

CITRUS RESEARCH AND DEVELOPMENT FOUNDATION, INC.

Finance and Audit Committee Meeting Minutes June 11, 2013

A meeting of the Finance and Audit Committee of the Citrus Research and Development Foundation, Inc. was held on June 11, 2013 in Ben Hill Griffin Hall, CREC, Lake Alfred, Florida. The meeting was called to order at 10:05 A.M. by Chairman Hugh Thompson. The meeting was properly noticed and recorded. A quorum was present. Committee members present were Mr. Black and Mr. Thompson. Committee members participating by phone were Mr. Davis, Dr. Joyce and Mr. Stambaugh. Others present were Dr. Browning, Dr. Turpen, Ms. Nowicki and Ms. Johnson. Also participating by phone was Ms. Funkhouser.

Mr. Black moved to accept the minutes of the April 22, 2013 meeting. Seconded by Dr. Joyce, the motion passed unanimously.

Dr. Browning reviewed the financial statement for May. With this being the final month of the fiscal year, CRDF has been working to get all of the invoices from institutions put in the system and Ms. Nowicki has invoiced FDOC and FDACS to encourage payment prior to the end of the fiscal year. The year-end projected cash balance is approximately \$6.5 million. The \$2 million FY 2012-13 Legislative Support will all be invoiced by the end of the fiscal year, along with the required \$2 million match.

CRDF is considering the opportunity for the University of Florida to host both the CRDF website and to provide email service. To accomplish this, a licensing agreement with the developer, Ecostat, is being drafted to allow continued use of the software on the new host. The one-time cost for this license and transition is estimated at approximately 31,000. CRDF would retain ownership of the logo under this agreement.

The draft CRDF budget for FY 2013-14 was presented. Dr. Browning stated that the draft budget includes anticipated revenues from the Citrus Research Box Tax, administered by the Florida Department of Agriculture. The revenue from this source is based on a 2013-14 crop estimate of 150 million boxes of fruit. Eight million dollars is budgeted from legislative funding, and additional revenue will be provided by NIFA grant funds and continuation of the agreement with Department of Citrus to support HLB research with citrus marketing and promotion tax funds. The expenses define resources for enhancement to current projects under Research Management and Commercial Product Delivery to allow CRDF to accelerate delivery of short term HLB solutions. There was discussion regarding discretionary funding that might be made available to Florida citrus research leaders for application to rapid response issues that arise during the year. Dr. Browning stated that there are two provisions in place to respond to within-cycle funding needs. The first allows for amendments to an existing project related to the issue to allow additional funding to be applied for. This occurs through request and submission of a revision of the scope of services and a revised budget for review to the Research Program Manager and Research Management Committee's recommendation of and approval from the CRDF Board. The other opportunity to enhance funding for a project of priority importance is through the Commercial Product Delivery Committee recommendation to the Board. When warranted, a commercial product delivery project can be set up with a focused scope and budget for the purpose of fostering delivery and adoption of solutions that are near-term.

Mr. Black made a motion to accept the FY2013-2014 year draft budget with removal of the \$1 million donation revenue estimate as well as the corresponding \$25,000 expenses in bank charges. Seconded by Mr. Stambaugh, the motion passed unanimously.

Mr. Thompson requested a progress report on the NIFA funds. Dr. Browning stated that a quarterly progress report is required and a financial report will be generated at the same time.

Dr. Browning briefly went through the contract renewals presented for FY 2013-14. The Citrus Industry Magazine column, Florida Citrus Mutual (FCM) newsletter, FCM Annual Grower meeting and Southeast Agnet Citrus Expo are activities related to communication that are being considered for renewal at this time.

Mr. Black made a motion to recommend these contracts to the Board for renewal. Seconded by Dr. Joyce, the motion passed unanimously.

With no further business, the meeting was adjourned at 11:25 A.M.

Minutes submitted by Diane Johnson