

**BOARD OF TRUSTEES
BUDGET AND FINANCE
Special Called Meeting**

**Dr. Lillian Wanjagi
Vice Chancellor for Business and Finance
April 25, 2024**

ALL FUNDS BUDGET

BF-1, Approval of All Funds Budget for FY 2024-2025

- The All Funds Budget is an initiative by the UNC System to provide operating budget information across all University fund types.
- It was developed to better align resources with the University's strategic priorities and to promote stewardship and financial sustainability.
- The All-Funds Budget requires Board of Trustee approval.

CAPITAL PROJECTS UPDATE

CI-Related Action Items

Item BF-2

- New Health & Wellness Center: additional authority, \$250,000.

Item BF-3

- Paige Alumni House Renovation: new funding sources for project authority.

Item BF-4

- Campuswide Exterior Lighting: additional authority, \$1,150,000.

Item BF-5

- Butler Building Renovation: additional authority, \$100,000.

Item BF-6

- Science & Technology Bldg Fume Hood Repair: additional authority, \$200,00.

CI-Related Action Items

Item BF-7

- Lyons Science Observatory Repair: additional authority, \$200,000.

Item BF-8

- Collins Chiller Replacement: clarify funding source for project authority.

Item BF-9

- Classroom Card Access: new project, \$900,000 project authority.

Item BF-10

- Academic Area Interior Lighting: new project, \$300,000 project authority.

Item BF-11

- Academic Area Furniture: new project, \$500,000 project authority.

BF-2, FSU Health & Wellness Center Project: Increase in Project Authority

Existing Project

- Current project authority is \$11,100,100.
- The FSU BOT approved up to \$1,000,000 in additional authority in February 2024. The UNC System Office informed FSU that the source of that additional authority is not eligible to be transferred to the HWC project.
- Request is for an additional \$250,000 in project authority to increase the total project authority to \$11,350,000.
- The additional authority will be funded from two sources:
 - FY22-23 Carryforward funds
 - FY20-21 Carryforward funds
- The additional authority will address construction cost escalation.

BF-3, Paige Alumni House Renovation: Identify New Funding Sources

Existing Project

- The funding sources for the \$450,000 project have changed since the project authority was first approved in May 2023. Originally the funding source was identified as “Title III funds.”
- The new funding sources are:
 - FY21-22 Carryforward: \$130,622
 - Title III FY22-23 Carryforward: \$219,582
 - FY22-23 Carryforward: \$60,000

BF-4, Campuswide Hardscape & Exterior Lighting: Increase in Project Authority

Existing Project

- Current project authority is \$1,779,000.
- FSU requests an additional \$1,150,000 in project authority to increase the total project authority to \$2,929,000.
- The funding source for the additional authority is Title III Infrastructure Improvement FY21-22 Carryforward funds.
- The additional authority will address additional exterior lighting scope on the East Quad and Campuswide exterior lighting projects to improve lighting, safety and security on campus.

BF-5, Butler Building Renovation: Increase in Project Authority

Existing Project

- Current project authority is \$3,745,000.
- FSU requests an additional \$100,000 in project authority to increase the total project authority to \$3,845,000.
- The funding source for the additional authority is Title III FY22-23 Carryforward funds.
- The additional authority will address support additional mechanical and fire alarm equipment in the Butler Building.

BF-6, Science & Technology Fume Hood Repairs: Increase in Project Authority

Existing Project

- Current project authority is \$275,000.
- FSU requests an additional \$200,000 in project authority to increase the total project authority to \$475,000, and to correctly identify the original funding source of the original project authority.
- The funding source for the both the original and additional authority is Title III FY22-23 Carryforward funds.
- The additional authority will support additional project scope and ensure the fume hood repair project is ultimately successful.

BF-7, Lyons Science Observatory Repairs: Increase in Project Authority

Existing Project

- Current project authority is \$100,000.
- FSU requests an additional \$200,000 in project authority to increase the total project authority to \$300,000, and to correctly identify the original funding source of the original project authority.
- The funding source for the both the original and additional authority is Title III FY22-23 Carryforward funds.
- The additional authority will support additional project scope and ensure the LS Observatory repair project is successful.

BF-8, Collins Building Chiller Replacement: Clarify Project Authority Funding Source

Existing Project

- Current project authority is \$175,000.
- When the project authority was approved by the FSU BOT in February 2024, the funding source was not specified.
- The funding source for the \$175,000 project authority is FY22-23 House Bill 1292 Energy Savings Carryforward funds.

