



MEETING: Board of Trustees, Georgia Military College, Bulldog Room, Monday, July 18, 2022, 4:00 p.m.

PRESENT: Mr. George Hogan, Sr., Chairman of the Board; Members: Mr. Mike Cobb, Mr. Ken Vance, Mr. Brooks Snider, Elder Alan Hale Wicker, Mayor Mary Parham Copelan, LtGen William B. Caldwell, IV, President of Georgia Military College; COL Jim Watkins and Senator Russ Goodman, Advisory Board Members; and other interested parties.

ABSENT: Ms. Doris Renfroe

BUSINESS:

1. Chairman of the Board, Mr. George Hogan, Sr., having declared a quorum to be present, called the meeting to order.
2. Chairman Hogan asked for a motion for the minutes of the meeting on April 18, 2022 to be approved. Elder Wicker made the motion, with Mayor Parham Copelan seconding the motion. The minutes were approved by unanimous vote, except Mr. Vance who was not present at the time of the vote.

3. CHAIRMAN'S REPORT

Chairman Hogan welcomed Senator Russ Goodman as our newly appointed GMC Advisory Member on the GMC Board of Trustees.

4. Mr. Mark Strom, Senior Vice President and Chief Development Officer, and Mr. Craig Portwood, Director of Alumni and Community Engagement, presented an update to the Board regarding proposed changes to the GMC Alumni Association By-Laws. The change made regards the elections cycles and separates the years officers are elected from general members. This change will allow current sitting officers the opportunity to have input on the slate of potential Board members they will lead.
5. Chairman Hogan asked for a motion for the approval of the GMC Alumni Association Amended By-Laws as presented by Mr. Strom and Mr. Portwood. Mr. Cobb made the motion, with Mayor Parham Copelan seconding the motion. The amended by-laws were approved by unanimous vote, except for Mr. Vance who was not present at the time of the vote.
6. COL Chip Kirby, USA (Ret), GMC Chief Financial Officer, presented a finance committee update. The update included the following topics:
 - Update on GMC Financial Status (FY22 Year End)
 - FY23 GMC Budget
 - Department of Audits & Accounts (House Appointed) Special Examination of GMC
 - FY24 Legislative Agenda Items
 - Public Safety Leadership Program

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

7. Dr. Steve Greer, Preparatory School Principal, presented a GMC Preparatory School Update. Key highlights from the update included:
 - After many years, GMC Prep again became a K-12 school as we completed our expansion to add students in Kindergarten, 1st grade, and 2nd grade.
 - GMC Prep marked a milestone with its highest ever enrollment at 846 students.

- Our Literary Team captured their 7th Consecutive GHSA Class A State Championship after winning their 11th consecutive Region Title.
- One Act Play also won 1st place in the One Act State Championship with their incredible performance of Bullets Over Broadway.
- Our JROTC Raiders teams executed a clean sweep at the 2021 Georgia State Raider competition by winning 1st place in all three categories -- Mixed team, Male team, and Female team.
- Reached the State Playoffs for Varsity Football for the 2nd year in a row, won the Region Title, and notched a record 10-1 season; first undefeated season since 1960.
- We established formal crossover ceremonies to welcome our upcoming 6th graders into the 3rd Battalion and our upcoming 9th graders into 2nd Battalion ensuring that our newest cadets were properly transitioned and welcomed.
- 100% graduation rate (all 58 students) for the Class of 2022.
- Five seniors earned an Associate Degree on the same day they graduated from the Prep School.
- We reestablished our cultural exchange program with the Royal Hospital School in the United Kingdom.

8. Mr. Jody Yearwood, Senior Vice President and Executive Director of the Global Online Leadership College, provided an update on the Global Online Leadership College. Key highlights from the update include:

- We continue to see a trend over the past eight years with more of our education each year being delivered through some form of distance technology/online.
- Online and remote learning accounts for 61% of all credit hours sold at GMC.
- This year 74 BAS diplomas were awarded, a 42% increase from last year. Currently there are 701 students enrolled in the BAS program.
- Rebranded the Global Online College to the Global Online Leadership College (GOLC), designing new courses to develop students in the foundations of leadership and also redesigning courses and degree pathways to embed leadership development into every online degree program.
- Working with the legislature this upcoming session to secure approval to offer every type of Bachelor degree through our GOLC (would only be available online).
- Exploring ways in which to provide opportunities for everyone. Looking into offering certificate programs that lead to professional licensing and certifications.

