MINUTES
TROY UNIVERSITY
BOARD OF TRUSTEES' MEETING
May 12, 2017, 2 p.m.
Hawkins Hall Conference Room
Troy Campus
Troy, Alabama

The Troy University Board of Trustees convened at 2:00 p.m. on May 12, 2017 in Hawkins Hall Conference Room on the Troy University Campus, Troy, Alabama.

I. Call to Order

Board President, Governor Kay Ivey, called the meeting to order. Members of the media present from WSFA Television Mr. Doug Gooden and the Tropolitan Mr. Matt Pradyot were recognized. Before proceeding with the agenda, the Governor made some brief remarks and expressed her pleasure being with the Troy University Board of Trustees for her very first meeting chairing the Board. The Governor recognized Senator Gerald Dial for his years of commitment to Troy University, to the State of Alabama, and for his many years of service in the Alabama Senate. Governor Ivey thanked Chancellor Jack Hawkins for his exemplary leadership in a world-class institution. She added that since the Chancellor began his service to the University in 1989 Troy University has become a jewel in Alabama's higher education. She added that through his leadership the University has expanded its reach around the world.

The Governor stated that quality in higher education is essential to economic development and Chancellor Hawkins has shown great leadership in pursuing such an education for Troy University.

The Governor called for a roll call and the following members answered present.

II. Roll Call

Upon roll call, the following members, comprising a quorum, answered present: Governor Kay Ivey, Senator Gerald O. Dial, Mrs. Karen Carter, Gen. Ed Crowell, Dr. Roy H. Drinkard, Mr. John D. Harrison (via telephone), Dr. Earl V. Johnson, Mr. Lamar P. Higgins, Mr. Forrest Latta, Mr. Gibson Vance, Mr. Charles Nailen, Mr. Allen E. Owen, and non-voting member Student Government Association President Ms. Ashli Morris.

III. Approval of Minutes

A draft copy of the January 26, 2017 minutes was provided to the Board members prior to the meeting. Senator Dial called for a motion to approve the minutes as presented.

ACTION: SENATOR DIAL MADE A MOTION TO ACCEPT THE MINUTES FOR THE JANUARY 26, 2017, MEETING AS PRESENTED. THERE WERE NO CORRECTIONS OR ADDITIONS BROUGHT FORWARD. FOLLOWING A SECOND BY MRS. KAREN CARTER AND WITH NO FURTHER DISCUSSION, THE MOTION CARRIED AND THE BOARD ADOPTED THE MINUTES AS PRESENTED.

IV. Special Presentation to Sun Belt Conference Champions Men's and Women's Basketball Teams, Honorable Gerald Dial

Following roll call, the Governor called upon Senator Dial make presentations to the Men's and Women's Sun Belt Conference championship basketball teams.

Senator Dial asked the Governor and Chancellor Hawkins to join him in making the presentations of resolutions from the Alabama Legislature. Accepting for the men's basketball team was Assistant Coach Marcus Grant (representing Head Coach Phil Cunningham). Accepting for the women's basketball team was Head Coach Chanda Rigby. Coach Grant and Coach Rigby made brief comments and thanked the Board members for their support.

Following the presentations, the Governor turned the meeting over to Senator Gerald Dial and he called on the Chancellor to give his report.

V. Reports

A. Chancellor

The Chancellor welcomed Student Government Association President, Ashli Morris, to the Board.

The Chancellor shared highlights of the agenda before the Board today.

- Academic Affairs, Mrs. Karen Carter
  --IDEA (Innovation, Design, & Entrepreneurism Accelerator) Center Update, Dr. Judson Edwards
  --Textbook policy resolution (focusing on cutting cost of textbooks)
  --DeMarcus Ware resolution (DeMarcus Ware will deliver December 2017 Commencement address)
- Student Affairs, Mr. Lamar Higgins
  --Commending outgoing SGA President Olivia Melton
  -- Report from SGA President Morris
- Finance, Mr. John Harrison
  --Financial Report
  --Tuition/fee schedule resolution
- Athletics, Mr. Allen Owen
  --Athletics Report

A summary of the Chancellor comments follows:

