

## VI. ADMINISTRATIVE PROCESSES

### 6.1 ORGANIZATION AND ADMINISTRATION

**The administration of an institution of higher education has the responsibility for bringing together its various resources and allocating them effectively to accomplish institutional goals.**

Jacksonville State University (JSU) exists by virtue of the Code of Alabama, 1975 (Section 16-52-1 through 16). The institution was elevated to university status in 1966, and the Alabama State Legislature established the Board of Trustees in 1967. The Board has the authority and responsibility for the management and control of the activities, affairs, operations, business, and property of JSU.

Under present operation, the Governor of the State of Alabama is Ex Officio President of the Board. During the October meeting each year, the Board of Trustees elects a member to serve as President Pro Tempore or Chairman. The Secretary of the Board of Trustees is the President of the University. The minutes of the board meetings are kept on file in the President's office.

According to the recently revised mission statement,

Jacksonville State University is a public, comprehensive teaching institution that provides educational, cultural, and social experiences for a diverse undergraduate and graduate student population. As a student-centered university, Jacksonville State University strives to balance academic challenges with a range of support services for students' academic, career, and personal goals. As an academic institution, Jacksonville State University seeks to produce broadly educated graduates with skills for employment, citizenship, and life-long learning. As a

comprehensive university, Jacksonville State University supports scholarly and service activities consistent with its academic and professional strengths.

The administration of JSU is presently organized into three divisions headed by vice presidents for Academic and Student Affairs, Administrative and Business Affairs, and Institutional Advancement. In addition to the three divisions listed above, the Director of Athletics, the Director of the Data Systems Management Division (DSMD), the Director of Institutional Effectiveness, the Special Assistant to the President, the Internal Auditor, and the University Counsel report directly to the President. The present administrative structure is consistent with the structure of comparable institutions of higher education and represents a logical organizational structure.

The Division of Academic and Student Affairs includes five colleges, and the dean of each college reports directly to the Vice President for Academic and Student Affairs (VPASA). The Department of Military Science (ROTC) is the only academic department not aligned under one of the five colleges. The Department of Military Science, along with the Academic Center for Excellence (ACE), and Academic Advisement report directly to the Associate Vice President for Academic Affairs (AVPAA).

Within the Division of Academic and Student Affairs, the offices of Admissions, Career Placement Services, Counseling and Career Services, Disability Support Services, Financial Aid, Multicultural Services, Recreational Sports, Student Activities and Orientation, Student Health Center, University Housing and Residence Life, and University Police report to the Associate Vice President for Student Affairs (AVPSA).

Due to a funding crisis associated with proration of state appropriations, the University engaged in a comprehensive program review in 1995-96. Restructuring decisions were made to maximize utilization of scarce resources and improve organizational efficiency and effectiveness. As a result of this process, the College of Criminal Justice and the College of Communication and Fine Arts were eliminated. Criminal Justice is now a department within the College of Arts and Sciences, and Communications is a department within the College of Education and Professional Studies. The Fine Arts programs have been realigned within the College of Arts and Sciences. The Department of Technology, formerly reporting to the Associate Vice President for Academic and Student Affairs, is now a department within the College of Education and Professional Studies. The reporting structure of the International House was changed from the President to the VPASA. The position of Vice President for Student Affairs was eliminated. These responsibilities now fall under the VPASA with direct reporting through the AVPSA. Two offices, the Registrar's Office and the Office of Admissions, replaced the position and responsibilities of Dean of Admissions and Records.

More recent changes include the establishment of the Institutional Effectiveness Office and the Office of University Counsel, reporting directly to the President. In addition, the Department of Distance Education and the Institute for Emergency Preparedness have been added to the Division of Academic and Student Affairs.

The organizational structure and administrative processes are set forth in the *2002-03 University Catalog* and the *JSU Fact Book*, <http://www.jsu.edu/info/factbook/>. These documents are widely distributed and readily available to the University community.

A great deal of emphasis continues to be placed on developing effective communication channels within the University. At the beginning of each fall semester, the President holds a general meeting with the faculty and staff and gives a state-of-the-University address. The President provides a monthly report to the University Forum – a representative group of all campus constituencies; the JSU News Bureau publishes a periodic newsletter for faculty and staff and provides up-to-the-minute E-mail notices of ongoing issues of interest/concern to University personnel; and the President prepares an Annual Report of institutional accomplishments for the Board of Trustees. The Annual Report is widely distributed and available to faculty, staff, and external constituents.

JSU uses a planning and budgeting process to allocate resources to units to accomplish institutional goals. Unit managers prepare a Five-Year Plan and present Annual Reports regarding progress toward goals. The Five-Year Plan includes the unit mission statement, the goals and objectives, and a desired outcome related to each objective. The Plan also includes a prioritized resource list for the unit. Annual budget requests are transmitted through a hierarchical process from units to division heads. Initially these requests are for the amount of the current year's budget; however, each unit manager does have the opportunity to request justified changes to his/her budget. These changes may be modified at each administrative level of the process. The President, with the advice of the Administrative Council and University Budget Committee, compares resources with the budget requests and determines allocations. At the same time, a review of expenditure patterns and monitoring of salaries and benefits is conducted utilizing data from the Office of Human Resources, the

Comptroller, and the Institutional Effectiveness Office. The higher education budget appropriation, departmental budgets/expenditures, and annual financial statements are examples of data used in the review of expenditure patterns. After the State budget has been adopted, the University Budget Committee, appointed by the President, makes a recommendation on salaries and benefits and other expenditure patterns. The President then allocates a proposed budget to each division. The Trustees approve a tentative budget at the July meeting and the final budget in October.

The operating budget cycle (October 1 through September 30) begins with an updated Five-Year Plan (the product of the most recent planning cycle). Assumptions on revenue, enrollment, and expenses serve as parameters to the budget preparation. The approved operating budget is an outcome of the integration of the planning-based budget request with the University and state revenue projections for the budget year.

The capital project budget, which is maintained and scheduled by the Director of the Physical Plant, administered by the Vice President for Administrative and Business Affairs (VPABA), and approved by the President, provides budgeting for capital projects. The normal budget process is to budget for anticipated projects at the beginning of each fiscal year. However, if the need arises, the budget may be increased by presenting the Capital Outlay Project Form (BA Form #5) through the VPABA for the President's approval. The Board of Trustees must also approve any increase in the total Plant Fund budget.

The President of the University, through the Board of Trustees, is assigned the responsibility of effectively coordinating and utilizing the University's resources to accomplish institutional goals.

A comprehensive review by the Institutional Effectiveness Committee revealed that units throughout the University used a variety of formats for planning, budgeting, and evaluation reporting. The Committee concluded that the linkages between planning, budgeting, and evaluation processes should be strengthened.

Recommendations from the Institutional Effectiveness Committee and the University Budget Committee to improve these processes were approved by the President and resulted in the development of an Intranet-based system with a standard template (PRISM—Planning Resulting In Successful Management) for planning, evaluation, and reporting. This system includes a common format to describe unit goals and objectives. Unit objectives must support University and divisional goal(s). In addition, the system has defined fields to specify funding requirements, funding priority, outcome measures and assessment strategies, and assignment of individual responsibilities. A significant feature of PRISM is the inclusion of a standard format to address specific outcomes for each objective and the use of the results in future planning.

This new system provides a consistent format for all plans and reports, and should serve to strengthen the linkages among the planning, budgeting, and evaluation processes. Since all unit planning and reporting documents are stored in a common database, unit reports, divisional reports, and institutional reports can be obtained from a single source. It will also provide a more efficient method to develop institutional effectiveness reports than was possible before its development.

The Intranet-based format has been used by the DSMD for five years and by the area of Student Affairs for two years. The Institutional Effectiveness Office initiated a campus-wide pilot during Summer 2002 by converting all 2001-05 plans to the new

format and providing training sessions to all individuals involved in entering the annual report data/information into the Intranet format. Thus, the 2001-02 annual reports for all units are stored in a common database with internal consistency among units.

Refinements to the system are anticipated to improve efficiency and user-convenience.

All units will submit their updated Five-Year Plan for the next cycle using this format.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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### 6.1.1 Descriptive Titles and Terms

**The name of the institution, the titles of chief administrators, the designations of administrative and academic divisions, the terms used to describe academic offerings and programs, and the names of degrees awarded must be accurate, descriptive and appropriate.**

Titles and designations are listed in the *2002-03 University Catalogue* and outlined in the organizational chart in the *JSU Fact Book*, <http://www.jsu.edu/info/factbook/>. The legal name of the institution is Jacksonville State University pursuant to the Code of Alabama, 1975 (Section 16-52-1 through 16). As a comprehensive regional university, JSU offers undergraduate study in the Colleges of Commerce and Business Administration, Education and Professional Studies, Arts and Sciences, and Nursing and Health Sciences. The College of Graduate Studies and Continuing Education oversees the offering of graduate degrees at the master's and educational specialist levels. In addition to the degree programs of study, the University provides a wide variety of in-service, continuing professional education, and public service programs.

The Office of Human Resources maintains job descriptions on staff and administrative positions. The titles selected for these positions are based on the duties to be performed and an analysis of similar jobs at comparable universities. The University makes every effort to remain up-to-date on currently accepted and appropriate titles for all positions. Administrative titles, departmental titles, location, and phone numbers are available on the University website: <http://www.jsu.edu/depart.html>, and in the University Telephone Directory published and distributed each year by the DSMD.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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### 6.1.2 Governing Board

**Although titles and functions vary, the governing board is the legal body responsible for the institution and for policy making.**

JSU is governed by a Board of Trustees created by an act of the Legislature in 1967 [Code of Alabama, 1975 (Section 16-52-1 through 16)]. The Board of Trustees is responsible for administration of the University, appointment of faculty and staff, prescription of courses of instruction, establishing rates of tuition, and whatever else it may deem best for promoting the interests of the University (Code of Alabama, 1975, Section 16-52-6).

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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**A military institution authorized and operated by the federal government to award degrees and prohibited by authorized legislation from having a board with ultimate legal authority must have a public board which, in policy and practice, carries out the normal functions of a board as described in these criteria.**

This criterion is not applicable to JSU.

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**Except under clearly defined circumstances, board action must result from a decision of the whole, and no individual member or committee can take official action for the board unless authorized to do so.**

All Board of Trustees' actions result from a decision of the whole. Committee recommendations are brought to the full Board and must be approved by motion or resolution by a majority vote of the Trustees in an open meeting of the Board. Executive sessions are closed meetings conducted under strict statutory regulation and restricted to discussion of the character or good name of individuals. Any vote from such discussions must be conducted in a regular open meeting of the Board. A review of Board minutes maintained in the President's office reveals that all actions of the Board are conducted with a quorum present and in an open meeting.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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**The duties and responsibilities of the governing board must be clearly defined in an official document.**

**This document must also specify the following: the number of members, length of service, rotation policies, organization and committee structure, and frequency of meetings.**

**There must be appropriate continuity in the board membership, usually provided by staggered terms of adequate length.**

**In addition, the document should include provisions governing the removal of the board member from office.**

**A board member may be dismissed only for cause and by procedures involving due process.**

The Board of Trustees has developed a *JSU Board of Trustees Manual*, in addition to the *Code*, to more clearly define the duties and responsibilities of the Board. The document contains information and guidelines relative to the officers of the Board, meetings, quorum, executive committee, and standing committees of the Board. The Board approved this Manual in October 1992; it was reviewed and revised in 2001.

