

Board Members Present:

Tom Kadien
Rick Spell
Fred Towler
Dr. M. David Rudd
Raaj Kurapati

Not Present:

John Hartney
Tim Argo

Others Present:

Steve McDaniel – Foundation Attorney
Holly Ford – Associate Vice President, Auxiliary Services Foundation

A quorum was present, and Mr. Kadien called the Auxiliary Services Foundation Board Meeting to order at 3:10PM. (Late start due to connectivity issues)

ASF Items**I. Approval of Minutes – Tom Kadien, President**

ASF Board Meeting, May 20, 2021

Mr. Kadien asked if there any revisions to the minutes provided in the Board Meeting Packet sent in advance. There were no revisions. A motion was made by Fred Towler, seconded by Dr. Rudd, the motion was carried and the minutes were approved by the Board.

II. Updates and Announcements – Holly Ford, AVP

The 2021 Fall Semester starts August 23rd. Best wishes for a successful and fruitful semester for the students, the faculty and the staff.

COVID-19 mask guidelines on campus have recently changed due to the increase of cases in the tri-state area. Wearing a mask is required indoors on campus or in areas where social distancing is not possible.

Football season starts September 4th. Thanks to Joanna Curtis and the Advancement Team for hosting the Board on September 18th when the Tigers take on the Mississippi State Bulldogs. Ms. Ford asked for anyone who has not RSVP'ed to do so soon.

Congratulations to ASF Board President Tom Kadien who recently received an Honorary Doctorate from the University of Memphis!

III. ASF Year-End Financial Statements – Raaj Kurapati

Mr. Kurapati presented the FY21 Financial Position (unaudited) showing total assets as \$23,911,238.

He also presented on the \$12 Million loan, indicating as of June 30th, \$169,673 has been paid towards this loan with an interest rate of 2.85%.

IV. ASF Project and Contract Summary – Holly Ford

Ms. Ford presented on the current summary of contracts to which the ASF has made commitments. She explained this document is getting re-built and thanked Raaj Kurapati, George Ninan and Andrew Roberts for their help on re-building this document. She committed to continuing to re-build the document and send it to the board upon completion.

V. CFO Report – Raaj Kurapati

A. Porter-Leath Update

There is a need for high quality early childhood education, starting at infancy, in Shelby County. The partnership with Porter-Leath provides an additional 300 spaces for children of our community, and children of our faculty, staff, students to receive quality childcare. Current University Schools model starts at age 2. This partnership allows the UofM to begin providing services and care during the more formative years of birth to age 5 in comprehensive model. PLUM academy will offer classroom space, research space, and observation space for UofM students, faculty and staff associated with 6 different university departments, allowing for clinical placements needed for graduation within a 1.5 mile drive of campus- thereby reducing barriers to access for our students to pursue these fields of study. The University is investing \$3.5 million in privately fundraised dollars for a \$15 million state of the art facility. Operating the facility and building the facility comes at no direct cost to the University. The Urban Child Institute (UCI) approved an accelerated payment schedule of the grant provided to them to be paid in 2 years rather than 5 years. The payment schedule will be as follows:

2021 March \$175,000 – paid

2021 June 30 - \$525,000 – paid

2021 Sept 30 - \$525,000

2021 Dec 31 - \$525,000

2021 Total \$1,750,000

2022 March 31 - \$437,500

2022 June 30 - \$437,500

2022 Sept 30 - \$437,500

2022 Dec 31 - \$437,500

2022 Total \$1,750,000

Grant Total \$3,500,000

B. Park Avenue Student Housing Update

Mr. Kurapati reported all related agreements relative to the purchase of the contractual documents governing the financial structure for the Deloach Housing project, which were developed by the Stella Group, have been executed and on payment of the agreement upon amounts, such were turned over to the University.

He stated the University has made significant progress in developing the language for the RFP, working with Athletics and Deloitte on the financial structure and applicable GASB consideration, which will be issued to move this project to the Park Avenue process. The RFP language and pertinent documents have been also forwarded to the UofM legal counsel's office. Once the internal reviews are completed, the UofM will send such to the State Building Commission staff for review. Once the review is completed it will be placed, if approved by the staff, for consideration and approval by the SBC. This process is expected to take 60-90 days. The current timeline has the UofM on the street in October 2021, assuming State approvals are received.

C. Natatorium Update

Mr. Kurapati reported the following costs associated with the Natatorium Project:

Expense Grand Total:	\$7,248,371
Total gift pledges for the project, including	\$6,750,000
Net remaining budget gap	\$498,371

With the Net remaining gap of nearly \$500k, Mr. Kurapati asked if the ASF would provide support to cover the remaining funds needed, as well as advance \$2.7M for a total of \$3.2M to move forward with the project

Rick Spell made the motion to approve the ASF support of \$500k for the Natatorium Project, and advance the \$2.7M, which will be covered by pledges throughout the next two years. Fred Towler seconded the motion. All were in favor and the motion passed.

D. ASF FY21 External Audit Status

Mr. Kurapati shared Fouts and Morgan is the firm the ASF is working with for the FY21 External Audit and the University of Memphis Controller's Office is providing support regarding items on the PBC (Provided by Client) List.

VI. Call to Adjourn the ASF Board Meeting

ASF Board President, Tom Kadien, called for a motion to adjourn. Fred Towler made the motion, Raaj Kurapati seconded the motion and the meeting was adjourned at 4:10PM.