

COLLEGE OF CHARLESTON
UNIVERSITY OF CHARLESTON, SOUTH CAROLINA

BOARD OF TRUSTEES

President's Board Room

College of Charleston

Charleston, South Carolina

July 19, 2002

8:30 a.m.

Presiding:

Joel H. Smith, Chairman

Members of the Board in attendance:

Mr. Donald H. Belk

Mr. J. Philip Bell

Mrs. Charlotte L. Berry

Mr. Timothy N. Dangerfield

Dr. L. Cherry Daniel

Cheryl Whipper Hamilton, Esquire

Mr. William D. Johnson

Mrs. Marie Land

Mr. Robert W. Marlowe

Mr. F. C. McMaster

Mrs. Annaliza Oehmig Moorhead

Mr. J. Vincent Price, Jr.

Mr. Robert S. Small, Jr.

Mr. Joseph F. Thompson, Jr.

Mr. Lawrence O. Thompson

Absent:

Mr. Lawrence R. Miller

Others in attendance: President Lee Higdon, Drs. Andrew Abrams, Jeri Cabot, William Lindstrom, Susan Morrison, Sue Sommer-Kresse; Messrs. Jerry Baker, Fred Daniels, Daniel Dukes, Sam Jones, and Gary McCombs; Meses. Priscilla Burbage, Virginia Friedman, Elizabeth Kassebaum, Monica Scott, also Dr. Hugh Wilder, Speaker of the Faculty; Glen Brown, representative from the Alumni Association; Bill Scarborough, representative from the College of Charleston Foundation; and Ms. Alicia Lea Scherini, President-Elect of the Student Government Association.

(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).

The regular meeting of the College of Charleston Board of Trustees was called to order at 8:35a.m. by Chairman Smith.

Chairman Smith called for approval of the minutes. It was moved (Berry) and seconded (Land) that the minutes of the April 16, 2002, meeting be approved.

All in favor.

Chairman Smith welcomed new Board members and asked for a motion for the election of Board Chairman. Joe Thompson made a motion, and Cherry Daniel seconded, for Tex Small as Chairman. Marie Land made the motion, and Laurie Thompson seconded, for Tim Dangerfield as Chairman. Joe Thompson moved to close the nominations, and Charlotte Berry seconded. Joel Smith stated that the bylaws would allow the Board to count Larry Miller's absentee vote. The election was held, the votes were counted, and Tex Small was elected Chairman.

Marie Land and President Higdon thanked Joel Smith for his years of service as Chairman of the Board of Trustees, and the meeting was turned over to the new chairman.

Chairman Small thanked the Board and said he was humbled by the confidence of the Board. He would like to look at the bylaws and change the process of selecting the chairman. He looks forward to serving as Chairman of the Board. Joel Smith has been a great leader, and Chairman Small wants him to stay involved.

Tex Small opened the floor to nominations for Vice Chairman. Creighton McMaster nominated Marie Land, and Charlotte Berry seconded the motion. Cheryl Hamilton moved that the nominations be closed, and Laurie Thompson seconded the motion. Motion passed. Marie Land will be the Vice Chairman.

Chairman Small opened the floor to nominations for Secretary. Marie Land nominated Vincent Price, and Cherry Daniel seconded the motion. Motion passed. Vincent Price will be the Secretary.

Chairman Small turned the meeting over to President Higdon.

President's Report:

President Higdon reported that our focus should be to take the College from being a good university to a great university. The College is very strong, and we aspire to be a pre-eminent institution by attempting to take our school to the next level.

He reported that the May Commencement was the largest graduating class that can be expected – 70 master's degrees and 1,100 undergraduate degrees. The undergraduate ceremony is getting too large, and some changes need to be made; therefore, a committee will look at the ceremony. Elizabeth Kassebaum will discuss possible changes at the October Board meeting. While it's important to preserve the ceremony, some changes must be made whereby all graduates can be accommodated, but at the same time, cutting down on the length of the ceremony.

Eighteen hundred (1,800) new and returning freshmen students were expected, but there were actually 2,000+ (that's 10% over target). Because we oversubscribed in terms of new freshmen, transfer applications were cut off early so that too many students would not be accepted. Because of the cut off of transfer applications, the in-state/out-of-state ratio did not improve very much.

