

MINUTES
SC STATE BOARD OF TRUSTEES
LOWMAN HALL BOARD CONFERENCE ROOM
ORANGEBURG, SOUTH CAROLINA
JUNE 25, 2014

CALL TO ORDER / OPEN SESSION:

Chairman William Small called the meeting to order at 9:13 A.M. The public notice was read. The agenda (Attachment 1) was previously circulated to the members. The Trustee Corbitt extended the invocation. The roll was called.

Trustees present: Dr. William Small, Mr. Robert Waldrep *via phone*, Mr. Ronald Henegan *via phone*, Mrs. Pearl Ascue, Dr. John Corbitt, Mr. Katon Dawson, Mr. Anthony Grant, Dr. Gail Joyner-Fleming, Ms. Patricia Lott, Mr. Robert Nance *via phone*, Dr. Dennis Nielsen, Mr. Cathy Novinger, Dr. Carlotta Redish *via phone*, and, *Ex-officio member:* Dr. Thomas Cassidy.

Ex-officio Members absent: Dr. Benetta Bell and Mr. Edward Williams, Mrs. Vernell Brown, Dr. Jesse Kinard, Mrs. Kay Snider, Mr. Aaron Russell and Mr. Charlton Whipple.

Administrators present: *President* Mr. Thomas Elzey, *Interim Provost* Dr. W. Franklin Evans, *General Counsel* Mr. Craig Burgess, *Assistant Vice President for Finance, Facilities and Management* Mr. James Openshaw, *Associate Vice President for Institutional Advancement and Public Relations* Ms. Sonya Bennett, *Vice President for Research, Economic Development and 1890 Programs* Mr. Delbert Foster, *Executive Director of Institutional Effectiveness, Vice President for Enrollment Management* Mrs. Dr. Rita Teal, *Interim Athletics Director* Dr. Octavia Miro, *Interim Assistant vice President of Student Affairs* Dr. Tamara Hughes, *Executive Director to the President* Mrs. Shondra Abraham and *Administrative Coordinator to the Board and Recorder* Mrs. Eartha Mosley

Media: *The Times and Democrat* Reporter Mrs. Dale Linder-Altman, WLTX Reporter and WIS Reporter.

ADOPTION OF AGENDA

Chairman Small shared at the President's request that his presentation pertaining to his performance evaluation would be made publicly and not in closed session; therefore, the presentation would be placed on the agenda following item V. Adoption of the Agenda. The chair asked for a motion to modify the agenda. Trustee Corbitt made a motion to modify the agenda. The motion was seconded by Trustee Novinger. He, then, asked for a motion to adopt the modified agenda. Trustee Corbitt made a motion to adopt the modified agenda. The motion was seconded by Trustee Joyner-Fleming. Vote: Unanimously approved.

PRESIDENT ELZEY AGENCY HEAD PERFORMANCE EVALUATION PRESENTATION

President Elzey thanked the Board for the opportunity to discuss his Agency Head Performance Evaluation in a public forum. He chose to discuss his evaluation publicly because he is extremely proud of the accomplishments made at the University this past year. Many objectives were completed, other works are in progress, but he is optimistic about the

outcome of all of the efforts in bringing the University forward into the future. He stated that as president of the University his work is an accumulation of activities from the entire cabinet and entire workforce of this University. He has the responsibility to oversee the activities of his cabinet as well as the individuals who have specific responsibilities to the university. They have worked extremely hard in many areas, not only associated with finances, but in the areas of enrollment, fundraising, and improving the image of the University over the last year.

The President stated that the University has the impact of multiple deficits, lack of funding, reduction in state funding as well as federal cuts in student financial aid. Those cuts have had an accumulative impact on the University and those issues had to be address on day one as he walked into this University. The administration mobilized immediately to begin to address the issues at hand. Staff members worked with him in engaging the foundation and alumni in identifying funds to support student recruitment and student financial aid in order to move the enrollment numbers to 3,400.

Recruitment for 2013 through spring 2014 started immediately. A financial aid director, an admissions director, and VP for Enrollment Management were hired. As a result, admissions applications increased to 6,000 compared to the previous year of 4,000. The foundation and alumni contributed donations to assist students needing financial assistance. Time was spent meeting the students and their parents, and attending orientations to ensure the parents that their child was being given special attention. The administration worked diligently to make sure that parents, as well as their child, knew that students are first at this University.

Mr. Elzey explained that In addition to enrollment, a lot of time was spent dealing with the finance issues. The financial statement as of June 30, 2013, showed an erosion, which had to be addressed immediately. Serious conversations were held with State treasurer, State controller, and members of the Budget and Control Board. Numerous meetings were held with the state legislatives about the situation at the University, making them aware, and being transparent regarding the situation. Meetings were also held with many business leaders. Last December 2013, the administration discovered that the cash flow situation was much more serious than the administration had originally believed. The president stated that in the past, the university's cash was all combined, including restricted money, PSA money and operating money; therefore, it was difficult to determine how much was University's operating money vs restricted money vs PSA money. The Board was notified, the University borrowed money from PSA temporary. The PSA money was replaced and a deficit reduction plan was developed. That deficit reduction plan was based upon actions that could be taken immediately to make sure that we would meet this year's budget. After the budget reduction plan was completed, a series of meetings were held in Columbia with the Budget and Control Board, the House Ways and Means Committee, and state legislators to discuss where the University was and what actions were needed. The University identified a need of \$13M to be able to address the cumulative cash shortfall. That led to the governor providing a \$6M loan to the University. The \$6M will help to address some of the outstanding bills from vendors; however, there remains \$7M or more outstanding payables. A strategy is being developed for paying vendors. The University continues to spend time with vendors to ensure them that we will honor their bills. Many vendors continue to provide services to the University.