Student Debt

- $1.4 Trillion
- 44m borrowers/average $350 a month
- Federal loans per student borrowed in 2015 in US average $6,829/Alabama average $7,133/TROY average $6,587
- 2016 TROY average $6,265

FTE Funding Snapshot

- All Alabama average $7,321
- Doctoral institution average $8,426
- Non-doctoral average $5,616
- Two-year college average $5,858
- TROY average $4,820
- TROY needs $8m annually to reach non-doctoral average
- TROY needs $10m to reach two-year college average

Cost Containment

- $3M consolidation of support centers in Florida and Georgia
- $1.3m reduction in personnel and lapsed salaries
- $300k cost reduction in online education
- $300k change in credit card system
- Textbook policy

Troy Campus fall enrollment indicators positive (Troy campus only)

- Applications up 18% over 2016
- Admissions up 10%
- Housing demand up 20%
- Registrations for IMPACT up 15%

Alabama's Leading Online University

- US News Best Online Programs:
  --MBA, CJ and Education
- #2 in Alabama Best Colleges.com

--Best for online education in Alabama
--MS Sport Management #9 nationally

- MS Comm. #7 in US for value
- Bachelor of Business Admin. #4 in US for affordability and quality

Campus Improvements/Accomplishments:

- Adams Administration Admissions addition

Past is Prologue—Major accomplishments over last 30 years result of setting "stretch goals"

- 1980—NCAA Div-1 move
- 1993—HealthSouth EMBA
- 1995—Distance Learning Center opens
- 1998—Ground broken for Rosa Parks Museum
- 2001—First 1+2+1 students from China
- 2001—EArmyU
- 2004—Vietnam sites open
- 2004—Renovated Quad dedicated
- 2005—"One Great University"
- 2006—Troy for Troops founded
- 2007—First doctoral program approved
- 2007—Confucius Institute
- 2012--$200m capital campaign launched
- 2014—First Ph.D. program
- Beautiful campus: $300m investment1.8m sq. ft. Examples:
  --2000 Rosa Parks Museum
  --2004 Stadium seating to 30k
  --2005 Patterson Hall
  --2009 Hawkins Hall
  --2010 Fraternity Village
  --2011 Trojan Dining
  --2011 University Park
  --2011 Trojan Arena
  --2013 Everett Hall in Dothan
  --2013 Newman Center
  --2014 Long Hall
  --2015 Phenix City Riverfront
  --2015 New Hall
  ---2016 Janice Hawkins Park and International Arts Center
  --2018 North End Zone in progress
  --2018 Student Recreation Center plans underway

A demonstrated Need—Ideas the University wants to embrace

- Troy, AL home to largest recycler of plastics in the works
- STEM education vital to economy of SE Alabama
- High-tech & job-ready students
- Support healthcare industry

Next "Big Idea: a home for Technology & Health Sciences to support:

- Nursing and allied health science
- Sport and fitness management
- School of Science and Technology
  --Polymer Science research center
  --Plastics Lab

--Electronics engineering tech lab
--Labs for biology, chemistry, physics

- 100k square feet
- College of Health and Human Services on the quad
- Estimated cost: $25-30m

Dates to remember

- May 15 Montgomery Commencement, Rod Frazer speaker
- May 21 Dothan Commencement, Danny Sharp speaker
- June 2 Phenix City Commencement, General Ed Crowell speaker
- July 28 Troy Summer Commencement and Board of Trustees Meeting
  --U.S. Congressman Bill Johnson of Ohio, Commencement speaker
- Sept. 23—Military Appreciation Day
- September 29-Oct 1 Board football trip to LSU
- Oct. 27-29 Homecoming Weekend
- Dec. 15 Fall Commencement/Board of Trustees Meeting
  --DeMarcus Ware Commencement speaker

In conclusion, the Chancellor thanked Board members for their time and service to the University.

B. Board Committee Reports

- **Academic Affairs Committee, Honorable Karen Carter**

Senator Dial called on Mrs. Carter to present the Academic Affairs Committee report. Mrs. Carter advised that the committee met last month and worked on several areas being shared with the Board members today.

Mrs. Carter called on Dr. Judson Edwards to brief the Board regarding the Innovation, Design, and Entrepreneurism Accelerator (IDEA) Center.