SAT scores are up by 19 points.

There are 300+ continuing students over last year due in part to the 4th Century Initiative and state scholarship funding. More students are returning so retention is going up which is an important issue. Plans for next year will be discussed at the October Board meeting.

The bubble of returning students becomes a challenge because students who were admitted to the College even last year may not be able to get in next year. This will be discussed at the October Board meeting.

It is hard to recruit the best minority students. We're still at 9%, and this pool must be increased. This will be discussed at the October Board meeting.

President Higdon reported that the progress of the new dorm, the Jewish Studies Center, the Early Childhood Development Center, and the library are all in good shape.

President Higdon will give a full report on the 4th Century Initiative at the October Board meeting – i.e., new positions, new faculty, improved faculty and new programs.

President Higdon asked Andy Abrams to inform the Board about the new Dean of the School of Science and Mathematics. Dr. Norine Noonan will be introduced at the next Board meeting in October. Tex Smith inquired about the visibility of the College's science programs. Andy explained that the sciences has been an area that has demonstrated continued excellence in terms of students we attract, SAT scores, going on to graduate school, etc. Each department has received Commendation of Excellence Awards for undergraduate research.

President Higdon reported on the completion of two external assessments with consultant studies:

(1) The Communications Study was produced by an expert in the field of marketing and education who worked with Virginia Friedman and President Higdon. The consultant's assessment is that the College's reputation is rising regionally, but not yet nationally. The focus must be on geographic coverage. There is a need to invest in media relations and especially public relations. The focus must be on prospective students, alumni/friends and those who influence our reputation.

Marie Land asked that the small town newspapers not be forgotten and suggested that meetings be planned with them also. Virginia Friedman informed the Board that the College is implementing a hometown news program.

(2) Development Study -- President Higdon and Sue Sommer-Kresse worked together on this study. There is a need to fill key positions in the advancement area, i.e., major gifts, etc.

President Higdon gave a brief status report on the Strategic Plan for Information Technology. The working plan has been submitted and is being reviewed. Discussion on the plan is scheduled to begin in the fall.

The dedication ceremony for the new McAlister Residence Hall will be held in early fall.

On July 11 an alumni letter was mailed. Two pieces are issued each year – a January and a summer piece. President Higdon is receiving a lot of feedback on his letters, etc. President Higdon and Virginia Friedman will meet with editorial boards in the state in the fall. They plan to start with the *Post and Courier*, then to Greenville, then to *The State* in Columbia. It is important for people to appreciate what's going on at the College. Hopefully, they will react favorably when they hear news about the College.

President Higdon reported that the committee is hard at work on the details of the Strategic Plan for the University. Seven or eight goals have been set and the metrics have been established. They're working on specific programs to accomplish these goals. In the next two years, there should be something to share with the Board.

Because of budget reductions this year, and possibly next year, there needs to be some financial flexibility for further reductions should they occur. We must be aware that, given the uncertainties of the state, the College has to persevere.

The College is still trying to get the last \$5 million for the science facility. We are looking at alternatives to new building construction, but the focus is on using these dollars for the existing facility.

President Higdon is going with Dr. Conrad Festa to Annot in two weeks to see firsthand our campus there and to talk to our benefactors and other key persons.

Chairman Small thanked President Higdon for his report and asked for any questions. What is the parking experiment? The College is losing surface lots – "A" Lot, Tate Center Lot, "K" lot – as more campus facilities are built or renovated. New garages can't be built because the neighborhoods don't want them. Parking must be moved out of the core, and in an effort to help alleviate some of the parking problems, a shuttle experiment at the Aquarium Garage (575 parking spaces) has been arranged. The College will provide a shuttle to transport employees from the College to the Aquarium Garage. A

discount has been offered during the first semester to encourage people to use this shuttle service. Ways must be found to interest the faculty, staff, and students to park there and to help them realize that perimeter parking will work. There will be two parking forums in the fall to educate the faculty and staff on the future parking situation.

