

MINUTES OF
THE BOARD OF TRUSTEES
COASTAL CAROLINA UNIVERSITY
E. CRAIG WALL SR. SCHOOL OF BUSINESS ADMINISTRATION
BOARD ROOM

OCTOBER 1, 1993

Presiding:

Mr. James J. Johnson, Chairman

Members of the Board in attendance:

Mr. P. Henderson Barnette, Jr.
Mr. Robert D. Brown
Mr. H. Franklin Burroughs
Mrs. Cathy B. Harvin
Mr. Dean P. Hudson
Dr. James F. Kane
Mr. William L. Lyles, Jr.
Mrs. Elaine W. Marks
Mr. Clark B. Parker
Mrs. Juli S. Powers
Mr. Keith S. Smith
Mr. Oran P. Smith
Mr. E. Craig Wall, Jr.

Others in Attendance: Mr. Gregg Thompson, Mr. Andrew Cauthen

(In accordance with the requirements of the South Carolina Freedom of Information Act, the news media were notified of the time, location, and agenda for this meeting.)

Mr. Johnson called the meeting to order and welcomed everyone. He called on Dr. Eddie Dyer to give the invocation.

Mr. Johnson stated that the record should indicate that he had received a letter from Mr. DuBard stating that he would be unable to attend the Board meeting, and Mr. Anderson and Dr. Smith had conflicts also.

Dr. Ingle introduced Dr. Jill Sessoms, the new Chairperson of the Faculty Senate. Members of the campus community introduced themselves.

Mr. Johnson then called for the Board to move into executive session by a motion from Mr. Parker and seconded by Ms. Powers. The motion carried.

The Board then returned to open session. Mr. Johnson stated that no action was taken in executive session.

Ms. Marks moved to accept the minutes of the August 6 Board meeting. Mr. Parker seconded the motion, and the motion carried.

Ad Hoc Committee reports were then given:

- 1) Presidential Review and Study Committee - Mr. Wall stated that the Presidential Review and Study Committee recommended a Presidential salary of \$100,126 (mid-point of the salary range) and a housing allowance of \$20,000 to the Agency Head Salary Commission. It was also recommended that the salary and housing allowance be made retroactive to July 1, 1993.

The recommendation was brought forward to the Executive Committee and was approved. Chairman Johnson called for a motion to ratify the action of the Executive Committee. Mr. Parker moved to accept the recommendation, and Ms. Harvin seconded the motion; the motion carried.

- 2) Bylaws Committee - Mr. Hudson stated that the Committee had met. They have received suggestions and comments by Board members and are reviewing these suggestions. They will meet again during the next month to put together a set of permanent Bylaws to present to the Board for approval.

A presentation was then given by Dr. Paul Stanton, Provost of the University. He reviewed the organizational chart of the Provost area which consists of four separate divisions: Student Life, Academic Services, Academics and Enrollment Management. The Provost is responsible for all internal educational services. There are four schools within the academics area and they are: the Wall School of Business and Computer Science, School of Education, School of Natural and Applied Sciences and School of Humanities and Fine Arts. Library Services is also included as part of the Academics area. We have 1,000 students with undeclared majors.

The School of Humanities offers five majors and sixty percent of the students are in core curriculum. A Vietnam Course is proposed for the Fall of 1995. Each school houses a center, and the center under the umbrella of humanities is the Waccamaw Center for Cultural and Historical Studies.

The Craig Wall School of Business and Computer Science offers five majors. They are in the process of pre-candidacy for AACSB accreditation. We have a projected program in PGA-PGM for the Fall of 1994. There are only four of these programs in the country at this point, and we feel that Coastal has a very good chance of obtaining this program. The president of the PGA, Gary Schaal, is local. The School of Business houses the Center for Economic and Community Development.

The School of Natural and Applied Sciences offers five majors. We have a projected date of Fall 1994 for establishing a major in Chemistry and also a certificate in Gerontology. This school houses the Center for Marine and Wetland Studies.

The School of Education has approximately 900 students with various education majors. They offer three graduate degree programs. The school houses the Center for Education and Community.

The library houses approximately 200,000 volumes.

Committee Reports:

- A. Executive Committee - The Executive Committee met and approved the recommendation from the Presidential Review and Study Committee, requesting that the Agency Head Salary Commission establish a salary for the President of Coastal Carolina University of \$100,126 and a housing allowance of \$20,000. It was recommended that the Salary and the housing allowance be retroactive to July 1, 1993.

The Committee also discussed defeasing the Coastal bonds for which USC is currently liable. The bonds will be put on the market and sold, and Coastal will assume liability.

Dr. Ingle reported to the Committee that Board members are covered up to \$1 million under a state policy for liability insurance. Dr. Ingle was asked to contact Fred Carter of the Budget and Control Board regarding Board of Trustees insurance coverage.

