

**THE EXECUTIVE COUNCIL HBCU COMMITTEE  
TELECONFERENCE**

**Monday 4 June 2018; 8:00 AM (EDT)**

**Committee Members Present:** Canon Martini Shaw (Chair), Dr. Scott Evenbeck, Canon Jamie Callaway, Dr. Anita George, Dr. Joel Cunningham, Dr. Eugene Lowe, Canon Michelle Hagans

**Committee Members Absent:** None

**Consultants Present:** Fr. Lang Lowery, Ms. Tara Holley

**Executive Office Staff:** Mr. Kurt Barnes

- Meeting convened at 8:02 AM (EDT) with prayer by the Chair

**- Consultants Report:**

A. Fr. Lang Lowery discussed:

- Some time sensitive challenges at SAU with Loan (Rice Financial and City)
- SAU is working on a new creative collateral possibility, a short cut, to secure the 1-million-dollar loan.
- Moving the collateral outside the property gate.
- Accounts Payables deferred to meet summer cash shortage.
- Summer furloughs for employees to meet summer cash shortage
- Difficult summer months until the Fall draw down from Department of Ed funds
- There is another possible loan of 2.5 million dollars. It is a short-term loan, referred to a "factoring loan". It has very high interest rates. It is believed that such a loan would be receivable in a week. It is very expensive however it is believed by parties involved that this will give the needed time for more Fall dollars. In other words, this buys time. There was some concern expressed by some HBCU Committee members re: securing such a loan, mainly if it makes sense financially, and if this will be viewed negatively by SACS. Some felt that it may simply "dig a bigger hole". Lang reported that it could possibly actually assist with accreditation, since the plan is to pay it back before the SACS evaluation process begins in the Fall. Rice Financial supports and recommends the "Factoring" loan.
- All efforts are being made to protect the Episcopal Church's interest
- Some tensions developed recently regarding a chief in some leadership positions and their roles. It is hoped that securing the "Factoring load" will alleviate the tensions.
- Auditing for SACS Review come at the end of June; SACS Team University visit occurs in October; November is used to respond to SACS re: questions they may have for SAU.; December yields a decision from SACS.
- The Auditing Process used this year could possibly (accidentally) yield a surplus which is good for Accreditation purposes

B. Ms. Tara Holley discussed:

- Sending an outline re: fundraising.
- Continues to work on building potential donor base
- Working with Bishop Walker School for Boys re: a future partnership with the school and SAU. A possible fundraiser (goal - \$50,000) is being considered for September
- Discussed some assumptions and occurrences related to the recent SAU Commencement and the Guest Speaker.

Meeting adjourned at 8:52 AM (EDT)

**Next Scheduled Teleconference is: Monday 11 June 2018; 8:00 AM (EDT)**