The Board of Trustees has the power to organize the University by appointing a corps of instructors, who shall be styled the faculty of the University, and such other instructors and officers as the interests of the University may require; and to remove any such instructors or other officers and to fix their salaries or compensation and increase or reduce the same at its discretion; to regulate, alter, or modify the government of the University, as it may deem advisable; to prescribe courses of instruction, rates of tuition and fees; to confer such academic and honorary degrees as are usually conferred by institutions of similar character; and to do whatever else it may deem best for promoting the interest of the University (*Code of Alabama*, 1975, Section 16-52-6).

The *Code of Alabama*, 1975, Section 16-52-3, stipulates that the Board of Trustees of JSU shall consist of the following members: two members from the congressional district in which the institution is located, one from each of the other congressional districts in the state, one at-large member, the State Superintendent of Education, and the Governor, who shall be Ex Officio President of the Board. Length of

service shall be for a term of 12 years and/or until successors shall be appointed and qualified. There is no provision prohibiting reappointment of any member of the Board of Trustees. The organization and committee structure is specified in the official minutes adopted by the Board of Trustees and included in the *Manual*. The Board of Trustees is required to hold an annual meeting on the campus of the University on the third Monday in October of each year unless the Board in a regular session agrees to hold its meeting at some other time and place. The Governor may call special meetings of the Board.

Other than the State Superintendent of Education and the Governor, there are nine Board members. One-third of the members' terms expire every four years. The staggered terms ensure continuity of the Board and result in at least six members of the Board, excluding the Governor and State Superintendent of Education, having experience as Board members.

The act of the Alabama Legislature that created the Board of Trustees of JSU does not include provisions governing the removal of a board member. However, acts of the Alabama Legislature provide for removing public officials from office for certain enumerated acts. The Code of Alabama states

- (a) The following officers may be impeached and removed from office: judges of circuit and probate courts, district attorneys, judges of the courts of appeals, district judges, sheriffs, clerks of the circuit courts, tax collectors, tax assessors, county treasurers, coroners, notaries public, constables and all other state officers not named in section 173 of the Constitution and

all other county officers and mayors and intendants of incorporated cities and towns in this state.

(b) The officers specified in subsection (a) of this section may be impeached and removed from office for the following causes:

(1) Willful neglect of duty;

(2) Corruption in office;

(3) Incompetence;

(4) Intemperance in the use of intoxicating liquors or narcotics to such an extent in view of the dignity of the office and importance of its duties as unfits the officer for the discharge of such duties; or

(5) Any offense involving moral turpitude while in office or committed under color thereof or connected therewith.

*(Code of Alabama, 1975, Section 36-11-1).*

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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**The responsibilities of the governing board must include the following functions: establishing broad institutional policies, securing financial resources to support adequately the institutional goals, and selecting the chief executive officer.**

The *Code of Alabama*, 1975, Section 16-52-6, clearly gives the Board of Trustees authority to organize the University, hire faculty and staff, prescribe courses of instruction, establish rates of tuition and pursue any action deemed in the best interest of the University. The JSU Board of Trustees Survey indicates that the Board, as a

whole, is involved in securing financial resources to support adequately the institutional goals. The administration of JSU, under the authority of the Board of Trustees, is unified in the office of the President. The President of the University shall be elected by and serve at the pleasure of the Board of Trustees. The Board shall fix the length and terms of the President's employment. The Board, since its formulation in 1967, has selected the President of the University through a national search.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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**The governing board must have in place proper procedures to ensure that it is adequately informed about the financial condition and stability of the institution.**

The *Code of Alabama*, 1975 (Section 16-52-10), stipulates that "the Board of Trustees shall make or cause to be made to the legislature an annual report of its transactions for the previous fiscal year and a statement of the condition of the University." To accomplish this, the President must make annual reports to the Board of Trustees, which indicates revenues and expenditures for each fiscal year. The JSU Board of Trustees Survey indicates that the Board, as a whole, is adequately informed about the financial condition and stability of the institution. In addition, the Board of Trustees meets quarterly and reviews budgetary and financial conditions with regard to tuition, state appropriation, revenue, and expenditures. The financial report for the prior year is presented at the January meeting, a proposed interim budget is presented at the July meeting, and the annual budget and salary plan is presented at the October meeting. The spring meeting is used to report on the status of the state appropriation and plan for review of tuition and fees. The State Examiners of Public Accounts

conduct comprehensive audits of the financial records, administrative policies and procedures, and other items of interest to the Board, to the legislature, and to the people of the State of Alabama.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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**The board must not be subject to undue pressure from political, religious or other external bodies. Furthermore, it should protect the administration from similar pressures.**

The President, as Secretary to the Board, affirmed that Board members are free from undue pressure from political, religious, or other external bodies. Since the Board of Trustees is responsible for establishment of University policies, administrators are insulated from undue pressures from internal or external entities.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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**There must be a clear distinction, in writing and in practice, between the policy-making functions of the governing board and the responsibility of the administration and faculty to administer and implement policy.**

**General institutional policies should originate within the board or should be approved by the board upon recommendation of the administration.**

**Once these have become official policies, the administration should implement them within a broad framework established by the board.**

Institutional policies at JSU are recommended by the administration to the Board for review and approval. Once approved, the Board of Trustees delegates to the President the responsibility of implementing policy. The *JSU Board of Trustees Manual*

addresses the prompt and effective execution of all resolutions, policies, rules and regulations adopted by the Board.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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### 6.1.3 Advisory Committees

**Whenever lay advisory committees are used by institutions, these committees should be active and their role and function clearly defined.**

There are several advisory committees that give input into policy and procedural matters for selected areas of the University. Special Services utilizes the Food Service Advisory Committee, Recycling Committee and Bookstore Advisory Committee; the College of Education and Professional Studies utilizes the Superintendent's Consortium, Dean's Advisory Committee, and Technology Community Advisory Board for the National Association of Industrial Technology (NAIT); the College of Commerce and Business Administration utilizes the Business Advisory Council; and the College of Nursing and Health Sciences utilizes the BSN Advisory Committee and the MSN Community Advisory Board. Unit reports indicate these groups meet on a regular basis for a clearly defined purpose and function.

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### 6.1.4 Official Policies

**The institution must publish official documents which contain, but are not limited to, the following information: the duties and responsibilities of administrative officers, the patterns of institutional organization, the role of the faculty in institutional governance, statements governing tenure or employment security, statements governing due process, and other institutional policies and procedures that affect the faculty and other personnel.**

There are three documents published by JSU that contain information concerning official policies. The *Faculty Handbook*, currently under revision, contains the duties and responsibilities of administrative officers, information about the University organization, the role of faculty in governance, tenure and due process as well as other policies and procedures relating to the faculty and administration. The *Staff Handbook* contains policies and procedures relating to staff employees of the University. The *Manual of Policies and Procedures* is the publication that contains information about University-wide policies and procedures. A fourth document, the *JSU Fact Book*, is published each year, and contains an organizational chart that clearly identifies the administrative structure of the University. Each position of the University has a job description that is available upon request in the Office of Human Resources.

The *Faculty Handbook* is made available to the faculty and administrators of the University and is available on-line. A copy of the *Staff Handbook* is given to staff employees at the time of their employment. *The Manual of Policies and Procedures* is provided to each unit of the University. The *JSU Fact Book* is distributed to the Board of Trustees and to each budget unit of the University; it is also available electronically on the University's web site. The Office of Human Resources keeps records of those who have been given handbooks; the Office of the VPABA maintains a list of areas that have the *Manual of Policies and Procedures*.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** The committee suggests that the *Staff Handbook* be placed on-line.

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### 6.1.5 Administrative Organization

**The administrative organization must reflect the purpose and philosophy of the institution and enable each functional unit to perform its particular responsibilities as defined by the stated purpose of the institution.**

The Fall 2001 Administrators Survey indicated that 96 percent of respondents “agreed or strongly agreed” that the University’s mission, purpose, and goals are adequately communicated to the administration; 94 percent “agreed or strongly agreed” that the University’s mission statement, purpose statements, and goals are appropriate for the institution; and 96 percent “agreed or strongly agreed” that their unit/department/division plans support the University’s mission, purpose, and goals. In the Fall 2001 Faculty Survey, respondents expressed similar perceptions with 93 percent “agreed or strongly agreed” that the University’s mission, purpose, and goals are appropriate for the institution; and 95 percent “agreed or strongly agreed” that their unit/department/division plans support the University’s mission, purpose, and goals. The Fall 2001 Staff Survey responses were similar to those of the faculty, with 93 percent and 91 percent, respectively, agreeing to these statements concerning the University’s mission, purpose, and goals. Further, 89 percent of staff employees surveyed “agreed or strongly agreed” that the staff receives adequate information to understand University policy and requirements.

Approximately 72 percent of the faculty “agreed or strongly agreed” with the statements that (1) the Faculty Senate is effective in representing faculty views, (2) the Faculty Senate and the University’s standing committees are adequate for the faculty to participate in University governance, and (3) the administration responds appropriately to Faculty Senate proposals/resolutions/actions. Eighty-seven percent of the faculty

responding “agreed or strongly agreed” that academic freedom is supported by the University’s administration. Responses to several specific questions concerning administrative support of instruction indicate that a majority of the faculty “agreed or strongly agreed” that the administration adequately provides available resources to departments to allow them to accomplish their mission.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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**Administrative responsibility and authority for all educational offerings and functions of the institution must be clearly identified, and each institution must develop, publish and make available an organizational chart clearly delineating lines of responsibility and authority.**

Administrative lines of authority for colleges and departments are clearly identified in the *University Catalogue* and the organizational chart published in the *JSU Fact Book*. The *Catalogue* is available upon request from the Office of Admissions and the Registrar’s Office. The *JSU Fact Book* is available upon request from the Office of Special Services and is available on-line at the University’s web site, <http://www.jsu.edu/info/factbook/>.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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**The duties of the chief executive officer, and of other administrative officials directly responsible to the chief executive, must be clearly defined and made known to faculty and staff. Administrative officers must possess credentials, experience and/or demonstrated competence appropriate to their areas of responsibility. The effectiveness of all administrators, including the chief executive officer, must be evaluated periodically.**

The duties of the President and the administrative officials who report directly to the President are outlined and defined in the *Faculty Handbook*. Job descriptions for all administrative positions are maintained by the Office of Human Resources, and are available for individual review.

In 1992, the JSU Staff Survey indicated that administrators' responsibilities and duties were not clearly understood. The Fall 2001 Staff Survey, however, indicates an improved perception, with 76 percent of staff reporting themselves to be "very familiar" with upper-level administrators' duties and responsibilities, and only 24 percent expressing a "lack of familiarity." These statistics represent improved dissemination and/or communication of the tasks and obligations of administrative officials to University staff.

The administrative officers of JSU possess appropriate credentials, experience, and/or demonstrated competence befitting their distinctive positions. Employment records are maintained in the Office of Human Resources for all employees. These files contain resumes, applications, transcripts, references, and other documents to support administrators' qualifications.

Having competent and well-qualified administrators is assured through the employment process practiced by JSU. The University's Consent Decree Mandate and the Affirmative Action Plan require job opportunities to be appropriately advertised. In order to comply with requirements, positions announcements are publicized internally as well as nationwide. These advertisements contain qualifications for positions, to include education and/or work experience requirements. Application materials are received in the Office of Human Resources for initial review. Those applicants who

meet the minimum qualifications for the advertised position are forwarded to the search committee for consideration. The search committee further examines the applications, investigates the background of each applicant, contacts references, and reviews original transcripts. This level of analysis ensures that individuals hired by the University have at least the minimum advertised qualifications for any particular position. Details of this procedure are found in the *Manual of Policies and Procedures*.

