

BOARD OF TRUSTEES

East Carolina University

July 22, 2010

The Board of Trustees met in regular session in the Conference Rooms of the East Carolina Heart Institute. David Brody, chair of the Board, called the meeting to order read the conflict of interest statement required by the State Government Ethics Act. No conflicts were identified.

Mr. Brody asked Secretary David Redwine to call the roll.

Members Present

Robert Brinkley
David Brody
Joel Butler
Ken Chalk
Bob Greczyn
Steve Jones
Bob Lucas
Carol Mabe
David Redwine
Danny Scott
Mark Tipton

Members Absent

Bill Bodenhamer
Tremayne Smith

APPROVAL OF MINUTES

Mr. Brody asked for a motion approving the minutes from the Board meeting on April 15, 2010, and the Conference call on June 1, 2010. Mr. Tipton moved approval of the minutes. Mr. Brinkley seconded the motion. The motion passed with no negative votes and the minutes were approved.

REPORT OF THE NOMINATING COMMITTEE

Mr. Brody called on Mr. Greczyn to give the report of the Nominating Committee. Mr. Greczyn reported that the Nominating Committee, which included Mr. Bodenhamer, Mr. Scott and Mr. Greczyn, met via conference call. There was discussion regarding the process of nominating officers. It was the nominating committee's recommendation that more information be given to new members about each member on the Board, such as a professional vita, before the election of officers

Mr. Greczyn reported that the unanimous recommendation of the nominating committee was to renominate for a second term the current officers to serve in 2010-2011. He then asked for any other nominations from the floor. Hearing none, he asked for a second to the motion to reelect Mr. Brody, Chair, Mr. Lucas, Vice Chair, and Mr. Redwine, Secretary. Mr. Butler seconded the motion and the motion passed with no negative votes.

CHANCELLOR'S REPORT

A text version of Chancellor Ballard's remarks to the Board is included as "Attachment A"

REPORT OF THE CHAIR OF THE BOARD

Mr. Brody expressed his gratitude, as a resident of Eastern North Carolina, to ECU for the support it provides the region. In addition, he discussed the university's Strategic Plan and how it gels with the UNC Strategic Plan. He challenged the Executive Council and the University as a whole to keep moving forward and stay focused on its priorities, despite the budget situation.

Mr. Brody addressed the issue of the Chancellor's Residence. Mr. Brody said that he has met with many different entities that have a stake in the Chancellor's Residence, including the mayor, Greenville City Council members and the President of TRUNA, the neighborhood association, and he feels that this has been a positive experience. He has been made aware of issues that he was not aware of previously. He said that there is a lot of common ground between the university and the neighborhood surrounding the university. Mr. Brody has charged Philip Rogers, Executive Assistant to the Chancellor, to develop a vision statement for the 5th Street Corridor based on what both the university and the neighborhood would like to see happen in that area. Mr. Brody said that the Chancellor's living facility needs to be adequate, comfortable and appropriate both for living and for entertaining. There are many factors that need to be considered, he said. Mr. Brody said he is very encouraged that the people and organizations involved can work together to develop a solution that works for everyone involved.

COMMITTEE REPORTS

AUDIT COMMITTEE

Mr. Butler said that the Audit Committee did not meet today, but will meet in September. There was no Audit Committee report.

FACILITIES & RESOURCES COMMITTEE

Mr. Redwine gave the Facilities and Resources Committee Report. Highlights of that meeting are included as "Attachment B." One item needed action by the Board.

Mr. Redwine moved that the Board approve the ITCS Year in Review report as provided in the Board materials. The motion passed with no negative votes.

HEALTH SCIENCES COMMITTEE

Mr. Jones said that the Health Sciences Committee did not meet today, but will meet in September. There was no Health Sciences Committee report.

UNIVERSITY AFFAIRS COMMITTEE

Mr. Lucas gave the University Affairs Committee Report. A summary of that meeting is included as "Attachment C."

EXECUTIVE COMMITTEE

Mr. Brody reported that since the last regular meeting of the full Board, the Executive Committee met twice via conference call to act for the Board:

- On April 26, 2010, to approve the appointment of and memorandum of understanding with Wes Moore as head coach of women's basketball.
- On April 30, 2010, to approve the appointment of and memorandum of understanding with Heather Macy as head coach of women's basketball.

Mr. Brody called on Mr. Redwine to present the motions from the Executive Committee.

Mr. Redwine moved approval of the Employment Agreement with the Head Women's Basketball Coach at ECU, as presented in Board materials. The motion passed with no negative votes.