9. BG Rock Donahue, Senior Vice President, Chief Infrastructure and Sustainability Officer, gave an Engineering Update that included property updates, current projects, and future projects.

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

10. PRESIDENT'S REPORT

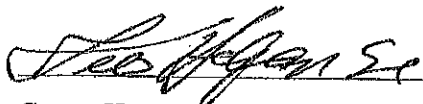
General Caldwell gave an update to the Board. Highlights from his report are below:

- Throughout the month of June, we hosted approximately 40 Georgia high schools for Army JROTC Cadet Leadership Challenge (JCLC) Camps each week, providing leadership and adventure training for over 500 Army JROTC Cadets. In addition to the two (2) Army JROTC JCLC Camps, we also hosted an Air Force and Navy JROTC Cadet Leader Camp. At the conclusion of training, over 1,000 JROTC Cadets from Georgia participated in leader development training at GMC.
- Hosted our first annual Seminar on Leadership and Character in Athletics for the Junior College and Prep School football teams. Tony Gilbert, Inside Linebackers Coach for the NFL's Jacksonville Jaguars (who coached at GMC), was the keynote speaker.
- GMC Prep School Summer Internship opportunities - Executive Leadership Program (ELP) - This internship opportunity is for newly graduated GMC Prep School students (7 Alumni) to provide them with valuable leadership and work experience. Various departments across the institution at GMC participate and help shape the ELP workers into young professionals. NewDay USA – A few of our recent GMC Prep School graduates (5 Alumni) completed their internship with NewDay USA at their West Palm Beach location. The internship program focused on sharpening leadership and management skills while introducing them to a corporate work environment.


- JC Corps of Cadets – currently have 60 U.S. Service Academy Scholars admitted. We anticipate four international cadets from Taiwan (2 Army/2 Air Force) to join the Corps for the first two Quarters. We currently have 226 cadets registered for Quarter 1.
- Our GMC Ethics Bowl Competitions are on October 28, 2022 (Internal) and November 19, 2022 (National).
- Our SACSCOC Fifth-Year Interim Report is due on September 15, 2022. There will be a few selected off-campus location site visits by SACSCOC staff members potentially in November.
- Public Safety Leadership Institute Update - We continue to explore the possibility of establishing a Public Safety Leadership Institute at our Main Campus. This would be a two-year residence program inside of the Junior College Corps of Cadets where candidates earn their Criminal Justice or Homeland Security degree while serving as member of the Corps of Cadets; these candidates would conduct daily fitness, discipline and leadership-character-ethics training with specialty training in firearms and defensive driving.
- Our legislative initiatives for FY23 are:
 - Major Repairs & Rehabilitation (MRR) Budget
 - Additional funding to cover construction costs for our Capital Project – Academic Center of Excellence
 - Bachelor Degree for Global Online Leadership College
 - Public Safety Leadership Institute funding

11. The next meeting of the Board was scheduled for October 10, 2022.

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



 George Hogan, Sr.
 Chairman



 Doris Renfroe
 Secretary-Treasurer

Reviewed by: _____

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

**GEORGIA MILITARY
COLLEGE**

Finance Committee Update for the GMC Board of Trustees

July 18, 2022

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**GEORGIA MILITARY
COLLEGE**

Agenda

- **Update on GMC Financial Status (FY22 Year End)**
- **FY23 GMC Budget**
- **Department of Audits & Accounts (House Appointed)
Special Examination of GMC**
- **FY24 Legislative Agenda Items**
- **Public Safety Leadership Program**

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GEORGIA MILITARY COLLEGE			
FY22 Operations Summary			
Year End (through 6/30/22)			
	FY22 Original Budget	FY22 Revised Budget (January)	FY22 Projected Year- end
Matriculation/Fees/Misc Income	72,517,245	72,517,245	66,882,226
Salaries & Benefits	46,621,816	45,563,715	44,509,378
Travel	637,721	425,901	402,807
Operating Expenses	26,286,348	25,707,349	28,800,000
Capital Purchases	897,200	912,938	1,266,246
Depreciation	4,500,000	4,718,668	4,718,668
Total Expenditures:	79,043,088	77,328,565	74,697,099
Not:	(6,525,840)	(4,811,320)	(7,914,873)
operating capital - Yearend adj/	1,343,524	1,343,524	1,343,524
equipment capital - Yearend adj/	897,200	912,938	1,266,246
Revenue less expenses	(4,285,116)	(2,554,856)	(5,205,103)
HEERF	11,100,000	10,492,376	7,092,376
GEER			1,692,061
Presented to BOT	6,814,884	7,937,518	3,579,334

