

MINUTES
SC STATE UNIVERSITY INTERIM BOARD OF TRUSTEES MEETING
LOWMAN HALL BOARD CONFERENCE ROOM
ORANGEBURG, SOUTH CAROLINA
JULY 12, 2016

CALL TO ORDER / OPEN SESSION:

Chairman Charles S. Way, Jr. called the meeting to order at 10:00AM. Chairman Way noted that proper notice was given regarding the meeting to comply with the Freedom of Information Act. The agenda was circulated to the members (Attachment 1). President James E. Clark gave the invocation.

Trustees Present: Mr. Charles S. Way, Jr., Mr. Milton Irvin, Dr. Doris Helms, Mr. Donnie Shell, and Mr. Jeff Vinzani. *Ex-Officio Member:* Mrs. Vernell Brown.

Absent: Mr. Steve Swanson and Mr. Juwan Ayers.

Administrators & others present: *President*, Mr. James E. Clark; *Acting Provost*, Dr. Learie Luke; *Vice President of Finance and Management*, Mr. Edward Patrick; *Vice President for Enrollment Management*, Mrs. Betty Boatwright; *Vice President for Student Affairs*, Dr. Tamara Jeffries-Jackson; *Associate Vice President for Institutional Advancement*, Mr. A.L. Fleming; *Executive Director for 1890 Programs and Extension*, Mr. Delbert Foster; *Athletics Director*, Mr. Paul Bryant; *Director of Public Relations*, Mrs. Elizabeth Mosely-Hawkins; *Special Assistant to the President for Executive Affairs*, Mrs. Shondra Abraham; *The Strategy Group*, Ms. Heather Smith and *Administrative Coordinator and Recorder*, Mrs. Eartha Mosley.

Media: *The Times and Democrat* Reporter, Mrs. Dale Linder-Altman; *WIS Reporter*, Ms. Meaghan Norman.

ADOPTION OF AGENDA

Chairman Way asked for a motion to adopt the agenda. Trustee Vinzani made a motion to adopt the agenda. The motion was seconded by Trustee Helms. Vote: unanimously approved.

APPROVAL OF MINUTES

Chairman Way asked for a motion to approve the minutes for April 6th, May 16th, June 7th, June 22nd, June 29th and June 30th. Trustee Vinzani moved to approve the minutes. The motion was seconded by Trustees Helms. Vote: unanimously approved.

CHAIRMAN'S UPDATE

Chairman Way announced that the following changes had taken place over the last month: SACSCOC probation status was lifted and a new president was elected for the University, and at that point in time the Board felt the finances were in order. He continued by stating the University has come a long way since May 2015. The past year was focused significantly on finance, the administration and education, which is the main purpose at the institution. More emphasis should be given to

the education of the students and he felt confident that under the administration President Clark it would be accomplished. The Chair stated the Board will be working on a contract with the President. He appointed Trustee Doris Helms as Chairperson of the Compensation Committee along with Trustee Milton Irvin and Trustee Steve Swanson. He concluded by stating that he was confident that the President would take the University to new and greater heights.

PRESIDENT'S REPORT (ATTACHMENT 2)

President Clark thanked the Board for the opportunity and considered it an honor to be elected and to serve in the capacity of president of the institution. He continued by sharing that as we move forward, at Board meetings his reports will provide more details as well as more Cabinet participation. The President encouraged students to attend all Board of Trustees' meetings.

He gave a synopsis on the following topics: Accomplishments for Weeks 1 & 2, Guiding Principles, Overall Strategy, and Tactical Issues, Strategic Issues, Getting the Jobs Done, Cabinet Meetings, the First 30 Days, the First 60 Days, the First 90 Days, Review of Expectations and Problem Solving Expectation. Each division head gave a summary of their areas as follows:

Academic Affairs

Dr. Learie Luke communicated that SC State's Master's in Counselor Education program was listed as the # 1 Top Value in South Carolina by Topcounselingschool.org. The University has approximately 1,300 students who did not return to the institution from 2012-2015. The Bulldog Academic Resumption Covenant Program (BARC) was announced as a program aimed at increasing enrollment by re-enrolling students who have dropped-out. The program, in collaboration with the University of Phoenix (UOPX), will target students from 2012-2015 who did not return. The Division of Academic Affairs will establish a covenant to support BARC students until they complete their degrees. The re-admission fee of \$35.00 will be waived as an incentive to re-enroll and students will receive 50% tuition reduction for UOPX courses. Academic Affairs will contact students. Those who respond by August 1, 2016 to be considered for fall 2016 priority enrollment.