Mr. Redwine moved approval of the recommendations for conferral of tenure for:

- Dr. Susan L. Ganter, professor and chair in the Department of Mathematics, Science and Instructional Technology Education in the College of Education.
- Dr. William P. Bloss, professor and chair in the Department of Criminal Justice in the College of Human Ecology.

- Dr. John J. Weitz, associate professor and director of the Planning Program in the Department of Geography in the Harriott College of Arts and Sciences.
- Dr. Syed Ahmed, professor and chair in the Department of Construction Management in the College of Technology and Computer Science.
- Dr. Stephen J. Leierer, associate professor in the Department of Rehabilitation Studies in the College of Allied Health Sciences.

The motion was approved with no negative votes.

Mr. Redwine moved approval of the Faculty Serious Illness and Parental Leave Policy as presented in board materials. The motion was approved with no negative votes.

UNFINISHED BUSINESS

There was no unfinished business

NEW BUSINESS

Mr. Brody noted that the next meeting will be on September 17, 2010, which is a change from the original schedule.

Mr. Brody adjourned the meeting at 3:00 p.m.

Dr. Ballard's Remarks
Board of Trustees
July 22, 2010

Welcome to everyone. My remarks today will be fairly short (Kevin took them all at lunch).

Before we get into tougher topics, let me acknowledge three great external recognitions of ECU. They are especially important to me because they recognize programs we have committed to, as opposed to other people's criteria of what we should be:

- As you know, George Washington University scientists have found ECU to be among the top 7 nationally for the social mission of the Brody School of Medicine ...meaning training primary-care doctors and placing them in rural and underserved areas. That is our mission, we excel at it, and we are by far the best in the state in this regard. (#2 – primary care doctors)
- The Secretary of Defense has selected ECU as one of 15 winners of this year's Freedom Award, recognizing our commitment to military programs, the National Guard, and the Reserve. Over 2500 nominations were received worldwide. This, again, is an area we have identified as important and we have excelled in research, service, and educational programs for the military.
- And, Mr. Dowdy's division... yes, that is "Wrong-way Dowdy"... won not one but two awards for private fundraising. The first was for overall improvement and the second was for sustained excellence...one of only two universities to receive this award this year. This looks like a recipe for greatness to me.

Fiscal Affairs

Kevin did a great job of summarizing our fiscal situation at lunch. I especially applaud his work to create the **Strategic Financial Plan**.

My characterization of this legislative session is “we survived pretty well.” Given the huge budget gap and on-going concerns with Medicare shortfalls, we had some great wins. For the future, however, the key message is that by all estimates we are in a five year downturn and scarcity has become the new economic reality. Next year, we anticipate a structural state budget deficit of approximately \$3 Billion... or more than a 15% gap between revenues and needs.

Within this context, I want to say a word about tuition. Quite rightly, it is a dominating subject in higher education. I feel the pain of the students and their families. Mr. Shuler, a graduate student in our nursing program, has asked how we can possibly increase tuition at this late date. It creates a hardship for thousands. I think everyone knows that I have been in favor of low tuition rates... and have faced some tough questions from the Board in this regard. Over the past 3 years, we have increased tuition only about 2% while our sister institutions on average have increased it over 9%. Plus, we have done almost everything possible to avoid unreasonable tuition increases. Last year, for example, we had \$ 19 M in base cuts and took 92% of them in administrative areas. Our Board policy, passed in March of 2009, is frequently recognized as a model for how to handle severe budget reductions while protecting the student experience.

But, facing another \$11M base cut this year, we could either reduce quality or increase tuition, and don't think we had much of a choice there. And we remain a great educational bargain. We have the lowest tuition and fees among the 7 largest schools in the UNC system, and we remain next to last in tuition and fees among 16 peer institutions. We are trying our best to strike a reasonable balance.

Dental School

Many folks took the dental school for granted once the capital funds were approved by the legislature, but in my opinion the last two years presented the biggest challenges we have faced over the 5-year process. Securing 12M in operating funds...and therefore having great confidence that we will be accredited in September... during a severe recession.... well, that was a challenge. But you know what, it is amazing what can be accomplished when it doesn't matter who gets the credit.

Here is the thing to remember: we will open our dental school on-time and as-promised next fall with a class of 50 students. These students will all be NC residents and a majority will want to stay in NC to practice. And we are the national model for how to serve rural areas and areas that are significantly underserved. Every dental school in the country will be watching ECU and our service learning centers. ECU will not get rich for our Dental School, but we're doing it right and it will make a huge difference for North Carolina.

