

REGULAR MEETING OF THE BOARD OF TRUSTEES OF WESTERN CAROLINA UNIVERSITY

Room 510, H.F. Robinson Building

June 6, 2014

The Board of Trustees of Western Carolina University met in regular session on June 6, 2014 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, Mr. Townsend, Mrs. Battle, Mrs. Coward, Mr. Broadwell, Mrs. Kaemmerling, Mr. Whipkey, Mr. Byers, Mr. Drake, Mr. Lupoli, and Mr. Messer.

The following members of the Board were absent: Ms. Dugan and Mr. Little.

Others present: Chancellor Belcher; Provost Morrison-Shetlar; Vice Chancellors Edwards and Miller; Dr. Wargo, Chief of Staff; Dr. Kauffman, Faculty Senate Chair; Ms. Hitch, Staff Senate Chair; Dr. Owl-Smith, Alumni Association President; Mr. Metz, Assistant Vice Chancellor Institutional Planning and Effectiveness; Mr. Walker, Director of Facilities Management; Mr. Fowler, CIO; Ms. Wong, Human Resources Director; Mr. Miller, Development Director; Mr. Studenc, Senior Director of News Services; Ms. Woody, Business Officer; Mr. Eaton, Athletic Director; Ms. Lochner, General Counsel; Mr. Morrison, Smoky Mountain News; Mrs. Ashe, Administrative Assistant; and Ms. Welch, Assistant Secretary to the Board of Trustees.

SWEARING-IN OF NEW BOARD MEMBERS

Mr. Whipkey was sworn in by Ms. Welch.

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 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 of 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 March 7, 2013 regular meeting, the minutes of the March 28, 2014 special telephone meeting of the Executive Committee, and the minutes of the April 7, 2014 special telephone meeting of the Executive Committee be approved. Mr. Drake seconded the motion, and it was approved unanimously. (MINUTES ON FILE WITH MINUTES MATERIALS IN TAB B)

ENDOWMENT BOARD OF TRUSTEES ELECTION

Mrs. Williams made a motion to elect Mrs. Kaemmerling for a three-year term on the Endowment Board ending June 30, 2017. Mrs. Kaemmerling was elected by acclamation.

COMMENTS FROM CHANCELLOR BELCHER

Dr. Belcher stated that the Board of Governors approved the 65-year lease of the 344 acres of the Millennial Campus across Hwy. 107 (minus the HHS Building and the ground it is on) to WCU's Endowment Fund which will reduce the time between the signing of a ground lease arrangement with a private developer and the completion of the construction of the building in question. Ms. Lochner is actively pursuing the details of that lease to the Endowment Fund which should be accomplished in the latter part of this year. This is a very good step forward.

Dr. Belcher spoke about the Leadership Academy and Leadership tour of WNC. In his installation address, he announced that WCU would undertake a leadership development program in an effort to grow our own leaders and implement an

annual leadership tour to ensure we stay in touch with the region we are charged with serving. Dr. Laura Cruz, Director of our Coulter Faculty Commons, led an inaugural Leadership Academy class of 11 faculty and staff through a year-long leadership curriculum. The Leadership Tour became the capstone experience for the class which also included many new institutional leaders and administrators. Dr. Belcher informed the Board that this was a significant engagement with the regional enterprises which align with five curricular focus areas identified in the 2020 Vision. He added that everyone learned a great deal about our region, its needs and opportunities.

Dr. Belcher distributed a progress report on the 2020 Vision Strategic Plan. We are making progress but have much yet to do. He also stated that he has asked his direct reports to renew their acquaintance with this document as they set their goals for the 2014-2015 year. (PROGRESS REPORT ON FILE WITH MINUTES MATERIALS)

Dr. Belcher reported that the Princeton Review continues to be impressed with WCU. They have recognized Western Carolina as one of the best institutions at which to earn an MBA; and, for the 4th consecutive year, the Review recognized WCU as one of the most environmentally responsible institutions of higher education in North America.

Chancellor Belcher thanked Robin Hitch for her service as Staff Senate chair for the past two years. She has done a tremendous amount of work with the Staff Senate.

COMMENTS FROM CHAIR WILLIAMS

Mrs. Williams thanked everyone for their hard work at this meeting.

REPORT OF THE ACADEMIC AFFAIRS AND PERSONNEL COMMITTEE

Mr. Townsend moved on behalf of the committee to approve the changes to the Faculty Handbook, Section 4.0. The changes were minor, all consistent with UNC policy and The Code. The rationale was to tighten language to assure clarity of the guidelines as set forward in the handbook. The motion was approved unanimously. (FACULTY HANDBOOK CHANGES ON FILE WITH MINUTES MATERIALS IN TAB C-2)

Mr. Townsend reported on the presentation about tenure in the committee meeting. (PRESENTATION ON FILE WITH MINUTES MATERIALS)