- **Update on new IDEA (Innovation, Design, and Entrepreneurism Accelerator) Center—Dr. Judson Edwards**

In summary, Dr. Edwards advised the Board that the IDEA Center will be located in downtown Troy in a former bank building that will be transformed into the IDEA Center. Dr. Edwards shared that this initiative could eventually play into the way we turn research into business and this will help grow involvement among the students, faculty, alumni, businesses, and the community. The Center's focus will be to assist students in becoming entrepreneurs. As an example, Dr. Edwards shared a story about one of Troy's students, Avalon Dudinsky, and the success she has had in starting her own small business. With this new center, students will have available all resources they need to assist them in startup of a business.

Dr. Edwards elaborated by saying the vision for the Center has four components: Creation, Learning, Engagement, and Living environment. He added that having a living/learning center would bring more activity for the downtown area. Dr. Edwards further stated that with a vision of 10,000 students by 2020 and the creative energy this initiative brings, it would serve as a foundation of economic and social growth.

In closing, Dr. Edwards shared in more detail the proposed housing piece of the proposed Center. He responded to comments and questions from Board members. Mr. Higgins stated that moving this initiative to the forefront would help with increasing enrollments. He commended Dr. Edwards and encouraged him to promote the Center through regional career fairs throughout schools and communities.

Mrs. Carter thanked Dr. Edwards for the update and then called on Dr. Earl Ingram to present the Textbook Selection Policy.

o Resolution No. 1—Textbook Selection Policy—Dr. Earl Ingram

Dr. Ingram reported that the proposed policy before the Board today will assure that quality and affordability of textbooks will always be on the forefront when making textbook selections.

Mrs. Carter reiterated Dr. Ingram's comments about quality and affordability and this was the driving force in presenting this cost savings to students. The Academic Affairs reviewed the resolution presented today and Mrs. Carter brought forward a motion to adopt Resolution No. 1.

Resolution No. 1

ACTION: SENATOR DIAL ENTERTAINED A MOTION TO ADOPT RESOLUTION NO. 1. WITH NO FURTHER DISCUSSION, MR. VANCE MADE A MOTION TO ADOPT RESOLUTION NO. 1. A SECOND TO THE MOTION WAS MADE BY MR. CROWELL AND THE MOTION PASSED.

Resolution No. 1

Endorsing changes to the University Textbook Selection Policy

WHEREAS, Troy University is committed to the highest standards of student service; and

WHEREAS, the cost of textbooks is at an all-time high, thus lowering the cost of textbooks and supplemental academic materials will make obtaining a degree more affordable; and

WHEREAS, in 2006 Troy University established a policy governing textbook selection (Policy 310.2.15); and

WHEREAS, in light of the need to ensure best practices in textbook selection with an emphasis on affordability, the Chancellor's Cabinet has amended the policy to include the following: "The guiding principle in textbook selection is a commitment to the quality and affordability of textbooks and student learning materials used in courses,"

THEREFORE, be it resolved, that the Troy University Board of Trustees endorses this institutional commitment and further encourages the faculty, staff, and administration to place high priority on the issue of affordable, high-quality course materials.

o Resolution No. 2—Approving an honorary doctorate for DeMarcus Ware

Mrs. Carter brought forward Resolution No. 2 from the Academic Affairs Committee. She stated that as the Chancellor mentioned DeMarcus Ware would be December commencement speaker. Mrs. Carter shared highlights of Mr. Ware's accomplishments to the University and to the State of Alabama. The University desires to honor Mr. Ware with an Honorary Doctor of Laws.

On behalf of the Academic Affairs Committee, Mrs. Carter recommended that the Board approve Resolution No. 2 awarding an Honorary Doctor of Laws to DeMarcus Ware.

Resolution No. 2

ACTION: SENATOR DIAL CALLED FOR A MOTION TO ADOPT RESOLUTION NO. 2. THERE BEING NO DISCUSSION, MR. HIGGINS MADE A MOTION TO ADOPT RESOLUTION NO. 2. A SECOND TO THE MOTION WAS MADE BY MR. OWEN AND THE MOTION CARRIED.

