

MINUTES
SC STATE INTERIM BOARD OF TRUSTEES MEETING
LOWMAN HALL BOARD CONFERENCE ROOM
ORANGEBURG, SOUTH CAROLINA
JUNE 2, 2015

CALL TO ORDER / OPEN SESSION:

Chairman Charles S. Way, Jr. called the meeting to order at 10:05AM. Chairman Way noting that notice of the meeting had been posted, all comply with the Freedom of Information Act. The agenda (Attachment 1) and supporting materials had been circulated to the members. Trustee Doris Helms extended the invocation. Chairman Way indicated that all Trustees were present.

Trustees present: Mr. Charles S. Way, Jr, Mr. James E. Clark, Dr. Doris Helms, Mr. Milton Irvin, Mr. Donnie Shell, Mr. Steve Swanson, and Mr. Jeff Vinzani. *Ex-Officio Members:* Mrs. Vernell Brown and Mr. Reginald Depree.

Administrators & others present: *Acting President*, Dr. W. Franklin Evans; *University General Counsel*, Mr. Craig Burgess; *Interim Vice President of Finance and Management*, Mr. Edward Patrick; *Vice President for Institutional Advancement and Public Relations*, Ms. Sonja Bennett-Bellamy; *Vice President of Student Affairs*, Dr. Tamara Hughes; *Vice President for Enrollment Management*, Mrs. Betty Boatwright; *Executive Director for Institutional Effectiveness*, Dr. Rita Teal; *Interim Provost*, Dr. Learie Luke; *Board's Legal Counsel*, Mr. Kenneth Childs and Mr. Vernie Williams; *Executive Assistant*, Mrs. Shondra Abraham and *Administrative Coordinator and Recorder*, Mrs. Eartha Mosley.

Media: *The Times and Democrat* Reporter, Mrs. Dale Linder-Altman; *The State* Reporter, Mr. Andy Shain; *WIS-TV* Reporter, Mr. Michael DeSumma; *WLTX*-Reporter, Ms. Colby Gallagher; and *WACH* Reporter, Ms. Tara Petit.

The Chairman made a statement that since the last meeting of the Board that he and the Vice-Chairman have been advised by the legislators who appointed the seven voting members and two non-voting members that it was the Legislature's intent that these were to be the only members of this interim Board. There would be no other ex-officio members of the Board at this time to comply with the statute which was passed by the legislators and signed by Governor. As of today, the only governing members of the University's Board of Trustees will be the seven voting members and two non-voting members, which are the Student Government President and the National Alumni President. Dr. Thomas Cassidy, Faculty Senate President, imparted that there is a governance issue that you have a political body making governance decisions for the Board of Trustees, such an issue has caught the attention from SACSCOC. He concluded by expressing "It is a decision not made in the best interest of the University". Chairman Way stated he was corrected by the legislators and it will remain this way until June 30, 2018.

Trustee Helms pointed out *SACSCOC 3.2.4 Governance and Administration* that states *the governing board is free from undue influence from political, religious, or other external bodies and protect the institution from such influence*. She stated this standard addresses Dr. Cassidy's concern. She is not sure how the legislators look at SACS criteria but when going

before SACS, the Commission looks very closely at the standards. Trustee Helms suggested that the Chair be prepared to speak to the standard if asked by SACS on June 9th.

ADOPTION OF AGENDA

Chairman Way asked for a motion to adopt the agenda. Trustee Clark moved to adopt the agenda with the addition of an open session for discussions right before Executive Session. The motion was seconded by Trustee Helms. Vote: unanimously approved.

PRESIDENT'S UPDATE (ATTACHMENTS 2 - 5)

President Evans conveyed that a team of five will travel to the SACSCOC hearing held on June 9th in Portsmouth, Virginia. The team consists of Dr. Evans, *Acting President*; Chairman Charles Way, *Chairman of the Board of Trustees*; Mr. Edward Patrick, *Vice President for Finance and Management*; Mrs. Teare Brewington, *Controller*; and Dr. Rita Teal, *SACSCOC Liaison and Executive Director of Institutional Effectiveness*.

The presentation will focus on the standards the SACSCOC team found to be in non-compliance, which are: *CR 2.11.1* Financial Resources; *CS 3.2.14* Institution-related Entities; *CS 3.10.1* Financial Stability; *CS 3.10.3* Control of Finances; *CS 3.10.4* Control of Sponsored Research/External Funds; and *FR 4.7* Title IV Program Responsibilities. The most important question would be “why the University’s accreditation should be extended?” Based on the visiting team’s comments, the University had made great strides in getting things back on track and making improvements. A Power Point Presentation was presented by President Evans (Attachment 2).