Administrators at JSU are evaluated annually in a hierarchical, reciprocal process. That is, each administrator evaluates those reporting to him or her and is, in turn, evaluated by the administrator to whom he or she reports. For example, the Board of Trustees evaluates the President. The President evaluates the VPASA, the VPABA, the VPIA, the Athletic Director, the Special Assistant to the President, the Internal Auditor, and the Executive Director of the DSMD. In turn, these individuals evaluate the unit heads under their management, and are also given the opportunity to assess the President's effectiveness. In the future, the President will also evaluate the Director of Institutional Effectiveness as well as the University Attorney.

The Trustees evaluate the President based on the President's relations with faculty and staff, students, Board of Trustee members, community leaders, officials from other universities, and government officials in Montgomery and Washington. The President's ability to manage University's fiscal affairs and the President's handling of filling vacancies in the Athletic Department are also evaluated by the Trustees.

The annual evaluation of administrators is based on individual unit goals and objectives and includes any additional parameters determined by the President. The

results of the evaluations are shared with each administrator during annual and/or quarterly performance reviews.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

## 6.2 INSTITUTIONAL ADVANCEMENT

Each institution should have a program of institutional advancement, which may include development and fund raising, institutional relations and alumni affairs.

If there is an advancement program, it must be directly related to the purpose of the institution.

The Division of Institutional Advancement (IA) encompasses the offices of Institutional Development, Alumni Affairs, News Bureau and Publications, Word Processing, and the Print Shop. The JSU Foundation is co-located with the Office of Institutional Development. The Foundation's mission is to provide supplemental funding to support the University. These activities are all directly related to University's mission and institutional goals. As a result of fundraising, \$220,000 in scholarships was awarded to deserving students during the 2001-02 academic year.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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**Qualified persons should be responsible for administration of the program.**

A new Vice President for Institutional Advancement (VPIA) was hired mid-October in 2002 following a national search. The VPIA and all directors within the Division are qualified. Their qualifications and credentials may be verified by examining vita that are available in the Office of Human Resources.

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### 6.2.1 Alumni Affairs

The relationship between the institution and its alumni should be one that encourages former students to continue to participate in the development of the institution. It should also assist in the evaluation of institutional effectiveness.

Alumni Affairs provides networking opportunities for alumni on an ongoing basis. Both recent alumni and five-year graduates are surveyed regarding the development of JSU and the evaluation of institutional effectiveness.

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### 6.2.2 Fund Raising

#### **All fund raising must be related to the purpose of the institution.**

The Office of Institutional Development is responsible for fund raising at JSU. The Director of Development also serves as Executive Director of the University Foundation, Inc. The Foundation exists solely for the purpose of supporting the University's mission. The Division of Institutional Advancement publicizes the University's educational mission and the need for private funds to support this mission through a wide variety of means.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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#### **All aspects of fund raising must be incorporated into the planning process and evaluated regularly.**

Any unit of JSU desiring to engage in fund raising may approach a potential donor only after approval by the Development Council. In this way, the Development Council ensures that potential donors are not subject to multiple entreaties by University personnel. The Development Council brings all fund raising activities under one umbrella for the purposes of coordinating activities and ensuring that each development effort speaks to the mission of the University. The Council, composed of individuals

from across the University, reviews proposals and fund raising plans and makes recommendations to the President for his approval.

A limited amount of unrestricted funds derived from the annual JSU phonathon is available for distribution to the University units for various projects. The Development Council annually notifies the University vice presidents/directors of the availability of these funds. A request for proposals is disseminated to the deans/directors. A list of projects requiring funding is generated from the proposed requests based on priorities identified in the Five-Year Plans. The phonathon generates, on average, between \$50,000 and \$75,000 of unrestricted monies annually. Each year, in the Spring, funds are distributed; in 2002, a total of \$66,000 was distributed.

Funds for scholarships, Eminent Scholars, and the Ayers Chair are also provided by the Foundation. During the 2001-02 academic year, \$220,000 was awarded for scholarships and a total of \$338,834 was provided for the University's two Eminent Scholars and the Ayers Chair.

Primarily, fund raising activities at JSU consists of the phonathon where approximately 22,000 - 24,000 alumni are contacted to solicit contributions to the University or to a specific college/department/unit. Those participating in the phonathon are evaluated weekly relative to their success in soliciting funds. At the completion of the phonathon, data are collected on total number of calls, number of rejections, average dollars per gift, and total contributions.

In addition, the Development Office is responsible for planned giving and mailings that are sent periodically to alumni informing them of a variety of planned "giving opportunities." The returned response cards requesting additional information

are evaluated as they are received. Funds are also received through private donations as well as endowments.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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**An institution must develop policies and procedures for fund raising and ensure that such policies are appropriately disseminated and followed.**

Fund raising policies are contained in the *JSU Foundation Policies and Procedures Manual*. These policies address matching gifts, gifts-in-kind, and deferred giving. Specific guidelines regarding the solicitation of funds from private sources are also found in the *Manual of Policies and Procedures, Policy V:01:02*.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** none

**Suggestion:** The committee suggests that policies and procedures regarding fund raising be broadly disseminated.

## 6.3 FINANCIAL RESOURCES

### 6.3.1 Financial Resources

**Because the financial resources of an institution influence the quality of its educational program, each institution must possess sufficient financial resources to support all of its programs.**

**The recent financial history of the institution must also demonstrate the financial stability essential to its successful operation.**

The long-range financial goal of JSU is to attain funding consistent with the President's stated goals. In its 1992 Self Study document, JSU stated that it was "making adjustments to become a state-assisted institution as opposed to a state-supported institution." Since that time, the University has become more and more dependent on tuition and fees and less and less dependent on state funding. In fact, in its recently approved mission statement, JSU is simply defined as "a public, comprehensive teaching institution" rather than a state-supported institution. Due to careful allocation of financial resources for the past five years, JSU has been able to support the educational mission. However, to fully support the institution's goals, more financial resources are needed.

Within the past six years, JSU's Educational and General (E&G) revenues have increased by 44.3 percent (Table 6.3.1). The increase represents an absolute increase – not an inflation-corrected percentage growth. Proration and continuing lack of growth in state appropriations have impacted the University's organizational capacity. Specific internal adjustments leading to reallocation of financial resources were derived through a comprehensive program review and restructuring of the organization in 1995-96.

**Table 6.3.1  
E&G Revenues by Source of Funding**

<b>REVENUES</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
Tuition	\$15,553,058	\$16,306,389	\$17,932,810	\$19,984,926	\$21,734,553	\$24,243,519
State Appropriations	\$24,427,932	\$24,575,277	\$24,712,389	\$26,092,413	\$27,901,096	\$27,332,021
Federal Grants	\$17,449,694	\$20,389,289	\$21,130,152	\$24,860,242	\$26,246,437	\$31,654,493
State Grants & Contracts	\$1,256,393	\$1,063,062	\$1,129,052	\$1,323,312	\$1,477,639	\$1,827,271
Local	\$128,159	\$136,553	\$143,943	\$157,779	\$252,994	\$188,063
Private	\$306,277	\$357,624	\$468,453	\$422,337	\$464,503	\$551,351
Endowment	\$288,394	\$313,554	\$307,200	\$551,490	\$400,825	\$412,053
Sales & Services of Educational Activities	\$485,122	\$786,332	\$462,580	\$371,432	\$405,228	\$502,007
Auxiliary Services Income	\$3,419,312	\$3,381,348	\$3,345,771	\$3,401,816	\$3,427,167	\$4,457,102
Other Sources	\$804,221	\$1,087,276	\$2,256,730	\$1,174,686	\$1,372,508	\$1,368,586
<b>Total Revenues</b>	<b>\$64,118,562</b>	<b>\$68,396,704</b>	<b>\$71,889,080</b>	<b>\$78,340,433</b>	<b>\$83,682,950</b>	<b>\$92,536,466</b>

The analysis of Table 6.3.1 indicates that the three main sources of revenue have been state appropriations, tuition, and federal grants. Due to proration and level funding of educational budgets by the state government, the increase in state appropriations is only 11.9 percent over a six-year period. JSU has experienced a significant shift in the amounts and percentages of revenues. In 1986-87, state appropriations accounted for 63 percent of E&G revenues; in 1991-92, 53 percent of revenues were from state appropriations; in 1996-97, 38 percent of revenues were state; and in 2000-01, state appropriations were only 29.5 percent of revenues.

A more than proportional increase in revenues has come from tuition/fees. In a six-year period, tuition has moved from 24.3 percent to 26.2 percent of revenues. While this may not appear to be significant, the percentage increase in tuition/fees over the same six years is 55.9 percent.

Federal grants have also seen a more than proportional increase. However, it should be pointed out here that the largest portion of federal grants is made up of federal financial assistance for students. In 1995-96, this revenue source provided 27.3 percent of revenues compared to 34.3 percent of revenues in 2000-01. Overall federal grants have increased by 81.4 percent during this six-year period.

The summary of E&G expenditures for the fiscal years 1996-2001 is shown in Table 6.3.2. The growth of overall expenditures is only 45.3 percent due to prorated or level-funded budgets. There was slow growth in instruction, academic support, student services, institutional support, and operation and maintenance of the physical plant.

**Table 6.3.2**  
**E&G Expenditures by Category of Expenditure**

<b>EXPENDITURES</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
Instruction	\$20,478,783	\$20,194,321	\$21,692,221	\$22,776,903	\$23,465,912	\$25,650,503
Research	371,518	337,537	288,741	246,531	313,059	841,875
Public Service	1,534,676	1,363,090	1,493,089	1,603,901	1,804,431	2,273,060
Academic Support	3,814,304	3,582,902	3,598,391	3,938,439	4,248,309	4,641,158
Student Services	4,601,418	4,900,598	5,212,562	5,925,709	6,941,649	7,543,441
Institutional Support	5,635,127	5,342,997	5,399,546	5,559,318	5,701,247	5,651,835
Operation & Maintenance of Plant	4,779,083	4,812,581	4,939,112	4,812,447	5,473,241	6,095,849
Scholarships & Financial Aid	18,270,935	21,453,810	22,757,767	26,595,862	27,873,768	33,588,738
Auxiliary Expenditures	1,954,600	2,008,011	2,196,328	2,315,354	2,462,546	3,632,674
Mandatory Transfers	1,059,640	1,052,415	1,052,598	1,384,287	1,130,207	1,444,565
Non-Mandatory Transfers	1,153,622	311,182	10,056	8,836	7,515	6,084
Other Transfers and Additions/Deductions	1,036,089	2,792,872	1,619,037	2,481,187	3,913,024	809,077
Total Expenditures and Transfers	\$64,689,795	\$68,152,316	\$70,259,448	\$77,648,774	\$83,334,908	\$92,178,859

Research expenditures have seen a tremendous increase in 2001 due to recently awarded grants and contracts. Public service and scholarships and fellowships saw moderate increases during this period. Increases in externally generated funds

have marginalized the impact of proration and allowed JSU to minimally accomplish its goals.

Compared with other non-doctoral institutions in Alabama (Auburn University – Montgomery, University of West Alabama, University of Montevallo, University of North Alabama, Troy State University, Troy—Montgomery, and Troy—Dothan), JSU has spent more than average on instruction (see Table 6.3.3). More recent data (1999-00) shows that this trend has continued (see Table 6.3.4).

