



UWF Business Enterprises, Inc. Board of Directors Meeting

University of West Florida

Virtual Meeting

December 3, 2024

Present

Chair C. Ray Jones, Vice Chair Dick Baker, and Treasurer-Secretary Betsy Bowers. Also attending were President Martha Saunders, Associate Vice President Jeffrey Djerlek, General Counsel Susan Woolf, Director of Business and Auxiliary Services James Adams, Chief Audit Executive Cynthia Talbert, Chief Executive Officer Ed Ranelli, SGA President Maggie Brown, and Accountant Suzanna Daughtry.

Absent

None

Welcome/Opening Remarks

Chair Jones called the meeting to order at 2:30 p.m. He welcomed all attendees to the quarterly BEI Board of Directors meeting and thanked them for their agreement to attend. He then asked Suzanna Daughtry to call the roll and she confirmed that a quorum was present.

Approval of Minutes

September 30, 2024, BEI Board Meeting.

Chair Jones asked if there were any additions or corrections to the minutes. None were noted.

Motion to approve: Vice Chair Dick Baker

Second: Treasurer-Secretary Betsy Bowers

Motion passed.

University Update

President Saunders provided the University update and stated the upcoming commencement will be on December 7, 2024. An honorary doctorate will be awarded to Sandy Sansing who will be the featured speaker. Also, at the December graduations, 25 Golden Grads will be honored who are celebrating the 50th year since they graduated. UWF welcomed its 14th National Merit Finalist student this year. UWF was named a great college to work for, again, by an independent survey. Many UWF employees have volunteered and made a two-year commitment to serve as big brothers or big sisters with the Beyond School Walls Program. They meet monthly with their little brother or sister to discuss college and future goals. UWF received a \$3.3M Triumph Grant for water and vessel engineering for the work that the UWF Engineering program is doing at the port. In November, UWF ranked 8th in the nation on the Best for Vets List. UWF celebrated the grand opening of the Sandy Sansing Sports Medicine Center.

Treasurer Report

Treasurer-Secretary Betsy Bowers provided the Treasurer's report.

To summarize BEI's financial activity for the fiscal year July 1 – September 30, 2024:

- Follett reported bookstore commissionable sales of \$887,234 yielding an 11.65% commission of \$103,363 for the fiscal year 2025. This represents a sales decrease of \$27,119 compared to the prior year's first-quarter sales which were \$914,353 with an 11.65% commission of \$106,522. This decrease continues to be in line with prior year trends due to changes in textbook sales and the Florida Textbook Affordability Act.
- Aramark reported commissionable sales of \$1.461 million and paid a 6% commission of \$88,719 (7% for July 2024 then 6% for the following months) for the first quarter of the fiscal year ending June 30, 2025. This is somewhat lower than the prior year which had slightly lower commissionable sales of \$1.439 million but a 7% commission of \$100,745. Aramark contract renewal negotiations have a 6% commission starting with the August 2024 commission.
- All the bookstore and dining commissions received for the fiscal year 2025 have been provided to auxiliary services for their support functions.
- BEI received \$85,633 for rent, interest, and CAM (common area maintenance) fees from tenant leases at Argonaut Village. Rent revenues in the same time the prior year were \$83,085. The slight increase is mostly due to the 2% annual rent increase for three of the tenants.
- BEI reported a net income of \$84,877 for the first quarter of 2025 compared to the prior year's net income of \$109,646 for the fiscal year 2024. The decrease is due largely to the loss on lease termination for Starbucks, unit 100.
- At the end of September 30, 2024, BEI's ending cash balance was \$1,380,627 compared to 896,755 in the prior year.
- I have reviewed the year-to-date cash activity of BEI as of September 30, 2024.

CEO's Report

CEO Ranelli discussed BEI's year-to-date financial performance through September 2024. The BEI Net Income was \$84,877 for the first quarter. The ending Cash Balance for September 30, 2024, was \$1,380,627. The increase is attributed to the sale of Building 8.

CEO Ranelli relayed that Argo Village is still 100% occupied. Bagelheads is expected to open in late January 2025. There is excitement on campus about breakfast and lunch options being available at Argo Village.

CEO Ranelli stated the Aramark contract renegotiations have concluded and will be presented as an action item for the Board to approve at this meeting.

CEO Ranelli announced that the Follett contract renewal which was anticipated to be completed in time for this meeting has not been finalized. He stated the Follett Contract Renewal will be pulled as an action item from the agenda today and changed to an information item only. The plan is for a special BEI Board meeting to be scheduled in January 2025 before the 120-day extension expires on January 28, 2025.

Public Comments

None

Action Items

1. Form 990 – CEO Ranelli informed the BOD that the 2023 form 990 included with their meeting materials was prepared by James Moore & Co. He recommended that the BEI Board approve the tax returns as electronically submitted to the Internal Revenue Service by the accounting firm. Chair Jones cited the importance of this public document.

Motion to approve: Vice Chair Dick Baker
Second: Secretary-Treasurer Betsy Bowers
The motion passed unanimously.

2. Quarterly Expenditure Report – Each quarter, per Article 8 of the BEI Revised Bylaws, BEI is required to file a BEI Quarterly Capital Expenditure Report. This item is presented to have the Board confirm and ratify the receipt of the BEI Quarterly Expenditure Report sent out to the President and BEI Board members as of September 30, 2024. There were no significant changes or significant commitment of resources during the quarter.

The Quarterly Expenditure Report was presented for Board confirmation and ratification.

Motion to approve: Vice Chair Dick Baker
Second: Secretary-Treasurer Betsy Bowers
The motion was confirmed and ratified unanimously by the three voting Board members present at the meeting.

3. Aramark Contract – For the Board of Directors review and approval, CEO Ranelli presented the terms of the Aramark Contract which was included in the board materials.

Motion to approve: Vice Chair Dick Baker
Second: Secretary-Treasurer Betsy Bowers
The motion passed unanimously.

Informational Items

1. Follett Contract Renewal – CEO Ranelli reviewed the terms of the Follett contract renewal which were included in the board materials. Contract negotiations are expected to be completed in January 2025.
2. Investments in Money Markets, CDs, and U.S. Treasury accounts at ServisFirst & Charles Schwab – CEO Ranelli presented the background information of the BEI board's approval of moving approximately \$500,000 of BEI's approximately \$865,000 of idle non-interest-bearing cash balance in the checking accounts to brokerage accounts and investing in short-term CDs or short-term treasuries. CEO Ranelli provided that the total amount of investment interest earned as of September 30, 2024 was \$45,011.16.
3. BEI Budget to Actual – Suzanna Daughtry presented the Budget to Actual comparison charts showing the variance between the actual performance versus the budgeted performance of BEI operations for the first quarter ending September 30, 2024. Variances between budgeted and actual data were noted and explained.

Adjournment

There being no further business, Chair Jones adjourned the meeting at 2:59 p.m.

Respectfully submitted,

Suzanna Daughtry, Accountant