

MINUTES
BOARD OF TRUSTEES' MEETING
May 9, 2014 2:00 p.m.
Hawkins Hall, Troy University Campus
Troy, Alabama

The Troy University Board of Trustees convened at 2:00 p.m. on May 9, 2014 in

Hawkins Hall on the Troy University Campus in Troy, Alabama.

Senator Gerald Dial, President pro tempore of the Board, called the meeting to order.

II. Roll Call

Upon roll call, the following members, comprising a quorum, answered present: Senator Gerald O. Dial, Mrs. Karen Carter, Mr. Ed Crowell, Mr. Roy H. Drinkard, Mr. John D. Harrison, Dr. R. Douglas Hawkins, Mr. Lamar P. Higgins, Mr. Forrest Latta, Mr. Charles Nailen, Mr. Allen E. Owen, Mr. Gibson Vance, and Mr. Matthew Thompson, SGA President (non-voting member). Absent: Governor Robert Bentley.

III. Approval of Minutes

Senator Dial called attention to the draft minutes for the December 12, 2013 meeting. A

draft copy was provided to Board members prior to the meeting. Senator Dial called for a motion to approve the minutes as presented.

An update was given on "Right-Sizing" efforts underway that the University is taking

- Review of staff to balance resources with needs
- Since January 12st 52 vacant positions have been eliminated for a savings of \$2.4M
- In the academic division \$4.2M has been saved
- Global Campus -- \$1.3M savings
- Initiatives: paperless \$450K savings

The Chancellor noted that the enrollment picture shows unprecedented competition. Points made by the Chancellor follow: Community college enrollment dropped 13% over the last three years and online completion is at an all-time high. The good news is that the Troy ~~University~~ ~~enrollment~~ ~~grew~~ ~~2~~ percent growth this spring compared to last year and it was noted that

B. Board Committee Reports

- **Executive Committee, Honorable Gerald Dial**

[Redacted]

Bailey, Rushton Stakely

Senator Dial reported that the Board would not receive an update on the Alabama Open

[Redacted] (1) The Open Meetings Act that was to be amended did

[Redacted] not pass in the final session of the Legislature, and (2) Mr. Bailey could not be at the meeting

other Troy University locations so that they are retained and are successfully academically. Dr. Fulmer also shared information on the University's TRIO Student Support Services. the TRIO

Dr. Fulmer talked about some of the challenges the University faces and the primary challenges he identified are:

- Retention
- Student engagement in courses
- General studies transferability
- Academic progression
- Advisor training and development

In conclusion, Dr. Fulmer said that student success has a strong model on the Troy

- **Finance Committee, Honorable John Harrison**

Mr. Harrison reported that the Finance Committee met on April 24th in Troy. The budget

funding. Mr. Harrison noted that all cuts had been made where appropriate in regard to next year's budget. With the cuts to the budget, Mr. Harrison stated that there was still a shortfall in funding which brought the committee's discussions back to a tuition increase. Mr. Harrison stressed that considering a tuition increase was not an easy task for the Finance Committee or its

it for the full Board. He added that he wanted to preface Dr. Bookout's presentation by sharing that there was a lot of concern in trying to get the budget where it needs to be. Mr. Harrison stated that we do not want to run the university by being tuition-driven so the Board, the administration, the faculty, and all others are challenged to pull together to ensure the University is not tuition driven in future years. Mr. Harrison called on Dr. Bookout to present a finance report.

