



**Board of Trustees
Committee Meeting
Rudolph Jones Student Center
Room 242**

**COMMITTEE ON BUDGET AND FINANCE
WEDNESDAY, MARCH 23, 2022
9:15A.M.**

AGENDA

Call to Order Stuart Augustine, Committee Chair
Welcome and Opening Remarks Stuart Augustine
Roll Call
Approval of Minutes: December 8, 2021

Information/Action Item:

A. General Business Update Darrell T. Allison
Chancellor
Greg Lovins
Interim Vice Chancellor for Business and Finance

B. Capital Project Update Greg Lovins
Interim Vice Chancellor for Business and Finance
Mr. Jon Parsons
Associate Vice Chancellor for Facilities

Action Items:

C. BF1 – Proposed Lease Agreement
D. BF2 – Facility Renovation Projects >\$300,000

Committee Members: Stuart Augustine, R. Jonathan Charleston, J. Doug English, Kimberly Jefferies Leonard, Glenn Adams
Staff Liaison: Greg Lovins
Board Professional: Anita Cheatham

For further information, please contact:
Mr. Greg Lovins
Interim Vice Chancellor for Business and Finance
910-672-1151



Board of Trustees DRAFT Meeting Minutes

COMMITTEE ON BUDGET AND FINANCE WEDNESDAY, DECEMBER 8, 2021 9:30 a.m.

The Committee on Budget and Finance of the Fayetteville State University Board of Trustees convened Wednesday, December 8, 2021, in the Rudolph Jones Center Room 242, and via ZOOM. Chairman, Stuart Augustine, presided and called the meeting to order at 9:30 a.m.

ROLL CALL

The following Trustee members were in attendance: Stuart Augustine, R. Jonathan Charleston, J. Doug English, Kimberly Jefferies Leonard, and Glenn Adams.

Staff persons in attendance were Chancellor Darrell Allison, Mr. Carlton Spellman, Ms. Yolanda Bonnette, Mr. Jeff Womble, Attorney Wanda Jenkins.

APPROVAL OF MINUTES

It was moved by Trustee Kimberly Jefferies Leonard that the minutes of the Budget and Finance Committee meeting held on September 23, 2021, be accepted as printed and distributed. The motion was seconded by Trustee R. Jonathan Charleston. The motion carried.

Following the approval of the minutes a question was raised by Trustee R. Jonathan Charleston to approve an agenda. Trustee Stuart Augustine and Ms. Minda Watkins advised we don't approve the agenda. Trustee Charleston requested a discussion on prior projects. Trustee Stuart Augustine suggested that Mr. Parson should address items during the budget update.

BUDGET UPDATE

Mr. Carlton Spellman, Vice Chancellor for Business and Finance shared the impact of the State operating budget year 2022 and how it breaks out. We are on track overall. Other revenues, such as library fines are returned to the general fund.

State Appropriations	\$ 60,979,858
Regular Term Fall & Spring	\$ 19,200,213
Summer School	\$ 2,500,000
Other Revenues	\$ 666,089

Vice Chancellor Spellman's update included tuition, NC Promise, and the increase in appropriations once the university receives the budget transfer. Things to take into consideration, the average student owes around \$1,500 or less. If the student isn't allowed to continue, when they don't return it has a negative impact upon the university. NC Promise will make Fayetteville State University more attractive to students and families.

Trustee R. Jonathan Charleston questioned if the \$5,000,000 appropriation that was in place under last year's budget reflect in these numbers? Will that come to FSU? Chancellor Allison explained the NC General Assembly and delegation passed a budget including \$164,000,000. Mr. Spellman response was \$2,000,000 is reflected in the Lyon Science Renovation.

University Endowment is at \$22,000,000 and we are managed by UNC Management Company. Currently we are outperforming the benchmark of 17.10%.

Mr. Wendell Phillips, Vice Chancellor for External Affairs and Military Relations gave State Budget updates on Repair & Renovation.

- New FSU College of Education Building
- New Residential Hall
- New Parking Deck
- NC Promise Tuition Plan Program

Trustee R. Jonathan Charleston asked the start date for breaking ground and proposed schedule. Trustee Glenn Adams advised the schedule has not been discussed, there are things to be done prior. Chancellor Allison explained FSU was the 15th or 16th lowest funded and now in the top 5. The focus is to plan out for the next several months and line up the work for the \$38,000,000 worth of R&R work that needs to be done.

Chancellor Darrell Allison explained in the budget and VC Phillips explained we have done a campus wide assessment of all repairs and renovations needed and if FSU could repair everything on campus that total was \$80,000,000. We were very fortunate and as we advocated in this budget to get \$38,500,000 almost 50% of that funded in this budget. The next couple of years 50% funded so this is listed out in your email. We will look at that coupled with all the other things that are a part of the \$162,000,000. This will be part of the package that we work on the next few months here.

