

**SPECIAL MEETING**  
**COLLEGE OF CHARLESTON**  
**BOARD OF TRUSTEES**

President's Board Room  
College of Charleston  
Charleston, South Carolina

June 9, 2003

12:30 p.m.

Presiding:

Robert S. Small, Jr., Chairman

Members of the Board in attendance:

Mr. Donald H. Belk  
Dr. L. Cherry Daniel  
Mr. James F. Hightower  
Mr. William D. Johnson  
Mr. Robert W. Marlowe  
Mrs. Annaliza Oehmig Moorhead  
Mr. J. Vincent Price, Jr.  
Mr. Y. W. Scarborough, III  
Mr. Joseph F. Thompson, Jr.

By Conference Call:

Mr. J. Philip Bell  
Mrs. Marie Land  
Mr. F. C. McMaster  
Mr. Lawrence R. Miller

Absent:

Mrs. Charlotte L. Berry  
Cheryl Whipper Hamilton, Esq.  
Mr. Joel H. Smith

Others in attendance: President Lee Higdon, Drs. Andrew Abrams, Jeri Cabot, William Lindstrom, Dr. Peter McCandless and Sue Sommer-Kresse; Messrs. Jerry Baker, Fred Daniels, Daniel Dukes, Greg Evans, Sam Jones, and Gary McCombs; Mses. Priscilla Burbage, Virginia Friedman, Elizabeth

Kassebaum, Chris Schlosser, and Monica Scott, also Dr. Hugh Wilder, Speaker of the Faculty; Leigh Handal, President-Elect of the Alumni Executive Board; Mr. Daniel Ravenel, President of the College of Charleston Foundation; Mr. Nick Glover, President of the Student Government Association; Mr. Mike Robertson, College Relations staff; and Ms. Allison Bruce, *Post and Courier*.

(In accordance with requirements of the *S. C. Freedom of Information Act*, news media was notified of the time, location, and agenda for this meeting).

A special meeting of the College of Charleston Board of Trustees was held on June 9, 2003, to discuss a tuition increase. At 12:30 p.m. the meeting was called to order by Chairman Small. He noted that Philip Bell, Marie Land, Creighton McMaster, and Larry Miller were participating in the meeting by conference call.

Chairman Small made the motion to approve the minutes from the April 8, 2003 Board of Trustees meeting, but since one of the Board members hadn't received a copy of the minutes, Chairman Small indicated that the minutes will be approved at the July Board meeting. He noted that Dan Ravenel will attend future Board meetings as the College of Charleston Foundation representative because Bill Scarborough is now a member of the Board.

President Higdon introduced Nancy Wilson, the new Women's Basketball Coach. Nancy coached at the College of Charleston in the 70's and early 80's. She coached at USC for 13 years and professionally for two years. She has been teaching at the College for the past four years. President Higdon expressed excitement in having Ms. Wilson as the new Women's Basketball Coach.

President Higdon also introduced Ms. Wilson's three assistant coaches:

- (1) Temple Elmore played for Nancy at the College of Charleston in the 80's and is in the Athletic Hall of Fame. She was an assistant coach at Birmingham Southern.
- (2) Valerie Linley played at Florida State. She just finished her master's degree. She was a graduate assistant as well as coached for a high school team in Tallahassee while working on her master's degree.
- (3) Michelle Ray was on Nancy's former staff. She played at UNC-Asheville. She was an excellent coach with our program last year and is beginning her second year.

President Higdon introduced Leigh Jones Handal, a 1981 graduate of the College. Ms. Handal is currently president-elect of the Alumni Association and most recently has served as chair of the membership committee. Leigh is the Director of Marketing and Public Programs for the Historic Charleston Foundation. She and her husband, Chris, live on James Island.

President Higdon introduced Nicholas Glover, the incoming President of the Student Government Association. Mr. Glover is a great student leader, and the College is pleased that he will be head of the SGA. We look forward to having him attend the Board meetings.

Chairman Small welcomed Bill Scarborough and Jimmy Hightower as new members of the Board of Trustees. Also he welcomed back Vincent Price, who has made a full recovery from a recent illness.

Chairman Small expressed his desire to host a reception at his home at the Isle of Palms during the July Board meeting on July 24. He would like to include the Trustees, Trustees Emeriti, former trustees, Foundation Board, Alumni Association Executive Committee, and Young Alumni Associates. This will be a great opportunity for the new Board members to meet other groups who serve the College so well. The Senior Staff, as well as the Chair of the School of Business Advisory Board, will be invited.

Chairman Small noted that an attempt was made over the weekend to contact all Board members concerning pertinent information to be discussed at the meeting today. If anyone wants to receive e-mails or faxes on weekends, please contact Elizabeth Kassebaum with the information. President Higdon noted that sometimes situations develop, and we want to make sure everyone gets the information.

### **Finance Committee Report:**

Chairman Small reported that the Finance Committee met on Friday to discuss a tuition increase now that the General Assembly has approved the budget. He turned the meeting over to Larry Miller, the chair of the committee to give the committee report.

Mr. Larry Miller reported that the Finance Committee met on Friday, June 6, in Gary McComb's office. Annaliza Moorhead, Joe Thompson and Larry Miller participated in the meeting by conference call. Others attending the meeting were President Higdon, Jimmy Hightower, Bill Scarborough, Gary McCombs, Sam Jones, Hugh Wilder, Peter McCandless, Elizabeth Kassebaum, Chris Schlosser, and Virginia Friedman. Allison Bruce of *The Post and Courier* also attended the meeting.

