

REGULAR MEETING OF THE BOARD OF TRUSTEES OF WESTERN CAROLINA UNIVERSITY

Room 510, H.F. Robinson Building

March 6, 2015

The Board of Trustees of Western Carolina University met in regular session on March 6, 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, Mr. Townsend, Mrs. Battle, Mrs. Coward, Mr. Broadwell, Mrs. Kaemmerling, Ms. Pierce, Mr. Drake, Mr. Lupoli, Mr. Little, Mrs. Dugan, and Mr. Messer.

The following members of the Board were absent: Mr. Byers.

Others present: Chancellor Belcher; Provost Morrison-Shetlar; Vice Chancellors Byers and Miller; Dr. Wargo, Chief of Staff; Mr. Rathbone, Staff Senate Chair; Dr. Kauffman, Faculty Senate Chair; Ms. Pate, Alumni Association Vice President; Mr. Studenc, Senior Director of News Services; Mr. Miller, Associate Vice Chancellor for Development; Mr. Eaton, Athletic Director; Ms. Lochner, General Counsel; Mr. Fowler, CIO; Mrs. Ashe, Events Coordinator; Ms. Woody, Budget Officer; Ms. Crosson, Director of Budgets/Financial Planning; Ms. Romo, Western Carolina Journalist; and Ms. Welch, Assistant Secretary to the Board.

SWEARING-IN OF NEW BOARD MEMBER

Ms. Pierce was sworn in by Ms. Welch.

ROLL CALL

Ms. Welch did a roll call 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 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. Little moved that the minutes of the December 5, 2014 regular meeting and the minutes of the February 4, 2015 special telephone meeting of the Executive Committee be approved. Mrs. Battle seconded the motion, and it was approved unanimously. (MINUTES ON FILE WITH MATERIALS IN TAB B)

COMMENTS FROM CHANCELLOR BELCHER

Dr. Belcher gave an enrollment update, stating that the fall-to-spring retention rate jumped from 90% last year to 92.4% this year. This is the first real indicator of what the fall-to-fall retention rate will be. He added that applications as of last Friday are at 17,179, up 15% over same point in time last year.

Dr. Belcher mentioned that while Western Carolina University has many institutional priorities, three are of particular importance at the moment: 1. Courting philanthropic investment in our university and its students. This means spending increasing amounts of time with donors and potential donors, talking about our university and about increasing the number of endowed scholarships to ensure support for students now and long after we are gone. He added that WCU hit a milestone in December with the 100th endowed scholarship. 2. Advocating for WCU priorities among our elected officials. We have spent a great deal of time with members of the House and Senate, updating them

on our progress as a university and detailing our legislative agenda. 3. Ensuring capacity to maintain enrollment growth. The only significant new funding coming into universities under the current funding model is associated with enrollment growth. Our challenge is to figure out how to continue our growth.

Dr. Belcher explained that since the Board last met, we have had some high profile opportunities for the University. He mentioned that the Economic Impact Study results revealed that WCU's economic impact on North Carolina is more than \$900 million annually with more than a half billion staying here in Western North Carolina. Western Carolina University was featured in an article on program prioritization in The Chronicle of Higher Education.

Dr. Belcher reported that there have been two signal achievements. 1. Last December the Board approved a for-profit LLC to be established, which the Board of Governors approved last week. It enables the College of Business to expand its support of businesses in the area and provides an alternate revenue stream for the College, including support for student internships. 2. We have completed the Biltmore Park Strategic Plan. Chancellor Belcher asked Dr. Morrison-Shetlar to talk about the emerging goals of that plan.

Dr. Belcher stated that the UNC System has been a rather dynamic environment in the last couple of months. He assured the Board that Western Carolina University is fine, as is he. He added that we enjoy strong support among the members of the Board of Governors and among the General Administration staff. The coming year represents a period of change and transition, and we will be an active participant therein, working to ensure the strength of the UNC System and WCU's place in it.

Dr. Belcher mentioned some points of pride: he stated that this is the tenth consecutive year we have placed in the "Top 10" nationally in the number of student research projects accepted for presentation at NCUR. US News and World Report ranked us in "Top 100" on its list of best online undergraduate programs. WCU was designated as a top school in the Military Advanced Education 2015 Guide to Colleges and Universities which ranks higher education institutions regarding best practices in military and veteran education. Kiplinger's recognized WCU as a Best Value College: ranked WCU sixty seventh in its list of the 100 best values among public colleges and universities, nineteenth on its "Top 24" list of best value colleges under \$30,000. WCU was named, for the seventh consecutive year, to the President's Higher Education Community Service Honor Roll. We received official notice of our ten-year reaffirmation of the designation as a community-engaged university by the Carnegie Foundation for the Advancement of Teaching. The Men's and Women's indoor track and field teams were crowned SoCon champs this year – men for the second year in a row; women, for the third year in a row. Head coach Danny Williamson was named Coach of the Year in the Southern Conference. Dr. Belcher saluted the heroes of the December 2014 commencement.

