

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

## **Minutes of the**

### **Finance and Audit Committee Meeting**

**Thursday, October 15, 2020**

A teleconference meeting of the Finance and Audit Committee of the Citrus Research and Development Foundation, Inc. was held on Thursday, October 15, 2020. The meeting was properly noticed and recorded. The meeting was called to order at 9:03 a.m. by Chairman Ron Mahan. Roll was called and a quorum was present. Committee members participating were Rob Atchley, Larry Black, Ned Hancock, Ron Mahan, and Jeanna Mastrodicasa. Others participating were Rick Dantzler, David Howard, Roger Ingley, Audrey Nowicki, John Updike, and Deidra Whatley.

Mr. Mahan began by outlining the meeting topics, as well as one additional document containing FAQ on the budget being sent to the Committee members during the meeting for review.

Mr. Roger Ingley, with Bunting, Tripp, and Ingley, LLP, was introduced and reviewed the draft CRDF Audit for FYE June 30, 2020. Mr. Ingley highlighted important portions and reported it would be finalized and sent to the University and Auditor General's office if there were no changes. As Mr. Ingley read through specific sections of the audit report, suggestions for edits were made by the Committee members. Mr. Ingley listed the changes to be made on pages five, six, and thirteen of the audit report and noted the amended report would be sent to Mr. Dantzler and Mrs. Nowicki for a final review before being forwarded to Gainesville. Mr. Hancock moved to approve the audit, as amended. The motion was seconded by Dr. Mastrodicasa and, with no further discussion, the motion passed unanimously.

Mr. Mahan requested approval of the minutes of the June 12, 2020 Finance and Audit committee meeting. Mr. Black made a motion to approve the minutes of the June 12, 2020 Finance and Audit committee meeting with a correction on page one, paragraph four, of 'won' to 'own'. The motion was seconded by Dr. Mastrodicasa, and with no further discussion, passed unanimously.

Mr. Mahan then asked Mr. Dantzler or Mrs. Nowicki to review the September 30, 2020 Financial Summary and the accompanying statements with the Committee. Mrs. Nowicki summarized the Financial Summary and Budget Variance Report, outlining key expenditures or overages. Discussion centered on funding projections and the Bayer co-funding overpayment made by the Citrus Research Board due to the NIFA award being effective September 1st.

Next, Mr. Mahan reviewed the FY 2020-21 Budget modifications. In addition to the impact due to the lower crop estimate and resulting decrease in Box Tax Revenue, there will also be an impact due to the award of the NIFA grant funding. CRDF made a \$635,000 overpayment to Bayer for project costs through December 31, 2020, before it received notice that the NIFA award had been made effective September 1st, which will be recovered through a reduction of the initial payment to Bayer under the NIFA grant. CRDF will also refund the California Citrus Research Board overbilling and

payment. Staff assured the committee that all funding coming in from NIFA and going to Bayer and the other three sub-awardees would be clearly documented in the monthly accounting statements.

Mr. Mahan discussed the mandated holdback of 8.5% from the State. Mr. Dantzler elaborating on the meeting of the citrus partners, hosted by Florida Citrus Mutual, held on September 29, 2020.

Mr. Mahan discussed the CRDF long-term plan, which estimates the funding CRDF might have for future years. Mr. Dantzler outlined the off-cycle projects coming to the Commercial Product Delivery Committee and SAB for recommendation, as well as the final approvals expected from the Board for the outstanding 2020 Nutrition RFP projects. The Committee discussed no cost extension requests received for projects, and that Staff would provide status reports at the respective Committee meetings. Mr. Howard recommended that a budget be provided to Staff for off-cycle projects. There was further discussion regarding the 8.5% reduction in funding and whether researchers would be reducing their budgets. Dr. Mastrodicasa recommended that Dr. Gilbert report at the next Board meeting the status of research during Covid-19 and what is to be expected.

Mr. Dantzler suggested that the next step would be for Staff to come to the Board with a recommended number for a budget for additional funding decisions in FY20-21. Specifics numbers were discussed for particular projects such as the CRDF Field Trials and Nutrition RFP that had not been reflected in the projections. The Budget Primer that was created was sent out to the Committee and would be included in the Board materials for review.

With no further business, the meeting adjourned at 10:54 a.m.

Minutes submitted by Deidra Whatley