

(Approved at August 8, 2014 Board of Trustees Meeting)

**COLLEGE OF CHARLESTON BOARD OF TRUSTEES
MINUTES
OF
Board of Trustees Meeting
Monday, June 9, 2014
Randolph Hall Boardroom**

BUDGET AND FINANCE COMMITTEE MEETING

Committee members present: Trustees Lee Mikell (chair), David Hay, Dan Ravenel and Joe Thompson

Committee members participating by conference call: Trustees Frank Gadsden and Annaliza Moorhead

Other Board members present: Trustees Don Belk, Demetria Clemons, Renee Goldfinch, Henrietta Golding, Greg Padgett, Toya Pound, Renee Romberger, Eddie Thomas and Ricci Welch

Other Board members participating by conference call: Trustees John Busch, Pansy King-Reid, Jeff Schilz and John Wood

Other Board members absent: Trustee Cherry Daniel

Others present: Kathryn Bender, George Benson, Priscilla Burbage, Jeri Cabot, Lynn Cherry, Betty Craig, Beverly Diamond, Mike Haskins, Shirley Hinson, George Hynd, Sam Jones, Elizabeth Kassebaum, Bobby Marlowe, Brian McGee, Todd McNeerney, Steve Osborne, Jonathan Ray, Mike Robertson, JoAnn Throckmorton and George Watt

Committee Chair Mikell called the meeting to order at 11:00 a.m. after noting that the meeting notice has been posted and the press notified as required by the S. C. Freedom of Information Act.

Committee Chair Mikell welcomed everyone attending the meeting and noted that Trustee Cherry Daniel is out of the country and could not join the meeting today.

The Budget and Finance Committee met on Friday, May 30, at 10:30 a.m. and approved a preliminary 2014-2015 budget, including a 1.5% pay raise for state employees, based on feedback received from the Budget and Finance Committee Workshop on May 14. Since the May 30 meeting, the General Assembly approved a 2.0% pay raise for state employees leaving the proposed budget approved on May 30 to be out of balance. In order to balance the budget, it is necessary to make a number of adjustments to absorb this additional cost to the College.

Therefore, Steve Osborne reviewed the necessary 2014-2015 budget adjustments and the following Resolution on Tuition and Fees and Budget for Fiscal Year 2014-2015 was presented for the committee's approval. *[Copy is in Budget Book distributed at the meeting.]*

Committee Chair Mikell asked for unanimous consent to dispense with the reading of the Resolution since all Board members were provided with a copy prior to the meeting.

**COLLEGE OF CHARLESTON
RESOLUTION OF THE BOARD OF TRUSTEES
on
TUITION AND FEES
And
BUDGET
FOR
FISCAL YEAR 2014-2015**

June 9, 2014

WHEREAS, College management has presented the Board separate documents, entitled the College of Charleston 2014-2015 Proposed Budget and the College of Charleston 2014-2015 Fees (collectively referred to in this Resolution as the "Proposed Budget and Fees") that are included herein by this reference;

WHEREAS, the Proposed Budget and Fees contains recommendations regarding adjustments to student tuition and fees as well as a College budget for the 2014-2015 Fiscal Year;

WHEREAS, College management is of the opinion that the proposed budget and its tuition and fee recommendations for the 2014-2015 Fiscal Year are reasonable and fully consistent with the need to further the initial elements of the College's Strategic Plan and to meet the operational and deferred capital needs of the College, while taking into account the condition of the economy and its effect on South Carolina families, and the College's tuition level relative to other public institutions of higher education in the State; and

WHEREAS, the Board of Trustees instructs the Administration to continue efforts to review program costs and strive for improved efficiencies.

NOW THEREFORE, BE IT ---

RESOLVED, that for the 2014-2015 Fiscal Year College management is hereby authorized and directed to set undergraduate and graduate tuition and fees for each semester in the following amounts:

- \$5,279, for in-state undergraduate students;
- \$5,807, for in-state graduate students;
- \$13,774, for out-of-state undergraduate students; and
- \$15,152, for out-of-state graduate students;

RESOLVED, that for the 2014-2015 Fiscal Year, College management is hereby authorized to assess student fees in the amounts presented to the Board in the Proposed Budget and Fees and to implement the proposed budget contained therein; and

RESOLVED, that the College continue its review of program costs and efficiencies.

