

REGULAR MEETING OF THE BOARD OF TRUSTEES OF WESTERN CAROLINA UNIVERSITY

Room 510, H.F. Robinson Building

December 7, 2012

The Board of Trustees of Western Carolina University met in regular session on December 7, 2012 in Room 510 of the H.F. Robinson Building. The meeting was called to order at 9:30 a.m. by Chair MacNeill.

ATTENDANCE

The following members of the Board were present: Mrs. Battle, Mr. Broadwell, Mrs. Coward, Mr. Forsyth, Mrs. Kaemmerling, Mr. Little, Mrs. MacNeill, Mr. Metcalf, Ms. Page, Ms. Saunooke, Mr. Townsend, Mrs. Wellmon, and Mrs. Williams.

Others present: Chancellor Belcher; Provost Brenton; Mrs. Lynch, Chief of Staff; Vice Chancellors Edwards, Metcalf, and Miller; Mr. Fowler, CIO; Mr. Studenc, Senior Director of News Services; Mr. Miller, Director of Development; Mrs. Wong, Director of Human Resources; Ms. Hitch, Staff Senate Chair; Mr. Hudson, Alumni Association President; Ms. Ellison, The Sylva Herald; Ms. Bowling, Smoky Mountain News; Ms. Woody, Budget Officer; Mrs. Ashe, Administrative Assistant; and Ms. Welch, Assistant Secretary to the Board of Trustees.

ETHICS STATEMENT

Mrs. MacNeill 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

Mrs. Battle moved that the minutes of the September 7, 2012 regular meeting and the minutes of the November 2, 2013 special telephone meeting of the Executive Committee be approved. Mr. Forsyth seconded the motion and it was approved unanimously.

CLOSED SESSION

Mrs. Williams moved that the Board go into closed session to prevent the premature disclosure of an honorary award or scholarship; 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 the handling or settlement of a potential or actual claim, administrative procedure, judicial action, mediation or arbitration; to consult with our attorney to consider and give instructions concerning an existing lawsuit titled Don Jensen v. McMahan, et. al.; an existing lawsuit titled John Patterson v. Zhang, et.al. (Superior Court); and an existing lawsuit titled John Patterson v. Western Carolina University (Federal Court Western District NC; 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. Forsyth seconded the motion and it was approved unanimously.

Dr. Belcher asked Ms. Lochner and Mr. Miller to stay for the closed session.

RETURN TO OPEN SESSION

Mr. Broadwell moved that the Board return to open session. Mr. Townsend seconded the motion, and it was approved unanimously.

REPORT OF THE ACADEMIC AFFAIRS AND PERSONNEL COMMITTEE

Mrs. Williams commented on a report that Ms. Wong presented on the staff salary survey. Ms. Williams mentioned that Ms. Wong distributed a copy of the Executive Summary on staff salaries. Of our SPA (Subject to State Personnel Act) employees, 132 out of 654 are below 80% of the labor market as defined by the state. It would take \$3.8 million to adjust all SPA salaries.

Mrs. Williams reported that Provost Brenton had updated the committee on several issues, including: an overview of Strategic Plan Goals 1 and 2, the struggles WCU faces in maintaining high student attainment and an excellent campus experience, issues that we plan to address and the indicators of academic quality

Mrs. Williams stated that we have a huge story to tell and we should celebrate that story. The work that is taking place here is amazing. She requested that everyone read information in Tab C2e and Tab C2f, pages 6-9.

REPORT OF THE ADMINISTRATION, GOVERNANCE, AND TRUSTEESHIP COMMITTEE

Mr. Little moved on behalf of the committee to approve the changes to the “Illegal Drugs and Illegal Use or Abuse of Alcohol Policy.” It was approved unanimously. (ILLEGAL DRUGS AND ILLEGAL USE OR ABUSE OF ALCOHOL POLICY ON FILE WITH MINUTES MATERIALS IN TAB D-2)

Mr. Little recognized Ms. Page to update the Board on the Student Government Association. Ms. Page stated that the Senate has been working on several resolutions. She mentioned that the Senate passed the University Program resolution through administration so that participants will be recognized during commencement. Ms. Page further stated that a new mission statement has been adopted by SGA. (SGA OUTLINE ON FILE WITH MINUTES MATERIALS)

Mr. Little stated that the committee discussed policies and procedures for awarding honorary doctorates. Since the policy calls for the Administration, Governance, and Trusteeship Committee to conduct a periodic review of the guidelines, a subcommittee was appointed to review these guidelines for possible clarification and more straightforward guidance to the campus selection committee. Mr. Townsend will chair the committee. Mrs. Kaemerling and Mrs. Williams will also serve.

Mr. Little mentioned that the Committee discussed ways to address the results from the Board Assessment. A subcommittee will be tasked with recommending suggestions for benchmarks to the Board at the next meeting based on the findings of the Board Assessment. Mrs. Williams, Mr. Little, Mrs. Battle and Mr. Broadwell will serve on the subcommittee. Mrs. Williams will chair.

