

DRAFT

REGULAR MEETING OF THE BOARD OF TRUSTEES OF WESTERN CAROLINA UNIVERSITY

Room 510, H.F. Robinson Building

September 4, 2015

The Board of Trustees of Western Carolina University met in regular session on September 4, 2015 in Room 510 of the H. F. Robinson Building. The meeting was called to order at 9:30 a.m. by Chairman Broadwell.

ATTENDANCE

The following members of the Board were present: Mrs. Kaemmerling, Mr. Broadwell, Mrs. Coward, Mr. Drake, Mr. Little, Mr. Messer, Mr. Townsend, Mrs. Battle, Mrs. Dugan, Mr. Kinney, Mr. Fetzer, Mr. Lupoli, and Mr. Henderson.

Others present: Chancellor Belcher; Provost Morrison-Shetlar; Vice Chancellors Byers and Miller; Dr. Wargo, Chief of Staff; Dr. Owl-Smith, Alumni Association President; Mrs. Plemmons, Administrative Assistant; Ms. Woody, Budget Officer; Ms. Lochner, General Counsel; Mr. Eaton, Athletics Director; Mr. Fowler, CIO; Mrs. Belcher, First Lady; Dr. Causby, Human Resources Director; Ms. DeGraffenreid, Staff Senate Chair; Dr. McCord, Faculty Senate Chair; Mr. Miller, Associate Vice Chancellor for Development; Dr. Parker, Dean, College of Business; Mr. Holcombe, Public Communication Specialist; Mr. Browning, Associate General Counsel; Mrs. Ashe, Events Coordinator; and Ms. Welch, Assistant Secretary to the Board.

ROLL CALL

Ms. Welch called the roll of the Board members in attendance. A quorum of the Board was present.

SWEARING-IN OF NEW AND REAPPOINTED BOARD MEMBERS

Ms. Welch administered the oath of office to new trustees, Mr. Fetzer, Mr. Kinney, and Mr. Henderson; and to reappointed trustees, Mrs. Coward, Mrs. Kaemmerling, Mr. Townsend, and Mrs. Battle.

ETHICS STATEMENT

Mr. Broadwell read the following: "As Chair of the Board of Trustees, it is my responsibility to remind all members of the Board of their duty under the State Government Ethics Act to avoid conflicts of interest and appearances of conflict of interest as required by this Act. Each member has received the agenda and related information for this Board of Trustees' meeting. If any Board member knows of any conflict or interest or appearance of conflict with respect to any matter coming before the Board of Trustees at this meeting, the conflict or appearance of conflict should be identified at this time."

There were no conflicts disclosed.

APPROVAL OF MINUTES

Mr. Townsend moved that the minutes of the June 5, 2015 regular meeting; the minutes of the July 6, 2015 special telephone meeting of the full Board; and the minutes of the July 21, 2015 special telephone meeting of the Executive Committee be approved. Mr. Drake seconded the motion, and it was approved unanimously. (MINUTES ON FILE WITH MATERIALS IN TAB B)

CHANCELLOR'S COMMENTS

Chancellor Belcher welcomed the new and returning Board members to the Board. He also recognized Mrs. Ernestine Plemmons, who is retiring from the Chancellor's office after 11 years of service.

Chancellor Belcher reminded the Board about the upcoming Leadership Summit in October. This gathering will be about mobilizing our volunteer leadership. He urged everyone to participate if possible.

Chancellor Belcher asked Dr. Parker to update the Board on the Corporation for Entrepreneurship and Innovations. Dr. Parker explained the structure of the corporation. Chancellor Belcher thanked Ms. Lochner and Mr. Browning for their help with this enterprise and stated that the innovative thinking is amazing.