WE INCREASE IT ENOUGH SO THAT TUITION WOULD NOT HAVE TO BE
INCREASED THIS YEAR. MR. HIGGINS SAID THAT HE CONTINUES TO

INCREASE TUITION AND THAT CONCERNS HIM. MR. HIGGINS ADDED THAT AS
LONG AS THE UNIVERSITY CONTINUES TO RAISE TUITION THERE IS NO NEED
FOR MONTGOMERY TO LISTEN TO US REGARDING OUR NEED FOR THE ONE-
THIRD/TWO-THIRDS SPLIT. MR. HIGGINS SAID HE WOULD HAVE TO OPPOSE
THIS RESOLUTION TO RAISE TUITION AND PROPOSED THAT THE BOARD

TABLE IT UNTIL THE NEXT MEETING ALLOWING TIME FOR THE STAFF
REVIEW IT AND COME BACK WITH A PROPOSAL OF UP TO THREE PERCENT
INSTEAD OF THE PROPOSED FOUR PERCENT WITH THE UNDERSTANDING
THAT WE WOULD NOT RAISE TUITION UNLESS WE HAVE A CUT IN STATE
FUNDING MORE THAN TEN PERCENT IN THE FUTURE.

SENATOR DIAL ASKED MR. HIGGINS TO RESTATE HIS MOTION FOR CLARITY.
MR. HIGGINS STATED THAT HIS MOTION IS TO TABLE THIS RESOLUTION

FROM THE NEXT MEETING. ASK THE STAFF TO REVIEW, COME BACK WITH

WAS THAT IF EVERY DOLLAR HAS BEEN CUT THAT IS POSSIBLE, WHAT

BOOKOUT RESPONDED AND CITED EXAMPLES OF AREAS WHERE RESERVE FUNDS ARE USED SUCH AS ROOF REPLACEMENTS, CHILLERS, AND OTHER MAINTENANCE AND SMALL PROJECTS. DR. BOOKOUT SAID THAT RESERVE DOLLARS ARE SET ASIDE FOR THESE TYPES OF NEEDS.

THERE BEING NO FURTHER QUESTIONS SENATOR DIAL RESTATED THE MOTION TO ENSURE ITS ACCURACY. HE STATED: THE MOTION IS THAT WE TABLE THE INCREASE, ALLOWING THE CHANCELLOR THE OPTION TO IMPLEMENT AN INCREASE OF UP TO THREE PERCENT AT A TIME THAT HE SEES FIT AND THIS BUDGET WILL BE REVISITED AT THE JULY MEETING.

MR. HIGGINS STATED THAT A SUBSTITUTE MOTION MAY BE BETTER STATING THAT THE CHANCELLOR WOULD BE AUTHORIZED TO REVIEW THE TUITION NEEDS AND WILL BE ABLE TO APPROVE UP TO THREE PERCENT AND THAT AT THE JULY BOARD MEETING THE BUDGET WOULD BE APPROVED. MR. HIGGINS ADDED THAT HE WAS TRYING TO SIMPLIFY THE

SAME THING AND HE WOULD NOT LIKE TO SEE THIS BE A DIVISIVE TIME FOR THE BOARD BECAUSE WHAT IS BEING DISCUSSED IT JUST TOO CRITICAL AND TO IMPORTANT TO ALL.

CHANCELLOR HAWKINS AGREED WITH MR. CROWELL'S STATEMENT AND SAID THE PLEASURE FOR THOSE ON THE STAFF IN WORKING WITH THE BOARD FOR THE PAST TWENTY-FIVE YEARS HAS BEEN CONGRUENT AND IT IS THE ADMINISTRATION'S INTENT TO KEEP IT SO. CHANCELLOR HAWKINS CONTINUED BY SAYING THAT EVERYONE IS DOING EVERYTHING WE CAN TO RIGHT-SIZE, BE GOOD STEWARDS, AND TO MAXIMIZE RESOURCES. HE SAID THAT THE ADMINISTRATION WILL CONTINUE TO BE GOOD STEWARDS. AT

THIS TIME THERE WAS DISCUSISON ABOUT STATE APPROPRIATIONS.

TO SUMMARIZE THE MOTIONS THUS FAR, MR. HARRISON SAID HE HAD MADE A MOTION ON BEHALF OF THE FINANCE COMMITTEE TO APPROVE THE

BUDGET. HIS MOTION RECEIVED A SECOND AND DISCUSSION FOLLOWED.