**Table 6.3.3**  
**Peer Group E&G Expenditures in 1996**

	<b>JSU</b>	<b>Mean</b>	<b>Median</b>	<b>Std Dev</b>
Instruction	\$20,478,783	\$11,447,615	\$12,160,668	\$5,831,795
Research	\$371,518	\$192,821	\$70,680	\$246,511
Public Service	\$1,534,676	\$1,281,603	\$545,156	\$1,439,120
Academic Support	\$3,814,304	\$2,413,327	\$2,697,602	\$1,015,017
Student Services	\$4,601,418	\$3,019,452	\$3,143,201	\$1,660,978
Institutional Support	\$5,635,127	\$3,140,173	\$3,238,888	\$1,429,278
Operation & Maintenance	\$4,779,083	\$2,641,701	\$2,798,653	\$1,467,416
Scholarships & Fellowships	\$18,270,935	\$5,466,443	\$3,136,687	\$5,533,919
Mandatory Transfers	\$0	\$388,609	\$216,425	\$407,225
Non-Mandatory Transfers	\$1,179,945	\$594,069	\$662,961	\$343,418
Total E&G Expenditures	\$60,665,789	\$30,585,813	\$32,950,689	\$16,883,005

Source: IPEDS Reports

**Table 6.3.4**  
**Peer Group E&G Expenditures In 2000**

	<b>JSU</b>	<b>Mean</b>	<b>Median</b>	<b>Std Dev</b>
Instruction	\$23,465,912	\$14,549,749	\$14,420,730	\$8,087,155
Research	\$313,059	\$246,382	\$78,385	\$368,741
Public Service	\$1,804,431	\$2,107,079	\$679,096	\$2,798,968
Academic Support	\$4,248,309	\$3,121,153	\$3,608,026	\$1,405,782
Student Services	\$6,941,649	\$3,878,759	\$3,671,090	\$2,218,400
Institutional Support	\$5,701,247	\$4,451,675	\$3,948,134	\$2,658,607
Operation & Maintenance	\$5,473,241	\$3,098,667	\$3,186,111	\$1,664,554
Scholarships & Fellowships	\$8,642,073	\$4,649,554	\$4,044,055	\$2,894,471
Mandatory Transfers	\$437,187	\$644,852	\$530,547	\$613,094
Non-Mandatory Transfers	\$3,936,556	\$1,572,814	\$689,720	\$1,885,041
Total E&G Expenditures	\$60,963,664	\$38,320,682	\$36,382,039	\$21,898,215

Source: IPEDS Reports

JSU's expenditure per FTE in 1999-2000 was \$8,948. This places JSU in the first quartile of the peer group. However, the percentage of JSU's instruction

expenditures is above the median for the peer group. This is an indication that JSU has continued to acquire and allocate sufficient financial resources to support its educational programs (see Table 6.3.5).

**Table 6.3.5**  
**Peer Group E&G Expenditures for 2000**  
Per FTE student

2000	Per FTE student				% of Total E&G	
	Quartile 1	Quartile 2	Quartile 3	JSU	Median %	JSU %
Instruction	\$3,752	\$4,384	\$4,846	\$3,444	38.23	38.49
Research	\$3	\$32	\$59	\$46	0.25	0.51
Public Service	\$145	\$235	\$496	\$265	2.44	2.96
Academic Support	\$839	\$975	\$1,158	\$624	8.64	6.97
Student Services	\$915	\$1,087	\$1,465	\$1,019	10.12	11.39
Institutional Support	\$1,156	\$1,309	\$1,531	\$837	11.08	9.35
Operation & Maintenance	\$777	\$835	\$1,197	\$803	7.94	8.98
Scholarships & Fellowships	\$1,132	\$1,351	\$1,564	\$1,268	12.10	14.18
Mandatory Transfers	\$15	\$158	\$391	\$64	1.55	0.72
Non-Mandatory Transfers	\$93	\$342	\$609	\$578	3.17	6.46
Total E&G Expenditures	\$9,642	\$10,800	\$12,793	\$8,948		

The central financial concern is the continued decreasing share of revenues from state appropriations. The relative decline in state funding has placed more responsibility on JSU for securing and maximizing other sources of revenue. JSU is pursuing an increased student enrollment and encouraging faculty to increase external funding from grants and contracts. Based on the responses from department heads and administrators, JSU has managed to maintain viability and strength in its programs.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

### 6.3.2 Organization for the Administration of Financial Resources

**All business and financial functions of the institution should be centralized under a chief business officer reporting to the chief executive officer.**

**The organization of the business office must be consistent with the purpose of the institution, the size of the institution, and the volume of transactions of a business or financial nature.**

**The chief executive officer must report regularly to the governing board on the financial and business operations of the institution.**

**The chief business officer should have experience or training in handling educational business affairs sufficient to enable the business office to serve the educational goals of the institution and assist in furthering its stated purpose.**

The business and financial functions of the University are centralized under the VPABA, the chief business officer for the University who reports directly to the President. The Division of Administrative and Business Affairs is organized into five areas: Human Resources, Physical Plant, Purchasing, Special Services, and Comptroller. A director administers each area.

The Division of Administrative and Business Affairs has well-defined goals and objectives which are adequate to support the goals of the institution. The design of the administrative and business office segregates the responsibility of procurement, accounts receivable and payable, cash receipts and disbursements, payroll and personnel, and purchasing and disbursements. In addition, the office has an Inventory Manager that segregates the safeguard of assets from the individual who is responsible for the use of these assets. The design of the Division is consistent with the size and purpose of the University, and this organizational structure is similar to most public comprehensive institutions of higher education.

The President, in association with the VPABA, regularly reports on business and financial operations to the Board of Trustees. The Board of Trustees has statutory responsibility for the financial matters of the institution.

The acting VPABA has the professional experience and academic credentials to serve in this position. He holds a doctorate in Economics and has 30 years of experience in higher education. He currently serves as dean of the College of Commerce and Business Administration and has chaired the Budget Committee for more than 10 years. A national search is in progress and the position is expected to be filled in Spring 2003.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

### 6.3.3 Budget Planning

**An institution must prepare an appropriately detailed annual budget.**

**Its preparation and execution must be preceded by sound educational planning.**

**It follows that the institutional budget should be substantively developed by academic officers or deans, working cooperatively with department heads, appropriate members of the faculty and administration, and representatives of the business office.**

**Procedures for budget planning must be evaluated regularly.**

**Similarly, budgets for other areas should be developed after consultation with appropriate officers of the institution.**

**The budget is presented by the chief executive officer through proper channels to the governing board for final approval.**

**In reviewing the budget, the governing board should focus on matters of board policy and normally should not concern itself with details.**

Guidelines for the budgeting process are delineated in the *Manual of Policies and Procedures*, Section IV:09. The annual budget is appropriately detailed and conforms to recognized standards for universities. Details of the operational aspects of the

budgeting process are contained in the *Business Procedures Manual* (BA: IV:11:01). The annual budget is based upon conservative revenue projections of state appropriations, tuition (derived from enrollment projections), miscellaneous revenue, and auxiliary services. Expenditure projections begin with an assumption of previous year expenditures, and are adjusted based on changes in fixed costs, projected salary increases, new initiatives, and prioritized maintenance to the physical plant.

The budgeting process is designed to allocate resources to meet the University mission. An institutional Five-Year Plan, which is updated annually, is developed with input from all units within the University. The Plan addresses anticipated needs to fund the various programs and operations of the University.

Budgetary responsibilities reside with the President, vice presidents, deans, directors, department heads, and the Budget Committee. The annual cycle begins with educational/program planning culminating in the development of the institutional Five-Year Plan. The degree to which departmental members are involved in the process varies by department. Based upon the objectives, personnel needs, equipment, supplies, travel, etc., are projected, and then manifested in the departmental requests.

These plans are then submitted to the deans/directors for evaluation and modification prior to transmittal to the respective vice-president. After review at this level, the budgets are presented to the President, who submits them to the Board of Trustees for final approval. Adjustments may be necessary after budget approval, as warranted by changes in revenue projections. Any such adjustments are within the purview of the President.

Evidence of evaluation of the budget planning process is exemplified by the appointment of a Planning Subcommittee of the University Budget Committee. This group is charged with the responsibility of reviewing the linkage between planning and budgeting and formulation of recommendations for improvement. The standardization of this process is being achieved through the implementation of PRISM. Another factor that has led to careful scrutiny in the budget planning process has been the proration of state-appropriated funds. The sluggish economy has significantly impacted state revenues and resultantly, state appropriations. Conservative revenue projections, along with realistic expenditure projections, ensure operational integrity and strategic resource utilization.

According to the Fall 2001 Faculty Survey, 56 percent of the faculty either “agree or strongly agree” that they have sufficient input into the planning and budgeting process at the departmental level, and 67 percent either “agree or strongly agree” that they have sufficient input into the University-level planning and budgeting. In comparison, only 47 percent of the staff indicated that they have sufficient input into the planning and budgeting process.

The University President presents the budget to the Board of Trustees each October for their approval. In July of each year, an interim budget is presented to authorize expenditures for the ensuing fiscal year before the October meeting.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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### 6.3.4 Budget Control

**After the budget has been approved by the chief executive officer and adopted by the governing board, a system of control must be established.**

**The business officer must render interim budget statements on a periodic basis to department heads for their guidance in staying within budgetary allocations.**

**Budgetary control is an administrative function, not a board function.**

**Necessary budget revisions must be made when actual conditions require such change and must be communicated to those affected within the institution.**

Budgetary control is an administrative function. Once the Board of Trustees approves a functional budget, it is the responsibility of the administration to establish resource allocations among the individual budget units comprising the overall budget. The initial implementation of the budget is accomplished in three basic phases. First, departmental budget managers enter projected budgets for the next year into the automated system. Second, deans, directors, and vice presidents review and alter (if necessary) projected budgets. During this phase, a deadline is set after which budgetary changes can only be made by deans, directors, and vice presidents, with individual budget managers having only review privileges. Third, after the dean/director due date, only the President and vice presidents may make changes to the budgets if deemed necessary.

Although budgets are a tool for both planning and control, budget allocations are based on estimates that may require adjustment as actual expenditures are incurred. Therefore, it is necessary to ensure that the budget process allows for flexibility while still providing for adherence to the standards of the approved budget. This is accomplished by assigning object codes for each of the components of the approved budget. The object codes possess pre-established levels of discretion in regard to what

level of administrative authority is required for the reallocation of funds between budget components. If some budget components are in need of additional funding, while others are experiencing a surplus, funds may be reallocated among budget categories. However, the level of administrative approval that is required for the reallocation depends on the types of budget components that are to be changed. For example, changes can be made at the budget manager level for object codes of 300 or greater. However, budget changes to personnel object codes (100's and 200's) have to be made by the Comptroller or Financial Systems Manager. This provides the flexibility of administrative discretion for adjusting budget components, but only at an appropriate level of administrative approval.

Budget managers are only permitted to requisition budget funds when adequate amounts of unencumbered budget are available to meet the request for the object code in question. In the event a budget request is desired for an area in which insufficient unencumbered funds are available, budget changes as described in the preceding paragraph must be made before the requisition can be entered. Although funds may be reallocated between object code categories, the net effect on the funds available for the overall unit budget must remain unchanged. In other words, after approval of the budget, any funds added to an object code category must have an equal amount of funding removed from one or more other categories, resulting in a net change in the overall budget of zero. Budget managers are provided guidance due to fact that budget, expenditure, encumbrance, and requisition amounts for each applicable object code are available on a real-time basis.