BF-9, Classroom Card Access: New Project Authority

- The proposed project will purchase and install new on-line electronic card access hardware on approximately 220 classroom doors. The new on-line hardware will be integrated into the current campuswide card access software platform.
- FSU requests \$900,000 in project authority.
- The funding source for the authority is Title III Infrastructure Improvement FY21-22 Carryforward funds.

BF-10, Academic Area Interior Lighting: New Project Authority

- The project will purchase and install new interior lighting in instructional spaces on campus.
- FSU requests \$300,000 in project authority.
- The funding source for the authority is Title III Infrastructure Improvement FY21-22 Carryforward funds.

BF-11, Academic Area Furniture: New Project Authority

- The project will purchase and install new furniture in instructional spaces on campus.
- FSU requests \$500,000 in project authority.
- The funding source for the authority is Title III Infrastructure Improvement FY21-22 Carryforward funds.

LEASE AGREEMENT UPDATE

Wanda L. Jenkins
General Counsel and Vice Chancellor for LARC

BF-12, Proposed Lease Agreement

- The University seeks approval from the Board of Trustees to lease a building located in Bronco Midtown from the Bronco Development, LLC.
- The building currently houses McAllister's Deli.
- The proposed lease amount is \$75,000.00 per year and the proposed lease term is 3 years.*

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



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QUESTIONS

Agenda Item BF-1

Executive Summary

MEETING DATE: April 25, 2024

COMMITTEE: Budget and Finance

SUBJECT Approval of All Funds Budget for FY 2024-2025

BACKGROUND: The All Funds Budget is an initiative by the UNC System to provide operating budget information across all University fund types. It was developed to better align resources with the University's strategic priorities and to promote stewardship and financial sustainability. The All-Funds Budget requires Board of Trustee approval.

MOTION: Move to approve the All Funds Budget for fiscal year 2024-2025.

Supporting Documents(s) Included: Power Point summary presentation.

Reviewed by: Dr. Lillian Wanjagi
Vice Chancellor for Business and Finance

Date: 4/23/2024

Prepared by: Sandra Williams
Associate Vice Chancellor for Business and Finance

Date: 4/23/2024

Agenda Item BF-2

Executive Summary

MEETING DATE: April 25, 2024

COMMITTEE: Budget and Finance

SUBJECT Increase in Project Authority- Health and Wellness Center

BACKGROUND: Board of Trustees approval is required for new capital projects or additions in construction project budget authority for previously approved projects. The original project authority for the Health and Wellness Center project was \$5,500,000 from a State of North Carolina capital appropriation. In 2019 the FSU Board of Trustees and the UNC Board of Governors approved an increase in authority to \$7,500,000 based on City of Fayetteville funding. Because those City funds are no longer available, only the original \$5,500,000 State of North Carolina capital appropriation remained.

The Higher Education Emergency Relief Fund (HEERF) regulations were revised in 2022 to allow for more flexibility for the funds to be used on construction projects.

By 2022, the original scope of the \$5,500,000 HWC project had eroded due to construction cost escalation.

In June 2022, the FSU BOT and UNC BOG approved to increase the project authority to \$11,100,000 using \$5,600,000 of available HEERF funds. The U.S. Department of Education has also approved FSU's request to spend \$5,600,000 in HEERF funds for this project.

In February 2024, the FSU approved to increase the HWC project authority by up to \$1,000,000, funded by surplus funds from FSU's Bryant and Vance Hall Demolition project. The UNC System Office informed FSU that those funds were not allowed to be transferred to the HWC project because they were Repair & Renovation funds which are not eligible to be used on a project that is adding square footage.

The University's expanded Health and Wellness Center will

provide more health and wellness space, equipment and programming than originally planned. Because of the expanded size and scope of the facility, additional parking will also be required.

The University now seeks approval from the Board to increase project authority by an additional \$250,000. The increased authority will be funded from two sources:

- FY22-23 Carryforward funds
- FY20-21 Carryforward funds

MOTION:

Move to approve the additional \$250,000 in project authority for the Health and Wellness Center project.

Supporting Documents(s) Included: N/A

Reviewed by: Dr. Lillian Wanjagi
Vice Chancellor for Business and Finance

Date: 4/12/2024

Prepared by: Jon Parsons
Associate Vice Chancellor for Facilities Management

Date: 4/12/2024

Agenda Item BF-3

Executive Summary

- MEETING DATE:** April 25, 2024
- COMMITTEE:** Budget and Finance
- SUBJECT** Approval of project authority and funding sources for the renovation of the Paige Alumni House.
- BACKGROUND:** The renovation of Paige Alumni House is needed to make electrical upgrades and repurpose the building for new occupants. The FSU BOT approved \$450,000 in project authority in May 2023. The funding sources for this project authority have changed since the original authority was approved. The project will be funded with a combination of 3 funding sources:
1. FY21-22 Carryforward: \$130,622
 2. Title III FY22-23 Carryforward: \$219,582
 3. FY22-23 Carryforward: \$60,000™
- MOTION:** The Board approves project authority of \$450,000 for the Paige Alumni House Renovation project with the newly identified funding sources.

