

MINUTES  
Board of Trustees  
Finance and Facilities Committee  
January 19, 2018, 1:15 pm

MEMBERS PRESENT: Mike McCoy, Clint Shelton, Senator Arthur Orr, Maxine Randolph, Mike Essary, Lynn Frank, Tere Richardson, and Barbara Ferguson, reporting.

MEMBERS ABSENT: Chad Easterling

Mr. Shelton called the meeting to order at 1:12 pm. After roll call, the committee reviewed and accepted the minutes from the October 20, 2017 meeting.

The first item of new business was a discussion of the University's fiscal year 2017 audit. The annual audit was performed by CDPA, PC. Chris Anderson and Stephanie Blair, from CDPA, attended the meeting to present a report on their audit of the University's financial statements. They presented a summary report as well as a DRAFT copy of the full audit. The FINAL copy is not available because the portion consisting of the Athens State University Foundation audit is not yet complete. Mr. Anderson informed the committee that the University portion of the audit will not change from the information presented today. The only change will be the addition of the Foundation information. Additionally, Mr. Anderson stated that there were no audit adjustments and they are issuing an unmodified opinion on the University's financial statements.

Next, Mr. Anderson and Mr. McCoy discussed a handout presenting comparisons of the 2016 and 2017 Net Position. They pointed out that there has been a decrease in cash primarily due to shifting some cash to investments. They also discussed that tuition revenue has increased, state grants have decreased, and operating expenses have increased primarily due to an increase in salaries. The final change in Net Position for 2017 was \$1,593,635 compared to \$3,464,386 for 2016. Mr. Anderson pointed out that the University has had a positive change in Net Position for the last 11 years.

The next item of new business was the financial summary for the quarter ending 12/31/2017. Mr. McCoy discussed the increase in tuition revenue and reminded the committee that a 3.5% tuition increase was approved for the current academic year. He also pointed out that the University did not include graduate tuition revenue in the budget. Therefore, all graduate tuition will be excess revenue. He also discussed that operating expenses are higher this year primarily due to open positions being filled. As reflected on this statement, the University's excess revenues over expenses have increased by \$524,272 over the same time period last year.

Next, Mr. McCoy presented an update covering campus projects. For the final item of new business, Mr. McCoy briefly discussed the timeline for development of the 2018-19 budget. He informed the committee that the Budget Advisory Committee will convene in late March and budget meetings will be held in early April. Senator Orr indicated that he expected that Athens State would receive an increase in both the regular appropriation and the special appropriation from the Arts Council.

The meeting was adjourned at 2:12 p.m.