President Evans communicated that Summer School was underway with over 500 students enrolled.

President Evans then began his introduction of the University’s Cabinet Members and asked that each would give a current outline of their areas. Dr. Learie Luke, *Interim Provost for Academic Affairs*, shared there was a Faculty Development Institute, a joint partnership between Claflin University and the University with over 40 faculty in training. They are currently preparing to assist the National Alumni with the annual convention held on the campus in July.

Dr. Tamara Hughes, *VP for Student Affairs*, stated that Student Leadership continues to plan activities for student engagement. There will be six camps on the campus this summer with about 450 participants. Also, the Career Placement and Planning Center continues to provide opportunity for students to participate in internships, Job Corp and permanent job placement.

Mr. Delbert Foster, *Executive Director of 1890 Programs and Extension*, indicated that four camps will be sponsored by 1890 this summer. As for 1890’s facility projects, they are awaiting architectural documents and environmental and assessment reports to be submitted to the USDA for approval on Camp Harry Daniel in Elloree, SC. Also another facility on campus is in Phase Two of USDA Project and is awaiting the approval of the environmental assessment report. Upon approval, demolition of the existing building will proceed and reconstruction of a 14,000 square foot building on campus will occur with only grant funds. Lastly, he reported that there are fifteen researchers employed with 1890 this summer generating \$313,000 worth of release time, which allows the University to use the funds in other areas.

Ms. Charlotte Sorg, *Director of Financial Aid*, gave a summary of Financial Aid as a follow-up to questions from the last meeting. A handout was disseminated (Attachment 3). Currently, for Fall ’14 and Spring ’15, there were 2,209 and 1,892 students receiving Federal Pell Grant, respectively; there were 9 and 89 students receiving Life Hope Scholarship, respectively; there were 273 and 276 students receiving Life Scholarships, respectively; there were 2 and 4 students receiving Palmetto Fellows Scholarships, respectively; there were 23 and 24 students receiving SC National Guard CAP, respectively; and there were 353 and 449 students receiving SC Need Based Grants, respectively. As of May 28th,

\$11,651,885 in Financial Aid has been offered to students for FY2015-2016. The number of FASA's received is 4,512; total number of students awarded Financial Aid is 2,528 and the total number of students awarded and enrolled is 928 students.

Mrs. Betty Boatwright, *VP for Enrollment Management*, reported the recruitment and admission process. The first step is the Recruitment, which is to identify the pool of students; the Application is the second step; Admit is step 3 and the last Step is Enrollment. A handout was distributed (Attachment 4). When asked "what is her best guess for students this fall?" she replied 2,100 and not 2,650.

Mr. Paul Bryant, *Athletic Director*, shared that he received clearance from the NCAA to allow all coaches to serve as admission counselors through the Fall semester. Athletics has created a student marketing group focusing on getting more students to attend home games. Season ticket holders increased to 1,520 compared to last year's 187. He also reported that all sports met the Academic Performance Rate, which is 930. In addition, SC State is one of six institutions in HBCU to be eligible for post season play. Questions were asked regarding funds for athletics and how they are generated. Mr. Bryant responded, beginning this year, the operating budget for athletics will come from student fees, tickets sales and other revenues. In the past, Athletics funds came from the E&G Budget.

Trustee Helms distributed to the Trustees a SACSCOC handout (Attachment 5) that she created regarding all standards cited as well as the standards resolved from the original response from 2013 and the recent 2014 special committee response. The Chair asked her to give a brief summary of a SACSCOC hearing and what the team can expect.

CAPITAL CAMPAIGN PLAN (ATTACHMENT 6)

Mrs. Sonja Bennett-Bellamy, *VP for Institutional Advancement and University Relations*, introduced Mrs. Elizabeth Mosely-Hawkins, *Public Relations Director*, and Mr. A.L. Fleming, *Associate VP for Institution Advancement*. She continued by stating Mr. Fleming would make the presentation on the Capital Campaign Plan. Mr. Fleming pointed out that an external professional had reviewed the plan at no cost. He continued by revealing the details on Starting the Campaign, Campaign Goals, the Campaign Phases 1 & 2, Campaign implementation, Goals 1, 2, 3, and 4, dashboards and moving forward (See Attachment 6). Trustee Helms suggested developing a senior level course in marketing regarding fundraising in the School of Business where students could serve as the development officers as part of their training. Mr. Fleming concurred that such discussions are underway with Dr. Barbara Adams, Dean of the School of Business. Trustees Way and Irvin recommended the campaign start date and other elements be adjusted after receiving input from the new Trustees.