He stated that in terms of marketing, a vision was created in External Affairs and the University has a strong presence on social media. The webpage now reflects current information about University activities. The University has been in US magazine, on Fox news, and the local media a lot, accentuating positive information.

The president went on to explain that in discussing the agency head evaluation, there were six objectives. The first one is articulating visions for the University, which the President conveyed at the National Alumni Association Convention in July, during the SGA meeting in August, in the faculty and staff general assembly program, at the inauguration program in March 2014, and was also provided to the Board in April 2014. The current vision statement is in the strategic plan in draft form and states "South Carolina State University will become one of the top public universities

among peer institutions where students receive academic excellence in a nurturing environment.” He stressed “academic excellence” as the primary goal. Another objective is team building. The President expressed that he has a good team in place. He will continue to make adjustments on the team, as with any team. He shared that the time spent on financial management, fundraising, and the public image of the University has diminished the time needed on a number of areas. A number of positions have not been filled because he was not able to complete the search process in some of the executive level positions.

On restoring confidence in the University and demonstrating leadership in addressing the needs, the President attempted to be as transparent and as open as possible regarding the University. Meetings were held with the Legislative Black Caucus and the House Ways and Means Committee members to discuss PSA funding. This program had not received full state funding and as a result of the meeting, there was an increase in PSA funding.

Mr. Elzey stated that within five days of taking the position of President at SC State, he received a letter from SACS placing the school on warning. The warning was primary around two areas: board governance and financial stability. The administration organized in preparation for the April 2014 visit by the SACS team. A consultant was identified to work with the University. The University was not successful in obtaining the \$13M and therefore was placed on probation by SACS. The University has engaged the same consultant in order to map out strategies to correct deficiencies in governance, organization, and finances.

The University has responded the Legislative Audit Council (LAC) request and is waiting to hear from the council. A series of meetings was held with state and federal administrators regarding the transportation center and the funding. Money is still available; however, the University needs a \$3M match. The administration explored ways to forego the match or to be able to utilize another source to meet the match. This is an ongoing effort.

A University’s strategic planning committee has been working to refine the University niches. They are the nuclear engineering program, physics program, and the speech pathology and audiologist program. The master’s programs are transportation and business administration. The doctoral program is education administration and we will also include the ROTC program.

The administration is working on university’s strategic plan for 2014-2018, which was presented at the Board’s Annual Leadership Meeting. Comments were received from the Board on the strategic plan. A five year capital improvement plan is being developed. A committee has been established and the plans should be completed by the end of the summer. A timeline for improvements of customer service has been established. Communications have improved and training for the admissions staff. The staff is clear that every student and parent is treated as customers with the upmost respect. A HR Director was hired, along with a CFO and a new comptroller. Fundraising last year was a little over \$1.5M. Currently, it is \$2.4M that is a 53% increase from last year. The University’s focus on the future will be on major gifts from corporations and individuals.

EXECUTIVE SESSION

The Chair asked for a motion to go into Executive Session to receive Legal Advice. Trustee Dawson made the motion that the Board go into Executive Session. The motion was seconded by Trustee Novinger. Vote: Unanimously approved.

OPEN SESSION

The Chairman stated no actions or votes were taken in Executive Session. *Trustee Corbitt made a motion that in accordance with the Board’s obligation to an annual evaluation of the President, he moved that the Board find President Elzey’s performance to be satisfactory for 2013-2014 with some areas in need of improvement. He*

further motioned that the Board discuss all areas of concern with the president, and allow him an opportunity to address those concerns. The motion was seconded by Trustee Novinger. Vote passed 8 to 1 and 1 abstention.

BUDGET COMMITTEE MEETING

The Board of Trustees recessed at 12:48pm to allow the budget committee members to convene. Please see the budget minutes from June 25th. The budget committee adjourned at 3:40pm.

BOARD OF TRUSTEES MEETING RESUME

Trustee Dawson made a motion to approve a student fee increase and tuition increase. The motion was seconded by Trustee Novinger. Vote passed 6 to 2 and one abstention.

ADJOURNMENT

The Chair asked for a motion to adjourn. Trustee Dawson made a motion to adjourn the meeting; the motion was seconded by Trustee Grant. Vote: Unanimously approved.

The meeting adjourned at 3:52PM.

All referenced attachments are made a permanent part of these minutes.

Respectfully submitted,


Ronald B. Henegan
Secretary



Eartha Mosley
Recorder

Attachments
1 – Agenda