Athletic Conferences

I don't know if anybody has noticed, but some athletic conferences have been changing. The Big 10 now has 12 universities and the Big 12 has ten. Go Figure.

While these changes may eventually affect ECU, they haven't so far and it is unlikely that more changes will occur over the next year. If decisions are made based on the quality of the programs, integrity of athletics, quality of facilities, or any other factor over which we have control... then I'm am very confident we will have great choices in front of us. Let me be clear, our athletics department has done a remarkable job to put us in a favorable position.

However, sadly, everything I know about the major changes is this...it is all about the money. The biggest schools want super conferences in order to preserve the current system and their virtual monopoly. Hence, it makes our competitive position much harder because there is not much we can do to change our market share or the perceived value of our recruiting location. Those factors are determining much of the changes.

That said, lots of good things are happening, including aggressive moves by Conference USA to improve our membership. During the coming year, I believe we will have a stronger conference and it is quite possible that more eastern teams will join the conference. This would allow us to build more eastern rivalries and also protect our students from unreasonable travel. Now, life would be perfect if Ruff could just go undefeated this year.

Agenda for 2010-11

Finally, let me say a few words about work that is continuing in the coming year or will be new as we move forward. We continue to live our strategic plan, as spelled out in ECU TOMORROW and in UNC TOMORROW. Those two documents express our vision, mission, values, and our directions. In these plans, you can find our soul ... to serve others, to make a difference, to do what we say we are going to do.

For the coming year, I see these programs to be among our top endeavors to ensure we realize our vision:

1. Academic space remains our top capital priority, but now it is a crisis. We cannot grow, recruit great faculty, or serve our mission without a new **Bio-Science building**. I believe we came within inches of it this past year. Unfortunately, state revenues certainly suggest that next year won't be any easier. I ask that every Board member join us in securing state funding for this project.

2. As I have stated, we will **launch two colleges** this academic year...Honors and Dental. Neither will be easy, but they will be rewarding. Let's just pause for one second and recognize that in midst of the worst and longest recession in recent memory, we will be starting two new, vital, colleges that we expect to be national models. It is a great time to be a Pirate.
3. Thirdly, I have initiated a project called, "OUR SHARED DIRECTION: BUILDING PARTNERSHIPS FOR THE EAST. The purpose is to re-energize and re-invigorate our commitment to eastern North Carolina. Some universities are most interested in what their reputation is in Washington or New York. ECU is interested in what they think of us in Little Washington and New Bern. One of my tasks in this project is to visit cities across the east this year and listen to people in these communities and hear their needs. I invite members of the Board to come with me.

But it is not just me...every division and every Vice Chancellor is stepping up. Taffye is leading an aggressive outreach program to enhance minority enrollments. We will make renewed commitments to add more health professionals, dramatically increase both access and merit scholarships, and expand the Outreach Scholars Academy so our faculty are supported for what they do in eastern communities. Provost Sheerer is working on a public education initiative and there will be many more elements to this commitment.

It is always easier to lead when revenues are growing. I think ECU has shown how to lead in the toughest times, all the while protecting the student experience. We have two more years at least to see the light at the end of the tunnel, so stay with us.

Thank you and I would be happy to address questions.

**ECU Board of Trustees
Facilities and Resources Committee
July 22, 2010**

Highlights

The Facilities and Resources Committee met this morning.

Administration and Finance

Property

The Committee reviewed a request to purchase land for a proposed Dental Clinic to be sited on the Roanoke Chowan Hospital campus in Ahoskie, N.C. Dr. Chadwick and Mr. Buck presented information on the project. The Committee approved a motion to purchase the land with the restrictions removed from the deed and negotiate an appropriate Memorandum of Understanding. Mr. Buck will renegotiate the purchase with the Roanoke Chowan Alliance and return to Board of Trustees in the future for consideration.

ITCS

Mr. Norris, Interim CIO, was introduced and presented the ITCS Year on Review. He highlighted aligning the ITCS mission with ECU's strategic mission, the growth of the ITCS department and summarized accomplishments of the past year. The Committee approved a motion to recommend that the full Board approve the report.

Master Plan Update

Bagnell presented an update to ECU's master planning process. The master planning consultants will present scenarios to the advisory and steering committees in the fall with a target date for implementation and a final report of January, 2011. The final report will be presented to the BOT for consideration and approval.

