

MINUTES
SC STATE BOARD OF TRUSTEES CALLED MEETING
LOWMAN HALL BOARD CONFERENCE ROOM
ORANGEBURG, SOUTH CAROLINA
July 18, 2014

CALL TO ORDER/OPEN SESSION

Chairman William Small called the meeting to order at 9:09AM. The public notice was read. The agenda (attachment 1) was previously circulated to the members. The invocation was extended by Mr. Katon Dawson. The roll was called.

Trustees present: Dr. William Small, Mr. Ronald Henegan, Mrs. Pearl Ascue, Mr. Katon Dawson, Mr. Sidney Evering, Mr. Anthony Grant, Dr. Gail Joyner-Fleming, Ms. Patricia B. Lott, Dr. Dennis Nielsen Mrs. Cathy Novinger and Carlotta Redish.

Trustees Absent: Ms. Erika Abraham and Dr. John H. Corbitt.

Administrators present: *President*, Mr. Thomas Elzey; *Interim Provost*, Dr. W. Franklin Evans; *General Counsel and Vice President of Operations*, Mr. Craig Burgess; *Vice President for External Affairs & Communications*, Mrs. Sonja Bennett-Bellamy; *Interim Assistant Vice President of Student Affairs*, Dr. Tamara Hughes; *Interim Vice President for Admissions and Director of Institutional Research*, Mrs. Betty Boatwright; *Acting Vice President for Land Grant Services/Research, Economic Development and 1890 Programs*, Mr. Delbert Foster; *Executive Director of Institutional Effectiveness*, Dr. Rita Teal; *Interim Athletics Director*, Dr. Octavia Miro; *Internal Auditor*, Ms. Evelyn Anderson; *Administrative Coordinator to the Board and Recorder*, Mrs. Eartha Mosley and the *Board's Legal Counsel*, Mr. Kenneth L. Childs.

Media present: *The Times and Democrat* Reporter Mrs. Dale Linder-Altman; *The State* Reporter Mr. Chad Mills; *WLTX-19* Reporter Ms. Colby Gallagher and *ABC-25* Reporter Ms. Monique Williams.

ADOPTION OF AGENDA

The Chairman called for a motion to adopt the agenda with an amendment to include public comments to be received immediately after the adoption of the agenda as Item 5A. ***Trustee Novinger made a motion to adopt the agenda as amended; Trustee Redish seconded the motion. Vote: Unanimously approved.***

PUBLIC COMMENTS

Mr. Hercules Busby, representing the Orangeburg County Alumni Chapter, addressed the Board. He stated that there will be an alumni sponsored rally and march to show support for the University. This effort is intended to help ensure that the University continues to be a viable entity in the community and State. The march will be held in the City of Orangeburg starting at 9am on August 16, 2014. Many constituents will be invited and attending. The rally will provide an opportunity for those who want to promote a positive atmosphere for the University to take part in the event. The theme for the march and rally is "We Will Never Give Up". Mr. Busby asked that the Board join the effort. Chairman Small and President Elzey thanked Mr. Busby and the Orangeburg Alumni Chapter and National Alumni Association for their efforts.

APPROVAL OF MINUTES

The Chairman asked for approval of the minutes for March 10th, April 21st, April 24th and June 19th. *Trustee Henegan made a motion to approve the minutes; the motion was seconded by Trustee Lott. Vote: Unanimously approved.*

BOARD RECESS

Chairman Small called for a motion for the Board to recess so that the Budget Committee could convene to conduct its business and provide a recommendation on the 2014-15 Educational and General budget to the Board. *Trustee Henegan made a motion for the Board meeting to recess; the motion was seconded by Trustee Dawson. Vote: Unanimously approved.*

BOARD RECONVENE

Chairman Small reconvened the Board meeting. He stated that the Budget Committee had completed its business. The Budget Committee recommended a 2014-15 Educational and General budget of \$75,873,050 as requested by the administration with an amendment by the committee to increase from a five to seven day furlough. Trustees expressed their thanks for the work of the budget committee and the administration.

Chairman Small called for a motion. Trustee Novinger moved to accept the 2014-15 Education and General Budget of \$75,853,050 as presented by the administration with the amendment by the Budget Committee to increase from a five to seven day furlough.

