



East Carolina University | Board of Trustees

University Affairs | September 18, 2014

Agenda

- I. Approval of July 17, 2014 Minutes **Action**

- II. Research & Graduate Studies
 - A. FY14 Grant and Contract Activity

- III. Academic Affairs
 - A. Strategic Plan Next Steps
 - B. CPI Indicators
 - C. Intercollegiate Athletics Survey **Action**

- IV. Student Affairs
 - A. Freshman Class Update
 - B. Housing Update
 - C. Enhance Safety Measures
 - D. Student Conduct Process Update

East Carolina University
Board of Trustees
September 18-19, 2014
University Affairs Committee

Session	University Affairs Committee
Responsible Person	Deborah Davis, Committee Chair
Agenda Item	I.
Item Description	Approval of minutes from July 17, 2014
Comments	
Action Requested	Action - Approval
Disposition	
Notes	

Minutes of the Meeting of the
University Affairs Committee
East Carolina University Board of Trustees
July 17, 2014 at 10:40am
East Carolina Heart Institute

Board Members Attending: Deborah Davis (chair), Robert Brinkley, Carol Mabe, Danny Scott and Michael King

Others in Attendance: Ron Mitchelson, Virginia Hardy, and Steve Ballard

Meeting began 10:55am

Ms. Davis opened the meeting by reading the conflict of interest statement.

The minutes from the previous meeting were approved.

Academic Affairs – Interim Provost Ron Mitchelson

• **Faculty Workloads**

- Dr. Mitchelson talked about some of the issues with understanding faculty workload is inaccuracy of reporting. He provided an update related to ECU. The expectation is five classes in a year, but this can be adjusted due to research, service, teaching, and other criteria. That is at the university level and then there are criteria for each individual college for teaching. When you look each one of the 12 policies is that they are very different across the board and the deans and chairs are held responsible for making sure we achieve the university policy for faculty workload. The individual policies will be sent to General Administration in September for review. Dr. Mitchelson said at this point, ECU looks to be in pretty good standing. We are currently at an average of 3.8 courses per year, which is up a bit. FTE credit hours have experienced nearly a 14% increase. Chairperson Davis suggested the board members carefully read the board materials so that they fully understand this and where ECU stands, as this will be continuously discussed.

• **KPI Update – IPAR** - Dr. Zhou presented

- She shared the five CORE metrics and five Campus Metrics for ECU's Performance Funding Measures. All of these metrics, except degree efficiency under CORE metrics, were achieved. She recapped the last couple of years with the Board of Governors policy. The final version of the BOG will be presented this August. The first draft of the policy included ten metrics for CFO's. Of the potential Efficiency and Effectiveness Metrics were Operating Metrics and Academic Metrics. Each group has five metrics included. A new academic metric added this version included "attempted hours to degree." In response, ECU has asked that if we are required to meet these metrics, we need to have a list of standards and definitions that are set in place. Dr. Zhou shared a sample of ECU failing to meet the 2012 goal for classroom/lab utilization and since then ECU has formed sub-committees to the Space Allocation Committee, conducted analysis of classroom and class lab data and other steps to make sure we hit this goal in the future.
- Dr. Zhou shared data for full-time, first-time, fall-to-fall students. Our retention number for 2012-13 was 79% and our goal was 79.4%. For 2014-15, our goal goes up to 81.4%. UNC General Administration sets these numbers. We are doing pretty well compared to our peer schools. She also shared six-year graduation rates. Chairperson Davis has asked that the Board receive regular updates about her progress on these measures.

Student Affairs – Vice Chancellor Virginia Hardy

• **Student Conduct Review Process Outcomes**

- She shared some of the findings from the external review of the student conduct system. Two external reviewers (Dr. Don Gehring and Dr. David Parrott) conducted the review in June 2014. They made recommendations based on UNC and ECU policies as well as the Office of Student Rights and Responsibilities. Dr. Hardy shared some of the observations including but not limited to,

“more due process than is required”; the system was convoluted and complex; the OSRR staff is competent and knowledgeable; and we need a more streamlined process.

- Some of the recommendations include:
 - Modify system to streamline the process, address minor violations more rapidly and clarify jurisdictional areas.
 - Wordlow (Interim Director of OSRR) explained the current undergraduate process that will be streamlined moving forward for minor and more significant violations.
 - OSRR should become the primary office for enforcing the Student Code of Conduct and for overseeing student conduct processes...all other offices involved in the student conduct process are subordinate to OSRR.
 - Establish MOU's with units that have any form of student conduct process to insure that authority is communicated.
 - SGA and OSRR educate student body jointly about the new judicial system.
 - OSRR and SGA work together to identify students to serve on the Appeals Board.
 - Dr. Hardy shared some of the next steps including the development of an implementation plan, review and discuss the plan with stakeholders, seek approval of the code of conduct and implement all changes in the fall 2014 semester.
-
- **Student Centers Update** – Dr. Don Adams will be working the lead on the ECU student centers project. He is currently also working on the Talley Center project for NC State and working with us as a dual role. Bobby Woodard left ECU this month to become the vice president of student affairs at Auburn University.

Research and Graduate Studies –Paul Gemperline

- **Graduate Student Enrollment Trends**

- Dr. Gemperline shared the enrollment decreasing numbers at ECU since 2009-10 to present. Graduate enrollment will decline by an additional 300 students in the fall 2014 semester. Some of these declines are coming from the typically large graduate programs.
- Other national and state trends include, but not limited to:
 - US citizens are down 2.3% and non-citizens grew 2.8% in 2012
 - Research-intensive schools are increasing graduate enrollment by replacing declining enrollment of domestic students with international students.
- He shared some of the reasons believed to be attributed to graduate admissions declining including, but not limited to:
 - Graduate admission decisions are decentralized
 - Grad School collects applications centrally
 - Completed applications are disseminated to departments
 - Admissions decisions are made by small faculty committees at the department level
 - Oversight and quality control of the process and admission decisions is provided by the Grad School
- Dr. Gemperline stated the selectivity is also a problem. For example, the College of Nursing has about 500 applications per year for 30 spots and the numbers of applications are rising. Some programs are capped for space due to resources, faculty and capabilities.

Ms. Davis called for the University Affairs Committee to enter into Closed Session to address one agenda item.

- **CLOSED SESSION MOTION** – Started at 12:11pm
 - Mr. Scott moved that we go into Closed Session:
 - To prevent the disclosure of confidential information under N.C. General Statutes §126-22 to §126-30 (personnel information) and the federal Family Educational Rights and Privacy Act;
 - To consider the qualifications, competence, performance, character, fitness, or conditions of appointment of one or more prospective and/or current employees and/or to hear or investigate a complaint, charge, or grievance by or against one or more individual employees; and

- To consult with an attorney to preserve the attorney-client privilege between the attorney and the Committee.
- NOTE! Minutes for Closed Session were taken separately.
- Closed session ended at 12:25pm

Meeting Ends at 12:25pm

Respectfully submitted by Christopher Stansbury

These minutes contain confidential information and are not meant for distribution.

University Affairs Committee
East Carolina University Board of Trustees
July 17, 2014 at 10:50am
East Carolina Heart Institute

CLOSED SESSION

The University Affairs Committee of the ECU Board of Trustees met in closed session on July 17, 2014 at 12:11pm

Present: Deborah Davis (chair), Robert Brinkley, Carol Mabe, Michael King, and Danny Scott

Guest: Ron Mitchelson, Steve Ballard, Terry Yeargan, Steve Duncan, Donna Payne, Kristen Bonatz, Paul Zigas and Steve Serck

- Ron Mitchelson made a recommendation to approve tenure of Dr. William Downs, Dean of the Harriot College of Arts and Sciences. This motion was made by Mr. Scott and seconded by Ms. Mabe. It was approved.

- Student Appeal Request
 - A letter was received from a graduate student that had a complaint that they wanted to take to the Board of Trustees. The student was given more than 10 years to complete his dissertation and then was given a one-year extension. He couldn't complete the dissertation and asked for another extension. It was denied and the appeal was denied. The graduate school dean makes this final appeal. So this appeal does not go to the Board of Trustees.
 - Steve Serck provides clarification to the Board about how student appeals are handled in relation to the Board. Steve reviewed a chart provided to the Board that explains the type of student appeal and who is the final decision maker. He shared some of the appeals that come to the Board including, but not limited to a Academic Integrity appeal, a Code of Conduct appeal, discrimination appeals,

Closed session ended at 12:25pm

Respectfully submitted,

Christopher Stansbury

East Carolina University
Board of Trustees
September 18-19, 2014
University Affairs Committee

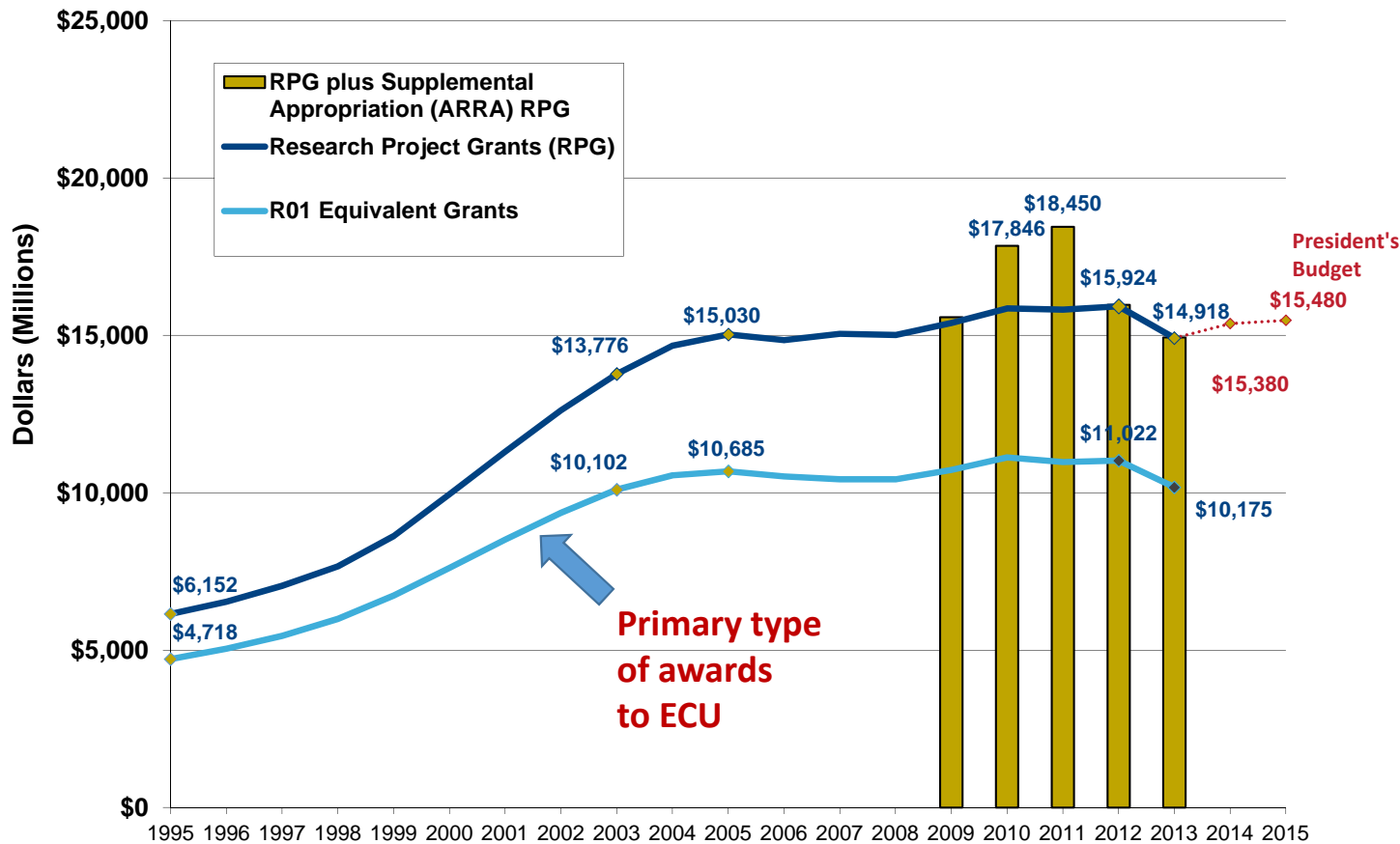
Session	University Affairs Committee
Responsible Person	Dr. Michael Van Scott Interim Vice Chancellor for Research & Graduate Studies
Agenda Item	II. A.
Item Description	FY14 Grant and Contract Activity
Comments	
Action Requested	Discussion
Disposition	
Notes	

FY14: Grant and Contract Activity

Michael R. Van Scott, Ph.D.
Interim Associate Vice Chancellor for Research
and Chief Research Officer
Division of Research and Graduate Studies

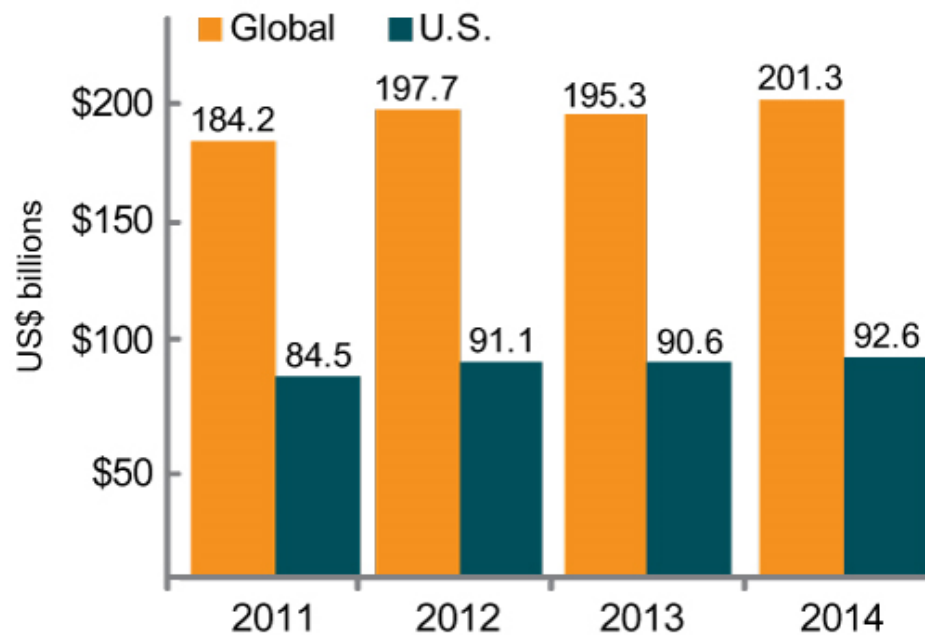
Acknowledgements: Barbara Gray and OSP
Kathie Hall and OGC
Mary Farwell Interim Asst. VC for Research

The Environment: Federal Funding NIH as the example



- Accounts for ~75% of extramural support for academic research in the US
- Little change in 10 years
- Purchase power has decreased
- 8% Decrease in 2013 due to sequestration

The Environment: Industry Funding for Life Sciences



- Accounts for ~6% of academic research funding in US
- 2.4%/yr increase since 2010

Source: Battelle/R&D Magazine

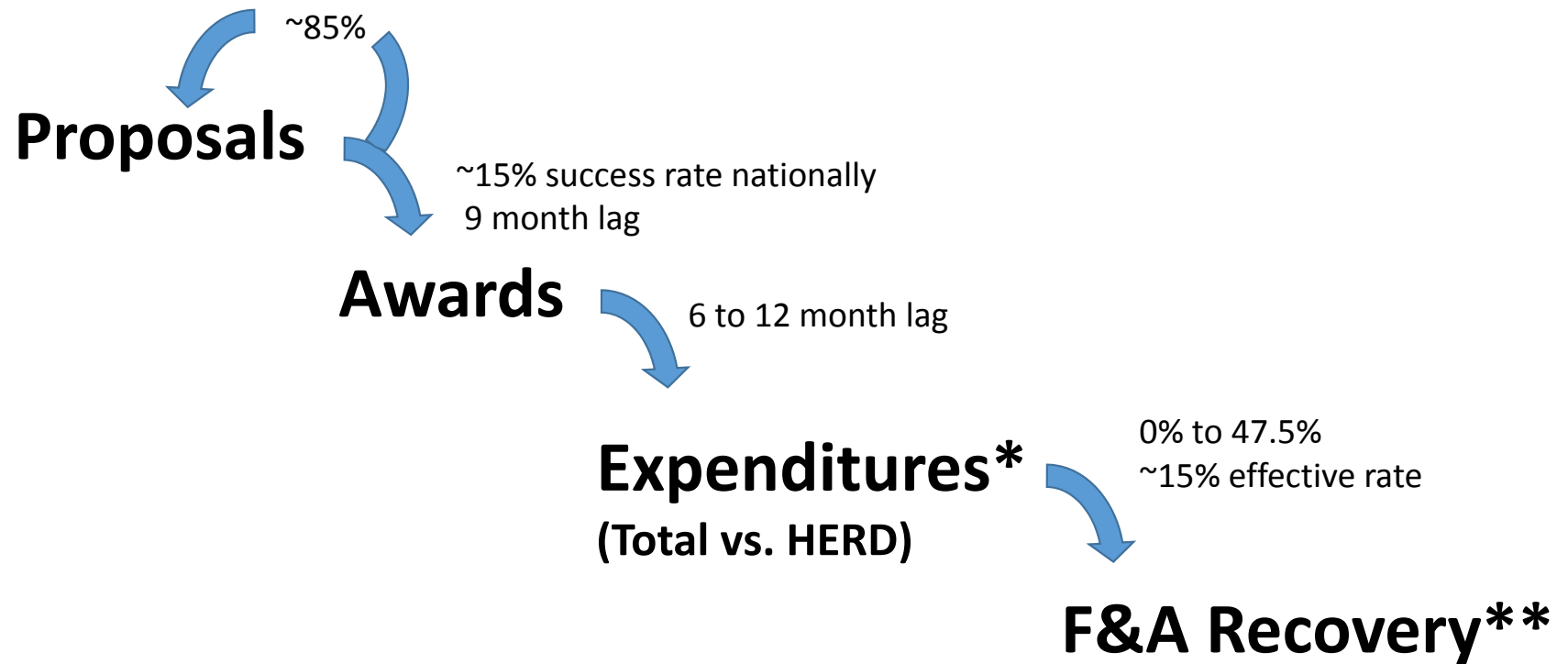
Increasing Disparity in Research Funding



- >80% of funding is awarded to the top 100 research universities
- 700 universities compete for remaining 20% of funds

*Science 23 May 2014:
vol. 344 no. 6186 809-810*

Background



* KPI FY14 = \$20.5M; HERD, Higher Education Research and Development

** Recovery of institutional investment in facilities and administration

ECU Proposals and Awards

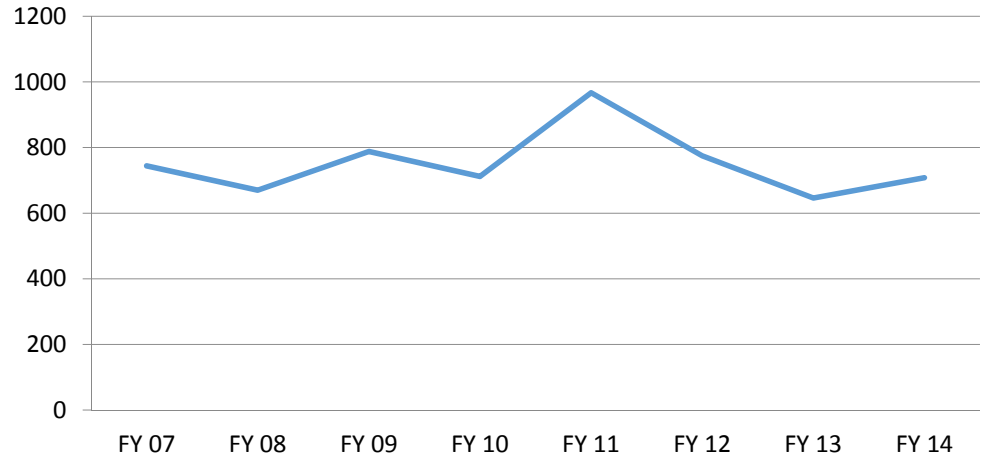
Environmental Factors

- 2007 – Recession
- 2009 – ARRA funding started
- 2012 – ARRA funding ended
- 2012 – Government shutdown
- 2013 – Sequestration

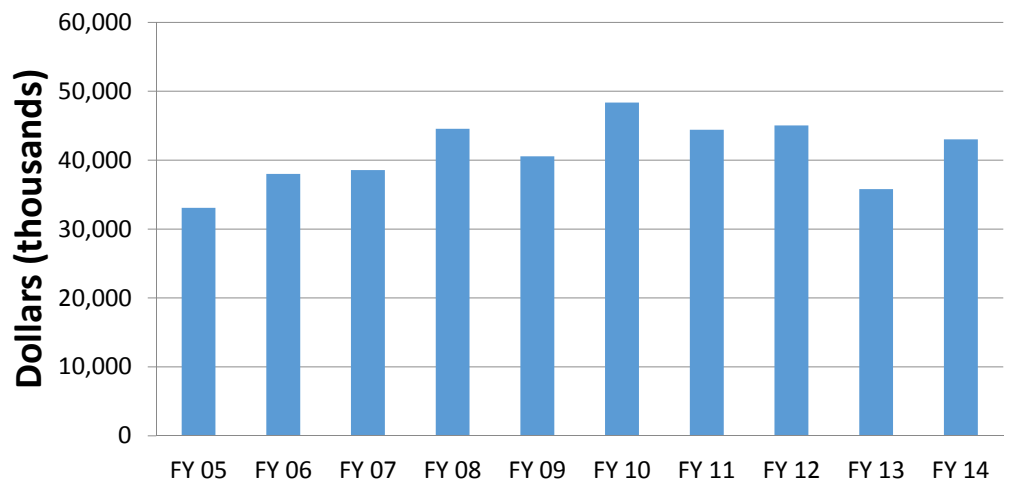
FY13 – effect of shutdown and sequestration

FY14 – 20% increase in awards
Catch-up from FY13

Number of Proposals

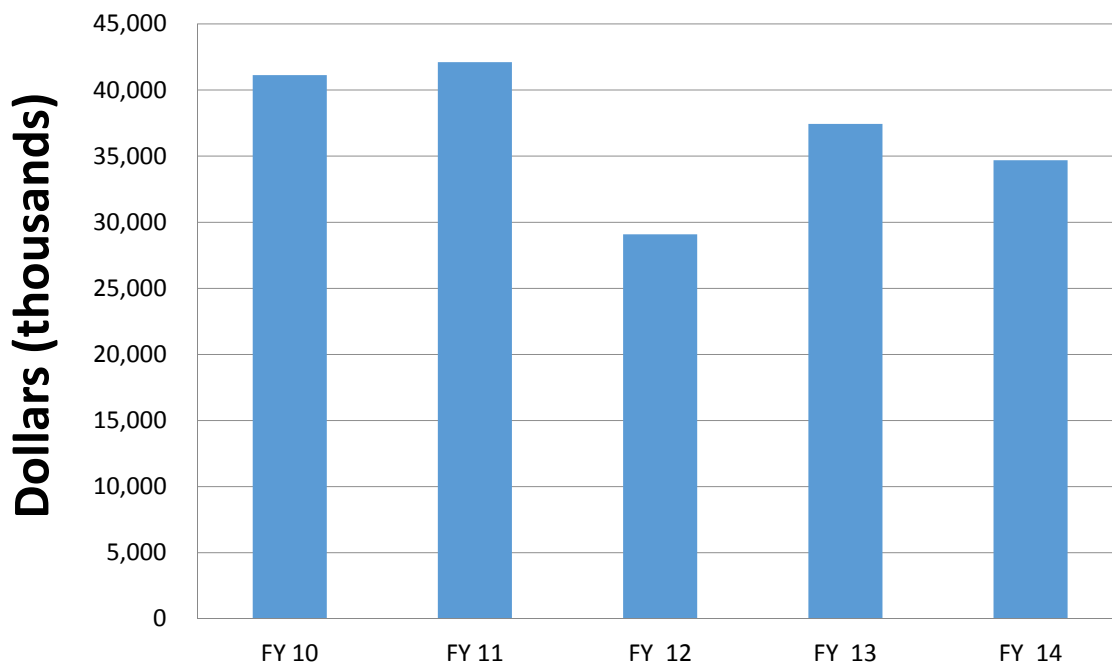


Award Dollars



ECU Total Expenditures

(R&D, service, instruction/training)



Environmental Factors

2007 – Recession

2009 – ARRA funding started

2012 – ARRA funding ended

2012 – Government shutdown

2013 - Sequestration

FY14 – 8% decrease

Factors

Low awards in FY13

Loss of funded faculty

R&D Expenditures

(Source: NSF HERD Survey)

	Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total R&D Expenditures (Millions of Dollars)	13	14	15	15	16	17	25	24	28	32
National Rank	264	265	265	262	255	259	240	255	248	233

- KPI benchmark: \$20.5M
- 14% increase
 - Peers: 0.4%
- Rank of 233 = 36th Percentile
- Percent from federal sponsors
 - ECU: 56%
 - Peers: 54% to 58%
- Percent from industry sponsors
 - ECU: 15%
 - Peers: 6%

