CALL TO ORDER:

Acting Chairman John H. Corbitt presided and called the meeting to order at 9:05 A.M. The public notice was read. Trustee Maurice Washington provided the invocation. The agenda (Attachment 1) was previously circulated to the members. The roll was called.

Trustees present via phone: Trustees: Acting Chairman/Vice Chairman John H. Corbitt, Secretary Mr. Robert M. Nance, Mrs. Linda Edwards-Duncan, Mr. Anthony T. Grant, Dr. Gail Joyner-Fleming, Ms. Patricia B. Lott, Jonathan N. Pinson (via phone), Dr. Walter L. Tobin, Mr. Robert L. Waldrep, Jr. and Mr. Maurice G. Washington. Ex-Officio: Mr. Nathaniel Shazier, Mrs. Kay Snider and Dr. Larry Watson.

Trustees absent: Ex-Officio: Mr. Jameel Allen, Mr. Nathaniel Howard, Dr. Jesse Kinard and Mr. Edward D. Williams.

Administrators: Acting President Dr. Rita J. Teal, Executive Director to the Board Ms. Joyce Green, Vice President for Institutional Advancement Mr. Anthony Holloman, Interim Vice President for Student Affairs Dr. Valerie M. Fields (via phone), Director of Public Relations Mrs. Erica Taylor, Executive Assistant to the President Mrs. Shondra Abraham, Administrative Assistant to the Board Ms. Eartha Mosley.

Media: The Times and Democrat Reporter Ms. Dale Linder-Alman, WIS-TV Reporter Mr. Jody Barr and WACH Fox Reporter Mr. Zoheb Hassanali.

OPEN SESSION:

Trustee Corbitt extended condolences to the Perry family for the passing of Mrs. Hallie Bacote Perry, widow of the late Judge Matthew J. Perry.

Adoption of Agenda

Trustee Edwards-Duncan made a motion, seconded by Trustee Tobin, to adopt the agenda. Vote: unanimously approved.

Acting President’s Report

Due to a slight reduction in security personnel because of some illnesses, Dr. Rita Teal presented Student Affairs’ proposal to close the Golf and Russell Streets entrances during the summer. Also, in an effort to save on utilities, Dr. Teal proposed a four-day workweek (Monday – Thursday, 37.5 hrs.) beginning May 28th through August 6th. She explained that critical areas will remain on the regular five-day workweek schedule i.e., Security, Admissions, Health Services and the Library. There were a few questions and comments. Trustee Corbitt asked Dr. Teal to provide an update on the cost savings. Trustees Tobin and Grant expressed concern that the University should know what the savings are, going into this. Dr. Teal explained that this was a pilot program. She indicated that there were no classes on Friday. She assured the Board that, if approved, the public would be made aware that the University will be closed on Fridays except for critical areas as identified previously. Trustee Lott made a motion,
seconded by Trustee Edwards-Duncan, that the Board accept Dr. Teal’s proposals with consideration to questions that had been posed. Vote: unanimously approved.

Standing Committees

Budget, Facilities and Grounds Committee

- **2012 Budget Update**

Mr. Gary Cathcart indicated that they are tracking all the expenditures, accounts receivables and open commitments to ensure that the expectations are met with the current budget.

- **2013 Preliminary Budget**

Mr. Cathcart distributed and discussed copies of the Budget Projection for FY 2012-2013 (Attachment 2).

Trustee Washington expressed concern about the potential $5.3M deficit in expenditures to revenue as shown in the materials.

In summary, Mr. Cathcart stated that the budget projection was a work in progress that is based on the reduced headcount projected for the fall and the SACS reserve requirement. Work still has to be done with payroll and expenditures to get within the projection of the 3,800 FTE/4,180 headcount. He indicated that payroll and operating expenses have to be vetted. Another factor on SC State’s budget is that the Legislators are still debating the State Appropriations Budget for 2013. At the current time, he reported that they are not forecasting any University fee increases for the 2013 budget year. It was explained that the Real Estate Foundation’s housing fee increase for University Village is separate from the University.

