

**COLLEGE OF CHARLESTON BOARD OF TRUSTEES
MINUTES
OF
SPECIAL MEETING
OF THE BOARD OF TRUSTEES¹
Friday, November 12, 2010
1:00 – 5:00 p.m.**

The Board members who participated in the Special Meeting at Fennell Holdings, Inc., 5264-B International Boulevard, Suite 100, N. Charleston, SC 29418 were:

Mr. Gregory D. Padgett (Chair), Mr. Donald H. Belk, Ms. Demetria Noisette Clemons, Dr. L. Cherry Daniel, Mr. David M. Hay, Mr. James F. Hightower, Mrs. Marie M. Land, Mrs. Annaliza O. Moorhead, Mr. Daniel Ravenel, Dr. Sam Stafford III, and Mr. Joseph F. Thompson, Jr.

Others in attendance: President George Benson, Drs. Claire Curtis (Speaker Pro Tempore of the Faculty) and Brian McGee (Chief of Staff and Senior Policy Advisor); Messrs. Mike Haskins (Executive VP for External Relations), George Hynd (Executive VP for Academic Affairs/Provost), Sam Jones (Director of Budgeting and Payroll Services), Bobby Marlowe (Legislative Liaison), Ron Menchaca (Director of Executive Communications), Isaiah Nelson (President, Student Government Association), Steve Osborne (Executive VP for Business Affairs), Tom Trimboli (Senior VP for Legal Affairs), and George Watt (Executive VP for Institutional Advancement), and Victor Wilson (Executive VP for Student Affairs); Meses. Priscilla Burbage (VP for Fiscal Services), Sherrye Carradine (Assistant Counsel), Betty Craig (recording secretary), Shirley Hinson (Director of Government Relations), and Elizabeth Kassebaum (Executive Secretary to the Board of Trustees); and Melissa Whetzel (Director of Media Relations) also attended the meeting.

The Board member who participated in the special Meeting by video teleconference at SCANA Corporation, Building D, 100 SCANA Parkway, Cayce, SC 29033-3712 was: Mr. G. Lee Mikell

The Board member who participated in the special Meeting by video teleconference at Greenville Tech, Technical Resources Center, Room 229, 620 S. Pleasantburg Drive, Greenville, SC 29607 was: Mr. Lawrence R. Miller

The Board members who participated the special Meeting by teleconference call were: Mr. John H. Busch, Mr. Frank H. Gadsden, Mr. W. Dwight Johnson, and Mr. John B. Wood, Jr.

Absent: Mr. J. Philip Bell

Notice of the only purpose for the Special Meeting was provided to all Trustees by memorandum dated October 20, 2010 (Exhibit A).²

¹ Written public notice of the time, location, and agenda for this Special Meeting was made and posted in accordance with relevant requirements of the *S. C. Freedom of Information Act*, S.C. Code Ann. § 30-4-80.

² The ByLaws of the Board of Trustees provides in relevant part:

Chair Padgett called the Board of Trustees to order at 1:10 p.m. and thanked Marie Land, the former Chair of the Board, for her outstanding service to the College as Board Chair.

Chair Padgett welcomed Trustee Lee Mikell who participated in the meeting by video teleconference in Columbia and Trustee Larry Miller who participated in the meeting by video teleconference in Greenville.

Also, Chair Padgett welcomed the Board members joining the meeting by teleconference call, John Busch, Frank Gadsden, Dwight Johnson, and John Wood.

At the request of the Chair, Executive Vice President and Chief Financial Officer, Steve Osborne, provided background information regarding the building moratorium and the related tuition issue. On June 7, 2010, the Board of Trustees met and voted to increase tuition by 14.75 percent for the 2010-2011 academic year. A few days later, President Benson received a letter from Senator Leatherman dated June 11, 2010 whereby Senator Leatherman referenced that he made an appeal to each college and university president last year to keep any tuition and fee increase for the FY 2009-10 academic year to no more than 3.6%. For this year the Senator asked, in his June 11th letter, that public institutions of higher education limit the tuition and fee increase to no more than 7.3% for in-state students.

At its September 29, 2010 meeting, the South Carolina Budget and Control Board adopted the following motion that effectively imposed a moratorium on its approval of certain permanent improvements unless tuition increases for the Spring 2011 semester were “rolled back” to no more than 7 percent above the Spring 2010 tuition rates:

**Budget and Control Board Meeting
September 29, 2010**

Action regarding Higher Education Permanent Improvement Projects:

All permanent improvement projects for all four year public colleges and universities, whose undergraduate tuition and required fees for full-time in-state students increased greater than 7.0% from the spring semester of academic year 2009-10 to the fall semester of academic year 2010-11, and all two year public colleges and universities, including technical colleges and community colleges, whose undergraduate tuition and required fees for full-time in-state students increased greater than 6.3% from the spring semester of academic year 2009-10 to the fall semester of academic year 2010-11, shall be placed on hold until such time as the institution certifies to the Executive Director of the Budget and Control Board the intent of the institution to lower their tuition and required fee increases to a level at or below 7.0% or 6.3%, respectively, before the beginning of the spring semester of 2011.

Besides the regular meetings, the Chair of the Board shall have power to assemble the Board at any time in special meetings, and it shall be his duty to do so upon the written request of three members of the Board or of the President of the College. At a special meeting the Board may deal with only that business which was stated in the call for the meeting.

This hold does not apply to projects that are created solely for deferred maintenance, nor does it apply to permanent improvements that are primarily designed to address health and life safety concerns. In addition, this hold does not apply when the permanent improvement project request is funded solely from privately donated funds.