Vice Chancellor Carlton Spellman discussed the "All Funds Budget" Effective FY 2023, the Board of Governors is requiring the BOT of constituent institutions to approve a broad-based or "All-Funds Budget" Board of Governors will approve submissions in May 2022, necessitating FSU Board approval of the FY 23 budget at the March meeting. If enrollment shifts or changes these numbers will be adjusted. We will get into deeper discussions during the next board meeting.

CAPITAL IMPROVEMENT UPDATE

Jon Parsons, Associate VC for Facilities Management provided updates on ongoing Capital Improvement Projects. On target with the Lyon Science Building to move faculty and staff back into the building the first week of January. The read and rise labs have been operable and will re-open. The Planetarium and complete audio visual will re-open later in the spring. IT infrastructure in the classroom will be available for summer instruction. More complex work in the teaching lab related to the fume hoods and the balance of research labs will be available for fall instruction. Sketches of the Health and Wellness Center will be shown during the full board meeting. That construction is to be completed by Fall of 2023. Bryant/Vance demolition has begun and preparation for the abatement, to occur around spring of 2022. The Health and Wellness Center will be constructed on the site of Bryant Hall.

The board approved the selection of Vines Architecture as consultants in January 2021. Initial plans were put on hold; now that the pause is lifted, an initial meeting has been scheduled with the principals of Vines Architecture. The plan is to have it completed by the end of the calendar year 2022.

Action Item: Athletic Fee Proposal

The athletics program was talked about earlier; the great things being done, competing in conference championships, highlighting the accolades of our student athletes, as well as some of their challenges. Challenges came up a couple of times, but opportunity did as well. Mr. Todd Bennet, Director of Athletics mentioned sitting down at the table with families and improving the financial packages. He also mentioned the importance of travel and being able to recruit as well as the Chancellor's focus on recruiting out of state. As the director of athletics stated "It is hard to find long distance runners" just putting things into context. The board has been really strict on fees and fee increases but this year's guidance allowed for an increase in fees. Those fee increase had to hit a couple of parameters.

No increase to a particular program or a particular fee over the last two years.

Increase will not increase offerings

Our Fund Balance cannot be more than 4 months of expenses

The committee is seeking the board's approval on a proposed 2.7% increase. The guidance is the fee increase cannot exceed 3%. That 3% is made up of all your general fees. The fees include athletic fee, health services fee, student activity fee, education & tech security fee, and debt services fee. This equates to about \$70.00, and we are asking for an increase of \$65.00. We are seeking to take our athletic fee from \$768.00 to \$833.00. Comparing a few other CIAA schools in the UNC System, such as ECSU with a fee of \$899.00 and WSSU at \$780.00. We expect our athletic director and coaches to compete with not only these schools but all schools in the CIAA. That is where the opportunity comes in from a Business and Finance standpoint. We see this as an investment the \$65.00 a year investment from the student as Chancellor suggested earlier it's free marketing when FSU's volleyball team competes with a division 1 school. This helps with retention and enrollment coupled with NC Promise additional students. Students paying these fees allows us to manage and mitigate

the need for additional proposed increases. Now that we have NC Promise we are the lowest best valued institution in the entire system. You might ask why is the athletic fee at some of the bigger schools lower? One reason is they have more students paying and they have huge endowments.

The Board of Governors is responsible for establishing fees at the constituent institutions of the UNC System consistent with the philosophy set forth in the North Carolina Constitution. Fees will be charged only for limited, dedicated purposes and shall not be used to defray the cost of general academic and administrative operations of campuses, including academic programs and faculty and administrative salaries and benefits.

The fee can only be used for the purpose it is being charged. These fees do not receive appropriations they are self-supported.

The Board of Governors will consider fee increases based on the following criteria: No fee increases over the last two years. The fee increase will not support an increase in scope of programs. The fee will not result in us having a positive fund balance greater than four months.

Vice Chancellor Carlton Spellman requested the Board of Trustees approval to increase our athletic fee as presented. No questions were presented. Trustee Stuart Augustine thanked VC Carlton Spellman and stated our committee will talk about that and we will take that up at the general board meeting tomorrow. There were no questions. A motion was moved by Trustee R. Jonathan Charleston and second by Trustee Kimberly Jefferies Leonard to increase the athletic fee for Fayetteville State University for Fiscal Year 2022-2023. A roll call vote was made, and the motion was carried forward.

Vice Chancellor Carlton Spellman thanked the committee for the investment in FSU student athletics and the entire student population.

