



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

COMMITTEE ON BUDGET AND FINANCE

Wednesday, December 11, 2024

1:15 p.m.

AGENDA

Call to Order	Stuart Augustine, Committee Chair
Welcome and Opening Remarks	Stuart Augustine
Roll Call	Karen Bussey
Approval of Minutes	September 25, 2024

Information Items:

A. Capital Projects Update	Kenny Spayd <i>Associate Vice Chancellor for Business and Finance</i>
B. Financial Update	

Action Items:

There are no action items to be presented at this committee meeting.

Committee Members: Glenn Adams, Stuart Augustine, Donald Moore, William Warner, and Kimberly Jeffries Leonard

Staff Liaison: Kenny Spayd
Board Professional: Anita Shamberger

For further information, please contact:
Kenny Spayd, Associate Vice Chancellor for Business and Finance
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BUGET AND FINANCE COMMITTEE

Wednesday, September 25, 2024

1:15 PM

The Committee on Budget and Finance of the Fayetteville State University Board of Trustees convened Wednesday, September 25, 2024, in the Rudolph Jones Center Room 242 and via Microsoft Teams. Committee Chair Stuart Augustine presided and called the meeting to order at 1:15 p.m.

ROLL CALL

The following Trustee Committee members were in attendance: Mr. Stuart Augustine, Mr. Will Warner, Mr. Donald Moore, and Dr. Kimberly Jeffries Leonard.

Staff persons in attendance were Chancellor Darrell Allison, AVC Kenny Spayd, AVC Michelle Donegain, AVC Sandra Williams, AVC (Interim) Gene Cottrell, VC Wanda Jenkins.

APPROVAL OF MINUTES

Trustee Donald Moore motioned to approve the minutes of the Budget and Finance Committee meeting held on June 12, 2024, as distributed. Trustee Kimberly Jeffries Leonard seconded the motion. The motion carried.

CAPITAL PROJECTS UPDATES

Mr. Kenny Spayd, Associate Vice Chancellor of Finance, presented updates on capital projects.

New Residence Hall: The new residence hall is on target to open in August 2025. It is a \$50 million project and will open 336 additional beds available on campus.

Health and Wellness Center: The center is still on track with a November 2025 completion. The Board approved a \$1.8 million increase at the last special call meeting. The project team is in the construction document phase and expects to release the bid package later this fall to begin construction in January.

New College of Education: The project is in the bid planning phase, which will likely occur in two phases, starting with sitework. Starting with sitework will decrease inflation and recover months in the timeline. Fencing in the parking lot across from McLeod Hall will start in the coming weeks. The project is still on target for an August 2026 completion.

New Parking Deck: The project is on target and should be complete by Spring 2026. The number of parking spaces is expected to increase from 225 spaces to 285 spaces due to an

increase in budget from flex funds.

Chick and Rosenthal: The budget for this project were included in the UNC System legislative priorities. Due to the delay in passing the budget, the UNC System provided FSU and a number of other institutions with money through annual, legislative capital funding.

Cook Building: Design for the Cook building project should be completed by May 2025 and construction completed by July 2026.

BUDGET UPDATE

General Fund Outlook: AVC Kenny Spayd relayed that overall, the university presents a balanced budget and shows a surplus. The state appropriations for this year increased to approximately \$9.5 million, in which \$2.7 million is attributed to last year's enrollment growth. Further, about \$1 million is attributed to our performance funding and a one-time funding appropriation for athletics totaling \$700,000. Services and supplies increased to approximately \$8 million.

Auxiliary Outlook: Sales and Services have increased to about \$4 million. Dining increased to about \$7.5 million. Housing increased, as well, to about \$10.2 million. Last year, the university's auxiliaries had an operating surplus of \$1.2 million. This year, it is anticipated to be roughly \$3.7 million. The university continues to build its fund balance and reserves.

ACTION ITEMS

The Committee on Budget and Finance approved one action item for recommendation to the Full Board.

Action Item BF-1: Proposed Lease Agreement

As the license owner of the transmittal radio tower, Fayetteville State University has the authority to lease space on its radio tower. Dish has requested a lease agreement for space on the tower at a rate and term to be negotiated by the North Carolina State Property Office.

Trustee William Warner motioned to recommend the approval of the Proposed Lease Agreement to the Full Board. Trustee Donald Moore seconded the motion. The motion carried.

ADJOURNMENT

The Budget and Finance Committee adjourned at approximately 1:43 p.m.