REPORT OF THE FINANCE AND AUDIT COMMITTEE

Mr. Broadwell briefed the committee on a proposed resolution whereby the Millennial Campus Property would be leased to the Endowment Fund of Western Carolina by the State of North Carolina. The

purpose of this lease would be to expedite construction and completion of the Millennial Campus. The lease would be a 99 year ground lease to the Endowment Fund. The proposed resolution allows the Endowment Fund to sub-lease the property to potential developers. At the conclusion of the ground lease, ownership of all improvements constructed on the property would revert back to the State of NC. The committee suggested that one additional item be added to the resolution to include an operating agreement between the Endowment Board and Western Carolina University. The committee also reviewed General Statute 116-36 which governs the Endowment Fund. **Mr. Broadwell moved on behalf of the Committee approval of the resolution, as revised, leasing the Millennial Campus to the Endowment Fund of Western Carolina University. It was approved unanimously.** (RESOLUTION ON FILE WITH MINUTES MATERIALS)

Mr. Broadwell reported on the proposed increase for tuition and fees for academic year 2013-2014. He stated that the Board of Trustees had discussed tuition and fees at their retreat. There have also been several meetings on campus with Dr. Miller, Mr. Edwards and Ms. Page. There has been a great deal of input. The proposal includes an 8.01% or a \$272.00 increase in tuition for North Carolina undergraduate students. This is the amount approved last year by the Trustees in the five-year "catch-up" plan. Additionally, the Education and Technology Fee and the Health Service Fee would increase by 6.67% and 6.92% respectfully. The proposal also includes a \$16.00 increase in the transportation fee. Total tuition and mandatory fees for an undergraduate NC student would increase \$340.00 per year or 5.54% over the current tuition and mandatory fees. The committee also approved increases in residential living room rates, food service rates, parking fees, application fees and the establishment of an international fee. Additionally, a special tuition rate for Communication Sciences and Disorders was approved at \$1,200.00 above the regular NC graduate tuition. **Mr. Broadwell moved on behalf of the committee approval of the proposed 2013-2014 tuition and fees as requested by the University. Eleven Board members voted yes and two voted no.** (TUITION AND FEES ON FILE WITH MINUTES MATERIALS IN TAB E-3)

Mr. Broadwell informed the Board that the University had no audit findings for the fiscal year 2012 audit and the exit conference will be held with the State Auditors this afternoon. He also informed the Board of the collaborative effort between WCU and UNCA in response to General Administration's proposed shared services project.

Mr. Broadwell provided the Board an update on the two major capital projects nearing total completion: the Health and Human Sciences building and Harrill Hall. The University has received preliminary assessments of the Moore building and has requested the contractor to provide financial information to bring this building back to its original state.

Mr. Broadwell informed the Board of the continuation, capital and expansion budget requests submitted for the 2013-2015 biennial budget cycle.

COMMENTS FROM CHAIR MACNEILL

Mrs. MacNeill thanked every Board member for being here today with 100% attendance. Mrs. MacNeill welcomed Ms. Hitch, the new Chair of the Staff Senate.

Mrs. MacNeill mentioned the Association of Governing Boards annual meeting and encouraged Board members to attend this year. The meeting will be April 21-23 in San Francisco. Some expenses will be covered; trustees will have to cover some of their own expenses.

Mrs. MacNeill stated that infrequently, the Board grants the Trustees' Award to someone who exemplifies service. Mrs. MacNeill presented the Trustees' Award to Clifton Metcalf. Mrs. MacNeill asked Mrs. Williams, Mr. Broadwell and Mr. Metcalf to make comments. Chancellor Belcher stated that Mr. Metcalf has brought an extraordinary set of experiences and knowledge that helped guide the University.

COMMENTS FROM THE CHANCELLOR

Chancellor Belcher reported that Strategic Planning is ongoing. Various divisions and colleges around the campus are working on strategic planning. We are moving to implement some priority strategies. The first one is program prioritization. He asked Dr. Brenton to explain the progress of this initiative. She updated the Board on where the group is on the timeline. She stated that the plan is to compile a report with recommendations to the Chancellor by the end of May.

Another priority is the organizational structural review. He asked Ms. Lynch and Mr. Fowler to report on the progress of this committee. Mrs. Lynch stated that the task force has recommendations to give to the Chancellor next week. A study of several other institutions' reviews was implemented at the beginning of this process. The committee operated with six guiding principles. Mr. Fowler reported on how the task force met with the various constituencies and got their input. The Chancellor stated that the group has identified business processes that need to be addressed and streamlined.

The other priority is the Campus Master Planning process. Dr. Miller reported that the Campus Master Planning committee has been working all fall semester. There are several sub-committees looking at various pieces of the master plan. He explained the things that the committee wants to accomplish with this effort.

Chancellor Belcher stated that in the report from the Millennial Initiative Committee which was presented in the fall, there were two bottom lines: you must have a director whose sole focus is the millennial initiative and it must be grounded in the academic mission of the University. Dr. Brenton updated the Board on the upcoming search for the director of the millennial initiative. The Millennial Initiative Report has a comprehensive listing of infrastructure needs. The most critical issue is highway infrastructure. There will be an upcoming brainstorming session with both campus and county and state representatives to discuss these issues.

He announced that the grand opening of the Health and Human Sciences building will be on the morning of February 28th.

MR. LITTLE LEFT AT 12:05 P.M.

COMMENTS FROM THE FACULTY SENATE CHAIR

Dr. Herzog 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

Mr. Hudson updated the Board on the Alumni Association. (ALUMNI ASSOCIATION REPORT ON FILE WITH MINUTES MATERIALS).

Ms. Page stated that when leaving this meeting, she will have to do the hardest part of her job-reporting that the tuition increases were approved. She asked that the Board make raising money for scholarships a priority. She stated that students need to know where this money is going. Thirdly, she asked that everyone put together a personal statement of why they voted the way they did. Discussion followed. Chancellor Belcher stated that scholarships are the number one philanthropic priority on this campus. He further stated that we will state what our priorities are for the increases. Provost Brenton stated that we can state how the money from last year's tuition request was spent.

ADJOURNMENT

There being no further business, Mr. Townsend moved to adjourn the meeting. Mrs. Kaemmerling seconded the motion. The meeting was adjourned at 12:35 p.m.