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GEORGIA MILITARY COLLEGE	
FY22 Financial Status (1 of 2)	
➤ Revenue and Expenses:	
➤	Revenue lower than budgeted due to reduced credit hours, changes in state Dual Enrollment program, USG decision to waive test scores, and the COVID-19 pandemic
➤	Expense reductions - to include idling/closing facilities operating with minimal profit, cancellation of contract services, limited travel, continued hiring freeze, as well as an organization self-examination to improve efficiencies (Reimagine Task Force)
➤	Prep School faculty received their final installment of \$2,000 from the Governor's original \$5,000 raise-in-base-salary initiative
➤	FY22 to FY23 eliminated (53) Junior College & Shared Services budgeted positions for a total of \$1,054,658. Total reductions in headcount and labor from FY20-FY23; ~ 100 budgeted headcount and \$3.2M
➤	GMC Property Dept (Engineering) earned \$63,492 through State Surplus Sales in FY22, up from average of \$10k annually over past two years. (500% Increase in revenue)
➤	Governor's Amended FY22 State Budget: \$9.38M (Increased from \$7.16M)
➤	Distributed over \$33,000 in targeted bonuses to Engineering Dept managers and staff
➤ Property Acquisitions:	
➤	140 S Jefferson St (The Carolyn) \$380,000 – opportunity acquisition, will be used for the relocation of GOLC as their new offices to support Wilder Hall renovation
7/18/2022 ➤	401 E Franklin St - \$30,000 & will be incorporated into cross-country course/track plan 4

GEORGIA MILITARY COLLEGE			
State Budget			
AFY22 and FY23 Budget Compared to FY22 Original			
	FY 2022	Amended FY 2022	FY 2023
Prep School	3,657,579	4,433,945	4,606,765
Junior College	<u>3,514,024</u>	<u>4,674,480*</u>	<u>3,732,827</u>
Total	7,171,603	9,108,425	8,339,592
Change (from FY22 original budget)		1,936,822	1,167,989

* \$990k for FF&E for the ACE in AFY22 Budget

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GEORGIA MILITARY COLLEGE	
State Budget for the Junior College	
<u>Amended FY22</u>	
\$170,456	\$5K pay increase
<u>\$272,903</u>	One-time salary adj to address non-state fund positions
\$443,359	(provides ~ \$929 per GMC JC employee)
<u>FY23 State Budget</u>	
\$223,117	\$5K COLA full-time employees July 2022 (provides only ~ \$521 per GMC employee)

