



**Alabama State University
Board of Trustees Meeting
September 8, 2020
1:00 PM**

I. Call to Order

President Hudson called the meeting to order.

II. Invocation

President Ross provided the invocation.

III. Establishment of a Quorum

President Ross called the roll, and a quorum was established.

	Present	Absent
Hudson	X	
Hunter	X	
Barnett	X	
Bracy		X
Fleming	X	
Gore	X	
Hardaway	X	
Lumzy	X	
Madison	X	
McCord		X
McKenzie	X	
Means		X
Ware	X	
Whitt		X

IV. Adoption of Agenda

Trustee McKenzie made a motion to approve the agenda as presented, and Trustee Barnett seconded the motion. A roll call vote was taken, and the motion was approved.

	Yes	No	Abstain
Hudson	X		
Hunter	X		
Barnett	X		
Bracy			
Fleming	X		
Gore	X		
Hardaway	X		
Lumzy	X		
Madison	X		
McCord			
McKenzie	X		
Means			
Ware	X		
Whitt			

A motion was made by Trustee McKenzie and seconded by President Pro Tem Hunter to suspend the rules to take action on business presented in the meeting. A roll call vote was taken, and the motion was approved.

	Yes	No	Abstain
Hudson	X		
Hunter	X		
Barnett	X		
Bracy			
Fleming	X		
Gore	X		
Hardaway	X		
Lumzy	X		
Madison	X		
McCord			
McKenzie	X		
Means			
Ware	X		
Whitt			

V. HBCU Capitol Finance Loan Deferment

President Hudson thanked Board members for their flexibility and making themselves available to be a part of the meeting and introduced the agenda item. He then asked President Ross to provide an overview. President Ross thanked the Trustees and shared the rationale for seeking approval from the Board to participate in the loan deferment program. He highlighted the following:

- Payments made from April – September will be returned to the University.
- Legislators and Thurgood Marshall, UNCF and NAFEO have worked to secure this provision.
- ASU will be in alignment with other HBCUs participating in the program.
- Almost four million dollars returned to the University.
- The funds returned would be placed in the University reserves.
- Participation would ensure the University's eligibility for future federal programs associated with these funds.

President Ross thanked Bond Counsel Jody Smith for participating in the meeting and shared that the request was being made to allow the University to move forward.

Trustees asked questions about the loan deferment.

Trustee Gore asked how long the deferment will last and if the University would be responsible for interest. President Ross stated the deferment period runs from the time the University closed down through September and that if it would be extended the information would come from the Department of Education. He also shared that all payments are coming from the Department of Education. Attorney Smith confirmed the information shared by President Ross. He went on to share the maturity dates for the loans being 2038 and 2042 and that the deferred payments would get pitched to the end of the term of the two notes.

Trustee Hardaway asked if the decision to place the funds in the reserves was a definite decision. President Ross confirmed.

Trustee McKenzie expressed her appreciation for receiving the analysis information requested from Mr. Hopper and asked for confirmation that the University would not have any additional interest or payments because of the deferment. Dr. Ross confirmed. She also expressed her thanks to President Ross for sharing his perspective on University exposure regarding not participating in the loan.

Trustee Gore sought clarification on the maturity and repayment dates. Attorney Smith provided the information. He also asked if it would trigger a balloon payment. Attorney Smith provided an explanation that the payments would be due at the end of the maturity date.

Trustee Ware asked if the possibility existed for other modifications to the program on the federal level. President Ross shared that there could be.

Trustee Hardaway asked if the University would have access to the funds in the reserve and would be available to make the payment. President Ross explained that the funds are available for use when needed and that it was his expectation to have far more than the 3.8 million in reserves to make the payment when needed.

President Pro tem Hunter shared that the Board can decide if the funds in the reserve needed to be used for another purpose. President Ross confirmed.

Trustee Ware asked for clarification that is the goals to leave funds in reserve and take the money out in the near future.

President Pro Tem Hunter made a motion that the University participate in the HBCU Capitol Finance Loan Deferment program and give President Ross authorization to proceed, and it was seconded by Trustee Madison.

Trustee Barnett asked if the resolution needed to be included in the motion. Attorneys Smith and Thomas confirmed that the motion as provided is appropriate.

A roll call vote was taken and the motion was approved.

	Yes	No	Abstain
Hudson	X		
Hunter	X		
Barnett	X		
Bracy			
Fleming	X		
Gore	X		
Hardaway	X		
Lumzy	X		
Madison	X		
McCord			
McKenzie	X		
Means			
Ware	X		
Whitt			

VI. Other Business

President Ross thanked Attorney Smith and Mr. Hopper for their work on this project.

VII. Adjournment

A motion was made by Trustee Gore and seconded by Trustee Ware to recess the meeting at the call of the President and it was seconded by Trustee Ware.

A roll call vote was taken, and the motion was approved.

	Yes	No	Abstain
Hudson	X		
Hunter	X		
Barnett	X		
Bracy			
Fleming	X		

Gore	X		
Hardaway	X		
Lunzy	X		
Madison	X		
McCord			
McKenzie	X		
Means			
Ware	X		
Whitt			