A comment was made by Trustee R. Jonathan Charleston the University is an economic engine for this region. There has been a major push to make all the stakeholders to return value to the community. Cumberland County is a poor community we should create and promote business opportunities for local vendors. There should be a way to create and promote business opportunities. The Trustees should be given guidance and become a very big partner. The Chancellor is new and doesn't have the experience of those small relationships. Here is an opportunity to lock hands and create opportunities in a Tier 1 community and we lag in health care outcomes, education outcomes. We want to be in front and not lagging. Trustee stated he wanted his statement to be on record. Other institutions are starting to address this, and I want to make sure we officially have dealt with this here. We want to focus on making HUBS. A special meeting may be necessary to discuss sooner than later to address this issue. We would need the appropriate staff included in the meeting.

Chancellor Darrell Allison responded and stated we have not been waiting on the General Assembly. We took action Bronco Square in 100% owned by Fayetteville State University. Prior to arriving it was 50% owned. We have twenty businesses, and we did more than lock hands we locked shoulders. We gave 6,500 square ft. of space to the City and County to

launch the entrepreneurship HUB. One of our finest Colleges of Business and Economics to the City, County and Sandhill Region a message was sent that we be their strategic partner. This was covered by WRAL, Business Journal and well received. More importantly more businesses are coming, Chick-fil-A a leading business as a result of that. This will have a huge impact on our community. We need to see top tier businesses in this area on Murchison Road. Students will have the opportunity to earn money and stay here. Some maybe a little afraid to come on our campus but they will be more willing to come across the street where our smart leaders are over at the HUB and engage with our small business leaders. We will have another business standing on its own Starbucks. Many students work so they will be working on campus and educated on campus. Earning money so that they can stay here. We did that before we received these funds. We have been thinking and we have been moving at the same time.

Trustee R. Jonathan Charleston stated this is bigger than just education. Everybody has an obligation to attract wealth and as many dollars to this community as possible. It's not something that Fayetteville State shows all by itself. We are having at least \$400,000,000 coming to this town and everybody has an interest. This is not saying Fayetteville State didn't do something. I'm saying here is an opportunity to take a look and see what we can do to promote more business activity for business that are located in the community that we serve. One of the biggest problems in Cumberland County is that we just don't have money it's a poor county. This is a real opportunity. We are not talking apples and oranges we are talking the same thing.

Trustee Kimberly Jefferies Leonard stated she thinks we should come into a special session meeting of the board and do a resolution so that it is on record that this board of Trustees resolves to make sure economic impact and diversity equity inclusion is a part of this.

ADJOURNMENT

Trustee Stuart Augustine adjourned the Committee Meeting at 10:30 a.m.

Respectfully Submitted,
Stuart Augustine, Chair

A Cheatham, Recorder

**Committee on Budget and Finance
Wednesday, December 17, 2021
3:00 p.m.**

The Committee on Budget and Finance of the Fayetteville State University Board of Trustees convened in a special called meeting on Wednesday, December 17, 2021, via ZOOM. Chairman, Glenn Adams, presided and called the meeting to order at 3:02 p.m.

ROLL CALL

The following Trustee members were in attendance: Glenn Adams, Valencia Applewhite, Stuart Augustine, R. Jonathan Charleston, Sydney Harris, Kimberly Jefferies Leonard, John McFayden, Frederick Nelson, Brandon Phillips, Gregory Pinnix, William Warner and Doug English.

Staff persons in attendance were Chancellor Darrell Allison.

Chairman Glenn Adams read the state board of ethics act to avoid all conflicts of interest. No conflicts were identified. He then welcomed all and turned the meeting over to Mr. Spellman.

Action Item: McLeod Hall

Mr. Carlton Spellman, Vice Chancellor for Business and Finance thanked the board for allowing him to bring the action item before them. The reason for bringing the action item today is because it is a time sensitive project that we will be undertaking utilizing HEERF dollars and as many of you know HEERF dollars has an expiration date. We want to begin the advance planning stage. Today we are asking for your approval for the advanced planning authority for McLeod Hall converting HVAC system. I've asked Mr. Jon Parsons, AVC for Facilities to give you an overview and the scope of the project.

Mr. Jon Parsons, Associate Vice Chancellor for Facilities informed the board on the background of McLeod which is an approximately 64,000 sq. ft. residence hall on east campus. McLeod was first occupied in 2005 and it includes 234 student beds. We have had consistent and persistent moisture and mold issues for a number of years, and they are most pronounced in the late spring, summer and the early fall months when you have high heat and high humidity. We have tried everything we know to make the existing system less prone to those problems and we are out of options. We did an extensive engineering study two years ago for converting the system from a two-pipe system to a four-pipe HVA system which allows for better and more controlled dehumidification during those hot and humid months. This is an extensive project to demolish all the fan coil units in every student room in addition to all the other rooms in the building. We'll also replace McLeod's two air cooled chiller as well. The project's \$4,400,000 cost estimate includes design, construction, escalation and contingencies, but the cost of the construction work is the key number for this advanced planning request. The cost of the construction work is estimated at \$3,600,000. What we are seeking is approval of authority for the advanced planning effort of \$130,000. This will allow

us to get through the designer selection and the first two phases of the design which are the schematic and design development phases. At that point we will have a very good estimate of the entire cost of the project, and we would return for another approval of the total project.

