



MEETING: Board of Trustees, Georgia Military College, Usery Conference Room (invite only) and Teleconference (open to the public), Monday, July 20, 2020, 4:30 p.m.

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

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 May 4, 2020 be approved. Mr. Hogan made the motion, with Mr. Cobb seconding the motion. The minutes were approved by unanimous vote.

3. **CHAIRMAN'S REPORT**

Chairman New thanked the Board members and the GMC team for allowing him the opportunity to serve on the GMC Board of Trustees for the last 28 years. He looks forward to each and every opportunity to continue to serve GMC in the future.

Although he is stepping down as Chairman, he plans to continue to serve on the Board until he has officially moved outside of his district.

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 July 15th and reviewed the finance committee report. COL Watkins then presented a finance committee update. The update included the following:
 - GMC FY20 Financial Closeout
 - GMC FY21 Budget (for approval)
 - Prep School Scholarships, FY20

COL Jim Watkins sent his update as a read ahead to our Board members. A copy of this complete report is attached and made a part of these minutes.

6. Chairman New asked for a motion to approve the GMC FY21 Budget as presented by COL Watkins. Mr. Fraley made the motion, with Mr. Hogan seconding the motion. The motion to approve the GMC FY21 Budget was approved by unanimous vote.
7. COL Pam Grant, Prep School Principal, provided an update on the Preparatory School. COL Grant's update included the following:
 - Had Prep School Graduation on June 26th.

- Advanced Placement (AP) classes had a pass rate of 91%, with 50 out of 55 tests earning passing scores of 3 or higher. All 4 of our AP programs have had one or more years with a 100% pass rate.
- The Prep School will have the largest enrollment ever with 760 students currently enrolled. We already have 3 grades that are completely full.
- The Future Bulldogs program already has 85 students who have paid the \$500 deposit to attend GMC in upcoming school years (not counting 2020-2021).
- Continuing to work safety protocols to bring our faculty, staff, and students back to school as safely as possible.

COL Grant sent several information papers to the Board members as read aheads with information on: School Year 19-20 Milestones, Class of 2020, and Prep School Scholarships 19-20.

8. Mr. Jeff Gray, Vice President of Engineering, provided an Engineering Update. He let the Board know that the Engineering department has reviewed a number of decontamination systems designed to eliminate the COVID-19 virus from classrooms and we selected an ionization system that has proven to be 99.4% effective against the SARS- CoV-2 (COVID-19) virus. We have purchased approximately 200 of these units for installation in student areas. Installation is complete in Milledgeville and underway at the other campuses.

Additionally, the city, county, and Baldwin County Schools have all reached out to our Engineering department inquiring about these ionization systems and how they work. Mr. Jeff Gray has been the lead on this effort to communicate with those in our community.

Mr. Jeff Gray sent his complete report as a read ahead to our Board members. A copy of this report is attached and made a part of these minutes.

9. PRESIDENT'S REPORT

General Caldwell sent a GMC State of the College Update to the Board members as a read ahead. The update has reports from each GMC department, the Prep School, and the Milledgeville Junior College. A copy of this report is attached and made a part of these minutes.

General Caldwell shared that he is extremely proud of the entire GMC team on how we have all come together in these uncertain times to continue to provide educational opportunities for our students, all while doing everything to the best of our ability to ensure our faculty, staff, and students are coming back to a safe environment. Our safety protocols continue to evolve as more information becomes available. We have already put the ionization systems in place, are currently putting temperature scanners at the entrances of our campus buildings. We will continue to seek out and research additional equipment/technology that will help us provide a safe campus environment.

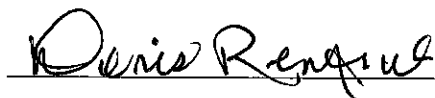
The Prep School's first day of school will be Friday, August 7th. The Junior College Fall 1 term will begin on August 3rd, with Milledgeville's campus starting Fall term on August 24th. We're about 83% to mission for our Fall 1 term, with the Global Online College performing extremely well and helping to make up for some of our in-seat loss.

10. Chairman New opened the floor to the Board members for discussion on who they would like to nominate as the next GMC Board of Trustees Chairman, to serve the remaining term which ends in January 2022. Mr. Vance nominated Vice Chairman George Hogan, with Mr. Cobb seconding. Vice Chairman Hogan's nomination was approved by unanimous vote.
11. Chairman New opened the floor to the Board members for discussion on who they would like to nominate as the next GMC Board of Trustees Vice Chairman, to serve the remaining term which ends in January 2022. Mr. Hogan nominated Mr. Vance, with Rev. Fraley seconding. Mr. Vance's nomination was approved by unanimous vote.

12. Chairman Hogan, as his first order of business as the new GMC Board of Trustees Chairman and on behalf of the entire Board of Trustees, presented Chairman New with a GMC saber for his 30 years of dedicated service to Georgia Military College.
13. The next meeting of the Board was scheduled for October 5, 2020.
14. There being no further business, the meeting was adjourned.



