012-E

Antioch University
Finance Committee Minutes
Conference Call
May 23, 2001
3:00 PM EST

Present: Jim McDonald, chair; Niels Lyster; Bruce Bedford; Monique Clague; Judy Palmer; Art Zucker; Pegene McPhaden; Glenn Watts; Rosalie Sturtevant; Jim Hall; Paul Ewald; Lois Mann

This special meeting of the finance committee was called to clear the agenda for the June Board meeting of small items and to provide some background to Finance Committee members concerning the 2001-02 Budget that will be presented.

Glenn Watts reported on an item over $10,000 that he approved for Antioch McGregor. Antioch has entered into a one-year lease for $20,000 for the Classroom of the Future project that will be housed in the Entrepreneur Center in downtown Dayton. This lease covers the 1300 sq ft space, heat, light and support of equipment needed to operate this demonstration project classroom, funded by local businesses, and to be used as a place to train teachers in technology. The lease expense is in the McGregor 2001/02 budget.

An update was provided on a legal matter concerning the WYSO tower lease. Although WYSO completed a mediation process with landlord P&R Communication and we thought the tower lease matter was settled, P&R is now reneging on the agreed upon terms and this might require future litigation.

A Glen Helen construction project to remodel the Cedar Center, as phase one of restoration of the Outdoor Education Center, is ready to get underway. This project is also before the Physical Facilities Committee at the June meeting. The estimated cost of the project is $150,000 and will be paid for by a restricted fund called the Glen Helen Headley fund that presently has a balance of $204,000. A motion was presented to approve the financing of the construction out of the Headley Fund subject to the approval of the Facilities Committee. Moved by Bruce Bedford, seconded by Judy Palmer. All passed.

The Seattle campus is interested in renovating 4200 sq ft of space that has been left vacant by a recent tenant. This project requires around $350,000 and the campus wants permission to investigate financing options for this amount. Glenn Watts does not recommend going ahead at this time because the 2001-02 budget situation is so uncertain. The committee agreed with this recommendation.

A review of the projected 2000-01 year-end was presented by Glenn Watts. With the stock market results through May 21, the year-end deficit appears to have fallen to around $888,000. The College annual fund is one variable that could still fall short of its goal. Lois Mann reported that there is $159,000 in solid pledges yet to come in, but that the annual fund will need to receive another $300,000 in gifts in June to make the budget. She pointed out that in June 2000, $300,000 was received into the annual fund, but the historical average amount for June is $171,000.

A discussion of the 2001-02 budget process ensued, with an explanation that the sources of the $1.6 million of lead gifts in the College budget is unknown at this time. That makes this forthcoming budget proposal unbalanced.

Board members requested that the College provide an updated year-end projection based on the April actuals and that the board be given the details of the Capital Campaign and special Recruitment budgets within the 2001-02 budget.

The meeting adjourned at 4:45pm EST.