President, Finance and Administration
Sameer Kapileshwari P.E., Associate Vice President for Facilities
Dr. Jennifer Wilder, Director – University Housing
Florida Agricultural and Mechanical University

Housing Project Plan – Phase 1A

BUILDING PERSPECTIVE

FINFROCK DESIGN, INC. FINFROCK MANICA architecture

Kimley»Horn

SKB STUDIO

FAMU STUDENT HOUSING

ORLANDO, FLORIDA
01-22-18

A1

Center for Access and Student Success (CASS)

Background:
The FAMU Center for Access and Student Success (CASS) is designed to be a multipurpose building serving as a one-stop shop for programs such as recruitment, admissions, financial aid and enrollment management. This building will also house registrar, scholarship office, counselling services and the Center for Disability Access and Resources.

Status:
- Excavation and foundation work for north and south portions of the building is complete
- Wall reinforcements and wall forms for the north building are complete
- Wall reinforcements and wall forms for the south building are 85% complete
- Structural Steel is scheduled to arrive on site

Housing Facilities Update

ACTION ITEMS	ESTIMATED TIMELINE	STATUS (A/O 2-12-19)	RESPONSIBLE PARTY
Track repair cost by building	Continuous	Tracking occurs monthly at the end of 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 was presented to the Foundation on December 3, 2018. Minor revisions to include a tiered level of sponsorship are in process. Portfolio will be completed by February 19, 2019 for solicitation of donors.	Dr. Wilder and Housing staff
Monthly residence hall facility meeting	Monthly	Continuous starting August 2018	Housing Staff

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Information Item XIII- Reports

PRESENTED BY

Trustee Kimberly Moore

Florida Agricultural and Mechanical University

Thank you

"At FAMU, Great Things Are Happening Every Day."

established 1887