Decisions to revise the budget are made by the President after consultation with the administrative staff. The budget revisions are then communicated as necessary to budget managers through appropriate administrative channels including vice presidents, deans, department heads, and other supervisors. Budgets may be increased during the fiscal year by three methods. First, the Comptroller or Financial Systems Manager may process a budget increase that has been approved by the President. Second, once a granting authority has issued an award letter to the institution and a copy of the approved budget has been received, the Financial Systems Manager may increase budgets for restricted grants/contracts funded by federal, state, or private funds. Third, if a budget unit produces sufficient revenues, the Financial Systems Manager may increase such budget with the approval of the appropriate vice president. Although capital budgets for fixed assets are normally completed at the beginning of each fiscal year, funding for such projects may also be increased through the filing of a request with the VPABA. The Financial Systems Manager processes capital budget increases only after approval by both the President and the Board of Trustees.

The above points describing the processes of establishing the budget, adjusting object code allocations, revising the budget, and communicating budget information provide evidence that the administration of JSU follows an approach to budgetary control that allows for both flexibility and appropriate levels of control in the budget process.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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### 6.3.5 The Relation of an Institution to External Budgetary Control

**No outside or superimposed agency should exercise specific and detailed control over the financial affairs of an institution.**

**Once funds have been appropriated, creating a budget, establishing priorities, and controlling expenditures becomes the responsibility of the institution—operating under the jurisdiction of the governing board and subject to its policies.**

**Enforcement of budgetary law is imperative; however, the educational function of an institution must not be controlled through the use of budgetary techniques or controls by financial officials outside the institution.**

The University, as a state institution, is subject to legislative mandates and state agency procedures and regulations. However, regulations are of a general nature and are not specifically imposed upon JSU. Once funds have been appropriated and the institution receives its allocation, the making of budgets, the establishment of priorities, and the control of expenditures are the responsibilities of the institution.

After approval of a functional budget by the Board of Trustees, resource allocations of the budget among budget units are administratively made. Appropriate administrative levels are given responsibility for the control of expenditures and the reallocation of funds among budget components. Control is maintained by requiring adherence to the budget as approved under appropriate administrative guidelines. Administrative guidelines for budgetary control are enforced by allowing budget managers authority for reallocating operating funds. The reallocation of personnel expenses and other resources has to be approved at a higher administrative level.

The above points provide evidence of the proper budget process administration by the institution in accordance with its governing board policies.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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### **6.3.6 Accounting, Reporting and Auditing**

**An institution must adopt an accounting system that follows generally accepted principles of institutional accounting as they appear in *College and University Business Administration*, published by the National Association of College and University Business Officers.**

**The chief business officer is responsible for preparing financial reports for appropriate institutional officials, board officers and outside agencies. Periodic written reports to the chief executive officer of the institution are essential.**

**An annual fiscal year audit must be made by independent certified public accountants, or an appropriate government auditing agency, employing as a guide for institutions under the jurisdiction of the Financial Accounting Standards Board (FASB), *Audits of Not-For-Profit Organizations*, published by the American Institute of Certified Public Accountants (AICPA), or, for institutions under the jurisdictions of the Government Accounting Standards Board (GASB), *Audits of Colleges and Universities*, also published by the American Institute of Certified Public Accountants (AICPA), or, in the case of for-profit institutions, conducted in accordance with generally accepted accounting principles.**

**If an institution is subject to Statement of Financial Accounting Standard (SFAS) No. 117 and elects to use the single column "Corporate" Statement of Financial Position in its report, it must provide an additional Statement of Financial Position using one of the four highest levels of disaggregation illustrated in F.A.R.M.**

**The additional statement must be included either in the audit report as an audited supplemental schedule or independently certified if not included in the audit report.**

**The auditors must not be directly connected with the institution either personally or professionally.**

**An effective program of internal auditing and financial control must be maintained to complement the accounting system and the annual external audit.**

The University follows generally accepted principles of institutional accounting as provided in *College and University Business Administration*, published by the National Association of College and University Business Officers. The State Examiners of Public Accounts provides verification of this practice annually in their audit report. The University is expected to respond positively to any weakness cited in the audit report. If cited weaknesses are not corrected in a timely and satisfactory manner, the state has the authority to withhold appropriations.

The VPABA is responsible for preparing financial reports for appropriate institutional officials, board officers, and outside agencies. The VPABA is also present when financial reports are presented to the Board of Trustees in the event there are questions to be addressed or any additional information is needed. Any reporting to external agencies is normally done by the VPABA. The President has on-line access to all budgets, receives weekly and quarterly verbal reports, and is provided written financial reports concerning the financial activity of the institution on a periodic basis.

Annual fiscal year audits are conducted to ensure that the reporting practices of the institution follow appropriate accounting principles. The institution is not subject to Statement of Financial Accounting Standard (SFAS) No. 117 and, therefore, the additional statement required by this standard is not applicable. The independence of external auditing of the institution's financial reports is maintained by having the audit conducted by The State Examiners of Public Accounts.

The institution maintains an internal audit function through the Internal Auditor, who reports to and prepares quarterly reports for the President. Although the Director communicates regularly with the President, the internal audit function does have direct

access to the Board of Trustees if it is deemed necessary by the Director of Internal Audit. The function of internal audit complements the accounting system and external audit. Financial control is maintained through the budget process and the direction of the VPABA.

The above points describing the generally accepted accounting principles followed, the role of the VPABA in the preparation of financial reports to both the President and other parties, the annual independent audit conducted by the State Examiners of Public Accounts, and the functioning of the internal audit process provide evidence that the administration of JSU follows an approach to accounting, reporting, and auditing that serves to ensure a reliable system of information reporting in accordance with applicable guidelines.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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### 6.3.7 Purchasing and Inventory Control

**An institution must maintain proper control over purchasing and inventory management.**

**The administration and governing board should protect responsible purchasing officials from the improper pressures of external political or business interests.**

Purchasing authority is centrally maintained in the Office of Purchasing and is regulated by Alabama Bid Law, as well as other applicable state statutes and regulations. As departments/units submit purchase requisitions, the staff follows documented procedures for issuing purchasing orders. The purchasing function is the responsibility of the Director of Purchasing.

The Office of Purchasing follows well-documented purchasing procedures and is not under pressure from external political or business interests. The administration insists on adherence to bid law and competitive purchases.

The University employs a full-time Inventory Manager who reports directly to the Director of Purchasing. University requisitions are reviewed in Purchasing to ensure proper classification of capitalized expenditures. (The University has a capitalization policy of \$5000.) The Inventory Manager receives a report detailing items paid that are considered capital assets. The Inventory Manager tags the inventory with identification numbers through an automated Purchasing Data Processing System; this information is stored in an electronic inventory system. Inventory totals are balanced to financial records quarterly.

The purchasing function maintains an inventory system appropriate to the safeguarding of equipment from loss. JSU, as a state institution, is tax exempt, and most vendors require the State Tax Exemption number to honor this status.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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### 6.3.8 Refund Policy

**The institution must adhere to a published policy and procedure for refunding fees and charges to students who withdraw from enrollment.**

**The policy and procedure must be in keeping with generally accepted refund practices in the higher education community, applicable to all students, and clearly stated in appropriate official publications.**

The University adheres to a published policy and procedure for the refunding of fees and charges to students who withdraw from the University. The Refund Policy is explicitly described in the *2002-03 University Catalogue* (p. 18). The policy delineates the procedure for the refunding of fees and charge adjustments for withdrawal and also for dropping and adding courses. The federal aid policy differs for students receiving Title IV Funds. This policy is described on page 7 of the Fall 2002 Class Schedule. Information regarding refunds is consistently published in the class schedule, which is provided to students at each registration session. The general policy for all student refunds, as well as the specific policy for students with Title IV aid, is in keeping with generally accepted refund practices in the higher education community.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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### 6.3.9 Cashiering

**There must be a suitable organization and adequate procedures for the management of all funds belonging to the institution.**

**The cashiering function should be centralized in the business office, and there must be a carefully developed system for the receipt, deposit and safeguarding of institutional funds.**

**All persons handling institutional funds must be adequately bonded.**

Adequate procedures for management of institutional funds are clearly defined and an organized system of accountability and internal controls for handling funds exists. The Comptroller's Office maintains responsibility for all aspects of the cashiering function. The Comptroller reports directly to the VPABA. Duties and responsibilities

within the Comptroller's jurisdiction are adequately identified, and specific procedures related to the conduct of cashiering activities are documented in the *Business Procedures Manual*.

The University requires that all persons handling institutional funds be bonded. Currently, all staff in the Bursar's Office are bonded. The requirement is detailed in the *Business Procedures Manual* (BA I:01:11).

The Bursar's Office, through the Comptroller's Office, is responsible for the centralized cashiering function of the University and the office maintains a system for the receipt, deposit, and safeguarding of institutional funds. Several offices receive cash and other deposits. These offices must also comply with strict rules for receipting and handling of funds which are presented to the Bursar's Office for entry into the accounting records and deposit in the bank. The Bursar reports directly to the Comptroller. An adequate system for safeguarding institutional funds exists, and procedures for handling of funds are documented of the *Business Procedures Manual* (BA IV:02:02).

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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### 6.3.10 Investment Management

**The institution must have a written statement of its investment policies and guidelines approved by the board.**

**The policies and guidelines should set forth the investment goals of the institution, conditions governing the granting or withholding of investment discretion, a description of authorized and prohibited transactions, and the**

**criteria to be used for performance measurement of both short- and long-term investments.**

**Members of the governing board should be aware of their fiduciary responsibility for the institution and their responsibility for securing maximum investment returns consistent with the approved investment policy.**

**They should avoid involvement in conflict of interest situations.**

**Investment policies and guidelines must be evaluated regularly.**

Since JSU is a state-assisted institution, investment policies are in adherence with the investment guidelines described in the *Constitution of Alabama* and the *Code of Alabama, 1975*. The Board of Trustees approved a written statement of investment policies and guidelines, which is identified in Resolutions 347 and 347-A. These resolutions establish responsibility for managing funds to realize maximum return while maintaining proper cash flow for the appropriate fund.

The Board is provided an annual report each year at the April meeting evaluating investment strategies, and a written report is prepared by the VPABA for the President. The report presents the average rate of return on the different investment vehicles and, for comparison purposes, the available regional and national indices.

The responsibility for investment fund management resides with the President, VPABA, and the Comptroller of the University. The Comptroller is responsible for carrying out the day-to-day investment process, while the VPABA is responsible for the University investment program.

University policies and guidelines that govern the activities of the investment manager are delineated in the *Business Procedures Manual* (BA IV:11:04).

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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### **6.3.11 Risk Management and Insurance**

**The institution should have a comprehensive risk management program which includes risk evaluation, risk avoidance, and insurance.**

**Adequate replacement protection for all physical facilities should be covered by appropriate levels of insurance or appropriate provisions for obtaining funds.**

The University has a comprehensive risk management program in which all risks are evaluated and insurance provided where appropriate. A risk management program emphasizing the University's potential liability for losses resulting from accident, illness, injury, or commission of a "wrongful act" has been adopted. When possible, action is directed at removing the source of the risk, and risk avoidance procedures have been established. If this cannot be accomplished, then financial coverage is obtained to cover the potential loss.

The program for risk management is identified in the *Business Procedures Manual* (BA I:01:11). Administration of the risk management function has been assigned to the Director of Human Resources. Eight departments/offices have been identified as being in charge of areas that are especially susceptible to risk, and the administrators of these departments are responsible for functions to reduce and/or avoid the costs of risk. These departments/offices are the Affirmative Action Office, the Comptroller, the Athletic Department, Human Resources, the Physical Plant, University Police, Student Health, and University Housing.