RESOLVED, that the College provide timely notice to students and student applicants of the tuition and fees for the 2014-2015 Fiscal Year.

Trustee Dan Ravenel made the motion, seconded by Trustee Joe Thompson, for the Budget and Finance Committee to approve the Tuition and Fees and Budget Resolution as presented. The chair called for the yeas and nays, and the Resolution was unanimously approved by voice vote. Motion passed.

The Budget and Finance Committee will present the proposed amended budget and corresponding Resolution to the full Board for approval at the Board Meeting following this meeting.

Trustee Dan Ravenel made the motion, seconded by Trustee Annaliza Moorhead, to adjourn the Budget and Finance Committee meeting at 11:05 a.m. All in favor.

BOARD OF TRUSTEES MEETING

Board members present: Trustees Greg Padgett (chair), Don Belk, Demetria Clemons, Renee Goldfinch, Henrietta Golding, David Hay, Lee Mikell, Toya Pound, Dan Ravenel, Renee Romberger, Eddie Thomas, Joe Thompson and Ricci Welch

Board members participating by conference call: Trustees John Busch, Frank Gadsden, Pansy King-Reid, Annaliza Moorhead, Jeff Schilz and John Wood

Board members absent: Trustee Cherry Daniel

Others present: Kathryn Bender, George Benson, Priscilla Burbage, Jeri Cabot, Lynn Cherry, Betty Craig, Beverly Diamond, Trisha Folds-Bennett, Mike Haskins, Shirley Hinson, George Hynd, Sam Jones, Elizabeth Kassebaum, Bobby Marlowe, Brian McGee, Todd McNerney, Steve Osborne, Jonathan Ray, Mike Robertson, JoAnn Throckmorton and George Watt. Diane Knich, *Post and Courier* reporter, also attended the meeting.

Chair Padgett called the meeting to order at 11:05 a.m. after noting that the meeting notice has been posted and the press notified as required by the S. C. Freedom of Information Act.

Welcome and Introductions:

In an effort to make the conference call participants aware of other Board and staff members present in the Boardroom, Chair Padgett welcomed each Board and staff member present by name.

Trustee Cherry Daniel is out of the country and unable to attend the meeting.

Approval of Minutes:

Trustee Joe Thompson made the motion, seconded by Trustee Ricci Welch, to approve the minutes of the March 19-22, 2014 Board Meeting. The Chair called for the yeas and nays, and the minutes were unanimously approved by voice vote. Motion passed.

President Benson's Remarks:

President Benson compared the College of Charleston's state appropriations per FTE with comparative national institutions. The College ranked #121 (last on the list) when compared with similarly-sized public degree-granting institutions in the United States. In other words, the College receives the lowest State Appropriations per FTE among the comparison group.

[Trustee Demetria Clemons joined the meeting at 11:17 a.m.]

[Committee Chair Lee Mikell presents the Budget and Finance Committee Report.]

Budget and Finance Committee Report:

First, Committee Chair Mikell thanked Steve Osborne, President Benson and everyone involved in fiscal management for the great job in completing the proposed budget.

Committee Chair Mikell noted for the record that at its meeting on May 30, the Budget and Finance Committee unanimously approved the 2014-2015 Tuition and Fees and Budget to be presented to the full Board for approval at the June 9 Board meeting. Since the May 30 meeting, legislative action required that the 2014-2015 proposed budget be amended accordingly and presented to the full Board for approval today.

Steve Osborne reviewed the amended 2014-2015 proposed Tuition and Fees and Budget with the full Board. *[Copy is in Budget Book distributed at the meeting.]*

Following discussion, Committee Chair Mikell asked for unanimous consent to dispense with the reading of the Resolution since all Board members were provided with a copy prior to the meeting.

The Budget and Finance Committee moved for the full Board to adopt the Resolution on Tuition and Fees and Budget for Fiscal Year 2014-2015 as approved by the Committee earlier this morning. The Chair called for the yeas and nays, and the Resolution was unanimously approved by voice vote. Motion passed. *[For copy of Resolution approved by the Budget and Finance Committee, see page 2-3 of these meeting minutes.]*

Chair Padgett thanked everyone for their hard work and expressed his appreciation for their efforts.