Discussion: Trustee Grant expressed un-readiness due to the issue of outsourcing the internal auditor that was previously rejected by the Board. Additional conversation continued on this matter. Trustee Grant expressed concern over balancing the budget without looking at the opportunity for additional cuts at the executive level. Trustee Lott expressed a lack of seriousness in the preparation of the budget and questioned whether or not the appropriate staff and administrators were engaged during the process. Trustee Novinger expressed her confidence with the efforts of the administration and the budget committee. Trustee Redish expressed concerns with funds “miraculously” showing up and voiced her expectation for accountability. Other Trustees expressed similar concerns. Additional conversation continued on the appropriateness of voting again on outsourcing the internal auditor since the Board has already rejected this option. Trustee Fleming expressed concern over the issues concerning Felton Lab School and the funds that were “found” that allowed the school to remain open. Trustee Grant expressed concerns on several matters including lack of cuts at the executive level, addressing the \$13 million in payables and debt service issue, lack of real revenue enhancements, lack of a comprehensive strategic plan of execution of the budget, inclusion of outsourcing the internal auditor and efforts to include all cuts in one fiscal year versus taking a stepped approach across fiscal years. Chairman Small expressed additional concern about the call to balance the budget in one year without full consideration of the ability of the institution to continue to perform its mission given such severe cuts. Chairman Small expressed that he could not vote for a budget under these terms. Chairman Small asked for a legal opinion on whether the outsourcing of internal auditor’s position and the elimination of a number of fleet management functions create a legal problem that will have a negative impact on the institution given what we know. Attorney Burgess stated that individuals who believe they have been aggrieved have a statutory right to pursue whatever legal remedy they believe is available to them. It would then be up to a court of law to make a determination as to whether or not they can meet to burden of proof. He added that the actions of the Board are defensible if made in good faith in the best interest of the institution. Trustee Grant asked if there were any current legal actions relative to these areas. He asked for legal discussion on the matter in executive session.

EXECUTIVE SESSION

The Chairman asked for a substitute motion to go into Executive Session to receive legal advice. ***Trustee Dawson made the motion for the Board to go into Executive Session; the motion was seconded by Trustee Lott. Vote: Unanimously approved.***

OPEN SESSION

The Chairman announced that the Board was out of Executive Session and there were no actions or votes taken in Executive Session.

The Chairman called for the previous motion. ***Trustee Novinger moved to accept the 2014-15 Education and General Budget of \$75,853,050 as requested by the administration and amendment by the Budget Committee to increase from a five to seven day furlough. Discussion:*** Trustee Grant asked for clarity on the inclusion of outsourcing the internal auditor. After further discussion the previous motion was amended. ***Trustee Grant moved to amend the previous motion to include deletion of outsourcing the internal auditor. Trustee Lott seconded the motion.***

Roll Call Vote:

Ascue	Yes
Dawson	No
Evering	No
Grant	Yes
Henegan	Yes
Fleming	Yes
Lott	Yes
Nielsen	Yes
Novinger	No
Reddish	Yes
Small	Yes

Yes, 8 No, 3, Approved

The Chairman called for a motion to approve the 2014-15 Education and General Budget of \$75,853,050 as requested by the administration with an amendment by the Budget Committee to increase from a five to seven day furlough and an amendment by the Board to delete the outsourcing of the internal auditor.

Roll Call Vote:

Ascue	Yes
Dawson	Yes
Evering	Yes
Grant	Yes
Henegan	Yes
Fleming	Yes
Lott	Yes
Nielsen	Yes
Novinger	Yes
Reddish	Yes
Small	No (Comment: For the reasons previously stated)

Vote: Yes, 10 No, 1, Approved

ELECTION OF VICE-CHAIRMAN

The Chairman called for nominations for the Vice Chairman to fill the position vacated by Trustee Robert Waldrep at the end of his term on June 30, 2014. Trustee Grant nominated Trustee Gail Joyner-Fleming to fill the Vice Chairman seat. No other nominations came forward. ***Chairman Small called for a vote to elect Trustee Joyner-Fleming as Vice Chairman to fill the term vacated by Trustee Waldrep.***

Roll Call Vote:

Ascue	Yes
Dawson	Yes
Evering	Yes
Grant	Yes
Henegan	Yes
Fleming	Yes
Lott	Yes
Nielsen	Yes
Novinger	Yes
Reddish	Yes
Small	Yes

Vote: Yes, 11 No, 0, Approved

EXECUTIVE SESSION

The Chairman called for a motion to go into Executive Session to discuss a personnel matter and to receive legal advice. ***Trustee Grant moved to go into Executive Session; Trustee Reddish seconded the motion. Vote: Unanimous.***

OPEN SESSION

The Chairman called for a motion to come out of Executive Session. ***Trustee Grant moved to come out of Executive Session; Trustee Reddish seconded the motion. Vote: Unanimous.***

The Chairman announced that no actions or votes were taken while in Executive Session.

ADJOURNMENT

The Chairman called for a motion to adjourn the meeting. ***Trustee Grant moved to adjourn the meeting; Trustee Reddish seconded the motion. Vote: Unanimous.***

The meeting adjourned at 3:53PM

Respectfully submitted,



Ronald Henegan,
Secretary to the Board of Trustees



Eartha Mosley

Recorder

Attachment

1. Agenda