There is adequate replacement protection for all physical facilities covered by appropriate levels of insurance. All of the physical facilities are insured at 80 percent of

the replacement cost. The insurance is maintained through carriers engaged by the State of Alabama Insurance Fund. Other forms of insurance provided by the University include employee benefits, Board of Adjustments, professional liability, vehicle, and property and casualty.

Risks not assumed by the University include student health insurance and general liability. Risk and insurance assessments for special events are decided on a case-by-case basis.

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### 6.3.12 Auxiliary Enterprise

**The institution may operate, or have contracted for operation, activities that may have a significant impact on the operation of the institution. These activities may include, but are not limited to, the following: bookstores, residence halls, food service operations, printing/duplicating services, child care and transportation services. These activities, when operated by or for the institution, must be documented and operated in a fiscally responsible manner.**

JSU contracts food service operations, bookstore, and vending machine operations. Sodexo Marriott Services is under contract to operate the cafeteria and related food service areas. The contract is re-bid as needed to ensure maximum profitability and service. Commissions are generated as a percentage of sales with minimum guarantee. Barnes and Noble, Inc. has recently been selected to operate the University Bookstore. This contract also generates commissions on a sales percentage with a minimum guarantee. Vending operations are contracted to Coca-Cola, USA, and to Buffalo Rock. The operations generate income strictly as a percentage of sales.

The existing market for these services is constantly monitored to ensure the University is receiving fair compensation for these areas, with the contracts subject to re-bid accordingly. Receipts from auxiliary services for 1994-2000 are presented in Table 6.3.12.1.

**Table 6.3.12.1**  
**Receipts from Auxiliaries**

<b>Year</b>	<b>Receipts</b>
1994	\$3,137,327
1995	\$3,363,697
1996	\$3,419,312
1997	\$3,381,348
1998	\$3,345,771
1999	\$3,401,816
2000	\$3,427,167

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

## 6.4 PHYSICAL RESOURCES

**Physical resources, including buildings and equipment both on and off campus, must be adequate to serve the needs of the institution in relation to its stated purpose, programs, and activities.**

**The physical environment of the institution should contribute to an atmosphere for effective learning.**

The report by the Enrollment Management Committee – Goal 10,000 indicates that more than sufficient classroom space (rooms and seats per room) has been provided for instructional facilities at JSU. The majority of faculty indicated on the Fall 2001 Faculty Survey that classroom space and furnishings are “good-to-excellent” (See Table 6.4.1).

**Table 6.4.1  
Fall 2001 Faculty Survey**

<b>Item Evaluated</b>	<b>n</b>	<b>Excellent %</b>	<b>Good %</b>	<b>Fair %</b>	<b>Poor %</b>
Classroom Space & Furnishings	162	14.2	54.3	24.7	6.8
Office Space & Furnishings	156	22.0	45.3	23.9	8.8
Laboratory Space & Equipment	96	20.8	41.7	25.0	12.5
Technological Equipment	152	24.3	43.4	25.0	7.2
Availability of Secretarial Support	157	37.6	36.3	19.1	7.0
Quality of Secretarial Support	155	62.7	22.2	11.1	3.9
Buildings/Grounds Maintenance	161	24.2	44.1	23.6	8.1
Telephone Services	159	33.3	49.1	11.3	6.3
Recreational/Lounge Facilities	145	22.1	37.2	29.0	11.7
Wellness/Health Facilities	130	37.7	48.5	10.8	3.1
Parking	164	28.7	29.9	26.2	15.2

Several of the units indicated the need for additional space. The unit report for the College of Education and Professional Studies indicated that there is insufficient classroom space in Ramona Wood Hall. Due to lack of space during high usage hours, programs located in Ramona Wood Hall are required to utilize classrooms in other buildings. Additionally, Mason Hall is in need of additional large classrooms for classes

with over 50 students. Continuing Education also indicated a need for more classroom space and a computer lab.

Two-thirds of the faculty indicated that office space and furnishings are “good to excellent.” According to unit reports, faculty office space is adequately provided in Ayers Hall, Pete Matthews Coliseum, Bibb Graves Hall, Martin Hall, Merrill Hall, and Stone Center. While Mason Hall, Ramona Wood Hall, and Self Hall currently have sufficient office space, the unit report for the College of Education and Professional Studies indicated that additional space will be needed as new full-time positions are filled. The unit report also indicated that several offices are too small. The units housed in Houston Cole Library and the Department of Continuing Education indicated that additional office space is needed as well.

Additional storage space is needed in the Houston Cole Library and Bibb Graves Hall. Additionally, the physical plant has limited shop space, storage space, office space, and storage facilities. This unit states that these limitations hamper its ability to service the University.

Although space utilization studies show that sufficient space has been provided for instructional facilities, some units indicate inadequacy in technical resources (e.g. computers, lab equipment, etc.). However, the majority of faculty rated current labs/equipment as “good to excellent.” (See Table 6.4.1).

Faculty, staff, and administration indicated that the services provided (secretarial support and quality, building and ground maintenance, telephone services, recreational/lounge facilities, and wellness/health facilities) are adequate to support the mission of the institution (See Tables 6.4.1 and 6.4.2). The majority of staff and

administration indicated that current office facilities are “good to excellent.” (Table 6.4.2).

**Table 6.4.2**  
**Fall 2001 Administrator and Staff Surveys**

<b>Item Evaluated</b>	<b>n</b>	<b>Excellent %</b>	<b>Good %</b>	<b>Fair %</b>	<b>Poor %</b>
Office Space & Furnishings					
Administration	44	47.7	34.1	11.4	6.8
Staff	192	29.2	44.3	15.1	11.5
Availability of Secretarial Support					
Administration	45	73.3	13.3	13.3	0.0
Staff	157	37.6	36.7	10.2	4.8
Quality of Secretarial Support					
Administration	45	77.8	13.3	6.7	2.2
Staff	168	61.3	22.2	8.3	2.4
Building/Grounds Maintenance					
Administration	47	34.0	48.9	12.8	4.3
Staff	194	34.5	39.7	17.0	8.8
Telephone Services					
Administration	46	50.0	41.3	6.5	2.2
Staff	203	41.9	49.3	6.9	2.0
Recreational/Lounge Facilities					
Administration	43	30.2	39.5	20.9	9.3
Staff	181	26.5	45.9	13.3	14.4
Wellness/Health Facilities					
Administration	44	54.5	36.4	6.8	2.3
Staff	168	43.5	44.0	10.7	1.8
Parking Facilities					
Administration	47	23.4	31.9	29.8	14.9
Staff	204	17.1	28.8	32.2	22.0

As the results reveal, faculty, administration, and staff have somewhat different opinions on the adequacy of parking on campus. However, close to 50 percent of each group rated parking as “good to excellent.” With regard to on-campus students, however, only 37 percent rated parking as “satisfactory to very satisfactory.”

The results of the 2001 Graduating Senior Survey indicate that well over two-thirds of the recent graduates indicated that computer labs and availability of computers are adequate. As shown in Table 6.4.3, a total of 80.8 percent of the graduates rated computer labs as “satisfactory to very satisfactory,” while 73.3 percent of the graduates rated the availability of computers as “satisfactory to very satisfactory.” With regard to

housing, 60 percent of the students responding rated residence halls and JSU-owned apartments as “satisfactory to very satisfactory.”

**Table 6.4.3  
Results of 2001 Graduating Senior Survey**

<b>Item Evaluated</b>	<b>Very Satisfied %</b>	<b>Satisfied %</b>	<b>Neutral %</b>	<b>Dissatisfied %</b>	<b>Very Dissatisfied %</b>
Computer Labs	29.5	51.3	14.2	7.8	2.0
Availability of Computers	27.3	46.0	9.5	9.9	2.7
Residence Halls	20.5	40.2	15.0	17.3	7.1
JSU-Owned Apartments	20.9	39.5	16.3	18.6	4.7

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestions:**

1. The committee suggests that the University develop a long-range plan to address the inadequacies in technical resources identified by the units.
2. The committee suggests that strategies to resolve the parking complaints identified in the unit reports be communicated to faculty, staff, and students.

### 6.4.1 Space Management

**Space allocated to any institutional function must be adequate for the effective conduct of that function.**

Physical resources, including buildings and laboratories, are presently adequate to serve the needs of the institution in relation to its stated purpose, programs, and activities. Considering the current growth rate of the University, some space shortages are beginning to occur. However, after the current building renovation projects are completed, many of these shortages are expected to be remedied.

Data collected from several sources indicate that the current physical resources do serve the present needs of the University and support the University's mission. The sources used to make this determination include:

1. JSU Space Utilization Study, Institutional Summary
2. JSU Classroom Utilization Study
3. Responses of unit managers to a questionnaire related to the resources and the Physical Plant
4. Fall 2001 Faculty Survey
5. 2001 Graduating Senior Survey

Unit managers were asked to determine if they had adequate space to perform their assigned tasks. Most units responded affirmatively; however, many reported that space is becoming a premium. Some unit managers feel that they do not have sufficient classroom space. However, as Table 6.4.4 illustrates, classroom space in buildings is not currently at capacity. The classrooms in two buildings, Bibb Graves and Brewer Hall, are utilized at approximately two-thirds of capacity while the rest are utilized at approximately fifty percent capacity or less.

**Table 6.4.4**  
**Fall 2001 Classroom Utilization Rates – Institutional Summary**  
**Sixteen Hour Time Block: 7:00 am – 11:00 pm**  
**Percentage of Capacity Based on Rooms and Stations**

<b>Building</b>	<b>Percentage of Capacity</b>
Ayers Hall	46.9
Bibb Graves Hall	66.2
Brewer Hall	63.4
Houston Cole Library	36.5
Martin Hall	35.4
Mason Hall	36.3
McGee Science Building	30.7
Merrill Building	46.8
Montgomery Building	28.1
Matthews Coliseum	56.3
Ramona Wood Building	40.4
Rowe Hall	32.8
Self Hall	20.3
Stone Center	45.7
Wallace Hall	27.1

According to Table 6.4.5, most classes are currently scheduled between the hours of 9 am and 12 noon. Therefore, any shortages of classroom space could be rectified by scheduling more afternoon and evening classes.

**Table 6.4.5**  
**Space Utilization Study – Institutional Summary**  
**Number of Students Occupying Classrooms**  
**During Each Hour During the Week**  
**Fall 2001**

<b>Class Meeting Time</b>	<b>Number of Students</b>
07:00 – 08:00	1497
08:00 – 09:00	6594
09:00 – 10:00	12204
10:00 – 11:00	12612
11:00 – 12:00	10703
12:00 – 13:00	9290
13:00 – 14:00	7902
14:00 – 15:00	6046
15:00 – 16:00	3448
16:00 – 17:00	3475
17:00 – 18:00	4455
18:00 – 19:00	4671
19:00 – 20:00	3775
20:00 – 21:00	1981
21:00 – 22:00	715

Based on the utilization statistics, there is sufficient classroom space campus-wide, but department heads must be willing to modify the scheduling of their classes or may, at times, have to be willing to utilize the classroom spaces outside the confines of their building (in other University buildings).

Unit managers also report a few areas that have deficiencies in specialized space needs, such as sound-proof rooms for music, and rehearsal space for drama. Laboratory space and equipment is currently at a satisfactory level. However, unit managers do cite lab shortages in several areas. It appears that these shortages are mainly for special purpose labs, but these shortages are not currently hampering the completion of the units' assigned tasks.