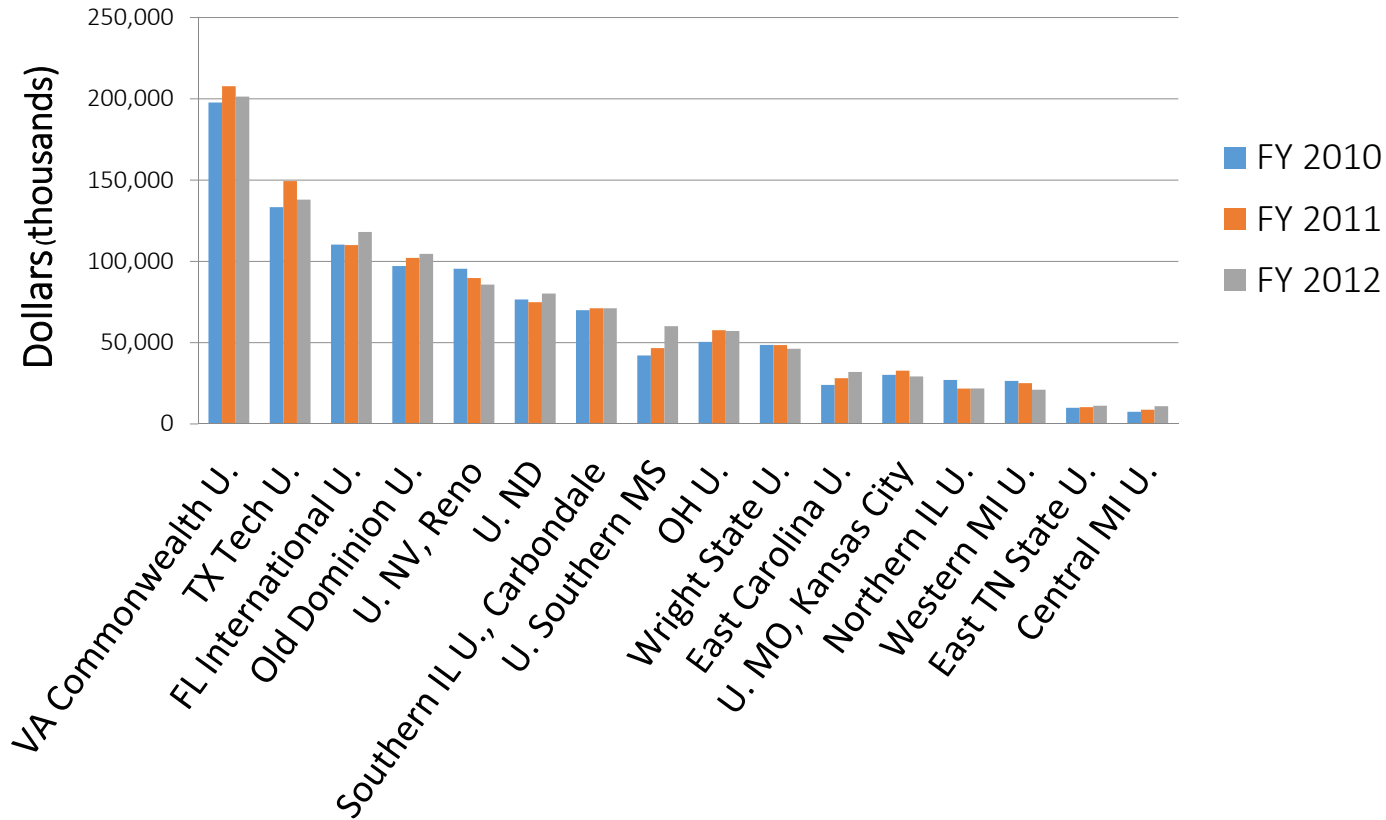
Summary

- FY14
 - 20% increase in awards
 - 7% decrease in expenditures
 - \$4.4M recovered in F&A
- FY12 R&D expenditures (HERDS)
 - Exceeded KPI benchmark
 - 14% increase from FY11
 - Ranked 233 nationally (248 FY11)
 - Outperformed peer institutions
- Faculty are performing well in a very competitive environment

Keys to Continued Success

- Recruit top talent
- Seed research and insure accountability
 - Startup
 - Intramural grants programs
 - Targeted programmatic investment
- Retain talent

HERDS Data for Peer Institutions



East Carolina University
Board of Trustees
September 18-19, 2014
University Affairs Committee

Session	University Affairs Committee
Responsible Person	Dr. Austin Bunch Senior Associate Provost
Agenda Item	III. A.
Item Description	Strategic Plan Next Steps
Comments	
Action Requested	Discussion
Disposition	
Notes	

Student Success, Public Service, and Regional Transformation, 2014-2019

East Carolina University is committed to honoring the values that have guided the progress of the university. As we look to the future, we will sharpen our focus on those that are critical to our continued growth.

Among the values that will be key to our success are the following:

- **Scholarship.** We will be a community where intellectual freedom, scholarly discipline, and the rigorous pursuit of knowledge thrive.
- **Leadership.** Our students, faculty, and staff will demonstrate leadership in their professions and communities.
- **Service.** We will work toward solutions to the challenges of our region, state, and nation.
- **Discovery.** We will harness the skills and knowledge of our faculty, staff, and students to create a brighter tomorrow for North Carolina.

Our mission

To be a national model for student success, public service, and regional transformation, East Carolina University:

- Uses innovative learning strategies and delivery methods to maximize access;
- Prepares students with the knowledge, skills, and values to succeed in a global, multicultural society;
- Develops tomorrow's leaders to serve and inspire positive change;
- Discovers new knowledge and innovations to support a thriving future for eastern North Carolina and beyond;
- Transforms health care, promotes wellness, and reduces health disparities; and
- Improves quality of life through cultural enrichment, academics, the arts, and athletics.

We accomplish our mission through education, research, creative activities, and service while being good stewards of the resources entrusted to us.

Context

This strategic plan positions East Carolina University as a leading force for academic excellence, economic development, public service, and discovery. The plan that follows is derived from our mission statement and is organized around three commitments:

- **Maximizing student success**
- **Serving the public**
- **Leading regional transformation**

In this plan, our goals are ambitious, and bold, but also authentic. We must achieve them with economy and efficiency. As a result of being more intentional and focusing on key priorities, East Carolina University will make the most of faculty, staff, and student expertise and determination to benefit our region and state.

Our guiding principles

Increase opportunity. While seeking the best and brightest students, we will continue to open the doors of higher education to diverse students of many backgrounds. We will expand that model by adding opportunities for many underserved groups.

Produce graduates ready to work and serve. From its beginning as a school for teachers, ECU has focused on producing a workforce to meet the needs of our region and state. Through cooperation with business and industry, we are redoubling our efforts to produce graduates who are ready to go to work and to serve their communities.

Develop leaders. ECU is the Leadership University, so we will expand leadership opportunities for students, faculty, and staff. Our graduates will be known as leaders in the workplace and community.

Discover and innovate. East Carolina will champion mission-driven research and innovation. We will increase research funding and strengthen our research infrastructure to address the region's challenges and opportunities.

Improve health. A major component of ECU's mission is to improve the health of eastern North Carolina. We have developed superior programs in all dimensions of understanding human health and delivering services to a dispersed, rural population.

Add to the quality of life. Generations of eastern North Carolinians have come to Greenville for school field trips, to see sporting events, to hear influential scholars, and to attend performances. We will work with stakeholders to expand these opportunities, and we will partner with communities to bring performing arts to their towns.

Committed to diversity and inclusiveness. ECU welcomes all people to be part of our living, working, and learning community. We grow in strength as we diversify our students, staff, and faculty.

ECU will be a national model for student success, public service, and regional transformation

Commitment 1: Maximize Student Success

The success of our students is the ultimate measure of our university. We will support excellence, expand opportunity, and celebrate achievement.

- We will aggressively support the ECU Honors College and build it into one of the top programs nationally. We will secure a naming endowment for the EC Scholars program and increase the funding for awards by 10 percent annually.
- We will be a national leader as a “best value” in undergraduate and graduate education. We will aggressively grow programs that support this goal. We will establish competency-based requirements for all degree programs while reducing the average debt carried by students who graduate within four years. We will be a leader in the assessment of learning outcomes and the use of innovative teaching strategies. Faculty will lead examination and pursue needed reforms of general education requirements that will be a model for others to follow.
- We will improve retention and graduation rates. We will retain and graduate students at a rate that is consistently higher than our peers.
- We will radically improve accessibility for key student populations. We will grow transfer enrollment by 5 percent each year. We will be the top university in North Carolina for active military and veterans. We will establish targeted programs supporting seamless transitions to ECU for active military, veterans, and transfers. We will encourage the return of “part-way home” students to complete their degrees.
- We will field athletic teams that lead in academic achievement, win conference championships, and compete on a national level.
- We will be a national model for campus safety and the safest campus in the UNC system.
- We will reflect a global workplace and society by diversifying our faculty, staff, and students. We will increase international students, provide U.S. students with more opportunities to study abroad, increase those with competency in a second language, and significantly expand the number of global classrooms to connect diverse cultures to instructional opportunities.

Commitment 2: Serve the Public

Service has always been at the heart of this university. We will inspire the next generation of leaders to carry this spirit of service into their professional lives. We will demonstrate this commitment to service by being engaged with the needs of eastern North Carolina and beyond.

- We will inspire our students to be engaged citizens and leaders. We will expand service learning, undergraduate research, and creative activity across our entire campus.
- We will consolidate our leadership centers and programs into the **North Carolina Center for Leadership and Service**. We will be a national model for developing the leadership of faculty, staff, and students through engaged research and service. We will host a national awards program for servant leadership in higher education.
- We will be a national leader in revamping health sciences education, incorporating interdisciplinary education and quality improvement into our health sciences curricula. We will expand the number of Brody School of Medicine graduates who practice as primary care physicians. We will be ranked as the nation's top producer of family physicians. We will open and operate the School of Dental Medicine's network of Community Service Learning Centers. ECU will continue to lead North Carolina in the number and the quality of nursing graduates. We will be home to premier programs in medical physics, health psychology, and medical family therapy. We will be a national leader in the use of learning and assessment technologies to improve health educational outcomes.
- We will grow our Department of Public Health into a School of Public Health with a goal of enrolling 500 students. We will emphasize rural population health and research as the principle focus of the school.
- We will be a portal to serve the lifelong learning needs of North Carolina and our region. We will target professional development, continuing education, and lifelong learning opportunities that support the needs of the region's people and corporations.
- We are recognized as an "Engaged University" by the Carnegie Foundation, and our recent C.P. Magrath Award for Community Engagement from the Association of Public and Land Grant Universities signifies our national ascent. We will continue on this course by assuring that all ECU programs are committed to outreach and demonstrate that commitment through action. We will identify and invest in engagement programs that align with educational and research programs of the university. We will inventory and align faculty expertise and facilities with regional needs. We will be designated as an Innovation and Economic Prosperity University by the Association of Public and Land Grant Universities.

Commitment 3: Lead Regional Transformation

The past, present, and future of this university are closely aligned with the region it calls home. We see the challenges of eastern North Carolina and accept them as our own. Through partnership, leadership, and discovery, we will be a force for progress and growth.

- ECU will be “open to business.” We will create a new Millennium Campus and we will develop the business structures and practices needed to interact and innovate efficiently with our partners in the public and private sectors.
- ECU will grow innovative and market-driven graduate programs that respond to regional challenges and opportunities.
- We will dramatically expand ECU’s research enterprise by investing in the people, tools, and facilities needed to conduct mission-driven research. We will seek solutions to the challenges of our region, including the treatment of health issues such as obesity and diabetes, securing a sustainable future for our coastal communities, and assisting the military by providing support and solutions to those currently serving and our veterans. As a result of our passion for this regional mission, we will grow ECU into the third-largest research institution in the UNC system.
- We will triple the volume of clinical trials of promising medicines, treatments, and devices. We will be a national leader in patient-centered outcomes research and community-based behavioral medicine.
- We will build a named College of Business that is ranked in the top 50 nationally. We will implement an entrepreneurial certificate program open to all majors at ECU.
- We will secure ECU’s position as a leader in addressing North Carolina’s educational challenges.
- We will create a School of the Coast and establish it as the state and national leader in developing innovative and viable solutions to the challenges faced by our coastal communities. Our approach will be intentionally collaborative as we strengthen partnerships with UNC-Wilmington and with the Coastal Studies Institute. We will boost sustainable economic development in eastern North Carolina with the growth of our Center for Sustainability.
- We will expand our engineering program with enrollment of at least 1,000 students. We will share our engineering expertise with the region to solve wide-ranging problems in health, advanced manufacturing, and the environment. We will ignite innovation and technology development through integration of engineering and the health sciences. We will prioritize support for our new graduate program in biomedical engineering.
- We will leverage our strengths in the arts to enrich the quality of life for our students and our region. We will collaborate with local and regional interests in the design and the construction of a visual and performing arts center.

- We are recognized as a national leader in the use of technology to deliver health services to dispersed rural populations. We will use technology to expand the reach of our expertise to improve health care access and outcomes. We will refine practical, sustainable solutions to the health care needs of underserved populations and the military across North Carolina. We will strengthen our leadership in telemedicine, and we will expand our state/regional networks of telemedicine.
- We will model healthy lifestyles for the region. We will be a leader in workplace wellness. We will revise and expand the ECU faculty/staff wellness program and increase participation by 5 percent annually.

We will keep these commitments while being good stewards of the resources entrusted to us.

East Carolina University has a long history of achieving excellence while employing public resources in an efficient manner. That trait has served us well in the past and will be even more important in the future. We recognize and honor the UNC system's compact with North Carolina that is contained in its document, Our Time, Our Future. We will maximize student success, we will serve the public, and we will lead regional transformation. We will concentrate our resources to fulfill these commitments. Here is the manner in which we will keep our covenant.

- We will embrace a diverse and an inclusive university community. We are committed to a diverse workplace by recruiting faculty and staff from diverse backgrounds.
- We will reward innovation and continuous improvement.
- We will control costs and diversify revenue streams.
- We will initiate an aggressive and innovative public fundraising campaign to support the strategic initiatives of the institution.
- We will implement the recommendations of the University Committee on Fiscal Sustainability and reduce our administrative costs.
- We will continue to implement the Master Plan for campus design and construction.
- Our data will be recognized system-wide for its accuracy and reliability and as a basis for advanced analytics and institutional decision-making.
- We will promote sustainable environments.
- We will be accountable for resources and regulatory compliance.
- Our education and patient-care practices will be fiscally sustainable.



BEYOND TOMORROW

OUR COMMITMENT TO THE FUTURE

East Carolina University honors the values that have guided us in the past. We will sharpen our focus on these values as we look to the future.

OUR VALUES

Scholarship. We will be a community where intellectual freedom, scholarly discipline, and the rigorous pursuit of knowledge thrive.

Leadership. Our students, faculty and staff will demonstrate leadership in their professions and communities.

Service. We will work toward solutions to the challenges of our region, state, and nation.

Discovery. We will harness the skills and knowledge of our faculty, staff, and students to create a brighter tomorrow for North Carolina.

OUR MISSION

To be a national model for student success, public service, and regional transformation, East Carolina University:

Uses innovative learning strategies and delivery methods to maximize access;

Prepares students with the knowledge, skills, and values to succeed in a global, multicultural society;

Develops tomorrow's leaders to serve and inspire positive change;

Discovers new knowledge and innovations to support a thriving future for eastern North Carolina and beyond;

Transforms health care, promotes wellness, and reduces health disparities; and

Improves quality of life through cultural enrichment, academics, the arts, and athletics.



OUR COMMITMENTS

ECU's strategic plan positions the university as a leader in academic excellence, economic development, public service, discovery, and diversity. It is derived from our mission statement and is organized around three commitments.

Maximize Student Success

The success of our students is the ultimate measure of East Carolina. We will support excellence, expand opportunity, and celebrate achievement.

Serve the Public

Service has always been at the heart of this university. We will inspire the next generation of leaders to carry this spirit of service into their professional lives. We will be engaged with the needs of eastern North Carolina and beyond.

Lead Regional Transformation

The past, present, and future of this university are closely aligned with the region it calls home. We see the challenges of eastern North Carolina and accept them as our own. Through partnership, leadership, and discovery, we will be a force for progress and growth.

We will keep these commitments while being good stewards of the resources entrusted to us.

Strategic Plan Marketing

PHASE I - ADOPTION

Date – June 20

Audience – EC & Chancellor

Event – EC meeting

Action- Approval of final plan for presentation to BOT

Deliverable – Draft text of final public document. Possible name for plan

Date – July 17

Audience – Board of Trustees

Event – Board meeting

Action – Endorsement of plan.

Deliverable – Approved text of plan. Name of plan. PowerPoint presentation.

Date – August II

Audience – EC & Chancellor

Event – EC meeting

Action – Approval of final document

Deliverable – Current text of document

Date – August II – Sept 15

Event – Ongoing meetings with leadership groups

Audience – Campus Leadership

Action – Develop understanding of and advocacy for the plan. Begin formation of planning groups and scheduling of campus events.

Deliverable – Summary sheet. Type treatment. Final text of plan.

PHASE 2 - INTRODUCTION

Date – August 25

Event – Faculty Convocation

Audience – Faculty

Action – Awareness and Interest

Deliverable – Summary sheet, Chancellor address

Date – week of September 15

Event – Web features highlighting commitments

Audience – Campus Community

Deliverable – Web/Social Media packages supporting themes of plan's conceptual framework

Event – Broadcast E-mail introducing plan and website

Audience – Campus Community

Deliverable – text of email. Strategic plan website

Event – Campus – wide mail drop of Strategic Plan postcards

Audience – Campus Community

Deliverable - Postcards

PHASE 3 – ROLLOUT

Date – September 22 – October 3

Event – College/Division meetings

Audience – Campus Community

Action – Awareness and Acceptance

Deliverable – Posters, Presentation outline, LCD monitor images, introductory video

Date - TBD (mid-October)

Event – Mail drop of book w/ chancellor letter

Audience – External Influencers / Opinion Leaders / Donors

Action – Awareness and Support

Deliverable – Book, letter, envelope

Date – Week of December 1

Event – Publication of winter issue of East

Audience – Alumni

Action – Awareness and Support

Deliverable – East magazine article

PHASE 4 – SUSTAIN

College/division working group updates, new web/social media features, Thematic advertising, extended outreach to alumni and donors.

Current List of Deliverables

- Draft Text
- Name
- Final Draft
- Powerpoint
- Type treatment
- Summary Sheet
- Thematic Web/Social media content
- Book
- Posters
- Postcard
- Email sequence
- Website
- Introductory video
- LCD displays
- Book/Letter/Envelope
- East article
- Additional materials will be required to support the “Sustain” phase

Strategic Planning Units 2014

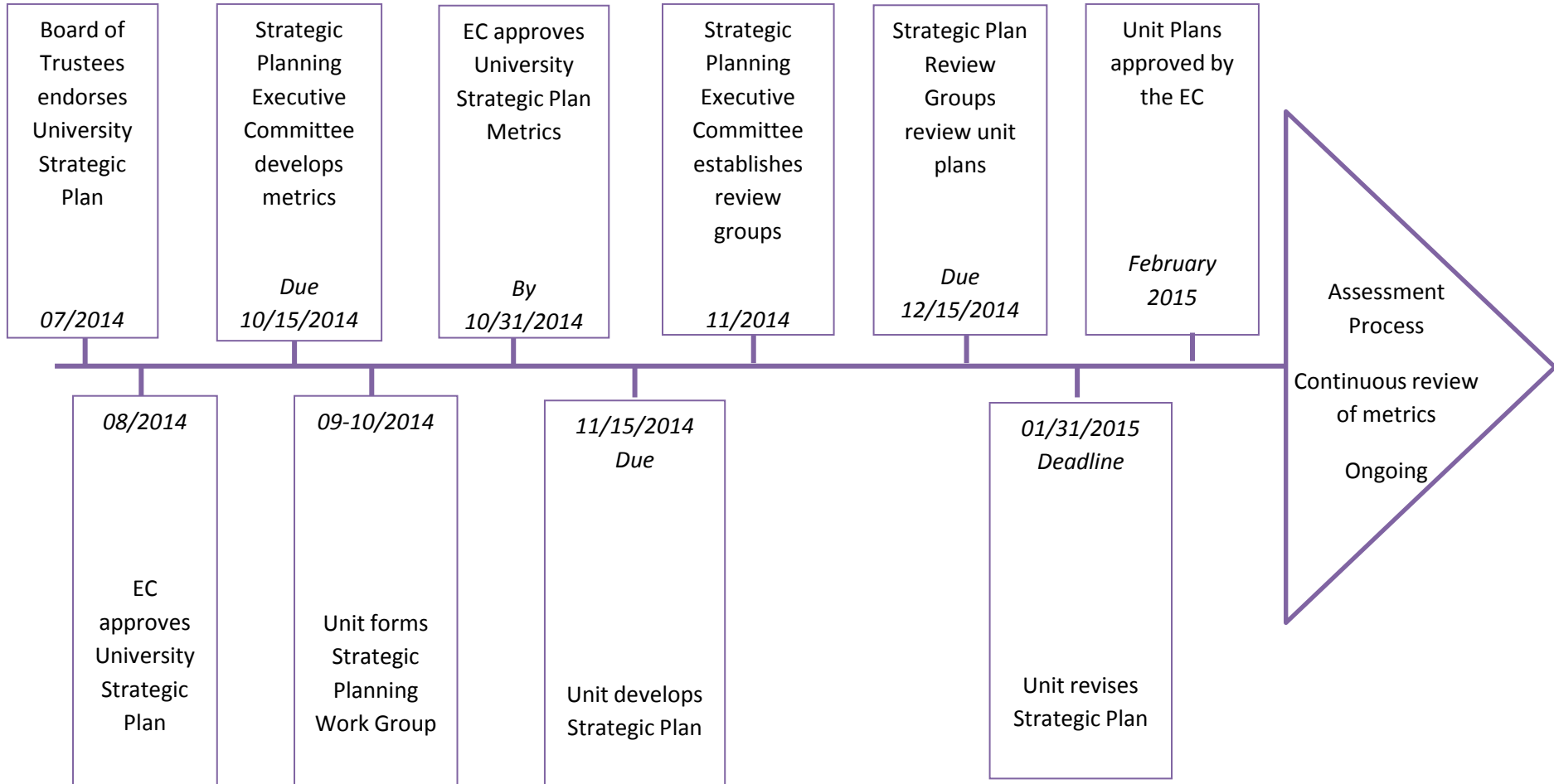
Colleges and Schools

- Brody School of Medicine (BSOM)
- College of Allied Health Sciences (CAHS)
- College of Business (COB)
- College of Education (COE)
- College of Engineering and Technology (CET)
- College of Fine Arts and Communication (CFAC)
- College of Health and Human Performance (HHP)
- College of Human Ecology (CHE)
- College of Nursing (CON)
- Harriot College of Arts and Sciences (HCAS)
- Honors College
- School of Dental Medicine (SoDM)

Administrative Divisions/Units

- Academic Library Services - Joyner & Laupus
- Athletics
- Chancellor's Division
- Division of Academic Affairs
- Division of Administration and Finance
- Division of Health Sciences
- Division of Research and Graduate Studies (*3 separate plans*)
 - Innovation and Economic Development
 - Graduate School
 - Research
- Division of Student Affairs
- Division of University Advancement
- ECU Police

East Carolina University Unit Strategic Planning Timeline



East Carolina University
Board of Trustees
September 18-19, 2014
University Affairs Committee

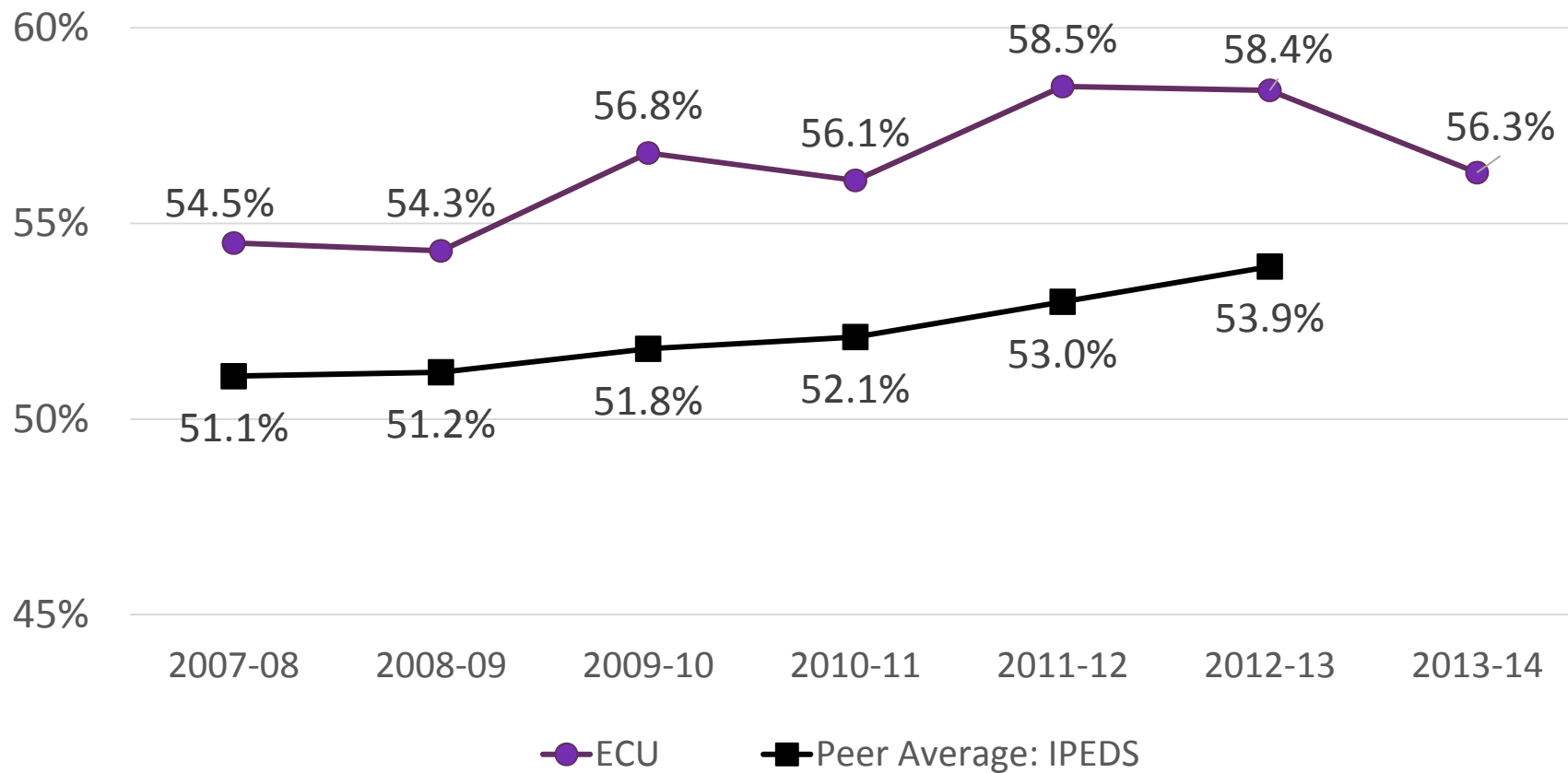
Session	University Affairs Committee
Responsible Person	Dr. Ying Zhou Associate Provost for Institutional Planning, Assessment & Research
Agenda Item	III. B.
Item Description	KPI Indicators
Comments	
Action Requested	Discussion
Disposition	
Notes	