UNIVERSITY FINANCIAL UPDATE

Mr. Patrick gave an overview of the FY2016 Budget. He presented a proposed budget, an Adjusted 1 Budget, which was created on 2,650 students and Adjusted Budget 2, which was created on 2,100 students. The proposed budget was considered a dream budget. Most of discussion was on the Adjusted 1 and Adjusted 2 Budgets. The Adjusted 1 Budget would create a \$19.2M reduction in the budget. Adjusted 2 Budget would create an additional \$15.4M reduction in the budget. There was some dialogue regarding Athletics having a reduction of possibly \$2.5M for scholarships and what effect this would pose on the football program. Mr. Bryant stated that the NCAA requires all incoming freshman scholarships be honored; however, he was concerned about returning players that are on scholarships.

As of today, the University's cash flow is sufficient. The University has enough cash thru June 30th. The Chair asked for an update on discussions with the Blue Ribbon Committee "Working Group". Mr. Patrick replied he and President Evans met with the group. He provided all requested information to the group.

OPEN DISCUSSION SESSION

Trustee Clark discussed the following: a) need for benchmarks; b) the perception of owning a donated 2005 limo; the Administration being honest and candid (“no surprises”); c) the legislators and the Board; d) the turnaround on receiving requested information; e) collaborations with other colleges and universities; f) high and low enrollments in majors resulting in possible additional cuts; and g) rebranding the institution.

Trustee Clark discussed the need for committees. The following were discussed and Trustees were asked to volunteer and work in areas of their expertise.

Development Committee

All Trustees

Finance Committee

All Trustees

Athletics Committee

Trustee Donnie Shell

Trustee Doris Helms

Audit Committee

Trustee Jeff Vinzani

Trustee Milton Irvin

Building and Grounds

Trustee James Clark

Trustee Charles Way

Academic Affairs, Student Affairs & Enrollment, Land Grant

Trustee Doris Helms

Trustee Steve Swanson

Trustee Donnie Shell

Trustee Jeff Vinzani

EXECUTIVE SESSION

Trustee Vinzani made a motion for the Trustees to enter into Executive Session to discuss legal and personnel issues. The motion was seconded by Trustee Helms. Vote: unanimously approved.

OPEN SESSION

Chair Way asked for a motion to come out of Executive Session. *Trustee Vinzani so moved and Trustee Irvin seconded the motion. Vote: unanimously approved.* The Chair stated there were no motions taken while in Executive Session, but that there will be motions and votes taken in open session.

Trustee Clark made a motion to respond favorably to an expected positive proposal regarding some past indebtedness. Trustee Helms seconded the motion. Vote: unanimously approved.

Trustee Vinzani made a motion that the Board authorize the Board Chairman, in consultation with the Board’s outside legal counsel, to secure the services of Dr. Peter T. Mitchell of Proactive Transition Management to provide special academic and administrative advisory services to the Board, Dr. Evans and the University. The motion was seconded by Trustee Shell. Vote: unanimously approved.

Trustee Swanson made a motion to increase the Need-Based Scholarships by \$1M in order to enroll 550 additional students so the total enrollment for 2015 is the same as the 2,650 in the Adjusted 1 Budget. The motion was seconded by Trustee Vinzani. Vote: unanimously approved.

Chairman Way asked Mr. Patrick to give an update on the budget. Mr. Patrick expressed an actual enrollment of 2,000 students would have a 10% retention in the spring due to fall graduation, which would reflect \$12.4M reduction and 19% of the total expenditures. Trustees Clark and Helms clarified that the \$1M Need-Based Scholarship would be to assist in

increasing the enrollment numbers up to 2,650. Mr. Patrick inquired of the \$1M Need-Based Scholarships, whether it was a contribution or was he to locate the funds. The Trustees said they would be responsible to find the funds.

Trustee Irvin asked when attending the SACSCOC hearing, which enrollment numbers will Mr. Patrick reference? Mr. Patrick replied the 2,650 enrollment numbers.

The Chairman shared that the Board had retained Dr. Peter T. Mitchell. He was President at Columbia College and Albion College where he was instrumental in turning the institutions around. He will be reporting directly to the Board and the President. The Board expects full cooperation in working with Dr. Mitchell from the Administration.

The next Board meeting is Wednesday, June 17, 2015 at 10:00AM.

ADJOURNMENT

The Chairman entertained a motion to adjourn the meeting. *Trustee Vinzani so moved and Trustee Swanson seconded the motion. Vote: unanimously approved.*

The meeting adjourned at 4:15PM.

Submitted by,



Eartha Mosley
Recorder

Attachments

- 1 – Agenda
- 2 – President's Evans Power Point Presentation
- 3 – Financial Aid Handout
- 4 – Recruitment Handout
- 5 - Dr. Helms' SACSCOC Handouts
- 6 – Capital Campaign Plan Power Point