Respectfully Submitted,

Stuart Augustine, Chair
Anita Cheatham, Recorder



BOARD OF TRUSTEES COMMITTEE ON BUDGET AND FINANCE

Kenny Spayd

Associate Vice Chancellor for Finance

December 11, 2024

CAPITAL PROJECTS UPDATE: NEW CONSTRUCTION

New Residence Hall:

- Cost: \$50M project authority
 - \$44M State Appropriations
 - \$6M Debt Issuance
- 336 beds, 4 stories, 78,093 Square feet
- Debt to be issued April/May 2025
- Estimated completion **Summer 2025.**



CAPITAL PROJECTS UPDATE: NEW CONSTRUCTION

- **Health and Wellness Center:**

- Cost - \$12.9M project authority
 - \$5.5M state appropriations / \$7.4M HEERF
- 2 stories, 24,631 SF.
 - Student Health Services
 - Campus Wellness
- Bid day update
- Estimated completion **January 2025.**



CAPITAL PROJECTS UPDATE: NEW CONSTRUCTION

- **New College of Education:**
 - Cost - \$69.3M project authority
 - 4 stories, 72,027 SF.
 - Site work began October 2024.
 - Estimated completion **Summer 2026.**
 - Bid packages – to be opened tomorrow (12/12/24).



CAPITAL PROJECTS UPDATE: NEW CONSTRUCTION

• New Parking Deck:

- Cost \$10M project authority, two levels - 233 spaces.
- Seeking additional \$1M of funding to add a third level to supply an additional 55 spaces.
- Estimated Completion 1H2026

• Starbucks

- Opening Mid-January 2025



CAPITAL PROJECTS UPDATE: MAJOR RENOVATIONS

Chick - \$12.27M

- Construction Documents in progress – submit to State Construction in April 2025
- Bid in Summer 2025
- Completion 2H2026

Rosenthal - \$13.04M

- Design Development in progress – submit to State Construction Spring 2025
- Completion 1H2027

Cook - \$10M

- Nearing the end of Advance Planning
- Estimated completion 2H2026

CAPITAL PROJECTS UPDATE: MINOR RENOVATIONS

Project	Cost	Completion
Electronic Door Access - Phase 1	750K	December 2024
East Quad Hardscape and Lighting	1.78M	April 2025
Continuing Ed (P&PS)	1.55M	June 2025
Spaulding Renovation	1.30M	December 2025

Additionally, during November BOG, \$2M of repair and renovation funding was authorized for FSU.

This funding will be used to replace fire alarms, sewer line, building pneumatic controls, repair air handlers and many other items across campus.



FINANCIAL UPDATE: STATE FUNDED OPERATIONS

Fayetteville State University - General Fund

Revenue	Budget	Through Nov
State Appropriations	95,532,381	50,963,147
Tuition	13,115,695	8,341,815
Sales and Services	681,199	240,767
Contracts and Grants	3,294,277	508,299
Gifts and Investments	86,610	48,004
Other Revenues	463,097	69,329
Revenues Total	113,173,259	60,171,360
Expense		
Salaries and Wages	62,751,781	26,127,965
Staff Benefits	20,853,563	8,992,692
Services, Supplies & Materials	20,313,601	6,966,162
Scholarships and Fellowships	4,675,000	1,554,695
Debt Service	846,484	352,726
Utilities	2,486,309	1,152,515
Expenses Total	111,926,738	45,146,754

- Through November, the University has expended 40.3% of its state funded operating budget (lower than last Nov)
- Expenses in-line with projections
- Tracking for a budget surplus

FINANCIAL UPDATE: AUXILIARIES

Fayetteville State University - Auxiliaries and Other Trust Funds

Revenue	Budget	Through Nov
Student Fees	14,410,340	7,196,957
Sales and Services	26,787,592	11,688,133
Gifts and Investments	1,550,000	474,890
Other Revenues	3,700,000	3,111,015
Revenues Total	46,447,932	22,470,994
Expense		
Salaries and Wages	8,838,471	3,493,159
Staff Benefits	3,046,182	1,068,028
Services, Supplies & Materials	26,698,000	13,837,537
Scholarships and Fellowships	1,400,000	697,853
Debt Service	3,036,623	1,794,142
Utilities	1,095,902	469,172
Expenses Total	44,115,178	21,359,892
Surplus / (Deficit)	2,332,754	1,111,103

- Through November approximately 45.6% of the budget has been expended.
- On pace for a budget surplus