The Committee discussed the possibility of having a Board orientation retreat in January with a presentation by The Association of Governing Boards. The Committee also discussed a presidential inauguration, and Dr. Ingle will provide some possible dates for the event.

- B. Academic Affairs - Ms. Marks reported that an orientation meeting had been held and that recommendations would be forthcoming in January.
- C. Development and Alumni Affairs - Mr. Burroughs reported in Mr. Dubard's absence. An orientation meeting was held, and Mr. Clardy did an excellent presentation regarding fund raising and several other activities of the Development and Alumni Affairs Office.
- D. Student Affairs - Ms. Powers reported that the Student Affairs Committee had met in a series of orientation sessions led by Dr. Squatriglia. Reports were given by members of the Student Affairs staff.
- Ms. Powers stated that the Student Affairs Committee would like to endorse the concept of residential hall needs at Coastal Carolina University.
- E. Planning and Fiscal Affairs - Mr. Keith Smith stated that the Planning and Fiscal Affairs Committee had met earlier in the day and had items of business to bring to the Board.

- 1) The University is required to defease and reissue revenue bonds and to defease the institutional bonds. Dr. Ingle and Dr. Horner have been in touch with the bond attorneys. Resolutions prepared by the bond attorneys are attached as a part of the minutes. Mr. Smith moved to approve these resolutions with the following change: the Chairman and the Secretary should be authorized to sign the bond documents when they are prepared. There are \$5.7 million in revenue bonds and \$2.5 million in institutional bonds. Mr. Parker seconded the motion and the motion carried.
- 2) Mr. Smith made a motion on behalf of the Planning and Fiscal Affairs Committee that the Board endorse a project to construct a residence hall and dining room facility for a projected target date of Fall 1995. Dr. Horner stated that the concept of adding dormitories in two phases had been on Coastal's long range planning process for quite some time. The most feasible way is probably going to be a design/build/lease back concept. There are two cycles of six approval steps necessary, and the Board approval is the first process. The Board will have a second opportunity for approval in the second cycle of the approval steps. Dr. Ingle stated that the design/build concept is the most efficient way to do this project. If, during the process of approvals, evaluations, and negotiation for the project, it turns out that a different approach would be more financially feasible, the institution will come back to the Board for reconsideration of the method of financing the operation. However, we have to establish an intent of the project before we can proceed forward. Ms. Harvin seconded the motion, and the motion carried.

Dr. Ingle stated that we have been in touch with the Association of Governing Boards. Sample agenda items for a retreat are covered in members' packets, as well as a bio of Mr. George Janik, who will be the presenter. The estimated cost of the workshop is \$3,700. A targeted date of January 7-8 has been set.

Dr. Ingle stated that there were copies of booklets published by the Center for Waccamaw Studies available for Board members.

News releases concerning reorganization and restructuring and a letter to Faculty and Staff were distributed. Dr. Ingle stated that last spring a committee was established to study the purpose and structure of the institution. Interviews were held with faculty and staff to put together a plan that works effectively for an academic institution.

Dr. Ingle stated that a Bill passed the General Assembly last year which allows institutions flexibility to develop a policy to award salary increases on quality performance. Another issue we need to study is faculty salary compression where a newly hired faculty member is hired at the same salary as faculty members who have been at the institution for many years. Dr. Ingle stated that he hoped to bring forward in next year's budget a request to set aside 2% of the payroll budget to develop a plan to address the salary

inequities. Several female faculty members at USC and other institutions are considering the possibility of a law suit because of inequities in salaries. This situation does not exist on the Coastal campus; however, we will be reviewing salaries. Dr. Kane stated that it is important for the Board to be made aware of any salary inequities. Mr. Brown stated that he did not agree with the merit system for non-instructional personnel. Dr. Ingle stated that he would come back with a plan for distribution of merit raises. Ms. Harvin stated that the state has an employee evaluation process.

Dr. Ingle reported an enrollment increase of almost 10% for the fall semester and that a Provost Search Committee has been appointed with Dr. Lynne Smith serving as Chair. He also stated that academic calendars were included in Board members' packets, noting that the Wall Building dedication is set for October 22. Also included is a brief description of Coastal's Advisory Boards.

Dr. Ingle stated that the Executive Committee had asked him to investigate the directors' and officers' insurance. He has been in contact with John Trussell with the Insurance Reserve Fund of the State Budget and Control Board. It is Mr. Trussell's opinion that the Board is adequately covered through the tort liability coverage through the state of up to \$1,000,000. Clemson and Winthrop do, however, have a separate policy. Mr. Trussell referred Dr. Ingle to Ms. Linda Rice at Clemson, and she indicated that the Board of Clemson did feel that they wished to be covered more extensively. The directors and officers policy covers in-depth judgment decisions. It would cost an additional \$4,500 - \$7,000 to have an additional policy. Ms. Rice, of Clemson, indicated that she will be happy to work with us if we choose to obtain additional coverage. Mr. Burroughs stated that we need to make sure that we are not paying a premium for services which we are already covered. Mr. Johnson suggested that we move forward to investigate additional insurance coverage for the Board with the help of Mr. Burroughs.