There was discussion about the SC State Real Estate Foundation’s 2011 audit and presentation of an annual budget. Dr. Valerie Fields indicated that the audit was completed and agreed to provide copies thereof to the Board. Trustee Grant also suggested that they discuss the disposition of the five-year agreement that just expired on a going forward basis. Trustee Corbitt expressed concern about information discussed at the recent Real Estate Foundation Board meeting he attended the night before. He suggested that there needed to be discussion between that board and this Board.

Trustee Nance explained that the 2013 budget projection was being shared as information for discussion, input and transparency. Mr. Cathcart discussed the projection and indicated that a comprehensive balanced product would be presented at the Board Retreat in June for approval. Dr. Teal explained that she and the Cabinet are working on cuts in operations to meet the projected budget. Mr. Cathcart will provide the Trustees with a booklet of the standardized language used in Banner.

There was a brief discussion on monthly reconciliation of fund balances and check coverage. Trustee Grant discussed the importance of looking at Accounts Payable to make sure the payables are current.

Trustee Washington expressed concern about moving forward with an expenditure budget that is higher than revenues and recapped the Budget Committee’s discussion and suggestions from the previous day’s meeting. The following changes were suggested so the administration would not have to deal with a $5.3M shortage from day one of the new budget: work from 95%-98% of the anticipated revenues as opposed to 100%; leave the non-mandatory transfers where they are; reduce expenditures by 6%; and enhance revenues. It was also suggested that the University gradually increase undergraduate enrollment to 4,800, intensify fundraising as well as grants, moderately increase student tuition and fees over time, cut administrative departments across-the-board, eliminate
two nonrevenue producing sports in Athletics, permanently reduce personnel, eliminate marginal majors, freeze or eliminate tenure and promotion, and cap institutional financial aid to $9M over the next three years.

Trustee Grant expressed concern that they have to vet the budget numbers and look at the run-rates for 2012. He suggested that they look at all the alternatives and options available. He even recommended that the administration take the above suggestions and put them into a model to see what they look like and what impact they have.

Mr. Cathcart reported that the current revenue collection to date for summer school was $1.8M.

As it relates to the 2013 budget, Trustee Corbitt suggested that they put Felton and the size of the band on the table. He also indicated that the administration needed to present a balanced budget for consideration.

Trustee Tobin expressed concern that SC State may be out pricing its clientele. He once again suggested that the administration study what it would mean if enrollment were increased if we maintained or reduced the current tuition. Trustee Tobin was also concerned about E&G funds being used to cover what the students cannot afford to pay.

Trustee Nance expressed concern that Banner was still not being used campus-wide. He suggested that the administration ensure that Banner is implemented and used campus-wide which will help them as they forecast next year’s budget. Dr. Teal indicated that she will make sure that it is implemented and used. Also, Trustee Nance requested an update on the collection of account receivables and debt service.

Trustee Corbitt thanked the Budget Committee for providing as much detail as they did in the draft budget.

Trustee Lott recommended that the Budget Committee schedule another meeting because the budget needed another reading before the retreat. Trustee Corbitt suggested that they meet on June 7th.

Trustee Nance commended Dr. Teal and her administration for their hard work on the draft budget.

Trustee Grant requested that Mr. Cathcart drop the 1% Fee Increase column and add the actual therein to compare it to the 2013 budget number. Mr. Cathcart agreed to make that change.

Trustee Washington suggested that the administration consider all the Committee’s discussions and suggestions as they continue to work on the 2013 budget. Trustee Corbitt indicated that Dr. Teal was noting the suggestions and would do that.

Trustee Lott asked that the administration provide a preliminary report in reference to Trustee Tobin’s concerns at the Retreat being he has made the suggestion numerous times before.

