

CITRUS RESEARCH AND DEVELOPMENT FOUNDATION, INC.

**Finance and Audit Committee
Meeting Minutes
January 23, 2014**

A meeting of the Finance and Audit Committee of the Citrus Research and Development Foundation, Inc. was held on Thursday, January 23, 2014 in Ben Hill Griffin Hall, Lake Alfred, Florida. The meeting was properly noticed and recorded. The meeting was called to order at 9:03 am by Chairman Hugh Thompson. Roll was called and a quorum was present. Committee members participating were: Mr. Larry Black; Mr. Joe L. Davis, Jr. (phone); Dr. Joe Joyce (phone); Mr. Bob Stambaugh and Mr. Hugh Thompson. Others participating were: Dr. Harold Browning; Mr. Rakesh Dahiya (phone); Mr. Maury Boyd (phone); Ms. Diane Johnson; and Ms. Audrey Nowicki.

Mr. Black moved to accept the minutes of the October 18, 2013 meeting. Seconded by Mr. Stambaugh, the motion passed unanimously.

Mr. Rakesh Dahiya from University of Florida Investment Corporation (UFICO) gave an update of CRDF's investment portfolio performance since its inception. Mr. Dahiya reported that performance was down one quarter in the past year due to the sell-off of bonds but the loss was made up in the next quarter. Following discussion, the Committee agreed with the current investment strategy for the CRDF account.

Ms. Nowicki reported that approximately \$1.9 million had been invoiced to FDACS during this fiscal year against the Legislative funding contract. A budget amendment to the Legislative funding contract has been completed which will provide for billing the enhancement projects funding. The January invoices are being processed. The committee advised staff to fully utilize the payment terms on invoices to facilitate cash flow management. The committee reinforced the strategy for day-to-day management of cash flow using the Foundation's accounts.

Revisions to the approved 2013-14 CRDF budget were discussed in an effort to update both revenue and expense activity. Lower crop estimates indicate that research box tax revenue could be down approximately \$500,000 based on the current estimates. The committee recommended that revenue from the FDACS research box be reduced by the difference in the estimate, presenting a more realistic resource estimate. Additional elements of the budget were considered for updating, and some of these will be presented for approval of the revised budget at the January Board meeting.

Mr. Wiseheart and/or Mr. Thomas from FDACS will be invited to an upcoming Finance and Audit Committee meeting to discuss the dynamics of the Box Tax fund balance within and between citrus harvest seasons.

The committee requested Dr. Browning to discuss the auxiliary audit invoice with the accountant to better understand the rationale for the additional charges for the Federal audit component.

With no new business to report, the meeting was adjourned at 10:39 am.

Minutes submitted by Diane Johnson