

REGULAR MEETING OF THE BOARD OF TRUSTEES OF WESTERN CAROLINA UNIVERSITY

Room 510, H.F. Robinson Building

June 5, 2015

The Board of Trustees of Western Carolina University met in regular session on June 5, 2015 in Room 510 of the H. F. Robinson Building. The meeting was called to order at 9:30 a.m. by Chairman Williams.

ATTENDANCE

The following members of the Board were present: Mrs. Williams, Mrs. Kaemmerling, Mr. Broadwell, Mrs. Coward, Mr. Drake, Mr. Little, Mr. Messer, Mr. Townsend, and Mr. Lupoli.

The following members of the Board were absent: Mrs. Battle, Mr. Byers, Ms. Dugan, 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; Dr. Kauffman, Faculty Senate Chair; Mr. Chancey, Chief Compliance Officer; Mr. Rathbone, Staff Senate Chair; Dr. Causby, Associate Vice Chancellor for Human Resources; Mrs. Ashe, Events Coordinator; Ms. Woody, Budget Officer; Mr. Studenc, Senior Director of News Services; Mr. Browning, Associate General Counsel; Mr. Fowler, CIO; Ms. Lochner, General Counsel; Mr. Eaton, Athletic Director; Mr. Miller, Associate Vice Chancellor for Development; Ms. Reeder, Smoky Mountain News Intern; Mrs. Belcher, First Lady; Mr. Robinson, Board of Visitors Vice Chair; and Ms. Welch, Assistant Secretary to the Board.

ROLL CALL

Ms. Welch called the roll of the Board members in attendance.

ETHICS STATEMENT

Mrs. Williams 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 conflicts 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. Drake moved that the minutes of the March 5, 2015 regular meeting; the minutes of the April 17, 2015 special telephone meeting of the Executive Committee; and the minutes of the May 8, 2015 special telephone meeting of the Executive Committee be approved. Mr. Townsend seconded the motion, and it was approved unanimously. (MINUTES ON FILE WITH MATERIAL IN TAB B)

CHANCELLOR'S COMMENTS

Chancellor Belcher delivered a progress report on the compliance plan. He stated that compliance is an enormous issue, particularly as it relates to Federal regulations. Three months ago we hired our Chief

Compliance Officer, Wes Chancey. Mr. Chancey updated the Board on the compliance plan. He explained that training for all employees about the plan is very important.

Chancellor Belcher also delivered a progress report on the Strategic Plan. (ON FILE WITH MINUTES MATERIALS)

Chancellor Belcher thanked Mrs. Williams for her dedication to the Board and presented her with a gift from the University.

COMMENTS FROM CHAIR

Mrs. Williams thanked Mr. Rathbone and Dr. Kauffman for their service to the Board. She also acknowledged a number of folks for their help over the years.

Mrs. Williams presented Mary Ann Lochner with the Trustees' Award on behalf of the Board. Mrs. Williams thanked Ms. Lochner for her steadiness, reasoned counsel, ethical grounding, and diligent service which allowed the Board to explore the "new waters" that Chancellor Belcher has spoken about.

REPORT OF THE ACADEMIC AFFAIRS AND PERSONNEL COMMITTEE

Mr. Townsend moved on behalf of the committee to approve the Approval of UNC Management Flexibility Certification as presented. It was unanimously approved. (CERTIFICATION ON FILE WITH MINUTES MATERIALS IN TAB C-2)

Mr. Townsend reviewed the WCU Workforce Profile highlighting several items. One item of significance is the primary challenge of an aging workforce and new employees that currently make up 1/3 of the WCU workforce. Mr. Townsend explained that the Provost Report represents highlights from the 2014-2015 academic year.

Mr. Townsend provided an update on the Southern Association of Colleges and Schools Commission on Colleges reaffirmation. We have made excellent progress this year. Arthur Salido will be replacing Steve Miller effective July 1. Mr. Townsend stated that the Chair of the QEP Topic Selection Committee reviewed the eight proposals submitted by students, faculty and staff. The proposals will be subjected to a vote on September 1st.

Mr. Townsend stated that the committee reviewed highlights from the Biltmore Park Strategic Plan. An implementation plan is in development with the goal of a 90% completion within three years.

Mr. Townsend mentioned that the committee reviewed information on first year student demographics from Fall 2014 and Fall 2015 highlighting several items. One item of significance is the 97% retention rate for summer programs WheelTeach and Catamount Gap.