Chancellor Darrell Allison commented to provide some context for the chair and board. Here is where we are McLeod is one of the newer residential units 2005. This could not have come at a more challenging time for us and as you all know we are in a good position here with the legislative budget and we all know we are fortunate to be added to NC Promise and we are looking for the opportunity to have more students enrolled and on our campus. Ideally, we want to shut things down in the summer and get this thing done and be open for business in time for fall. Your approval for design will allow us to take this to the Board of Governors. We will need to get the Board of Governors approval in the spring. We anticipate being able to get things in motion because it's going to take about a year from beginning to end to get this done. We would ideally like to get design started in January 2022 and be done by mid-January 2023. Our hope is that sometime spring 2023 we would be safe and have McLeod where it needs to be to open safe and sound. I would ask this board to grant us approval so we can get about the business of tackling this issue and getting things handled once and for all and have something here for our students safe and sound to be our strongest and best self.

A motion was moved by Trustee R. Jonathan Charleston to grant the University authority to move forward with the design phase that has been requested. Second by Trustee Kimberly Jefferies Leonard.

A question was raised by Chairman Glenn Adams. If we close McLeod and we get NC Promise students, what will we do with the influx of students?

Chancellor Darrell Allison informed we must be wise and methodical, we can't in good conscious accept students who want to be here at FSU and not have a place for them. That would be unconscionable. We will think through what is the maximum capacity we can have on campus, and we are also going to think about our strategic partners maybe beyond the campus. Where are some of the locations we believe that could be offsite hospitable. We will talk to some of our Trustees, and we will be engaging our students and others. We now have NC Promise so let's go at it. Here is the thing we not only have NC Promise for 2022 but we have NC Promise for perpetuity. This is a situation where we need to go ahead and get things handled now so that we can be in a good position, and we can fully leverage it. We are thinking this through comprehensively and broadly.

A roll call vote was made, and the motion was carried forward.

Chairman Glenn Adams thanked everyone.

Respectfully Submitted,
Glenn Adams, Chair

A Cheatham, Recorder

**BOARD OF TRUSTEES
BUDGET AND FINANCE
COMMITTEE MEETING**

**Mr. Gregory Lovins
Interim Vice Chancellor for Business and Finance
March 23, 2022**

Upcoming BOT Action – “All Funds Budget”



Fayetteville State University
FY 2021-22 All-Funds EXAMPLE

	General Fund	Auxiliary & Other Trust Funds	Overhead Receipts	Restricted Trust Funds	Total
Revenues State Appropriations	\$ 56,869,261				\$ 56,869,261
Tuition & Fees	\$ 20,473,009	\$ 9,418,732	\$ 4,890	\$ 1,010	\$ 29,897,642
Sales & Services	\$ 634,978	\$ 13,747,835		\$ 1,664	\$ 14,384,477
Patient Services					\$ -
Contracts & Grants	\$ 5,571,906	\$ 5,289	\$ 662,228	\$ 75,269,240	\$ 81,508,663
Gifts & Investments	\$ (71,520)	\$ 217,058	\$ 2,912	\$ 1,604,428	\$ 1,752,878
Other Revenues	\$ 1,337,992	\$ 2,567,083	\$ 7,328	\$ 193,510	\$ 4,105,914
Revenues Total	\$ 84,815,626	\$ 25,955,997	\$ 677,358	\$ 77,069,852	\$ 188,518,833
Expenses Salaries and Wages	\$ 47,201,416	\$ 4,466,551	\$ 27,612	\$ 5,920,027	\$ 57,615,606
Staff Benefits	\$ 19,277,488	\$ 7,170,557	\$ 37,764	\$ 2,476,733	\$ 28,962,542
Supplies, Materials, & Equipment	\$ 7,325,975	\$ 2,196,997	\$ 96,938	\$ 3,088,003	\$ 12,707,913
Services	\$ 3,144,362	\$ 7,444,818	\$ 225,089	\$ 3,000,905	\$ 13,815,174
Scholarships & Fellowships	\$ 4,061,281	\$ 1,071,857	\$ 1,981	\$ 27,928,045	\$ 33,063,165
Debt Service		\$ 4,733,117		\$ 8,841	\$ 4,741,957
Utilities	\$ 1,705,990	\$ 911,250	\$ 900	\$ -	\$ 2,618,140
Other Expenses				123,987	\$ 123,987
Expenses Total	\$ 82,716,513	\$ 27,995,147	\$ 390,284	\$ 42,546,540	\$ 153,648,485
Net Transfers	\$ (1,447,158)	\$ 9,195,576	\$ (434,598)	\$ (33,980,172)	\$ (26,666,352)