Many of the unit managers reported a lack of office space for their respective areas. Noteworthy deficiencies in office space were reported in the following units: Data

Systems Management, International House, Drama Department, Math/Computer Science Department, College of Education and Professional Resources, Educational Resources, Communication, Technology, Counseling and Career Services, In-Service Education Center, and Physical Plant. As stated before, JSU is in the process of renovating facilities that should alleviate some, if not all, of these shortages.

Storage facilities are listed as a concern by several units – from instructional units to administrative units. The following units have been identified as having limited storage facilities: Drama, Physical and Earth Sciences, Archeology, units housed in Ramona Wood, Band, Pete Mathews Coliseum, Athletics, Housing and Residence Life, the Admission Office, and the Registrar's Office. The University is considering different alternatives for expanding storage space capacity and better utilizing existing space.

As illustrated in Table 6.4.6, the majority of the faculty did not report deficiencies in the areas of classroom facilities, laboratory space, and office facilities.

**Table 6.4.6**  
**Results of Fall 2001 Faculty Survey\***  
**(Results Reported in Percentages)**

Space	Excellent	Good	Fair	Poor
Classroom Space	14.2	54.3	24.7	6.8
Laboratory Space	20.8	41.7	25.0	12.5
Office Space	22.0	45.3	23.9	8.8

\*The area of storage facilities was not addressed on the Faculty Survey.

The results of the 2001 Graduating Senior Survey indicate that an overwhelming majority of the recent graduates reported that both classroom and lab facilities are adequate. As Table 6.4.7 shows, a total of 83.4 percent of the graduates rated classroom facilities as “satisfactory to very satisfactory,” while 77.8 percent of the graduates rated lab facilities as “satisfactory to very satisfactory.”

**Table 6.4.7**  
**Results of 2001 Graduating Senior Survey**  
**(Results Reported in Percentages)**

<b>Space</b>	<b>Very Satisfied</b>	<b>Satisfied</b>	<b>Neutral</b>	<b>Dissatisfied</b>	<b>Very Dissatisfied</b>
Classroom	24.1	59.3	9.6	6.0	1.0
Laboratory	23.1	54.7	15.9	5.6	0.6

The sources used for determining the utilization of physical resources and space management supports the conclusion that while current space availability is sufficient, as JSU continues to grow so will the need for classroom, office, and storage facilities. In addition, many of the current deficiencies in space facilities reported by the unit managers will be rectified after the completion of building renovations, and the utilization of classroom space will be improved through course scheduling changes.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

#### **6.4.2 Buildings, Grounds and Equipment Maintenance**

**An institution must have a plan for the upkeep of its property.**

Annually, the Physical Plant develops and publishes a Five-Year Maintenance Plan that is submitted to the VPABA for dissemination. The Plan lists deferred maintenance items, new projects, major renovation or construction projects for the University's infrastructure and facilities. These are published in the *Physical Plant Book 2002-03*.

The Physical Plant's Five-Year Maintenance Plan is updated and published annually. New requirements received by the department are incorporated into the plan

if significant funding is required in order to accomplish the request or input. Normally, major requests or projects required are funneled through the VPABA.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestions:** None

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**At a minimum, the plan must address routine, preventative and deferred maintenance of buildings, equipment and grounds.**

**Where appropriate, it should verify the estimated costs of maintenance as well as when and how it is to be performed**

The Physical Plant's Five-Year Maintenance Plan clearly defines the roles, responsibilities, and functions of the various maintenance operations. The Plan details various activities and functions provided by the Physical Plant. Listed below are a few of the services and functions provided by the Physical Plant to the University:

- Utilities Services and Distribution
- Facilities Maintenance
- Grounds Maintenance
- Custodial/Pest Control Services

The Physical Plant's Plan is an administrative planning document to identify the needs of the University's facilities and infrastructure. The evidence available to document the services provided by the Physical Plant is the actual appearance and condition of the grounds and buildings comprising the JSU campus.

The Physical Plant performs daily functions utilizing various maintenance procedures, techniques, and methods. Areas such as steam production, electrical distribution, grounds care, and housekeeping are maintained on a routine basis. During

fiscal year 2002, the Physical Plant completed 5661 work orders. Numerous daily functions within the Physical Plant are accomplished through various maintenance techniques such as preventive maintenance, recurring maintenance, routine maintenance, scheduled maintenance, and breakdown maintenance.

Supplies and materials are constantly being purchased by the Physical Plant to repair or replace items identified as being broken or defective during various maintenance activities. These purchase orders are an excellent source of data and are located in the office of the Director of the Physical Plant.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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**There should be a written schedule for regular maintenance activities and a written record of projects completed.**

JSU maintains a written schedule plan for regular maintenance activities. The written schedule of maintenance activities is updated annually.

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**The plan must be operational and evaluated annually.**

The Plan is evaluated by the Director and documented in quarterly reports and in the annual report. In addition, the *Physical Plant Book* includes a capital projects report addressing major projects. This information is reported quarterly to the Board of Trustees.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestions:** None

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### 6.4.3 Safety and Security

**The institution must take reasonable steps to provide a healthful, safe and secure environment for all members of the campus community.**

It is the policy of JSU to provide a healthful, safe and secure environment for faculty, staff, students, alumni, guests, and friends. The University Police Department (UPD) is responsible for monitoring fire safety, vehicle safety, and campus security. The Office of Safety and Environmental Health is responsible for monitoring safety and environmental health practices on campus except for fire safety, traffic safety, and security. The Office of Safety and Environmental Health also provides advisory guidance on safety, hazardous materials, industrial hygiene, and other safety-related matters within the University. In addition, each individual employee of the University has the responsibility to report unsafe conditions, activities or potential hazards to their supervisor immediately, and to the Office of Safety and Environmental Health or the Risk Manager. Employees are expected to be familiar with the safety plan for their unit and to comply with its provisions. Failure to comply with safety requirements willfully, or otherwise, may lead to disciplinary action. Any potential or imminent safety or environmental hazard must be reported and appropriate corrective actions taken.

Survey information gathered to assess the perceptions of the campus regarding safety and security indicated a positive rating with regard to these issues. Eighty-nine percent of the faculty, 90 percent of the staff, and 83 percent of the on-campus students assigned a rating of “good to excellent” when asked to rate JSU relative to it being a safe and secure environment in which to live and work. Fifty percent of on-campus students indicated that they are “satisfied to very satisfied” with safety in the student

residence halls. The UPD also received high marks from all three groups. Of the survey participants, 85 percent of faculty, 80 percent of staff, and 69 percent of on-campus students rated the UPD as “good to excellent.”

Buildings and ground maintenance received favorable ratings, with 68 percent of faculty, 74 percent of staff, and 90 percent of on-campus students providing a “good to excellent” rating. As to the effectiveness of the University’s Physical Plant promptly and effectively responding to work order requests, 77 percent of the staff provided a rating of “good-to-excellent.” Faculty and students were not asked to respond to this question since they do not actually report these types of problems directly to the Physical Plant.

The majority of the respondents from all groups reported the quality of the service provided by Housekeeping as “good to excellent.” However, almost one-third of the respondents provided a rating of only “fair to poor” with regard to the quality of these services.

Several areas of concern reported in the unit reports are as follows:

1. Several units reported the presence of mold and a need to update ventilation systems. After checking with these units the deficiency has either been corrected, is in the process of being corrected, or has been scheduled for correction.
2. Several units reported that buildings need to be cleaned more regularly and thoroughly. After checking with these units it has been determined that no real improvement has been made in this area.
3. The Houston Cole Library reported that in case of a fire the local fire fighting authorities have no equipment sufficient to effect a rescue from the upper

stories of the building. After checking with this unit it was determined that no equipment able to handle this problem has been purchased.

4. An unsafe building is currently being used for storage of housekeeping supplies and equipment; both the roof and floor are decaying. The building is located on the southwest corner of the campus.

**Conclusion:** The committee finds that Jacksonville State University is not in compliance with respect to the safe storage of housekeeping supplies.

**Recommendation:** The committee recommends that the University provide appropriate space for the safe storage of housekeeping supplies.

**Suggestion:** The committee suggests that the University take actions to improve the quality of Housekeeping Services.

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**Administrative responsibility for environmental health and safety programs must be assigned.**

The assignment of administrative responsibility for Environmental Health and Safety Programs is presented in the *Manual of Policies and Procedures* (IV: 02:03). The President has the overall responsibility for safety throughout the University. He may choose to delegate all or a portion of this responsibility to another individual designated to act on his behalf. The University Administrative Council reviews safety and environmental health matters that cannot be resolved by the University Safety and Environmental Health Committee or the Office of Safety and Environmental Health. Their recommendations are forwarded to the President. The University Safety and Environmental Health Committee acts on behalf of the President to review the policies and programs concerning safety and safety related matters.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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**A comprehensive safety plan must be developed, implemented and evaluated regularly.**

**The plan should give special attention to the adequate provision and use of safety equipment in laboratories and other hazardous areas; to the modification of buildings, if necessary, for easy egress in the event of fire or other emergency; and to familiarizing all building occupants with emergency evacuation procedures.**

Under the guidelines the *Manual of Policies and Procedures* (IV: 02:03), each unit of the University has its own unit safety plan that is reviewed periodically. The University also has formed a campus-wide committee, the University Safety and Environmental Health Committee, which meets regularly to address, review, and recommend possible solutions to University-wide concerns. Each unit of the University is required to have a written, effective, up-to-date safety and environmental health plan which addresses both the general safety of the unit and also of those areas that may present unique problems peculiar to the unit. It is the responsibility of the head of each unit to ensure that such a plan exists, that it meets the safety and environmental needs of the unit, and that it is current. The authority for the establishment and ongoing management of the unit's safety plan may be delegated by the unit head to the chosen safety representative. The safety responsibility, however, cannot be delegated away from the unit head. Each unit must submit its written plan to the University Safety and Environmental Health Committee for review and approval prior to becoming effective. Subsequent revisions or changes to written plans must also be submitted to the committee for review and approval.

Assistance in preparing a written safety and environmental health plan is available from the Office of Safety and Environmental Health upon request. Problems

are addressed directly to the University Safety and Environmental Health Committee for consideration and resolution. Periodic review of the unit safety plan to ensure its adequacy and effectiveness is the responsibility of the unit head. Reports detailing the results of these reviews are made to the University Safety and Environmental Health Committee. A report of the results of this review and/or program revisions are submitted to the Office of Safety and Environmental Health.

Several units reported concerns about individual safety plans as indicated below:

1. One unit reported that since the building was updated, the safety plan was no longer valid. Upon review it was determined that a safety committee has been formed to update the safety plan to comply with the updated building.
2. One unit reported that it had a safety plan but that it was not evaluated on a regular basis. It can now be reported that the safety plan for this unit is being reviewed on a regular basis.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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#### 6.4.4 Facilities Master Plan

**An institution must maintain a current written physical facilities master plan that provides for orderly development of the institution and relates it to other institutional planning efforts.**

There is a current Facilities Master Plan located in the President's Office. A copy is also available in the office of the VPABA. Also available are the revisions reflecting general guidelines through 2010. In addition, an annual detailed funding guide is

provided to the Alabama Commission on Higher Education by the Office of Special Services.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

## 6.5 EXTERNALLY FUNDED GRANTS AND CONTRACTS

**Externally funded grants and contracts must be related to the stated purpose of the institution.**

**The institution's policy on such grants and contracts must provide for an appropriate balance between grant and contract activity and instruction, and guarantee institutional control over the administration of research projects.**

**The researcher's freedom to investigate and report results must be preserved.**

**Research support from outside agencies should not undermine these basic research principles.**

The *Manual of Policies and Procedures* (Section II:05:01) and the *Manual of Business Procedures* (BA I:02:17) require that all externally funded activities have review and signature approval from the department head through the dean and the VPASA as well as the VPABA before any application for externally funded support may be submitted to the granting agency. (Approval by the President may be needed if the University is to provide matching funds.) This approval process guarantees that such grants and contracts are in conformance with the mission of the University.

