

MINUTES
Board of Trustees
Finance and Facilities Committee
October 21, 2016, 1:00 pm

MEMBERS PRESENT: Mike McCoy, Senator Arthur Orr, Ronnie Chronister, Tina Sloan, Steve Clark, Keshia Neerhof and Barbara Ferguson, reporting.

MEMBERS ABSENT: Tazewell Shepard, Trisha Black, Cathy Dickens

Mr. Chronister called the meeting to order at 1:07 pm. After roll call, the committee reviewed and accepted the minutes from the July 15, 2016 meeting. The only item of old business was a continued discussion of guaranteed tuition. Mr. McCoy informed the committee that this option is still being studied. He indicated that there are concerns about whether this would be beneficial for the University.

The first item of new business was the review of the year to date financial summary for 2016. Mr. McCoy expanded on his working lunch discussion of the financial summary. He explained that the tuition and fee revenue is down slightly and this is primarily due to the way the University must defer tuition since the Fall semester spans two fiscal years. He also pointed out that the expense for operations and maintenance reflects a decrease while the expense for institutional support reflects an increase. This is primarily due to the fact that most housekeeping services are now being handled by an independent contractor rather than University employees. The payments to the third party contractor are accounted for under institutional support.

Mr. McCoy next discussed the budget amendment that is on the agenda for the afternoon board meeting. The amendment is to include funding of contingent critical need items along with the corresponding increase in revenue generated by a change in how tuition is assessed for non-traditional courses. Funded critical need items include staff members in the College of Business, the College of Education, and the College of Arts and Sciences as well as certain technology items.

The next item of new business was the resolution for food service contracts that is on the afternoon agenda. The resolution would allow the University to award such contracts without a formal competitive bid due to the fact that the University does not pay the food service vendor to provide food services to students, employees and guests. Several committee members asked and Mr. McCoy provided details on our previous food service bids and our current food service vendor.

The next agenda item was the resolution for transfer of student assistance funds to the Athens State University Foundation. Mr. McCoy provided background information on the existence of the funds to be transferred. He indicated that the funds were donated to the University in the 1980's for student assistance. At that time the University asked the Department of Examiners of Public Accounts if the University could use the funds for emergency loans to students. The Examiners indicated that as a public entity the University was prohibited from making loans. The University has been holding the funds unable to utilize them for the intended purpose and

would now like to transfer the funds to the Foundation to be utilized for various forms of assistance for students in need.

Mr. McCoy next provided information on the topic of book charges being calculated in the cost of attendance. He indicated that this method for bookstore charges would help students get books earlier in the semester and would create a revenue stream for the University. However, this is still being studied to determine if this could be beneficial for Athens State.

Lastly, Mr. McCoy provided the committee with a handout updating campus projects. The committee discussed fundraising for future renovation and preservation of the Beaty-Mason home. The meeting was adjourned at 2:05 pm.