



**MORRIS BROWN COLLEGE
BOARD OF TRUSTEES**

This regularly scheduled meeting was conducted via ZOOM

Meeting Highlights – January 12, 2022

Wesley Peachtree Group (WPG) CPAs and Business Strategists – The Fiscal Year 2021 Audit

WPG Opinion as Recorded

We have audited the accompanying financial statements of MORRIS BROWN COLLEGE (the "College"), a Georgia nonprofit educational institution, which comprise the statements of financial position as of June 30, 2021, and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the College as of June 30, 2021, and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

WPG Audit Highlights and Key Recommendations

- Art Work is probably undervalued; recommends that Morris Brown seek a third-party evaluation
- Recommends maintaining the Line of Credit; additionally, TRACS requires a LOC in the amount of 10% of the college's Operating Budget
- \$1.5 million for A.M.E. Scholarships has to be budgeted in 2022.
- **TRACS requires a 1.5 composite score to indicate fiscal stability. The college's Composite Score of 3.0 indicates that Morris Brown is financially responsible**
- **Morris Brown's Composite Financial Index (CFI) Ratio is 8.7 versus a target of 3.0**
 - Morris Brown has 1 year of Cash Reserves versus a target of five months

Morris Brown Commercial Distribution Plan for Print, Digital, Radio, and Televised Media

Efforts and media coverage to date (valued at over \$150,000) have been provided 'Pro Bono'.

PRESS LAUNCH GOALS

- Create a strategic press push to generate substantial buzz that results in extensive brand awareness around #TheHardReset and increased enrollment.
- Provide Morris Brown College (MBC) with a successful publicity campaign focusing on print, online, and broadcast editorial.

OUTREACH STRATEGY

- Execute an integrated communications plan using the following approach to increase awareness and ideal student leads.

PR OBJECTIVES

- Drive and increase awareness around the restoration
- Increase proceeds raised for “Give Initiative.”
- Boost enrollment

THE BOARD’S TOP PRIORITIES (Accreditation, Financial Stability & Governance)

TRACS ACCREDITATION AND COLLEGE UPDATE

Dr. Rashad Richey, the new Dir. of Institutional Advancement and Public Relations, and Dr. James Freddy Allen, the Assoc. V. P. Enrollment & Student Services were introduced.

Stephanie Gunby, Assoc. V. P. & Dir. of Financial Aid, presented an overview of Morris Brown’s current **Federal Title IV** status.

- Morris Brown has partnered with Campus Ivy (a third party financial aid management and compliance company) to integrate MBC’s student data; *it is anticipated that financial aid awards will happen in two weeks*
- Eligibility requirements are being strictly enforced and will impact student enrollment

TRACS Accreditation

- Self-Study submitted December 23, 2021
- Full accreditation application fee paid
- Site visit confirmed for February 8 – 11, 2022

Additional College Information

- In-Person 2022 Commencement is scheduled for Saturday, May 21, 2022, at Big Bethel A.M.E. Church;
- Recruitment is underway to permanently fill the four department chair positions
- Technology upgrades (\$2-million-dollar technology & infrastructure grant submitted)

Outgoing College Attorney Laurie Thomas was thanked for her exemplary legal counsel provided to Morris Brown College for almost three years.

FINANCIAL STABILITY

CFO Shermanetta Carter, CPA, provided the following updates:

- Cash Balance *as of 12/31/2021*: **\$1,318,869.21**
- Budget vs Actual – *July 1, 2020 through December 31, 2021*
 - Total Revenue \$1,860,312.36
 - Total Expenses (1,722,780.22)
 - **Net Income \$137,532.14**
- **The 2022 – 2023 Budget Calendar was adopted.**

GOVERNANCE

The Board approved the **Drew Eckl Farnham** Law Firm as its new provider of legal services.

Four new trustee nominations were approved by the Board: 1) Mr. Cassius Butts, 2) Mr. Terry Comer, 3) Dr. James Ewer, and 4) Ms. Jessica Jackson.

***** **END OF JANUARY 12, 2022 BOARD MEETING HIGHLIGHTS** *****