Effective FY 2023, the Board of Governors is requiring the BOT of constituent institutions to approve a broad-based or “All-Funds Budget” The BOG will approve submissions in May 2022, necessitating FSU Board approval of the FY 23 budget in the near future. On the following slides are additional examples

Example: Broadwell College of Business and Economics



Broadwell College of Business and Economics		General Fund	Auxiliary & Other Trust Funds	Overhead Receipts	Restricted Trust Funds	Total
Revenues	State Appropriation, Tuition, & Fees	\$ 295,063	\$ 16,100	\$ -	\$ -	\$ 311,163
	Sales & Services	\$ -	\$ -	\$ -	\$ -	
	Contracts & Grants	\$ -	\$ 5,239	\$ 19,716	\$ 895,630	\$ 920,585
	Gifts & Investments	\$ -	\$ 2,370	\$ 100	\$ 21,604	\$ 24,075
	Other Revenues	\$ -	\$ 1,000	\$ -		\$ 1,000
Revenues Total		\$ 295,063	\$ 24,709	\$ 19,816	\$ 917,234	\$ 1,256,822
Expenses	Salaries and Wages	\$ 5,577,709		\$ 160	\$ 452,789	\$ 6,030,658
	Staff Benefits	\$ 1,497,690	\$ -	\$ -	\$ 138,687	\$ 1,636,377
	Supplies, Materials, & Equipment	\$ 159,904	\$ 14,202		\$ 53,483	\$ 227,589
	Services	\$ 69,194	\$ 9,690	\$ -	\$ 125,296	\$ 204,180
	Scholarships & Fellowships		\$ -	\$ -	\$ 102,178	\$ 102,178
	Utilities	\$ -	\$ -	\$ -	\$ -	
	Other Expenses	\$ -	\$ -	\$ -		
Expenses Total		\$ 7,304,497	\$ 23,892	\$ 160	\$ 872,433	\$ 8,200,982
Transfers	Transfers In	-	219,712	-	78,900	298,612
	Transfers Out	791	119	12		921
Net Transfers		(791)	219,593	(12)	78,900	297,691

The purpose of the all-funds budget is to provide a comprehensive overview of how the University and its departments are funded. As expected, the College of Business and Economics is primarily state-funded, but perhaps surprisingly, also receives a material share of its budget from grants.

Example: Student Health Services



Student Health	General Fund	Auxiliary & Other Trust Funds	Overhead Receipts	Restricted Trust Funds	Total
Beginning Fund Balance		\$ 564,603			\$ -
Revenues					
State Appropriation, Tuition, & Fees		\$ 613,949			\$ 613,949
Sales & Services		\$ -			\$ -
Contracts & Grants		\$ -		\$ 1,031	\$ 1,031
Gifts & Investments		\$ -			\$ -
Other Revenues		\$ -			\$ -
Revenues Total	\$ -	\$ 613,949	\$ -	\$ 1,031	\$ 614,980
Expenses					
Salaries and Wages		\$ 333,339			\$ 333,339
Staff Benefits		\$ 102,526			\$ 102,526
Supplies, Materials, & Equipment	\$ 39,878	\$ 42,244		\$ 1,031	\$ 83,153
Services		\$ 215,642			\$ 215,642
Scholarships & Fellowships					\$ -
Debt Service					\$ -
Utilities		\$ 13,037			\$ 13,037
Other Expenses					\$ -
Expenses Total	\$ 39,878	\$ 706,789	\$ -	\$ 1,031	\$ 747,698
Transfers					
Transfers In	51,974	234,198			286,172
Transfers Out	12,096	23,986			36,082
Net Transfers	39,878	210,212	-	-	250,089
Ending Fund Balance	\$ -	\$ 681,975	\$ -	\$ -	\$ 117,372

This is a typical example of an auxiliary enterprise for FSU. In addition to Student Health Services, the all-funds budget will also present the following auxiliaries: Dining, Housing, Parking and Athletics

Current Operating Budget Status

Fiscal Year through February 28, 2022

Funding Source	Budget	Receipts	Expenses	% Spent	% of Operating Budget
State Operating Budget	86,034,586	56,064,146	56,064,146	65%	43%
Auxiliary Services	27,083,066	21,696,661	19,540,357	72%	14%
Contracts and Grants	75,066,315	26,939,933	26,939,933	36%	38%
Capital Improvement	11,771,156	2,865,398	2,865,398	24%	6%
Total Funds Available	199,955,123	107,566,138	105,409,834	53%	100%

State Operating Budget Fiscal Year 2022 Tuition & State Revenue Report – State Funds



Revenue Description	Budget	Actual Receipts	% Collected	% of Total Revenues
State Appropriation	60,979,858	32,224,767	53%	71%
Regular Term (Fall and Spring)	18,966,239	18,758,513	99%	22%
Summer School	2,500,000	1,517,535	61%	3%
Other Revenues	3,588,489	3,563,331	99%	4%
Totals	86,034,586	56,064,146	65%	100%