Dr. Luke expressed that the institution is preparing a list of existing and potential collaborations and partnerships with tertiary institutions. Articulation agreements with Denmark and OC-Technical Colleges are forthcoming. Academic Affairs will welcome and motivate faculty during the Faculty Institute scheduled for August 16th.

Budget Overall Status

Mr. Ed Patrick thanked his staff for all their hard work in preparing the budget and stated that Mrs. Donna Hanton would present the budget. Mrs. Hanton shared the good news that the University maintained a balanced budget throughout FY 2016. The University's favorable year-end annual net position for FY 2016 was \$8M whereas the FY 2015 year-end was a negative \$5M. Upcoming activities will be the FY 2017 budget roll forward which will allow each division the ability to make encumbrances. For the first time fringe benefits will be encumbered in the budgets, which would allow divisions to be more accurate in budgeting. In addition, Mrs. Brewington was preparing the preliminary work on the audit due on July 29, 2016. To comply with the Board's request to provide all departments budget to the Board, Mrs. Hanton will be assisting the cabinet members with ability to generate correct budget reports. Mrs. Hanton also shared that the Accountability Report is due in September 2016. Mr. Patrick injected that Grant Accounting Division was also included in Mrs. Hanton's report. Trustee Helms requested to see a listing of all grants with funding.

Life Safety

Mr. Patrick shared that the annual fire equipment inspection and maintenance on the sprinkler system was completed, fire drills completed and the environmental waste vendor for quarterly pickup was secured. He stated that the completion of OSHA Forms and the response to DHEC Environmental Waste Report, due on July 26th were being worked on. Outdated

fire protection equipment and repair of the Halon System for the IT computer server room would be completed by August 9th. Mr. Patrick recognized the University's Fire Marshal, Mrs. Pequita Stukes-Bradley.

Operations - Procurement

Mr. Patrick stated that 278 purchase orders were identified and liquidated from the FY16 budget. The amount liquidated was \$1.3M. The division continues to identify FY16 purchase orders to liquidate for the year end close. Mr. Patrick recognized the University's Procurement Director, Ms. Jessica Favors and added she was very instrumental in reviving the relationships with the State Procurement Office. Trustee Helms thanked Ms. Favor for the help in obtaining an RPF and working with Columbia when the University was trying to initiate a presidential search.

Facilities Management

Progress was made to completed bids and awarded Indefinite Delivery Contracts (IDC) for Mechanical and General for the next 2 years, which helps the University to expedite the progress for internal work; Fine Arts Building chiller replacement bid was \$100,000 under budget; decentralization continues to save the University money, it was 50% less summer usage than the previous year; Mays II renovation is under budget by \$20,000. Chairman Way expressed concerns regarding low bids under budget. Mr. Ken Davis assured the Chairman that there were discussions with the State engineers regarding the low bids; however these are state contractors and the bids generally are low.

Facilities is currently working on revising the Clyburn Center Project Management Plan and beautification of the campus. Upcoming activities are the completion of SHM decentralization; Mays II interior renovations and Staley Hall asbestos abatement. Mr. Ken Davis indicated that the 1890 Campus building demolition, schematic design, construction and bids are in the design phase. Camp Daniels environmental assessment and demolition are completed and design documents are being reviewed. For 1890 Charleston project, Mr. Delbert Foster provided explanations about the Charleston property. The Pedestrian Bridge construction is underway and ahead of schedule. Recommendations were made for the enhancement of the Donma Administration Building Lobby area.

1890 Status

Mr. Delbert Foster elaborated on 1) USDA/NIFA Approval of 1890's FY16 Waiver Request. The program received 100% of the non-federal match requirement and 2) the 2017-2021 Joint Plan of Work Review (Clemson & SC State) was accepted. That was a requirement to receive funding from the USDA. He shared that audit preparations and completion of federal and state reports were underway. He concluded by stating that the USDA Request for Funding Application was due on August 6th, the Accountability Report is due on September 15th to the State, and the Executive Budget Request is due September 30th to the Governor's Office.