Resolution No. 2

Awarding the Doctor of Laws to DeMarcus Ware

WHEREAS, DeMarcus Ware, a native of Auburn, Alabama, is a 2005 graduate of Troy University with a Bachelor of Science in Business Administration in Information Systems and was inducted into the inaugural class of the Troy University Sports Hall of Fame; and

WHEREAS, Mr. Ware was an outstanding member of the Troy University football team, earning Sun Belt Conference Defensive Player of the Year honors his senior year, and his 57 tackles for loss rank first and his 27.5 sacks rank second in University history; and

WHEREAS, Mr. Ware was drafted in the first round (the number 11 overall pick) by the Dallas Cowboys of the National Football League in 2005; and

WHEREAS, over 12 seasons Mr. Ware was a nine-time Pro Bowl selection and was chosen All-Pro for seven consecutive seasons, leading the league twice in sacks and earning 2008 NFL Player of the Year honors; and

WHEREAS, Mr. Ware, a key member of the Super Bowl 50 champion Denver Broncos, retired after the 2016 football season and is regarded widely as one of the greatest NFL football players in history; and

WHEREAS, Mr. Ware has by word and deed supported his alma mater throughout his NFL career and has set an outstanding example for other Trojans through his charitable works in many areas, as well as through his strong faith;

THEREFORE BE IT RESOLVED, that DeMarcus Ware be awarded the Honorary Doctor of Laws degree as a tribute to his stellar football career and for setting a standard of professional excellence for all Trojans to emulate.

BE IT FURTHER RESOLVED that this degree be awarded on the occasion of Fall Commencement Ceremonies on the Troy Campus on December 15, 2017.

- **Student Affairs Committee, Honorable Lamar P. Higgins**

Mr. Higgins reported that the Student Affairs Committee met and identified a couple of items for further discussion. The first related to housing and Mr. Higgins noted that when we built New Hall we lost 50 beds and currently there are 156 people on a waiting list. It was the will of the committee that we look at a feasibility study and join with the community to explore the public market for the options to build affordable housing for students. Mr. Higgins added that possibly it might be that a committee be appointed to look at the housing situation and explore options. He added that once options are explored the chair might want to refer the findings to the Finance Committee or to the Executive Committee for further discussion and review.

Another issue that came up in the Student Affairs Committee meeting was the need for the Trojan Center to be renovated. He added with the loss of Sartain Hall we are limiting space for outside venues as well as internal groups to host meetings on campus and the renovation of Trojan Center and any other areas on the campus would be of benefit in that regard.

In concluding his Student Affairs report, Mr. Higgins presented Resolution No. 3 commending outgoing SGA President, Olivia Melton, for adoption.

- **Resolution No. 3—Commending outgoing SGA President Olivia Melton**

ACTION: MR. HIGGINS PRESENTED RESOLUTION NO. 3 TO THE BOARD FOR UNANIMOUS ADOPTION OF NO. 3. SENATOR DIAL CALLED FOR DISCUSSION. THERE BEING NO DISCUSSION, MR. JOHNSON PROVIDE A SECOND. RESOLUTION NO. 3 WAS UNANIMOUSLY ADOPTED BY THE BOARD.

The Board presented Ms. Melton with a framed copy of Resolution No. 3. In accepting the resolution, Ms. Melton expressed her appreciation to the Board for its support of the student body, adding that it had been a privilege to serve on the Board.

Resolution No. 3

Commending Olivia Melton for her service as SGA president

WHEREAS, Olivia Melton served as President of the Troy University Student Government Association for the 2016-2017 academic year; and

WHEREAS, Ms. Melton has shown outstanding leadership qualities and has played an integral role in the progress of Troy University; and

WHEREAS, Ms. Melton's administration was marked by her devotion to serving as a passionate advocate for the student body she represented; and

WHEREAS, Ms. Melton worked closely with senior administration to help solidify the vision for a new student recreation facility on the Troy Campus; and

WHEREAS, Ms. Melton served as a strong advocate for the more than 1,000 international students on the Troy Campus and promoted attendance at special international events such as Chinese New Year and the annual International Students Cultural Organization (ISCO) Festival; and

WHEREAS, Ms. Melton has done an outstanding job of representing the student body on the Board of Trustees, among the faculty and staff and in the greater community; and

WHEREAS, Ms. Melton's term as SGA President came to an end during spring semester 2017,

THEREFORE BE IT RESOLVED, that the Board of Trustees hereby recognizes Ms. Olivia Melton for hard work and exemplary leadership of the Student Government Association and wishes her the best for future success.

