

ITEM: 3

**Florida Gulf Coast University Board of Trustees
December 7, 2018**

SUBJECT: Carryforward Funds from Fiscal Year Ending June 30, 2018

PROPOSED BOARD ACTION

Approve use of Carryforward Funds

BACKGROUND INFORMATION

Each year the University is required to submit to the Board of Governors the intended uses of the Carryforward balances. Carryforward is a state term for cash balance of the Educational and General Revenue Funds of the University. These funds are composed of State Appropriations, Lottery Money, and Tuition. These are the first three line items on your budget reports. There are statutorily required reserves, FGCU Board of Trustees required reserves, and requested projects. This is an update on projects and expenditures originally approved at the June 5, 2018 BOT meeting, and an update provided at the September 11, 2018 BOT meeting.

The notable change is the shift of funding from the FGCU Board of Trustees Reserve Requirement to Facilities, Infrastructure and Information Technology. Florida Gulf Coast University has been using the same Enterprise Resource Planning system since 2003. The demand for services, data and functionality has grown considerably in the past fifteen years, and the institution has reached a crossroads on what can be accomplished with the current technology being utilized. The FGCU BOT Reserve was originally intended and funded to meet extraordinary needs and circumstances. This repurpose of funding not only meets that criteria, but also will prepare financially for the investment to be made.

Supporting Documentation Included: Carryforward Funds as of October 31, 2018

Prepared by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera

Legal Review: N/A

Submitted by: Vice President for Administrative Services and Finance, and
Executive Director of FGCU Financing Corporation Steve Magiera

Carryforward Funds

June 30, 2018

Carryforward Funds (Cash Balance) at June 30, 2018	<u>\$13,409,909</u>
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Uses of Funds:

Statutory Reserve Requirement – 5% of current Budget	7,897,573
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<p>FGCU Board of Trustees Reserve Requirement – Several years ago after a substantial budget cut by the State of Florida, the FGCU Board of Trustees required a reserve to be established. The goal of the reserve was to eventually match the State requirement.</p>	5,000,000
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<p>Talent Gap Programs – We were given a non-recurring appropriation specifically for the Talent Gap Programs. One of those programs was Data Analytics. The program is not fully underway and therefore some funds remained unspent.</p>	512,336
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Total Uses of Funds	<u>\$13,409,909</u>
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Carryforward Funds

October 31, 2018

Carryforward Funds (Cash Balance) at October 31, 2018 \$13,467,602

Uses of Funds:

Statutory Reserve Requirement – 5% of current Budget 7,897,573

FGCU Board of Trustees Reserve Requirement – Several years ago after a substantial budget cut by the State of Florida, the FGCU Board of Trustees required a reserve to be established. The goal of the reserve was to eventually match the State requirement. 0

Talent Gap Programs – We were given a non-recurring appropriation specifically for the Talent Gap Programs. One of those programs was Data Analytics. The program is not fully underway and therefore some funds remained unspent. 437,124

Facilities, Infrastructure and Information Technology –Reservation of funding for the purchase and installation of a new Enterprise Resource Planning system for Financial and Human Resource management. 5,132,905

Total Uses of Funds \$13,467,602