



BOARD OF TRUSTEES
JAMES A. RHODES STATE COLLEGE
524th Meeting Minutes
September 17, 2024

The Rhodes State College (RSC) Board of Trustees met on Tuesday, September 17, 2024 at 4:30 pm in the Keese Hall Board Room, Cabinet and Faculty Association President were present in the room, all other guest via Zoom a virtual platform.

CALL TO ORDER AND QUORUM

The meeting was called to order by Mr. Butch Kirk, Chair. Members present were Mr. Butch Kirk, Mr. Sam Bassitt, Ms. Jessica Cunningham, Dr. Ann Pohl, Ms. Jane Krites, Mr. Robert Sielschott and Dr. Wilfred Ellis.

APPROVAL OF MINUTES FOR THE BOARD MEETING OF AUGUST 21, 2024

Chair Kirk called for the approval of the August 21, 2024, Board Meeting minutes. Ms. Jessica Cunningham moved to approve the minutes from August 21, 2024, and was seconded by Dr. Ann Pohl. The motion was approved by a unanimous voice vote.

STATEMENT OF FINANCIAL CONDITIONS (unaudited)

Notes to the Financial Statements

General Overview

These financial statements were prepared in the format of our annual financial report. Many estimates are utilized when preparing financial statements. However, some presented amounts cannot be estimated, so they are held constant throughout the year until information is available to update them. These items include the Pension and OPEB liabilities and the corresponding deferred inflows and outflows.

Areas where estimates have the highest impact include accounts receivable, accounts payable, compensated absences, and deferred revenue on the Statement of Net Position, as well as tuition and fee revenue, scholarship expense, and depreciation on the Statement of Revenues, Expenses, and Changes in Net Position.

The College follows the “business-type activities” reporting requirements of GASB Statement No. 35 (as amended). The financial statement presentation required by GASB Statement No. 35 is intended to provide a comprehensive, entity-wide perspective of the College’s assets, deferred outflows of resources, liabilities, net position, revenues, expenses, changes in net position, and cash flows. For financial reporting purposes, GASB Statement 35 defines business-type activities as those financed in whole or in part by fees charged to external parties for goods or services.

Accordingly, these financial statements have been presented using the economic resources measurement focus and on the accrual basis of accounting. Revenues are recognized when earned. Expenses are recognized when incurred. Interfund receivables and payables have been eliminated in the Statement of Net Position.

Statement of Net Position

A – Total Current Assets

Cash is lower by approximately \$0.6M from last year, while accounts receivable are up by close to \$1.2M. Cash and accounts receivable are highly related. Our accounts receivable have increased due to the timing

variances of when we collect cash for tuition and fees, our payment plans, and the drawdown of financial aid.

B – Total Noncurrent Assets

Total noncurrent assets are down by around \$450K, mainly due to the reduction of our OPEB asset and depreciation of capital assets. The “Subscription Asset” is a new category for compliance with GASB 96. This asset is our Banner ERP software.

C – Total Current Liabilities

Total current liabilities are down \$2.2M. This is due to changes in our accounting for deferred revenue and a reduction in our accrued payroll liabilities, which is a timing variance on when we pay our benefit providers.

D – Net Noncurrent Liabilities

Total noncurrent liabilities are up by over \$9M compared to last year. This is due to the changes in our Net Pension liability. As a reminder, as we completed the FY23 audit, we adjusted our June 30 pension liability to \$16M from \$7M. We had not adjusted the pension in August when we reported our FY23 numbers to the board.

Statement of Revenues, Expenses, and Changes in Net Position

A – Total Operating Revenues

Total operating revenues are slightly higher than last year. Tuition and fees recognized to date have increased by 2% compared to the previous year. Additional tuition and fee revenue will be recognized as we complete our CCP registrations. Federal grant revenue is lower than the prior year due to the closure of the IREPO grant.

B – Total Operating Expenses

Total operating expenses are up \$1.2M so far this year. Most of the increase is due to the timing of expense recognition, particularly with the OSU cost share and student aid.

C – Operating Income (Loss)

We typically show a gain in operating income in August due to our recognition of fall tuition and fees. This will become an operating loss throughout the fall as expenses continue to be recognized and revenue remains relatively flat until spring tuition.

D – Nonoperating Revenues

Our SSI income drives nonoperating revenues. Our SSI income is slightly higher than last year, as expected.

E – Net Increase in Net Position

We have a current net increase in net position of \$3.0M, which is slightly lower than the increase of \$4.1M we had last year. This is attributable to the increase in our recognized expenses to date.

Mr. Adkins provided an overview of the financial condition of Rhodes State College.

PRESIDENT’S REPORT (Information)

Dr. Spiers presented the Board of Trustees with a summary of the August 2024 President’s Report, which included information on national, state, and local collaborations.

Dr. Nanette Smith provided a presentation on the Strategic Plan Progress Report Annual Update for Year 1 of a 3-year Plan. She highlighted the areas of focus for the 3-year plan, the year-1 targets, and the year-1 achievements.

Dr. Ellis asked what strategies would be used to increase enrollment. Dr. Mason-Guffey stated that part of the effort is to expand RSC’s student pool or base beyond the traditional student. For example, the

matriculation of CCP students to FTE, expanding recruitment efforts to include the adult and non-traditional students, and establishing a presence in the community centers.

Dr. Spiers added that advocacy ideas are being developed and will be presented in October.

FACULTY ASSOCIATION PRESIDENT'S UPDATE

Mr. Jacob King, RSC Faculty Association (RSCFA) President, stated he and Dr. Jacquie Martz, (RSCFA President-elect) met with the Faculty Association on August 15, 2024 where the faculty shared updates from their various constituencies and expressed some of their concerns.

In addition, a meeting was held with Dr. Mason-Guffey, VP of Academic Affairs, Mr. Jacob King, and Dr. Jacquie Martz to discuss issues ranging from revisions to the promotion process; food service at the Bora Center and main campus; hoteling protocols at Borra; the development of a more streamlined professional development week schedule, including course publication dates; and the implementation of a new withdrawal for non-attendance process.

Monthly meetings will continue in open forums with faculty and in regular meetings with Dr. Spiers and Dr. Mason-Guffey to address faculty concerns and implement positive changes for the RSC community.

CONSIDERATION OF APPROVAL OF PERSONNEL ACTIONS

Resolution No. 2025 - 07

Resolved, upon recommendation of the President and with the concurrence of the Executive Staff, that the following personnel actions be approved:

- a. Faculty/Staff Appointments – September 17, 2024

Ms. Andrea Goings provided an overview of the monthly personnel actions.

Dr. Spiers asked the Board for consideration of approval for Resolution No. 2025-07 (Consideration of Approval of Personnel Actions). Dr. Wilfred Ellis moved to approve Resolution No. 2025-07, and was seconded by Ms. Jessica Cunningham. The motion was approved by a unanimous voice vote.

ADJOURNMENT

Chair Kirk asked for a motion to adjourn the Board meeting. Dr. Ann Pohl moved to adjourn the Board meeting, and was seconded by Mr. Sam Bassitt. The motion was approved by a unanimous voice vote.

Approved Meeting Minutes of September 17, 2024



Mr. Everett "Butch" S. Kirk III
Chair

Pamela Mooneyhan, Recording Secretary