- **Report from incoming SGA President Ashli Morris**

Mr. Higgins called on Ashli Morris who made some brief remarks. She shared her vision for the SGA and added that her slogan when she was campaigning was "One TROY—Achieve More Together." Ms. Morris elaborated on areas of concern that she has identified and one area is communication with students. She wants to continue to build on the image of a team with the students and faculty. Along with that, Ms. Morris added that the SGA would focus on enhancing the experience of the students to ensure they are involved on campus. She applauded the University for the IDEA Center; the SGA's vision is on board with everything the administration, and Board is doing to grow the university. In conclusion, Ms. Morris said she is excited about the opportunity to serve on the Board.

Mr. Higgins thanked Ms. Morris for her comments, adding that the Board looks forward to working with her throughout the year. Senator Dial echoed Mr. Higgins comments in welcoming Ms. Morris to the Board.

- **<u>Finance Committee</u>, Honorable John Harrison**
  - **Financial Report—Dr. Jim Bookout**

Senator Dial called on Mr. Harrison to give the Finance Committee report. Mr. Harrison said that the Finance Committee met in Montgomery on April 25, 2017. Mr. Harrison expressed his appreciation to the members of the Finance Committee as well as other Board members for their assistance in the review of the budgeting process. Mr. Harrison called on Dr. Bookout to present the Finance Committee's report.

Dr. Bookout shared that his report would cover the following areas:

1. 2018 Revenue Considerations
2. 2018 Revenue Sources
3. 2018 Proposed Tuition and Fee Rates
4. Investment Update
5. Facilities Update
6. Resolution

1. Revenue Considerations:
   --Determination of Ancillary Revenue Sources and State Appropriations
   --Assessment of the Impact of Mandatory Cost Increases (i.e. TRS. Health Insurance, etc)
   --Project Tuition, Fee & Auxiliary Revenue with Current Rates & Lower Projected Credit Hour Production
   --First Draft of Expense Budget as a base for possible tuition increase

2. Revenue Sources:
   --State Appropriations
   --Tuition and Fees

3. 2018 Proposed Tuition and Fee:
   --Tuition history given which showed that TROY has been in the middle of state appropriations over the years when compared to other institutions
   --Noted that other universities using differential tuition makes it difficult to get a true comparison
   --For cost of attendance TROY remains ranked sixth in comparison taking into account the proposed increases for 2018

   PROPOSED TUITION & FEE INCREASES:
   - Alabama Campuses
     - UG – 301 to 316
     - Grad 397 to 417
     - General Fee 39 to 42
     - Dining Dollars (Troy Campus) 275 (No change)
   - TROY Online & Support Sites
     - Support sites UG 250 & grad 330 (No change)
     - TROY Online UG 338 & Grad 494 (No change)

4. Investment Update:
   Dr. Bookout reviewed investment funds and stated that these funds have generated ($9.85 million with $7 million occurring in the last two years. He further presented an overview of reserve funds and explained the division of reserve fund spending.

5. Facilities Update:
   Dr. Bookout shared a facilities update to include the Trojan Center Food Court improvements, Trojan Center and Recreation Gym parking lot projects, McKinley Drive (ATRIP) improvements, and University Wellness and Rec Center.

Dr. Bookout responded to comments and questions from Board members. Mr. Nailen expressed his concern that every year we come forward with a tuition increase placing a larger burden on students and families. Mr. Nailen suggested that given level state funding and the equity issue as the driving forces for increasing tuition we need to convey this message to those affected with the rising cost of tuition. He added that the University is good stewards of resources and this needs to be communicated as appropriate.

- **Resolution No. 4—Approving tuition and fee schedule for the 2017-2018**

AY

Following discussion, Mr. Harrison introduced Resolution No. 4 on behalf of the Finance Committee.

Resolution No. 4

ACTION: ON A MOTION BY MR. HARRISON, WITH A SECOND FROM MR. CROWELL, RESOLUTION NO. 4 PASSED WITH NO FURTHER DISCUSSTION.

