



MEETING: Board of Trustees, Georgia Military College, Usery Community Conference Room, Tuesday, January 21, 2020, 5:30 p.m.

PRESENT: Randall A. New, Chairman of the Board; Members: Mr. George Hogan Sr., Mr. Ken Vance, Rev. Tony Fraley, Ms. Doris Renfroe, LTG William B. Caldwell IV, President of Georgia Military College, Senior GMC Team members and other interested parties.

ABSENT: Mr. Mike Cobb, The Honorable Mary Parham-Copelan

BUSINESS:

1. Chairman of the Board, Randall A. New, having already declared a quorum to be present, called the meeting to order.
2. Chairman New asked for a motion for the minutes of the meeting on October 7, 2019 to be approved. Mr. Vance made the motion, with Mr. Hogan seconding the motion. The minutes were approved by unanimous vote.
3. CHAIRMAN'S REPORT

Chairman New presented COL Jim Watkins, Chief Financial Officer, with a 5 Year Certificate of Service, celebrating his five years of employment at Georgia Military College. Chairman New noted that during COL Watkins tenure as CFO at GMC, every financial audit has come back as "no findings." Chairman New and the other Board members thanked COL Watkins for his dedicated service to GMC.

4. Mr. Hogan yielded to COL Jim Watkins to provide the finance committee update.
5. COL Watkins informed the Board that the Finance Committee met on January 14th and reviewed the finance committee report. COL Watkins then presented a finance committee update. The update included the following:
 - FY19 Financial Statement Audit
 - FY20 Operations Summary (first 6 months)
 - FY21 Governor's Proposed Budget
 - TRS Funding

A copy of this complete report is attached and made a part of these minutes.

6. Mr. Jeff Gray, Vice President of Engineering, provided an Engineering Update. The update included the following topics:
 - Pending Demolitions
 - Student Services Building
 - Fine Arts Center for Education

A copy of this report is attached and made a part of these minutes.

7. Chairman New asked for a motion to move forward with the Student Services Building project as presented by Mr. Gray. The Student Services Building project already has \$2.5M appropriated for the project in the FY21 Governor's Budget. Mr. Vance made the motion, with Mr. Hogan seconding the motion. The motion to move forward with the Student Services Building project was approved by unanimous vote.

8. Chairman New asked for a motion to approve the Fine Arts Center for Education project with the understanding that we must have all the funds identified for the project in order to break ground. Mr. Vance made the motion, with Mr. Hogan seconding the motion. The motion to approve the Fine Arts Center for Education project was approved by unanimous vote.
9. BG Curt Rauhut, Executive Vice President/COO, briefed the Board on the potential to establish a new campus in Conyers, GA. The presentation included the following information:
 - Hanover Research analysis found that a Conyers campus can meet GMC enrollment targets
 - New campus would be an extension center campus in Conyers, GA
 - Classes would start in FY21 (Spring term)
 - Facility would be rent free for the first five years and the landlord will renovate the facility at no cost to GMC
 - Strong local support for a GMC “open admissions” college
10. Chairman New asked for a motion to approve the establishment of a GMC Conyers campus as presented by BG Rauhut. Mr. Hogan made the motion, with Ms. Renfro seconding the motion. The motion to establish a GMC Conyers campus was approved by unanimous vote.
11. COL Tom Torrance, GMC Alumni Association President, provided an update on the Alumni Association. COL Torrance reported that GMC’s 2019 Alumni Weekend was a success with over 250 participants. He also reported that the alumni association has been working engagement opportunities with young alumni, the Atlanta area alumni, and South Carolina area alumni. There have also been quite a few alumni speakers for the Leadership Engagement Series for the JC Corps of Cadets.

The Board members were sent the revised GMC Alumni Association By-laws as a read ahead before the meeting. The By-laws have been revised in order to meet SACSCOC compliance.

12. Chairman New asked for a motion to approve the revised GMC Alumni Association By-laws. Mr. Hogan made the motion, with Ms. Renfro seconding the motion. The motion to approve the GMC Alumni Association By-laws was approved by unanimous vote.
13. Mr. Jody Yearwood, Vice President of IT and Executive Director of the Global Online College (GOLC), gave an update on GMC’s Global Online Initiative. He will schedule a meeting with the Junior College subcommittee in order to give them a more in depth overview of the GOLC initiative before the next scheduled Board meeting.
14. COL Steve Pitt, Commandant of Cadets, gave an update on the Junior College Corps of Cadets. COL Pitt said that the Corps has grown since last year, including a growth in female cadets, and that he’s excited for even more growth in the upcoming school year. Last year the Corps had 23 service academy scholars, this year they have 43 scholars from four of the five service academies (United States Military Academy, United States Naval Academy, United States Coast Guard Academy, and the United States Air Force Academy). Academic success is the top priority for the Corps and the STARFISH program has been an outstanding program in helping to identify cadets that need assistance. The Corps has also brought back some old traditions like the Drill Team and the Men’s Glee Club. COL Pitt thanked the Board members for their participation in various Corps events throughout the year and for helping to spread the word about the GMC Corps of Cadets programs.

