



MEETING: Board of Trustees, Georgia Military College, Bulldog Room, Tuesday, January 17, 2023, 4:00 p.m.

PRESENT: Mr. George Hogan Sr., Chairman of the Board; Members: Mr. Mike Cobb, Mrs. Doris Renfroe, Elder Alan Wicker, Mr. Brooks Snider, LTG William B. Caldwell IV, President of Georgia Military College, Mr. Randy New and COL Jim Watkins, Advisory Board Members, Senior GMC Team members and other interested parties.

ABSENT: Mayor Parham-Copelan

**BUSINESS:**

1. Chairman of the Board, Mr. George Hogan Sr., having already declared a quorum to be present, called the meeting to order.
2. Chairman Hogan recognized former GMC Board of Trustees member, Representative Ken Vance, for his dedication and outstanding service to Georgia Military College for the last eight years. Representative Vance accepted Chairman Hogan's, as well as all of the other Board members, well wishes on his retirement from the Board and in his new endeavors.
3. Chairman Hogan asked for a motion to adopt the agenda for the January 17, 2023 Board meeting. Elder Wicker made the motion, with Mr. Cobb seconding the motion. The agenda was adopted.
4. Chairman Hogan asked for a motion for the minutes of the meeting on October 10, 2022 to be approved. Mr. Cobb made the motion, with Elder Wicker seconding the motion. The minutes were approved by unanimous vote.

A clarification was made that although the Advisory Board Members are asked to vote, they are non-binding voting members and their vote is for the record only and as advisement to the Board members, not for decision making purposes.

5. Mrs. Joelle Trumbo, Director of Staff, provided the Board with Conflict of Interest and Undue Influence information prior to the meeting. All present Board members signed a No Conflict-of-Interest Statement.
6. **CHAIRMAN'S REPORT**

Chairman Hogan invited the Board members to a 2023 Kick-Off Dinner with member of the senior leadership team. He asked Joelle Trumbo to coordinate the best date/time with the Board members and leadership team.

Chairman Hogan formed a subcommittee to review the GMC Board of Trustees By-Laws, with the specific task being to review Article V, Section IV, the criteria to be an advisory member to the Board and making any recommendations for updating the criteria. Vice-Chairman Cobb and Mr. Brooks Snider were appointed to the subcommittee, along with Mrs. Joelle Trumbo, to help guide the members through the review and answer any questions that may arise.

7. COL Chip Kirby presented a finance committee update. The update included the following topics:
  - FY23 Budget Execution Update
  - FY24 Budget Assumptions
  - FY22 Financial Audit Complete
  - DOAA Performance Audit – ongoing

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

8. Mr. Craig Portwood, Director of Alumni Engagement, briefed the Alumni Association Report in the absence of Mr. Edwin Amerman, GMC Alumni Association President. Highlights from the Alumni Association Report are below:

- There are 25 members of the Alumni Board, representing six different alumni decades with both Prep School and Junior College representation.
- FY22 Alumni Board Giving was at 100% participation.
- Alumni Endowed Scholarship balance (as of the end of FY22) was \$301,741 and there have been disbursements of \$11,800 in FY23.
- Alumni giving increased in FY22 and there were 65 first-time alumni donors.
- The 2022 Alumni Weekend was successful with 219 participants.

9. Mr. Jeff Gray 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 the Board an update on the following initiatives:

- The Georgia Public Safety Leadership Institute (GPSLI) – Continues to move forward in a positive direction. The key piece is the Public Safety Leadership Program. We have not secured any formal support in the form of funding. We are, however, working other aspects of the Institute.
- Legislative Initiatives Update – GMC has two legislative priorities. The first is to gain approval to offer BA and BS degrees for the Global Online Leadership College. The second is for Maintenance, Repair, and Restoration funds for various facilities on GMC Main Campus

General Caldwell reiterated to our Board that Leadership has been the core foundation of who we are as a school since 1879 and that as we look forward to the future, a Legacy of Leadership will continue to be the defining characteristic of a GMC graduate.

11. Chairman Hogan tasked COL Kraft to form a Georgia Public Safety Leadership Institute (GPSLI) Advisory Council made up of state and local law enforcement leadership in order to create more buy-in and support, and provide guidance, from the state for GPSLI.