George Hogan
Chairman



Doris Renfro
Secretary-Treasurer

Reviewed by: 

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

Finance Committee Update for the Board of Trustees

July 20, 2020
J. Watkins

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Agenda

- **GMC FY20 Financial Closeout**
- **GMC FY21 Budget**
- **Prep School Scholarships, FY20**

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GMC FY20 Financial Closeout

- An executive summary of FY20 financial operations is included as **Attachment 1**. Year-end closing entries have not been made so there will be changes/adjustments
- The **FY20** budget and budget execution was materially affected by both the coronavirus epidemic and declining credit hour enrollments; see **Attachment 2** for details on the negative financial effects of the COVID-19 epidemic
- However, GMC's remediation actions and additional funding from the CARES Act allowed GMC to complete the year in a positive financial position; see **Attachment 3**
- The FY20 Financial Statement Audit is expected in October

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FY20 Close-Out Comments

In general, GMC had a good year financially, in spite of COVID-19:

- **Revenue**
 - JC credit hour revenue was off by \$6,462,584
 - State JC Appropriation was \$150,949 under budget
 - CARES Act funding from the Federal government provided \$2,998,884 for students and \$2,998,883 to GMC for GMC COVID-19 cost reimbursements. The MSI/PBi portion of the same Act provided an additional \$293,603. These are non-budgeted revenue items.
 - Prep School revenue was off by \$67,260 but State Prep School appropriation was up by \$198,399 and local appropriation was up by \$75,542
 - The Prep, other, reflects an accounting change
 - Food, Housing and Bookstore revenue drops are all due to students not on campus
- **Expenses**
 - Salaries and benefits were \$2,141,831 under budget due to hiring freeze and furloughs; summer adjunct salaries are yet to be added and will be approximately \$500,000 in added expense
 - Travel was \$270,286 under budget as all travel was cancelled under COVID-19 operations
 - Operating Expenses were \$2,511,274 under budget due cost cutting measures across the board
- **Capital Budget**
 - GMC invested \$4,272,136 in capital projects in FY20, including purchasing property, new construction, vehicles, computer software and major repairs.
 - The State transferred two buildings (Jenkins Hall & the Annex) with a value of \$15,195,000

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GMC FY21 Budget

- The State Budget, in its final form, reduced GMC's FY21 funding:

	<u>Prep School</u>	<u>Junior College</u>	<u>Total</u>
FY 2020 Budget	\$ 3,747,460	\$ 4,014,412	\$ 7,761,872
Budget Cuts	\$ (239,572)	\$ (526,547)	\$ (766,119)
FY 2021 Budget	\$ 3,507,888	\$ 3,487,865	\$ 6,995,753

- The entire proposed FY21 GMC Budget is included as **Attachment 4**. The budget requires a vote of approval from the BoT.

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GMC Prep School Scholarships

- A five year trend of Prep School scholarships is outlined on **Attachment 5**.
- The School Year 2019-2020 (FY20) scholarship detail is shown on **Attachment 6**.

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FY20 Results of Operations
Revenue and Expenditures
as of 9 July 2020

REVENUE	FY20 Budget	FY20 Actual
Junior College Revenue:		
Junior College Total Tuition and Fees	64,471,776	58,009,192
State Appropriations	4,014,412	3,863,463
Other Revenue- Course Fees & Misc	501,886	473,375
CARES Act, GMC		2,998,883
CARES Act, MSI/PBI		293,603
Total Junior College Revenue	68,988,074	65,638,516
Prep School Revenue:		
Prep School Tuition and Fee	3,937,500	3,870,240
State Appropriation	3,747,460	3,945,859
Prep School Local Appropriation	350,000	425,542
Prep School ROTC Reimbursement	110,000	105,927
Prep, Other	64,575	375,207
Total Prep School Revenue	8,209,535	8,722,775
Auxillary Revenue:		
Food Services	1,952,057	1,523,816
Housing	802,200	596,342
JC Athletics	61,000	63,991
Motor Pool	-	7,805
Other Bookstore Revenue*	719,491	2,349,432
Total Auxillary Revenue	3,534,748	4,541,386
Other Corporate Revenue	864,250	1,071,296
GMC Total FY21 Budgeted Revenue	81,596,607	79,973,973

