The meeting of the Finance and Audit Workgroup was called to order by Chair Rhea Law at 10:10am. The following members were present: Rhea Law, Sherrill Tomasino, Jan Smith (phone), Judy Genshaft, Stephanie Bryant, Gary Patterson, Roger Peters, and Brian Keenan.

Chair Law announced the 2009-2010 state budget passed yesterday. All general operation funding and PECO construction appropriations to USF and the State University System were approved.

The approved appropriations to USF include:
- $337 million in total funding for the USF System;
- 8% increase in resident undergraduate tuition;
- $5 million in new lottery funds for USF’s M.D. program;
- $16.6 million separate base budget for USF Polytechnic, including $5 million in new funding;
- $5 million in PECO funds for Infrastructure at USF Tampa;
- $375,000 in PECO funds for Infrastructure at USF Sarasota/Manatee;
- $400,000 in PECO funds for Infrastructure at USF St. Petersburg;
- $4.9 million in PECO funds for the Interdisciplinary Science facility;
- $11.4 million in PECO funds for the USF Polytechnic New Campus;
- $2.1 million in PECO funds for the Weatherbird II Research Vessel.

President Genshaft reported (per Mark Walsh) that the governor signed the budget conforming bill which contains the language formally transferring the Byrd Institute to USF.

**Action Items:**

I. 2009-10 Preliminary Continuation Operating Budget  
Action: Approval & Authorization of Changes

Ms. Alexander presented the 2009-10 Preliminary Continuation Operating Budget, explaining the BOT reviews and approves this annually. Ms. Alexander noted this is a new format, very high level, from the BOG office. The actual 2009-2010 budget is due mid-August; departments are building their budgets now. A reconciliation of preliminary to actual will be presented to the workgroup in October. The red numbers on the budget worksheet are budget reductions and offsets, many of which are to realign the budgets. This is a preliminary budget of $1.463B.

Trustee Tomasino made a motion to approve the 2009-10 Preliminary Operating Budget and authorize the President to make necessary adjustments. Dr. Stephanie Bryant seconded the motion. The motion passed.

II. 2009-10 Preliminary Fixed Capital Outlay Budget  
Action: Approval & Delegation of Authority

Mr. Hyatt presented the 2009-10 Preliminary Fixed Capital Outlay Budget. This includes all items Chair Law mentioned at the beginning of the meeting.
Trustee Tomasino made a motion to approve the 2009-10 Preliminary Fixed Capital Outlay Budget and authorize the President to make necessary adjustments. Dr. Gary Patterson seconded the motion. The motion passed.

III. Five Year Capital Improvement Plan (2010-11/2014-15), includes Facilities Challenge Grant Projects  
    Action: Approval & Delegation of Authority

Mr. Hyatt presented the Five Year Capital Improvement Plan. President Genshaft asked should PO&M for the Byrd Institute be included in this. Mr. Hyatt responded no, PO&M for the Byrd Institute would be part of the operating budget – these are back-of-the-bill items.

Chair Law asked if the interdisciplinary science & technology facility will be done in 2012-13 when our last funding is requested. Mr. Hyatt and President Genshaft responded yes. Trustee Tomasino asked if this item takes into account inflation and cost increases. Mr. Hyatt responded yes. President Genshaft explained that this is our best estimate at this point in time for the building.

Trustee Smith made a motion to approve the USF System Five-Year Capital Improvement Plan and authorize the President to make necessary adjustments. Trustee Tomasino seconded the motion. The motion passed.

IV. 2010-11 Fixed Capital Outlay Projects that Require legislative approval:  
    Action: Approval & Delegation of Authority

   a. Fixed Capital Outlay Projects Requiring Legislative Approval to be Constructed, Acquired and Financed by a University or a University Direct Support Organization with Approved Debt Authorized by the Board of Governors,
   b. Fixed Capital Outlay Projects Requiring Legislative Authorization and General Revenue Funds to Operate and Maintain, and
   c. Fixed Capital Outlay Legislative Budget Request Changes in Previous Appropriations

Mr. Hyatt presented the 2010-11 Fixed Capital Outlay Projects that require legislative approval. These projects include the Sun Dome and Athletics master plan (Athletics district).

Trustee Tomasino made a motion to approve 2010-2011 Fixed Capital Outlay Projects that Require Legislative Approval and to authorize the President to make necessary adjustments. Dr. Bryant seconded the motion. The motion passed.

V. Regulation, USF4.0101, Student Registration  
    Action: Approve amendments to Regulation USF4.0101

Mr. Prevaux presented the amendments to the regulation on student registration (USF4.0101). The amendments revise an old provision for installment option payments from the University Controller’s Office (UCO). This old provision is not necessary as an automatic deferment is granted if the student fills out fast book. No length in time for the deferment is provided in the language – USF intends to be flexible. Changes to the regulation have been reviewed by UCO and President’s Executive Management Council.
Dr. Bryant asked how this change is communicated to students. Mr. Trivunovich stated that the policy has been in place for years and this is communicated to students through the financial aid office and on their web site. Dr. Cindy Visot noted this is also part of the orientation process for new students.

**Dr. Roger Peters made a motion to approve the amendments to regulation USF4.0101. Dr. Patterson seconded the motion. The motion passed.**

**VI. Regulation, USF4.010, Cancellation of Registration for Nonpayment of Tuition and Fees and Returned Checks in Payment of Tuition and Fees**

Action: Approve amendments to Regulation USF4.010

Mr. Prevaux presented the amendments to the cancellation of registration regulation (USF4.010). UCO suggested revisions to this regulation. If a check is returned, registration is cancelled. If no deferment, registration is cancelled. Changes to the regulation have been reviewed by UCO and President’s Executive Management Council.

**Trustee Smith made a motion to approve amendments to Regulation USF4.010. Trustee Tomasino seconded the motion. The motion passed.**

**VII. Miscellaneous Housing Charge – Living Learning Communities Tampa Campus, Fall 2009 Semester**

Action: Approve

Dr. Jennifer Meningall presented the miscellaneous housing charge for the Living Learning Community (LLC) on the Tampa campus beginning with the fall 2009 semester. Dr. Meningall reminded the group that the mandatory first year residency requirement was passed last year. Living Learning Communities already exist at USF and we need opportunities to continue to grow (increase and improve). Student Affairs is proposing a fee to recover the costs of providing one-on-one academic assistance in residence halls. Programs must be in existence for a length of time (at least one year) before a fee can be charged. Business and Engineering LLCs have been in existence for 2 years.

Dr. Peters asked what other institutions charge for these fees. Dr. Meningall responded $100-$500 per student per semester. Dr. Peters then asked whether there is any disincentive to enrollment in an LLC. Dr. Meningall responded no, studies show no impact - students graduate at high rates in LLCs, with or without a fee. Dr. Peters suggested we track the impact of the fee. Dr. Meningall stated we plan to do an assessment of this. Mr. Prevaux noted this is a voluntary fee.

**Trustee Tomasino made a motion to approve the miscellaneous housing charge for Living Learning Community on the Tampa campus beginning fall 2009 semester. Dr. Patterson seconded the motion. The motion passed.**

**Other**

Chair Law thanked Dr. Patterson and Dr. Peters for their service on the workgroup as this is the last meeting of their term. Dr. Bryant will continue on the workgroup and Chair Law is looking forward to her continued service.

Having no further business, Chair Law adjourned the Finance and Audit Workgroup meeting at 10:40am.