



**USF Board of Trustees
Finance Committee
NOTES
May 22, 2024
Microsoft Teams Virtual Meeting**

I. Call to Order and Comments

The meeting of the Finance Committee was called to order by Chair Michael Griffin at 9:30am. Chair Griffin welcomed and thanked Trustees Callahan and Piccolo for joining the Finance Committee. Chair Griffin asked Kiara Gayle to call roll. Ms. Gayle called roll with the following committee members present: Michael Griffin, Sandra Callahan, Mike Carrere, Fredrick Piccolo, Melissa Seixas, and Will Weatherford. A quorum was established.

II. Public Comments Subject to USF Procedure

No requests for public comments were received.

III. New Business – Action Items

a. Approval of February 27, 2024 Meeting Notes

Upon request and receiving no changes to the draft meeting notes, Chair Griffin requested a motion for approval, it was seconded and the February 27th meeting notes were unanimously approved as submitted by all committee members present.

b. DSO 20244.4(8.2(or)20 Tw19.393 75 0 Td33) TjEMC/P Tc-0-d4(nc)711{(e m)1.1(eet)-0 Td279 -1.15-3

been working with our primary hospital partner, TGH, on clinical integration and a new funds flow model that will be positive for both organizations going forward. The new funds flow model protects UMSA's bottom line. The

satisfaction as their compensation becomes more transparent. The work on this is happening in a parallel fashion.

A motion was made to approve the FY2025 combined Financial Plan for University Medical Services Assoc. Inc. and USF Medical Services Support Corp. The motion was seconded and approved by all Committee members present.

2. USF Health Professions Conferencing Corporation

Dr. Haru Okuda and CFO Greg Vannette presented for USF Health Professions Conferencing Corporation (HPCC). Evident from the FY25 Annual Financial Plan, HPCC was challenged this past fiscal year to meet its annual financial goals. Dr. Okuda provided some historical context for HPCC as well as a sense of the way forward. As background, HPCC was established as a Da3(e)-5.1(np)-3.7(r)4.1(o)-3.7(v)-3.7ora

The third and final challenge we face is finding balance between the investment and growth of the research park and the investment in tech transfer. Our FY25 budget projects 221 days of cash on hand, dropping to 152 for FY26 and to 134 for FY27.

- Income Statement:
 - Projecting net operating profit of \$44M in FY25,

A motion was made to approve the FY2025 Financial Plan for USF Alumni Association, Inc. The motion was seconded and approved by all Committee members present.

8. USF Financing Corporation & USF Property Corporation

- Key initiatives:
 - Recently closed the \$200M financing for the stadium project.
 - Will be assisting the University with the Argos Redevelopment project, assessing feasibility and impact on the University’s AA credit ratings and also impact to university debt capacity.
 - Protect the USF’s “AA” credit ratings with presentations to Moody’s and Standard & Poor’s.
- Income Statement:
 - Net operating profit is forecast at \$3.5M in FY25, slightly down from \$3.7M in FY24.
- Liquidity
 - Very strong liquidity of 386 cash on hand.
 - \$263M cash and investments (includes the \$200M that is being held in the stadium project fund escrow account).
- Five Year Forecast
 - Continue to have very strong liquidity with days cash on hand at over 370 days.
 - Net operating profit slowly declines. This is not a reflection of poor performance. This reflects the pass-through nature of our entity. As the debt and lease payments amortize down over time, net operating profit decreases.

A motion was made to approve the FY2025 Financial Plan for USF Financing Corporation and USF Property Corporation. The motion was seconded and approved by all Committee members present.

c. Stadium Project CM Agreement

Vice President & CFO Jennifer Condon presented the agenda item. This approval of the construction management agreement is the next step in the USF On-Campus Stadium Project. Following a competitive bid process, USF announced, on April 9, 2024, its intent to award construction services for the Stadium Project to Manhattan Constrpresentintinmitte(ag)-3.8

executive space. This caught his eye too, but the more he thought about it in the context of the overall cost of the project, it made a little bit more sense to him. He appreciates Trustee Schneider bringing this up, it's worth talking about.

Chair Griffin stated that he is expecting this office to be utilized on a regular basis. We don't want to build this out and have folks in one day a week or two days a week. The expectation is this is a sound investment and is hopefully the last piece of the puzzle for MDD. We are going to start talking about repurposing some spaces at some point. And as mentioned, this does free up some administrative space elsewhere in the building that could be activated for more appropriate uses. So this is encouraging. But he just wants to make sure as we are investing funds that people are utilizing the office space that we are building and conferencing space and so forth. Mr. Omli also anticipates this freeing up space in other buildings that we can use for clinical care and that type of thing.

A motion was made to approve the expenditures as presented. The motion was seconded and approved by all Committee members present.

f. USF 5-Year Capital Improvement Plan (2025/26-2029/30)

Vice President Carole Post presented the USF 5-Year Capital Improvement Plan (CIP). Ms. Post indicated that the CIP was evolving as the university's needs evolved so as to have a balance of 'refresh, renew and remove' as well as new build. Ms. Post summarized that the CIP consists of four components. The first is a prioritized list of aspirational major project investments which has shifted since last year's submission. The projects remain the same, but the priority has shifted. The TRI/Translational Research Institute that was Priority #6 has been moved to the number one position. TRI is intended to replace several Health Science lab buildings with new spaces. This would be a new build project that would provide for basic and preclinical research; would have wet labs/research labs, ideally allocated for about 1,000 researchers and probably 100+ R1 NIH funded principal investigators. It's the future state of research for the university. With that movement to the first position, it has moved projects 2 through 6 down one slot. Projects 2 - 6 are each combinations of remodels and renovations. Project 7 is the public safety complex, now including a veterans and first responders element with a range of investment options depending on size and scale.

Ms. Post then reviewed the Capital Improvement Trust Fund projects which are projects identified by student body representatives. The FY25 account reflects a total of \$7.1M within the fund. Of that \$6.3M is committed to the on-campus stadium pursuant to an agreement with the student representatives. The balance of \$850K has been designated

(7.0) nit t (7.2) e (7 t g 63 putting th (78) e (E furth @. s) d (3 at l e H