Key Performance Indicators Update to the Board of Trustees

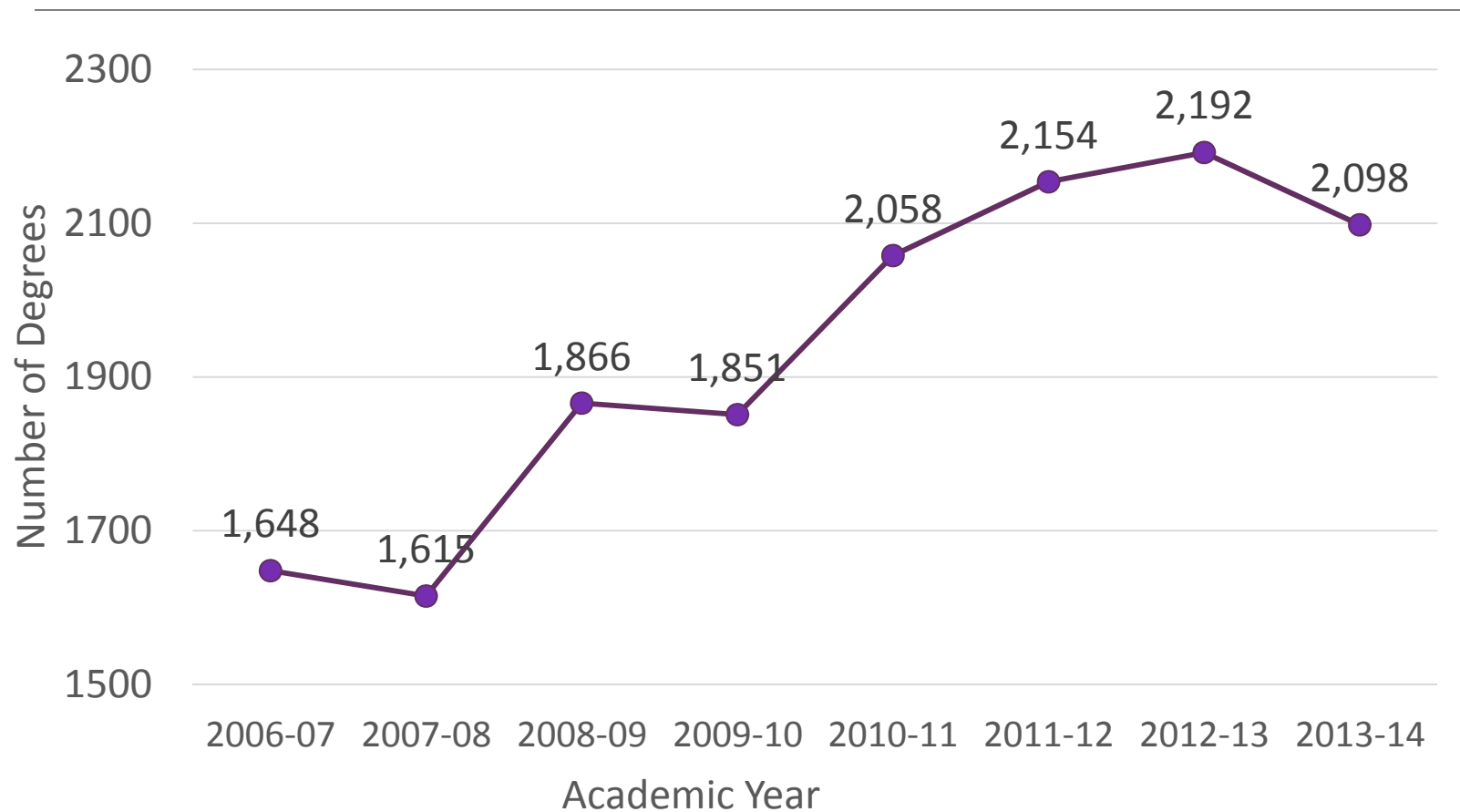
OFFICE OF INSTITUTIONAL PLANNING,
ASSESSMENT AND RESEARCH



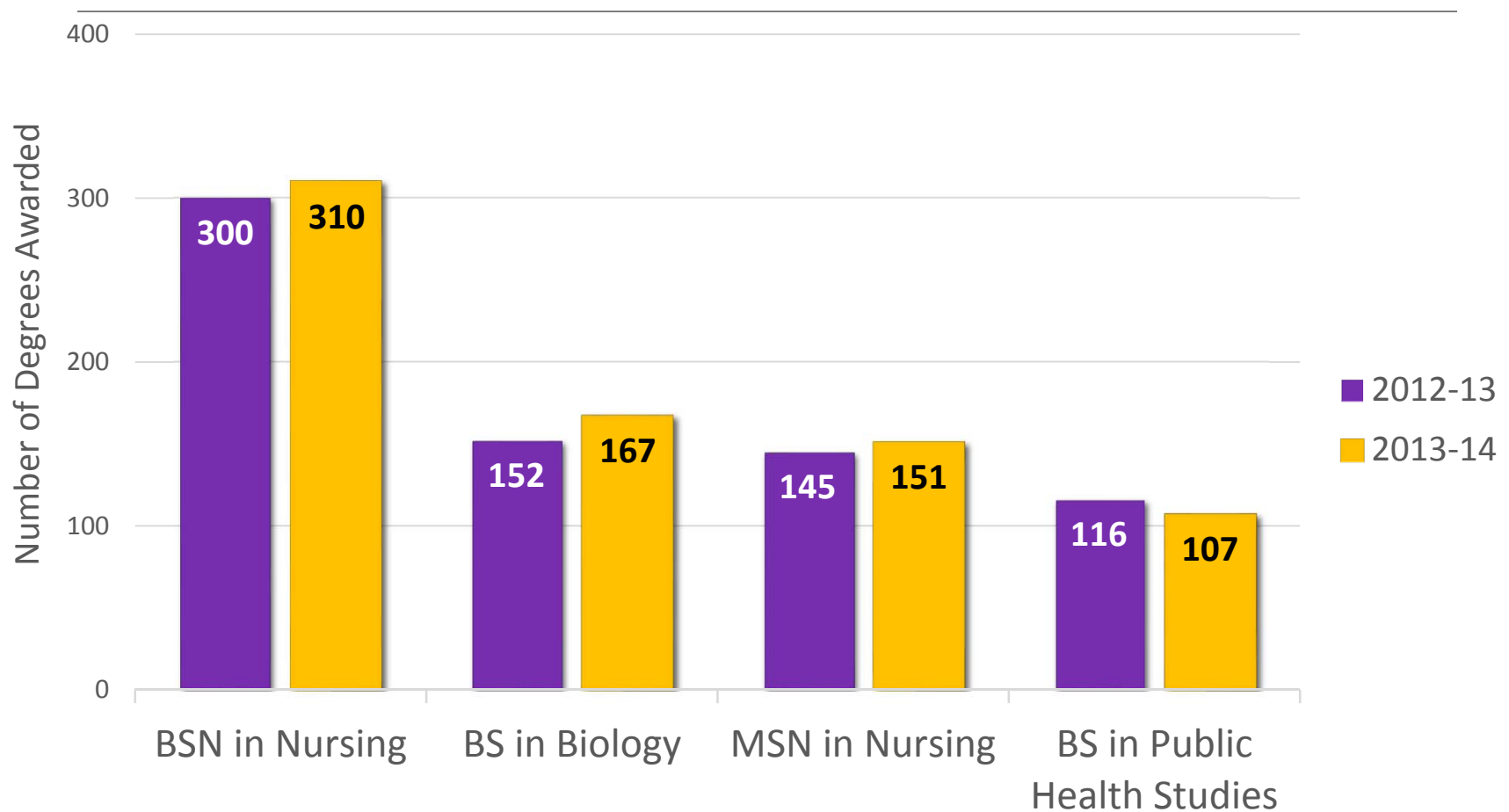
Full-time First-Time-in-College Six-Year Graduation Rates



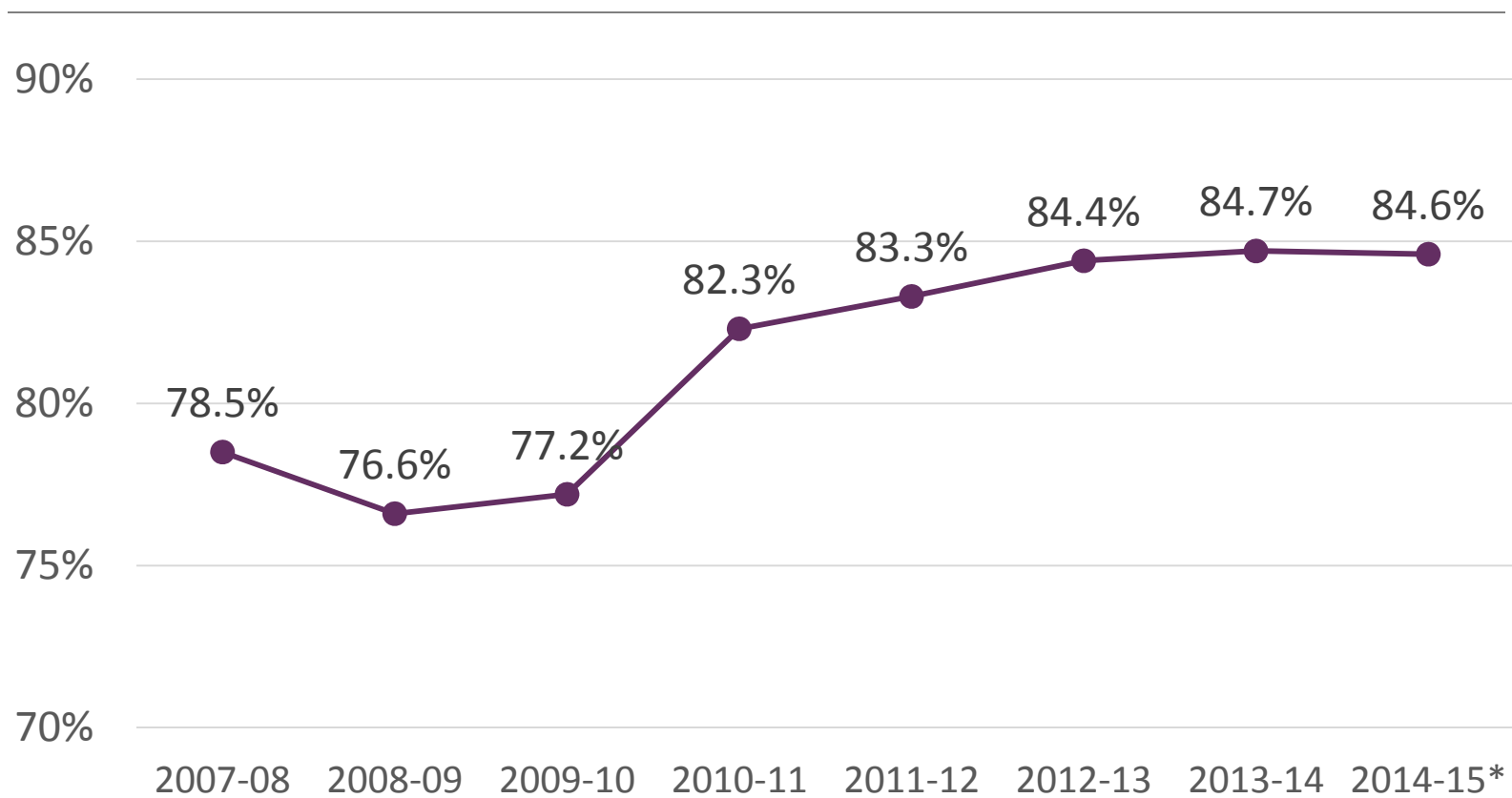
Degrees Awarded in STEM + HEALTH



Programs Awarding the Highest Number of STEM+HEALTH Degrees

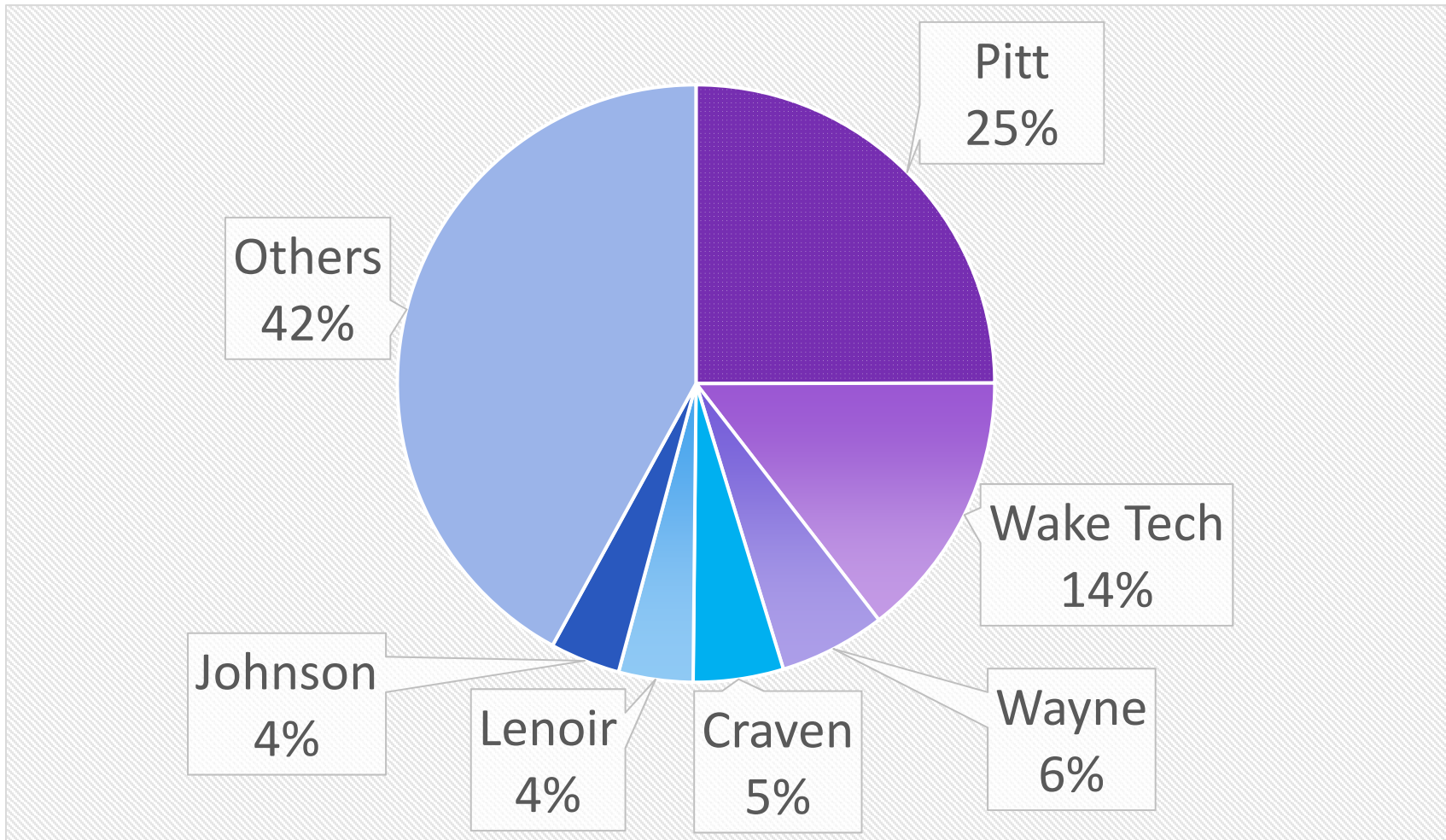


NCCCS Transfer Student One-Year Persistence Rate

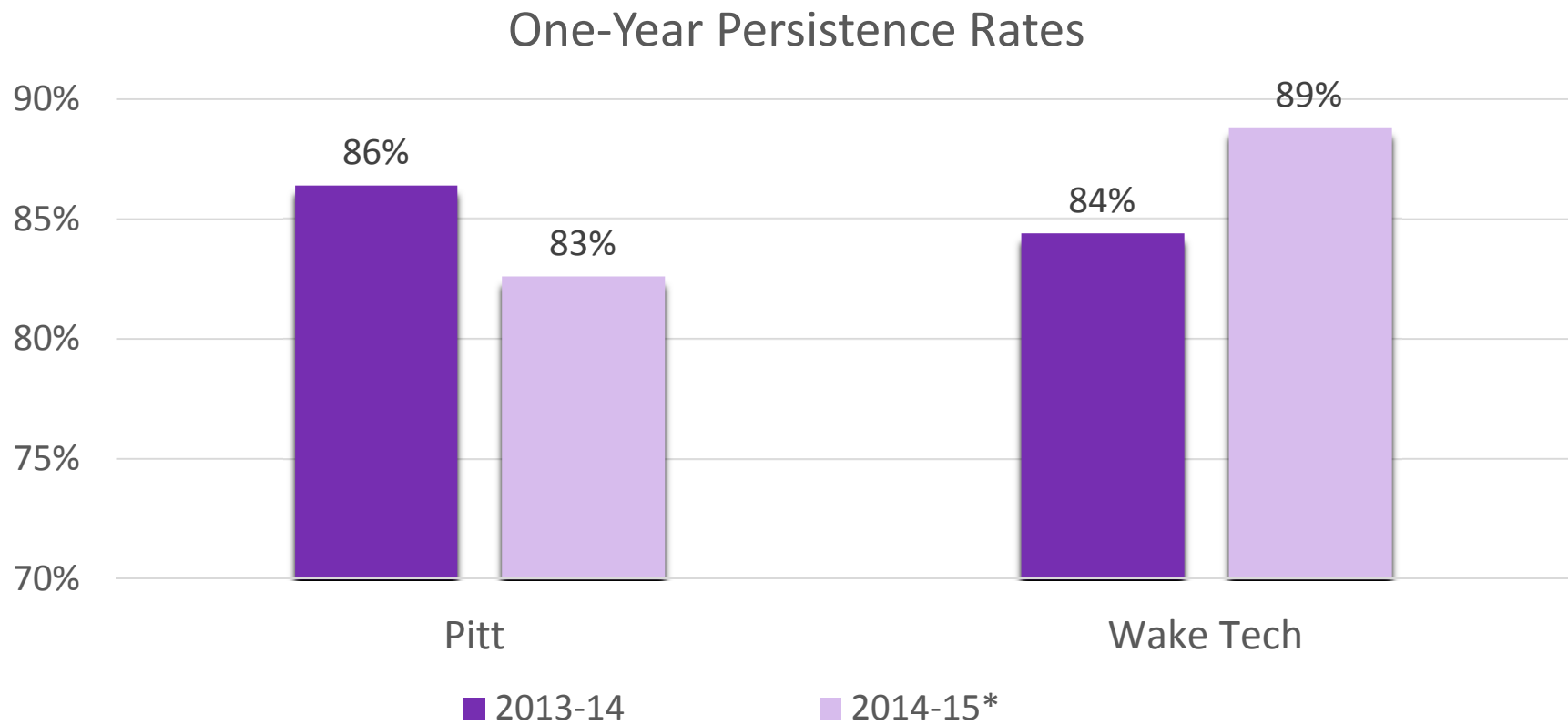


** 2014-15 result is preliminary.*

NCCCS Transfers, Fall 2013 Cohort (n=921)



Persistence Rates of Pitt and Wake Tech Transfer Students



** 2014-15 result is preliminary.*

East Carolina University
Board of Trustees
September 18-19, 2014
University Affairs Committee

Session	University Affairs Committee
Responsible Person	Dr. John Fletcher Associate Provost for Enrollment Services
Agenda Item	III. C.
Item Description	NCAA Intercollegiate Athletics Survey
Comments	
Action Requested	Action
Disposition	
Notes	



UNC Intercollegiate Athletics Survey: 2013-14

Introduction

The annual UNC Intercollegiate Athletics Report to the Board of Governors requires disclosure of the academic characteristics and performance of the UNC system's student-athletes and campus athletics departments. This online survey is the primary data collection point for most of the data required by UNC Policy and Regulation. For additional requirements, please refer to the memo sent to all UNC chancellors.

If any questions arise during the completion of this survey, please contact Eric Fotheringham at UNC General Administration (919.843.6967 or emfotheringham@northcarolina.edu).

The deadline for completing this survey is October 8, 2014.

When completing the survey, please note the following:

- For fields where you have no data to enter, please enter "NA" or "0" where appropriate (instead of leaving them blank).
- Refer to each question for instructions on the timeframe for the data to be submitted.
 - Please note that in sharing the financial information detailed in the memo to all Chancellor's, the most recent data available is for 2012-13.
- There will be a number of questions requesting files to be uploaded. When uploading files in the survey:
 - Please click on "Choose File" and browse your computer for the file you wish to upload.
 - Once you select the file, you will see the name of the file next to the "Choose File" button.
 - If you see the name of your file next to the "Choose File" button, your file has been uploaded successfully.
- **You may enter and exit the survey at any time by using the survey URL, but in order for data to be saved on any screen, you MUST hit the arrow to go to the next screen--this records your answers.**
 - If you do not do this, your information will not be saved.

Upon completion of this survey, you will be able to print responses for your records.

Contact Information

Please enter the primary point of contact for the data provided.

Name	<input type="text" value="John T. Fletcher"/>
Working Title	<input type="text" value="Associate Provost, Enrollment Manag"/>
Email Address	<input type="text" value="fletcherjo@ecu.edu"/>
Telephone	<input type="text" value="252-328-5817"/>

Enrolled Freshmen, Recruited Freshmen Student-Athletes, and UNC Minimum Course Requirements (MCRs)

Please enter Fall 2013 and Spring 2014 enrollment totals for ***all freshmen*** and ***all recruited freshmen student-athletes (RFSAs)***.

All FERPA guidelines regarding protection of student identity will be followed.
Please submit all student information here and when making this information public, UNC-GA will remove any details that could result in the information being identifiable.

	Campus Total
Total number of enrolled freshmen	<input type="text" value="4,535"/>
Total number of enrolled freshmen receiving MCR exceptions	<input type="text" value="13"/>
Total number of enrolled recruited freshmen student-athletes	<input type="text" value="116"/>
Total number of enrolled recruited freshmen student-athletes receiving MCR exceptions	<input type="text" value="5"/>

Student-Athletes, Minimum Admissions Requirements (MARs), and Minimum Course Requirements (MCRs)

Please enter enrollment totals by NCAA sport for ***all recruited freshmen student-athletes (RFSAs)*** in Fall 2013 and Spring 2014 and the number of ***recruited freshmen student-athletes (RFSAs)*** below one or more of the Minimum Admission Requirements (MARs) or Minimum Course Requirements (MCRs).

For the policy on MARs and MCRs, see the UNC Policy 700.1.1

- If there is no data to report, please enter "0."
- **For SAT/ACT, only report on the standardized test score used in the admissions decision.**
- The final column below is not a TOTAL column. In the final column, enter the number of RFSAs enrolled below more than one of the requirements (GPA, SAT/ACT, and/or MCRs).

All FERPA guidelines regarding protection of student identity will be followed. Please submit all student information here and when making this information public, UNC-GA will remove any details that could result in the information being identifiable.

	# of RFSAs by sport	# of RFSAs below minimum HS GPA only (2.5)	# of RFSAs below minimum SAT or ACT only (800 or 17)	# of RFSAs receiving an MCR exception only	# of RFSAs below more than one requirement (GPA, SAT/ACT, or MCRs)
Bowling	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Rowing	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Softball	<input type="text" value="9"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Women's basketball	<input type="text" value="2"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Women's cross-country	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Women's golf	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Women's gymnastics	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Women's ice hockey	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Women's indoor track and field	<input type="text" value="16"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Women's lacrosse	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>

Women's outdoor track and field	0	0	0	0	0
Women's rifle	0	0	0	0	0
Women's skiing	0	0	0	0	0
Women's soccer	9	0	0	0	0
Women's swimming and diving	10	0	0	1	0
Women's tennis	6	0	1	1	1
Women's volleyball	6	1	0	1	1
Women's water polo	0	0	0	0	0
Baseball	11	1	0	1	0
Fencing	0	0	0	0	0
Field hockey	0	0	0	0	0
Football	21	2	5	1	2
Men's basketball	3	0	0	0	0
Men's cross-country	0	0	0	0	0
Men's golf	2	0	0	0	0
Men's gymnastics	0	0	0	0	0
Men's ice hockey	0	0	0	0	0
Men's indoor track and field	10	0	0	0	0
Men's lacrosse	0	0	0	0	0
Men's outdoor track and field	0	0	0	0	0
Men's rifle	0	0	0	0	0
Men's skiing	0	0	0	0	0
Men's soccer	0	0	0	0	0
Men's swimming and diving	8	0	0	0	0
Men's tennis	3	0	0	0	0
Men's volleyball	0	0	0	0	0
Men's water polo	0	0	0	0	0
Wrestling	0	0	0	0	0
Total	116	4	6	5	4

Student-Athlete Academic Profile

Please enter the following academic information for ***recruited freshmen student-athletes (RFSAs)*** in revenue sports at your campus.

