

University of South Florida
Board of Trustees
Special Conference Call
Tuesday, December 18, 2018
Unofficial Minutes

Chair Brian Lamb convened the USF Board of Trustees special conference call at 8:16am and asked President Judy Genshaft to call the roll.

President Genshaft called roll with the following Trustees present:

Trustee Michael Carrere (via telephone)
Trustee Stephanie Goforth (via telephone)
Trustee Oscar Horton (via telephone)
Trustee Moneer Kheireddine (via telephone)
Trustee Brian Lamb (via telephone)
Trustee Deanna Michael (via telephone)
Trustee Harold Mullis (via telephone)
Trustee Leslie Muma (via telephone)
Trustee John Ramil – absent
Trustee Byron Shinn – absent
Trustee Charles Tokarz (via telephone)
Trustee Nancy Watkins (via telephone)
Trustee Jordan Zimmerman – absent

Chair Lamb thanked the Board for coming together to allow for this call regarding carryforward balance strategies, as requested by the Florida Board of Governors. Chair Lamb mentioned and thanked Senior Vice President for Business and Financial Strategy David Lechner and Vice President and Chief Financial Officer Nick Trivunovich for making themselves available for individual briefings with trustees prior to the call. Chair Lamb then turned the call over to Mr. Lechner.

Mr. Lechner reviewed the presentation provided to the Board, which included an overview of what constitutes carryforward funds, as well as the total number of carryforward funds within the State University System of Florida, which, as of August 2018, was \$814 million. Of the \$814 million the BOG was seeking an accounting of \$289 million, \$149 million of which belonged to the USF System (\$118 to Tampa, USFSP and USFSM and \$31 million to USF Health). Mr. Lechner informed the Board that Mr. Trivunovich would be presenting updated spending plans as of November, which include the August amounts; this will allow the team to show the BOG that spending has and will happen in accordance with spending plans.

Mr. Trivunovich informed the Board that a thoughtful process was used to determine where and how these funds should be spent, which included meetings with deans and other senior vice presidents, as well as regional campus leadership. The goal is to ensure spending complements the University's efforts to continue to meet Preeminence and Performance-Based Funding metrics, while remaining focused on priorities that relate to student success through funding equipment needs and renovations. Mr. Trivunovich then detailed the proposed projects to be funded, such as a nuclear magnetic resonance console, a 3D printer for the College of Engineering to further studies in medical engineering and lab renovations for the College of Arts and Sciences Department of Cell Biology, Microbiology and Molecular Biology and the Department of Chemistry. He also highlighted plans to construct a new cooling tower to improve air conditioning systems on campus, as well as a potential partnership with

Microsoft Dynamics to improve business process software; there are also proposals to continue to fund student mental health initiatives and textbook affordability by reducing costs to students.

Mr. Lechner commented on the work that Provost Ralph Wilcox and Senior Vice President for Research, Innovation & Knowledge Enterprise Paul Sanberg did in helping the Business and Financial Strategy team in preparing these plans as they are aimed at ensuring continued student success, as well as furthering the University's research and in attracting world-class faculty and scholars.

Chair Lamb asked if these spending plans are tied directly to Preeminence and PBF metrics. Provost Wilcox responded by saying that a tremendous partnership approach was used in formulating the list of priorities to use carryforward funds on and that they were all cross-walked with these metrics in mind, and while clustering around the University's commitment to student success. The Provost also remarked that the Board can expect deans to be held accountable for the performance of their spending projects.

Mr. Trivunovich continued and reiterated the inclusive and thoughtful process that was used to arrive at these priorities. He then laid out the next steps: after seeking the Board's approval of these carryforward plans, they would then be submitted to the BOG for consideration their meeting January 30-31. Mr. Trivunovich also told the Board that the University's planning for carryforward funds usage does not stop at this meeting and is always an ongoing process. Mr. Lechner stated that because we are anticipating the BOG and the state legislature to see how USF is going to continue to maintain its preeminent status that these plans were consistently looked at through a student success focus, centered around metrics. Mr. Trivunovich then opened the floor for questions from the Board.

Trustee Hal Mullis asked if the BOG needed to approve these plans or if this is just an advisory measure. Mr. Lechner and Mr. Trivunovich informed the Trustee that approval is needed as the BOG wants to be able to show the legislature that allocated funds to the SUS are spent strategically and wisely. Trustee Mullis commended the team for their work and agreed that the proposed plans seem to be carefully aligned with student success, Preeminence and PBF metrics.

Chair Lamb reminded the Board of its authority in approving spending, specifically at the \$1 million and \$2 million thresholds. He asked Mr. Trivunovich to confirm that none of the proposed use of carryforward funds is for new, non-approved expenditures, but rather were previously approved and are now being repackaged as a carryforward expenditure. Mr. Trivunovich responded that there are a few new items that are below the Board's expenditure authorization limits, but they were part of the budget presented to the Board in August; he also stated that every major item has been included in the process that sees expenditure requests brought before the Board.

Chair Lamb then remarked on the continued best practice of transparency to the Board and internal due process. After asking for further comments and questions, Chair Lamb asked for a motion to approve the presented carryforward plans. A motion was made by Trustee Mullis and seconded by Trustee Mike Carerre and was passed unanimously by the Board.

Chair Lamb wished everyone a happy holiday season and adjourned the call at 8:39am.