COMMENTS FROM CHAIR

Mrs. Williams mentioned a free webinar sponsored by the Association of Governing Boards on March 19 regarding Academic Affairs Committees. The AGB National Conference is later in April.

REPORT OF THE ACADEMIC AFFAIRS AND PERSONNEL COMMITTEE

Mr. Lupoli presented highlights of the University's 2015 EEO Workforce Summary Report. Minority representation is at its highest point in all employee categories since WCU began tracking this data. He further stated that, in conjunction with new Federal EEO reporting requirements, the University conducted a voluntary survey of employees to capture key demographic data. Mr. Lupoli reported that, as of February 2015, regarding Workforce Compensation Relative to Market, the following have been achieved: the overall salary gap has been reduced by 10%; the average salary has increased by \$2,996; and 42% of the labor force is now at or above 90% of market. Mr. Lupoli explained that The Patient Protection and Affordable Care Act Implementation went into effect January 1, 2015. Of the 33 employees identified as eligible, two have elected to enroll.

REPORT OF THE ADMINISTRATION, GOVERNANCE, AND TRUSTEESHIP COMMITTEE

Mr. Little welcomed Ms. Pierce to the Board. **Mr. Little moved, on behalf of the committee, the approval of the revisions to University Policy #103-Tailgating. It was approved unanimously.** (REVISIONS TO UNIVERSITY POLICY #103-TAILGATING ON FILE WITH MINUTES MATERIALS IN TAB D-2)

Mr. Little recognized Ms. Pierce for the Student Government Association report. (SGA REPORT ON FILE WITH MINUTES MATERIALS)

Mr. Little mentioned that the committee was given a WCU IT Risks Update presentation. Mr. Little stated that the committee was provided a report on the Comprehensive Campaign with updates and goals on the campaign. Mr. Little shared the 2014 Strategic Update and Performance Review for Aramark.

REPORT OF THE FINANCE AND AUDIT COMMITTEE

Mr. Broadwell stated that the committee received a report from the State Auditor's Office. He reported that WCU's 2013-14 Financial Statement Audit Report showed that WCU's financial statements were presented fairly in all material aspects and disclosed no deficiencies in internal control over financial reporting. **Mr. Broadwell moved on behalf of the committee to accept the WCU 2013-2014 Financial Statement Audit Report as presented. It was approved unanimously.** (2013-2014 FINANCIAL STATEMENT AUDIT REVIEW ON FILE WITH MINUTES MATERIALS IN TAB E-2)

Mr. Broadwell moved on behalf of the committee to authorize a resolution for WCU to refinance debt associated with a project and agreements with Affinity Housing (Norton Hall), which would project a savings of over \$800,000. It was approved unanimously. (RESOLUTION ON FILE WITH MINUTES MATERIALS IN TAB E-6)

Mr. Broadwell reported on the update from the Internal Auditor. The Internal Auditor provided the committee with a report concerning the activities of the Internal Audit Office since the last Committee meeting. Work completed included an audit of the Bookstore, the pre-award grants process, testing of PCard transactions and petty cash accounts. There are several audits currently in process. The State Auditors have increased the scope of their audit and will be looking at compliance with our own policies and processes, and examining IT risk assessment.

Mr. Broadwell mentioned that the committee was given an update of capital projects. The committee was briefed on the Brown Building renovation/addition project along with other smaller projects of interest. There was also an update on the Mixed Use Facility and the new Medical Office Building as well as strategic renovation for some classroom spaces in Killian Building and offices in HFR Building.

Mr. Broadwell asked Ms. Crosson to present a budget update. Mr. Broadwell stated that the committee received a WCU Financial Statement Presentation on the various financial statements for WCU for 2013-14, showing that WCU continues to have a stable and growing financial position and that the State continues to provide significant funding. (BUDGET UPDATE AND FINANCIAL STATEMENTS 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)

COMMENTS FROM THE ALUMNI ASSOCIATION PRESIDENT

Ms. Pate 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 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.; 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. Little seconded the motion and it was approved unanimously.

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

RETURN TO OPEN SESSION

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

REPORT OF THE ACADEMIC AFFAIRS AND PERSONNEL COMMITTEE

Mr. Lupoli recommended the candidates for tenure and promotion be approved as discussed in closed session. It was approved unanimously. (TENURE AND PROMOTION CANDIDATES ON FILE WITH MINUTES MATERIALS IN TAB C-2)

ADJOURNMENT

There being no further business, Mr. Drake made a motion to adjourn the meeting. Mr. Broadwell seconded the motion, and the meeting was adjourned at 12:05 p.m.