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GEORGIA MILITARY COLLEGE	
FY23 GMC Budget Update	
<u>Shared Services</u>	
➤ Developed a three-tier compensation strategy for increasing pay of Custodial, Grounds and Food Service. Average raise per employee \$2,501 (equates to an 8% - 13% pay raise)	
<u>Junior College</u>	
➤ Conservative revenue estimates based on prior two-year trends ~12% decline in credit hours, our primary source (80%) of revenue (FY20: \$62M // FY21: \$54M // FY22: \$53M)	
➤ Limited State funding for Junior College pay raises (~\$2M shortfall)	
➤ No additional Junior College Federal CARES or HEERF funding in FY23 (\$8.8M reduction)	
➤ Leases: New lease at Columbus Manchester Expressway in January 2023 will realize a little over \$200k in savings in lease expense year one. New location has a traffic count ~40,000 cars a day versus less than 5,000 a day at our current Blackmon Rd location.	
<u>Prep School</u>	
➤ \$776,796 in State funding increase for enrollment growth and training & experience to recognize a 13% increase in FTE students. Does not cover the full cost of students and faculty growth.	
➤ \$107,197 in State funding for \$2k state base salary increase	
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GEORGIA MILITARY COLLEGE																																	
GMC FY23 Budget																																	
	<table border="1"> <thead> <tr> <th></th> <th style="text-align: center;">FY22 Actual</th> <th style="text-align: center;">FY23 Budget (April)</th> <th style="text-align: center;">FY23 Budget (July)</th> </tr> </thead> <tbody> <tr> <td>Revenue:</td> <td style="text-align: right;"><u>75,666,663</u></td> <td style="text-align: right;"><u>75,325,559</u></td> <td style="text-align: right;"><u>75,325,559</u></td> </tr> <tr> <td> Salaries & Benefits</td> <td style="text-align: right;">44,509,378</td> <td style="text-align: right;">46,302,388</td> <td style="text-align: right;">46,336,758</td> </tr> <tr> <td> Travel</td> <td style="text-align: right;">402,807</td> <td style="text-align: right;">568,611</td> <td style="text-align: right;">584,611</td> </tr> <tr> <td> Operating Expenses</td> <td style="text-align: right;">22,456,476</td> <td style="text-align: right;">23,180,915</td> <td style="text-align: right;">23,130,545</td> </tr> <tr> <td> Depreciation</td> <td style="text-align: right;">4,718,668</td> <td style="text-align: right;">4,855,000</td> <td style="text-align: right;">4,855,000</td> </tr> <tr> <td>Total Expenditures:</td> <td style="text-align: right;"><u>72,087,329</u></td> <td style="text-align: right;"><u>74,906,914</u></td> <td style="text-align: right;"><u>74,906,914</u></td> </tr> <tr> <td>Revenue in excess of Expenses</td> <td style="text-align: right;"><u>3,579,334</u></td> <td style="text-align: right;"><u>418,645</u></td> <td style="text-align: right;"><u>418,645</u></td> </tr> </tbody> </table>		FY22 Actual	FY23 Budget (April)	FY23 Budget (July)	Revenue:	<u>75,666,663</u>	<u>75,325,559</u>	<u>75,325,559</u>	Salaries & Benefits	44,509,378	46,302,388	46,336,758	Travel	402,807	568,611	584,611	Operating Expenses	22,456,476	23,180,915	23,130,545	Depreciation	4,718,668	4,855,000	4,855,000	Total Expenditures:	<u>72,087,329</u>	<u>74,906,914</u>	<u>74,906,914</u>	Revenue in excess of Expenses	<u>3,579,334</u>	<u>418,645</u>	<u>418,645</u>
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<ul style="list-style-type: none"> • Revenue includes \$3.4M HEERF balance carry over from FY22 • Inflation not accounted for in all categories, (-) impact to net position if CPI continues to climb higher 																																	
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GEORGIA MILITARY COLLEGE

Inflation

➤ **Inflation - Consumer Price Index (CPI) (July report)**

In June, the Consumer Price Index for All Urban Consumers rose 1.3 percent, seasonally adjusted, and rose 9.1 percent over the last 12 months, not seasonally adjusted. The Index for all items less food and energy increased 0.7 percent in June (SA); up 5.9 percent over the year (NSA).

➤ **CPI - trending at 9.1% inflation rate over this time last year, impacting all aspects of our operation (food, fuel, salary/wages, & leases)**

➤ **What does it mean to GMC?**

- Fuel: Gasoline up 35% & Diesel up 43%; \$42,000 increase from FY21
- Food: 9% increase; \$987,000 in FY23 = 54% of food service revenue, up from 41% in FY21
- Utilities: Ga Power increases included in FY23 budget (~\$80,000 increase)
 - Electricity: 8% & Natural Gas 16%
- Lease renewal: WR Campus @ 9% CPI = \$18,000 annual increase
- Sustained inflation at current levels will result in wages beginning to fall behind cost of living

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GEORGIA MILITARY COLLEGE

Dept of Audits and Accounts Special Examination of GMC

➤ **May 31, 2022, House Appropriations Committee requested a special examination of GMC, the review will:**

- Evaluate the various funding streams of GMC
- Evaluate methods to modernize state statutory obligations to the GMC
- Analyze requisite oversight for the institution and its reliance on public resources.

➤ **Audit Source:** The request noted the unique partnership between GMC and the state. The committee wanted to understand GMC's various funding streams, as well as to view any recommendations related to the state's statutory obligations, input, and requisite oversight for the institution and its reliance on public resources.

➤ **Process & Timeline**

- Entrance conference: June 6, 2022
- First site visit @ GMC: June 22 (1 analyst)
- Fieldwork: July - November
- Draft Report: Nov-Dec
- Review Report: January 2023
- Release: Jan-Feb 2023

➤ **General tone:** DOAA reps are not a financial auditors, approach is that of a performance review