Resolution No. 4

Changing the Tuition Rates and Fee Structure

WHEREAS, Troy University received an increase in its state appropriations totaling $1.8 million for the fiscal year 2017, and is expecting to receive level funding for the fiscal year 2018; and

WHEREAS, Troy University's appropriation from the State of Alabama totals 21% of its operating budget and because this results in a lack of equity funding from the State, compared to other State Universities, Troy University has become a self-reliant, self-funded and tuition driven institution. Only through good stewardship of its resources, sound financial management, and its entrepreneurial spirit has it been able to not only sustain itself during a declining economy but advance its mission; and

WHEREAS, Troy University's current tuition structure is as follows; and

1. Undergraduate per credit hour tuition - $301
2. Graduate per credit hour tuition from - $397
3. TROY Online tuition - undergraduate per credit hour tuition - $250 In-Class; $338 On-Line
4. TROY Online tuition - graduate per credit hour tuition - $330 In-Class; $494 On-Line

WHEREAS, Troy University's current fee structure is as follows; and

1. Student dining fee of $275 per term for Troy campus students taking 9+ cr. hr.' s (unless all 9 are online)
2. General Fee - $39.00 per credit hour

WHEREAS, Troy University's proposed tuition structure is as follows; and

1. Undergraduate per credit hour tuition - $316
2. Graduate per credit hour tuition from - $417
3. TROY Online tuition - undergraduate per credit hour tuition - $250 In-Class; $338 On-Line
4. TROY Online tuition - graduate per credit hour tuition - $330 In-Class; $494 On-Line

WHEREAS, Troy University's proposed fee structure is as follows; and

1. Student dining fee of $275 per term for Troy campus students taking 9+ cr. hr.' s (unless all 9 are online)
2. General Fee - $42.00 per credit hour

THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES that Troy University proposes to increase the tuition and fee structure, as proposed, with the understanding that the Chancellor is authorized to set the final rate, not to exceed the above approved tuition rates, at some date after the legislative budget process is final.

- **Athletic Policy Committee, Honorable Allen Owen**

Mr. Jeremy McClain was asked to give a report on behalf of the Athletics Committee.

- **Athletics Report—Mr. Jeremy McClain**

Mr. McClain shared a recap of spring activities and highlights.

Academic Highlights:

- Our Academic Progress Rate (APR) scores continue to increase—football had highest number ever and overall 10 of our 16 sports increased numbers
- 40 student-athletes graduated today
- 200+ of our athletes had a 3.0 or better this semester

Post-Season Participation:

- Men's golf will compete in NCAA Regional Monday
- Women's golf finished up competing in NCAA Regional and won Sun Belt Golf Championship
- Men's basketball won Sun Belt Championship and competed in NCAA

- Women's basketball won Sun Belt Championship and competed in NCAA
- Baseball is finishing up its schedule
- Track is competing in conference play

North End Zone Update:

- Running a little behind schedule
- Target date to take possession of building is projected for spring 2018

Trojan Tour

- Dates and locations shared with kickoff in Troy on May 31st

Strategic Plan

- Will brief Board at next meeting of where we are in the process

Football Schedule:

- Sept 2 @ Boise State
- Sept 9 Alabama State
- Sept. 16 @ New Mexico State
- Sept. 23 Akron (Military Appreciation Day)
- Sept. 30 @ LSU
- Oct. 11 South Alabama
- Oct. 21 @ Georgia State
- Oct. 28 (Homecoming) Georgia Southern
- Nov. 2 Idaho
- Nov. 11 @ Coastal Carolina
- Nov. 24 Texas State
- Dec. 2 @ Arkansas State

Following the presentation, Senator Dial asked Mr. McClain to come forward to the Board with a recommendation academically as to how we may recognize those athletes who keeping their grades up.

VI. New Business

The Chancellor called attention to the TROY Magazine included in the Board packet.

VII. Adjournment

There being no further business to come before the Board, Senator Dial called for a motion to adjourn.

ACTION: ON A MOTION BY MR. JOHNSON, WITH A SECOND FROM MR. CROWELL, THE BOARD ADJOURNED.

Governor Kay Ivey
President, Troy University Board
of Trustees

Gerald Dial
President pro tempore
Troy University

Jack Hawkins, Jr., Ph.D.
Chancellor and
Secretary to the Board of Trustees
Troy University