Dr. Ingle then introduced Ms. Tina Davis. Tina has joined us in the President's Office and will work with the Board of Trustees as well as working with issues regarding the transition. Her last position was with the Michigan Department of Treasury for 18 years.

Dr. Ingle then discussed information in Board members' packets regarding the Council of Presidents concern for the funding methodology for higher education which will be discussed at the October 7 Commission on Higher Education meeting. Coastal's funding falls in the middle no matter what methodology is used. The Council of Presidents feels that institutions should receive the same dollar amount as they received last year, and if there are any funds left over, they should be divided up based on the higher education price index. This theory did not pass at the committee meeting on CHE. Another alternative methodology was proposed. This theory has several goals; many of which will hurt Coastal tremendously.

Dr. Horner stated that Coastal's actual dollars allocated are about 71% of the current formula, but the formula has not actually operated for three years. The long term implications are that we would only be funded at 1% increase per year for new freshmen, and we increased by 19% this past year for new freshmen. That will hurt a growing

institution like Coastal over a long term.

Dr. Ingle stated that he had written Mr. Fred Sheheen of the SCCHE to indicate his objections to the plan. He suggested that Board members review this information, and they may wish to call members of the CHE to express their concerns. There is a committee to look at the formula, but this committee has not been involved in the process to change what the CHE is considering. Dr. Horner stated that the formula funding is a method of coming up with how much money is needed by the institution. Dr. Ingle will keep the Board informed of the CHE action.

Dr. Ingle stated that the committee formed to study the logo, seal and the motto had given its report. A motto has been selected and the committee feels there is a strong sentiment to retain the atheneum as the primary symbol; a local advertising firm is working with us on the logo, and a concept for the seal has been designed. A committee of faculty, students, alumni, and coaches was formed in regard to the mascot, and each group voted to retain the Chanticleer. We may change the logo and colors, but the mascot will remain.

Mr. Johnson reported that he is aware of the efforts in restructuring higher education in South Carolina, and the Board needs to be informed as much as possible regarding this restructuring and on the issue of formula funding as well. We are fortunate to be an independent University so that we will be considered individually for funding.

Mr. Johnson reminded Board members of several calendar dates. He also stated that presidents and board members were invited to attend a meeting at Columbia College on Friday, October 8.

Dr. Ingle stated that the architects of the Wall Building had brought in engineers to study the acoustics of the Wall Board Room and to make recommendations.

Ms. Connie Cribb of the Agency Head Salary Commission then made a presentation to the Board. She stated that the Agency Head Salary Commission was established in 1984 and that there were no salary ranges for classifications until that time. They went to work to establish salary ranges on each agency head position in state government and to establish salaries and bring them back in line. They studied every position and gave raises to those who needed them to get in line and set up provisos that would guide the process. Institutions must go through their office to hire a new agency head or to take any matter to the Budget and Control Board. Each year the Board will be required to evaluate the President. A planning stage should be established for the President's position as soon as possible. The Board should determine the top five objectives, as well as a success criteria for each goal in order to accomplish that goal. They ask that the Board stay within the guidelines of the form. Dr. Ingle should bring a proposal for his objectives to the Board. The Board should meet at least once a year with the President. The pre-appraisal interview with the President should occur around April or May of 1994. The appraisal is due at the Agency Head Salary Commission on July 1. The Agency Head Salary Commission will review the evaluation and then forward it to the Budget and Control Board for action. Permanent Provisos state that every agency head will be paid within a salary range. If he falls outside of that range, the law mandates that he be moved up to at least the minimum

of that range. A survey has to be completed and returned to the Agency Head to confirm that every Board member has had the opportunity to participate in this evaluation process. Ms. Harvin stated that as a state employee she was familiar with the appraisal process and would be glad to serve on a committee to work on the appraisal process.

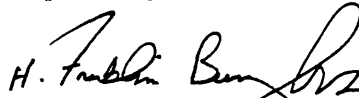
Mr. Johnson stated that he would like to obtain a list of those individuals classified as agency heads.

Mr. Brown inquired about the concept of a football team. Dr. Ingle stated that he had talked to the Athletic Director and will initiate a study.

Mr. Oran Smith asked about the possibility of moving to a State Board of Regents. Dr. Ingle stated that he feels the present chair of the Commission sees the Commission role as a coordinating role. Coastal Carolina University has a good working relationship with the Commission on Higher Education, and we have earned their respect.

There being no further business, Mr. Keith Smith made a motion to adjourn at 11:45 a.m. The motion was seconded by Mr. Parker and carried.

Respectfully submitted,



H. Franklin Burroughs
Secretary