NOTE:

1. \$1.19M Summer School carry-forward into Fiscal Year 2021-2022

State Operating Budget Fiscal Year 2022 Expenditure Report – State Funds

Expense Category	Budget	Actual Expenses	% Spent
Salaries and Benefits	62,754,947	44,181,543	70%
Supplies	529,848	497,146	94%
Utilities	2,062,529	1,339,630	65%
Other Current Services	14,993,203	5,396,902	36%
Capital Outlay	1,733,599	1,714,349	99%
Financial Aid	3,960,460	2,934,576	74%
Totals	86,034,586	56,064,146	65%

NOTE:

1. Summer School carry-forward into Fiscal Year 2021-2022 is \$1.19M
2. Expenditure burn rate is 60.99% when seasonal adjusted for Summer School, Financial Aid, Capital Outlay and COVID-19 Expenses. This equates to a 5.68% favorable variance.

Auxiliary Services - Budget Status

Fiscal Year 2022

Fund Description	Budget	Actual Receipts	Actual Expenses	Budget Spent
Housing Services ¹	8,260,000	7,736,257	6,198,561	75%
Campus Dining Services	5,578,411	4,350,109	4,255,401	76%
Athletics ²	4,750,000	2,553,915	3,650,557	77%
Campus Bookstore	3,330,455	2,357,503	2,807,340	84%
Student Activity Fees	1,900,000	1,810,798	898,320	47%
Student Health Center	1,074,200	913,689	526,485	49%
One Card Operations	1,250,000	1,210,379	777,364	62%
Parking Operations	300,000	197,160	79,774	27%
Post Office	90,000	65,752	84,207	94%
Copy Center	550,000	501,099	262,348	48%
Totals	27,083,066	21,696,661	19,540,357	72%

NOTE:

1. Budget has been adjusted higher to account for HEERF lost revenue baseline of \$8.26M.
2. Athletics Budget is \$1.82M higher to account for HEERF funding social distancing efforts for team travel, participation & training.

Top Contracts and Grants Budget Status Report



GRANT NAME	FY 2022 FUNDING	REVENUE	EXPENSE	START DATE
Higher Education Emergency Relief	48,165,747	14,984,722	14,984,722	5/1/2021
CARES Act- Higher Education	16,700,931	8,020,460	8,020,460	5/1/2021
Title III	6,313,383	1,908,330	1,908,330	10/1/2021
GEAR UP	1,200,000	665,452	665,452	9/1/2021
The VACOM Project	489,262	299,340	299,340	7/1/2021
HBCU-UP	481,245	259,459	259,459	6/1/2021
Upward Bound	339,410	195,159	195,159	9/1/2021
VBOC	305,000	205,630	205,630	5/1/2021
UBMS	297,601	124,700	124,700	10/1/2021
STEM SSS	261,888	137,261	137,261	9/1/2021
McNairs Scholars Program	261,888	64,481	64,481	10/1/2021
AOMRP	249,960	74,939	74,939	9/1/2021

Capital Improvement (CI) Budget Summary



Project Name	Authorized	Cumulative Expensed	FY22 Budget	FY22 Actual Receipts	Unexpended Balance
Lyons Science Renovation ¹	\$16,500,000	\$13,729,024	\$3,668,073	\$2,508,585	\$2,770,976
Health & Wellness Center ²	\$7,500,000	\$202,685	\$5,297,315	\$84,825	\$5,297,315
Bryant/Vance Demolition	\$2,500,000	\$130,333	\$2,500,000	\$130,333	\$2,369,667
New College of Education ³	\$63,000,000	-	\$6,300,000	-	\$63,000,000
New Residence Hall ³	\$40,000,000	-	\$4,000,000	-	\$40,000,000
New Parking Deck ³	\$10,000,000	-	\$10,000,000	-	\$10,000,000
H.T. Chick Renovation ³	\$9,500,000	-	\$950,000	-	\$9,500,000
A.B. Rosenthal Renovation ³	\$10,000,000	-	\$1,000,000	-	\$10,000,000
Utility Infrastructure Upgrade ³	\$9,950,000	-	\$995,000	-	\$9,950,000
G.L. Butler Renovation ³	\$3,450,000	-	\$345,000	-	\$3,450,000
2022 Repairs & Renovations ³	\$2,000,000	-	\$2,000,000	-	\$2,000,000
2020 Repairs & Renovations	\$148,382	\$33,490	\$148,382	\$33,490	\$114,892
2018 Repairs & Renovations	\$1,580,468	\$1,580,468	-	-	-
2017 Repairs & Renovations	\$1,541,298	\$1,534,586	\$114,877	\$108,165	\$6,712
2016 Repairs & Renovations	\$674,770	\$632,261	\$42,509	\$-	\$42,509
Total Capital Activity	\$176,344,918	\$17,842,845	\$37,361,158	\$2,865,398	\$158,502,071