Chairman Small welcomed Bill Scarborough of the Foundation Board and Glen Brown, President-Elect of the Alumni Association, to the meeting. Mr. Scarborough stated that he looks forward to working closely with the Foundation. Mr. Brown reported that the Alumni Association has a great opportunity ahead. Only 17% of the graduates are active alumni so there is work to be done.

Legislative Summary

Daniel Dukes reported that the state and national economy are still slumping. There's flat growth in sales tax and income tax. The General Assembly has chosen to reduce spending in state government. Projected revenues to fund state government for FY 2002-03 are about \$300 million below recurring expenses. In light of this situation, state agency general fund budgets were reduced by the General Assembly in order to have a balanced budget for FY 2002-03. The Capital Reserve fund was used to cover mid-year shortfalls, and the General Reserve Fund was used and is almost depleted. We have had two across-the-board cuts.

The Lottery Spending Bill certainly affects the College of Charleston by providing increased scholarship awards to the students.

The College suffered a \$2.9 million (8.5%) cut in formula funding from the beginning FY 2001-02 appropriation. Funding for the Governor's School was cut also. Difficulty is built on a 4% revenue growth.

The Appropriations Act contains a line item adding 50 new FTE positions for the College of Charleston. No funds were appropriated for state employee pay raises.

State employees will be required to pay an average of \$11.50 more per pay period to cover increased health insurance premiums beginning in January 2003.

President Higdon and Daniel Dukes visited in Columbia to promote and sell the Fourth Century Initiative, and he's pleased to report that the General Assembly is happy with this program. The General Assembly took care of the College by approving an increase in tuition and fees.

Revenue from the Lottery has been greater than expected. The College has been trying for years to get money for technology infrastructure improvements. The University Technology Grant Program is funded at \$10.85 million for FY 2002-03. Approximately \$5.55 million is recurring funds and \$5.3 million is non-recurring. Funds will be awarded to institutions with grant proposals supporting the development of technology and/or technology infrastructure. The College of Charleston will gain an undetermined amount of funds from this program. Funding will be provided to increase the LIFE Scholarship Award to \$4,700 for tuition plus \$300 for books and to fund the new HOPE Scholarship at \$2,500 for tuition plus \$150 for books. Funding is also provided to increase the Palmetto Fellows

Scholarship to \$6,700 for tuition and other college fees.

There's no news in Washington about appropriations for the science center. Five million dollars more has been requested. They're helping us, and we should know something by the end of August or the first of September.

Finance Committee:

Gary McCombs presented an update on the series of bond issues under the Higher Education Facilities Revenue Bond Act.

Motion from the Finance Committee for the Board to approve the expanding of the Initial Authorizing Resolution for Series 2002C, approved at the April 16, 2002 Board meeting, to include College Parking Facilities in the definition of higher education facilities. Tex Small noted that because it is a Resolution of the Committee, it needs no second.

“NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE COLLEGE IN MEETING DULY ASSEMBLED THAT:

1. The Board of Trustees hereby declares that from the effective date of the Series 2002C Bond Resolution the Higher Education Facilities shall be comprised of (i) the student and faculty housing facilities, (ii) the food service facilities, and (iii) the parking facilities of the College.
2. The Board of Trustees hereby declares that the Revenues shall now be composed of revenues derived from the operation of all of the Higher Education Facilities listed in paragraph 1.
3. The operative terms of this Resolution shall be incorporated into the Series 2002C Bond Resolution.”

This will add a source of revenue to pay interest on the bonds to be issued on August 6, 2002.

Motion passed.

Motion from the Finance Committee for the Board to approve the 2002-2003 Proposed Budget presented at Tab IV-B of the Board Booklet.

Mr. Gary McCombs gave a PowerPoint Presentation of the Proposed Budget. The budget information is presented at Tab IV-B of the Board Booklet.

Motion passed.

Motion from the Finance Committee for the Board to approve the 2001-02 Revenue and Expense Budget adjustments as reported at Tab IV-A of the Board Booklet.

Motion passed.

Motion from the Finance Committee for the Board to approve the 2002-03 Proposed Application Fee Revision.