15. PRESIDENT’S REPORT

General Caldwell gave an update on GMC Preparatory School. He shared the following:

- 100% return rate on faculty except for Garland Riner who is retiring
- Future Bulldogs program: 59 students for SY20-21, 66 students for future years through SY27-28
- Open House for Grades 3-5 will be held on Tuesday, February 4, from 4:30-6:30 in the Prep Annex and Jenkins Hall. Our first Virtual Open House for Grades 6-12 will be Monday, February 10, from 5pm until 7pm. This Virtual Open House will hopefully be a convenient option for our parents who wouldn’t be able to attend otherwise because of their work schedules.
- Senior class is doing well with college acceptances. We have 55 seniors and already have over 70 college acceptances.

- Board members are invited to attend the Winter/Spring Fine Arts performances:
 - “Frozen” by our MS on January 23-25, with nightly performances at 7:00 pm and a matinee at 2:00 on Saturday in Goldstein
 - “Jungle Book” by our Elementary on March 19-20 at 7:00 pm in Goldstein
 - “Thoroughly Modern Milly” by our HS on April 23, 24, and 25 at 7pm in Goldstein
- Winter Sports update:
 - Boys Basketball are #4 in Region and 20th in State Power Rankings
 - Girls Basketball are #1 in Region and 8th in State Power Rankings
 - Junior Bulldogs are finishing up their successful inaugural season
 - Building year for our Wrestling Program with many young wrestlers
 - Coach Dennis – 100th win
 - Coach Lunsford – Baldwin Gym Naming

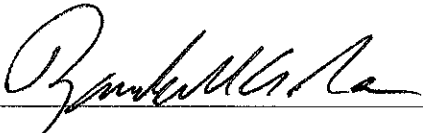
General Caldwell also let the Board members know that our leadership team has been traveling to the Capitol to meet with our elected State officials to discuss additional funding for the Junior College.

16. Ms. Jeannie Zipperer, Dean of Students and Director of Staff, reviewed No Conflict of Interest and Undue Influence with the Board.

- All the Board members in attendance signed their No Conflict of Interest statement at the end of the meeting

17. The next meeting of the Board was scheduled for April 20, 2020.

18. There being no further business, the meeting was adjourned.



Randall A. New
Chairman



Doris Renfroe
Secretary-Treasurer

Reviewed by: _____

LtGen. William B. Caldwell, IV
President, Georgia Military College

Board of Trustees

Finance Committee Update

Mr. George Hogan

January 21, 2020

Agenda

- **FY19 Financial Statement Audit**
- **FY20 Operations Summary** (First 6 months)
- **FY21 Governor's Proposed Budget**
- **TRS Funding**

**GEORGIA MILITARY
COLLEGE**

FY19 Financial Statement Audit

- The Georgia Department of Audits is expected to commence its Fiscal Year 2019 financial statement audit in February and is conducting the audit as part of the State's Single Audit Report.
- The exit briefing is expected in April or early May, 2020.
- In the past six years GMC has had excellent audit results. No findings during that period and we expect this trend to continue.

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**GEORGIA MILITARY
COLLEGE**

FY20 Operations Summary

(for first six months to 12/31/19)

	FY20 Annual Budget	FY20 Actuals 7/1 - 12/31
Revenue:	81,596,607	54,267,112
Expenditures		
Salary & Benefits	48,377,812	22,867,367
Travel	812,270	408,626
Operating Expenses	27,502,880	14,255,504
Equipment	3,900,000	2,275,000
Total Expenditures:	80,592,962	39,806,497

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**GEORGIA MILITARY
COLLEGE**

FY20 Operations Summary

(for first six months to 12/31/19)

For the first six months of FY20 comparing actual revenue and expenses to the planned budget:

- **Revenue and expenses:**
 - Revenue is higher than budget due to winter term tuition and fees being included; the revenue will level off in the second half of the year and is expected to meet budget, not exceed budget.
 - Salaries and benefits are lower than budget due to hire lag.
 - Travel expenses are tracking as budgeted
 - Operating expenses are higher than budget for the first half of the year due to added dual enrollment scholarships, added miscellaneous supplies, maintenance costs and employee scholarships
 - Depreciation (Equipment) includes the January charge
- **Capital outlays** for this year include the purchase of
 - 321 E. Hancock (\$442k);
 - 240 E. Baldwin (\$101k); and
 - Computer equipment, Data Center Upgrade (\$552k).