New Business:

Chair Padgett thanked Trustee Renee Romberger for representing the College at Wofford's presidential inauguration and Trustee John Wood for representing the College at Clemson's presidential inauguration.

Lynn Cherry introduced Todd McNerney who will replace her as Speaker of the Faculty in the fall.

In March, the Board of Trustees approved the awarding of an honorary degree for Mr. Stanley Schottland to be presented at his 95th birthday celebration in Florida on April 27. Chair Padgett read a “thank you” letter from Peter Schottland regarding his father’s honorary degree.

Trustee John Wood made the motion, seconded by Trustee Dan Ravenel, to go into Executive Session at 12:10 p.m. for the following purposes: (1) Legal Counsel to consult and provide legal advice on litigation, including actual and potential legal claims; and (2) Discussion of negotiations incident to proposed contractual arrangements and proposed purchase/lease of property. All in favor.

Chair Padgett asked the following staff members, in addition to President Benson, to remain and attend Executive Session: Kathryn Bender, Jeri Cabot, Mike Haskins, George Hynd, Brian McGee, Steve Osborne, George Watt, Elizabeth Kassebaum, and Betty Craig.

[Break]

[Meeting resumed at 12:15 p.m.]

[Everyone left the meeting except Board members at 1:40 p.m.]

Trustee Renee Romberger made a motion, seconded by Trustee Ricci Welch, to leave Executive Session at 1:50 p.m. All in favor.

[Regular session resumed at 1:50 p.m.]

Chair Padgett noted for the record that no action was taken during Executive Session.

At its meeting on May 30, the Budget and Finance Committee unanimously approved the Resolution “Allocation of Funds for the Rutledge Rivers Renovation” as presented below. *[A copy of the Resolution was emailed to all Board members prior to the meeting.]*

**COLLEGE OF CHARLESTON
RESOLUTION OF THE BOARD OF TRUSTEES
ALLOCATION OF FUNDS – RUTLEDGE RIVERS RENOVATION**

June 9, 2014

WHEREAS, the Board of Trustees has been apprised of the need for renovation of the Rutledge Rivers residence hall, and is aware of the associated health safety issues which resulted in the closure of the facility effective with the Fall 2013 semester;

WHEREAS, the Board of Trustees has the authority under the South Carolina Code of Laws Section 59-101-185 to maintain financial management;

WHEREAS, the Board of Trustees has the authority under the South Carolina Code of Laws Section 59-130-30 (6, 8, 13) to make bylaws and regulations for the management of its affairs and its own operations not inconsistent with law; fix tuition fees and other charges for students attending the college, not inconsistent with law; adopt measures and make regulations as the board considers necessary for the proper operation of the college;

WHEREAS, the College has, by virtue of its current fee structure, generated excess capital improvement funds which are often used to cash-fund projects or for deferred maintenance;

WHEREAS, the 2013-2014 Appropriations Bill 3710 Part 1B 117.11 states that “During the current fiscal year, student fees at the state institutions of higher learning shall be fixed by the respective Boards of Trustees as follows: (1) Fees applicable to student housing, dining halls, student health service, parking facility, laundries and all other personal subsistence expenses shall be sufficient to fully cover the total direct operating and capital expenses of providing such facilities and services over their expected useful life except those operating or capital expenses related to the removal of asbestos;

NOW THEREFORE BE IT ---

RESOLVED, that the Board of Trustees directs the allocation of a portion of the excess capital improvement fund (the amount to be subsequently determined based on the total project cost) to be used to assist with the renovation of the Rutledge Rivers Residence Hall. The expended capital improvement funds cannot exceed \$8 million.

Trustee Henrietta Golding made the motion, seconded by Trustee Joe Thompson, to amend the last paragraph of the Resolution, “the expended capital improvement funds cannot exceed \$8 million.” The Chair called for the yeas and nays, and the motion to amend was unanimously approved by voice vote. After an additional opportunity for discussion, the Chair called for the yeas and nays on the main motion, as amended. The motion carried, and the resolution was adopted.

Trustee Joe Thompson made the motion, seconded by Trustee Dan Ravenel, to adjourn the meeting at 1:55 p.m. All in favor.