Increase the application fee for the “printed version” of the admissions application from \$35 to \$45. The current \$35 rate would be maintained for the electronic version as an incentive for individuals to apply on-line.

Motion passed.

Motion from the Finance Committee for the Board to approve the New Residence Life Fees for the price of a single room in the Kelly House and the McAlister Residence Hall.

“Create a new rate for the Kelly House private rooms (2002-2003 Academic Year) at \$5,606. This amount will be charged to students receiving an apartment style room with no roommate. The previously approved standard double rate for Kelly House and the New Residence Hall is \$4,906. This rate will remain in effect for doubles and the new rate will apply only to those students in the single apartment style rooms.”

Motion passed.

Motion from the Finance Committee for the Board to approve the Residence Life Fee to establish a double room to private room buy-out policy and a rate of one and one half the normal rate. (This resolution applies to triples/doubles as well).

“ ‘Double-to-Private’ Buy-Out rooms are available on a space available basis only. Students can submit a written request to the Office of Residence Life and Housing (40 Coming Street) starting the first day of classes for an academic semester. Opportunity will be given first to those students that are without a roommate after all housing waiting lists have been exhausted and temporarily assigned students have been moved to permanent assignments. The next priority goes to students in date-received order if open rooms are available to be claimed as a private room.

The rate for a ‘Double-to-Private’ room buy-out is one and one half times the normal charge. Payment must be made to the Treasurer’s Office and receipt delivered to Residence Life and Housing within 48 hours of the request being granted to have the room as private for the remaining part of the semester. If the student does not claim the room as a private room then Residence Life and Housing reserves the right to assign a student to the open bed.

Triple rooms cannot be bought out by one student. However, two roommates may request the ‘buy-out option’ of a third vacant bed by splitting the additional 50% charge or 25% each.”

Motion passed.

Motion from the Finance Committee for the Board to establish a 21-meal plan for student athletes on full scholarship without dining dollars.

“Create a new Platinum-A meal plan for athletes at \$875 per semester. This is necessary due to NCAA regulations stating that athletes are allowed only three full meals per day. The closest plan currently in place is the Platinum, which is 21 Café meals plus \$125 dining dollars. The new plan eliminates the dining dollars and establishes a 21 Café plan with no additional dining dollars.”

After discussion and amended motion, motion passed.

Academic Affairs Committee:

Andy Abrams informed the Board that Dr. Frances Welch will serve as the permanent Dean of the School of Education. Dr. Welch did an outstanding job as interim dean.

Bill Lindstrom reported on the projected enrollment figures for the fall semester. The number of graduate students increased from 1709 in 2001 to 1830 in 2002. New freshmen undergraduates increased to 1838 while transfers decreased to 667. Provisional students increased to 190 making a total of 2,695 new students for the Fall Semester. The door was closed to applications in April, and there were more freshmen than expected. The number of continuing students went up from 6703 in 2001 to 7132 this year. Therefore, the total number of students projected for Fall 2002 is 10,417 (up about 4%).

Cherry Daniel talked about the first Student Convocation. The Convocation Ceremony is scheduled for August 19, 2002, in the gym. This falls in line with the 4th Century Initiative and targets freshmen as well as new students. She is certain that the College will see great results in the long run. Susan Morrison noted that the purpose of the event is to connect students to the College in their beginning years. A committee has been planning for this big event for months. It is intended to become an annual event to begin each academic year. Dr. Kathleen Hall Jamieson from the University of Pennsylvania will be the speaker. Her latest book, "Everything You Think You Know About Politics – and Why You're Wrong," has been selected as a reading guide to be sent to all incoming students.

Bobby Marlowe discussed changing the name of the Graduate Program from the University of Charleston to "The Graduate School of the College of Charleston." No vote is needed because there is no real name change.