REPORT OF THE ADMINISTRATION, GOVERNANCE, AND TRUSTEESHIP COMMITTEE

Mr. Little moved on behalf of the committee to accept the nomination of Willie Carpenter and Sandra McCracken as new Foundation Board Directors as approved by the WCU Foundation Board at its February 13, 2015 meeting. It was approved unanimously. (FOUNDATION BOARD SLATE ON FILE WITH MINUTES MATERIALS IN TAB D-2)

Mr. Little moved on behalf of the committee to re-elect the approved slate of currently serving Foundation Board Directors for another term as approved by the WCU Foundation Board at its February 13, 2015 meeting. Those nominees and their respective classes are: Frank Brown III (2018),

Joe Crocker (2018), Linda Gilbert (2018), Ken Hughes (2018), Roland Johnson (2018), Gaither Keener (2018), and Roger Plemens (2018). It was approved unanimously. (FOUNDATION BOARD SLATE ON FILE WITH MINUTES MATERIALS IN TAB D-2)

Mr. Little moved on behalf of the committee approval of Terry Bellamy, Earlene Cheung, Casey Cooper, Kenneth (Rusty) Edwards, Jill Hendrickson, Lisa Hill, Jack Morse, Lee Schmutde, Barry Smith, and Judy Stroud as new members of the WCU Board of Visitors Class of 2015-16. It was approved unanimously. (BOARD OF VISITORS CLASS ON FILE WITH MINUTES MATERIALS IN TAB D-3)

Mr. Little presented a report on the fraternity suspension. At the end of February, allegations were made regarding hazing and abuse by the Pi Kappa Alpha Fraternity. The allegations were reviewed per the Code of Student Conduct in March and April and WCU withdrew recognition of Pi Kappa Alpha as a Registered Student Organization on April 16, 2015 for a period of five years. The fraternity can petition the University for reinstatement of official recognition.

Mr. Little also provided a legislative update to the Board. The update included a status report on the Governor's Bond Proposal, which included \$115 million for WCU's Natural Sciences Building. In addition, he provided a status update on the budget discussions currently underway in the NC General Assembly. A request was made to share talking points with advocacy groups. Mr. Little referred interested parties to the WCU Advocacy website at advocate.wcu.edu.

REPORT OF THE FINANCE AND AUDIT COMMITTEE

Mr. Broadwell stated that the annual audit plan is complete. He provided a review of the work done over the past year by the Office of Internal Audit. He shared a number of statistics regarding the work of the office and its alignment with the 2020 Strategic Plan.

Mr. Broadwell gave a budget update, explaining that the current year allotment holdback/reversion requirement had been reduced from \$1.043 million to \$645,000, which is good news. He also talked about current affairs regarding carry-forward allowances.

Mr. Broadwell gave an update of the capital projects and the Campus Master Plan. He summarized the process that led to the approval of the 2014 Campus Master Plan by the Board and explained how WCU staff and administration, in the form of a Master Plan working group, use the Plan to guide decisions. He explained that part of the working group's charge is to track progress related to Master Plan recommendations in a document that will be maintained over time. He also explained that the group is working to create "if-then" scenarios in the document that give guidance regarding recommended initiatives. For example, "what initiatives are interrelated to the construction of a replacement Natural Sciences Building and what steps need to be taken on those related initiatives if it is funded?" And "what if it is not funded?"

Mr. Broadwell went on to give an update on current capital projects including: the Brown Building Renovation and Addition, which should begin construction in the Fall and is expected to be complete by Spring 2017; the new Mixed Use Facility, with student housing and retail space, which is beginning construction now and expected to be complete by August 2016; the planned Medical Office Building, for which a developer has been selected by the Endowment Fund Board of Trustees and which should be ready for construction beginning early 2016; and, the continued priority of seeking funding to renovate the Steam Plant, as well as creative alternative solutions.

COMMENTS FROM THE ALUMNI ASSOCIATION PRESIDENT

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

COMMENTS FROM THE FACULTY SENATE CHAIR

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

COMMENTS FROM THE STAFF SENATE CHAIR

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

CLOSED SESSION

Mr. Broadwell moved that the Board go into closed session to consult with our attorney to protect the attorney-client privilege to discuss a legal issue; 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; to consult with our attorney to consider and give instructions concerning an existing lawsuit titled Samantha Sackos v. NCAA, et. Al.; and to consult with our attorney to consider and give instructions concerning 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. Mrs. Kaemmerling seconded the motion and it was approved unanimously.

RETURN TO OPEN SESSION

Mr. Little moved that the Board return to open session. Mrs. Kaemmerling 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 actions as discussed in closed session. The motion was approved unanimously. (MATERIALS ON FILE WITH MINUTES MATERIALS IN TABS C-9, C-10, and C-11)

Mr. Broadwell stated that the Board will have a telephone meeting for the election of officers.

ADJOURNMENT

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