* Includes \$1.5M in eBook sales, new in FY20

EXPENDITURES	FY20 Budget	FY20 Actual
Junior College Salaries & Benefits:		
Faculty Salaries	6,597,019	6,405,575
Adjunct Salaries	6,077,113	6,496,525
Staff Salaries	15,816,828	15,390,297
Part-time Salaries	2,312,014	1,697,572
Retirement	4,521,990	4,370,995
Health Insurance	4,767,244	4,143,232
Taxes	2,365,120	2,208,445
Total JC Salaries & Benefits	42,457,328	40,712,641
Prep School Salaries & Benefits:		
Faculty Salaries	3,319,867	3,136,615
Adjunct Salaries	57,000	20,744
Staff Salaries	625,126	648,695
Part-time Salaries	199,450	146,148
Retirement	821,630	790,359
Health Insurance	576,000	494,922
Taxes	321,411	285,857
Total Prep School Salaries & Benefits	5,920,484	5,523,340
Total JC & Prep School Salaries & Benefits	48,377,812	46,235,981
Travel:		
Employee Travel	542,140	199,836
Non-employee Travel	270,130	342,148
Total Travel	812,270	541,984
Operating Expenses:		
Purchases for Resale	3,513,264	2,719,422
Repairs & Maintenance	1,590,873	763,217
Utilities	1,632,101	1,430,531
Insurance & Bonding	777,333	766,000
Bad Debt Expense	1,329,182	623,859
Advertising & Promotion	1,398,804	1,359,682
Real Estate Rental	3,414,781	3,363,832
Contracts	3,059,872	3,951,245
Scholarships	2,988,165	2,950,539
All other Cost of Business	7,798,505	6,809,641
Depreciation	3,900,000	4,153,638
Total Operating Expenses	31,402,880	28,891,606
GMC Total FY20 Expenditures	80,592,962	75,669,571
FY20 Revenue in Excess of Expenditures	1,003,645	4,304,402

Georgia Military College

2020 Reduced Revenue/Increased Expenses due to COVID-19

as of 30 June 2020

		<u>Fiscal Year Total</u>
1) Reduced Credit Hours/Loss of Revenue		\$ 6,462,584
2) Cancelled JCLC Camps		\$ 178,100
3) JC Cadet Refunds		
Academy Scholars	\$ 31,850	
Civic Leaders	\$ 78,678	
ECP	\$ 23,748	
Football	\$ 36,288	
State Service	\$ 121,546	\$ 292,110
4) No Summer Athletes in Barracks		
Room	\$ 45,000	
Board	\$ 48,750	\$ 93,750
5) Misc Expenses		
Increase in Postage Expense	\$ 8,768	
Increase in Health Services Supplies	\$ 15,432	
Increase in Cleaning Supplies/Disinfectants	\$ 22,923	
GPS Plasma Ionization Units	\$ 92,795	
Increase in IT equipment	\$ 128,326	
Increase in Deep Cleaning Services	\$ 7,846	
Lost Food	\$ 549	\$ 276,638
6) COVID-19 Scholarship		\$ 270,000
7) eBooks		\$ 19,290
8) Additional SHBP/Flex Costs for Furloughed Staff		\$ 177,714
9) Cancelled River of Life Event/Costa Rica		\$ 17,072
Total		\$ 7,787,258

Georgia Military College

**2020 Mitigating Actions to Reduce Costs
as of 8 July 2020**

- ██████████ Implemented a Hiring Freeze**
- ██████████ Implemented a 60 day Hire Lag for Open Positions**
- ██████████ Implemented a Furlough Program**
- ██████████ Eliminated Contractor and Consultant Expenses**
- ██████████ Implemented a Reorganization Program**
- ██████████ Eliminated Dual Enrollment Scholarships**
- ██████████ Stopped all Travel**
- ██████████ Reduced Other Operating Expenses Where Possible**

FY21 Budget Summary
Revenue and Expenditures
as of 8 July 2020

REVENUE

Junior College Revenue:

Junior College Total Tuition and Fees	62,037,951
State Appropriation	3,487,865
Other Revenue- Course Fees & Misc	438,055
Total Junior College Revenue	65,963,871

Prep School Revenue:

Prep School Tuition and Fee	3,969,375
State Appropriation	3,507,888
Prep School Local Appropriation	350,000
Prep School ROTC Reimbursement	110,000
Prep, Other	441,217
Total Prep School Revenue	8,378,480

Auxillary Revenue:

Food Services	1,885,150
Housing	766,350
JC Athletics	62,300
Motor Pool	8,500
Other Bookstore Revenue	753,920
Total Auxillary Revenue	3,476,220

Other Corporate Revenue	1,083,250
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GMC Total FY21 Budgeted Revenue	78,901,821
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EXPENDITURES**Junior College Salaries & Benefits:**

Faculty Salaries	6,467,339
Adjunct Salaries	5,728,261
Staff Salaries	16,594,895
Part-time Salaries	2,057,392
Retirement	4,173,976
Health Insurance	4,678,750
Taxes	2,373,320
Total JC Salaries & Benefits	42,073,933

Prep School Salaries & Benefits:

Faculty Salaries	3,312,814
Adjunct Salaries	57,000
Staff Salaries	707,566
Part-time Salaries	241,461
Retirement	765,426
Health Insurance	540,000
Taxes	330,391
Total Prep School Salaries & Benefits	5,954,658
Total JC & Prep School Salaries & Benefits	48,028,591

Travel:

Employee Travel	419,460
Non-employee Travel	384,570
Total Travel	804,030

Operating Expenses:

Purchases for Resale	3,585,168
Repairs & Maintenance	897,808
Utilities	1,664,704
Insurance & Bonding	845,002
Bad Debt Expense	1,153,995
Advertising & Promotion	1,518,729
Real Estate Rental	3,540,577
Contracts	2,180,596
Scholarships	2,698,904
All other Cost of Business	7,248,738
Depreciation	4,200,000
Total Operating Expenses	29,534,221