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**GEORGIA MILITARY
COLLEGE**

FY21 Governor's Proposed Budget for the Prep School

<u>AFY20</u>	
Adjustment for DOAS insurance	\$8,595
Increase Funds for Enrollment Growth	<u>\$189,804</u>
Total Change	\$198,399
<u>FY21</u>	
Reduce funds for TRS	-\$59,260
Increase for growth and training	\$194,903
Pay raise of \$2,000	\$235,384
Eliminate 1-time funds	<u>-\$213,810</u>
Total Change	\$157,217

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GEORGIA MILITARY COLLEGE	
FY21 Governor's Proposed Budget for the Junior College	
<u>AFY20</u>	
Adjustment for DOAS insurance	\$9,627
4% Funding Reduction	<u>-\$160,576</u>
Total Change	-\$150,949
<u>FY21</u>	
Reduce funds for TRS	-\$83,500
Reduce Funds for GA Technology	-\$ 1,201
Increase for pay Raises	\$41,990
6% Funding Reduction	<u>-\$228,036</u>
Total Change	-\$270,747
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GEORGIA MILITARY COLLEGE	
AFY20 and FY21 Proposed Budget, Compared to FY20 Original	
FY20 GMC Budget (JC and Prep Combined)	\$7,761,872
Amended FY20 Budget	\$7,809,322
Proposed FY21 Budget	\$7,648,342
FY21 decrease from FY20 Final	\$ 160,980
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**GEORGIA MILITARY
COLLEGE**

FY21 Governor's Proposed Budget for Capital Projects

- The FY21 State Budget includes \$2.5M for the requested Student Services Building, which is 100% of the estimated cost.
- The FY21 State budget does not include any funding for the Fine Arts Center for Education (FACE).
- GMC seeks BoT approval to continue toward construction of the FACE using funds from GMC, the Foundation, grants and other donors. Approval conditions include all funds must be identified/available before construction (there will be no loan requests for the project).

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**GEORGIA MILITARY
COLLEGE**

TRS Funding

- The TRS Employer cost share for the JC in FY20 is \$4,556,748.
- The State did fund GMC JC in FY20 a total of \$3,863,463 for all general fund operations.
- GMC will use every dollar from the State just to partially fund the JC TRS cost. In addition, GMC will add an additional \$693,285 to "cover" the total TRS cost.
- There are no State funds for salaries, other benefits, maintenance, repairs, all other operating expenses, etc.
- TRS is GMC's top legislative priority.

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January 21, 2020

GMC ENGINEERING UPDATE

Current projects:

- Garbutt continues to correct punch list items and respond to warranty issues in the Annex. Sellers Construction removed and rebuilt the improperly designed exit to Wayne Street during the Christmas Holidays. The new ramp is much better and meets our expectations. A significant leak occurred in the Bulldog Café during the holidays. The Garbutt team is working to identify and correct the source as well as repair the damage.
- Jenkins Hall is fully occupied and only a few items remain before final completion. The playground is in place but the padded ground cover remains to be installed. The temporary exit stairs from the Indoor Recreation Room to the playground area will be replaced with concrete stairs and metal handrails. Additional railing is also required along the wall behind the building. Jenkins will require another State Fire Marshal inspection before we are issued a final Certificate of Occupancy.
- Engineering has completed minor repairs to the recently purchased building (former church) at 321 East Hancock St. and have moved custodial supplies and surplus furniture into this location. We installed a rollup door in the east side to provide forklift access. This building has improved our storage for furniture by providing conditioned space. It has also relieved overcrowding in the shipping and receiving area.

Other projects:

- During the Christmas break engineering executed a considerable number of projects. A partial list includes building a wall in Ruark to control access to the coaches' hall, replacing the logo and tile in the Ruark lobby, performing annual service and inspections on fire and boiler systems as well as the rappel tower, building three walls in Baugh Barracks to provide dayrooms on each floor, replacing the worn carpeting in the OCB Executive area, and trimming limbs on capital square.
- The Old Capital Building has a good bit of cracking in the stucco allowing water penetration on the exterior of the building. We feel that we have finally located a top quality stucco company to make needed repairs. This company has examined OCB and provided their quote for needed repairs. We have included funding for phase one in the FY21 (draft) engineering projects list; and will request state funding support too in the next budget request.
- The Academic Affairs and Academic Records Departments developed a plan to consolidate all of their activities in one modern Student Services Building (SSB). This would allow them to move out of three old houses currently serving as their offices and let us remove these buildings. A team from Dr Holmes office met with our architect and he has developed an attractive building to meet their needs. We believe The State has provided funding for this new Student Services Building in the proposed budget.
- Plans and specifications for the Fine Arts Center for Education (FACE) are continuing to progress. We expect that these plans will be ready for the required Life Safety review by the State Fire Marshal and design review by GSFIC the end of this month.