

Board of Trustees
Finance Committee Meeting Minutes
September 8, 2005

Trustees Present:

Alfred C. Warrington, Chairman
David Brown
Mac McGriff
Earl Powell

Al Warrington, Chairman, called the meeting to order, and asked that the Finance Committee go into closed session to review the three collective bargaining agreements as follows:

1. AFSCME
2. GAU
3. PBA

The committee voted in public session to accept these collective bargaining agreements. The vote was unanimous.

The Committee approved the minutes from the June 13, 2005, meeting.

The revised 2004/2005 Operating Budget was presented for approval. The revised budget noted the changes occurring since the June 13, 2005, meeting. The revised operating budget does not include the August 1, 2005, salary adjustments for faculty and staff, nor the impacts of the January 1, 2006 health insurance premiums. The Trustees discussed the need to have a true spending plan approved prior to the beginning of the fiscal year regardless of the state appropriation funding. The Trustees expressed the need to approve this spending plan and not wait on the many revisions that come from the State. The State's revisions shall be reflected as a projection in the spending plan. Staff has agreed to present a spending plan reflecting these estimated impacts.

The Trustees then approved the tuition increases that were previously approved by conference call. This approval was needed since the conference call was an emergency rule approval and final ratification was needed by the Trustees for the tuition increases.

The next item of business was a financial update on the Bridges Project. A schedule of expenses for the implementation of PeopleSoft was presented, as well as an operational plan for five years. A conversation ensued among the Trustees, about the need to invest in this very robust system to garner the power of the system. Trustees noted that this was

a very difficult task, not unlike what many other institutions were going through, but it takes continued hard work and investment of resources to finish the task. There was conversation with regard to seeking outside assistance to validate the system modules as to completeness and configuration to maximize their functionality. This evaluation may identify improvements needed or efficiencies in business flow. The Trustees were very supportive of the effort and appreciative of the hard work to date for these very complex systems. Staff agreed to provide continuous follow-up on the progress that was being made in the difficult areas as described. Those areas are contract and grant, accounting, reporting, training, and benefits administration.

The Trustees were then provided a June 30, 2005, tentative Financial Report for their review, noting that the complete Financial Statements were due later in September.

The Auditor General's Operational Audit was presented, noting that one item had been removed from the audit and that there were two items that would potentially be rebutted by the Auditor General in his final report. There were no comments regarding the Operational Audit.

The Finance Committee was then adjourned and was joined by the Audit and Operations Committee. The purpose of this joint meeting was to have a Bridges Update. Much of the same discussion occurred regarding the need to invest and support the Bridges effort. A listing of the identified issues was distributed to the Trustees by the Senior Vice Presidents and was discussed. Again, it was agreed that staff would continue to follow up and brief the Trustees on the progress with regards to these programs and planning.

The meeting was adjourned