

Minutes
Coastal Carolina University
Board of Trustees

Finance, Planning & Facilities Committee
E. Craig Wall Sr. School of Business Administration Building, Boardroom
May 5, 2016

- Members of the Committee Present:** Ms. Natasha M. Hanna, Mr. Carlos C. Johnson, Mr. Charles E. Lewis, Dr. Oran P. Smith, Mr. Eugene C. Spivey, Mr. H. Delan Stevens, and Mr. William E. Turner III
- Other Board Members Present:** Mr. Samuel H. Frink, Ms. Natasha M. Hanna, Mr. D. Wyatt Henderson, Mr. Marion B. Lee, Mr. William L. Lyles Jr., Mr. Daniel W. R. Moore Sr., Mr. George E. Mullen, and Mr. Samuel J. Swad
- Others Present:** Ms. Sandra A. Baldrige-Adrian, Ms. Stacie A. Bowie, Dr. Brian Bunton, Ms. Susan M. Butcher, Dr. J. Ralph Byington, Ms. Nedy Campbell, Mr. Josh Chesson, Ms. Lori Church, Dr. Debbie Conner, Ms. Amanda Craddock, Dr. David A. DeCenzo, Mr. Edgar L. Dyer, Dr. Dan Ennis, Mr. Matt Hogue, Ms. Martha S. Hunn, Ms. Beverly J. Landrum, Mr. Timothy E. Meacham, Mr. Rein Mungo, Ms. Jennifer Packard, Mr. William M. Plate Jr., Dr. Barbara A. Ritter, , Ms. Sharon A. Sluys, Ms. V. Chyrel Stalvey, Mr. Gregory T. Thompson, Ms. Kathy T. Watts, and Mr. David Yancey

(In accordance with the requirements of the South Carolina Freedom of Information Act, the news media were notified of the time, location, and agenda of the meeting. Claire Byun of The Sun News and Jonee´ Lewis of WBTW 13 were in attendance.)

Chairman Carlos Johnson brought the meeting to order at 8:35 a.m.

Carlos Johnson made a motion to approve the February 18, 2016 Finance, Planning & Facilities Committee minutes. Will Turner seconded. The motion passed.

Vice President & Chief Financial Officer Stacie Bowie presented the financial projections. In the current projection, student growth was at 3.9%, which allowed an increase in tuition revenue collection by \$3.6M or 2.8% over the originally established budget. Total revenue is \$3.8M over the originally established budget, which is a 2.9% increase. On the expense side, \$3M of the \$3.7M was spent in hiring additional adjunct faculty and increased utility fees, an increase of 2.2%. The services needed were provided within the confines of the additional revenue. A 1.8% contingency was kept, the same amount originally budgeted, and is higher in dollar amount, \$2.7M rather than the \$2.4M from the previous year. That \$2.4M will be rolled forward as we begin the budget process for next year. An additional \$740,000 was able to be put into

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renovations to take care of campus needs. Projections are consistent with what was presented last quarter and everything is strong and going well.

- **Chuck Lewis moved to approve the Fall 2016 Room and Board rates and fees as presented in the Budget Book. Final detailed Budget Book to be presented in August (Motion 16-18). Gene Spivey seconded, Natasha Hanna opposed and the motion carried.**

Ms. Bowie explained that tuition would typically be discussed and included in this motion. However, the House and Senate are currently very far apart with regard to what they are recommending for the state employee pay increase. Considering such a large part of the University's budget has to do with salaries and related expenses, it was determined that tuition would not be included and it would be addressed at a later date, in a specially called meeting, when the numbers are received from the legislature. Additionally, Bowie stated that housing will not increase at all.

Meal plan rates are increasing to cover increased food and labor costs and to provide additional services and dining dollars. A new option is available which keeps the price point the same as FY2016 rates.

Establishing the Room and Board rates, absent tuition information, allows financial aid and admissions to get a jump start on items in their departments.

Relative to Mr. Mullen's questions regarding state pay increases and how that affects housing, Ms. Bowie explained that CCU's residence halls and housing operate as a stand-alone. Any increases to employees and any hiring that is done within housing operations itself is funded only through housing revenue. There is no co-mingling of tuition money to support and subsidize residence halls.