- Enter the number of RFSAs in these three sports, along with the average HS NCAA Core Course GPA & average SAT/ACT scores.
 - Enter the SAT/ACT scores in this format: XXXX / YY
 - Use the composite ACT score (highest score possible is 36).
 - **For SAT/ACT, only report on the standardized test score used in the admissions decision.**
- Enter "NA" in a cell if there were no ***RFSAs*** in the sport.

UNC-GA will not make any information publicly available that violates FERPA guidelines.

	Total Number of RFSAs by sport	Average HS NCAA Core Course GPA	Average SAT / ACT
Men's Football	<input type="text" value="21"/>	<input type="text" value="2.95"/>	<input type="text" value="931/17"/>
Men's Basketball			
Women's Basketball	RECRUITED FRESHMAN STUDENT ATHLETES FOR MEN'S AND WOMEN'S BASKETBALL HAVE BEEN REDACTED DUE TO CONFIDENTIALITY CONCERNS.		

Majors of Student-Athletes

Please enter the number of majors for all recruited student-athletes who have achieved at least junior academic standing.

- Do not leave any cells blank. If there are no declared majors for a particular discipline, please enter "0" in the cell.

	Number of Declared Majors
01 - agriculture, agriculture operations, & related sciences	<input type="text" value="0"/>
03 - natural resources & conservation	<input type="text" value="0"/>
04 - architecture & related services	<input type="text" value="1"/>
05 - area, ethnic, cultural, gender, & group studies	<input type="text" value="0"/>
09 - communication, journalism, & related programs	<input type="text" value="35"/>
11 - computer and information sciences & support services	<input type="text" value="4"/>
13 - education	<input type="text" value="17"/>
14 - engineering	<input type="text" value="3"/>
15 - engineering technologies & engineering-related fields	<input type="text" value="0"/>
16 - foreign languages, literatures, & linguistics	<input type="text" value="0"/>
19 - family and consumer sciences / human sciences	<input type="text" value="5"/>
23 - English language and literature / letters	<input type="text" value="2"/>
24 - liberal arts and sciences, general studies, & humanities	<input type="text" value="0"/>
26 - biological & biomedical sciences	<input type="text" value="2"/>
27 - mathematics and statistics	<input type="text" value="0"/>
30 - multi/interdisciplinary studies	<input type="text" value="1"/>
31 - parks, recreation, leisure, & fitness studies	<input type="text" value="31"/>
38 - philosophy & religious studies	<input type="text" value="1"/>
40 - physical sciences	<input type="text" value="0"/>
41 - science technologies / technicians	<input type="text" value="0"/>
42 - psychology	<input type="text" value="3"/>
43 - homeland security, law enforcement, firefighting, & related protective services	<input type="text" value="12"/>
44 - public administration & social service professions	<input type="text" value="4"/>

45 - social sciences	4
49 - transportation & materials moving	1
50 - visual & performing arts	1
51 - health professions & related programs	16
52 - business, management, marketing, & related support services	43
54 - history	2
XX - undecided	0
Total	188

Academic Success Reports

Please upload your campus' most recent (2004-2007 cohorts) Graduation Success Rate or Academic Success Rate report.

gsrReport_UNC Survey.pdf
6.5KB
application/pdf

Academic Integrity Regulations

Per UNC Academic Integrity Regulation (700.6.2[R]) and Guidelines (700.6.2[G]), please provide information for the following questions.

Student-athlete data for the first three questions in this section should include Summer 2013, Fall 2013, and Spring 2014.

Question #4 asks for Spring 2014 data only.

1. Please attach a short description summarizing the campus review process and how your campus determined "irregularities."

Course Clustering Review Process.pdf
47.1KB
application/pdf

2. Please provide a summary of findings for the analysis of course sections.

	Number of Sections Flagged	Number of Sections Flagged as Irregular
Campus Total	<input type="text" value="160"/>	<input type="text" value="0"/>

If you have a section (or sections) flagged as "irregular," please upload a short description on the process, findings, and corrective action taken regarding the analysis of course sections (no more than 500 words).

Provide one summary per section flagged as irregular.

Please combine all documents into one PDF and upload it below.

3. Please provide summary data on findings of student-athlete transcript reviews.

	Number of Student-Athletes' Transcripts Flagged for Review	Number of Student-Athletes' Transcripts Found Irregular
Campus Total	<input type="text" value="55"/>	<input type="text" value="0"/>

If you have a transcript (or transcripts) deemed "irregular," please upload a short description on the process, findings, and corrective action taken regarding student-athlete transcript review (no more than 500 words).

Provide one summary per transcript flagged as irregular.

Please combine all documents into one PDF and upload it below.

4. Please provide the results of your campus analysis of Overall Student-Athlete GPA and Non-Student Athletes GPA (see UNC Regulation 700.6.1[R]).

This comparison is for **Spring 2014 only**.

	Student-Athlete GPA - Spring 2014	Non-Student Athlete GPA - Spring 2014
Average Cumulative GPA for Spring 2014 only .	<input type="text" value="2.95"/>	<input type="text" value="2.92"/>

Other Athletics Related Reporting Requirements

1. Please upload an explanation of your institution's reporting structure for athletics compliance and whether and to whom the athletics compliance director reports outside of the department of athletics (see UNC Policy 1100.1.1[R]).

ECU Athletics Report Structure_2014.docx
11.6KB

application/vnd.openxmlformats-officedocument.wordprocessingml.document

2. Please upload a document containing any especially effective practices employed at your institution that reinforce the integral connection between academics and athletics (see UNC Policy 1100.1.1[R]).

ECU Effective Practices_2014.docx
24.6KB

application/vnd.openxmlformats-officedocument.wordprocessingml.document

Other Athletics Related Reporting Requirements

The following three items are related to "booster" club organizations and are required under newly-adopted UNC Regulation 1100.1.1[R].

1. Please upload the most recent financial information provided to your Board of Trustees regarding "booster" club activities.

ECU Educ FS.pdf
273KB
application/pdf

2. Please provide the URL to OR upload a PDF of your "booster" club's operating procedures.

OR

Pirate Club Operating Agreement2012.pdf
414.8KB
application/pdf

3. Please upload a PDF copy of the annual audit review of your "booster" club organization.

ECU Educ AC Communication.pdf
946.1KB
application/pdf

Chancellor's Approval

Please upload a signed copy of the Chancellor's Athletics Certification Memo, indicating campus compliance with Policies, Regulations, and Guidelines associated with UNC Policy 1100.1, UNC Regulation 1100.1.1[R], and UNC Regulation 700.6.1[R].

1. Download the sample [Chancellor's Athletics Certification Memo](#).
 2. Have the Chancellor review the data and sign the memo affirming the review.
 3. Upload the signed memo.
-
-

Conclusion

Thank you for taking the time to complete this survey.

If you have finished your data entry, please click on the SUBMIT button below and the following screen will show you your responses.

If you would like to download a copy of your responses, you will have an opportunity to do so after clicking SUBMIT.

You will only be able to see a formatted copy of your responses after clicking SUBMIT. Please submit your responses, even if you feel there may be changes made after your original submission. There is no other way to obtain a copy of your responses in the format entered for this survey.

If there are any concerns about data after submitting the information to UNC General Administration, including the desire to correct/amend any data, please contact Eric Fotheringham (919.843.6967 or emfotheringham@northcarolina.edu) to discuss any questions or data updates.

Graduation Success Rate Report

2004 - 2007 Cohorts: East Carolina University

Men's Sports			Women's Sports		
Sport	GSR	Fed Rate	Sport	GSR	Fed Rate
Baseball	79	55	Basketball	69	47
Basketball	70	33	Bowling	-	-
CC/Track	60	48	CC/Track	77	68
Fencing	-	-	Crew/Rowing	-	-
Football	70	64	Fencing	-	-
Golf	75	60	Field Hockey	-	-
Gymnastics	-	-	Golf	100	78
Ice Hockey	-	-	Gymnastics	-	-
Lacrosse	-	-	W. Ice Hockey	-	-
Mixed Rifle	-	-	Lacrosse	-	-
Skiing	-	-	Skiing	-	-
Soccer	-	30	Soccer	89	63
Swimming	79	58	Softball	100	81
Tennis	91	75	Swimming	96	91
Volleyball	-	-	Tennis	100	100
Water Polo	-	-	Volleyball	100	77
Wrestling	-	-	Water Polo	-	-
Men's Non-NCAA Sponsor. Sports	-	-	Women's Non-NCAA Sponsor. Sports	-	-

Course Clustering Review Process

A review team designated by the chancellor conducts an audit of student-athlete course enrollment at the end of each term (fall, spring and summer). The review team consists of the Executive Director for the Office of Internal Audit, the Associate Provost for Enrollment Services and the Director of Student Development.

For the audit, three separate reports are generated for the term under review:

- 1) **Grade Distribution Comparison Report** – This report provides all classes with student-athlete enrollment and lists data by Instructor, Subject, Course Number, Course Section and Title. The data provides the total students vs. student-athletes enrolled, along with a breakdown of those numbers by letter grade (A, B, C, D, F, Incomplete). The report also provides the total percentage of student-athletes in each course as well as the percentage of student-athletes in each grade category for each course.
- 2) **Student-Athlete Individual Grades Report** – This report provides the individual semester course grades for each student-athlete and is used for a more detailed analysis of concerns raised from review of the Grade Distribution Comparison Report.
- 3) **Flagged Course Student-Athlete Enrollment Report** – This report lists student-athletes who were enrolled in three or more flagged courses, those with 20% or higher student-athlete enrollment, and provides detailed grade information on those courses.

Each reviewer audits the above reports independently. The reviewers then meet to discuss areas of concern and identify any irregularities.

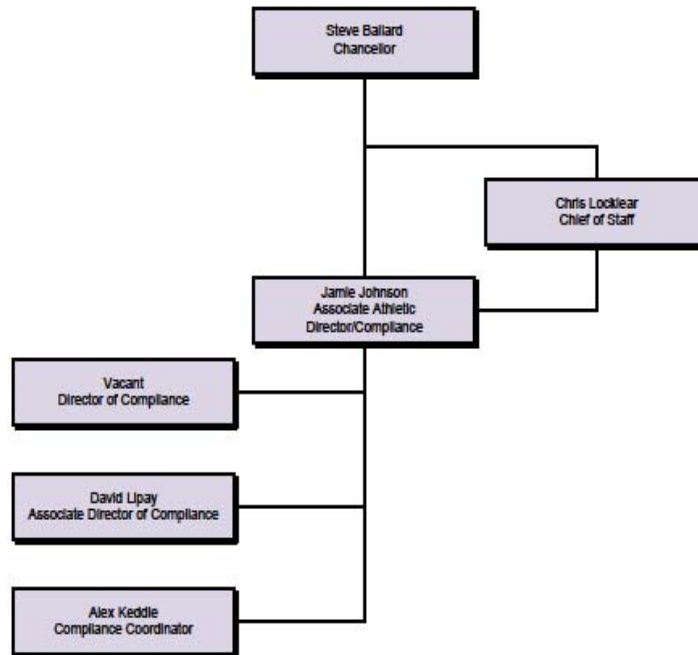
Courses with a student-athlete enrollment of 20% or higher are identified as flagged and are examined in detail. Both the total number of students enrolled and the number of sections offered for the specific course are considered in the review.

All course sections, flagged and non-flagged, are reviewed for student-athlete grade distribution. Courses with a higher number of “A”s for student-athletes than for the general student enrollment are examined in more detail and the student-athlete individual grade report, when necessary, is used in the analysis. The grade distribution in these courses is compared to both flagged and non-flagged sections of the same course.

As part of the course clustering process, the review team also performs a transcript audit of any student-athlete enrolled in three or more flagged courses.

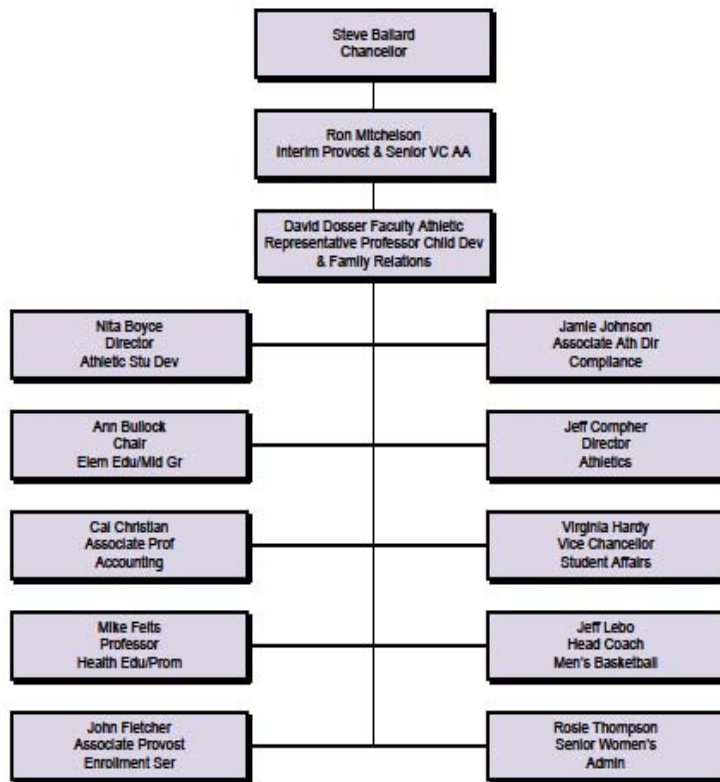
Additionally, a review of independent study classes is also conducted. The Director of Student Development reviews each course labeled as directed readings or independent study and investigates the reasons for student-athlete enrollment. Each is discussed during the end of term audit with the review team.

Findings from the audit are included in the Student-Athlete Course Audit Report for the specific term and shared with the Chancellor, Provost, Board of Trustees Athletics Committee, Faculty Athletics Representative, Director of Athletics, and the University Athletics and Academic Success Committees.



The Athletic Compliance function at ECU is a function within the Chancellor's Division, reporting to the Chief of Staff. The academic support function is a function of the Office of the Provost, reporting to the Associate Provost for Enrollment Services.

Quarterly the Chancellor convenes a meeting about compliance concerns and issues. The meetings include the Chancellor, the Provost, the Faculty Athletics Representative, the Associate AD for Compliance, the Associate Provost for Enrollment Services, the Assistant Vice Chancellor for Risk Management, the Chief of Staff, the Chief Audit Officer and the Athletics Director.



The Chancellor has delegated much of the authority to the Academic Success Committee (ASC) to determine admission decisions on student-athletes requesting a Special Talent Waiver. As the chart indicates above, the committee is chaired by the Faculty Athletic Representative and includes as members, five faculty members (Including the Provost and FAR), three members of the athletic department staff (Including the Athletics Director and Senior Women's Administrator), the Associate AD for Compliance (Reporting to the Chief of Staff), and three university administrators (Including the Vice Chancellor for Student Affairs and Associate Provost for Enrollment Services). This committee represents ECU's commitment to providing a positive direct link between Academics and Athletics. The ASC meets monthly to address issues related to student-athletic success including the athletic department class attendance policy, special talent admission requests and student-athlete survey information.

East Carolina University is committed to supporting all our students, including student-athletes to ensure a smooth transition from high school or community college to our campus. With the combination of the Starfish early warning system, a comprehensive summer orientation program and access to a Freshman Seminar, ECU strives to provide for a seamless transition from orientation through graduation. One of ECU's strategic goals is to increase retention and ultimately graduation by building a strong foundation of academic skills in the student's first year.

The following programs apply to all student-athletes throughout their tenure:

Monitoring Class Performance

University Starfish Alerts – The University's early alert system for academic performance allows faculty to "raise flags" regarding class attendance and academic performance. Requests for alerts are sent to faculty by university administration three times a semester. Major advisors, athletic academic coordinators and the students receive the alert emails.

Student-Athlete Progress Reports – The Office of Student Development sends an academic progress report request to faculty twice a semester. In this request, faculty are asked to report the number of absences for each student-athlete enrolled in their courses and course grade information including homework, quiz, project and test grades as well as current overall current course grade.

Mandatory Class Attendance Policy – The athletic department attendance policy requires all student-athletes to attend and be on time for every class. Failure to meet academic expectations as it pertains to class attendance results in specific disciplinary action. Following is the policy in full:

ATHLETICS DEPARTMENT CLASS ATTENDANCE POLICY

The Athletics Department has an obligation to every students-athlete, the student-athlete's family, and our university's integrity to insure that ECU student-athletes have the very best opportunity to achieve academic success. In order to meet this obligation, GRADUATION MUST BE EVERY STUDENT-ATHLETE'S, EVERY COACH'S, EVERY ADMINISTRATOR'S TOP PRIORITY.

To pursue success in athletics, student-athletes must attend and be on time for every practice and meeting while respecting the team's policies and procedures as well as individual teammates and coaches. That is also the expectation for student-athletes academically – to attend and be on time for every class and academic appointment while respecting the university's policies and procedures as well as their individual classmates, professors and academic coaches.

To maintain focus on this top priority, the Athletics Department has implemented several policies to assist in the monitoring of each student-athlete's progress.

CLASS ATTENDANCE

Regular attendance in class sessions is a critical component of a student-athlete's academic progress and success. This class attendance policy requires student-athletes to attend classes daily and complete all assigned academic work to avoid academic failure. Student-athletes must be on time for their classes and prepared with all necessary textbooks and course assignments.

To assist the student-athlete in complying with this policy, the following procedures will be implemented:

- Within the first week of each semester, student-athletes will communicate with their individual course instructors regarding class sessions that will be missed as a result of team travel. During this time, each student-athlete should present his/her instructor with a copy of the "team travel letter" provided by the

Office of Student Development. Student-athletes must make arrangements with instructors for completing any missed work and must communicate any changes in their travel schedule to instructors as soon as possible.

- A student-athlete will be considered absent if he/she is not present when the class is checked. The student-athlete is responsible for reporting each missed class and late arrival in class to their assigned coach and the Office of Student Development.
- Class attendance will also be monitored through direct communication with professors and through progress reports. Students are to arrive on time for each class and to remain for the duration of class.
- Other than team-related travel, excused absences are based on the University's attendance policy. If a student-athlete is ill and unable to attend class or a scheduled academic appointment, he/she is expected to contact his/her athletic trainer and academic coordinator immediately. If a student-athlete has a family emergency, he/she should contact his/her assigned coach and his/her athletics academic coordinator.
- A head coach may impose additional penalties for unexcused absences as long as the penalties are provided in writing and are distributed to all student-athletes at the beginning of each academic year. The head coach must also provide a copy of the additional penalties to his/her sport administrator.
- Student-athletes should also be mindful that some academic departments have a much stricter unexcused absence policy. It is the responsibility of the student to know and adhere to each academic department's policy in addition to the Athletics Department's policy on class attendance.

Failure to meet academic expectations as it pertains to class attendance will result in specific actions.

DISCIPLINARY ACTIONS

This policy applies to all terms including summer.

- **1 Unexcused Absence:**
 - E-mail warning from the sport administrator to coach and student-athlete.
 - Parents may be notified.*
- **2 Unexcused Absences in the same class:**
 - E-mail warning from the sport administrator to coach and student-athlete.
 - Miss the next practice session.
 - Parents may be notified.*
- **3 Unexcused Absences in the same class:**
 - E-mail from sport administrator to student-athlete, coach.
 - Suspension from next scheduled competition.
 - Parents will be notified informing them about the sanctions for the next two violations, e.g. suspension from additional competitions and possible scholarship cancellation.*
- **4 Unexcused Absences in the same class:**
 - Suspension from next competition(s) as follows:
 - 1 competition – cross country, football, golf, soccer, swimming, track
 - 2 competitions – basketball, tennis, volleyball
 - 3 competitions – baseball, softball
 - E-mail from sport administrator to student-athlete and coach.
- **5 Unexcused Absences in the same class:**
 - Suspension for the remainder of season (practice and competition).
 - May result in cancellation of scholarship for next semester (Letter sent from the Director of Athletics).

- o Meeting occurs with student-athlete, sport administrator, coach, Assistant Athletics Director for Student Development.

NOTES:

- o Three tardies in the same class equals one absence.
- o Student-athletes are allowed to appeal a reported absence according to the procedures outlined in the *System for Monitoring Student-Athlete Attendance*. Students who falsify an appeal will have their appeal denied and will receive two levels of disciplinary action – one for the missed class and one for fabrication and falsification of the appeal.
- o Missed classes accumulate within each semester (fall semester; spring semester). For summer session I and summer session II, the count will start over for each session.
- o If the maximum violation occurs in the fall semester, then the scholarship may be revoked for the following spring semester.
- o If the maximum violation occurs in the spring semester, then the scholarship may be revoked for the following summer session.
- o If the maximum violation occurs in the summer session, then the scholarship may be revoked for the following fall semester.

PROCESS

The athletics department uses three primary methods for monitoring the class attendance of its student-athletes as follows:

1. University Starfish Alerts
2. Student-Athlete Progress Reports
3. Athletics Department Class Checkers

In addition, the department may use any other credible reporting sources in determining student-athlete class attendance.

The communication process for reporting student-athlete absences is outlined in the *System for Monitoring Student-Athlete Attendance* document and is provided to all head coaches and sport administrators.

* Student-athletes should complete the Buckley/FERPA form on OneStop to authorize parent(s) and/or third parties to have access to and inquire about their attendance record at ECU. Four options are available and the student-athlete may choose any combination (Academic, Financial, Judicial and Other). If “Other” is selected, the student-athlete must enter specific records they are authorizing.

In addition to the above measures the freshmen experience program is required of all freshmen student-athletes.

The Freshmen Experience Program

The freshmen experience program focuses on providing the freshmen student-athlete with a first year program that centers on the student’s transition from high school to college. Freshmen student-athletes participate in the following first year programs related to academic success:

Freshmen Orientation – All freshmen student-athletes attend a half-day orientation program the day before fall classes begin. Topics covered include: academic integrity, classroom expectations, appreciating diversity, campus life, and codes of conduct.

Academic Screenings – Academic screenings are provided to those freshmen student-athletes identified as high risk based on their admissions data. Student-athletes may also be referred for screenings by their academic coordinator based on the student’s current academic performance. These screenings are used to identify potential

problem areas related to learning/college transition. Based on the screening results, the learning specialist develops a success plan for the student to best meet the student's individual needs.

Academic Integrity Education Program – All entering freshmen are administered the Academic Integrity Quiz at the beginning of their first term of enrollment. This initial quiz is designed as a pre-test to determine the incoming student-athlete's knowledge of the academic integrity policies of East Carolina University and the NCAA. Students who score less than 100% on their first attempt are required to attend an educational seminar. Those student-athletes are then retested. Students who score below 95% on the post-test are then required to meet one-on-one with their academic coordinator to review the principles of academic integrity. Those students then sign a form indicating their understanding of the principles.

Freshmen Study Hall and FAST (Freshmen Academic Success Training) Programs – All freshmen attend an objectives-based study hall program designed to instill the habits of time management, prioritization and goal setting. Each week student-athletes set the academic objectives that they will complete that week based on their course syllabi schedules. Objectives are reviewed by study hall leaders and approved as satisfactory and then when completed. In addition to setting and completing objectives, students participate in weekly FAST seminars during study hall. FAST topics include: learning styles, reading a textbook, test anxiety, staying motivated and note-taking skills. Tutors and academic mentors are also available during the study hall.

Weekly Academic Meetings – All freshmen are required to have a weekly academic meeting with their academic coordinator where current academic status is discussed as well as ways to improve.

PROCESS FOR ADMITTING STUDENT-ATHLETES WITH SPECIAL TALENT WAIVERS

The Chancellor has delegated much of the authority to the Academic Success Committee (ASC) to determine admission decisions on student-athletes requesting a Special Talent Waiver. The Chancellor reserves the right to overrule all admission decisions made by the ASC as indicated in the policy below. The complete process follows:

1. The need for a Special Talent Admission request will be determined through the Preliminary Evaluation Process completed by the Office of Compliance in conjunction with the Office of Admissions.
2. **All Special Talent Admissions Requests will be reviewed by the Academic Success Committee (ASC).** The ASC, appointed by the Chancellor, is chaired by the Faculty Athletics Representative and meets once a month. The committee is comprised of four (4) faculty members, four (4) athletic administrators, three (3) academic administrators, and one (1) head coach.
3. Once a prospective student-athlete (PSA) has been identified as a Special Talent scenario, the coach will initiate the process by submitting the "Special Talent Admissions Request Checklist" to the Office of Compliance. To note, Sport Administrator approval is required for all Special Talent Requests.
4. The Office of Compliance will confirm the PSA has a complete admissions file (e.g. high school transcripts, test scores, application, application fee, etc.). A Special Talent Request will not move forward until a PSA has a complete admissions file.