Supporting Documents(s) Included: N/A

Reviewed by: Dr. Lillian Wanjagi
Vice Chancellor for Business and Finance

Date: 4/12/2024

Prepared by: Jon Parsons
Associate Vice Chancellor for Facilities Management

Date: 4/12/2024

Agenda Item BF-4

Executive Summary

MEETING DATE: April 25, 2024

COMMITTEE: Budget and Finance

SUBJECT Campus Wide Hardscape and Exterior Lighting Project:
Increase in Project Authority

BACKGROUND: The FSU Board of Trustees in March 2023 approved a \$279,000 increase to an existing \$900,000 FY21-22 R&R project for campus wide hardscape and exterior lighting upgrades bringing total project authority to \$1,179,000. Since that time, an additional \$600,000 of FY23-24 R&R funds have been authorized by UNC Board of Governors. The current total project authority is \$1,779,000.

An additional \$1,150,000 project authority is now being requested to enhance exterior lighting in the East Quad and elsewhere on campus. The additional project authority will cover additional design, material, and installation expenses, and will improve lighting, safety, and security on the FSU campus. The funding source for the additional authority is Title III FY21-22 Infrastructure Improvement Carryforward funds.

MOTION: The Board approves the University to increase the Campus Wide Hardscape and Exterior Lighting project authority by \$1,150,000 to a total of \$2,929,000.

Supporting Documents(s) Included: N/A

Reviewed by: Dr. Lillian Wanjagi
Vice Chancellor for Business and Finance

Date: 4/12/2024

Prepared by: Jon Parsons
Associate Vice Chancellor for Facilities Management

Date: 4/12/2024

Agenda Item BF-5

Executive Summary

MEETING DATE: April 25, 2024

COMMITTEE: Budget and Finance

SUBJECT Butler Renovation Project: Increase in Project Authority

BACKGROUND: The FSU Butler Renovation project was originally authorized in December 2021 at \$3,450,000. In March of 2023, FSU BOT authorized an increase of \$295,000 for a total project authorization of \$3,745,000.

An additional \$100,000 in project authority is now being requested to support additional mechanical and fire alarm equipment in the building. The additional project authority will be funded with Title III FY22-23 Carryforward funds.

Any increase in project authority must be approved by the FSU Board of Trustees and the UNC Board of Governors.

MOTION: The Board approves the University to increase the Butler Renovation project authority by \$100,000 to a total of \$3,845,000 with final approval by the UNC Board of Governors.

Supporting Documents(s) Included: N/A

Reviewed by: Dr. Lillian Wanjagi
Vice Chancellor for Business and Finance

Date: 4/12/2024

Prepared by: Jon Parsons
Associate Vice Chancellor for Facilities Management

Date: 4/12/2024

Agenda Item BF-6

Executive Summary

MEETING DATE: April 25, 2024

COMMITTEE: Budget and Finance

SUBJECT Science & Technology Fume Hood Repair Project:
Increase in Project Authority

BACKGROUND: The FSU Board of Trustees in February 2024 approved a \$275,000 project to repair the inoperable fume hoods in the Science & Technology building. The purpose of this action item is to correctly identify the funding source of this project as Title III FY22-23 Carryforward and request additional authority of \$200,000 from the same funding source for a new project authority total of \$475,000.

MOTION: The Board approves the University to increase the Science & Technology Fume Hood Repair project authority from \$275,000 to \$475,000 using Title III FY22-23 Carryforward funds.

Supporting Documents(s) Included: N/A

Reviewed by: Dr. Lillian Wanjagi
Vice Chancellor for Business and Finance

Date: 4/12/2024

Prepared by: Jon Parsons
Associate Vice Chancellor for Facilities Management

Date: 4/12/2024

Agenda Item BF-7

Executive Summary

MEETING DATE: April 25, 2024

COMMITTEE: Budget and Finance

SUBJECT Lyons Science Observatory Repair/Replacement Project:
Increase in Project Authority

BACKGROUND: The FSU Board of Trustees in February 2024 approved a \$100,000 project to repair/replace the Lyons Science Observatory. The purpose of this action item is to correctly identify the funding source of this project as Title III FY22-23 Carryforward and request additional authority of \$200,000 from the same funding source for a new total project authority of \$300,000.