- **Spivey made a motion to approve discretionary fund for Dr. David A. DeCenzo, University President, in the amount of \$270K for fiscal year 2016-2017 (Motion 16-19). Lewis seconded, and the motion carried.**

Mullen expressed concern that this increase was not enough with the endowment campaign underway. After discussion, it was decided to revisit the amount at a later date, if it is determined that additional monies are needed. President DeCenzo expressed his gratitude for the concern and support.

- **Turner moved to approve renewal of one-year lease with Horry Georgetown Technical College for three classrooms and three faculty offices in the Speir Building at the HGTC Grand Strand campus at an annual cost of \$26,000. Rent to include all utilities, security, maintenance, custodial and telecommunication costs (Motion 16-20). Dan Moore seconded. The motion carried.**

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- **Turner moved to approve renewal of one-year lease to the Small Business Development Center of Winthrop University for \$3,000 per year (Motion 16-21). Oran Smith seconded, and the motion carried.**
- **Turner made a motion to approve renewal of one-year lease, renewable for one more one-year term, of 6,215 square feet of space in Litchfield Landing for annual rent of \$93,225 for the term July 1, 2016, through June 30, 2017 (Motion 16-22). Lewis seconded. Motion passed.**

Ms. Hanna questioned the cost of the lease (\$15 per square foot) and also inquired as to what the revenue was from the OLLI program. Dr. Byington stated that there is a combined revenue figure inclusive of other programs, but he would extract the revenue specific to Litchfield Landing and provide it to the Board per Ms. Hanna's request. Byington also stated that Coastal is trying to get an additional \$1M from the Osher foundation, as they have been pleased with the progress of the program.

Dr. DeCenzo explained that there is one more option renewal on the lease, in addition to the renewal before the Board today. The Provost and OLLI will be re-evaluating the status of the building and whether or not they will renew prior to next year's Board meeting, at which time that lease would be discussed.

- **Spivey moved to approve, pursuant to South Carolina Code of Laws Section 11-35-450, Reporting Purchases (Procurement Code), to purchase floor and wall coverings, and/or other decorative or ornamental items for the President's Office Suite, in the newly renovated Singleton Building. In addition, request approval for information technology based components (i.e. computers and printers) for the President's Office Suite. (See attached itemizations) (Motion 16-24). Turner seconded, Hanna abstained, and the motion carried.**

Hanna expressed concern regarding the price of these items and wanted to know if price comparisons had been done. Bowie explained that as a state agency, the University is required to go through state contracts and that cost savings through subsequent negotiations are significant. It is required, by law, that the Board approve these items for the President's office. The list of items include the addition of information technology equipment which is not required, by state law, to be Board approved.

- **Smith made a motion and Spivey seconded to table and revisit approval of the Campus Master Plan, as updated by Sasaki Associates, Inc. (Motion 16-25) until the Board has had the opportunity to review this master plan. Trustees will be appointed to review the plan with the administration and Sasaki.**

Bowie explained that Sasaki was to go back through the current master plan and add everything that has been added and/or changed since that plan was put in place. Additionally, Sasaki laid out the next round of buildings and where they should be located and included that in the updated plan.

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Wyatt Henderson stated that Motion 16-23 will be discussed following Executive Session. This motion is for the for the adoption of recommendation of special committee on presidential compensation, acknowledging that the additional compensation above current package is not paid for by Coastal Carolina University, but is paid for with funding provided by the Coastal Educational Foundation.

Bowie presented the following Capital Projects Update (ongoing projects are at \$147M):

University Place Dining Facility: very close to moving from Phase I to Phase II construction. The cost estimator is working on a proposal for a 9,200 square foot facility that will seat 200 students and have full service food prep capabilities

Science Annex II: The project is complete, with final inspection expected this week

Academic Classroom Building II: estimated completion is mid-summer 2017

New Student Housing Complex: second phase is going up as two separate buildings. The final certificate of occupancy is expected on Teal Hall within the week and CINO Hall will be finished in June

Singleton Building: anticipated completion is September 2016

Smith Science Building: renovation scheduled to start as soon as Science Annex II is completed and will take one year

Football Stadium: expansion project will be discussed tomorrow

As there was no further business, Turner moved to adjourn the meeting and Spivey seconded. The meeting adjourned.

Respectfully submitted,

Susan Butcher and Chyrel Stalvey
Recorders