1. NC Connect Bonds 10M, General Fund Appropriation 2.75M, Department of Education 1.75M, and Federal CARES Act 2M
2. Funding source for 2M of the 7.5M in authority must be revised, submitted and approved by UNC Board of Governors
3. New General Fund Authorizations approved in the FY22-FY23 State Budget

Capital Improvement Projects



Health & Wellness Center: \$7.5M authority (\$5.5M funded)

- Need to ID new funding source for \$2M of \$7.5M authority
- Site and desired scope confirmed – estimated cost \$9M (\$3.5M deficit)
- 20,000 SF with multipurpose gym and walking track
 - Expanded parking behind Seabrook and on Bryant site
- Targeted opening date Fall of 2023 or Spring 2024

Bryant & Vance Hall Demolition: \$2.5M

- Both buildings cleared of all contents
- Abatement contractor selected (\$275k), work to begin ASAP
- Demolition design in progress

New Residence Hall: \$40M

- Designer solicitation: opened 3/9, closes 4/7
- Owner's Representative on-board in April
- Targeted opening in Fall 2024 or Spring 2025

New College of Education: \$63M

- Designer solicitation: opens 3/21, closes 4/29
- Targeted opening: Fall 2025

Capital Improvement Projects

New Parking Deck: \$10M

- Design/build solicitation: opens 5/2, closes 6/10
- Targeted opening: Fall 2024

Chick/Rosenthal Building Renovations: \$19.5M

- Designer solicitation: opens 4/4, closes 5/13
- Targeted opening: Spring & Fall 2025

Utility Infrastructure Upgrade: \$10M

- Designer solicitation: opens 4/18, closes 5/27
- Multi-phase project with final completion Fall 2025

Butler Building Renovation: \$3.45M

- Structural repairs & window replacements – designer solicitation complete
- HVAC upgrades – will require a designer solicitation
- Fire alarm system replacement – will require a designer solicitation

Lyons Science Building Renovation: \$16.5M

- Planetarium will open in Spring 2022
- Class instruction to start in Fall 2022
- Bond project closeout in CY22

Capital Improvement Projects



FY22 Traditional R&R Projects: \$2M

- Campus-wide sidewalk repairs – \$500k
- Campus-wide exterior lighting improvements – \$400k
- Butler roof replacement – \$650k
- Barber/Collins roof replacement – \$200k
- Telecom roof replacement – \$150k
- Contingency – \$100k

Housing System Funded Projects: \$3M

- Spring/Summer 2022 R&R projects in Harris, Joyner, Smith, Hood, Hackley, New Res and Renaissance Halls and UPA

HEERF Projects: \$7.2M

- Projects in 5 residence halls: Harris, Joyner, Hood, New Res and McLeod Halls

FSU FY2021 Carry Forward R&R Projects: \$2.97M

- 29 separate projects in 10 buildings/locations

QUESTIONS?



Agenda Item BF 1

EXECUTIVE SUMMARY

MEETING DATE: March 23, 2022

COMMITTEE: Business and Finance

SUBJECT: Proposed Lease Agreement

BACKGROUND: The Board of Trustees must authorize the acquisition or disposition of real property by lease for agreements exceeding \$50,000 and a term of less than 10 years before a request is forwarded to the NC State Property Office. The University seeks approval from the Board of Trustees to lease a building located in Bronco Square that will be used to house services that will be provided to small businesses. The proposed lease amount is \$8,322.00 (current lease amount) and the proposed lease term is 5 years. *

MOTION: Move to approve the University leasing space at Bronco Square at a rate of \$8,322.00 per month for a 5 year term.

*Final rate and term will be negotiated by the NC State Property Office.

Supporting Document(s) Included: N/A

Reviewed By: Jon Parsons
Associate Vice Chancellor for Facilities
Management

Date: 03/11/2022

Prepared by: Wanda Jenkins
General Counsel and Vice Chancellor for
Legal, Audit, Risk and Compliance

Date: 03/08/2022

Agenda Item BF2

EXECUTIVE SUMMARY

MEETING DATE: March 23, 2022

COMMITTEE: Budget and Finance

SUBJECT: Approval of Facility Renovation Projects >\$300,000

BACKGROUND: In order to proceed with the following list of projects that each have an estimated cost exceeding \$300,000, Board approval is required:

- McLeod Hall HVAC conversion: \$5,000,000
- Harris Hall Fan Coil Unit replacement: \$500,000
- Harris Hall renovations: \$745,000
- Joyner Hall Fan Coil Unit replacement: \$500,000
- Joyner Hall renovations: \$500,000
- Hood Hall Fan Coil Unit replacement: \$500,000
- New Residence Hall HVAC repairs: \$500,000
- New Residence Hall renovations: \$400,000
- New Residence Hall roof replacement: \$650,000
- Capel Arena Chiller replacement: \$1,000,000

TOTAL \$10,295,000

MOTION: The Board approves the list of ten (10) repair and renovation projects on the FSU campus.