5. The Office of Compliance will create the “Special Talent Admissions Request Packet.” This packet will include the following:

Documents included for a FRESHMAN:

- The Projected Grade Point Average (PGA) from Banner;
- Copies of transcripts from ALL institutions attended;
- Copies of ALL test scores; and
- Copy of the Preliminary Evaluation.

Documents included for a TRANSFER:

- Copies of transcripts from all institutions attended;
- Copies of all test scores (if applicable);
- Completed TRACER from all institutions attended;
- Completed Transfer Assessment Form; and
- Copy of the Preliminary Evaluation, which will include the transfer GPA.

6. The Office of Compliance will provide the Head Coach the “Special Talent Admissions Packet” to be reviewed and signed by Jeff Compher.
7. The Head Coach will work directly with the Office of Compliance to provide the required documentation to the ASC for review.
8. Once a decision is made by the Academic Success Committee, the ASC Designee will sign the form and return to the Office of Compliance.
9. The Office of Compliance will provide the form to the Office of Admissions who will then update Banner to reflect the decision rendered. Once this update is made, the Office of Admissions will notify the Office of Compliance in writing.
10. If a prospective student-athlete falls under one of the following categories, the sport must present additional documentation for review by the ASC:
 - Students with a PGA below a 2.10;
 - Students who are projected or deemed nonqualifiers;
 - Transfer students with a transfer GPA of 2.100 or lower; or
 - Students who will need a NCAA/Conference USA waiver to be eligible.

Guidelines for Special Talent Admissions Requests & Reviews Requiring Additional Documentation:

11. Each sport submitting a Special Talent Admissions Request will be subject to an APR analysis as defined by the Academic Success Committee. This analysis will be conducted by designated committee members using methodology designed to obtain a projection of the team’s APR for the subsequent academic year; no sport with an APR below the NCAA minimum will be allowed a Special Talent Waiver.
12. Each sport will be subject to an historical review of the success of prior students admitted via the special talent process. This information will be used by the Academic Success Committee to determine whether the PSA should receive a Special Talent Admissions Acceptance. For example, if the requesting sport has not been able

to graduate their student-athletes admitted through this process and at a rate commensurate with their overall graduation rate, this information will be considered by the committee in making their final admission decision.

13. Sports that have a prospective student-athlete fall into one or more of the categories listed above, must present the following items of support:
 - A written statement from the ECU head coach to justify why ECU should take a risk on the applicant;
 - A written statement from the applicant describing his or her academic goals, life plans and any special, mitigating or extenuating circumstances related to the applicant's poor academic record; and
 - A letter from a high school teacher and/or guidance counselor describing the applicant's commitment to academics and his or her belief that the applicant can successfully complete college level work and earn a degree from ECU.

14. After reviewing the applicant's complete file and supporting documents, the committee votes on whether to grant the applicant special admission status. The committee's recommendation is communicated to the Chancellor for consideration by the committee chair. To note, the Chancellor retains the right to overrule all admission decisions.

EAST CAROLINA UNIVERSITY
EDUCATIONAL FOUNDATION, INC.

Financial Statements

June 30, 2013 and 2012

EAST CAROLINA UNIVERSITY EDUCATIONAL FOUNDATION, INC.

Table of Contents

	Page(s)
Management's Discussion and Analysis	1 - 5
Independent Auditors' Report.....	6 - 7
Financial Statements:	
Statements of Financial Position.....	8
Statements of Activities	9 - 10
Statements of Cash Flows	11
Notes to Financial Statements.....	12 - 27



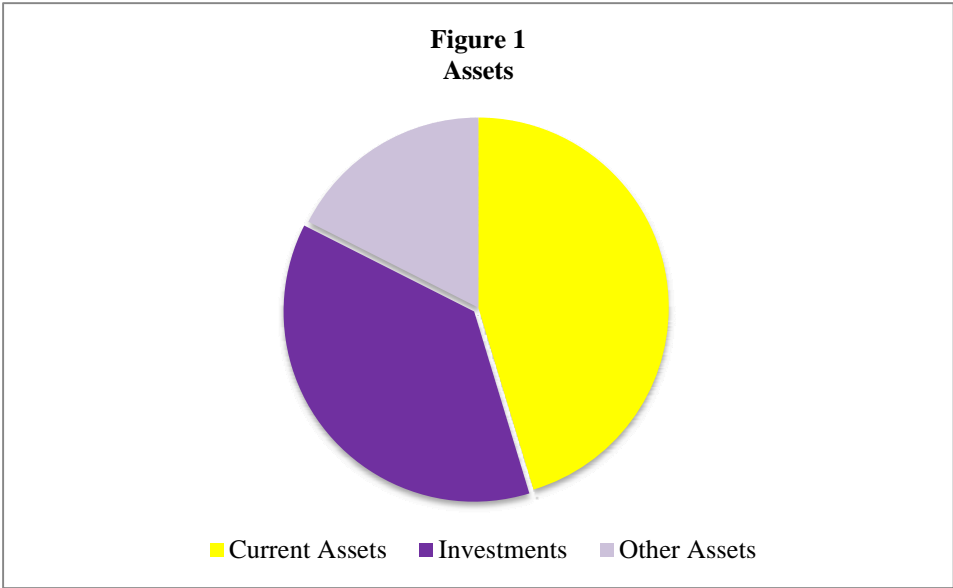
Management’s Discussion and Analysis

December 4, 2013

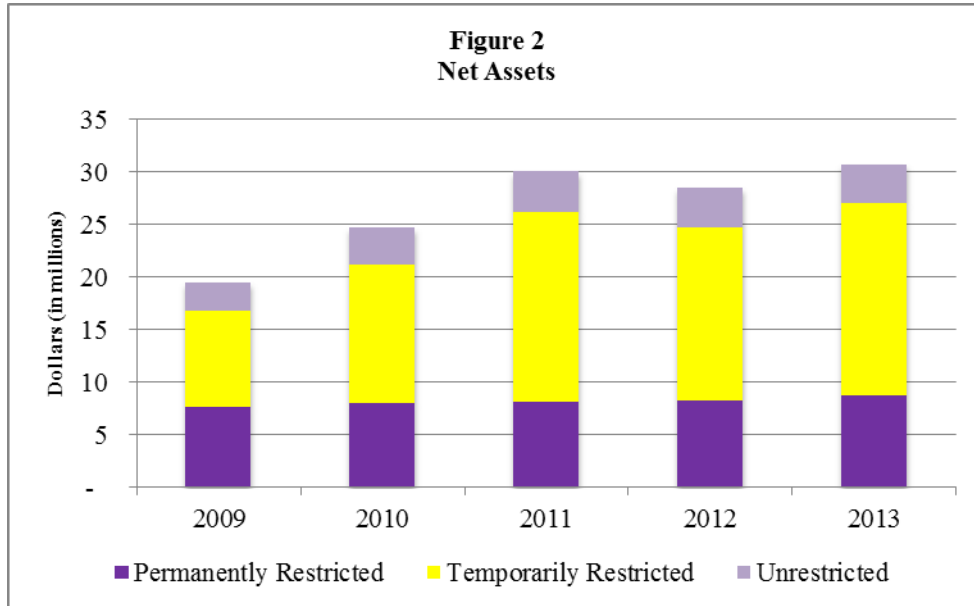
The East Carolina University Educational Foundation, Inc. (the “Foundation”), is a 501(c)(3) organization whose mission is to be the friend-raising and fund-raising arm of East Carolina University’s Division I athletics program. The attached financial statements, audited by the firm of Dixon Hughes Goodman, LLP, received an unmodified opinion. The unmodified opinion from our auditors reflects the commitment of our volunteers and staff to stewarding the Foundation’s resources in a responsible manner while fulfilling the Foundation’s mission with honesty and integrity and in compliance with the rules and regulations that govern its operations.

As the financial statements illustrate for the fiscal year ended June 30, 2013, a decrease in contributions compared to the prior year resulted in a reduction in total revenues. However, an increase in investment returns and a decrease in facility enhancement expenses led to an increase in net assets. The following graphs summarize the financial results for the year ended June 30, 2013.

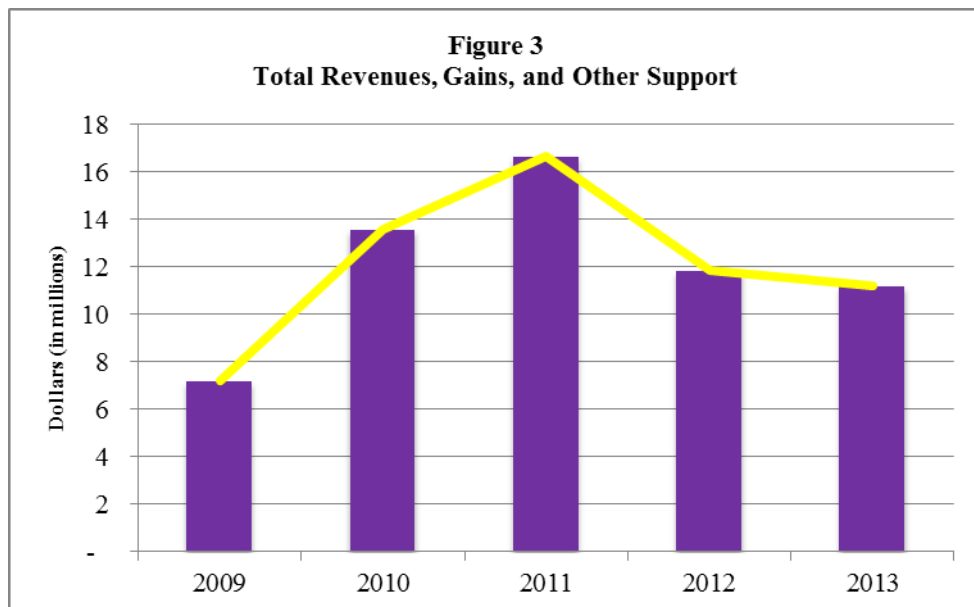
Total assets of the Foundation at June 30, 2013 were \$30.9 million. The Foundation’s current assets represented the largest percentage of the Foundation’s assets at the end of the fiscal year (see Figure 1).



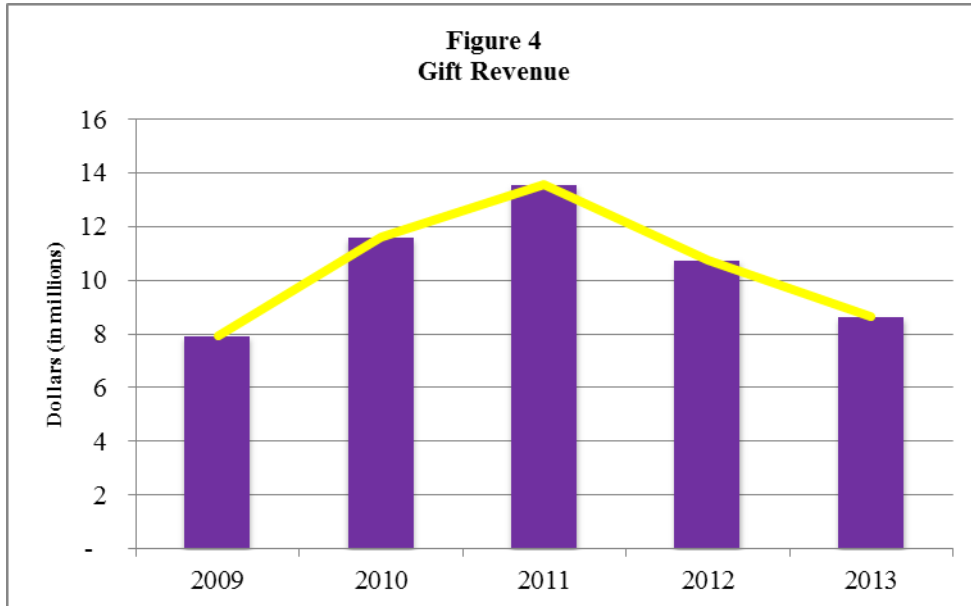
The Foundation's ending total net assets of \$30.7 million increased 7.6% from the prior year's ending net assets (see Figure 2).



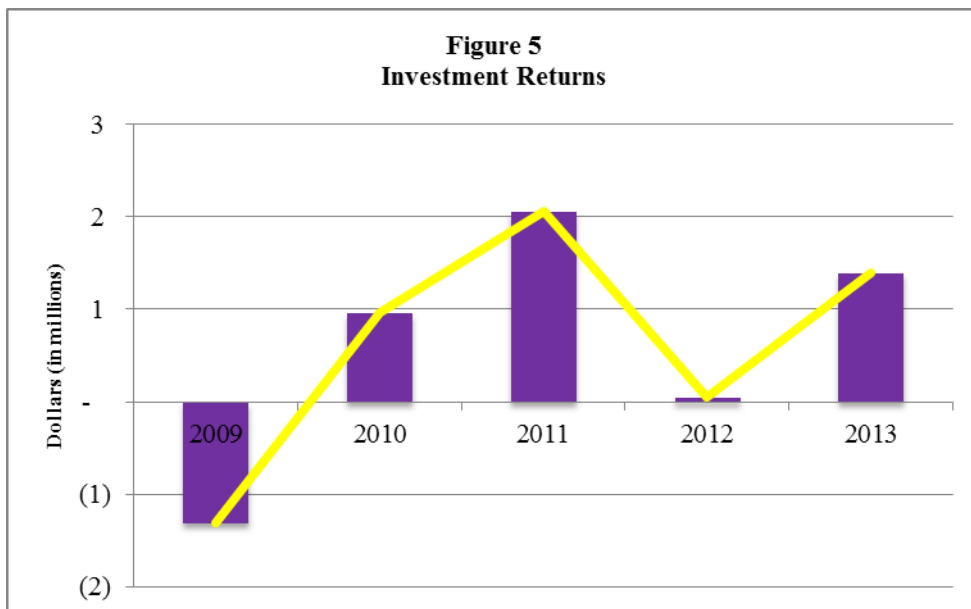
The total revenues, gains, and other support received by the Foundation during the year was \$11.2 million. As illustrated by Figure 3, the change in total revenues represented a 5% decrease from the previous year's total revenue of \$11.8 million. This was primarily due to a decrease in gift revenue not fully offset by an increase in investment returns for the current year compared to the prior year.



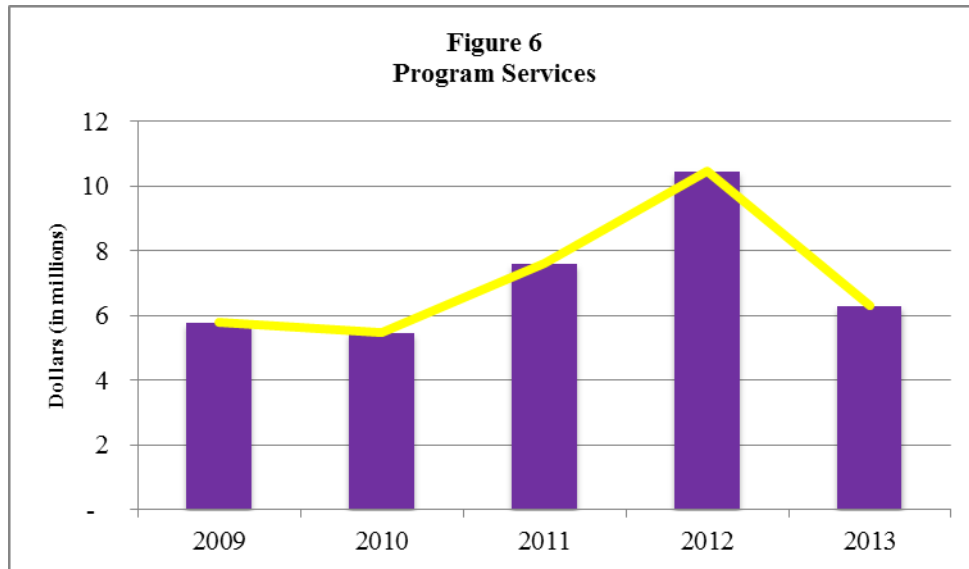
Gifts to the Foundation for fiscal year 2013 totaled \$8.6 million, a decrease of 20% from the prior year (see Figure 4).



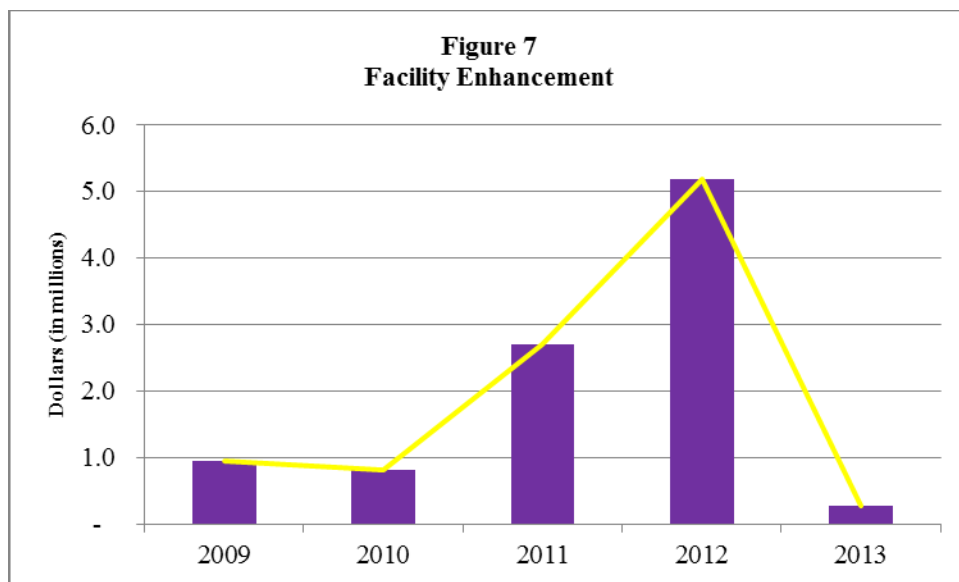
Investment returns for the fiscal year ended June 30, 2013 represent 12.5% of the Foundation’s total revenues compared to .45% for the year ended June 30, 2012. As shown in Figure 5, the Foundation’s investment returns have sustained a positive return since the market losses of 2009 and increased by over \$1.3 million from the previous fiscal year.



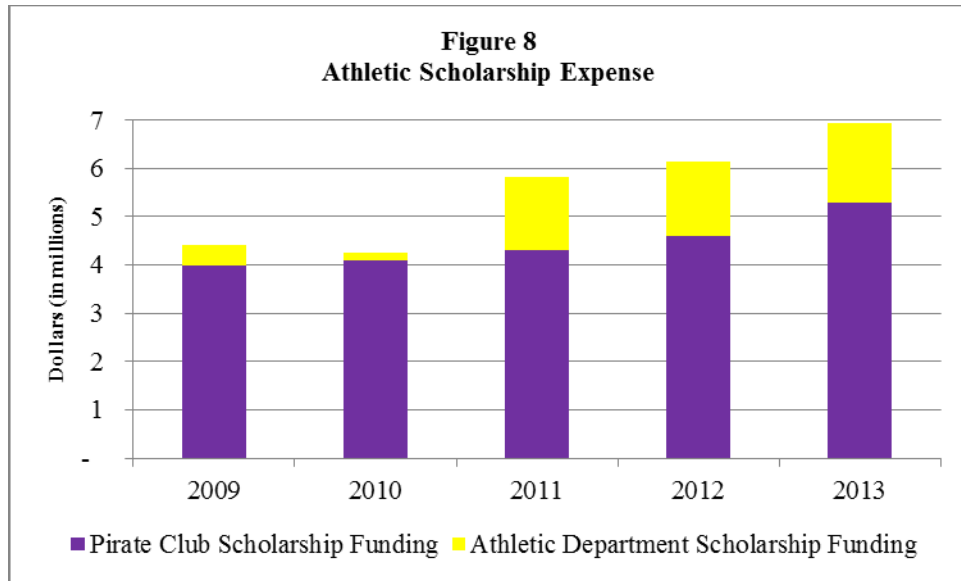
A major focus of the Foundation is to raise, manage, and provide private resources for program services for the student athletes of East Carolina University. The Foundation provided \$6.3 million in program services for the fiscal year ended June 30, 2013 (Figure 6).



The decrease in total program services in fiscal year 2013 is a result of a decrease in facility enhancement expenses. Facility enhancement expenses totaled approximately \$273,000 in fiscal year 2013. As illustrated in Figure 7, the change in facility enhancement expenses represented a 95% decrease from \$5.2 million in facility enhancement costs in the previous fiscal year.



Scholarship support is a key component of the program service support provided by the Foundation. The scholarship support for the fiscal year ended June 30, 2013 set a new record at \$5.3 million. Total athletic scholarship expense paid by the East Carolina University athletic department was \$6.9 million. The chart below indicates total scholarship cost and the portion funded by the Foundation (see Figure 8).



The Foundation is a vibrant, forward looking organization committed to playing a significant role in the future development of the University athletic program. The financial information that follows illustrates the Foundation is well positioned to fulfill its commitments both today and in the future.

If you have any questions, please contact us.

J. Batt
Executive Director

Frederick Niswander
Executive Treasurer
Vice Chancellor for Administration & Finance,
East Carolina University



Independent Auditors' Report

Board of Directors
East Carolina University Educational Foundation, Inc.
Greenville, North Carolina

We have audited the accompanying financial statements of East Carolina University Educational Foundation, Inc. (the "Foundation"), which comprise the statement of financial position as of June 30, 2013, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of June 30, 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

The financial statements of the Foundation as of and for the year ended June 30, 2012, were audited by other auditors whose report dated November 28, 2012, expressed an unqualified opinion on those statements.

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. Management's Discussion and Analysis is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United State of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Dixon Hughes Goodman LLP

December 4, 2013

EAST CAROLINA UNIVERSITY EDUCATIONAL FOUNDATION, INC.

Statements of Financial Position

June 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
<u>Assets</u>		
Current assets:		
Cash	\$ 10,372,147	\$ 7,871,934
Current portion of unconditional promises to give, net (Note 2)	3,613,226	3,277,571
Prepaid expenses	600	45,569
Other receivables (Note 9)	<u>4,086</u>	<u>7,450</u>
Total current assets	<u>13,990,059</u>	<u>11,202,524</u>
Investments:		
Investments (Notes 3 and 4)	11,252,492	10,204,825
Real estate held for investment (Note 5)	<u>221,252</u>	<u>221,252</u>
Total investments	<u>11,473,744</u>	<u>10,426,077</u>
Leasehold improvements, net of amortization of \$127,198 and \$77,844 for 2013 and 2012, respectively (Note 12)	<u>154,210</u>	<u>203,564</u>
Other assets:		
Life insurance policy - cash surrender value	265,658	197,783
Beneficial interest in charitable remainder trusts	635,300	595,730
Unconditional promises to give, net, less current portion (Note 2)	<u>4,356,458</u>	<u>6,048,983</u>
Total other assets	<u>5,257,416</u>	<u>6,842,496</u>
Total assets	<u>\$ 30,875,429</u>	<u>\$ 28,674,661</u>
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Accounts payable	\$ 34,878	\$ 49,401
Accrued expenses	120,083	85,833
Deferred revenue	<u>2,581</u>	<u>-</u>
Total current liabilities	<u>157,542</u>	<u>135,234</u>
Net assets:		
Unrestricted (Note 7)	3,583,261	3,777,039
Temporarily restricted (Note 6)	18,352,220	16,526,925
Permanently restricted (Notes 6, 7 and 8)	<u>8,782,406</u>	<u>8,235,463</u>
Total net assets	<u>30,717,887</u>	<u>28,539,427</u>
Total liabilities and net assets	<u>\$ 30,875,429</u>	<u>\$ 28,674,661</u>

The accompanying notes are an integral part of these financial statements.

Page 8

EAST CAROLINA UNIVERSITY EDUCATIONAL FOUNDATION, INC.

Statements of Activities
Year Ended June 30, 2013

	2013			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues, gains, and other support:				
Contributions	\$ 6,408,470	\$ 1,486,615	\$ 675,514	\$ 8,570,599
Gifts in kind	75,121	-	-	75,121
Contributed services and facilities (Note 9)	515,403	-	-	515,403
Return on investments:				
Interest and dividends	24,693	245,429	-	270,122
Net realized and unrealized gains on investments	43,996	1,083,377	90	1,127,463
Other income	534,696	-	-	534,696
Change in value of split interest agreements	-	-	39,570	39,570
Change in value of life insurance	1,026	-	66,849	67,875
Net assets released from restrictions (Note 6)	<u>982,593</u>	<u>(982,593)</u>	<u>-</u>	<u>-</u>
Total revenues, gains, and other support	<u>8,585,998</u>	<u>1,832,828</u>	<u>782,023</u>	<u>11,200,849</u>
Expenses (Note 10):				
Program services:				
Program development	725,315	-	-	725,315
Scholarships	5,300,000	-	-	5,300,000
Facility enhancement	<u>272,559</u>	<u>-</u>	<u>-</u>	<u>272,559</u>
Total program services	6,297,874	-	-	6,297,874
General and administrative	2,021,777	-	-	2,021,777
Fundraising	<u>436,777</u>	<u>-</u>	<u>-</u>	<u>436,777</u>
Total operating expenses	8,756,428	-	-	8,756,428
Bad debt losses	<u>26,206</u>	<u>4,675</u>	<u>235,080</u>	<u>265,961</u>
Total expenses	<u>8,782,634</u>	<u>4,675</u>	<u>235,080</u>	<u>9,022,389</u>
Changes in net assets	(196,636)	1,828,153	546,943	2,178,460
Net assets, beginning of year	3,777,039	16,526,925	8,235,463	28,539,427
Reclassification of net assets (Note 6)	<u>2,858</u>	<u>(2,858)</u>	<u>-</u>	<u>-</u>
Net assets, end of year	<u>\$ 3,583,261</u>	<u>\$ 18,352,220</u>	<u>\$ 8,782,406</u>	<u>\$ 30,717,887</u>

EAST CAROLINA UNIVERSITY EDUCATIONAL FOUNDATION, INC.