REPORT OF THE ADMINISTRATION, GOVERNANCE AND TRUSTEESHIP COMMITTEE

Mrs. Kaemmerling moved on behalf of the committee to accept the nomination of Wes Elingburg (2017) as a new Foundation Board of Director and to re-elect for another term the approved slate of currently serving Foundation Directors: James Beaty, Jr. (2017), Brad Bradshaw (2017), Gerri Garrett (2017), Susan Jenkins (2017), Jim Moore (2017), Keith Ramsey (2017), Dale Sims (2017), and Bob Thomas (2017). The motion was approved unanimously. (FOUNDATION BOARD SLATE ON FILE WITH MINUTES MATERIALS IN TAB D-2)

Mrs. Kaemmerling moved on behalf of the committee to approve the Charter of the WCU Board of Visitors. The ten (10) nominees in the Inaugural Class are: Dr. Jo Blaylock, Dr. Floyd "Ski" Chilton, Mr. Steve Couch, Mrs. Penny Mawyer, Mr. Bruce Moore, Mr. Brandon Robinson, Mrs. Rebecca Schlosser, Mrs. Brenda Warlick, Mr. David Wiggins, and Mrs. Donna Winbon. The motion was approved unanimously. (BOARD OF VISITORS CHARTER ON FILE WITH MINUTES MATERIALS IN TAB D-3)

Mrs. Kaemmerling asked Mr. Whipkey to report on the Student Government Association. (SGA REPORT ON FILE WITH MINUTES MATERIALS)

Mrs. Kaemmerling reported that the committee received an update on the Chancellor's residence condition and inspection.

REPORT OF THE FINANCE AND AUDIT COMMITTEE

Mr. Broadwell moved on behalf of the committee to write off the student accounts greater than \$1,000.00, totaling \$1,813.30. The General Administration FIT Standard V1.8 states that past due student accounts should be written off when all collection procedures, including referral of the debt to a collection agency, have been conducted without results and management determines the student account to be uncollectable. WCU's write off policy states that write-offs of account balances greater than \$1,000.00 require Board of Trustees approval. This account total is \$1,813.30. Although this amount will be removed from the financial statements, the University will continue collection efforts. **The motion was approved unanimously.** (WRITE-OFF OF STUDENT ACCOUNT ON FILE WITH MINUTES MATERIALS IN TAB E-2)

Mr. Broadwell moved on behalf of the committee to approve the University Compliance Plan. This plan is unique to WCU and coordinates compliance and risk management for the University. The plan is a comprehensive and continuing schedule of activities suitable to our size, complexity of operations and resources. It is designed to promote compliance, personal and institutional integrity and ethical conduct of business. Included in the plan is a WCU code of ethical conduct, a federal and State compliance checklist and a risk register. The plan establishes a Compliance and Enterprise Risk Management Council and a Chief Compliance Officer. **The motion was approved unanimously.** (COMPLIANCE PLAN ON FILE WITH MINUTES MATERIALS IN TABS E-3 AND E-3A)

Mr. Broadwell updated the Board on the mixed use development to be located on the Endowment property on Centennial Drive. All current tenants have been notified of the University's plan to develop this parcel of land and will be on a month to month lease for the future months. He stated that the committee was informed of the progress of the University's mixed use committee, and a proposed timeline for implementation.

Mr. Broadwell stated that the committee was informed of a federal compliance audit by the Office of the State Auditors which is part of their Single Audit Report for the State of North Carolina. The report, which focused primarily on student financial aid, had no audit findings.

Mr. Broadwell shared an update on the University budget with the Board, including the budget process, funding availability and budget priorities that resulted from this process. The three thematic priorities were salaries, enrollment growth and compliance. The committee was also briefed on the Governor's and the Senate's proposed budgets.

Mr. Broadwell stated that the committee received the annual report of activities from the Internal Auditor detailing the audit plan, work schedule, staffing plan and financial budget. The report was a summary of the 2013-2014 audit plan utilizing benchmarks and key performance indicators that have been developed by an Internal Audit Advisory Team.

Mr. Broadwell asked Mr. Walker to update the Board on capital improvements. (CAPITAL IMPROVEMENT UPDATE ON FILE WITH MINUTES MATERIALS IN TAB E-7)

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

Ms. Hitch 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

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 Gloria Patterson v. Western Carolina University and the University of North Carolina; an existing lawsuit titled Michelle Bretz v. Western Carolina University and the University of North Carolina; and an existing lawsuit titled James D. Davis v. Western Carolina University and the University of North Carolina; to prevent the premature disclosure of an honorary award or scholarship; to establish or instruct the staff or agent concerning the negotiation of the price and terms of a contract concerning the acquisition of real property; 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. Mr. Messer seconded the motion, and it was approved unanimously.

Chancellor Belcher requested that Ms. Lochner, Dr. Morrison- Shetlar and Mr. Eaton stay for the closed session.

RETURN TO OPEN SESSION

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

ACADEMIC AFFAIRS AND PERSONNEL COMMITTEE

Mr. Townsend moved on behalf of the committee to approve the coach's contract and conferral of tenure as discussed in closed session. The motion was approved unanimously.

ADJOURNMENT

There being no further business, Mr. Townsend made a motion to adjourn the meeting. Mr. Drake seconded the motion, and the meeting was adjourned at 12:48 p.m.