

ARMSTRONG ATLANTIC STATE UNIVERSITY

Finance Committee Report Minutes of Tuesday, March 4th, 2008

Present: President Tom Jones, Vice President Ellen Whitford, Professor John Jensen, Dr. Judy Awong-Taylor, Dr. John Hobe, Dr. Rhonda Bevis, Dr. Kam Fui Lau, Ms. Jo Parrott

I. Call to Order:

Professor John Jensen called the meeting to order at 4:05pm, Room 220 at the Armstrong Center.

II. Approval of the Minutes:

The minutes from the Tuesday, November, 13th, 2007 meeting were approved by the committee members present.

III. Introductory Comments:

Professor Jensen presented an overview of the objectives of the meeting.

IV. Comments: President Jones:

A. Update on misuse of P-cards:

President Jones distributed a Status Report (attached) regarding the irregularities in the use of P-cards. President Jones reiterated that the investigative process is still on-going, and litigation may be pending. The results of the investigation has now been turned over to the Attorney General's office. President Jones addressed in detail each of the action items listed on the Status Report. It was pointed out that the majority of cases involving misuse of the P-cards were not fraudulent, but rather due to a lack of understanding of procedures and policies. Several new initiatives (as outlined in the Status Report) have been instigated to prevent future misuse of the P-cards.

B. Revised 2008 Budget Request:

President Jones distributed a revised version of the 2008 budget request (attached). The new version uses a new model that is now being used by the USG office. Request for new funds will now fall into two categories: 1. Strategic Funding Initiatives (SFI) and 2. Targeted Enhancements (TE). AASU has submitted a request for new funds in the amount of approximately \$1.6 million dollars. These new funds will be used for:

1. Instruction-

- College of Arts and Sciences - new faculty lines in tourism- Geography & Economics.
- College of Health Professions - new faculty lines in Respiratory Therapy and Radiologic Sciences
- College of Education - new faculty lines in Teacher Ed for outreach services
- Salary adjustments for all faculty.

2. Academic Support-

- CIS - new servers and training for on-line support
- Academic Resource Center - Recruitment & Retention
- Liberty Center - library facilities

3. Student Services-

- Student Affairs- additional counselors.

4. Institutional Support-

- VP for Finance - salary for new internal auditor
- Public Safety - funds for risk management (includes special communication systems)
- CIS Admin - CIS personnel training and faculty training
- External Affairs - Freshman scholarships

V. Conversion of the University Finance Committee to the Planning, Budget & Facilities Committee under the new Senate System of Governance:

Professor John Jensen, Dr. Judy Awong-Taylor, Dr. John Hobe, Dr. Rhonda Bevis and Dr. Kam Fui Lau discussed and reviewed the newly adopted bylaws for the Planning, Budget & Facilities Committee. The committee also reviewed Article X and the composition and apportionment of the new committee. Recommendations were made and submitted to Dr. Mike Toma.

VI. Adjournment

The meeting was adjourned at 5:30 pm.

Respectfully submitted by the Armstrong Atlantic State University Finance Committee

Armstrong Atlantic State University

STATUS REPORT

Upon learning of irregularities in the use of P-Cards from the USG auditors in mid-December, the following actions have been taken at the university.

- Action #1: President Jones formed a task force, chaired by Ms. Elizabeth Sams, university attorney, to update the current university purchasing card policy following guidance from the USG auditors.

Status: The P-Card policy has been updated, reviewed by USG officials and approved by President Jones (late January 2008). The revised policy provides clear procedures, processes and controls for P-Card users and their supervisors. In addition, it calls for initial training and periodic retraining of all employees authorized for P-Card use and their supervisors. As of March 3, 2008, all authorized P-Card holders have received retraining on the new P-Card policy. Supervisor training will be complete by March 7, 2008.

- Action #2: Since the first learning of P-Card irregularities, university officials have worked closely with the USG auditors and legal staff to provide all requested information relating to the investigation of the irregularities.

Status: The USG auditors have completed their investigation at the university.

- Action #3: After consultation with USG officials, President Jones moved immediately to secure an internal auditor for the university. The internal auditor will report directly to the president and the chief auditor of the University System of Georgia.

Status: A search is currently underway to fill the internal auditor position. It is anticipated that interviews of finalists will occur during March 2008.

- Action #4: On January 17, 2008, President Jones made a formal request to the chief auditor of the University System of Georgia for a business and finance operations audit, which will include an assessment of the university's business and finance procedures, practices, systems and controls.

Status: President Jones has been informed that this will be scheduled during Spring 2008.

- Action #5: In early January 2008, President Jones hired Mr. William Gauthier to serve as interim vice president for business and finance at the university. Prior to

his retirement less than a year ago Mr. Gauthier served for 14 years as the vice president for business and finance at the University of West Georgia.

Status: Interim Vice President Gauthier is currently serving the university and has agreed to continue to do so until a permanent VPBF is hired.

- Action #6: In late January 2008, a national search was initiated for a Vice President for Business and Finance at the university. Dr. Ellen Whitford, Vice President and Dean of Faculty, is serving as chair of the committee.

Status: The search is underway and plans are to begin candidate interviews in mid-April 2008. The position will be filled as soon as practical, but by no later than July 1, 2008.