Chancellor Belcher explained that preliminary enrollment statistics indicate that we will be essentially flat this year over last year, due to a small decrease in total headcount. This is true of national yield rates as students are applying to more and more institutions, so the numbers may go up on the application side, but that does not necessarily translate into enrollment. One of our challenges is to figure out how to negotiate a higher yield rate. Chancellor Belcher stated that a positive note is that our freshman-to-sophomore retention rate hit 80.06%, our highest percentage ever, reaching our 2020 Vision Strategic Plan goal of 80% five years early. On the other hand, there were a number of incoming freshmen who chose our competitors because they were offered a scholarship, in some cases as low as \$500. Additionally, we have around 100 students close to graduation who could not come back because they could not come up with an amount of money which was per student \$1000 or less.

Mr. Messer asked for some additional data about PELL recipients and first-generation student retention rates. Discussion about ways to help with these issues followed. We are trying to understand the landscape ten years from now and how we will position ourselves to thrive in that environment.

Chancellor Belcher shared some insights from his Fall Opening Assembly address (NOTES ON FILE WITH MINUTES MATERIALS)

COMMENTS FROM CHAIRMAN BROADWELL

Mr. Broadwell welcomed Mrs. Belcher. Mr. Broadwell thanked Mrs. Plemmons for her help over the years. Mr. Broadwell reminded the Board about the General Administration sponsored Board of Trustee workshop at Winston-Salem State University on September 16.

Mr. Broadwell stated that attending Employee Appreciation Day yesterday was a very gratifying experience. He also mentioned the breakfast program this morning and stated that the students were outstanding.

REPORT OF THE ACADEMIC AFFAIRS AND PERSONNEL COMMITTEE

Mr. Townsend reviewed anticipated changes to the Fair Labor Standards Act provided by Dr. Causby. The primary change is to the minimum salary threshold necessary to meet the overtime exemption which would be raised significantly from \$23,660 to \$50,440 for 2016. WCU has been proactive in preparation for these changes without knowing the final outcome or when the changes will go into effect.

Mr. Townsend reported on a name change for the Department of Modern Foreign Languages to the Department of World Languages. This is a common change throughout universities across the country.

Mr. Townsend provided an update on WCU's reaccreditation. The current focus has been on the Quality Enhancement Plan (QEP), an opportunity to create a ten year plan for the university to improve student learning, a SACSCOC mandate. The process collected 55 submitted topics. This week the eight finalists provided

three minute presentations that were recorded to advertise to students, faculty, staff, alumni and community partners. Each topic includes an abstract, a white paper and an image that will advance to a three minute YouTube video of each topic allowing individuals to vote. The voting process will end September 12th. A new committee will then develop the QEP topic over the next year and a half.

Mr. Townsend mentioned a review provided by Dr. Lowell Davis of information including student body student profile (credit hours, race/ethnicity, citizenship, age distribution, student/faculty ratio, age distribution, geographic distribution), the retention report submitted to GA, and freshman class profile. The retention data by student groups indicates that overall we are doing a good job of recruiting and retaining students.

REPORT OF THE ADMINISTRATION, GOVERNANCE, AND TRUSTEESHIP COMMITTEE

Mr. Little stated that the committee received an update on the campaign and engagement communications. He noted that they surveyed Alumni for the campaign. He also provided a fundraising, scholarships, and endowments update and a preview of the October Leadership Summit.

Mr. Little stated that the committee received a Legislative Update which included an update on the budget discussions currently underway in the NC General Assembly, including a \$750 one-time bonus for state employees and also University reductions. He shared information about the negotiations surrounding the infrastructure bond proposal, in which the Governor's and House budgets both included WCU's Natural Sciences Building, but the Senate did not. New board members and interested parties were referred to the WCU Advocacy website at advocate.wcu.edu.

Mr. Little provided an update on the status of repair and renovation items at the Chancellor's residence. Including items at the residence that had been repaired or updated over the last year. He reported on the repairs and inspection reports and shared that Facilities did an annual inspection prior to the Board of Trustees walk-through inspection. Any new findings will be added to the inspection list. There is not an established budget for the Chancellor's residence repairs; infrastructure repairs are generally funded with repair and renovation funds while aesthetic updates are generally funded with non-state funds.

