

MINUTES
Board of Trustees
Finance and Facilities Committee
July 15, 2016, 1:00 pm

MEMBERS PRESENT: Mike McCoy, Cathy Dickens, Senator Arthur Orr, Tazewell Shepard, Macke Mauldin, Dwight Lovell, and Barbara Ferguson, reporting.

MEMBERS ABSENT: John Berzett, Dr. Ed Nichols

Ms. Dickens called the meeting to order at 1:15 pm. After roll call, the committee reviewed and accepted the minutes from the April 15, 2016 meeting. Under old business, the first agenda item was the tuition and fee schedule for 2016-17. Mr. McCoy discussed the tuition and fee schedule which was presented at the board luncheon. The tuition and fee schedule is on the agenda for board approval at the afternoon meeting. Mr. McCoy discussed the new Traditional Course Fee which is a combination of 4 mandatory per credit hour fees. He also discussed the revised definitions for traditional courses and non-traditional courses and how those rates would be assessed.

The next item under old business was the 2016-17 budget. Mr. McCoy provided specific details about the budget during the board luncheon including: information on salary expenses, technology items, the restricted budget, the auxiliary budget, the plant budget and expected plant expenditures. The committee continued to discuss these items, particularly the salary expenses and related increases for insurance, as well as critical needs designated as approved or contingent.

The first item of new business was the review of the year to date financial summary for 2016. Mr. McCoy noted that as of 6/30/2016 there is \$4,046,914 excess revenues over expenses. He reminded the committee that we still have 3 months left in the fiscal year. Also, the transfer for debt payment and the transfer to plant funds will be paid from this excess revenue prior to September 30, 2016. Mr. McCoy next discussed the comparative financials for 2014 and 2015. Mr. McCoy indicated he was presenting this specific report at the request of board member Mr. Clint Shelton.

Mr. McCoy next initiated a discussion with the committee about the possible benefits of a guaranteed tuition program for Athens State University. As Mr. McCoy described, the program being considered would be structured to set a guaranteed tuition for a student at the time of enrollment for a specific time period, possibly 3 years. If the student did not finish their degree in that time period their tuition would increase to the current amount and would be subject to future year tuition increases. Dr. Glenn has charged VP McCoy and VP McAbee to study similar programs at other institutions and prepare a recommendation for Athens State. Mr. McCoy indicated the study results may be presented to the board of trustees at the April 2017 meeting. Should the University decide to implement such a program it would likely begin for Fall 2017 admissions. The committee questioned the value of such a program in recruiting students since Athens State is already the most affordable institution in the state. They also discussed that this type of program would not be advantageous if enrollment were flat. The

committee agreed much more information is needed to appropriately evaluate such a program for Athens State.

Lastly, Mr. McCoy provided the committee with a handout updating campus projects. Senator Orr encouraged Mr. McCoy to be considering future technology needs, especially for a recording studio for online class presentations. Senator Orr indicated there may be state funds in the future that could be allocated for technology needs. The meeting was adjourned at 1:58 pm.