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GEORGIA MILITARY COLLEGE	
FY23 Legislative Agenda Items	
<ul style="list-style-type: none"> ➤ Major Repair & Renovation Budget – Milledgeville, State Owned/Board of Trustee Facilities <ul style="list-style-type: none"> • FY22 GMC State Budget: \$0 for MRR • FY22 GMC State Budget Maintenance Allocation: \$454,909 (~12% of total State GMC Budget) & (51% of total GMC Bldg Maint Exp) 	
<u>Proposed OPB agenda Items</u>	
<ul style="list-style-type: none"> • Amended FY23 Request - submit project based request @ \$2.1M for 10 Projects (Milledgeville) • FY24 Request to add a \$2.7M MRR GMC Budget line, similar to how Board of Regents calculates = 1% of Bldg Replacement Value (Milledgeville) 	
<ul style="list-style-type: none"> ➤ Capital Project Additional Funding Request: \$2.475M for ACE (\$2.5M original bond amount – project total now at \$4.975M) ➤ Bachelor Degree for GOLC ➤ Public Safety Leadership Institute @ GMC Milledgeville <ul style="list-style-type: none"> ➤ New legislation to fund GMC Public Safety Officer P.O.S.T. Training ➤ New legislation request, GMC Public Safety Service Scholarships (similar to existing State NG program) 	
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GEORGIA MILITARY COLLEGE	
Public Safety Leadership Institute (PSLI)	
<ul style="list-style-type: none"> ➤ Public Safety Leadership Institute @ GMC Milledgeville <ul style="list-style-type: none"> • Successful GMC hosted roundtable event on June 15th • Dr Isaac attended P.O.S.T. Certified Officers Workgroup (June 17th) <ul style="list-style-type: none"> • Workforce Development meeting at the Georgia Public Safety Training Center • President Caldwell attended POST Council Meeting June 30th <ul style="list-style-type: none"> • GA P.O.S.T. and GMC Letter of Agreement • FY24 State Budget request <ul style="list-style-type: none"> • State Service Public Safety Service Scholarships – similar to existing program • Request funding for GMC P.O.S.T. Training at offsite facility • Federal Grant Programs: pursue as program gets up and running • Determine how best to implement P.O.S.T. Certification & utilize existing resources 	
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Engineering Department
201 East Greene Street / Milledgeville, GA 31061
Front Desk Phone: (478) 387-4919 / Fax: (478) 445-7316
Website: www.gmc.edu

July 18, 2022

GMC ENGINEERING UPDATE – July 2022

Current projects:

- COVID-19 mitigation measures and the GMC Five Step Program continue to be in place with very positive results. We moved to the maintaining phase of our mitigation measures.
- Construction of the Center for Leadership (CFL) by RW Allen is on track. The roofing, water proofing and exterior insulation are in progress. The building should be "dried -in" soon. There is substantial work required in the main seating area before the theater seats arrive; this area will be the critical path for several months. New Day USA requested change orders are moving forward and will likely add two months to the construction schedule. RW Allen feels that they are still on track to complete construction by end of year. [I am not comfortable telling the BOT we will complete CFL Phase I in time for a Christmas performance; don't believe this is accurate. – Rock
- Groundbreaking Ceremony for the Academic Center of Excellence (ACE) was conducted June 7th. The LDP was received on 7 July and RW Allen expects to begin actual construction no later than July 15th. They have a good team on the project and we can expect RW Allen to expedite construction as much as possible.
- The Human Resources Department expansion to Parham Hall is on hold as the original design for a separate annex is deemed fiscally unsupportive. We are currently assessing floor plan design options – within budget – to provide a discrete HR entrance to Parham Hall.
- GMC leased 97 acres at 100 Southside Drive from the Oconee River Greenway Authority for use as a Local Training Area (LTA). Initial grading and construction are complete. The access road is in place with a good gravel bed, and a berms have been put in place to begin the development of the range. The college Old

Property:

- The GMC Foundation purchased 341 S. Wayne Street. This property is adjacent to Moores Funeral Home and across the street from Jenkins Hall. Engineering is working with the Foundation to keep the house secure and determine its future. JC bullring cadets did a good job policing the property and helping grounds remove the exterior trash.

- As part of our long-term property acquisition plan, GMC acquired 401 E. Franklin Street (fallen down house, .24 acre). This property will be incorporated into our support plan for the cross-country course/track. There are only two small pieces on the southside of East Franklin remaining to purchase that will enable us to put in a parking area to support athletic events.

- GMC also acquired 140 S. Jefferson Street, the Carolyn apartments. This property is adjacent to the CFL and Dr. Ritchie's former office (owned by GMC). By purchasing this property, we can then also purchase the alleyway from the City and add these properties to our planning for the development around the CFL. The plan is to use these apartments as temporary office space for the GOLC staff that need to be relocated from Wilder Hall.