Andy Abrams gave a brief presentation about the Declaration of Independence Road Trip, which was founded by Norman Lear. Charleston will be the first city on a three-and-a-half year national tour. An original copy of the document will be on display at the College on September 12. Since three of the original founders of the College signed the Declaration of Independence, it is appropriate that the College was selected as a site for one of the exhibits. A series of panel discussions will be included in the program. This will be a year-long celebration. Each month in the spring there will be different speakers to discuss the Declaration of Independence. In January, it will be the "Impact on Minorities." Future discussions will include "Impact on Women's Month" and "International Impact." This is exciting for the City of Charleston to have the Declaration of Independence on exhibit from September 11-19, 2002, to commemorate and honor those affected by the horrible tragedy of September 11. The document also will be on display at the Exchange Building.

Break at 11:15 a.m. Meeting resumed at 11:25 a.m.

Facilities Committee:

Chairman Small called on Marie Land for the Facilities Committee Report. She reported that construction on the New Library is going very well. The second and third floors are underway. Completion of the project is scheduled for late Fall 2003, with substantial occupancy completed by Spring Semester 2004.

Because the location of the arena is a big decision, some outside advice is needed. The College is in the process of hiring a consultant to conduct a comparative economic/architectural feasibility study of the expansion and renovation of the Kresse Arena versus construction of a new multi-purpose facility on upper Meeting Street. The results of the study will be used to develop a recommendation to the Board by

the October Board meeting as to which alternative best meets the needs of the College.

The Golf Practice Facility is on hold until the terms of the sublease are approved by the Patriots Point Development Authority. There hasn't been much progress in getting the easement.

The College received a \$1,000,000 trust to renovate the Early Childhood Development Center. Completion date is August 15, 2002, and it will be ready for this school year.

The expansion and renovation of the Simons Center is still on go. The firm of Stevens and Wilkinson has completed the programming and schematic design phase of the project. The cost estimate at this phase is \$20,000,000. The College has \$6,000,000 in state bond funds, \$1,000,000 in private funds, and \$13,000,000 in institutional bonds to fund the project.

The master plan for the College's Outdoor Athletic Complex at Patriot's Point included a tennis center for academic, athletic and recreational play. The sale of Remley's Point now has made available the funds needed for this project. The center will include six to nine hard surface courts, bleachers and a small clubhouse containing locker rooms, restrooms, and viewing decks. The estimated cost following the completion of schematic design is \$2,179,000, including a 15% contingency. The price is up a little more than thought.

A preliminary study was done a year ago that proposed the construction of a new biology/chemistry building on the K-Lot (\$38,000,000) and the renovation of the Science Center for the remaining departments (\$10,000,000). The State appropriated \$4,000,000 in FY 2000 toward the project. The federal government has appropriated \$5,000,000 toward the project. Because the project is a high priority at the State level, additional State money is anticipated when there is a bond bill. There's hope for more federal money.

The new 536-bed residence hall is scheduled for completion by the fall semester. The College acquired the existing Kelly House Suites in June at a purchase price of \$9,880,000. City approvals for the parking garage are pending. Marie Land praised President Higdon for what he has done with the neighborhoods.

The Jewish Studies Building is being privately financed and constructed under the Jewish Studies 501 C.3 Corporation. The Jewish Studies Program will be housed in part of the facility. The College will lease the remaining space for offices for other programs in the Humanities and Social Sciences. The estimated completion date is August 2002.

The College advertised for professional services to develop a physical facilities master plan for the campus. Ayers, Saint, Gross (Washington, DC) was selected for the project. They come highly recommended. The plan will take about a year. President Higdon noted that The Master Plan is expensive. We are asking a lot of this firm. This will be a base-line planning document for the next ten years.

Several years ago the College acquired the property adjacent to the Tate Center for Entrepreneurship for future expansion of the Business School. The possibility of a private gift has accelerated the planned expansion. The College advertised for professional services to design the building in December 2001. LS3P/Hillier has been chosen to design the project. The target completion date is Spring 2004.

The College closed on the acquisition of 84/86 Wentworth and 14 A/B St. Philip Street on April 1, 2002 (\$1,959,000). Development plans call for the demolition of 84 Wentworth and 14 A/B St. Philip Streets and the construction of a 36,000 square foot faculty office building that incorporates the historic building at 86 Wentworth Street. The College currently is studying the feasibility of consolidating the School of Education in this new facility because they presently are in six different locations.