Supporting Document(s) Included: Detailed Facility Project Summary List

Reviewed by: Gregory Lovins
Interim Vice Chancellor for Business and Finance

Date: 3/14/2022

Prepared by: Jon Parsons
Associate Vice Chancellor for Facilities Management

Date: 3/14/2022

Detailed Facility Project Summary List

The following ten (10) projects, totaling \$10,295,000 and organized by funding source, are included for approval on **Action Item BF-2** of the FSU Board of Trustees Business and Finance Committee meeting agenda on 3/23/2022.

The summary was prepared by Jon Parsons, AVC for Facilities Management on 3/14/2022.

FSU Housing System funds: total \$2,295,000

- **Harris Hall renovation: \$745,000 estimate**
 - Spring and Summer renovations to include mechanical/electrical/plumbing (MEP) and architectural work scope.
 - Harris is currently offline and will remain offline through the summer of 2022.
 - Harris will come back online in Fall 2022 with approximately 67 student beds.
- **Joyner Hall renovation: \$500,000 estimate**
 - Spring and Summer renovations to include mechanical/electrical/plumbing (MEP) and architectural work scope.
 - Joyner is currently offline and will remain offline through the summer of 2022.
 - Joyner will come back online in Fall 2022 with approximately 66 student beds.
- **New Residence Hall renovation: \$400,000 estimate**
 - Summer renovations to include mechanical/electrical/plumbing (MEP) and architectural work scope.
 - New Residence Hall is currently online in Spring 2022 and will go offline in May for the entire Summer 2022.
 - New Residence Hall will come back online in Fall 2022 with approximately 176 student beds.
- **New Residence Hall roof replacement: \$650,000 estimate**
 - This project will require a designer solicitation.
 - The roof replacement project can occur while the building is occupied.

Higher Education Emergency Relief Fund (HEERF) funds: total \$7,000,000

- **McLeod Hall HVAC conversion: \$5,000,000 estimate**
 - This project will convert the current 2-pipe HVAC system to a 4-pipe system.
 - Because this project cost exceeds \$750,000, after approval by the FSU BOT it will advance to the UNC BOG for approval.
 - We currently have \$130,000 of advance planning authority approved by the FSU BOT for the designer to complete the design through the Schematic Design (SD) phase. When SD is complete we will be able to make a more accurate project cost estimate (less than \$5M) to advance to the UNC BOG for final project authority approval in order to proceed with the balance of design and construction.
 - McLeod Hall is currently online this Spring 2022. It will be used for summer camp occupancy in Summer 2022. It will come offline in August 2022, and remain offline until it reopens in Fall 2023 with approximately 214 student beds.
- **Harris Hall HVAC fan coil unit replacement: \$500,000 estimate**
 - This project will replace the HVAC fan coil units in all areas on the main 2 floors of Harris Hall, excluding the basement level units.
 - The work will take place concurrently in Spring and Summer 2022 with the Harris Hall renovation project listed in the Housing System funds section above.

- **Joyner Hall HVAC fan coil unit replacement: \$500,000 estimate**
 - This project will replace the HVAC fan coil units in all areas on the main 2 floors of Joyner Hall, excluding the basement level units.
 - The work will take place concurrently in Spring and Summer 2022 with the Joyner Hall renovation project listed in the Housing System funds section above.
- **Hood Hall HVAC fan coil unit replacement: \$500,000 estimate**
 - This project will replace the HVAC fan coil units in all areas on the main 2 floors of Hood Hall.
 - The work will occur during the winter break between Fall 2022 and Spring 2023, and during Summer 2023.
- **New Residence Hall HVAC repairs: \$500,000 estimate**
 - This project will replace the HVAC air handling units throughout New Residence Hall.
 - The work will take place concurrently in Spring and Summer 2022 with the New Residence Hall renovation project listed in the Housing System funds section above.

FSU FY2021 Carry Forward R&R funds: \$1,000,000 total

- **Capel Arena Chiller replacement: \$1,000,000 estimate**
 - This project will replace the two failed water-cooled chillers that serve the Capel Arena and Health & Physical Education building's HVAC system.
 - Because this project cost exceeds \$750,000, after approval by the FSU BOT it will advance to the UNC BOG for approval.
 - A designer was selected in 2019 and the design was completed and approved by the State Construction Office. FSU did not have funds available at the time to bid and award the project.
 - Now that the funds are available, our current \$1M cost estimate for the project includes design, construction, contingency and escalation.