GMC Total FY21 Expenditures	78,366,842
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FY21 Revenue in Excess of Expenditures	534,979
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**Georgia Military College
 Prep School Scholarship Trends
 For School Years 2015 thru 2020
 As of : July 7, 2020**

	SY15-16	SY16-17	SY 17-18	SY18-19	SY19-20
Number of Students	565	576	556	675	751
Number Of Presidential Scholarships	161	303	341	473	559
Dollar Value of Scholarships	188,615	380,357	394,845	475,224	507,753
Number of Foundation Scholarships	34	73	77	346	457 *1
Dollar Value of Scholarships	36,882	103,154	173,755	246,082	287,110
Grand \$ Scholarship Total	\$ 225,497	\$ 483,511	\$ 568,600	\$ 721,306	\$ 794,863
Grand # of Scholarships Awarded Total	195	376	418	819	1,016 *2

*1 Includes User Fund (for Uniforms) and BOAU Scholarships

*2 (possible duplicated student count if awarded both Presidential and Foundation Scholarship)



PREP SCHOOL SCHOLARSHIPS SCHOOL YEAR 2019-20

Tuition and fees for SY19-20 remained at \$5,250. Financial assistance was available to Prep School students/families through a variety of scholarships. A total of **\$794,863** in scholarship monies was awarded for SY19-20.

PRESIDENTIAL SCHOLARSHIPS FUNDED BY GEORGIA MILITARY COLLEGE

- **Needs Based** - GMC allocated and awarded **\$210,960** in needs-based scholarships. Families applied for this assistance through GMC's Resource Management Office to a third-party (Smart Aid-scholarship application processor). Smart Aid's need assessment identified a need of \$949,967. Presidential Scholarships met 22% of the overall need.
 - 325 students (43% of the student body) applied with **185** students or 56% receiving awards.
 - Average Award = \$1,140
 - Maximum Award = \$1,755
 - 57% of the money awarded went to minorities who comprise 29% of the student body
 - **Minority Awards**
 - **106** minority students (48% of the minority student population) received awards totaling **\$119,867**
 - Average award to minorities = **\$1,131**
 - Maximum award possible to minorities = **\$1,755** with **7** awarded
 - **Non-Minority Awards**
 - **79** non-minority students (14% of the non-minority student population) received awards totaling **\$91,093**
 - Average award to non-minorities = **\$1,153**
 - Maximum award possible to non-minorities = **\$1,755** with **6** awarded
- **Employee** - GMC awarded **\$192,453** to 111 children of 88 employees through a \$1,000 (3rd-5th Grade) or \$2,350 (6th-12th Grade) reduction in tuition.
- **Multi-Child** - GMC awarded **\$79,430** in scholarships to 164 families with multiple children in the Prep School.
- **Full Pay**- GMC awarded **\$23,500** in scholarships to 95 families who paid the full tuition amount at the time of registration.
- **Active Duty Military** - GMC awarded **\$1,410** in scholarships to 4 active duty military families.

GEORGIA MILITARY COLLEGE FOUNDATION SCHOLARSHIPS administered by GMC

The GMC Foundation works with the institution and private donors to both establish and maintain opportunities for students to receive scholarship monies.

- **\$203,424** was awarded to students from **129** families. (\$95,990 from New Day Scholarship Fund)
- Foundation Scholarships met **21%** of the overall need. Combined with Presidential Scholarships, 43% of Smart Aid's need assessment was met.
- Usery Legacy Fund provided **\$75,785** to 299 students. (Uniform Issue for Students)

BUILD ONE ANOTHER UP FUND (BOAU)

- The Build One Another Up Fund administered by the GMC Foundation provides assistance to students whose family circumstances make purchasing school lunch an added hardship.
 - Awarded **\$7,901** to 29 students



July 20, 2020

GMC ENGINEERING UPDATE

Current projects:

- COVID-19 continues to have a significant impact on campus life and the engineering department. Engineering and Food Service furloughed 60 employees at the beginning of remote learning. We have recalled 10 to date and have a plan to recall 40 more as face-to-face classes resume in early August. Additionally, the prison detail is not coming to campus.
- Engineering reviewed a number of decontamination systems designed to eliminate the COVID-19 virus from classrooms. We selected an ionization system that has proven to be 99.4% effective against the SARS- CoV-2 (COVID-19) virus. We have purchased approximately 200 of these units for installation in student areas. Installation is complete in Milledgeville and underway at the other campuses. Our goal is to have the initial installation plan complete prior to the start of fall classes. We are confident that we will need to identify other areas that should be treated after the initial round of installations.
- Garbutt continues to address warranty issues in the Annex and Jenkins Hall. In the Annex, they continue to try to determine the source of moisture under the floor in the Bulldog Café. The floor tiles along the window have been replaced several times without success. They are also still working on Jenkins Hall HVAC control system problems.
- The Prep School requested an additional area in the Annex to serve as a music classroom. We developed a plan to convert a large storage room on the lower level into a music suite. A door has been added to provide secure access from the lower lobby and construction is underway. We expect it to be ready for classes by August 10th.
- The Custodial Department has also focused on virus control. They have thoroughly researched available products and application systems for disinfecting areas. They have purchased six fogging machines and use them routinely to clean areas before

and after classes and camps. They are prepared to travel to any campus to disinfect if we experience a positive case of COVID-19 on campus. The custodial leaders have also received training from the Georgia National Guard and the Board of Regents and relayed the lessons learned to their team members.

