

**Coastal Carolina University  
Board of Trustees  
Minutes**

**Executive & Audit Committee  
E. Craig Wall Jr. Board Room  
October 1, 2015**

(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 the meeting.)

**Executive Session – Thursday, October 1, 2015**

**Board Members  
Present:**

Mr. Fred F. DuBard III, Mr. Samuel H. Frink, Ms. Natasha M. Hannah, Mr. D. Wyatt Henderson, Mr. Carlos C. Johnson, Mr. Marion B. Lee, Mr. Charles E. Lewis, Mr. William L. Lyles, Mr. Daniel W. R. Moore Sr., Mr. George E. Mullen, Dr. Oran P. Smith, Mr. Eugene C. Spivey, Mr. H. Delan Stevens, and Mr. William E. Turner III

**Others Present:**

Ms. Stacie A. Bowie, Dr. J. Ralph Byington, Ms. Nedy Campbell, Dr. David A. DeCenzo, Mr. Timothy E. Meacham, Ms. Jennifer Packard, Ms. V. Chyrel Stalvey, and Ms. Kathy T. Watts

Chairman Wyatt Henderson brought the Executive Session to order at 11:30 a.m.

Everyone was in agreement to go into Executive session to discuss contractual issues regarding architects for the football and soccer stadiums. Upon reconvening, it was noted that no action was taken.

Carlos Johnson reconvened the Finance, Planning & Facilities Committee for consideration of the following two motions.

**Gene Spivey made a motion to authorize the Administration to hire an architect to expand Brooks Stadium to increase seating capacity to meet FBS requirements and to add additional suites and required spectator amenities. The anticipated cost is \$19M-\$25M (Motion 15-40). Will Turner seconded and the motion carried.**

**Spivey moved to authorize the Administration to hire an architect to evaluate the construction of a new soccer complex that will include a playing field for athletes, a main structure for fans and media, as well as a support facility at an anticipated cost of \$5M (Motion 15-41). Oran Smith seconded and the motion passed.**

**Executive & Audit Committee**  
**October 1, 2015**

After the motions, everyone was in agreement to go into Executive Session for legal updates. Upon reconvening, it was noted that no action was taken.

As there was no further business, Turner moved to adjourn and Smith seconded.

**Executive & Audit Committee – Friday, October 2, 2015**

**Board Members Present:** Mr. William S. Biggs, Mr. Fred F. DuBard III, Mr. Samuel H. Frink, Ms. Natasha M. Hanna, Mr. D. Wyatt Henderson, Mr. Carlos C. Johnson, Mr. Marion B. Lee, Mr. Charles E. Lewis, Mr. William L. Lyles, Mr. Daniel W. R. Moore Sr., Mr. George E. Mullen, Dr. Oran P. Smith, Mr. Eugene C. Spivey, Mr. H. Delan Stevens, Mr. Robert G. Templeton, and Mr. William E. Turner III

**Others Present:** Ms. Carolyn S. Bender, Ms. Stacie A. Bowie, Dr. Brian Bunton, Dr. J. Ralph Byington, Ms. Nedy Campbell, Mr. Josh Chesson, Ms. Lori G. Church, Dr. David A. DeCenzo, Ms. Martha S. Hunn, Dr. Ed Jadallah, Mr. Christopher A. Johnson, Mr. Timothy E. Meacham, Ms. Jennifer Packard, Mr. William M. Plate Jr., Ms. Sharon A. Sluys, and Ms. Kathy T. Watts

Chairman Wyatt Henderson brought the Executive & Audit Committee meeting to order at 3:30 p.m.

**Larry Lyles made a motion to approve the August 6-7, 2015, Executive & Audit Committee meeting minutes. Marion Lee seconded and the motion passed.**

Henderson noted that a draft copy of the year ending June 30, 2015 financial statements was submitted to the state on September 19 with an unmodified opinion.

Independent auditor Ben Kochenower of Cline Brandt Kochenower & Co, PA presented a report on the audit. In their opinion, CCU complied, in all material respects, with the standard established by the American Institute of Certified Public Accountants.

The Government Accounting Standards Board (GASB) standards on pensions substantially changed the accounting and financial reporting of public employee pension plans and the state and local governments that participate in such plans. GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, revises and establishes new financial reporting requirements for most governments that provide their employees with pension benefits. As a result, there was a net position decrease of \$82.1 M due to implementation of GASB. This has no impact on borrowing activities and interest rates for the University.

Henderson does not understand how the unfunded liability was calculated based upon the new GASB and he feels that the arbitrary way the GASB is applied penalizes those agencies that effectively manage their own finances.

**Executive & Audit Committee  
October 1, 2015**

All but the trustees were excused from the room so that they could ask questions of Kochenower. After discussion, everyone returned to the committee meeting.

Henderson commended Kochenower, Stacie Bowie and Lori Church and her team for another successful audit. Coastal Carolina has had eight years of clean audits.

**Larry Lyles made a motion to receive the external audit ending June 30, 2015 (Motion 15-53). Trip DuBard seconded and the motion passed by acclamation.**

**George Mullen moved to direct Tim Meacham to draft a memorandum of understanding with the Coastal Educational Foundation for review at the next Board of Trustees meeting. Spivey seconded and the motion was accepted.**

As there was no further business, the meeting adjourned.

Respectfully submitted,

Chyrel Stalvey  
Recorder