12. The next meeting of the Board was scheduled for April 17, 2023.

13. 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

# **Finance Committee Update for the Board of Trustees**

January 17, 2023

1

## **Agenda**

- **FY23 Budget Execution Update**
- **FY24 Budget Assumptions**
- **FY22 Financial Audit Complete**
  - **Exit Conference held 9 December 2022**
  - **Two observations:**
    - **Physical inventory of equipment was not completed**
    - **The payroll bank reconciliation for June was not prepared/approved in a timely manner and contained old reconciling items totaling \$9,082.99**
- **DOAA Performance Audit – ongoing**

# FY23 Operations Summary

(for first six months to 12/31/22)

	FY23 Revised Budget	FY23 Actuals July-Dec	
Revenue	75,325,559	50,384,939	67%
Salaries & Benefits	46,235,846	20,791,391	45%
Travel	584,611	179,579	31%
Operating Expenses	23,231,457	13,197,234	57%
Depreciation	4,855,000	2,427,500	50%
<b>Total Expenditures:</b>	<b>74,906,914</b>	<b>36,595,704</b>	<b>49%</b>

Notes: (SL = 50%)

- Prep School annual revenue booked in Q1
- Expense percentages to budget are similar to this time in FY22
- HEERF & SSARP funds received to date: \$4.4M (shown as revenue)
- Year to date GMC wide expenses are deliberately below plan by \$1.9M (savings); done to offset reduced revenue of \$1.8M

1/12/2023

3

# FY24 State Budget Proposal

(January XX, 2022)

Rollout anticipated between 12 – 17 January 2023

1/12/2023

4

## **FY24 Budget Assumptions (1 of 3)**

- **Fact: State funding guidance held agency operational budget amounts equivalent to FY23 = flatline / no adjustments for inflation**
  - Prep School funding estimated at \$4.7M (October census report will adjust some with Fall 2022 headcount of 868 student census & 82 staff//faculty)
  - JC funding estimated at \$3.7M
- **Submitted three (3) Capital Fund requests totaling of \$4.5M**
  - \$817,000 – Wilder Hall FFE (if approved, total State funds for the project \$7.1M)
  - \$2.00M – Additional ACE Bldg funds (request to help offset \$2.45M GMC funded, Project total \$4.9M, State provided \$2.5M in 2021)
  - \$1.76M – Major Repair & Renovations, total of 9 projects (next slide - update )
- **Governor’s Budget proposal will not reflect the \$860,000 request to stand-up Georgia Public Safety Leadership Program**
  - GMC will proceed forward with Proof of Principle
- **No additional CARES Act & HEERF funding in FY24**

1/12/2023

5

## **FY24 Budget Assumptions (2 of 3)**

**GMC identified \$1,764,000 in FY24 Capital Projects Funds for nine projects in Milledgeville.**

<u>Proposed Projects if approved for State MRR Funds</u>	<u>Dollars</u>
Replace Lower Roof of College Academic Building (Miller Hall)	\$250,000
Re-directed GMC Parham Hall bond funds	\$233,000
Replace Fire System for College Academic Building (Boylan/Miller)	\$100,000
Repair Foundation and Replace Pavers Around Old Capitol Bldg	\$150,000
Replace 3x HVAC Old Capitol Academic Building Rooftop Units	\$ 70,000
Replace Kitchen Floor in the College Cafeteria	\$160,000
Replace Student Auditorium Seat Upholstery and Carpet	\$200,000
Upgrade of the Chiller in the Activity Center	\$250,000
Renovations to the Activity Center	\$500,000
Repairs on the Stucco for the North Gate	\$ 84,000

1/12/2023

6

## **FY24 Budget Assumptions (3 of 3)**

- **GMC JC credit hour goals will be reduced from FY23 = less revenue; and therefore, not as many faculty/staff required.**
  - ❖ FY23 Q1 & Q2 Credit Hours were 6-8% below budget estimates
  - ❖ GMC continues to seek additional opportunities to offset CH production
- **Prep School: SY23-24 add one each 1<sup>st</sup> & 2<sup>nd</sup> grade classes with approx. 20 students/class = additional 40 students.**
  - **Wilder Hall expected to open in December 2023 with additional classes for second semester, January 2024.**
  - **Starting January 2024, 4th and 5th grade classes will relocate to Wilder Hall**

1/12/2023

7

## **FY24 Budget Guidance**

FY24 Budget Guidance provides the framework for Directors and Department Heads to develop their annual operating budget. FY24 budget formulation is synchronized with the Prep School, Community College, GOLC and Main Campus Strategic Planning timeline.

### **Key Guidance:**

- **Funds efforts supporting our pathways of opportunities: (Main Campus, Community College, Global Online Leadership College and the Prep School) and supports strategic objectives (Contribute to Student Success, Create Opportunities, Think and Act as One Institution, and Invest in the Future of GMC)**
- **Recognizes decreases with in-seat credit hours and increases with on-line credit hours**
- **Board approved Prep School and Junior College tuition increases**
- **With Board concurrence, provides for employee pay raise due to CPI going up (plan for a minimum of 3%); and some others adjusted from Pay Compensation Study analysis**
- **Holds operating expenses and travel expenses at FY23 levels wherever possible**

1/12/2023

8

## Dept of Audits and Accounts Special Examination of GMC

- May 31, 2022, House Appropriations Committee requested a special examination of GMC, and have just been notified, with the intent to:
  - 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 2022 – March 2023
  - Second site visit @ GMC: November 14-15 (3x analysts)
  - Draft Report: March-April 2023 (\* change from initial timeline)
  - Review Report: April 2023
  - Release: (T) April – May 2023

