

Minutes
Coastal Carolina University
Board of Trustees

Finance, Planning & Facilities Committee
Atheneum Hall, William H. Alford Ballroom
August 3, 2017

Members of the Committee Present: Mr. William L. Lyles, Dr. Oran P. Smith, Mr. H. Delan Stevens, and Mr. William E. Turner III

Committee Members Not Present: Ms. Natasha M. Hanna and Mr. D. Wyatt Henderson

Other Board Members Mr. William S. Biggs, Mr. Samuel H. Frink, Mr. Carlos C. Johnson, Mr. Daniel W. R. Moore Jr., Mr. George E. Mullen, and Mr. Patrick S. Sparks,

Others Present: Ms. Sandra A. Baldrige-Adrian, Ms. Susan Butcher, Dr. Brian Bunton, Dr. J. Ralph Byington, Ms. Nedy Campbell, Mr. Joshua M. Chesson, Dr. Debbie C. Conner, Ms. Amanda E. Craddock, Dr. David A. DeCenzo, Dr. Daniel J. Ennis, Mr. Stephen K. Harrison, Mr. Matthew L. Hogue, Dr. Sara N. Hottinger, Ms. Martha S. Hunn, Dr. Edward Jadallah, Ms. Jane E. Johansen, Mr. Christopher A. Johnson, Mr. Timothy E. Meacham, Mr. Rein T. Mungo, Mr. Travis E. Overton, Ms. Jennifer Packard, Mr. William M. Plate Jr., Dr. Barbara A. Ritter, Mr. Mark A. Roach, Dr. Michael H. Roberts, Ms. Sharon Sluys, Dr. René Smith, Ms. V. Chyrel Stalvey, and Mr. Gregory T. Thompson

(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. No media was in attendance.)

Chairman Delan Stevens called the meeting to order at 3:40 p.m.

Larry Lyles moved to approve the May 4, 2017 Finance, Planning and Facilities Committee minutes. Will Turner seconded, and the motion carried.

Vice President of Finance & Administration and Chief Financial Officer Jane Johansen presented financial updates.

Ms. Johansen indicated that the University received \$1.2M in state appropriated funds in 2016-2017, which were used to fund temporary faculty and staff salaries. Coastal also received \$376,650 to take care of increased costs in fringe benefits. These recurring funds, totaling

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\$1,576,650, are the funds we prefer to obtain. Coastal Carolina University also received \$150,000 in non-recurring funds

Johansen explained that the preliminary report is showing that revenues are down around \$3M from what we were expecting, mostly due to a decrease in out-of-state students. She also indicated that we also went down in our expenses by an amount of about \$1.2M less than what we budgeted for the year. A 3% FTE enrollment increase was budgeted in our projected revenue in Fiscal Year 2017. We actually realized a 1.6% increase in FTE enrollment.

Gene Spivey moved to approve additional course fee increases as presented for the 2017-2018 academic year (Motion 17-37). Will Turner seconded, and the motion carried.

Because Motions 17-38 to 17-41 are reoccurring lease agreements, Larry Lyles moved to approve them and Turner. All passed unanimously.

- Request approval of a one-year lease renewal with Fountain-Fuller of SC, L.L.C. for +/- 14,160 square feet of warehouse space at the Atlantic Center (444 Century Circle) effective September 1, 2017 through August 31, 2018, with the with the University's option to extend the term of this lease one (1) consecutive period of one (1) year. The cost of this lease is \$56,490 (\$3.99 per square foot). Rent will increase to \$57,620 (2% increase, \$4.07 per square foot) for the extended term of September 1, 2018 to August 31, 2019. (Motion 17-38).**
- Request approval of a one-year lease renewal with Fountain-Fuller of SC, L.L.C. for +/- 7,500 square feet of office space at the Atlantic Center (450 Century Circle Suite A) effective September 1, 2017 through August 31, 2018, with the University's option to extend the term of this lease one (1) consecutive period of one (1) year. The cost of this lease is \$63,265 (\$8.44 per square foot). Rent will increase to \$64,530 (2% increase, \$8.60 per square foot) for the extended term of September 1, 2018 to August 31, 2019. (Motion 17-39).**
- Request approval of a one-year lease renewal with Fountain-Fuller of SC, L.L.C. for +/- 5,000 square feet of office space at the Atlantic Center (450 Century Circle Suite B) effective September 1, 2017 through August 31, 2018, with the University's option to extend the term of this lease one (1) consecutive period of one (1) year. The cost of this lease is \$33,046 (\$6.61 per square foot). Rent will increase to \$33,707 (2% increase, \$7.34 per square foot) for the extended term of September 1, 2018 to August 31, 2019 (Motion 17-41).**
- Request approval of a one-year lease renewal with Fountain-Fuller of SC, L.L.C. for +/- 2,500 square feet of office space at the Atlantic Center (450 Century Circle Suite C) effective September 1, 2017 through August 31, 2018, with the University's option to extend the term of this lease for one (1) consecutive period of one (1) year. The cost of this lease is \$18,000 (\$7.20 per square foot). Rent will increase to \$18,360 (2% increase, \$7.34 per square foot) for the extended term of September 1, 2018 to August 31, 2019. (Motion 17-41).**

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Turner made a motion to approve a one-year lease renewal, from the Coastal Educational Foundation, an affiliate of Coastal Carolina University, for the real property located at 1095 Highway, from the Coastal Educational Foundation, 544, City of Conway, Horry County, South Carolina, consisting of a house and 0.98 acres, represented by TMS# 151-20-01-005. The lease will be effective July 1, 2017 through June 30, 2018 at a cost of \$50,000. Discussions are underway concerning future terms and conditions of lease (Motion 17-42). Spivey seconded. The motion passed.

Larry Lyles made a motion to approve a capital project to replace the existing HVAC system in the Williams Brice Building, as well as install a new mass notification system and installation of a new suspended ceiling and associated lighting (Motion 17-43). The Auxiliary Renovation Reserve Funds of \$2.5M will be used. Spivey seconded, and the motion carried.

Smith moved to move forward with Phase II of the Ingle Hall Renovation. (Motion 17-44). Auxiliary Renovation Reserve Funds will fund \$3.8M. Lyles seconded. The motion passed.

Capital Projects Update:

- Work continues on the Brooks Stadium expansion and the current phase will be ready for the first football game
- Academic Classroom Building II will be ready for the Fall semester
- The Smith Science Center addition is on track to finish this Fall
- New Soccer Stadium will be presented at the Joint Bond Review Committee in September

As there was no further business, Lyles moved to adjourn and Smith seconded. The meeting adjourned.

Respectfully submitted,

*Susan Butcher and
V. Chyrel Stalvey*

Susan Butcher and
V. Chyrel Stalvey
Recorders