Mr. Osborne reported that, at the present time, the College has only one pending project before the Budget and Control Board that was subject to the moratorium adopted at the September 29 meeting. The College, however, has four other building projects in line to be submitted to the Board for its approval. .

President Benson noted that this is an extraordinary challenge, and regardless of the Board's decision, the College will continue to make progress.

[John Wood joined the conference call.]³

“At this point” in the public session the Chair asked for a motion that further discussion on the moratorium be continued in executive session for the purposes of consulting with legal counsel on the contractual and legal matters attending to this one agenda item. **The motion was made by Mrs. Land, and seconded by Mr. Ravenel, to go into Executive Session at 1:25 p.m. to discuss such legal and contractual issues.⁴**

[The executive session was recessed at 3:15 p.m. and reconvened at 3:25 p.m.]

At 3:25 p.m. a motion was made by Mr. Belk, and seconded by Mr. Thompson, to adjourn the executive session and to return to the public session of the Board. The motion was unanimously adopted by voice vote.

As soon as the Board recovered in public session, Chair Padgett announced that no action was taken in executive session.

Chair Padgett then asked for a motion on the matter discussed in Executive Session. **The following motion was made by Mr. Hay, and seconded by Dr. Stafford. A vote in favor of the Resolution would have the effect of reducing the in-state tuition increase for the Spring 2011 semester to 7 percent more than the tuition in effect for the Spring 2010 semester..**

Mr. Hay read the following resolution:

**COLLEGE OF CHARLESTON
RESOLUTION OF THE BOARD OF TRUSTEES
on
TUITION AND FEES
And
BUDGET**

³ Trustee John Wood joined the conference call at 1:20 p.m.

⁴ Trustees John Wood and Larry Miller left Executive Session.

**FOR
SPRING 2011 SEMESTER**

November 12, 2010

WHEREAS, by Resolution dated June 7, 2010 the Board of Trustees approved student tuition and fees and a College budget for the 2010-2011 Fiscal Year;

WHEREAS, in the opinion of the Board an increase in such tuition and fees from the immediately preceding year was necessary and appropriate to implement the October 16, 2009 College of Charleston Strategic Plan (“Plan”), provide for needed capital investment, better the quality of the academic experience for our students, and to otherwise enhance the value of a College of Charleston education in a highly competitive job market; and

WHEREAS, by action of the South Carolina Budget and Control Board, dated September 29, 2010, in order to lift a moratorium imposed by such Board on its consideration of new College construction projects the College must certify its intent to set tuition for the Spring 2011 semester at no more than 7 percent above the tuition in effect during the Spring 2010 semester.

NOW THEREFORE, BE IT ---

RESOLVED, that for the Spring 2011 semester College management is hereby authorized and directed to set undergraduate and graduate tuition at the following levels:

- \$ 4,808, for in-state undergraduate students;
- \$ 5,290, for in-state graduate students;
- \$ 11,586, for out-of-state undergraduate students; and
- \$ 12,745, for out-of-state graduate students;

RESOLVED, that the College shall make adjustments to its budget for the remainder of this Fiscal Year to account for the anticipated reduction of revenues for the remainder of such year;

RESOLVED, that the Secretary of the Board shall certify a copy of this resolution to the South Carolina Budget and Control Board in such manner as may be appropriate; and

RESOLVED, that the College provide timely notice to students and student applicants of the tuition and fees for the Spring 2011 semester.

The following discussion ensued:

Trustee Land asked about the impact that the reduction in tuition will have on financial aid. Chair Padgett noted that the funding put in place by the College for this academic year will remain.

Trustee Daniel asked which areas will have the most impact. Steve Osborne responded that the greatest impact will be on the strategic initiatives as many of them will have to be delayed.

Trustee Ravenel inquired about what initiatives were funded with the original tuition increase of 14.75 percent. Steve Osborne responded that a large portion (7.92 percent) of the increase was to partially restore reductions in State funding 5.08 percent was intended to partially fund strategic plan initiatives, and the remaining 1.75 percent was designated for inflationary budget costs on fixed items of expense.

Trustee Stafford asked where the College tuition ranked compared to other public institutions of higher education in the State. Steve Osborne responded that the College was the 4th highest in the State. This reduction in tuition will put the College in 6th place in the State.

Trustee Mikell said that he is very proud of the College's Strategic Plan and is sorry that many of the initiatives must be delayed.

Trustee Ravenel asked whether or not the College can expect further budget cuts? Steve replied, "Yes, probably in July."

Trustee Daniel asked about mid-year budget cuts. Mr. Osborne indicated that none are expected.

Trustee Ravenel asked how the College will deal with future budget cuts. Mr. Osborne responded that College management is looking at both sides of the equation – both at raising more resources and trying to reduce expenses.

Trustee Ravenel also asked how this reduction in tuition will affect the College's institutional budget reserves. Mr. Osborne stated that the reserve will need to be reduced.

After discussion, the previous question was moved and Chair Padgett asked for the yeas and nays and, that being inconclusive, for a show of hands on the motion to adopt the Resolution to reduce tuition.

The following Board members voted in favor of the Resolution: Don Belk, John Busch), Demetria Clemons, Cherry Daniel, David Hay, Jimmy Hightower, Marie Land, Lee Mikell, Annaliza Moorhead, Greg Padgett, Dan Ravenel, Sam Stafford, and Joe Thompson. The following Board members voted against the Resolution: Frank Gadsden and Dwight Johnson. There were 13 votes in favor of the resolution and 2 votes against the resolution. The Chair announced that the resolution was adopted.

Thereafter, a **motion was made by Mr. Ravenel, and seconded by Mrs. Land, that the meeting be adjourned at 3:45 p.m. The motion to adjourn was approved by voice vote.**