The approval process also guarantees that such grants do not violate the University's control of the research to be conducted. The immediate supervisor of the faculty involved in the research will be the ultimate guide of whether or not time off from normal duties is allowed while the research is conducted, and typically, the faculty member conducts the research in addition to his or her normal instructional duties.

A faculty member's involvement in any research project is approved by his or her department head through the college's dean and finally by the VPABA and VPASA. The department head has the primary responsibility of ensuring that the faculty member has the freedom to investigate and report the results of the research.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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**The institution must establish a clear policy concerning a faculty member's division of obligations between research and other academic activities.**

**It must ensure that this policy is published in such documents as the faculty handbook and made known to all faculty members.**

**Where applicable, the institution must develop policies regarding summer salaries paid from grant and contract funds, salary supplements paid from grants during the regular academic year, and fees for consultative services provided by faculty members.**

**These policies must also be published and made known to the faculty.**

JSU maintains a clear policy concerning a faculty member's division of obligations between research and other academic activities. According to the *Manual of Policies and Procedures* (II:05:01), participants must document that external consulting and participation in continuing education and public service for extra compensation do not interfere with classroom teaching or other University responsibilities. The *Faculty Handbook* describes the minimum distribution of faculty time to instruction and advising. Specific obligations to research and to other academic activities are negotiated on an annual basis during the faculty member's annual review. Faculty members, in consultation with the department head/dean, define on an individual basis the relative amount of individual workload to be devoted to instruction, advising, research, and service. By definition, the workload distribution to instructional activities is a minimum of 80 percent. The annual review permits faculty to adjust time distributions to correlate with funded research projects.

JSU maintains a policy that informs its faculty of any externally funded grants and contracts. Faculty are notified of this policy at new faculty orientation. The information is then routinely disseminated to faculty via electronic or campus mail system or by word-of-mouth through the administrative channels. The University publishes this information in the following manuals: *Faculty Handbook*, (6.5), and the *Manual of Policies and Procedures* (II:05:01).

The University maintains clear policies regarding summer salaries paid from grant and contract funds, salary supplements paid from grants during the regular academic year, and fees from consulting services. According to the *Manual of Policies and Procedures* (II:05:02), “during the time an employee is under contract to the University, whether on a 9-month or 12-month appointment, if an employee is participating in an organized project of the University, whether it is administered in his or her own or a different department or division of the University, an appropriate part of the employee’s salary shall be provided by the program or project budget.” As a general regulation, these activities allow for extra compensation a maximum of one day per week, or four days per month, with the consent of the department head and appropriate dean or director. The maximum hourly rate is determined by multiplying the employee’s monthly salary by a factor of .014. The actual rate of extra compensation is determined by the complexity of the assignment and the availability of funds, as negotiated between the employee and the program administrator.

The guidelines for summer salaries, salary supplements during the regular academic year, and fees for consulting services provided by faculty members are published in the *Manual of Policies and Procedures*, the *Business Procedures Manual*,

and the *Faculty Handbook*. A copy of the *Manual of Policies and Procedures* is available in all academic offices. The *Business Procedures Manual* is distributed to each budget unit and is available at [www.jsu.edu/info/busman/index2.html](http://www.jsu.edu/info/busman/index2.html). The *Faculty Handbook* is distributed to each faculty member at orientation for new faculty members and is available at <http://www.jsu.edu/depart/avpasa/2002FHB.html>.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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**In accepting funds from outside agencies, the institution must ensure that it maintains control over research and instruction.**

**Because many agencies attach stringent regulations directing and limiting the activities for which they provide funding, the institution must safeguard control over its own activities.**

In accepting funds from outside agencies, the institution ensures that it maintains control over research and instruction. The *Manual of Policies and Procedures* (Sections I:07 and II:05:01) and the *Business Procedures Manual* (BA II:05:01) require that all externally funded activities have review and signature approval before an application may be submitted to the granting agency.

The University safeguards control over its own activities by requiring administrative approval for all externally funded activities. Grant proposals that fail to address University needs, concerns, or protocols are amended prior to approval and submission to the granting agency.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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**Continuity of support for general institutional activities must not be endangered by acquisition of research grants and contracts.**

**Grants must be awarded and contracts must be made for specified periods of time.**

**It is also important that an institution not become dependent upon indirect cost allowances from grants and contracts to support its regular operating budget.**

General education activities are provided through traditional University funding methods. Monies are not included from anticipated external sources for general institutional activities and support. Research grants are treated as resources obtained above and beyond the needs of the University in terms of funding and maintaining programs.

All contracts and grants have a specified duration of time. Proposals are reviewed at many levels of the University for compliance. Business Affairs policies require that budgets from external sources, even those renewed from year to year, be closed out at the end of each fiscal year.

Indirect costs are a small percentage of funding available to units at JSU. Indirect costs are typically used for supplemental expenses and are never used in calculating operational funds available for use. Indirect costs from external grants and contracts are used to support development projects and are not critical to the regular University operating budget. The University is a state agency, therefore assisted by the State of Alabama. Grants and contracts provide for additional funding for special projects.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

## 6.6 RELATED CORPORATE ENTITIES

**Institutions are often associated with related separately-incorporated units, such as radio or television stations, athletic foundations, research foundations, scholarship foundations, hospitals, for-profit enterprises, press operations and publications, and insurance trusts. When an institution is reliant upon such an entity, or when a separately-incorporated or related entity is reliant upon the institution, documentation outlining the mutual relationship and benefits must be maintained by the institution.**

The bylaws of the JSU Foundation, Inc., Alumni Association, and Gamecock Club ensure that the functions are kept separate; the mutual benefits are outlined.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None

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**This documentation must include the following: a description of the separately-incorporated unit's activities; a statement demonstrating the manner in which the activities relate to the purpose of the institution; a current roster of board members of the unit, including institutional personnel and board members who have responsibilities with both the institution and the incorporated entity, whether they are additionally compensated by the entity or not; a copy of the separately incorporated unit's annual financial audit report for the most recently completed year; and copies of the charter and bylaws of the unit.**

**If such entities are reliant upon the institution for fulfillment of their purposes, the institution should ensure that they complement, rather than detract from, the institution's purpose, and that they are subject to proper operating controls and risk-liability containment.**

**The institution should demonstrate the manner in which each related entity contributes to its effectiveness.**

The JSU Foundation, Inc. is a separate corporate entity that is operated exclusively for the fund raising benefit of the University with the general objective to support the development of educational excellence. The Foundation has as its primary effort the solicitation, receipt, investment, management, and expenditure of gifts designated for the benefit of various units within JSU. In calendar year 2000,

approximately \$1.7 million was expended by the Foundation for University student scholarships, equipment, academic programs, faculty development, and intercollegiate athletics. The Alumni Association and the Gamecock Club are not incorporated.

Clear policies and procedures exist to ensure that the function of the JSU Foundation is separate from the University and that mutual benefits are clearly outlined. The bylaws state this fact and the Foundation is totally separate from the governance of the University. The Foundation has its own 36-member Board of Directors (including five faculty members) who regulate all activities within the Foundation. The Foundation also has five ex-officio non-voting members. They are the President, VPIA, Alumni Director, SGA President, and the Foundation Treasurer.

There are two other separately incorporated Foundations operating on campus whose activities are minimal. The International Foundation, Inc. exists to support the International House operations on campus, and the Friends of Southern Studies, Inc. is in support of the College of Arts and Sciences. The expenditures from these two Foundations are minimal, and are included in the total amount reported for the JSU Foundation, Inc.

The JSU Alumni Association operates under a constitution established March 18, 1966. The mission of the JSU Alumni Association is:

- to foster and strengthen the relationship between JSU and its alumni and friends
- to preserve and promote the University's traditions, purposes, growth and development

- to keep alive the spirit of affection, respect, and gratitude for JSU's alma mater.

The management of this organization is vested in a Board of Governors comprised of the following officers: president, vice president, treasurer, the Alumni Executive Director, the immediate past president of the organization, the president of each affiliated chapter and 18 at-large members elected to the Board. All monies generated by the Alumni Association through the collection of dues or other revenue-generating programs are submitted to the JSU Foundation. These funds are used to support the activities of the Alumni Association and scholarship programs of JSU.

The Gamecock Club, established in 1969, is an integral part of the Gamecock Athletic Department. The Gamecock Club's goal is to help JSU maintain one of the top athletic programs in the country by providing financial assistance and fan support. The Gamecock Club is governed by an Executive Board consisting of 12 members that include a president, vice president, and secretary. The Assistant Athletic Director for External Affairs is the University's liaison with the Executive Board, but does not have voting privileges. The Gamecock Club is governed by a set of bylaws voted on by its membership and approved by the Athletic Director. Money designated for a specific sport is placed in its Gamecock Club account; undesignated money is used at the discretion of the Athletic Director. When a coach requests money from a Gamecock Club account, a check request form must be completed and certified by both the Senior Woman Administrator and the Athletic Director.

The University currently has a relationship with four additional separately incorporated units. The four entities and the function of each are as follows:

1. Sodexo Food Service (contracting retail and board meal packages, concessions, catering and conferences) – Since 1974, the University has contracted its food service operations with an external corporation. Currently Sodexo Food Service has the contract for providing all aspects of food preparation on campus. The current contract is for the period August 1999 through July 2009, and guarantees the University a minimum of \$150,000 per year with the opportunity for greater commissions based on sales.
2. Barnes & Noble Bookstores (contracting University Bookstore operations) – Prior to the beginning of the 1991-1992 academic year, the University operated the campus bookstore as an auxiliary enterprise. In August 1991, the University contracted with Follett College Stores to operate the University Bookstore. This contract was in effect for three years and was then re-bid and awarded to Wallace Bookstores. The relationship with Wallace continued until early 2001 when JSU cancelled the contract due to the vendor's corporate financial problems. JSU again self-operated the store for eight months until new bids were issued. In November 2001, the contract was awarded to Barnes & Noble Bookstores for a five-year period. The current agreement calls for a guaranteed minimum income of \$150,000 per year with the opportunity for greater commissions based on sales.
3. Coca-Cola of America (contracting as exclusive beverage provider and also beverage vending) – JSU is currently operating with two separate contracts under Coca-Cola of America. The first contract is an exclusivity agreement that pays the university \$50,000 per year in cash and product. The second

contract is for beverage vending and is strictly commission-based with no guaranteed minimum. The average income from this contract has been just over \$50,000 per year for the past five years.

4. Buffalo Rock (contracting snack machine vending) – JSU’s contract with Buffalo Rock is also strictly commission-based and has averaged just over \$20,000 per year for the past five years.

The revenues and benefits received from the JSU Foundation, Sodexo Food Service, Barnes & Noble Bookstores, Coca-Cola of America, and Buffalo Rock contributed only 2.2 percent of the FY01 annual budget of \$92,536,466. Thus, the University is not reliant on these separate corporate entities.

**Conclusion:** The committee finds that Jacksonville State University is in compliance.

**Recommendation:** None

**Suggestion:** None