

MINUTES
Board of Trustees
Finance and Facilities Committee
May 19, 2023, 1:15 pm

MEMBERS PRESENT: Senator Arthur Orr, Dr. Sandra Sims-deGraffenried (zoom), Mike McCoy, Jonathan Craft, Kayla Kohanek-Tankersley, Kerry Warren, and Barbara Ferguson, reporting.

MEMBERS ABSENT: Mac McCutcheon, Russell Johnson, Dr. Wanda Humphrey, and Debbie McGee

Senator Orr called the meeting to order at 1:15 pm. After roll call, the committee reviewed and accepted the minutes from January 20, 2023. With no old business to address, the committee moved to new business.

The first item of new business was the presentation of the Budget Amendment #2 for FY2023. Mr. McCoy explained that this amendment is to acknowledge the termination of the Archer contract which has made it necessary to fund additional marketing initiatives while also continuing final payments to Archer. These additional expenditures can be covered by salary savings for positions that will not be filled until at least Fall 2023. The additional expenditures total \$623,057 and the offsetting salary savings total \$623,057. The committee recommended to accept this budget amendment for presentation to the full Board at today's meeting.

The next item of new business was the financial summary for the quarter ended 3/31/2023. Mr. Craft indicated that the report shows the increase in the state appropriation and a small increase in tuition and fee revenue. He pointed out that there is no transfer in this year. The 2022 transfer was COVID-19 funding that is not available this year. He also pointed out that investment income has significantly increased in 2023. The increase in expenditures is mostly related to salary and benefits. Currently the excess revenues over expenses total \$7,101,369 and this is \$1,488,435 better than this point last year.

Next on the agenda was the 2023-2024 tuition and fee schedule which will be presented to the Board at today's meeting. The Finance and Facilities committee is being presented with 4 options to consider – 3.25%, 3.75%, 4%, and 4.5%. Mr. McCoy indicated that the Budget Advisory Committee had recommended a 3.25% increase. He also indicated that the President's Cabinet preferred to keep the increase less than 4%. The committee discussed the 3.75% option which would generate additional revenue of \$659,850. The committee recommended moving forward with the 3.75% tuition increase for both graduate and undergraduate courses to present to the full Board for approval at today's meeting.

The final item of new business was discussion of 4 new construction projects to be considered by the full Board at today's meeting. The first project is replacement of HVAC chillers at Kares Library and Sandridge Student Center to be funded with existing PSCA funds for \$425,600. The second project is replacement of the roofs at Chasteen Hall and the Center for Lifelong Learning to be funded with existing PSCA funds for \$271,000. The third project is replacement of the Founders Hall elevator with existing PSCA funds for \$302,000. The committee recommended to approve these projects for presentation to the full Board at today's meeting. The fourth project is replacement of the windows and work on the entrances to the Powers Hall addition at Founders Hall for \$319,500. The University plans to fund this project with supplemental state appropriations or University plant funds. The committee recommended that this project be presented to the full Board to move forward with contingent on adequate funding from the 2023 State supplemental funds.

With no further discussion, the meeting was adjourned at 1:42 p.m.