



<b>Business and Finance Committee Meeting</b>		
3.8.2018	2:56 p.m.	Ft. Campbell Center 203 Bastogne Ave. Fort Campbell, KY 42223

Meeting Type	Business and Finance Committee Meeting
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Note taker	McCartney Andrews
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Attendees	Mr. Billy Atkins (chair)	Yes
	Ms. Katherine Cannata	Yes
	Mr. Larry Carroll	Yes
	Mr. Don Jenkins	Yes
	Gen. Gary Luck	Yes
	Mr. Mike O'Malley (ex-officio)	Yes
	Mr. Mitch Robinson (ex-officio)	Yes

The meeting was called to order by Trustee Atkins at 2:56 p.m.

**Consideration of Non-Mandatory Fees for the 2018-2019 Academic Year**

Discussion	
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Trustee Atkins recognized Mr. Robinson, Vice President for Finance and Administration, to present information regarding the non-mandatory fees for the 2018-2019 academic year. Mr. Robinson presented information on the proposed non-mandatory fees for art and design, aviation science, culinary arts, psychological sciences and counseling, and nursing. A new \$30 per credit hour art and design fee will be charged for all courses, except Introduction to Art, for the purpose of buying art materials and supplies for students. The art and design fee will impact 260 students each semester and will generate approximately \$46,800. The aviation fee is a one-time fee to cover a flight kit and will generate approximately \$7,500 in revenue. The culinary arts program is proposing a new \$60 per credit hour fee to cover materials and supplies. The fee will impact approximately 135 students and generate \$48,600 of revenue. The psychological science and counseling fee is for the graduate counseling program. This is a new fee of \$25 per credit hour and will impact 55 students per semester. Approximately \$25,000 per year in revenue will be generated. The nursing department is proposing to eliminate the clinical skills fee and fold it into the

nursing BSN degree fee. The proposed nursing fee for the bachelor's degree is \$40 per credit hour and will impact 275 student per semester. The increase in the nursing fee for the bachelor's degree will generate \$74,000 in revenue. The nursing department is also proposing to increase the fee for the master's program to \$30 per credit hour. This is a \$5 increase and will generate \$31,500 in revenue. Approximately 175 students per semester will be impacted. Mr. Robinson stated that the University staff and the budget advisory task force had reviewed and supported the proposed non-mandatory fees.

A motion was made by Trustee Carroll to approve the non-mandatory fees for the 2018-2019 academic year. Trustee Jenkins seconded the motion.

Conclusions	
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A roll call vote was taken to approve the non-mandatory fees for the 2018-2019 academic year and the motion was passed unanimously.

Follow-up Items	Person	Deadline
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N/A		
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Consideration of Housing Rates for the 2018-2019 Academic Year		
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Discussion	
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Trustee Atkins recognized Mr. Robinson to present information regarding the housing rates for the 2018-2019 academic year. Mr. Robinson stated that the increase in the housing rates is for double occupancy residence halls. It is an overall 1% increase in the housing rate to cover inflationary increases for salaries and operations. The increase is expected generate approximately \$225,000 in annual revenue. Mr. Robinson stated that the housing occupancy is strong and that the housing rates are competitive among area apartment rentals. The rates are slightly higher than other LGI institutions, primarily due to the recent additions of Castle Heights and Eriksson Hall. Mr. Robinson stated that the University administration and the budget advisory task force had reviewed and supported the increase in the housing rates.

There was a brief discussion about the history of housing rate increases.

A motion was made by Trustee Cannata to approve the housing rates for the 2018-2019 academic year. Trustee Luck seconded the motion.

Conclusions	
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A roll call vote was taken to approve the housing rates for the 2018-2019 academic year and the motion was passed unanimously.

Follow-up Items			Person	Deadline
N/A				
Consideration of Campus Property Acquisitions				
Discussion				
<p>Trustee Atkins recognized Mr. Robinson to present information regarding the acquisition of a 221 Forbes Avenue property. Mr. Robinson stated that the property would cost approximately \$70,000. Mr. Robinson stated that the property is in close proximity to campus and is part of the campus facilities master plan.</p> <p>There was a brief discussion about the property approval and appraisal process.</p> <p>A motion was made by Trustee Jenkins to approve the property acquisition. Trustee Carroll seconded the motion.</p>				
Conclusions				
<p>A roll call vote was taken to approve the property acquisition and the motion was passed unanimously.</p>				
Follow-up Items			Person	Deadline
N/A				
Review of Governor's Budget Recommendation				
Discussion				
<p>Trustee Atkins recognized Mr. Robinson to present information regarding the Governor's budget recommendations. The Governor recommended \$2,781,500 for APSU. This includes money for a health insurance increase, the state's portion of a 2.5% salary pool, outcomes formula adjustment recommended by THEC, and the formula recommendation. In order for APSU to cover its portion of a 2.5% salary pool, a 1.6% tuition increase will be needed. Mr. Robinson also discussed the capital projects recommended by the Governor, which included updates to the HVAC in one building and fire alarms in three. The recommended total investment for capital projects is \$3,670,000.</p> <p>There was a brief discussion about APSU in comparison to other State schools regarding efficiencies and cost per student.</p>				
Conclusions				

There was no vote taken on this item.

Follow-up Items	Person	Deadline
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N/A		
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### Review of Fiscal Year 2016-2017 Financial Report

Discussion

Trustee Atkins recognized Mr. Robinson to present information regarding the 2016-2017 financial report. Mr. Robinson discussed the University's financial report and highlighted a few key differences from last year's financial report, including total assets, total liabilities, and deferred outflows and deferred inflows. Mr. Robinson also discussed the Composite Financial Index, which consists of four ratios that are weighted and scored on a scale to create a single score of financial health for the University. The four ratios are the primary reserve ratio, viability ratio, return on net assets ratio, and net operating revenues ratio. The University's current Composite Financial Index is 2.03.

Conclusions

There was no vote taken on this item.

Follow-up Items	Person	Deadline
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N/A		
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### Adjourn

Discussion

Trustee Atkins moved to adjourn the meeting. Trustee Luck seconded the motion. The meeting adjourned at 3:22 p.m.