Budget Request & Allocations - FY 2009
Armstrong Atlantic State University

		FY 2008 Budget	Request for new funds	Revised Request	Adjustment/Shadow budget	Notes	Strategic Investment allocation model calculation	Other Adjustment	Total recommended new funds	Total FY 2009 budget
INSTRUCTION										
	College of Arts and Sciences	\$ 12,333,972.00	\$ 180,000	\$ 180,000						
	College of Health Professions	\$ 6,933,204.00	\$ 145,000	\$ 145,000						
	College of Education	\$ 3,762,185.00	\$ 130,000	\$ 65,000						
	School of Computing	\$ 2,777,572.00								
	Others	\$ 1,831,868.00								
	All Instruction - Faculty Salaries		\$ 400,000	\$ 400,000						
RESEARCH										
PUBLIC SERVICE										
	Continuing Education	\$ 349,830.00								
	Public Service Institutes	\$ 1,162,593.00								
ACADEMIC SUPPORT										
	VP Academic Affairs	\$ 606,544.00								
	Library	\$ 1,892,362.00								
	CIS - Operations	\$ 1,475,758.00	\$ 50,000	\$ 50,000						
	Dean's Office	\$ 2,372,845.00								
	Academic Resource Center	\$ 247,603.00	\$ 175,000	\$ 175,000						
	International Programs	\$ 204,206.00								
	Liberty Center	\$ 443,001	\$ 222,615	\$ 222,615						
	Off Campus Programs	\$ 183,831								
	Student Success	\$ 268,256.00								
	Technology	\$ 707,000.00								
	Others	\$ 345,208.00								
STUDENT SERVICES										
	Student Affairs	\$ 1,451,635.00	\$ 41,300	\$ 41,300						
	Financial Aid	\$ 499,944.00								
	Registrar & Admissions	\$ 1,451,245.00								
	Others	\$ 396,250.00								
INSTITUTIONAL SUPPORT										
	President's Office	\$ 464,735.00								
	VP for Finance	\$ 237,983.00		\$ 85,000						
	Financial Services	\$ 851,547.00								
	Business Services	\$ 508,990.00								
	Human Resources	\$ 279,855.00								
	Public Safety	\$ 829,407.00	\$ 150,000	\$ 130,000						
	Sponsored Programs	\$ 179,251.00								
	CIS Admin	\$ 938,677.00	\$ 35,000	\$ 35,000						
	External Affairs	\$ 1,563,833.00	\$ 85,000	\$ 85,000						
	University Relations	\$ 524,645.00								
	Others	\$ 786,232.00								
PLANT OPERATIONS										
	Facilities - Physical Plant	\$ 272,508.00								
	Building Maintenance	\$ 1,312,051.00								
	Custodial Services	\$ 742,000.00								
	Utilities	\$ 2,830,663.00								
	Landscape and Grounds	\$ 573,427.00								
	Others	0								
TOTAL		\$ 54,592,716	\$ 1,613,915	\$ 1,613,915	\$ -		\$ -	\$ -	\$ -	\$ -

Revenues	2008	Increase	2009						
State Funds	\$ 33,315,708	\$ 1,613,915	\$ 34,929,623						
SFI	\$ 305,884		\$ 305,884						
Research Consortium	\$ 582,665		\$ 582,665						
Tuition	\$ 17,314,838	\$ 517,225	\$ 17,832,063						
Other general funds	\$ 720,150		\$ 720,150						
DS&S	\$ 1,511,971		\$ 1,511,971						
Indirects	\$ 134,500		\$ 134,500						
Tech Fees	\$ 707,000		\$ 707,000						
TOTAL	\$ 54,592,716	\$ 2,131,140	\$ 56,723,856						
Assumptions:	2008	Increase	2009						
Students - FTE	\$ 5,763	200	5,963						
Faculty	\$ 231	8	239						
Staff	\$ 368	1	369						
Grad Tuition rate per FTE	\$ 1,215	\$ 73	\$ 1,288						
Undergrad Tuition rate per FTE	\$ 1,345	\$ 81	\$ 1,426						
FFF 1	\$ 1,280	\$ -	1280						
FFF 2	\$ 1,434	\$ -	1434						
FFF 3	\$ 1,520	\$ 86	\$ 1,606						
Total tuition	\$ 16,982,917	849,146	17,832,063						
Strategic Goals:									
Goal 1	Increase enrollment by 200 FTE students (3.5%) in fall 2008.								
Goal 1	Increase Retention rate by 2% by increasing student support services.								
Goal 1	Increase retention and graduation rates by proactively planning for student safety on campus.								
Goal 2	Increase instructional capacity in Radiologic Sciences, Respiratory Therapy, and Early Education.								
Goal 2	Provide Equity in Faculty salaries to maintain/increase instructional capacity.								
Goal 1, 3	Increase research & economic development capacities by hiring 1 Geography and 1 Economic Professor.								
Goal 5	Increase number of scholarships available by hiring a Scholarship Fund Raiser.								
Goal 1,2,3,4,5	Increase regional outreach by expanding the Liberty Center and increasing distance learning capabilities.								