Student Affairs

Dr. Tamara Jeffries-Jackson reported the furniture for Hugine Suites has been ordered and scheduled to be delivered during the first week in August; interior renovations to Mays II will begin soon; and approximately 500 campers participated in summer activities this summer, generating \$67K in revenue. The summer camps generated an increase of \$12K compared to the previous summer. Trustee Shell asked whether the University was prepared to handle the anticipated influx of students. Dr. Jackson explained that there should be no housing issues because the Residential Life staff had received training on the BANNER system. Trustee Helms stated she would like to see Dr. Jeffries-Jackson work closer with Academic Affairs and 1890 camps, to collaborate on recruiting students for the Academy. Dr. Jeffries-Jackson stated everything is on target regarding the residence halls. Nine of 12 housing units have been replaced with new window blinds at Hugine Suites; seventy-seven washers have been repaired. There will be discussions with Ms. Favors concerning the removal and disposal of the old furniture from Hugine Suites through the State Surplus office.

Admissions and Financial Aid

In the absence of VP for Enrollment Management Betty Boatwright, Admissions Director Anthony Wright reported that the Admissions staff had visited 50 high schools and technical colleges across the country to recruit new students and to readmit students. He reported that 607 new freshmen and transfer students enrolled for the fall 2016 semester, and that 631 new students had paid the enrollment fees as of July 6th, which is a strong indication they will attend in the fall. The University did not require students to pay their enrollment fees last year before they were given class schedules. A SEMI Summer Fun Day is planned by the SEMI students on July 23th. This is a student driven initiative to encourage integration of accepted students by their peers. The challenge is continuing to enroll 530 returning students with high balances. Two tactical initiatives are being developed to recapture continuing students: 1) the Presidential Promise Program and 2) the BARC Program). Trustee Irvin asked in terms of recruitment, what was the impact of the SEMI student's initiative. Mr. Omari Richards shared that the grant requirement was to recruit 350 for the fall semester. They recruited 224 students, however the BANNER system does not verify which students were recruited by the SEMI students. Therefore they relied on documentations such as emails, text messages and social media to confirm their numbers.

Financial Aid has processed 3,004 awards letters as of July 6th and was uploading Parent Plus and Graduate Plus Loans in the system. The office would be open to encourage students to come in and complete all documents on the following Saturdays: July 9, 16, 23 and 30th from 9AM – 1PM. The issues with the telephones not being answered was resolved with the assistance of the Retention Office. IT was working to ensure graduate students ability to accept awards. Job announcements for the following positions were completed: Financial Aid Director, Financial Aid Banner Counselor and a Financial Aid Counselor.

Athletics

Mr. Paul Bryant reported four SC State football players have signed NFL contracts. The University received the Reginal Championship Athletics Department Association Most Improved Award for 2014-15. The Department was engaged in a search to secure a volleyball coach by August 1st.

University Relations/Marketing

Mrs. Elizabeth Mosely-Hawkins explained the *Stand Out with Confidence Campaign*, which assured prospective students and their families of SC State's accreditation; there was new digital imagery for the web and social media for Georgia, North Carolina and South Carolina; ten additional poster billboards were secured, five each in Charleston and Columbia; and nearly 30 earned (free) media reports on the appointment of James E. Clark as the 12th president. She stated the division's upcoming activities includes the Launch of Presidential Promise; the National Alumni Convention; Welcome Week; Meet the Players, and Back to School Week. Issued being worked on include: developing enrollment communications and marketing strategies for final enrollment; drafting and disseminating press releases; liquidating encumbrances from FY'16 and developing a new comprehensive website. Mrs. Hawkins concluded by stating the relationships with the media has improved significantly over the past year. President Clark concurred.

Institutional Advancement

Mr. A.L. Fleming reported that the University's Foundation plans to raise a lot of money FY16 as it did last year. Several major gifts were being develop of the \$50K level and above. Preparations were underway for homecoming activities. Plans to attend the National Alumni Association Convention in Virginia were being worked out. He was also working on a gifts acceptance policy. He reported that the naming of buildings, grounds and property policy must be updated and brought before the Board. The University's Foundation audit will be completed by September 1st or sooner. There was collaboration with the General Counsel, Enrollment Management and Finance to update the Scholarship Awards policy. Mrs. Kimberly Greene is responsible for development of Student Giving Campaign in conjunction with the Pre-Alumni Council.