Statements of Activities

Year Ended June 30, 2012

	2012			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues, gains, and other support:				
Contributions	\$ 6,254,500	\$ 3,990,018	\$ 166,185	\$ 10,410,703
Gifts in kind	105,988	241,398	-	347,386
Contributed services and facilities (Note 9)	474,757	-	-	474,757
Return on investments:				
Interest and dividends	25,192	240,428	-	265,620
Net realized and unrealized losses on investments	(4,037)	(207,784)	(1,126)	(212,947)
Other income	498,133	14,875	-	513,008
Revaluation of real estate	(4,598)	-	-	(4,598)
Change in value of split interest agreements	-	-	(28,481)	(28,481)
Change in value of life insurance	971	-	60,867	61,838
Net assets released from restrictions (Note 6)	<u>5,782,311</u>	<u>(5,782,311)</u>	<u>-</u>	<u>-</u>
Total revenues, gains, and other support	<u>13,133,217</u>	<u>(1,503,376)</u>	<u>197,445</u>	<u>11,827,286</u>
Expenses (Note 10):				
Program services:				
Program development	687,279	-	-	687,279
Scholarships	4,600,000	-	-	4,600,000
Facility enhancement	<u>5,183,261</u>	<u>-</u>	<u>-</u>	<u>5,183,261</u>
Total program services	10,470,540	-	-	10,470,540
General and administrative	2,146,956	-	-	2,146,956
Fundraising	<u>464,044</u>	<u>-</u>	<u>-</u>	<u>464,044</u>
Total operating expenses	13,081,540	-	-	13,081,540
Bad debt losses	<u>76,821</u>	<u>72,828</u>	<u>118,524</u>	<u>268,173</u>
Total expenses	<u>13,158,361</u>	<u>72,828</u>	<u>118,524</u>	<u>13,349,713</u>
Changes in net assets	(25,144)	(1,576,204)	78,921	(1,522,427)
Net assets, beginning of year	3,805,041	18,100,271	8,156,542	30,061,854
Reclassification of net assets (Note 6)	<u>(2,858)</u>	<u>2,858</u>	<u>-</u>	<u>-</u>
Net assets, end of year	<u>\$ 3,777,039</u>	<u>\$ 16,526,925</u>	<u>\$ 8,235,463</u>	<u>\$ 28,539,427</u>

EAST CAROLINA UNIVERSITY EDUCATIONAL FOUNDATION, INC.

Statements of Cash Flows

June 30, 2013 and 2012

	2013	2012
Cash Flows From Operating Activities:		
Change in net assets	\$ 2,178,460	\$ (1,522,427)
Permanently restricted contributions	(675,514)	(303,338)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Amortization of leasehold improvements	49,354	49,354
Bad debt expense	265,961	268,173
Change in cash value of life insurance	(67,875)	(61,838)
Revaluation of real estate	-	4,598
Change in value of split-interest agreement	(39,570)	28,480
Loss on sale of real estate	-	11,000
Net realized and unrealized (gain) loss on investments	(1,127,463)	199,423
Effect of changes in operating assets and liabilities:		
Pledges and other receivables	1,094,273	(683,995)
Prepaid expenses	44,969	(7,500)
Accounts payable	(14,523)	(22,956)
Accrued expenses	34,250	(28,463)
Deferred revenue	2,581	(2,035)
Net cash provided by (used in) operating activities	1,744,903	(2,071,524)
Cash Flows From Investing Activities:		
Purchases of investments	(4,323,876)	(3,906,983)
Proceeds from sale of investments, net	4,403,672	4,239,108
Purchases of leasehold improvements	-	(4,742)
Proceeds from sale of real estate	-	31,000
Net cash provided by investing activities	79,796	358,383
Cash Flows From Financing Activities:		
Contributions for endowment	675,514	303,338
Net cash provided by financing activities	675,514	303,338
Change in Cash and Cash Equivalents	2,500,213	(1,409,803)
Cash, Beginning of Year	7,871,934	9,281,737
Cash, End of Year	\$ 10,372,147	\$ 7,871,934

The accompanying notes are an integral part of these financial statements.

Page 11

EAST CAROLINA UNIVERSITY EDUCATIONAL FOUNDATION, INC.

Notes to Financial Statements

June 30, 2013 and 2012

1. Summary of Significant Accounting Policies

Nature of Activities

East Carolina University Educational Foundation, Inc. ("Foundation") is a non-profit corporation organized under the laws of the State of North Carolina. The primary purpose of the Foundation is to be the fund-raising and fund-raising arm of East Carolina University's Division I athletics program, representing the highest principles of honesty and integrity. By conducting annual fund, endowment, and capital campaigns in support of student-athlete scholarships, athletic facility enhancements and other programmatic needs, the Foundation seeks to bring positive recognition to East Carolina University and the region it serves through a competitive athletics program.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America for the non-profit industry. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

- Unrestricted net assets – Net assets not subject to donor-imposed stipulations.
- Temporarily restricted net assets – Net assets subject to donor-imposed stipulations for specified purposes of the Foundation and/or the passage of time.
- Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all of, or part of, the income earned on related investments for general or specific purposes.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications on the Statements of Activities between the applicable classes of net assets as "Net assets released from restrictions."

1. Summary of Significant Accounting Policies (Continued)

Use of Estimates in Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that directly affect the results of reported amounts and disclosures. Accordingly, actual results may differ from these estimates.

Fair Value of Financial Instruments

The carrying amounts of cash, prepaid expenses, other receivables, accounts payable, and accrued expenses approximate fair value because of the short maturity of these instruments. The fair value of investments is described in Notes 3 and 4, and is in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 820, *Disclosures About Fair Value of Instruments*, which defines fair value of a financial instrument as the amount at which the instrument could be exchanged in a current transaction between willing parties.

Cash and Cash Equivalents

Cash and cash equivalents include interest-bearing money market accounts and short-term investments with an original maturity of three months or less at the time of purchase. Amounts excluded from cash and cash equivalents include short-term investments that are held in the investment pool.

Unconditional Promises to Give

Unconditional promises to give are recorded as receivables in the year pledged and are recognized as revenues in the period when pledged. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value at the time of donation. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible unconditional promises to give is provided based upon management’s judgment including such factors as prior collection history, the type of contribution, and the nature of fundraising activity.

Investments

Investments are reported at fair value with gains and losses included in the Statements of Activities. All temporarily and permanently restricted funds are combined with unrestricted funds into one investment pool. Once a year, the interest, dividends, realized and unrealized gains/losses, and investment fees are allocated to the funds based on the fund’s percentage of ownership interest in the pool of investments. Other investments, including real estate held for investment, are carried at fair value.

As explained in Note 3, the financial statements include alternative investments consisting of a hedge fund that is valued at \$570,902 (2% of net assets) and \$516,432 (2% of net assets) at June 30, 2013 and 2012, respectively. Management has estimated the fair value of this hedge fund using the methodology discussed in Note 4.

1. Summary of Significant Accounting Policies (Continued)

Allocation of Investment Income

Income and realized and unrealized net gains on investments of endowment and similar funds are reported as follows:

- As increases in permanently restricted net assets if the terms of the gift or the Foundation's interpretation of relevant state law require that they be added to the principal of a permanent endowment fund.
- As increases in temporarily restricted net assets if the terms of the gift impose restrictions on the use of the income.
- As increases in unrestricted net assets in all other cases.

In accordance with FASB ASC 958-205, any losses on the investments of a donor-restricted endowment fund reduce temporarily restricted net assets to the extent that donor-imposed temporary restrictions on net appreciation of the fund have not been met before a loss occurs. Any remaining loss reduces unrestricted net assets. If losses reduce the assets of a donor-restricted endowment fund below the level required by the donor stipulations or law, gains that restore the fair value of the assets of the endowment fund to the required level are classified as increases in temporarily restricted net assets.

Leasehold Improvements

Leasehold improvements to make properties suitable for the Foundation's intended use are amortized over the shorter of the estimated life of the asset or the remaining life of the lease, which ranges from 3 to 10 years.

Cash Surrender Value of Life Insurance

Life insurance policies owned by the Foundation are reported at the cash surrender value of the policy. Changes in cash surrender value of life insurance are reported as changes in value of life insurance under the revenues, gains, and other support section in the Statements of Activities.

Beneficial Interest in Charitable Remainder Trust

The Foundation has a beneficial interest in four charitable remainder trusts. A receivable has been recognized for the Foundation's beneficial interest in the remainder trusts at the present value of the estimated future distributions expected to be received. The Foundation is not the named trustee for any of the trusts. Adjustments to reflect revaluations of the present value of the estimated future payments and changes in actuarial assumptions are recognized in the Statements of Activities as a change in value of the split-interest agreements.

Income Taxes

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. At June 30, 2013 and 2012, the Foundation has not recorded any tax liabilities. The Foundation believes that it has appropriate support for any tax positions taken and, as such, does not have any uncertain tax positions that are material to the financial statements.

1. Summary of Significant Accounting Policies (Continued)

Contributions

Unconditional contributions are considered available for unrestricted use unless specifically restricted by the donor. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the Statements of Activities as net assets released from restrictions. Donor contributions whose restrictions are met within the same year as received are reflected as unrestricted contributions in the accompanying financial statements.

Contractual Services

The staff of the Foundation is paid by East Carolina University (ECU) and they are employees of ECU for payroll and benefit purposes. The Foundation reimburses ECU for all payroll and benefit costs related to the Foundation staff. The reimbursement is recorded as contractual services.

Reclassification

Certain reclassifications have been made to the prior period's financial statements to place them on a comparable basis with the current year. Net assets and changes in net assets previously reported were not affected by these reclassifications.

Recent Accounting Pronouncements

The following is a summary of recent authoritative pronouncements that could impact the accounting, reporting, and/or disclosure of financial information by the Foundation.

Accounting Standards Update ("ASU") 2011-04 was issued in May 2011 to amend the *Fair Value Measurement* topic of the ASC by clarifying the application of existing fair value measurement and disclosure requirements and by changing particular principles or requirements for measuring fair value or for disclosing information about fair value measurements. Effective July 1, 2012, the Foundation complied with these requirements and has included the disclosures within these financial statements. Adoption of ASU 2011-04 had no effect on the presentation of financial assets and liabilities related to its managed portfolio in the Statements of Financial Position and unrealized gain/loss on investments reported in the Statements of Activities in the year ended June 30, 2013.

ASU 2013-06 was issued in April 2013 to amend the *Not-for-Profit Entities* topic of the ASC to specify the guidance that not-for-profit entities apply for recognizing and measuring services received from personnel of an affiliate. The amendments will be effective for the Foundation beginning July 1, 2014, and the impact of adoption has not yet been evaluated.

Subsequent Events

Management evaluated subsequent events through December 4, 2013, the date the financial statements were available to be issued.

2. Unconditional Promises to Give

Unconditional promises to give at June 30, 2013 and 2012, are summarized as follows:

	<u>2013</u>	<u>2012</u>
Receivables due in less than one year	\$ 5,284,417	\$ 5,084,330
Receivables due in one to five years	4,892,410	6,870,532
Receivables due in more than five years	<u>8,000</u>	<u>-</u>
	10,184,827	11,954,862
Less: Allowance for unamortized discount	(303,387)	(522,600)
Less: Allowance for uncollectible receivables	<u>(1,911,756)</u>	<u>(2,105,708)</u>
Net unconditional promises to give	<u>\$ 7,969,684</u>	<u>\$ 9,326,554</u>

Unconditional promises to give are discounted using a rate determined by management at the time the unconditional promises to give are initially recognized. Unconditional promises to give recognized during the years ended June 30, 2013 and 2012 are discounted at a rate of 1.2% to estimate the present value of future payments.

3. Investments

The aggregate fair values of investments at June 30, 2013 and 2012, by type of investment, are as follows:

	<u>2013</u>	<u>2012</u>
Common stock	\$ 7,824,584	\$ 7,033,060
Corporate bonds	1,119,107	1,106,995
Government bonds	7,906	16,826
Mutual funds	1,136,918	1,068,360
Money market funds	<u>593,075</u>	<u>463,152</u>
Total marketable securities	10,681,590	9,688,393
Alternative investments	<u>570,902</u>	<u>516,432</u>
Total investments	<u>\$ 11,252,492</u>	<u>\$ 10,204,825</u>

4. Fair Value Measurements

Fair value as defined under GAAP is an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Foundation uses various valuation approaches within the FASB ASC 820 fair value measurement framework. Fair value measurements are determined based on the assumptions that market participants would use in pricing an asset or liability.

4. Fair Value Measurements (Continued)

FASB ASC 820 establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. FASB ASC 820 defines levels within the hierarchy based on the reliability of inputs as follows:

- Level 1 – Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets;
- Level 2 – Valuations based on quoted prices for similar assets or liabilities or identical assets or liabilities in less active markets, such as dealer or broker markets; and
- Level 3 – Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable, such as pricing models, discounted cash flow models and similar techniques not based on market, exchange, dealer or broker-traded transactions.

The following is a description of the valuation methodologies used for instruments measured at fair value and their classification in the valuation hierarchy. These valuation methodologies have not changed and are consistent with prior years.

Marketable securities, including common stock, corporate bonds, government bonds, mutual funds, and money market funds listed on a national market or exchange, are valued at the last sales price. If there is no sale, and the market is considered still active, they are valued at the last transaction price before year-end. Such securities are classified within Level 1 of the valuation hierarchy.

Investments in real estate are valued based on independent appraisals and county tax records and are classified within Level 2 of the valuation hierarchy.

Investments in hedge funds are valued at the estimated exit price as of June 30, 2013 and 2012. The Foundation's estimate of the exit price is based upon the net asset value of the Foundation's interest as reported by the investee. The net asset value is the amount the Foundation would expect to receive in liquidation after the satisfaction of all investee liabilities, which serves as a practical expedient to determine the fair value of the funds. These investments are classified as Level 3 of the valuation hierarchy.

Investments in charitable remainder trusts are valued at the market price of the investments and are classified as Level 3 of the valuation hierarchy. While the Foundation has access to a detailed listing of the underlying assets held in these trusts, the majority of which are publically traded and readily available in active markets, the beneficial interests are determined through discounted cash flow analysis.

4. Fair Value Measurements (Continued)

The following tables present assets measured at fair value by classification within the fair value hierarchy as of June 30, 2013 and 2012, respectively:

	Financial Assets at Fair Market Value as of June 30, 2013			
	Level 1	Level 2	Level 3	Total
Investments in marketable securities	\$ 10,681,590	\$ -	\$ -	\$ 10,681,590
Investments in real estate	-	221,252	-	221,252
Investments in hedge funds	-	-	570,902	570,902
Total	<u>\$10,681,590</u>	<u>\$ 221,252</u>	<u>\$ 570,902</u>	<u>\$ 11,473,744</u>
Investments in charitable remainder trusts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 635,300</u>	<u>\$ 635,300</u>

	Financial Assets at Fair Market Value as of June 30, 2012			
	Level 1	Level 2	Level 3	Total
Investments in marketable securities	\$ 9,688,393	\$ -	\$ -	\$ 9,688,393
Investments in real estate	-	221,252	-	221,252
Investments in hedge funds	-	-	516,432	516,432
Total	<u>\$ 9,688,393</u>	<u>\$ 221,252</u>	<u>\$ 516,432</u>	<u>\$ 10,426,077</u>
Investments in charitable remainder trusts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 595,730</u>	<u>\$ 595,730</u>

Management determines the fair value measurement valuation policies and procedures, including those for Level 3 recurring and nonrecurring measurements. The Foundation's Board of Directors assesses and approves these policies and procedures. At least annually, management: (1) determines if the current valuation techniques used in fair value measurements are still appropriate, and (2) evaluates and adjusts the unobservable inputs used in the fair value measurements based on current market conditions and third-party information.

The following is a reconciliation of the beginning and ending balances of assets measured at fair value on a recurring basis using significant unobservable (Level 3) inputs during the years ended June 30, 2013 and 2012:

	2013	2012
Balance, beginning of year	\$ 1,112,162	\$ 1,165,457
Net realized gains	3,369	12,443
Net unrealized gains (losses)	51,101	(37,257)
Change in value of split interest agreements	<u>39,570</u>	<u>(28,481)</u>
Balance, end of year	<u>\$ 1,206,202</u>	<u>\$ 1,112,162</u>

4. Fair Value Measurements (Continued)

Realized and unrealized gains and losses applicable to instruments valued using significant unobservable inputs (Level 3) included in net income for 2013 and 2012 are reported in the Statements of Activities as follows:

	<u>2013</u>	<u>2012</u>
Net realized gain from investments	\$ 3,369	\$ 12,443
Net unrealized gain (loss) on investments	<u>51,101</u>	<u>(37,257)</u>
Total	<u>\$ 54,470</u>	<u>\$ (24,814)</u>

Quantitative Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements

The following table represents the Foundation's Level 3 financial instruments, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs and ranges of values for those unobservable inputs.

<u>Significant Unobservable Inputs at June 30, 2013</u>				
	<u>Fair Value</u>	<u>Principal Valuation Technique</u>	<u>Unobservable Inputs</u>	<u>Range of Significant Input Values</u>
Investment in hedge funds	\$ 570,902	Fundamental Analysis	NAV*	N/A
Investments in charitable remainder trusts	635,300	Discounted Cash Flows	Payout Rate Discount Rate	5-6% 1.2%

*Net asset value allocated to the fund

The following tables summarize the Foundation's alternative investments at June 30, 2013 and 2012, which consist solely of hedge funds:

<u>Alternative Investments at June 30, 2013</u>				
	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if currently available)</u>	<u>Redemption Notice Period</u>
Hedge Funds: AIP Global	<u>\$ 570,902</u>	<u>\$ -</u>	Monthly	30 days

<u>Alternative Investments at June 30, 2012</u>				
	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if currently available)</u>	<u>Redemption Notice Period</u>
Hedge Funds: AIP Global	<u>\$ 516,432</u>	<u>\$ -</u>	Monthly	30 days

4. Fair Value Measurements (Continued)

The Foundation invests in alternative investment vehicles as a hedge against broader market risks by further diversifying the portfolio holdings. The hedge fund investments pursue a variety of hedging strategies.

The Foundation invests in various types of investment securities which are exposed to various risks, such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and that such changes could materially affect the amounts reported in the Statements of Financial Position.

5. Real Estate Held for Investment

The real estate, recorded at appraised value on the dates received and adjusted for changes in fair value, consists of 164 acres in Carteret County; three residential lots in the Brook Valley subdivision, and one lot in the River Hills subdivision; two lots in the Rolling Pines subdivision in Washington County; and a time share located in Horry County, South Carolina.

	<u>2013</u>	<u>2012</u>
Carteret County, North Carolina	\$ 159,402	\$ 159,402
Pitt County, North Carolina	50,750	50,750
Washington County, North Carolina	10,600	10,600
Horry County, North Carolina	<u>500</u>	<u>500</u>
Total	<u>\$ 221,252</u>	<u>\$ 221,252</u>

6. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets at June 30, 2013 and 2012 are available for the following purposes:

	<u>2013</u>	<u>2012</u>
Scholarships	\$ 3,572,385	\$ 2,923,004
Support of various programs	199,258	175,563
Facility enhancements	14,580,577	13,425,500
ASC 320 temporarily restricted	<u>-</u>	<u>2,858</u>
Total	<u>\$ 18,352,220</u>	<u>\$ 16,526,925</u>

Permanently restricted net assets at June 30, 2013 and 2012 are restricted to investment in perpetuity, the income from which is expendable to support:

	<u>2013</u>	<u>2012</u>
Scholarships	\$ 7,782,406	\$ 7,235,463
Student development	<u>1,000,000</u>	<u>1,000,000</u>
Total	<u>\$ 8,782,406</u>	<u>\$ 8,235,463</u>

6. Temporarily and Permanently Restricted Net Assets (Continued)

Net assets totaling \$982,593 and \$5,782,311 were released from donor restrictions in 2013 and 2012, respectively, by incurring expenses satisfying the restricted purposes, or by the passage of time.

	<u>2013</u>	<u>2012</u>
Facility enhancement	\$ 272,559	\$ 5,168,219
General and administrative	75,515	73,207
Program development	<u>634,519</u>	<u>540,885</u>
Total	<u>\$ 982,593</u>	<u>\$ 5,782,311</u>

The fair value of certain donor-restricted endowment funds was less than the level required by donor stipulation as of June 30, 2012. These endowment funds recorded underwater fair values during the year ended June 30, 2012 in the amount of \$2,858, which was reported as a decrease in unrestricted net assets as of June 30, 2012. For the year ended June 30, 2013, these endowment funds fully recovered and this recovery was reported as a reclassification of net assets as an increase in unrestricted net assets in the accompanying financial statements.

7. Endowments

The Foundation follows the guidance for endowments of Not-For-Profit Organizations, which includes a requirement to classify the portion of a donor-restricted endowment fund that is not classified as permanently restricted net assets as temporarily restricted net assets until appropriated for expenditure. This guidance also requires expanded disclosures for all endowment funds.

The Foundation's endowment consists of twenty-six individual funds established for a variety of purposes. Endowments include donor-restricted endowment funds. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence of donor-imposed restrictions.

Interpretation of Relevant Law

The Foundation's management has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Board classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure, by the Foundation, in a manner consistent with the standard of prudence prescribed by UPMIFA.

7. Endowments (Continued)

In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund;
- (2) The purposes of the organization and the donor-restricted endowment fund;
- (3) General economic conditions;
- (4) The possible effect of inflation and deflation;
- (5) The expected total return from income and the application of investments;
- (6) Other resources of the institution; and
- (7) The investment policies of the organization.

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity. Under this policy, as approved by the Foundation Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the rate of inflation as measured by the annual Consumer Price Index plus the annual spending distribution and fees as adopted by the Board. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate of return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Foundation has a policy of appropriating for distribution each year a five percent (5%) allocation based on its year-end endowment fund's twelve-month weighted average balance inclusive of the current year investment return. In establishing this policy, the Foundation considered the long-term expected return on its endowment.

Endowment net asset composition by fund type as of June 30:

	2013			Total
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	
Donor-restricted funds	\$ -	\$ 3,572,385	\$ 8,147,106	\$ 11,719,491

7. Endowments (Continued)

	2012			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Donor-restricted funds	\$ (2,858)	\$ 2,925,862	\$ 7,639,733	\$ 10,562,737

Changes in endowment net assets for the fiscal years ended June 30:

	2013			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Endowment net assets, beginning of year	\$ (2,858)	\$ 2,925,862	\$ 7,639,733	\$ 10,562,737
Net asset reclassification, due to realized and unrealized gains in endowment funds with prior year deficits	2,858	(2,858)	-	-
Endowment net assets, after reclassifications	-	2,923,004	7,639,733	10,562,737
Investments income (including realized and unrealized gains and losses)	-	1,223,794	-	1,223,794
Contributions	-	-	675,514	675,514
Change in value of life insurance	-	-	66,849	66,849
Scholarship expense	-	(574,413)	-	(574,413)
Other changes	-	-	(234,990)	(234,990)
Endowment net assets, end of year	\$ -	\$ 3,572,385	\$ 8,147,106	\$ 11,719,491

	2012			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Endowment net assets, beginning of year	\$ -	\$ 3,559,528	\$ 7,532,332	\$ 11,091,860
Net asset reclassification, due to realized and unrealized gains in endowment funds with prior year deficits	(2,858)	2,858	-	-
Endowment net assets, after reclassifications	(2,858)	3,562,386	7,532,332	11,091,860
Investments income (including realized and unrealized gains and losses)	-	(121,564)	-	(121,564)
Contributions	-	-	166,185	166,185
Change in value of life insurance	-	-	60,867	60,867
Scholarship expense	-	(514,960)	-	(514,960)
Other changes	-	-	(119,651)	(119,651)
Endowment net assets, end of year	\$ (2,858)	\$ 2,925,862	\$ 7,639,733	\$ 10,562,737

7. Endowments (Continued)

In addition, the Foundation, under the direction of the Board of Directors, established quasi-endowments for scholarships within the board designated unrestricted net assets. The activity in the quasi-endowments is as follows:

	<u>2013</u>	<u>2012</u>
Quasi-endowment net assets, beginning of year	\$ 384,719	\$ 360,665
Investment income (including realized and unrealized gains and losses)	48,271	(946)
Contributions	<u>-</u>	<u>25,000</u>
Quasi-endowment net assets, end of year	<u>\$ 432,990</u>	<u>\$ 384,719</u>

8. Permanently Restricted Net Assets

Permanently restricted net assets at June 30, 2013 and 2012 relate to the following:

	<u>2013</u>	<u>2012</u>
Endowments	\$ 8,147,106	\$ 7,639,733
Beneficial interest in perpetual trusts	<u>635,300</u>	<u>595,730</u>
Total permanently restricted net assets	<u>\$ 8,782,406</u>	<u>\$ 8,235,463</u>

Included in the endowment amounts above are net unconditional promises to give of \$617,033 and \$481,679 at June 30, 2013 and 2012, respectively.

9. Related Party Transactions**East Carolina University**

The University provides certain support such as accounting, fundraising, general administrative services, and the use of facilities and equipment for the benefit of the Foundation. These contributed services and facilities have been recognized in the accompanying Statements of Activities as contributions and expenses at their estimated value. The amount of these contributed services and facilities for the years ended June 30, 2013 and 2012 was \$131,407 of \$515,403 total contributed services, and \$122,925 of \$474,757 total contributed services, respectively.