**Athletics and Student Affairs Committee**

- **Enrollment Report**

Dr. Tamara Hughes distributed copies of Student Affairs’ enrollment report dated May 23, 2012 (Attachment 3). She pointed out the report provided an overview of preliminary enrollment data for the summer and fall. Dr. Hughes reminded the Trustees that this was the first year that students could not use Pell funds for summer school. Mr. Antonio Boyle provided an overview of the tables contained in the report. Dr. Hughes and Mr. Boyle discussed the data and answered questions. Mr. Boyle explained that they would not be able to show a yield for fall enrollment until July 15th. Dr. Teal explained that students could not pay fees yet because there was no fee sheet for fall 2012. Dr. Hughes and
Mr. Boyle talked about the efforts being made to increase enrollment for the fall i.e., they are using students as well as adults to engage the students and parents to see why they have not completed the enrollment process for fall 2012 yet.

Mr. Nathaniel Shazier expressed concern that the main reason students do not return to or come to SC State is because of the lack of financial assistance; he suggested that the University find additional funds so students will want to come to SC State and to retain the students we have.

While pointing out that SC State has generously given $60M (E&G funds) to students for scholarships from 2008 – 2011, Trustee Washington suggested that they figure out how to raise new scholarship dollars outside of the E&G.

Trustee Washington requested that Student Affairs include the number of students who have applied, been accepted and paid the application fee in the enrollment reports. Mr. Boyle agreed to show the number of students that have applied and paid their deposits in their future reports.

When asked if we were on track to meet the enrollment goal for fall, Mr. Boyle indicated that Dr. Teal has made it very clear to them where they have to be and he assured the Trustees that they are making every effort to not just meet the goal but surpass it because Dr. Teal has given them a separate goal.

Dr. Teal reported that there is an Enrollment Committee in place and they meet weekly.

Dr. Valerie Fields indicated that Drs. Hughes and Jennifer Gamble-Townsend are considering what direction they should take with the student leaders as it relates to them working during the summer school sessions.

There was a short discussion on whether the University could prepare a balanced budget without a tuition increase. Dr. Teal stated that they could. Trustee Lott expressed that too many times in the past the burden was placed on the students when they did not cut as much as they could have in certain areas. Dr. Teal reported that there would be cuts in personnel as well as in operations. She also stated that they needed everyone’s help raise more money.

**Trustee Lott made a motion, seconded by Trustee Nance, not to increase tuition this year. Vote: unanimously approved.**

Dr. Teal indicated that they will now prepare the fall 2012 fee sheet.

The following new student leaders introduced themselves: Nathaniel Shazier, LaKesha Clawson, Deedee Agu, Chastity Murphy, Nykeemah Fields and Crystal Harris. Dr. Hughes reported that the students would be officially sworn in fall 2012. Mr. Shazier indicated that they were willing and ready to work hand-in-hand with the Board of Trustees and Dr. Teal to better the University.

**CLOSED SESSION:**

**Trustee Nance moved, seconded by Trustee Edwards-Duncan, to go into Executive Session to discuss contractual and personnel matters. Vote: unanimously approved.** The Ex-Officio members were asked to remain for this executive session.

**OPEN SESSION RECONVENED:**

**Trustee Nance made a motion, seconded by Trustee Grant, to come out of Executive Session. Vote: unanimously approved.**

Trustee Corbitt indicated that no votes were taken or decisions made during Executive Session.
Trustee Nance made a motion, seconded by Trustee Waldrep, that they unanimously elect Dr. Cynthia Warrick as Interim President. Vote: unanimously approved.

ADJOURNMENT:

The meeting adjourned at 9:00 P.M.

All referenced attachments are made a permanent part of these minutes.

Respectfully submitted,

[Signature]

Robert M. Nance
Secretary of the Board of Trustees

Chrystel Rogers
Recorder

Attachments:
1 – Agenda
2 – Budget Projection FY 2012-2013 dated May 22, 2012
3 – Student Affairs’ Report dated May 23, 2012