Mr. Miller noted two information only items:

(1) Sam Jones provided the committee with information on the development of an incentive plan for Professional Development in Education. This plan will be submitted to the Board for action at the July meeting.

(2) Provisions for a modest employee compensation increase effective August 16, 2003, will be presented to the Board for action at the July meeting as part of the 2003-2004 proposed budget.

The Finance Committee requested that a copy of the proposed 2003-2004 budget be in the hands of the Board members one week before the July Board meeting.

Mr. Miller reported that President Higdon reviewed with the Finance Committee a Power Point presentation outlining the need for a fee increase. During the presentation, he noted two critical points: The tuition increase is necessary (1) to replace funds lost to the appropriation cuts, and (2) to provide financial flexibility for the College's future.

The Finance Committee moved that the Board approve the proposed increase in tuition and fees of 18.75% for 2003-2004 (to include the list of special fees). A copy can be found behind Tab III of the Board Booklet.

Chairman Small opened the floor for discussion. President Higdon reviewed the information behind Tab III of the Board Booklet for those who did not attend the Finance Committee meeting.

Bobby Marlowe supports the tuition increase of 18.75%, but he's not comfortable approving the increase without an approved budget. He suggested that next year the budget and tuition be handled at the same time and the projections be modified as changes occur. Chairman Small hopes the College will be in a position to make rational decisions and noted that all higher education institutions waited until the final budget was approved by the General Assembly to look at tuition. If there were other cuts in the budget, the College would be drastically affected.

Cherry Daniel asked if the graduate school's tuition will be increased by the same percentage? President Higdon replied that the graduate school's tuition will increase by the same percentage.

Don Belk expressed concern that the increase in tuition will affect retention. How many students drop out because of funding? President Higdon noted that it is too early to tell whether or not there will be an increase in retention for continuing students for the upcoming year – we don't know how many continuing students will register for the fall semester. President Higdon noted that the size of the SETA Program has been increased and is doing much better. The program has been adapted, and it will be available to incoming freshmen. Bill Lindstrom noted that raw numbers show a regular retention rate for those students who lose their scholarships but remain at the College.

Chairman Small asked for any other questions. All in favor of the motion. (The motion of the Finance Committee to increase fees and tuition, including special fees, by 18.75% for 2003-2004, was passed unanimously by the Board).

Chairman Small noted that everyone has compassion for the students and families who must pay this increase in fees. Students must carry the burden, but if the College plans to achieve excellence it must stay on course. Every effort is being made to minimize the impact on the students. He hopes the Board realizes this is a comprehensive plan.

### **Communication Strategy Report:**

Chairman Small asked Virginia Friedman to brief the Board on their efforts to communicate the tuition increase. Ms. Friedman's report included the following items:

(1) Today, June 9, President Higdon will send a letter to all returning students and their families announcing the tuition increase for 2003-2004. Also a separate letter from President Higdon announcing the tuition increase will be sent to the new students. A follow-up letter from Financial Aid regarding the SETA Program will be sent.

(2) On December 18, 2002, President Higdon sent a letter to the families addressing the likelihood of further budget cuts and the challenges the State and the College are facing.

(3) On February 13, 2002, President Higdon sent a memo to the College community regarding the latest state budget cuts.

(4) On April 8, 2003, President Higdon sent a letter to the families regarding the state's fiscal situation and explained why tuition could not be set until after the legislative session ended in June.

(5) On April 18, 2003, President Higdon sent a letter to accepted new students outlining the state's budget

crisis and informed them about when the tuition and fees would be determined.

(6) President Higdon met with the Student Government Association and informed them of the proposed tuition increase. Their help was solicited in communicating this information to the students.

(7) On April 22, 2003, President Higdon's Open Letter to Returning Students was posted throughout the campus and was e-mailed to the campus community. The letter, in Question and Answer format, made it clear that a tuition increase was inevitable and why.

**Legislative Summary:**

Chairman Small asked Daniel Dukes to give the Board an update on legislative actions this year. Mr. Dukes included in his report the following items:

(1) All state agencies took additional appropriated cuts for FY 2003-2004, amounting to 9.88% across-the-board budget cut for all higher education institutions. The College of Charleston's state appropriation for FY 2003-04 is \$26,398,432.

(2) The College received an appropriation of \$300,000 in recurring funds to support the Avery Research Center and \$288,017 in recurring funds for the Governor's School.

(3) The College received 23.75 new FTE lines.

(4) The Lottery Spending Bill for technology infrastructure projects was increased from \$11.1 million to \$12 million for next year.

(5) A proviso was approved to eliminate the competitive process for the allocation of the technology infrastructure money. A proviso was passed to divide the money among the four year colleges based on a formula of 35% divided equally among all ten institutions and 65% based on FTE enrollment.

(6) A tuition and fees proviso was adopted giving colleges flexibility in increasing tuition.

(7) LIFE, HOPE, and Palmetto Fellows Scholarships were fully funded.

(8) No state funds were appropriated for any employee pay raises.

(9) State employees will be required to pay an average of \$48 additional each month for health insurance coverage.

(10) No higher education restructuring legislation was passed.

Bobby Marlowe asked about the chance of additional budget cuts? Daniel responded that there is certainly the possibility that the College may see additional cuts as state tax collections declined in the months of April and May. President Higdon noted that if the College faces additional cuts, they hopefully will be modest.

Chairman Small commended Daniel Dukes for the extraordinary job he has done in working with the General Assembly this year. The Board commends him for a job well done.

There being no further business, it was moved (Marlowe) and seconded (Belk) that this special meeting of the Board of Trustees be adjourned.

All in favor. Meeting adjourned at 1:40 p.m.