Controller

Mrs. Brewington shared good news. There was a \$6.6M reduction in Accounts Payable and Accrued Expenses from \$13.5M to \$6.9M. A reduction of \$17.7M in operating expenses from \$97.0M to \$79.3M, which included \$1.1M in utilities savings by purchasing at bulk rates and \$5.6M in scholarship savings by restricting refunds of institutional scholarships. The Change in Net Position from (\$5.7M) last year to \$8.7M this year, reflected an improvement of \$14.4M. There was a 100% improvement of the Current Ratio from .63 to 1.26. Finally, there was a \$5.6M improvement in Unrestricted Net Assets Exclusive of Plant and Plant related debt (UNAEP) from (\$25.2M) to (\$19.5M). Chairman Way asked whether the University received all money from the Blue Ribbon Committee by July 1st. Mrs. Brewington replied, that the institution did receive all the money. Moving forward, the institution will be submitting the Refinancing of Hugine Suites Bond and the Loan Forgiveness materials to The State Department of Administration. Upcoming activities included the Financial Audit due September 30th, WSSB financial statement due on November 30th, and the NCAA Agreed-Upon Procedures Report due in December. Mrs. Brewington concluded by stating that the 1890 report should be completed in a couple of weeks. The Chairman stated the University is up-to-date with the State requests, all audits, and financial statements for the first time in a very long time. Mrs. Brewington concurred. The Chairman commended the staff on a job well done.

Additional Matters

The President elaborated that the number of students anticipated to return for fall 2016 is down and the fundamental cause is that students have balances that exceed what is allowed to register for classes. The Leadership Team brainstormed and came up with the idea of a Presidential Promise Program. The Presidential Promise Program is a pilot program for fall 2016 only. The program will address the needs of those students currently in the enrollment pipeline who have financial difficulties. Students must meet all requirements and be committed to 100 hours of campus service. The program will also increase student retention rates. Additionally, it will aim to ensure the enrollment goal is met and will provide students with professional development opportunities on campus. The program is projected to yield 500 students. Trustee Helms inquired about the possibility of alumni adopting students with outstanding balances. President Clark shared that he was working on that initiative.

BDO 2016 AUDIT PLAN (ATTACHMENT 3)

Mr. Stathis Poulous reviewed the following: Engagement Objectives; Audit Strategy; Critical Audit Areas; Engagement Timeline; Independence communication and Fraud Considerations; Significant Accounting and Reporting Matters; Uniform Guidance—An Overview, Key Challenges Faced by Recipients, and Key Changes to Audit Requirements. Trustee Irvin applauded Mrs. Brewington and Mr. Poulos on their collaboration on specific dates and times for the audit. He stressed the importance of submitting audit reports in a timely fashion. He said it was very well coordinated and should help the University in terms of its reputation with the legislators.

EXECUTIVE SESSION

Trustee Vinzani made a motion for the Trustees to enter into Executive Session to discuss contractual matters and to receive legal advice. The motion was seconded by Trustee Shell. Vote: unanimously approved.

OPEN SESSION

Chairman Way asked for a motion to come out of Executive Session. ***Trustee Vinzani so moved, and Trustee Shell seconded the motion. Vote: unanimously approved. The Chair shared that no actions or votes were taken in executive session.***

BOARD OF TRUSTEES' ELECTION FOR VICE-CHAIRMAN

Chairman Way entertained a motion for election of vice-chairman. *Trustee Shell made a motion that Trustee Milton Irvin be elected as the Vice-Chairman for the Board of Trustees. The motion was seconded by Trustee Vinzani. Vote: unanimously approved.*

The Chairman announced that the institution had received the official letter from SACSCOC affirming the University is no longer on probation. He also indicated Tuesday, August 23rd is the date for the next Board meeting.

Other Business: Trustee Helms shared that there are several academic programs requiring the Board's approval before the fall semester. She asked Dr. Luke to describe each recommendation. Dr. Luke made a proposal for changes in: 1) The Business Administration Degree; 2) The Professional English curriculum modification to include a 12-credit concentration in Intersectional Studies; 3) New Concentration in Agriculture Innovation and Entrepreneurship; and 4) Minor in Innovation and Entrepreneurship. Chairman Way asked for a motion, *Trustee Helms so moved, and Trustee Irvin seconded the motion. Vote: unanimously approved.*

ADJOURNMENT

The meeting adjourned at 2:23PM.

Submitted by,



Eartha Mosley
Recorder

Attachments

- 1 – Agenda
- 2 – President's Clark Handouts
- 3 – BDO Handout