- The Custodial Department is managing the purchase of sanitizing supplies including hand sanitizer and dispensers for all campuses. These products have been in extremely short supply with more promises than deliveries. We do believe that we have at least two months of supplies available for distribution when classes resume but this is only an estimate.
- The future Student Services Building (SSB) continues to advance. The State provided \$2.5 million for construction in FY21 bond funds. Our architect has provided a revised set of plans based on the new construction site for our review. There is a significant slope to the site necessitating a basement on the west side of the building. Our team is reviewing these plans and will provide final comments before complete construction documents are prepared. We currently estimate construction will begin in the November-December timeframe.
- The Center for Education of the Arts (CEA), formerly known as FACE, drawings and specifications are complete. Demolition is in progress on the site as we move forward with this project. We are continuing to advance with this project but at a slower pace than initially planned as we work through the challenges presented by COVID-19 as well as the downturn to the economy.

Other projects:

- Our project to replace the court floor in Cordell is complete. The new floor is in place and finished in a very appealing manner. With proper maintenance, we expect it to last at least 30 years, like the old floor did. We also refinished the court floor in the Kidd Center with a different and more durable product. The appearance of the Kidd floor is improved as well as its' durability.
- The motor pool has focused on vehicle maintenance and preparing our buses for future trips. We have also developed suggested guidelines for trip requestors to help them maintain social distance while traveling and reduce the possibility of transmitting the COVID-19 virus. All vehicles are being sanitized after each use and when possible, dedicated to a single user.

- The motor pool added a 1,000 gallon fuel tank in lower engineering. This tank will save GMC money and time on every gallon. This tank is being used to fuel golf carts and lawn equipment. In the past we were making several trips per week to fill a dozen or more five gallon containers at retail price. This tank has eliminated these trips and is allowing us to purchase better fuel for these small engines at wholesale pricing.
- Maintenance has been busy supporting other campuses with trips to relocate smart boards as well as painting projects. These trips are direct without stops to reduce the possibility of COVID-19 infection.
- Food Services has served lunch Monday – Thursday each week to support the mission essential employees working on campus with only four food service employees. We have an approved recall plan to bring our other food service employees back to support upcoming camps and our resumption of in-seat instruction. All employees have been notified of their return to work date.
- Engineering and Food Services have undertaken a remodel of the existing College Building Cafeteria. New paint and new logos have been completed. Existing artwork is being replaced by student artwork. New updated furniture is on order and we are planning for replacement in the next 2 -4 weeks.
- The cabinetry for the Hall of Hero's in the Center for Ethics and Servant Leadership (CESL) has arrived and is in place. These cabinets are a beautiful addition to the CESL lobby.
- The Property Department has saved GMC a very significant amount of money through state and federal surplus. They were able to acquire lots of almost new vehicle service supplies and equipment at no charge from Augusta University. They have also picked up several truckloads of bottled water from federal surplus as well as band and other equipment.

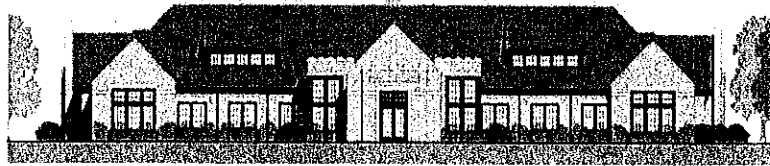
Property:

- Demolition is complete and cleanup is in progress for the houses at the corner of Greene Street and Elbert Street. We received permission from the State Historic Preservation Division to demolish these as part of our upcoming project. Demo Dave is doing an excellent job as we continue to prepare this area for the construction of the new Center for Education of the Arts (CEA).

- We have cleared the property we own behind the houses on South Warren Street between the lower practice fields, the rail bed and the indoor training facility as a location for part of our cross country track. The athletic directors and coaches are all pleased with the progress. We still need to complete the actual running path after the area dries.



