

MINUTES  
Board of Trustees  
Finance and Facilities Committee  
April 21, 2017, 1:15 pm

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

MEMBERS ABSENT: Cathy Dickens, Trisha Black, and Keshia Neerhof

Mr. Chronister called the meeting to order at 1:15 pm. After roll call, the committee reviewed and accepted the minutes from the January 20, 2017 meeting.

The first item of old business was a review of tuition increases at Athens State as well as other state universities. The committee had requested this information at the January meeting. Mr. McCoy presented two handouts from the Alabama Commission on Higher Education Annual Tuition and Fee Schedule. One of these handouts showed how tuition and fees have increase over the last 12 years. During this time period Athens State tuition and fees have increased 67% while the increases for every other state university have been over 100%. The second handout showed the percent increase from year to year for the last 7 years. Mr. McCoy also provided a handout showing the credit hour mix and related tuition rates for the last 5 years for Athens State. Mr. McCoy indicated that at today's meeting the board will be asked to approve a recommendation for action allowing the Executive Committee of the Board, pending further budget analysis, to adjust the tuition rate no greater than 5% for the upcoming academic year. He informed the committee that budget hearings were held during the first week of April. The final analysis is not yet complete but he feels that the necessary increase will be less than five percent. He reminded the committee that it is helpful to our students to announce the tuition rates in early June rather than waiting until the next board meeting date in July; therefore, it is necessary for the Executive Committee to meet in early June to approve the tuition and fee schedule.

Ms. Sarah McAbee, VP for Enrollment & Student Support Services, addressed the committee to discuss the need to increase funding for institutional scholarships. She presented a handout and informed the committee that over 40% of Athens State students receive Pell Grant funding. For these students the Pell funds do not cover attendance for all 3 semesters. She feels that additional scholarships can help these students to attend for the full academic year. Additionally, she feels that this will be even more important if tuition rates increase.

The next item of old business was a review of the Alabama Center for the Arts revenues. Mr. McCoy presented a handout detailing revenues and expenses for the arts center for the past 2 full years and also for the current year-to-date. There was general discussion that the original projection was at least 5 years for the center to become profitable. Senator Orr pointed out that the handouts did not include the TVA in lieu of tax funds or the special appropriation from the Alabama Council for the Arts. Mr. McCoy will correct the handouts and share with the committee.

The next item of old business was a discussion of a voluntary retirement program. Mr. McCoy discussed that his analysis shows that as of June 30, 2016 there were 57 eligible employees. He also stated that there would be 20 more eligible by June 30, 2017. He informed the committee that most of these employees would need to be replaced if they retired. The committee felt that there was not enough data to support going forward with a voluntary retirement program at this time.

The first item of new business was the financial summary for the quarter ending 03/31/2017. Mr. McCoy presented a handout showing that revenues and expenses are tracking very close to this same time last year.

Next Mr. McCoy presented an update covering campus projects. Mr. Chronister requested in the future the projects be separated into critical and routine categories.

The meeting was adjourned at 2:04 p.m.