The Foundation accrued expenses of \$114,135 and \$85,833 at June 30, 2013 and 2012, respectively, owed to the University.

East Carolina University Foundation, Inc.

The East Carolina University Foundation, Inc. leases a piece of property to the Foundation under a 3-month lease agreement, expiring July 31, 2013, followed by a month-to-month lease arrangement expiring October 31, 2013, for \$2,500 per month.

At June 30, 2013 and 2012, the Foundation had accounts receivable from the East Carolina University Foundation, Inc. in the amount of \$238 and \$428, respectively. These receivables are included in other receivables on the Statements of Financial Position.

10. Functional Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the Statements of Activities. The following summarizes these expenses based on their natural classification:

	2013			
	Contributions to ECU	Management and General	Fund Raising	Total
Personnel services	\$ -	\$ -	\$ 9,086	\$ 9,086
Supplies and materials	139,293	198,277	81,490	419,060
Current services	109,647	1,607,473	316,851	2,033,971
Fixed charges	161,765	216,027	29,350	407,142
Aids and grants	265,256	-	-	265,256
Facility enhancement	272,559	-	-	272,559
Scholarships	5,300,000	-	-	5,300,000
Other expenses	49,354	-	-	49,354
Total expenses	<u>\$ 6,297,874</u>	<u>\$ 2,021,777</u>	<u>\$ 436,777</u>	<u>\$ 8,756,428</u>

	2012			
	Contributions to ECU	Management and General	Fund Raising	Total
Personnel services	\$ -	\$ -	\$ 15,111	\$ 15,111
Supplies and materials	69,695	223,869	47,295	340,859
Current services	178,726	1,747,769	363,155	2,289,650
Fixed charges	156,693	175,318	38,483	370,494
Aids and grants	232,811	-	-	232,811
Facility enhancement	5,183,261	-	-	5,183,261
Scholarships	4,600,000	-	-	4,600,000
Other expenses	49,354	-	-	49,354
Total expenses	<u>\$ 10,470,540</u>	<u>\$ 2,146,956</u>	<u>\$ 464,044</u>	<u>\$ 13,081,540</u>

Expenses of the Foundation reported in the Statements of Activities are categorized as relating to program services, general and administrative, and fund-raising. Under program services, expenses further categorized as expenses of the Foundation relating to program development, scholarships, and facility enhancements, relate to expenditures made by the Foundation or on behalf of the University's athletics program. General and administrative expenses relate to those expenditures incurred by the Foundation in its day-to-day operation. Lastly, expenses reported as fund-raising relate to expenses incurred by the Foundation or by its twenty-nine community chapter organizations in providing various friend-raising and fund-raising events. For the fiscal year ended June 30, 2013, \$82,846 of the \$436,777 in fund-raising expenditures reported was incurred by the twenty-nine community chapters. For the fiscal year ended June 30, 2012, \$105,739 of the \$464,044 in fund-raising expenditures reported was incurred by the twenty-nine community chapters.

11. Leases

The Foundation leases vehicles from non-related entities under operating leases with maturities ranging from August 2013 through May 2016 with monthly payments ranging from \$247 to \$643 at June 30, 2013.

On July 31, 2010, the Foundation began leasing real property from a non-related entity under an operating lease with a maturity of July 2020 and monthly payments ranging from \$7,000 to \$7,700 over the life of the lease.

On May 1, 2013, the Foundation began leasing real property from a related entity under an operating lease with a maturity of October 2013 and monthly payments of \$2,500 over the life of the lease.

The following is a schedule of future minimum rental lease payments at June 30, 2013:

<u>Year</u>	<u>Future Minimum Lease Payments</u>
2014	\$ 128,095
2015	105,237
2016	105,571
2017	92,400
2018	92,400
Thereafter	<u>192,500</u>
Total	<u>\$ 716,203</u>

12. Leasehold Improvements

Leasehold improvements for property leased consist of the following at June 30:

	<u>Estimated Useful Life</u>	<u>2013</u>	<u>2012</u>
Improvements	3-10 years	\$ 281,408	\$ 281,408
Less amortization		<u>127,198</u>	<u>77,844</u>
Total		<u>\$ 154,210</u>	<u>\$ 203,564</u>

13. Concentration of Credit Risk**Financial Institutions**

The Foundation has deposits with one financial institution that, at times, may exceed federal depository insurance limits. Deposits at the financial institution were \$64,154 and \$37,239 at June 30, 2013 and 2012, respectively. The Foundation has deposits with eleven different financial institutions that total \$61,985 and \$61,172 at June 30, 2013 and 2012, respectively.

13. Concentration of Credit Risk (Continued)**State of North Carolina Short-Term Investment Fund (STIF Account)**

The Foundation deposits substantially all of its funds not otherwise invested, into the State of North Carolina Short-Term Investment Fund (“STIF account”) that is managed by the North Carolina State Treasurer. This portfolio fund is the primary cash management account for the State and is managed to allow funds to be readily convertible in cash. The North Carolina Administrative Code requires depositories to collateralize all balances that are not insured and must maintain specified security types in a third party escrow account designated by the State Treasurer. The securities collateral must be governmental in origin or the highest grade commercial paper and bankers’ acceptances. The market value of the collateral must not be less than the value of the uninsured deposits; therefore, as of June 30, 2013 and 2012, the Foundation’s STIF account deposits would not be exposed to custodial credit risk.

Investment Brokerage Accounts

The Securities Investor Protection Corporation (SIPC) insures investments with registered brokers up to \$500,000, of which \$100,000 may be cash. Insurance protects assets held in the case of broker-dealer insolvency and not against decline in market values. As of June 30, 2013 and 2012, the Foundation has investments in excess of the SIPC insurance amount.

**Operating Agreement
of
East Carolina University
and East Carolina University Educational Foundation, Inc.**

This Operating Agreement (Agreement) is made between East Carolina University (University) and the East Carolina University Educational Foundation, Inc. (Foundation).

RECITALS

University is an institution of higher education; and

Foundation is a North Carolina nonprofit corporation qualified under Section 501(c)(3) of the Internal Revenue Code and exists for the purposes of aiding and promoting educational and charitable purposes and lawful activities of University; and

University has officially recognized Foundation as satisfying the standards and eligibility requirements as a supporting associated entity set forth in University of North Carolina and University rules and regulations; and,

The parties previously executed an operating agreement on April 25, 2007 formalizing the relationship between University and Foundation by setting forth the manner in which University and Foundation were to provide support to each other, which relationship the parties desire to amend and extend under the terms provided in this Agreement.

TERMS

In consideration of the mutual covenants, promises and conditions herein contained, and for good and valuable consideration the adequacy of which is hereby acknowledged, University and Foundation agree as follows:

1.0 Foundation Support of University.

1.1 The Foundation's sole purpose is to provide support to University's Division I Varsity Athletics Program. In accordance with Foundation's governing documents, that support includes, but is not limited to:

1.1.1 Raising, receiving, investing, and administering funds for University in support of its intercollegiate athletics program;

1.1.2 Assisting the Office of University Advancement in its fundraising, marketing, public relations and alumni outreach activities and development programs with individuals, corporations, foundations, and other organizations;

1.1.3 Soliciting funds for student-athlete scholarships, athletics facilities improvements, and other programmatic needs of University's Athletics program;

1.1.4 Promoting the welfare and future development of University's Athletics Program;

- 1.1.5 Performing other acts as may be deemed appropriate in carrying out the purposes of University's Athletics Program, and
- 1.1.6 or other designated activities that are in furtherance of the mission of University's Athletics Program.

2.0 Use of University Name.

- 2.1 Foundation may, in connection with its lawful business and activities, use the name of University as well as University's logo, informal seal, and other symbols and marks of University, provided that Foundation clearly communicates that it is conducting business in its own name for the benefit of University. All correspondence, advertisements, and other communications by Foundation must clearly indicate that the communication is by Foundation and not from University. Foundation shall use the name of University as well as University's logo, informal seal, and other symbols and marks of University only in connection with the services rendered for the benefit of University and in accordance with the guidance and directions furnished to Foundation by University, or its representatives or agents, from time to time, and only if the nature and quality of the services in connection with which the aforesaid logo, seal, and other symbols and marks are used shall be satisfactory to University or as specified by it. University shall exercise control over and be the sole judge of whether or not Foundation has met or is meeting the standards of quality so established. The parties intend to execute a licensing agreement to establish more detailed parameters for Foundation's use of University's logo, seal, and other symbols and marks.
- 2.2 Foundation shall not delegate the authority to use University's name or symbols to any person or entity without the written approval of the Chancellor of East Carolina University (Chancellor).
- 2.3 Foundation agrees to cease using University's name and symbols in the event:
 - 2.3.1 Foundation dissolves;
 - 2.3.2 This Agreement is terminated as provided below (unless the parties agree otherwise); or,
 - 2.3.3 Foundation ceases to be a nonprofit corporation or ceases to be recognized by the Internal Revenue Service as described in section 501(c)(3) of the Internal Revenue Code.
 - 2.3.4 The Chancellor revokes such authority for failure to conform with the requirements of section 2.1, above. Such revocation shall not occur until after Foundation is provided notice of its failure to conform and a reasonable opportunity to cure such non-conformance.
- 2.4 Notwithstanding the provisions of section 2.1, Foundation agrees that it will not offer any course or seminar using University's name without first obtaining written permission from the Chancellor.

3.0 Relationship between Foundation and University.

- 3.1 University agrees to encourage and maintain the independence of Foundation and, at the same time, foster the cooperative relationship between University and Foundation.
- 3.2 The Chancellor shall be an ex officio voting member of Foundation's Executive Committee.
- 3.3 The Vice Chancellor for Administration and Finance, or the Vice Chancellor's designee, shall be an ex officio voting member of Foundation's Executive Committee, and shall serve as Executive Treasurer of the Foundation.
- 3.4 The University Director of Athletics shall be an ex officio voting member of Foundation's Executive Committee.
- 3.5 The Faculty Athletics Representative shall be an ex-officio voting member of Foundation's Executive Committee.
- 3.6 Other university employees may serve as ex-officio members of Foundation's governing board, with or without vote, as specified by Foundation's bylaws.
- 3.7 Foundation agrees to cooperate with the Chancellor and/or the Chancellor's designee to allow University to monitor the relationship between University and Foundation.
- 3.8 The Executive Committee of the Foundation shall be responsible for control and management of all assets of Foundation, including prudent management of all gifts to Foundation consistent with donor intent.
- 3.9 Foundation will maintain an audit committee which does not have any employees of University or of Foundation as a member. This committee will receive and review the annual audit of the Foundation and relevant annual tax forms to be submitted by the Foundation. If practical, the Foundation will ensure a financial expert is a member of the audit committee.

4.0 Foundation's Obligation to University.

- 4.1 Foundation agrees, before accepting gifts of real estate, or gifts with any restrictive terms and/or conditions that impose an obligation on the University or the State of North Carolina to expend resources in addition to the gift, to obtain written approval from the Vice Chancellor for Administration and Finance and the Director of Athletics unless such gift otherwise complies with University's gift acceptance policy which may then be in force and effect. In addition, Foundation agrees that it will not accept a gift that has any

restriction that is unlawful. In soliciting and accepting gifts in the name of the University, Foundation agrees to coordinate with University's Division of University Advancement.

- 4.2 Foundation agrees to advise prospective donors of restricted gifts that acceptance of such gifts is conditioned upon University's approval if the gift requires University approval under section 4.1.
- 4.3 Foundation agrees to coordinate with the University's Division of University Advancement comprehensive fund raising campaign efforts undertaken by University and its other approved associated entities.
- 4.4 Foundation shall make its donor records and other data reasonably available to University in accordance with existing University guidelines and UNC regulations and as otherwise required by applicable law. Notwithstanding the foregoing, Foundation shall maintain ownership of and control access to any prospect and donor information it collects and these records shall constitute a trade secret under N.C. Gen. Stat. § 132-1.2. Foundation shall appoint an officer or member of its governing board who is not employed by the University of North Carolina to be custodian of these records and employees of University will have access to them only for the purpose of providing services to the Foundation. Foundation agrees that it will establish and maintain a policy governing the retention and destruction of documents, including electronic files, and which prohibits destruction of documents if an investigation into wrongdoing or litigation is anticipated or underway.
- 4.5 Foundation shall administer its funds and make distributions to University's Athletics Program in accordance with policies and procedures established by the Foundation from time to time, with advice and counsel from University. Foundation agrees that all transfers of funds from Foundation to University's Athletics Program must be documented in writing or electronically in a form that has a retrievable transaction trail.

5.0 Limitations on the Foundation.

- 5.1 Foundation agrees to operate using sound fiscal and business principles, to ensure that sound internal control structures are in place, and to follow generally accepted accounting procedures.
- 5.2 Foundation will submit an annual operations and capital budget to the Executive Committee for its approval.
- 5.3 Foundation agrees not to make any payments to a University employee and not to accept or distribute a gift to be used for the personal benefit of any University employee, except for approved expense reimbursements, without prior approval from the Chancellor of the University or the Chancellor's designee. All salary

and non-salary compensation of employees of the Foundation will be approved in advance by the Executive Committee of the Foundation.

- 5.4 Foundation officers and employees who have check signing authority or who handle cash or negotiable instruments must be bonded in an amount determined to be reasonable by the Foundation board.
- 5.5 Foundation must obtain general liability and directors/officers insurance in an amount determined to be reasonable by the Foundation board.
- 5.6 Foundation must not engage in substantial lobbying activities and may not engage in any political activities.
- 5.7 Foundation may not acquire debt in excess of five hundred thousand dollars (\$500,000.00) before consulting with the University's Director of Athletics and the Chancellor and Vice Chancellor for Administration and Finance, who will consult the Vice President of Finance of the University of North Carolina.

6.0 University Support of and Obligations to Foundation.

- 6.1 University shall provide Foundation with office space under such terms and at such locations as are mutually acceptable, including utilities, janitorial service, facilities maintenance, furniture and fixtures, and use of campus mail service.
- 6.2 University shall provide an Employees Dishonesty bond in an amount determined from time to time by the parties for any University employee providing substantial services to Foundation.
- 6.3 University shall provide business systems to Foundation in a manner and form mutually acceptable to both parties. Business systems include all systems for: a) finance and accounting; b) the alumni database; c) gift records; and d) other business systems as deemed necessary between the parties to support Foundation. In providing business systems, University will provide all underlying supplies and services for provided systems, including but not limited to computer equipment (computer hardware/software/servers), IT services (programming/technical support/networking/internet access), and communication services (e-mail and telephone system). Foundation acknowledges that University may access any and all such systems and information thereon or generated thereby for repair, maintenance, upgrades, and other technological changes and for investigatory purposes when and to the extent consistent with University policy.
- 6.4 East Carolina University employees holding positions designated to serve the Foundation pursuant to N.C. Gen. Stats. Sec. 116-30.20 shall be subject to all applicable law and policies of East Carolina University, the University of North Carolina, and the State of North Carolina (collectively referred to as "Applicable

Law and Policies”). The University shall ensure that the scope of the duties for each employee in a position so designated to serve the Foundation and the manner in which those duties are performed meet or exceed the stated needs and performance standards established by the Executive Committee of the Foundation in consultation with the Chancellor. Whenever there is a conflict between the Foundation and the University, said employees shall be responsible for performing his or her duties in compliance with the Applicable Law and Policies.

- 6.5 All services provided to Foundation by University will be classified as either Reimbursed Services or Contributed Services. Reimbursed services are those to be reimbursed to University by Foundation and contributed services are those being contributed to Foundation by University. In consultation with University, Foundation will prepare an annual operating budget that identifies all services to be provided to Foundation by University, the respective value of those services, and, as mutually agreed upon between the parties, the classification of each service as either reimbursed or contributed.
 - 6.6 University shall provide reasonable support to Foundation including personnel services consistent with the support outlined above and based upon an annual budget plan agreed to by the parties.
 - 6.7 When University’s Athletics Program receives funds from Foundation for a specified or restricted purpose, University’s Athletics Program agrees to use such funds received for the specific or restricted purpose to the extent allowed by applicable law.
 - 6.8 Foundation agrees that when University personnel provide services for the Foundation and there arises a conflict between University and the Foundation, the University employee must comply with the policies, regulations, and directives of the University; provided that said employee shall notify the Foundation in ample time to remedy the conflict or approve the intended action when feasible. If prior notification is not feasible, the Foundation shall be promptly notified in writing of the conflict and action taken.
- 7.0 Foundation Audits, Legal Representation, and Reporting.
- 7.1 Foundation agrees to select a certified public accounting (“CPA”) firm, to serve as Foundation’s independent auditor and to complete a full and complete annual audit of its finances and operations. Foundation agrees to notify University within thirty (30) days if it selects a different auditor. Foundation agrees that any CPA firm providing an annual audit of the Foundation will be used only for audit purposes and will not provide any non-auditing service to the Foundation except for tax preparation services that are approved in advance by the Foundation’s audit committee.

- 7.2 Foundation agrees to provide to the Chancellor:
- 7.2.1 Upon completion, the annual audit report, management letters and responses to management letters, and the Foundation's IRS Form 990;
 - 7.2.2 The list of Foundation governing board, officers, and employees immediately upon a change in membership, officers, or employment status;
 - 7.2.3 The names of the officers and governing board members of all Foundation associated or affiliated entities immediately upon a change in officers or in board membership;
 - 7.2.4 An annual report of operations that shows actual versus budgeted revenues and expenditures annually concurrent with the provision of the annual audit report referenced in subsection 7.2.1 of this section.
- 7.3 Foundation agrees to allow the Chancellor, the chair of the East Carolina University Board of Trustees, or the chair's or the Chancellor's designee, to inspect and audit all foundation books and records [that are relevant to an articulated legitimate reason] at reasonable times, and to provide timely such other reports of and information on its financial status and operations as required by the Chancellor.
- 7.4 North Carolina's State Auditor and ECU's internal auditor shall be provided access to persons and records that are generated as a result of, or are related to, the Agreement for the purposes of verifying accounts and data affecting fees or performance in accordance with N.C. General Statutes § 147-64.7 and N.C. Session Laws 2010-194, Section 21.

8.0 Conflicts of Interest.

Foundation will establish and maintain conflicts of interest policies pertaining to its relationship with University, members of the governing board and persons doing business with Foundation. Such policies shall provide that (a) all transactions (other than expense reimbursements set forth in 5.3), between Foundation and an officer, director, or employee of Foundation, must be approved by the Foundation Board; (b) no Foundation officer, director, or employee having a private business interest in a Foundation business transaction may be involved in the decision with respect to whether the Foundation should enter into such transaction; (c) no Foundation scholarship or fellowship award may be made to an officer, director, or employee of the Foundation or to a family member of such person unless the recipient of the award is approved by an independent awards committee established by Foundation according to Foundation by-laws.

9.0 Compliance with UNC and University policies and regulations and Foundation Bylaws.

Both University and Foundation agree to comply with the policies and regulations of the University of North Carolina Board of Governors, the East Carolina University Board of Trustees, the President of the University of North Carolina and the Chancellor pertaining to the relationship between University and associated entities, including amendments thereto. University shall provide Foundation with proposed amendments to such policies and regulations as soon as possible but, where practicable, not less than ninety (90) days prior to their effective date. Foundation agrees to provide University with a copy of its Bylaws and shall provide any proposed amendments as soon as possible but in no event less than ninety (90) days prior to the meeting of the Foundation at which they are considered for adoption.

Foundation agrees to abide by applicable bylaws, regulations, rules, and policies of the National Collegiate Athletic Association and any athletic conference in which University may be a member.

10. Effect of Agreement; Modification.

This Agreement (and its attachments, if any) contains all the terms between the parties and may be amended only in writing signed by an authorized representative of both parties.

11. Confidentiality.

Neither Foundation nor University shall disclose or use any private, confidential, proprietary, or trade secret information provided from one to the other except as required in and by the terms of this Agreement or as required by law. Foundation recognizes the obligation of University to comply with North Carolina Public Records laws.

12. Indemnification.

Foundation shall indemnify and hold harmless University, its governing board, officers, employees, agents, and students in their official and personal capacities, from and against any and all claim, damage, liability, injury, expense, demands, and judgments, including court costs and attorney's fees, arising out of Foundation's performance of this Agreement to the extent any such claim, damage, liability, injury, expense, demand or judgment is caused by the Foundation or any University employee acting at the direction of the Foundation Board or the Chair of the Foundation Board. This provision shall continue beyond termination or expiration of this Agreement.

University will be responsible for the conduct of its officers and employees arising out of the performance of this Agreement to the extent permitted and limited by the laws of North Carolina, including the North Carolina Tort Claims Act, the Defense of State Employees Act, and the Excess Liability Policy administered through the North Carolina Department of Insurance, subject to the availability of appropriations and in proportion to and to the extent that such liability for damages is caused by or results

from the acts of University, its officers or employees. This provision shall continue beyond termination or expiration of this Agreement.

13. Term and Termination.

13.1 The initial term of this Agreement shall be 5 years from the date of execution and shall be automatically renewed for successive 5 year terms, unless and until either party gives notice in writing to the other party of its intent not to renew the Agreement at least one hundred eighty (180) days prior to the beginning of a new term.

13.2 Either party shall have the continuing right to terminate this Agreement at any time without cause upon one hundred eighty (180) days written notice to the other party. Such termination of this agreement by the University must be approved by the Chancellor. Such termination of this agreement by the Foundation must be approved by the Executive Committee of the Foundation.

13.3 University may terminate this agreement at any time if the Foundation fails to abide by the policies or regulations of University or of the University of North Carolina which govern the relationship between University and the Foundation. Alternatively, Foundation may terminate this agreement at any time if University fails to abide by its own policies or regulations which govern the relationship or the terms of the Agreement. Notwithstanding the foregoing, the parties agree that the provisions of Section 12 and 14 of this Agreement shall survive the termination of this Agreement in any event and for any reason.

14. Dissolution.

It is the intent of the Foundation that it have perpetual existence. In the event of dissolution of the Foundation, either voluntary or involuntary, all assets and property which remain after the discharge of the Foundation's liabilities and unless otherwise designated by the donor of an asset shall be paid over or distributed by the Foundation's Executive Committee to University's Athletics Program or to any other nonprofit corporation or corporations organized to support University's Athletics Program as determined by the Executive Committee in its sole discretion, and shall be used or distributed for no other object or purpose whatsoever; provided, however, that any such organization must be exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, as amended and be an associated entity approved by the University pursuant to regulations of the University of North Carolina. This provision shall continue beyond termination or expiration of this Agreement.

15. Compliance with Applicable Law and Non-Discrimination.

15.1 Foundation agrees to comply with all executive orders, federal, state and local rules, regulations, and laws, applicable to Foundation as currently in effect and as may be amended from time to time. Foundation further agrees not to discriminate

in any manner on the basis of sex, race, creed, age, color, national origin, religious belief, disability, veteran status, genetic information or sexual orientation, and to comply with all non-discriminatory laws and policies that University promulgates and to which Foundation is subject.

15.2 Foundation will maintain a confidential and anonymous mechanism to encourage employees to report any inappropriateness within the entity's financial or other management and will not punish or retaliate against any employee for reporting problems.

16. Notice.

Any notice to either party hereunder must be in writing signed by the party giving it, and shall be deemed given when mailed postage prepaid by U.S. Postal Service first class, certified mail, or other overnight mail service, or hand delivered, when addressed as follows:

To University:

East Carolina University
Attn: Vice Chancellor for University Advancement
2200 South Charles Boulevard
Greenville, NC 27858

East Carolina University
Attn: Chancellor
105 Spilman Building
East Fifth Street
Greenville, NC 27858

East Carolina University
Attn: Director of Athletics
365 Ward Sports Medicine Building
Greenville, NC 27858

East Carolina University
Attn: University Attorney
210 Spilman Building
East Fifth Street
Greenville, NC 27858

To Foundation:

The Executive President of Foundation as that person may be elected from time to time and as noticed to University pursuant to paragraph 7.2.2 of this Agreement

and

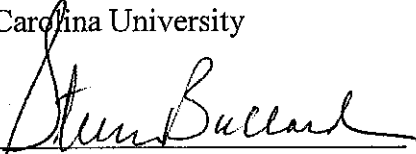
Walter L. Hinson
Counsel to the Foundation
Hinson & Rhyne, P.A.
Wilson, NC 27895

Or to such other addressee as may be hereafter designated by written notice.

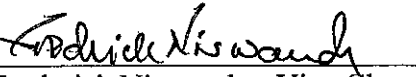
IN WITNESS WHEREOF, East Carolina University and the authorized representative(s) of East Carolina University Educational Foundation, Inc., have executed this Agreement on this 30th day of March, 2012.

East Carolina University

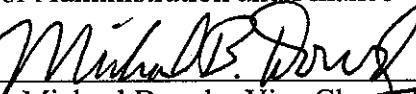
By


Steve Ballard, Chancellor

By


Frederick Niswander, Vice Chancellor
for Administration and Finance

By


Michael Dowdy, Vice Chancellor
For University Advancement

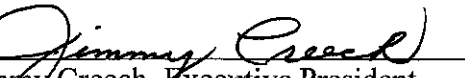
ATTEST:

BY: _____

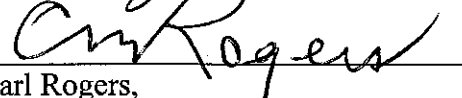
TITLE: _____

East Carolina University Educational
Foundation, Inc.