FOR FURTHER CLARIFICATION, THE CHAIR STATED THAT A MOTION WAS MADE BY MR. HARRISON AND SECONDED. THEN A SUBSTITUTE MOTION WAS MADE BY MR. HIGGINS. MR. HIGGINS' SUBSTITUTE MOTION WAS FOR THE BOARD TO TABLE THE FOUR PERCENT INCREASE MOTION WHILE THE CHANCELLOR IS GIVEN THE OPTION TO INCREASE TUITION UP TO THREE

PER CENT AND THEN THE BOARD WILL REVISIT THE BUDGET AND VOTE ON IT AT ITS JULY MEETING. IN RESPONSE TO THE CHAIR'S QUESTION, MR. HIGGINS AGREED THAT THE CHAIR DID QUOTE THE SUBSTITUTE MOTION

CORRECTLY. THE CHAIR ADDED THAT THE MOTION WAS MADE AND DR. D. HAWKINS PROVIDED A SECOND.

IN CONCLUSION, THE CHAIR SAID THAT THERE IS A SUBSTITUTE MOTION TO TABLE THE FOUR PERCENT INCREASE MOTION WHILE THE CHANCELLOR IS

stewardship of its resources, sound financial management, and its entrepreneurial spirit has it been able to

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TO SUMMARIZE THE AMENDED MOTION, THE CHAIR STATED THAT THE FINANCE COMMITTEE SHALL ADVISE EACH BOARD MEMBER OF THE INVESTMENT POLICY PROCEDURES, INCOME/LOSS QUARTERLY BY ELECTRONIC MEANS. THE CHAIR SAID THAT THERE IS A MOTION TO AMEND THE INVESTMENT POLICY BEFORE THE VOTE. ON MR. VANCE'S MOTION TO AMEND THE INVESTMENT POLICY, A SECOND WAS PROVIDED BY MR. HIGGINS. THE AMENDMENT PASSED.

FOLLOWING APPROVAL OF THE AMENDMENT, THE CHAIR ADDED THAT MR. HARRISON HAD MADE A MOTION TO ADOPT THE INVESTMENT POLICY (RESOLUTION NO 3) AS AMENDED. WITH A SECOND FROM MR. DRINKARD, THE

Resolution No. 3

Investment Policy

WHEREAS the objective of Funds Held for Investment by the University is to earn a maximum total

- **Student Affairs Committee, Honorable Lamar P. Higgins**

- **Chair's Report—Mr. Higgins**

Mr. Higgins reported that the Student Affairs Committee met on May 7 on the Troy Campus. At this time, Mr. Higgins took the opportunity to present Resolution 4 commending SGA President Cody Farrill for his outstanding service as president. Mr. Higgins presented a

**ACTION: HAVING RECEIVED A MOTION FROM MR. HIGGINS TO ADOPT
RESOLUTION NO. 4 COMMENDING SGA PRESIDENT CODY FARRILL, THE**

**CHAIR CALLED FOR A SECOND TO THE MOTION. A SECOND WAS MADE BY
MR. CROWELL AND THE MOTION WAS ADOPTED.**

- **Resolution No. 4—Honoring Mr. Cody Farrill**

Resolution No. 4

Commending Cody Farrill for his service as SGA president

WHEREAS, Cody Farrill served as President of the Troy University Student Government Association for the 2013-2014 academic year; and

o Athletics Report, Mr. Steve Stroud

Mr. Stroud advised that he had been on board with the University for five weeks and said

that he had been involved in the following areas: fundraising and special events, ticket sales and operations,

University's programs, facilities and campuses; provide assistance and recommendations for the advancement of institutional development and governmental relations. Two sub-committees shall operate under the auspices of the committee: Development and Governmental Affairs. The Development Sub-Committee shall review and assist in fundraising, alumni relations, capital campaigns and special projects, programs and events to increase membership, visibility, cooperation and support among University stakeholders; The Governmental Affairs Sub-Committee shall assist the University in formulating policy related to governmental relations on the local, state and federal levels; review and make recommendations regarding strategy relating to the State Educational Budget, State Capital Bond Issues, and other governmental funding opportunities in accordance with goals