

## REGULAR MEETING OF THE BOARD OF TRUSTEES OF WESTERN CAROLINA UNIVERSITY

Room 510, H.F. Robinson Building

June 7, 2013

The Board of Trustees of Western Carolina University met in regular session on June 7, 2013 in Room 510 of the H.F. Robinson Building. The meeting was called to order at 10:00 a.m. by Chair MacNeill.

### **ATTENDANCE**

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

Others present: Chancellor Belcher; Interim Provost Lofquist; Vice Chancellors Edwards and Miller; Dr. Wargo, Chief of Staff; Ms. Hitch, Staff Senate Chair; Dr. Herzog, Faculty Senate Chair; Dr. Owl-Smith, Alumni Association Vice President; Mr. Bradshaw, Foundation Board Chair; Ms. Lochner, General Counsel; Mr. Fowler, CIO; Mr. Eaton, Athletic Director; Ms. Bowling, Smoky Mountain News; Mr. Studenc, Senior Director of News Services; Ms. Wong, Human Resources Director; Mrs. Lynch, Special Assistant to the Chancellor; Ms. Woody, Budget Officer; Mrs. Ashe, Administrative Assistant; and Ms. Welch, Assistant Secretary to the Board of Trustees.

### **SWEARING-IN OF NEW BOARD MEMBER**

Mr. Hermance was sworn in by Ms. Welch.

### **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**

**Mr. Forsyth moved that the minutes of the March 1, 2013 regular meeting be approved. Mr. Little seconded the motion, and it was approved unanimously. (MINUTES ON FILE WITH MINUTES MATERIALS IN TAB B)**

### **CLOSED SESSION**

**Ms. Williams moved that the Board go into closed session to consult with our attorney to consider and give instructions concerning an existing lawsuit titled Don Jensen v. Western Carolina University, University of North Carolina, Robert McMahan, James Zhang, Mary Ann Lochner, Earnest Hudson, and Shea Browning (Buncombe County Superior Court – served 3-28-13); 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. Broadwell seconded the motion and it was approved unanimously.**

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

**RETURN TO OPEN SESSION**

**Mrs. Williams 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**

Mrs. Williams stated that there were two action items discussed in closed session. **Mrs. Williams moved on behalf of the committee to approve the candidate for Dean of the College of Health and Human Sciences and the candidate for Dean of Graduate School and Research. It was approved unanimously.** (DEAN CANDIDATE VITAES/RECOMMENDATIONS ON FILE WITH MINUTES MATERIALS IN TAB C-2 AND TAB C-2a)

**Mrs. Williams recommended on behalf of the committee approving a change in Section 4.07 of the Faculty Handbook regarding academic tenure and promotion (second page, number 6). It was approved unanimously.** (FACULTY HANDBOOK SECTION 4.07 ACADEMIC TENURE AND PROMOTION ON FILE WITH MINUTES MATERIALS IN TAB C-3)

Mrs. Williams thanked Dr. Lofquist for returning and providing the necessary leadership for the Academic Affairs division. She mentioned that reports were given on the 2013 Compensation and Benefits and Employee Appreciation Day. She also mentioned that they received a Program Prioritization update.

**REPORT OF THE ADMINISTRATION, GOVERNANCE AND TRUSTEESHIP COMMITTEE**

**Mr. Little made a motion on behalf of the committee to accept the slate of new members of the Foundation Board of Directors as approved by the WCU Foundation Board at its March 15, 2013 meeting. It was approved unanimously.** (SLATE OF MEMBERS ON FILE WITH MINUTES MATERIALS IN TAB D-2)

**Mr. Little made a motion on behalf of the committee to accept the slate of currently serving members of the Foundation Board of Directors. It was approved unanimously.** (SLATE OF MEMBERS ON FILE WITH MINUTES MATERIALS IN TAB D-2)

Mr. Little reported that we have a new Student Government Association President. He asked Mr. Hermance to report on behalf of the SGA. (SGA REPORT ON FILE WITH MINUTES MATERIALS)

Mr. Little gave an update from the Sub-committee on Board Engagement. He reported that the Sub-committee recognized the comprehensiveness of the New Trustee Handbook and Bylaws and is recommending no new expectations be added. The Sub-committee also suggested that expectations of Board engagement be discussed with new members beginning during the recruitment process and that a questionnaire be sent to all Board members requesting information on their interests

Mr. Little gave an update from the Sub-committee on Policies and Procedures for Awarding Honorary Doctorates. He noted that the Sub-committee has not formally met at this time, but has corresponded on process issues. He reported that information gathered from other institutions indicated that most institutions distinguished between honorary doctorates awarded to those individuals whose accomplishments were local, regional, national, or international in scope and those whose accomplishments were primarily of benefit to the University. The Sub-committee will be meeting with the Chancellor to solicit his input.

Mr. Little stated that the committee had adjourned to the Chancellor's Residence for the annual site visit. Joe Walker conducted the tour of the Residence where he discussed the Annual Inspection Report. The report included improvements made to the Residence since Fall 2011 as well as items that were identified as needing attention. Most notable findings that need to be addressed are: a new roof; several outdoor masonry point-ups due to aging brick and mortar joints on porches, walks and patio; and new exterior shutters.

