



JACKSONVILLE STATE UNIVERSITY
BOARD OF TRUSTEES
EXECUTIVE COMMITTEE MEETING MINUTES

The Board of Trustees of Jacksonville State University held an Executive Committee Meeting in Jacksonville, Alabama, on Friday, September 27, 2024.

Call to Order: Mr. Randall E. Jones, Chairman of the Executive Committee, called the meeting to order 12 noon in the Executive Conference Room of Angle Hall at noon CDT.

Roll Call: Board Secretary Dr. Killingsworth called the roll, and the following members of the Committee were present: Trustee Randall E. Jones, Senator Vivian D. Figures, Trustee Greg Brown, and Trustee Tony Smoke. The secretary announced the presence of a quorum.

Counsel Present: Mr. Sam Monk

Compensation Study Update

Dr. Harmon provided an update on the compensation study by highlighting key information available on the Human Resources dedicated compensation webpage. She discussed Jacksonville State University's transformational financial journey as part of Strategic Planning and the importance of adopting a total compensation philosophy. Dr. Harmon explained that this multi-year total compensation initiative is intended to attract, engage, and retain our faculty, staff, and administrators. Also, she discussed the ongoing efforts during her tenure at Jax State to provide a transparent and fiscally responsible total compensation program. Dr. Harmon reviewed the approach to standardizing a salary framework that clearly identifies career pathways. More information on the salary base adjustments will be provided at the October Board Meeting.

Standard and Poor's Rating

STIFEL Public Finance representatives Mike Dunn and Gary Rehm presented an overview of Jax State's Standard & Poor's Credit rating report issued in September 2024. The report affirmed a 'BBB' rating with a stable outlook. The following were key items noted in the report.

Strengths

- Stabilized enrollment in fall 2023, which is expected to continue in fall 2024
- Retention and selectivity metrics that remain in line with those of peers
- Stable and experienced management team.

Weaknesses

- A highly leveraged balance sheet with very weak financial resources relative to medians and peers, which will likely continue to deteriorate with the issuance of additional debt
- High tuition discount compared with peer institutions, at 43% in fiscal 2023.

West Village Housing Update

Mike Dunn and Gary Rehm with Stifel reported on the following. The West Village Housing Project is an important investment for JSU's transformational future. The lease agreement between the university and the foundation has a traditional structure and is not subject to annual renewal, which is viewed positively from a credit perspective. Rating agencies, including S&P and Moody's, know JSU's plans and recognize the necessity of these investments for improving new facilities. The actual sale date of the bond issue will be based on the receipt of ratings, market conditions, the status of the project, and other considerations. This financing process positively indicates JSU's financial management and future growth.

Dr. Hoult elaborated on the design and construction of the West Village Housing project, while Dr. Medders discussed various options for potential investment partners.

Executive Session

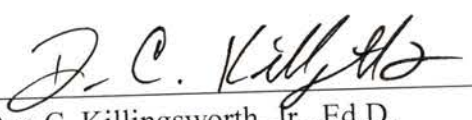
Chairman Jones moved to enter into executive session, which was seconded by Senator Figures and unanimously approved by roll call vote. The Committee entered the executive session at 1:31 pm.

The Committee returned to open session at 2:00 pm. The Board Secretary, Dr. Killingsworth, called the roll, confirming that all members were present.

Upon return from the executive session, the Committee had **one action item** to approve. Trustee Smoke motioned to purchase the Mountain Street Property. Subject to full board approval at the October 2024 meeting, President Don C Killingsworth, Jr., will be authorized to execute all necessary pre-sale documents agreeing to purchase what has been designated the "**Mountain Street Property**" upon condition that unencumbered title can be delivered to all parcels. Senator Figures seconded, and the Executive Committee unanimously approved.

Adjournment

With no further business, Chairman Jones declared the Executive Committee Meeting adjourned at 2:10 pm and stated that the next Board of Trustees meeting would be held in Fort Payne, AL, at the Little River Canyon Center on **October 15, 2024**.


 Don C. Killingsworth, Jr., Ed.D.
 Secretary to the Board of Trustees


 Randall E. Jones
 President Pro Tempore of the Jacksonville
 State University Board of Trustees and
 Chairman of the Executive Committee