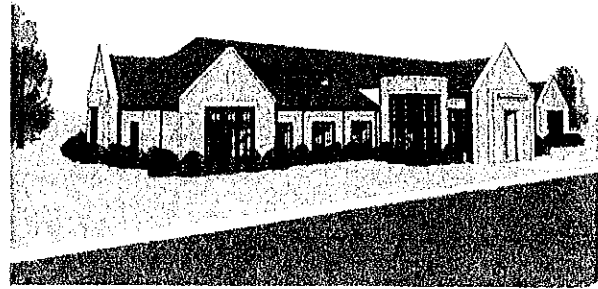
Fogging Team at work in Jenkins Hall



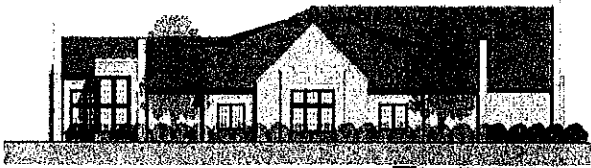
1 Proposed Front (East) Elevation



2 Proposed Left (South) Elevation



5 View From South - Johnson

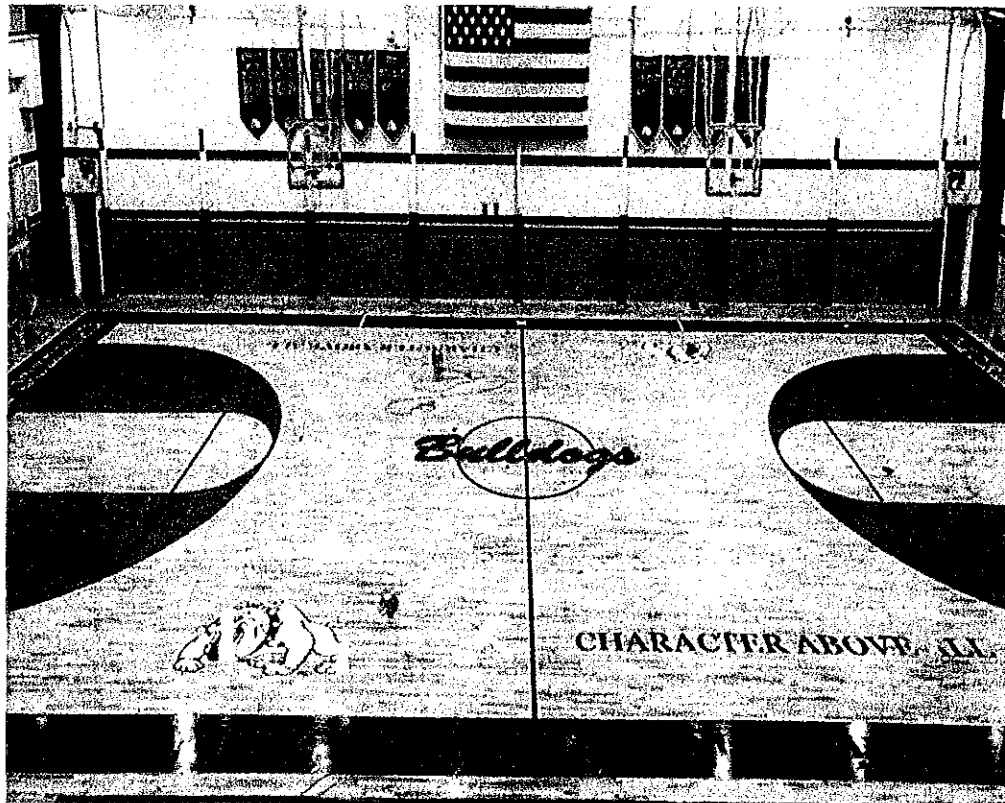


