

## **CITRUS RESEARCH AND DEVELOPMENT FOUNDATION, INC.**

### **Minutes of the Finance and Audit Committee Meeting September 12, 2018**

A meeting of the Finance and Audit Committee of the Citrus Research and Development Foundation, Inc. was held on Wednesday, September 12, 2018 in Ben Hill Griffin Hall at the UF-IFAS, CREC, in Lake Alfred, Florida. The meeting was properly noticed and recorded. The meeting was called to order at 1:04 pm by Chairman Ned Hancock. Roll was called, and a quorum was present. Committee members participating were: Mr. Larry Black, Mr. Ned Hancock, Mr. Charlie Lykes and Dr. Jeanna Mastrodicasa. Mr. Joe Davis, Jr. did not participate. Others participating were Ms. Brandy Brown, Mr. Rob Atchley (telephone), Ms. Holly Chamberlain (telephone), Mr. Rick Dantzler, Dr. Catherine Hatcher, Mr. David Howard (telephone), Mr. Ben McLean (telephone), Mr. John Morgan, Ms. Audrey Nowicki and Mr. Alex Wheeler (telephone).

Mr. Black moved to accept the minutes of the June 11, 2018 meeting. The motion was seconded by Dr. Mastrodicasa, and with no discussion, passed unanimously.

Chairman Hancock reviewed the August 2018 monthly financial summary and narrative. Dr. Mastrodicasa confirmed that the \$20,000 donation from Certis USA has been deposited with the UF Foundation. Mr. Black inquired of the status of CRDF Legislative billings in this current fiscal year. Mr. Morgan reported that more than half of Legislative funds for FY18019 have been invoiced to FDACS, and that the Box Tax amendment for 2018-19 has been received. Mr. Hancock said he anticipates that all Legislative spending will be complete by the end of the calendar year. Mr. Lykes inquired if the Coca-Cola co-funding is currently included in receivables. Ms. Nowicki stated that we are expecting Coca-Cola's executed agreement at which time CRDF will invoice Coca-Cola and it will be included in Revenue and Receivables. Mr. Hancock inquired if PepsiCo's co-funding agreement was currently a receivable. Mrs. Nowicki affirmed that it was and that payment had just been received. Mr. Lykes made a motion to recommend the August 2018 Financial Summary as presented for Board approval. The motion was seconded by Mr. Black and passed unanimously.

Ms. Nowicki reported on Wells Fargo's directive to transition CRDF's WF Money Market account off of the WF Securities platform since Institutional Accounts require at least \$50

million total assets under a new ruling. Staff was directed to continue to check into available options, including contacting local banks.

Mr. Hancock asked Mr. Alex Wheeler to review the CRDF FY 2017-18 Draft Financial Audit Statement. Mr. Wheeler reviewed each section of the audit for FYE June 30, 2017 and 2018, noting there were no findings. Mr. Black asked Mr. Wheeler why the audit did not mirror the June 30, 2018 financial summary provided to the Board. Mr. Wheeler explained the differences are due mostly to adjusting entries resulting from the previous year that have no net income effect on the overall audit. Mr. Black requested Mr. Wheeler to provide the adjusting entries to the committee for documentation purposes. Mr. Black made a motion to accept the draft financial audit as presented and recommend approval to the Board. The motion was seconded by Mr. Lykes and passed unanimously.

Mr. Hancock reported on the 2018 Funding Projections for RMC and CPDC funding model for years 1 through 3. PI's on eleven of the proposals from both RFP's have been advised of recommendations for funding contingent on proposal revisions and subsequent budget reductions. The committee suggested Staff review the current projections and final approved year one budgets to determine the advance payment percentage on new contracts that would be sufficient to satisfy the directive for utilizing current year available funding. At Mr. Black's request Mr. Morgan reviewed current project obligations for FY2018-19, and re-capped invoices to date with FDACS. Dr. Mastrodicasa made a motion for the F&A Committee to recommend to the Board the expenditures of the total dollar amounts for the proposed projects under the RMC and CPDC priority categories, and for the CPDC Service and Support Bridge Funding projects. The motion was seconded by Mr. Black and passed unanimously.

Mr. Hancock discussed the final UF billing for the Interim COO, which included a 13% UF RCM Overhead Assessment. Dr. Mastrodicasa explained the amount as outside costs, a responsibility management tax. Mr. Dantzler will have a further discussion regarding this added charge with Dr. Payne.

With no further business, the meeting adjourned at 2:30 pm.

Minutes submitted by Brandy Brown