Mrs. MacNeill reported that the Chancellor's Residence is a wonderful front door for the University. We have gotten a tremendous return on the investment of building friends for the University.

#### **REPORT OF THE FINANCE AND AUDIT COMMITTEE**

Mr. Broadwell reported that 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. The accounts and amounts presented are at least three years old and are determined to be uncollectable. These accounts total \$13,991.67. Although these amounts will be removed from the financial statements, the University will continue collection efforts. **Mr. Broadwell moved on behalf of the committee to write-off student accounts greater than \$1,000.00 and more than three years old, totaling \$13,991.67. It was approved unanimously.** (BAD DEBT WRITE-OFF APPROVAL FORM AND LIST OF ACCOUNTS ON FILE WITH MINUTES MATERIALS IN TAB E-3)

Mr. Broadwell mentioned that the State of North Carolina and New Cingular Wireless currently have a Building and Rooftop Lease agreement whereby New Cingular Wireless leases approximately 200 square feet on the roof of Scott Residence Hall and 200 square feet on the roof of Harrill Residence Hall. This current lease agreement generates \$17,250.00 per residence hall and is deposited into the residence hall revenues. New Cingular Wireless now desires to upgrade its communication equipment and has filed a modification of equipment application with the State of North Carolina that requires the amendment of the original agreement and the option. The transaction involves an increase in rent resulting in an annual rental of \$31,000.00 for Scott Hall and \$27,600.00 for Harrill Hall. Rent would escalate 4% each year during the term of the option. **Mr. Broadwell moved on behalf of the committee approval of the proposed transaction that increases rent for the New Cingular Wireless communication equipment on Scott Residence Hall and Harrill Residence Hall and authorization from the Board of Trustees to the State Property Office to negotiate amendments to the original agreement and option reflecting the terms described above. It was approved unanimously.** (RESOLUTION FOR ROOFTOP LEASE ON FILE WITH MINUTES MATERIALS IN TAB E-2)

Mr. Broadwell stated that the committee received a capital improvements update from Associate Vice Chancellor Joe Walker. Final payment has been processed to the contractor for the Health and Human Sciences Building. The commissioning of the heating and air equipment at the Harrill Residence Hall is being scheduled. Roofing projects are underway for the Albright-Benton Residence Hall and the Killian building. A re-build of the electrical system supplying the stadium and field house is also underway, with labor supplied by staff within Facilities Management. Projects involving the DOT for summer construction include the sidewalk and curb for Little Savannah Road leading to the HHS building, crosswalks and corresponding lights at the main entrance to campus from the new apartment complex, and sidewalk construction along Forest Hills Road.

Mr. Broadwell added that the committee received a report of activities from the Internal Auditor. The main focus of the department has been preparation for a quality assurance review which will be performed by two representatives of the Association of College and University Auditors. This review is a requirement of the Institute of Internal Auditors. The review will be performed in August. The auditor also performed a review of the accounts payable section of the Purchasing Office at the request of the Vice Chancellor for Administration and Finance. The review did not reveal any discrepancies. The auditor will present to the board for approval at their next meeting the audit schedule for 2013-2014.

Mr. Broadwell asked everyone to read the Risk Assessment book that they received.

#### **COMMENTS FROM CHAIR**

Mrs. MacNeill mentioned that she appreciated the joint meeting with the Foundation Board. She is glad to see the two Boards working closely together. Mrs. MacNeill mentioned that our new Trustees will be lucky to be a part of this Board. She thanked Mr. Metcalf for his service to Western Carolina University and presented him with a gift from the Board. Mr. Metcalf stated that it has been exciting to be on this Board.

#### **COMMENTS FROM CHANCELLOR**

Dr. Belcher thanked Mr. Metcalf for his service to the Board. He spoke of Mrs. MacNeill's time dedicated to Western Carolina University and stated that she has made huge contributions. She has served two tours of duty as our Board chair. What she has contributed to our University is beyond measure. Mrs. Williams added that Mrs. MacNeill is one of the pillars of this University. Dr. Belcher presented Mrs. MacNeill with a gift from the Board.

Chancellor Belcher gave a strategic planning update and accountability report. He also gave an update on the leadership transition in the Office of the Provost. Dr. Belcher hopes to have a new Provost in place by January 1, 2014.

Dr. Belcher stated that we have some new leaders on board: Dr. Melissa Wargo, Chief of Staff; Dr. Mimi Fenton, Dean of Graduate School and Research, and Dr. Doug Keskula, Dean of the College of Health and Human Sciences.

#### **COMMENTS FROM THE ALUMNI ASSOCIATION VICE 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. Herzog updated the Board on the Faculty Senate. (FACULTY SENATE REPORT ON FILE WITH MINUTES MATERIALS)

#### **COMMENTS FROM THE FOUNDATION BOARD CHAIR**

Mr. Bradshaw updated the Board on the Foundation Board. (FOUNDATION BOARD 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)

**ADJOURNMENT**

There being no further business, Mr. Little made a motion to adjourn the meeting. Mr. Forsyth seconded the motion, and the meeting was adjourned.