By


Jimmy Creech, Executive President

By


Carl Rogers,
Executive Vice President

ATTEST:

BY: 

TITLE: Executive Secretary

Report to the Audit Committee

**East Carolina University
Educational Foundation, Inc.**

June 30, 2013



DIXON HUGHES GOODMAN_{LLP}

positively unique



Table of Contents

Contacts	1
Required Auditor Communications	2
Communication of Internal Control Related Matters	6
Appendix A - Management Representation Letter	7





Donald McNeill, CPA

Partner

Dixon Hughes Goodman LLP
2501 Blue Ridge Road, Suite 500
Raleigh, North Carolina 27607
919.301.6700
donald.mcneill@dhgllp.com

Kara Bowen, CPA

Manager

Dixon Hughes Goodman LLP
1003 Red Banks Road
Greenville, North Carolina 27858
252.294.1428
kara.bowen@dhgllp.com





December 4, 2013

To the Audit Committee
East Carolina University Educational Foundation, Inc.

We have audited the financial statements of East Carolina University Educational Foundation, Inc. (the "Foundation") as of and for the year ended June 30, 2013, and expect to issue our report on December 4, 2013. Professional standards require that we provide you with information about our responsibilities in accordance with auditing standards generally accepted in the United States of America, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 20, 2013. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Foundation are described in Note 1 to the financial statements. The new accounting policy adopted during the year ended June 30, 2013 is as follows:

Accounting Standards Update ("ASU") 2011-04 was issued in May 2011 to amend the Fair Value Measurement topic of the ASC by clarifying the application of existing fair value measurement and disclosure requirements and by changing particular principles or requirements for measuring fair value or for disclosing information about fair value measurements. Effective July 1, 2012, the Foundation complied with these requirements and has included the disclosures within the financial statements.

We noted no transactions entered into by the Foundation during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.





The most sensitive estimates affecting the financial statements are 1) the valuation of alternative investments, 2) the valuation of unconditional promises to give, 3) and the valuation of beneficial interests in external trusts. We evaluated the key factors and assumptions used to develop the estimates in these areas determining that they are reasonable in relation to the financial statements taken as a whole. Additional detail related to the development of such estimates is outlined below.

The recorded market price for alternative investments is estimated by the investment manager taking into account such factors as the financial condition of each investee, economic and market conditions affecting their operations, any changes in management, the length of time since the initial investment, recent arm's-length transactions involving the securities of the investee, the value of similar securities issued by companies in the same or similar businesses, and limited marketability of the portfolio to form the net asset value as a practical expedient. Valuations provided by the general partners and investment managers are evaluated by management through accounting and financial reporting processes to review and monitor existence and valuation assertions.

Management's estimate of the allowance for uncollectible unconditional promises to give is based on management's judgment, including such factors as overall economic conditions, current and historical loss experience, and recent contribution activity.

The Foundation maintains the irrevocable right to receive funds from certain trust assets held in perpetuity by a third party. The Foundation records a trust at the present value of the estimated future cash receipts from the trust.

There were no significant changes to the estimation processes for 2013.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no significant changes to the disclosures for 2013.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.





Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We are pleased to report that no misstatements were noted as a result of audit procedures.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter included in Appendix A.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Foundation's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Foundation's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the





information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

This information is intended solely for the use of the Audit Committee and management of the Foundation and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Dixon Hughes Goodman LLP

December 4, 2013





December 4, 2013

To the Audit Committee
East Carolina University Educational Foundation, Inc.

In planning and performing our audit of the financial statements of East Carolina University Educational Foundation, Inc. (the "Foundation") as of and for the year ended June 30, 2013, in accordance with auditing standards generally accepted in the United States of America, we considered the Foundation's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

This information is intended solely for the use of the Audit Committee and management of the Foundation and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Dixon Hughes Goodman LLP

December 4, 2013

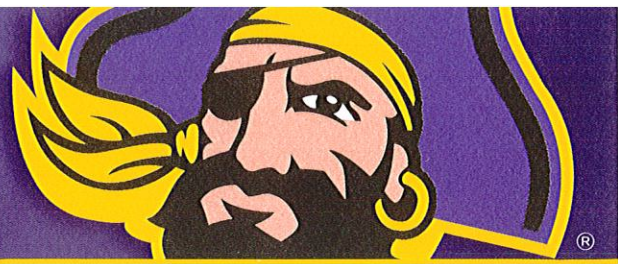




DIXON HUGHES GOODMAN LLP

Appendix A – Management Representation Letter





December 4, 2013

Dixon Hughes Goodman LLP
2501 Blue Ridge Road, Suite 500
Raleigh, NC 27607

This representation letter is provided in connection with your audit of the financial statements of East Carolina University Educational Foundation, Inc. (the "Foundation"), which comprise the statement of financial position as of June 30, 2013 and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of the date of this letter:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 20, 2013 for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
2. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
4. The following have been properly accounted for and disclosed in the financial statements:
 - a. Related-party relationships and transactions, including sales, purchases, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.
 - b. Guarantees, whether written or oral, under which the Foundation is contingently liable.
 - c. Other liabilities or gain or loss contingencies.



PIRATE CLUB

304 WARD SPORTS MEDICINE BUILDING • EAST CAROLINA UNIVERSITY • GREENVILLE, NC 27858-4353
PHONE: 252-737-4540 • FAX: 252-737-4664 • WWW.ECUIRATECLUB.COM

5. Significant estimates that may be subject to a material change in the near term have been properly disclosed in the financial statements. We understand that “near term” means the period within one year of the date of the financial statements. In addition, we have no knowledge of concentrations existing at the date of the financial statements that make the Foundation vulnerable to the risk of severe impact that have not been properly disclosed in the financial statements.
6. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
7. There are no uncorrected financial statement misstatements that are material, both individually and in the aggregate, to the financial statements taken as a whole and there are no omitted disclosures.
8. We represent to you the following for the Foundation’s fair value measurements and disclosures:
 - a. The underlying assumptions are reasonable and they appropriately reflect management’s intent and ability to carry out its stated courses of action.
 - b. The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - c. The disclosures related to fair values are complete, adequate, and in conformity with U.S. GAAP.
 - d. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
9. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.

Information Provided


10. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
11. All transactions have been recorded in the accounting records and are reflected in the financial statements.
12. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
13. We have no knowledge of any fraud or suspected fraud affecting the Foundation involving:
 - a. Management.
 - b. Employees who have significant roles in internal control.
 - c. Others where the fraud could have a material effect on the financial statements.
14. We have no knowledge of any allegations of fraud or suspected fraud affecting the Foundation’s financial statements received in communications from employees, former employees, analysts, regulators, short sellers, or others.

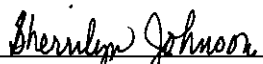
15. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in financial reporting practices.
16. We have disclosed to you all known instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing the financial statements.
17. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
18. The Foundation has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
19. We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
20. We are not aware of any pending or threatened litigation and claims whose effects should be considered when preparing the financial statements, and we have not consulted a lawyer concerning litigation, claims or assessments.
21. The Foundation has satisfactory title to all owned assets and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
22. The Foundation is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Foundation's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.
23. The Foundation recognizes tax benefits only to the extent that the organization believes it is more-likely-than-not (i.e. greater than 50 percent) that its tax positions will be sustained upon examination. We have evaluated the organization's tax positions, including its not-for-profit status, and have determined that the Foundation does not have any material uncertain tax positions.
24. There are no—
 - a. Violations or possible violations of laws and regulations and provisions of contracts and grant agreements whose effects should be considered for disclosure in the financial statements, as a basis for recording a loss contingency, or for reporting on noncompliance.
 - b. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed.
 - c. Designations of net assets disclosed to you that were not properly authorized and approved, or reclassifications of net assets that have not been properly reflected in the financial statements.
25. We acknowledge our responsibility for presenting Management's Discussion and Analysis in accordance with U.S. GAAP, and we believe that Management's Discussion and Analysis, including its form and content is fairly presented in accordance with U.S. GAAP.
26. The Foundation has appropriately reconciled its general ledger accounts to their related supporting information. All related reconciling items considered to be material were identified and included on the reconciliations and were appropriately adjusted in the financial statements.

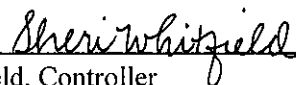
27. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances, lines of credit, or similar arrangements have been properly disclosed.
28. Unconditional promises to give recorded in the financial statements represent valid promises to give cash from donors arising on or before the statement of financial position date and have been properly reduced to their estimated present value.
29. The methods and significant inputs and assumptions used to determine fair values of financial instruments are disclosed in Note 1 of the financial statements. The methods and significant inputs and assumptions used result in a measure of fair value appropriate for financial statement measurement and disclosure purposes.
30. Unconditional promises to give recorded in the financial statements represent unconditional promises to give by the Foundation's donors and have been appropriately reduced to their net realizable value. We believe that all amounts reflected in the financial statements are fully collectible.
31. We believe the discount rate used to calculate the present value of the beneficial interest in trusts, the rate of return on the trust assets, is an appropriate rate that captures the fair market value of the expected cash flow from external trusts.
32. With regard to the Foundation's alternative investment portfolio:
 - a. We believe that amounts reported as the estimated fair value of the alternative investments have been determined in accordance with appropriate measurement methods and reflect the fair value of such investments;
 - b. The methods and significant assumptions used to determine fair values have been appropriately and consistently applied and are adequately disclosed in the notes to the financial statements. The methods and significant assumptions used result in a measure of fair value appropriate for financial statement measurement and disclosure purposes;
 - c. The Foundation has the intent and ability to continue to satisfy contractual commitments related to the future funding of alternative investments as required by the underlying investment agreements. Additionally, the Foundation has the intent and ability to maintain existing investments in alternative investments to comply with contractual obligations with the underlying fund manager, partnership, etc.;
 - d. Disclosures regarding the methods for estimating the fair value of alternative investments, along with disclosures regarding the marketability and liquidation restrictions of such investments, are complete and accurately describe the Foundation's alternative investment portfolio;
 - e. There have been no events that have occurred since June 30, 2013 through the date of this letter that would require adjustment to the fair value measurements and disclosures.
33. We have complied with all restrictions on resources (including donor restrictions) and all aspects of contractual and grant agreements that would have a material effect on the financial statements in the event of noncompliance. This includes complying with donor requirements to maintain a specific asset composition necessary to satisfy their restrictions.
34. Amounts reported as beneficial interests in external trusts represent the fair value of the Foundation's irrevocable right to receive the remainder of the trust assets upon distribution by the trustee.

35. We have complied with the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as adopted by the North Carolina state legislature and have disclosed restrictions on endowment fund net assets in accordance with this law.

We have evaluated subsequent events through the date of this letter, which is the date the financial statements were available to be issued. No events have occurred subsequent to the statement of financial position and through the date of this letter that would require adjustment to or additional disclosure in the aforementioned financial statements.

Signature: 
J. Batt, Executive Director

Signature: 
Sherrilyn Johnson, Director of Institutional Trust Funds/Foundations

Signature: 
Sheri Whitfield, Controller

East Carolina University
Board of Trustees
September 18-19, 2014
University Affairs Committee

Session	University Affairs Committee
Responsible Person	Dr. Virginia Hardy Vice Chancellor for Student Affairs
Agenda Item	IV. A.
Item Description	Freshman Class Update
Comments	
Action Requested	Discussion
Disposition	
Notes	

East Carolina University
Board of Trustees
September 18-19, 2014
University Affairs Committee

Session	University Affairs Committee
Responsible Person	Dr. Virginia Hardy Vice Chancellor for Student Affairs
Agenda Item	IV. B.
Item Description	Housing Update
Comments	
Action Requested	Discussion
Disposition	
Notes	

RESIDENCE HALLS	CAPACITY	TOTAL PERMANENT ASSIGNMENTS	UNASSIGNED BED SPACES	TOTAL TEMPORARY ASSIGNMENTS
Aycock	470	465	5	32
Clement	385	384	1	0
College Hill Suites	483	480	3	2
Cotten	260	257	3	2
Fleming	172	170	2	1
Fletcher	416	414	2	7
Garrett	298	298	0	22
Greene	385	385	0	0
Jarvis	132	131	1	1
Jones	431	430	1	5
Scott	609	608	1	9
Tyler	472	466	6	3
Umstead	192	192	0	34
White	384	383	1	12
Total	5089	5063	26	130

APARTMENT	LEASED BEDS	TOTAL
THE PROVINCE	252	250

East Carolina University
Board of Trustees
September 18-19, 2014
University Affairs Committee

Session	University Affairs Committee
Responsible Person	Dr. Virginia Hardy Vice Chancellor for Student Affairs
Agenda Item	IV. C.
Item Description	Enhanced Safety Measures
Comments	
Action Requested	Discussion
Disposition	
Notes	



<http://www.ecu.edu/cs-admin/news/safeandsecure.cfm>

SAFE & SECURE AT ECU

At East Carolina University, public safety is our top priority every day

ECU aspires to be a University of North Carolina system leader in campus safety. A system-wide Campus Security Initiative recently released a report with 36 recommendations for improving campus safety. ECU has at least half of the recommendations either completed or in progress.

Here are a few of ECU's recent efforts:

- Good Samaritan Policy – A new university regulation that provides limited immunity to students who seek medical attention for a person experiencing certain drug or alcohol-related complications.
- Title IX and sexual misconduct – ECU developed a Title IX response team and named a Title IX coordinator and deputy coordinator to investigate sexual misconduct cases. A communication plan has also been created to address support and education regarding sexual misconduct. We have established two new positions, Title IX Compliance Coordinator (Office of Equity & Diversity) and Title IX Investigator (Dean of Students Office). Searches are currently underway for both positions. (<http://www.ecu.edu/cs-acad/titleix/index.cfm>)
- Required freshman education – All incoming freshmen under the age of 21 must complete an online alcohol education module. All first-year students complete an online module that addresses the critical issues of sexual assault, relationship violence, and stalking, which impact countless college students across the country.
- Gov. Pat McCrory invited ECU to join a multi-agency task force aimed at reducing substance abuse and underage drinking with a special emphasis on prevention and treatment.
- A new Pirate Express route offers safe and reliable late-night transportation to and from the “grid” area between Fifth and First streets near downtown Greenville.
- Approximately 100 Emergency Blue-Light Phones have been strategically placed throughout the campuses of ECU for use in EMERGENCY situations.
- New and improved bus shelters are opening this fall to provide pedestrians protection from inclement weather while they wait for East Carolina University transit buses.
- The Division of Student Affairs along with some student organizations have developed an area for students to enjoy pre-game festivities without drinking being the central activity. We will host two alcohol-free tailgating events (September 20 and October 23) for our students. The “Pirate Dry Dock” alternative celebrations will include free food, music, games, and giveaways within a safe zone where the students can show their Pirate spirit and get ready for kickoff.
- Implemented through the efforts of the Office of Student Rights and Responsibilities, the mission of the Back on TRAC (Treatment, Responsibility and Accountability on Campus) program is to promote student development and civility by creating and supporting integrated intervention initiatives for students on deferred suspension.

QUICK CONNECTIONS

Report a crime in progress

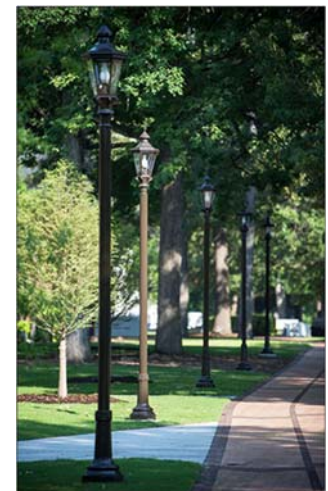
Dial 911 or call ECU Dispatch:
(252) 328-6787

Report a recent crime

[Submit a crime report online](#)
Or call the ECU Crime Tip Line
at (252) 737-8477

East Carolina University Police Department

Blount House
609 E. Tenth Street
Greenville, NC 27858-4353
Ph: (252) 328-6787
Fx: (252) 328-1974
ecupolice@ecu.edu



Fifty-three new energy efficient lighting fixtures were installed on campus this summer to provide a safe environment around campus.

East Carolina University
Board of Trustees
September 18-19, 2014
University Affairs Committee

Session	University Affairs Committee
Responsible Person	Dr. Virginia Hardy Vice Chancellor for Student Affairs
Agenda Item	IV. D.
Item Description	Student Conduct Process Update
Comments	
Action Requested	Discussion
Disposition	
Notes	

Area of Concern	Recommendation from Consultants	OSRR Status
Section III – Language clarifications in current policies and procedures	2013 Annual Security and Fire Safety Report (ECU Police Department) Review (Alcoholic Purchases and Fees): Within the Annual Report Section 5.2.3.2.13 (and page 13 5.2.3.3) states that “the purchase of alcoholic beverages with student fees is prohibited”. Do you mean university student fees or are you including fees collected from students by anyone?	Completed
	Review (Rights and Responsibilities): Within the Annual Report page 19 is titled Complainant’s Rights but it also includes responsibilities. Respondent’s title includes both rights and responsibilities. Why not the same for both?	Completed
	Review (Police Staff Directory): Within the Annual Report page 38 lists “Police Department Staff” but what follows is Athletic Staff	Completed
University Polices - Student Government Association	Review (SGA and Fee Association): Within the SGA documents on page 1 states “At East Carolina University students are members of the Student Government Association (SGA) ... While the SGA may seek to represent students at ECU, students may not be required to be members of SGA. They may be required to pay SGA fees, but requiring them to become members of this Association is a violation of their First Amendment rights of association...”	Pending/In Progress (<i>Information sent to SGA Advisor for further review</i>)
UNC Policy Manual	Review (Witnesses): Within the UNC Policy Manual page 5. Section V.A. 6 references that students have a right to a list of witnesses prior to a hearing. East Carolina University policies should clarify that any contact with witnesses prior to the hearing should be scheduled by and in the presence of the Director of OSRR and that there should be no contact with witnesses prior to a hearing other than in this manner.	Pending
Judicial System	Review (Off-Campus Conduct): If ECU desires to hold students responsible for off-campus offenses then we suggest the policies reflect that by language such as “When health, safety or property is endangered, the University may choose to extend its authority off-campus for violations of its Code of Conduct”.	Completed (<i>It is the belief of OSRR that this recommendation is already present within the ECU Code. Additionally, it is possible that Dr. Gehring and Dr. Parrot viewed an outdated website. That website has been deactivated.</i>)
	Review (Parental Notification): It is suggested that parents be notified on the first alcohol violation by students who are under 21 years of age at the time of the offense. This sanction is, according to students, one of the most effective (meaning students are more likely not to repeat the violation).	Pending (please note that changes have occurred since original document)
	Review (Terminology): The end of the first paragraph, refers to the Office of Student Conflict Resolution. Change to OSRR.	Completed (<i>It is the belief of OSRR that this recommendation is already present within the ECU</i>)

Area of Concern	Recommendation from Consultants	OSRR Status
		<i>Code. Additionally, it is possible that Dr. Gehring and Dr. Parrot viewed an outdated website. That website has been deactivated.</i>
	Review (Definition of Student): It is referenced that term student is defined but does not specify when an individual becomes a student subject to the Code of Conduct. It is suggested that a change be made to combine with conduct process statement on page 2 Section 1.3.1. This should also be included with admissions materials to provide students with notice of their responsibilities.	In Progress/pending approval of code changes
	Review (Elimination of Review Boards): Eliminate all references to Review Board (also see conduct process section 5.3.3.; 5.5.3; 5.5.5; 5.6.1 and 5.5.). We are recommending a totally new system that has no review board. It is also requested to eliminate 'board of inquiry'. No one knew what this was or what it did.	In progress/ pending approval of code changes (<i>In reference to the 'board of inquiry' It is the belief of OSRR that this recommendation is already present within the ECU Code. Additionally, it is possible that Dr. Gehring and Dr. Parrot viewed an outdated website. That website has been deactivated.</i>
	Review (Suspension and Petition for Readmission): Within section 3.3.9 of the ECU Code of Conduct it references that suspension requires that one must petition for readmission, but does not say to whom one petitions. It is suggested that the suspended student petition the Director of OSRR who has the complete file or to the Dean of Students.	Completed
	Review (Elimination of Judicial Language): It is recommended that the word Judicial be eliminated from the conduct process.	Completed (<i>It is the belief of OSRR that this recommendation is already present within the ECU Code. Additionally, it is possible that Dr. Gehring and Dr. Parrot viewed an outdated website. That website has been deactivated.</i>
Sexual Harassment Policy	Review (Including Federal Language on Title IX): It is recommended that this section include federal requirements concerning what Title IX is used for, how to file an official complaint as well as who the Title IX Compliance Officer is, that officer's address, phone number and email address. This section does refer to the Clue Book but it was very difficult to find a Compliance Officer's information.	In progress/pending Approval of code changes

Area of Concern	Recommendation from Consultants	OSRR Status
	Review (Cross-examination of witnesses): There should be some clarification within policies on the right to cross-examine witnesses by the student’s attorney or non-attorney advocate, specifically in cases in which Title IX implications exist.	In progress/Pending approval of code changes
Policies, Regulations and Rules with regarding Greek Life as well as Organizational Hazing	Review (Review of Organization Rosters): Concerns regarding the compelled disclosure of affiliation with groups engaged in advocacy may constitute a restraint on freedom of association.	Completed
	Review (Redefining Hazing): It is recommended that section 2.5 Hazing of the ECU Code of Conduct include language stating that “hazing of any member of the University community by any individual or group WILL NOT BE TOLERATED and may result in probation, suspension, or expulsion”. Additionally, it is suggested that the hazing rule contain language that precludes others from citing university athletic or military events as hazing activities that the university permits.	In progress/Pending of approval of code changes
Section IV – Suggestions and Recommendations for the Conduct System	OSRR oversee conduct Review (Conduct – OSRR Management): In order to eliminate any confusion between various units dealing with student conduct matters and to enhance coordination, efficiency, and effectiveness it is strongly recommended that the Office of Student Rights and Responsibilities be identified as the primary office for enforcing the Student Code of Conduct for overseeing student conduct processes, while simultaneously communicating that all other offices involved in student conduct work are subordinate to the OSRR for all student conduct and Student Code of Conduct matters. We further recommend that OSRR have the authority and responsibility for being the sole unit that ultimately recommends through the Dean of Students to the Vice Chancellor for Student Affairs any refinements, updates of the Student Code of Conduct and the student conduct process, for standardizing documents, templates and reporting formats, for determining the flow of complaints as they move through the system, for determining which cases are investigated by and heard by OSRR and which cases are investigated and heard by other offices, for providing training for investigators, hearing officers, hearing boards and appeal panels, for developing and implementing accountability measures for staff and students who serve in the student conduct process, for data base management, data collection and analysis, and for providing statistical reporting for all student conduct matters. In addition to articulating the OSRR as the primary office for all Student Conduct matters the Vice Chancellor for Student Affairs should reinforce this with a statement attesting to the same in the student handbook and on the appropriate departmental and divisional websites.	Completed

Area of Concern	Recommendation from Consultants	OSRR Status
	<p>Memorandums of Understanding Review (Developing MOU): It is recommended that the Vice Chancellor for Student Affairs direct OSRR to execute Memorandums of Understanding (MOU's) with units that have any form of student conduct process (i.e. Campus Living, Recreational Services Advisory Council, Greek Life Councils, Athletics, the Health Center, etc) to ensure that authority, jurisdiction, flow of complaints and cases, etc are clearly communicated, memorialized in writing and approved by the Vice Chancellor and other key stakeholders as evidenced by signatures on the MOUs.</p>	In Progress/Pending
	<p>New system Review: It is strongly recommended that a new bifurcated system be implemented with minor violations (those in which the sanction would be less than probation) and serious violations in which the sanctions is likely to be probation, suspension, or expulsion. (Please see report for detailed description and appendix for process layout)</p>	In Progress/Pending approval of code changes (<i>Please note that changes have occurred since original document</i>)
	<p>SGA Involvement in the Selection Process for Hearing Board and Appeals Panel Members Review (SGA Involvement): It is suggested that OSRR provide SGA with a list of criteria for the selection of students to serve on the Hearing Board and the Appeals Panel and SGA submit to OSRR a pool of names of students who meet the criteria from which OSRR would select the number of students needed to serve. As the representative of the student body we believe this process would provide more inclusive representation in the process.</p>	Pending/In progress
	<p>Training Needs Review (Training): It is recommended that OSRR staff and campus living staff seek continual training with regard to student conduct. The recommended training can assist with remaining knowledgeable of "violations that can result in a violation of due process or a deviation from the published system resulting in legal liability." There also appeared to be a lack of understanding to the relationship between Constitutional right to free speech and certain code violation. It is suggested that University Counsel conduct an annual workshop for all students, faculty, and staff who serve in any adjudicatory capacity on First Amendment free speech rights and how those rights intersect with conduct covered by the Code of Conduct. Another aspect of training that is suggested is to have all faculty, students, and staff who are in the pool of the Hearing Board sit in on a hearing when they are not serving if approved by Counsel in light of UNC Policy Manual 700.4.11 Section V.A.4 and Section V. 1.A.9.</p>	Pending/In progress
	<p>Education and Awareness Review: It is strongly recommended that the student body be educated through a joint effort of the SGA and OSRR about the new judicial system and how it operates.</p>	In progress

Area of Concern	Recommendation from Consultants	OSRR Status
	Zero Tolerance policy Review: It is suggested that the use of progressive sanctioning be used rather than zero tolerance policies. Zero Tolerance policies are antithetical to the teaching and learning process that is the bedrock of the student conduct process.	Under discussion
	Sanction Follow up Review: It is strongly recommended that whenever an educational sanction is imposed that there be follow up with a developmental discussion. You miss an important “teachable moment” when this is not done.	Completed
	Disciplinary Transcripts for transfer students Review: It is recommended that all transfer students provide a disciplinary transcript upon applications.	Completed

DRAFT