Mr. Henderson updated the Board on the Student Government Association. (SGA REPORT ON FILE WITH MINUTES MATERIALS)

REPORT OF THE FINANCE AND AUDIT COMMITTEE

Mr. Drake moved on behalf of the committee approval of the Internal Audit Plan for 2015-2016. It was approved unanimously. (ON FILE WITH MINUTES MATERIALS TAB E-2)

Mr. Drake provided a brief update on change in audit status of audits in progress. One hotline call investigation was completed and the allegations were not substantiated. Several audits are nearing completion and audit reports will be issued in the coming weeks. The risk assessment was completed in anticipation of creating the 2015-2016 annual audit plan. She also provided the committee with a brief overview of the audit process.

Mr. Drake stated that the committee received a budget update consisting of a budget outlook that examined the impact on WCU of each of the proposed budgets of the Governor, the House and the Senate.

Mr. Drake provided the committee with a status report on several projects. He reported that the Brown Building Renovation and Addition continues to show slippage in schedule, predominantly attributed to complications associated with State Construction Review and difficulties in contract terms between State Construction and the

Construction Contractor. The project should begin construction later this semester and is expected to be complete in late Spring 2017.

Mr. Drake reported that the new mixed-use facility, with student housing and retail space, is under construction with site-work in progress. He said that the project is expected to be complete by August 2016. He also explained that additional parking is being planned on the campus edge to increase the parking supply to accommodate this increase in student housing.

Mr. Drake explained that concepts for an indoor athletic practice facility were being considered. He reported that more in-depth study of the site prescribed by the Campus Master Plan compelled the review team to commission additional study for alternative site options. That study is still in progress.

Mr. Drake reported that WCU's highest capital priority continues to be the campaign to seek funding for the Natural Sciences Building replacement; and that funding to renew the Steam Plant continues to be WCU's highest repair and renovation priority.

Mr. Drake shared plans for the Medical Office Building, to be located on the Millennial Campus near the Health and Human Sciences Building. He stated that an agreement of intent has been entered with developer Brackett Flagship and construction could begin in early 2016. Vice Chancellor Byers presented an animated video with a possible concept of the building.

COMMENTS FROM THE FACULTY SENATE CHAIR

Dr. McCord updated the Board on the Faculty Senate. (FACULTY SENATE REPORT ON FILE WITH MINUTES MATERIALS)

COMMENTS FROM THE STAFF SENATE CHAIR

Ms. DeGraffenreid updated the Board on the Staff Senate. (STAFF SENATE REPORT ON FILE WITH MINUTES MATERIALS)

COMMENTS FROM THE ALUMNI ASSOCIATION PRESIDENT

Dr. Owl-Smith updated the Board on the Alumni Association (ALUMNI ASSOCIATION REPORT ON FILE WITH MINUTES MATERIALS)

CLOSED SESSION

Mrs. Kaemmerling made a motion that we go into closed session to prevent the disclosure of privileged or confidential information, under the federal Family Educational Rights and Privacy Act (FERPA); to consult with our attorney to protect the attorney-client privilege to discuss a legal issue; and to consult with our attorney to consider and give instructions concerning an existing lawsuit titled James D. Davis v. Western Carolina University and the University of North Carolina; and an existing lawsuit titled Robert Russell v. Western Carolina University; and to consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial appointment, of a public officer or employee or prospective public officer or employee.

Dr. Belcher asked Dr. Morrison-Shetlar, Dr. Wargo, Mr. Eaton, and Ms. Lochner to stay for the closed session.

RETURN TO OPEN SESSION

Mr. Little moved that the Board return to open session. Mrs. Battle seconded the motion and it was approved unanimously.

REPORT OF THE ACADEMIC AFFAIRS AND PERSONNEL COMMITTEE

Mr. Townsend moved on behalf of the committee approval of the action as discussed in closed session. The motion was approved unanimously. (MATERIALS ON FILE WITH MINUTES MATERIALS IN TAB C-2)

ADJOURNMENT

There being no further business. Mr. Townsend made a motion to adjourn the meeting. Mrs. Battle seconded the motion, and the meeting was adjourned at 12:00 noon.