3 Proposed Right (North) Elevation

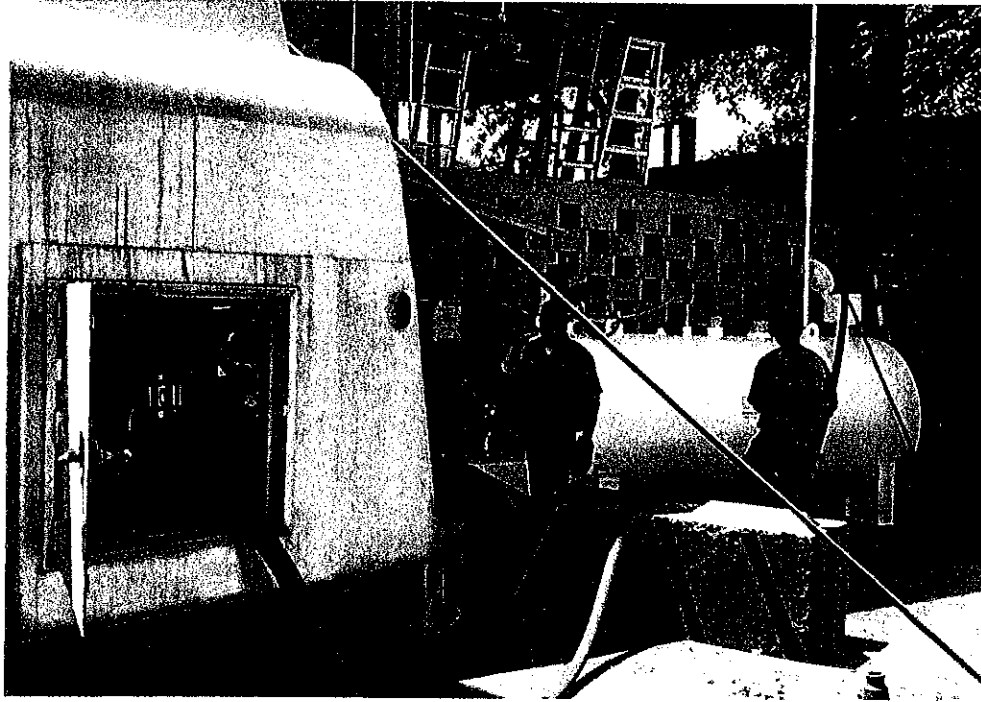


4 Proposed Rear (West) Elevation

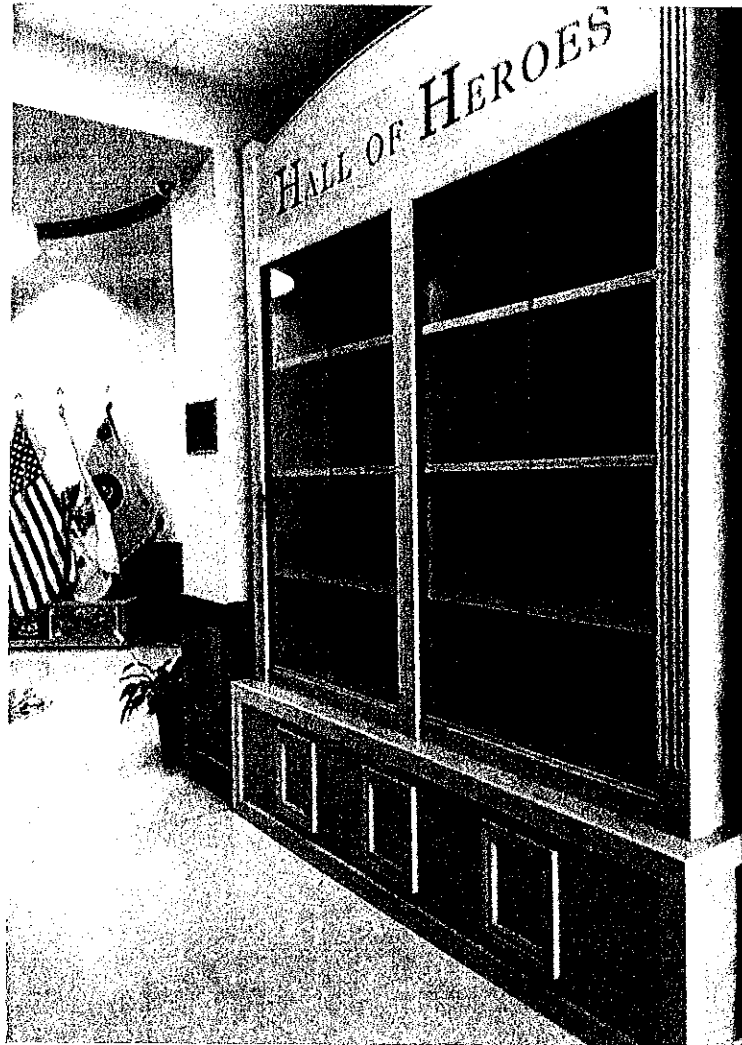
SSB exterior views



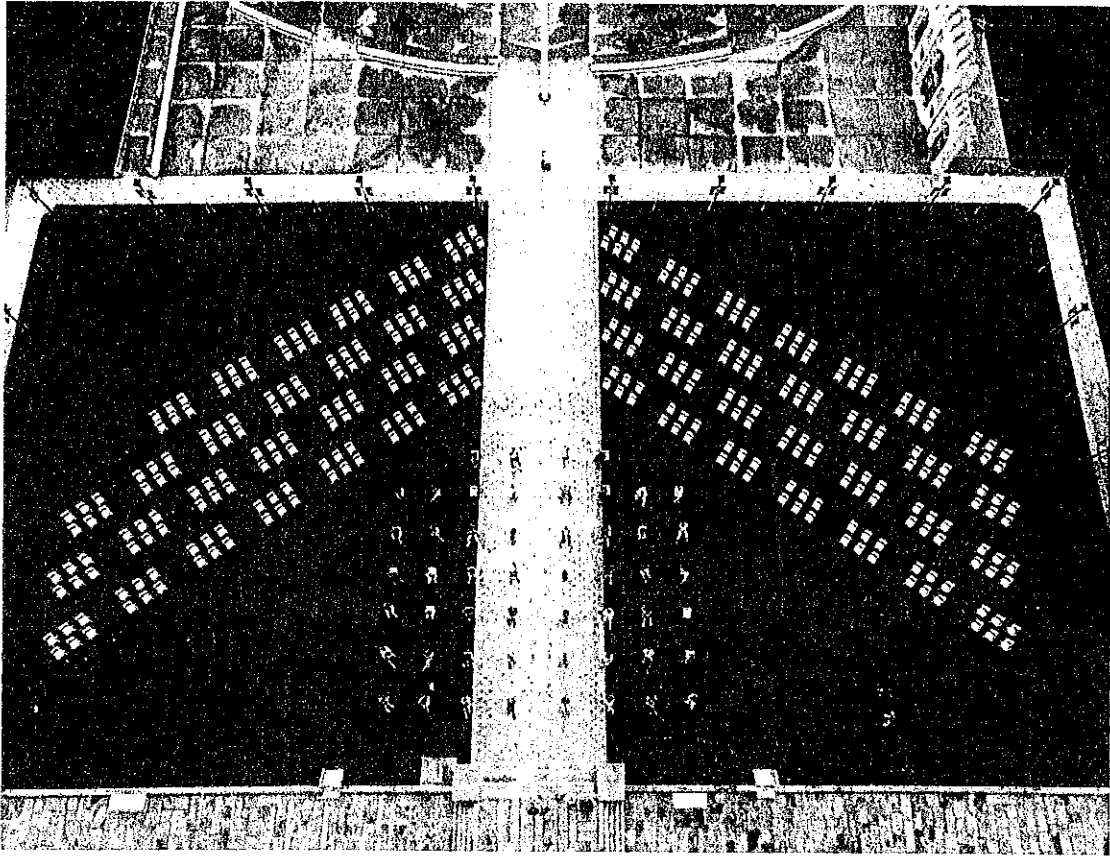
New Cordell court surface and finishing