1/12/2023

9

## FY23 Legislative Agenda Items

- Bachelor Degree, BA & BS, for the Leadership College/GOLC
- Major Repair & Renovation Budget – Milledgeville, State Owned/Board of Trustee Facilities
  - 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)
  - Amended FY23 Request - submit project based request @ **\$1.75M** for 10 Projects (Milledgeville)
  - FY24 Request to add a **\$1.76M** MRR GMC Budget line, similar to how Board of Regents calculates = 1% of Bldg Replacement Value (Milledgeville)
- Capital Project **Additional** Funding Request: \$2.0M for ACE (\$2.5M original bond amount – project total now at \$4.975M)

1/12/2023

10

# Questions / Comments





## GMC Board of Trustees Engineering Update



### 5<sup>th</sup> Grade STEAM Class Tour of the CFL

January 17, 2023

Start Here ... Go Anywhere!

1



## Construction Update

- Center for Leadership (CFL)
- Academic Center of Excellence (ACE)
- Wilder Hall Historic Renovation, Restoration and Addition
- 120 & 140 S Jefferson
- Other Projects

Start Here ... Go Anywhere!

2



## Center For Leadership

- Construction is Proceeding Very Well.
- The CFL is “dried-in” and numerous subcontractors are working.
- We are 60-90 days from Substantial Completion. Pending Major Work:
  - Installation of the primary electrical panel
  - Start up of HVAC system
  - Receipt and installation of theater seats
  - Flooring arrival and installation
  - Venetian plaster installation

Start Here ... Go Anywhere!

3



## Academic Center of Excellence

- Construction Started July 11<sup>th</sup>
- Concrete Slab is in Place
- Steel Erection is Underway
- Curb and Gutter are in Place
- Tie-in to City Water and Sewer is Complete
- Roof Truss Installation is in Progress
- Electrical Work Continues
- Expected Completion Date in May 2023

Start Here ... Go Anywhere!

4



## **Wilder Hall Renovation and Addition**

- **\$6.3M in State FY23 Bond Funds Approved for this Project**
- **Garbutt is On Site and Executing the Demolition Work**
- **Construction Package is In Review by GSFIC and Should be Returned With Comments This Week**
- **Some Undesirable Materials Were Found During Demolition and Are Being Addressed**
- **Estimate Late Fall Completion**

*Start Here ... Go Anywhere!*

5



## **120 & 140 S. Jefferson Street**

- **140 is the new home of the Global Online Leadership College (GOLC)**
- **A portion of 120 is in use as storage for IT equipment in transit**
- **120 is available for expansion of office space as needed**
- **Both are incorporated into the CFL Landscaping Plan**

*Start Here ... Go Anywhere!*

6



## Additional Current/Recent Projects

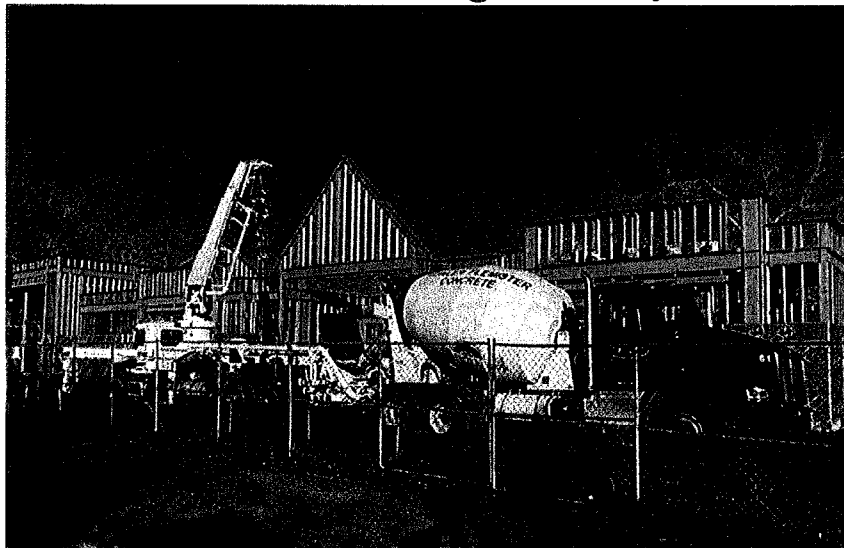
- Sandersville and Eastman Campuses Closed and Returned
- Extensive Painting in Valdosta
- Planning for Columbus Campus Relocation
- Several Repairs due to Deep Freeze
- Annual Tree Trimming and Removal
- Continuing Furniture Moves to Upgrade and Repurpose
- Numerous Upgrades to Older HVAC Systems
- Annual Training and Employee Certifications

Start Here ... Go Anywhere!

7



## ACE Mezzanine Being Poured/Placed



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8