MOTION: The Board approves the University to increase the Lyons Science Observatory Repair project authority from \$100,000 to \$300,000 using Title III FY22-23 Carryforward funds.

Supporting Documents(s) Included: N/A

Reviewed by: Dr. Lillian Wanjagi Date: 4/12/2024
Vice Chancellor for Business and Finance

Prepared by: Jon Parsons Date: 4/12/2024
Associate Vice Chancellor for Facilities Management

Agenda Item BF-8

Executive Summary

MEETING DATE: April 25, 2024

COMMITTEE: Budget and Finance

SUBJECT Collins Chiller Replacement Project:
Funding Source Identification

BACKGROUND: The FSU Board of Trustees in February 2024 approved a \$175,000 project to replace the Collins Building Chiller but the funding source for the authority was not specified. The purpose of this action item is to correctly identify the funding source of this project as FY22-23 HB 1292 Energy Savings Carryforward funds.

MOTION: The Board approves the University to complete the Collins Building Chiller replacement with FY22-23 HB1292 Energy Savings Carry Forward funds.

Supporting Documents(s) Included: N/A

Reviewed by: Dr. Lillian Wanjagi
Vice Chancellor for Business and Finance

Date: 4/12/2024

Prepared by: Jon Parsons
Associate Vice Chancellor for Facilities Management

Date: 4/12/2024

Agenda Item BF-9

Executive Summary

- MEETING DATE:** April 25, 2024
- COMMITTEE:** Budget and Finance
- SUBJECT** Approval of Project Authority for Classroom Card Access
- BACKGROUND:** The Classroom Card Access project will install new on-line electronic card access hardware on approximately 220 Classroom doors on campus. We are requesting Project Authority of \$900,000 with a funding source of Title III Infrastructure Improvements FY21-22 Carryforward funds.
- MOTION:** The Board approves project authority of \$900,000 for the installation of on-line electronic door hardware on approximately 220 classroom doors on campus.

Supporting Documents(s) Included: N/A

Reviewed by: Dr. Lillian Wanjagi Date: 4/12/2024
Vice Chancellor for Business and Finance

Prepared by: Jon Parsons Date: 4/12/2024
Associate Vice Chancellor for Facilities Management

Agenda Item BF-10

Executive Summary

MEETING DATE: April 25, 2024

COMMITTEE: Budget and Finance

SUBJECT Approval of Project Authority for Interior Lighting Enhancements in Instructional Areas

BACKGROUND: This project will improve interior lighting conditions in instructional areas on the FSU campus. We are requesting project authority of \$300,000 for these enhancements. This project will be funded by Title III Infrastructure Improvements FY21-22 Carryforward funds.

MOTION: The Board approves project authority of \$300,000 for interior lighting enhancements in instructional areas on campus.

Supporting Documents(s) Included: N/A

Reviewed by: Dr. Lillian Wanjagi Date: 4/12/2024
Vice Chancellor for Business and Finance

Prepared by: Jon Parsons Date: 4/12/2024
Associate Vice Chancellor for Facilities Management

Agenda Item BF-11

Executive Summary

MEETING DATE: April 25, 2024

COMMITTEE: Budget and Finance

SUBJECT Approval of Project Authority for Furniture Enhancements in Instructional Areas

BACKGROUND: The project will fund the repair and replacement of furniture in instructional areas on the FSU campus. We are requesting project authority of \$500,000 for these enhancements. This project will be funded by Title III Infrastructure Improvements FY21-22 Carryforward funds.

MOTION: The Board approves project authority of \$500,000 for furniture enhancements in instructional areas on campus.

Supporting Documents(s) Included: N/A

Reviewed by: Dr. Lillian Wanjagi
Vice Chancellor for Business and Finance

Date: 4/12/2024

Prepared by: Jon Parsons
Associate Vice Chancellor for Facilities Management

Date: 4/12/2024

Agenda Item BF-12

Executive Summary

MEETING DATE: April 25, 2024

COMMITTEE: Budget 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 Midtown from the Bronco Development, LLC. The building currently houses McAllister's Deli. The proposed lease amount is \$75,000.00 per year and the proposed lease term is 3 years.*

MOTION: Move to approve the University leasing space at Bronco Midtown at a rate of \$75,000.00 per year for a term of 3 years.

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

Supporting Documents(s) Included: N/A

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

Date: 4/15/2024