Capital Projects Review

Mr. Bagnell presented an update of the following major capital projects: Scott Residence Hall, Tyler Residence Hall, Wright place renovation, Stadium Expansion, Softball Stadium, Dental School, Croatan, Stadium seating, Coastal Studies Institute and Family Medicine Center. The current information for the major capital projects is available on the ECU website at <http://www.ecu.edu/cs-admin/bot/majorcapital/projects.cfm>.

Chancellor's Residence Update

Mr. Chalk presented an update of his sub-committee reviewing alternative uses of the Dail and Younge houses. In Mr. Moore's absence, Mr. Seitz gave an update of the sub-committee to review alternatives for a new residence location/facility. Mr. Brody related his meeting experiences with the Major, the City Council and TRUNA (the housing association of the Fifth Street neighborhood).

Designer Selections

The following designer selections were reviewed as information items:

Bate Building Replace Steam Condensate System
Science and Technology Building 3rd and 5th Floors Upfit
Building 214 – Storage Facility
Belk, Umstead and White Fire Sprinklers & Belk Fire Alarm

Changes in Credit Card Policies

Mr. Seitz presented information on changes in credit card policies for the University Cashier's Office. Ms. Bowling was present for questions. A task force has been established to deal with related issues.

Other

Mr. Seitz mentioned that work on one of the dormitories is behind schedule. A back up plan has been established if the dorm is not ready for fall occupancy.

Talking Points from University Affairs Committee July 22, 2010

■ Academic Affairs - Honors College –

- Proceeding very successfully with excitement brewing on an off campus.
- Dr. Patricia Fazzone has been hired as the new Dean of the Honors College and she will be joining ECU in the fall.
- Kevin Baxter has been with the Honors College since January building the program from the ground up from programs, recruitment and direction.
- The EC Scholars, the largest merit scholarships, have been moved into the Honors College and Dr. Katie O'Connor is now serving as the interim.
- ECU has committee resources of about \$400,000 to the HC.
- The Mamie Jenkins Building is being renovated for the future home of the Honors College.
- The fall group is about 2/3 female and about 88% in-state for incoming freshmen this fall.

■ Student Affairs – Virginia Hardy

- Virginia updated some position vacancies
 - Dr. Emmett Floyd is serving as the Interim Director for the Career Center.
 - Bill McCartney has agreed to become the Associate Vice Chancellor for Housing and Dining and will start in October.
 - Matt Dwyer has been named the new director of the Counseling Center
 - Student Involvement and Leadership hired Bobby Woodard as the new Executive Director, Bobby Woodard, was hired and he will start in August.
 - The search for a Director of Assessment, Research and Retention is currently underway.
- Campus Living update for fall 2010.
 - To date, near capacity for fall with an increase of about 600 for first time students.
 - Renovation update- Tyler Hall phase one which is now completed. Fletcher Hall is still under construction and hopes are to have it completed for the fall. Scott Hall is now complete and ready for the fall. There will be a ribbon cutting at the September
- Wright Plaza is set to open August 2nd and the Croatan is on track for 2011 opening.
- Student Transit purchased the GPS tracking system so that students will know where the buses are located along their routes.
- The Student Health Insurance Plan is in full swing. About 9,700 have either waived in or waived out of this plan. The deadline to waive out or enroll has been extended to September 30, 2010.

■ Athletics –Nick Floyd

- Nick said the \$40 million of construction is going well including the football stadium expansion which is set for completion around August 12th. The new scoreboard has arrived.
- The softball field is almost done and the team will host the Conference USA tournament in 2011. By December 2011, the entire project should be done.
- Football season tickets are getting close to reaching our all time record for sales, now more than 20,000.

■ Safety

- **Active Shooter Drill** –There were a number of areas that were assessed including Communication, Public/Emergency Interaction, Safety and Interaction with the Media, as well as campus alerts. Multiple messages were sent out via ECU alert. We were in the top two for campus response in the UNC system. Regarding communications, the company said ECU “nailed it.” The report also identified some areas of improvement.

■ **Enrollment Services**

- **Financial Aid Update** – John Fletcher as the new Enrollment Director. He said the goal is to be focused, proactive and intentional in our actions and most importantly, drive our actions by data. ECU has increase the amount of ECU grant money for those who receive it from \$1,500 to \$4,500. By doing this, the potential burden to the student will be reduced about \$3,000 to about \$20,000. He said while unable to predict how many students might not enroll if they did not receive this grant, the net revenue to the ECU community would be \$10,164,000 if all enroll.