The College has been offering courses in the North Area at the Ashley Phosphate location since 1997. The demand for offerings at this location has increased, making the facility inadequate for its needs. The proposed replacement space (approximately 12,000 square feet) is on the campus of the South Carolina Research Authority near the intersection of I-526 and I-26. The upfit of the space currently is underway, with completion scheduled in time for the 2002 Fall Semester.

The College discussed with the Board at its January meeting the possible acquisition of 207 Calhoun Street. The property is approximately a 7,000 square foot historic building on the corner of Calhoun and Pitt Streets, contiguous to the Addlestone Library. The property has been appraised at \$1,038,500. There are no environmental problems. It is intended that the facility will be used as a multi-cultural center for the College. All required state approvals to purchase the property have been received. Closing on the sale is scheduled to take place within the next two weeks. President Higdon noted that this is a very important part of recruiting international and minority students.

Monica noted that an architect has been hired to help with the design of the renovation work.

209 Calhoun Street is a surface parking lot adjacent to 207 Calhoun Street. It is owned by the United Bethel Methodist Church across the street. The church has expressed an interest in selling the property. The property has been appraised for \$262,000. The administration will pursue with the church the possible sale of the lot.

President Higdon noted that when you look at the schools at this institution, there's identifiable presence for our Business School, School of Science and Math, and the School of the Arts. Faculty in the School of Education are in six locations with no physical identity and little room for expansion. The purchase of the "Yo Burrito Building" at the corner of Wentworth and St. Philip Streets for additional faculty will help cement the School of Education's physical identity. We hope to come back to the Board in October with confirmation of our plans for that property.

Student Affairs Committee:

Jerry Baker informed the Board that the Athletics Department is installing a new floor in the John Kresse Arena. A new women's indoor/outdoor track team will be added to the athletic programs. There are now 19 varsity teams, including 12 women's varsity teams. The department has retained the services of a company to review the College's athletic logo.

Vincent Price announced that the basketball team will travel to Alaska around Thanksgiving. He expressed how pleased he is with the people running the basketball program.

New Business:

No action is taken on the proposed Trustee Emeritus Program until the Board has time to review all of the By-Laws.

Chairman Small asked Charlotte Berry to give an update on the Foundation's Annual Fund Drive for unrestricted giving from July 19 through October 15. In most colleges and universities, fund raising is becoming more and more critical to the success of the institution. The forms are being mailed to the Board of Trustees' homes beginning today, July 19. Mrs. Berry asked them to please fill out the forms and return them. The funds will support academic scholarships and financial aid, state-of-the-art classrooms, recruiting and retaining faculty, and an array of cultural opportunities and lectures. She asked the Board to give at a level at which they feel comfortable. She hopes for 100% participation. No goal has been set yet. Chairman Small seconded what Mrs. Berry said – you are only expected to give at your own capacity/ability.

President Higdon then talked about inviting the Tri-County Legislative Delegation to the October Board meeting for the Monday night dinner.

He also said that we will be setting the meeting schedule and going forward.

Mr. Belk thanked President Higdon and Elizabeth Kassebaum for the Board Orientation. It made it much easier for the new Board members. It took a lot of time and effort on everyone's part.

It was moved (Land) and seconded (Johnson) that the Board go into Executive Session at 11:55 a.m. Motion passed.

During Executive Session, several contractual and personnel matters were discussed.

The motion was made (J. Thompson) and seconded (Land) that the Board come out of Executive Session at 1:15 p.m., and the regular session resumed.

It was moved (Land) and seconded (Daniel) to purchase the Jewish Studies Building from the Jewish Studies 501 C.3 Corporation to become a part of the College campus. All approved.

Tex Small expressed his interest in scheduling a one-day retreat with the Board of Trustees in September to talk about the functions of the Board, committee assignments and Board By-Laws. He may propose a new Development Committee and split the Student Affairs and Athletics Committee. This will be discussed at the next Board meeting. He asked each Board member to send him a list of preferences for committee assignments, and he will put together a preliminary list of committees.

There being no further business, it was moved (Land) and seconded (J. Thompson) that this meeting of the Board of Trustees be adjourned.

All in favor. Meeting adjourned at 1:25 p.m.