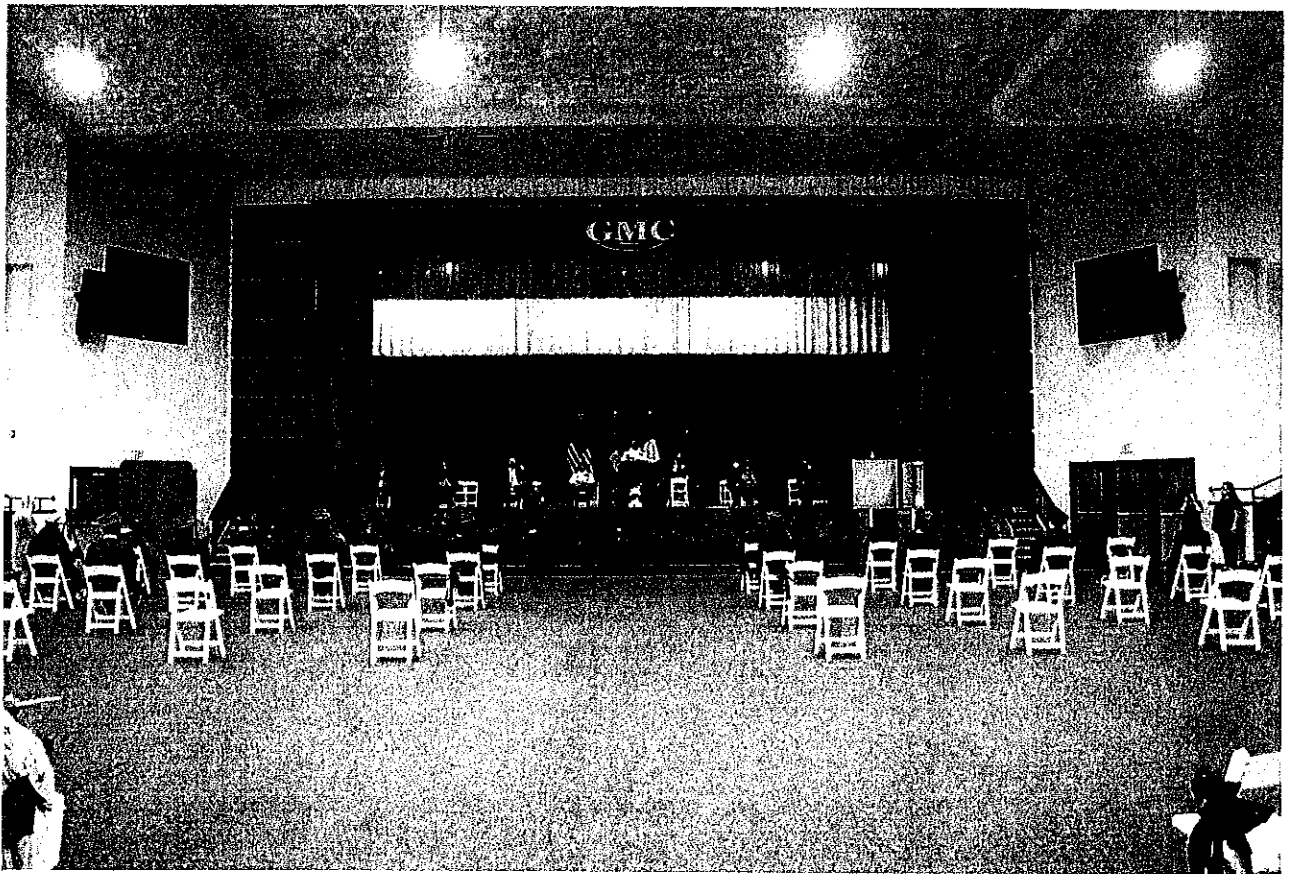
1,000 gallon fuel tank in lower engineering



One of the Hall of Heroes Display Cabinets in the CESL



Prep School Graduation Setup on Grant Parade



JC Graduation Setup in the GMC Activity Center