CALL TO ORDER:

Chairman Jonathan N. Pinson called the meeting to order at 9:12 A.M. The public notice was read. The agenda (Attachment 1) and the supporting materials (Attachment 2) were previously circulated to the members. Trustee Tobin gave the invocation. The roll was called.

**Trustees present:** Trustee Tobin, Chairman Jonathan N. Pinson, Vice Chairman John H. Corbitt (via phone), Secretary Robert M. Nance, Mrs. Linda Edwards-Duncan, Mr. Anthony T. Grant, General Walter F. Johnson, III, Dr. Gail Joyner-Fleming, Ms. Patricia B. Lott, Mr. Matthew T. Richardson, Dr. Walter L. Tobin, Mr. Robert L. Waldrep, Jr. and Mr. Maurice G. Washington. **Ex-Officios:** Mr. Austin Floyd, Mrs. Kay Snider and Dr. Larry Watson.

**Trustees absent:** Mr. Lancelot D. Wright (excused).

**Administrators:** President Dr. George E. Cooper, Executive Director to the Board Ms. Joyce Green, Vice President for Academic Affairs Dr. Joyce Blackwell, Vice President for Institutional Advancement Mr. Anthony Holloman, Vice President for Student Affairs Dr. Charles N. Smith, Executive Director for Institutional Effectiveness Dr. Rita J. Teal, Interim Vice President for Finance, Facilities and MIS Mr. Joseph M. Pearman, Executive Assistant to the President Mrs. Shondra Abraham, Administrative Assistant to the Board Ms. Eartha Mosley and Recorder Mrs. Chrystel Rogers.

**Media:** The Times and Democrat Reporter Dale Linder-Altman.

OPEN SESSION:

**Adoption of Agenda**

Trustee Lott indicated that Academic Affairs needed to discuss an issue in Executive Session. **Trustee Waldrep made a motion, seconded by Trustee Edwards-Duncan, to adopt the agenda. Vote: unanimously approved.**

**Approval of Minutes**

Trustee Washington pointed out in the September 29, 2011 minutes, page 3, that he had requested the total amount of institutional scholarships disaggregated from the Foundation’s contributions and had not received it yet. He also indicated that he is interested in the pro forma information for the $5M outsource contribution for the Health and Wellness Center as requested by Trustee Grant on page 5 of the minutes. President Cooper indicated that the Health and Wellness Center information has not been finalized but as soon as it is, he will provide it. Also, President Cooper stated that Trustee Washington’s request was responded to in committee in that the Quarterly Report disaggregates resources from the Foundation.
Trustee Tobin indicated that he requested Academic Affairs’ organizational chart at the last meeting as noted on page 11 of the minutes. President Cooper indicated that the organizational charts for Academic Affairs and Student Affairs were included in his report. He stated that the information requested by the Trustees at the last meeting would be provided in the handout materials during his report.

*Trustee Waldrep made a motion, seconded by Trustee Lott, to approve the September 29, 2011 minutes. Vote: unanimously approved.*

**Auditor’s Report**

Chairman Pinson introduced Mr. Jim Ratchford our external auditor from Cherry, Bekaert & Holland (CB&H). Mr. Ratchford briefly recapped CB&H’s final report on the financial and compliance audits for year ended June 30, 2011 as documented in the required letter to the Board which was reviewed with management (Attachment 3). Mr. Ratchford reported the following: there were no difficulties encountered during the audit; there were no extended delays that hampered their ability to perform the audit; they concurred with management’s methodology of the allowance for uncollectible student loans and student receivables and felt they were reasonable in coming up with the estimates; there was one uncorrected adjustment on the books this year and since it was deemed nonmaterial by CB&H and management they did not book it; there were no disagreements with management; management provided CB&H a representation letter at the end of the audit as requested; there were no consultations that they were aware of with other accountants during the year for a second opinion on the financial statements; there were no discussions with management regarding matters or transactions affecting financial statements or their report on compliance that is not being reported to the Board; they issued a cleaned opinion on the financial statements of June 30, 2011 and it was an unqualified report; and there were no material weaknesses in SC State’s control over financial reporting identified. Mr. Ratchford also provided the Trustees with a management letter, a communication from the auditor to SC State with any recommendations they might have seen during the course of the audit that they thought would enhance or improve controls or operational efficiencies (Attachment 4). He reported that the recommendations were for the technology area. CB&H discussed the suggestions with SC State’s IT personnel and they agreed to implement them as they feel it is cost beneficial to do so. The results of CB&H’s audit disclosed no instances of noncompliance that they are required to report to the federal government under government auditing standards. In regards to the A-133 single audit on financial aid and other financial programs, Mr. Ratchford reported that they issued an unqualified opinion on compliance with requirements related to SC State’s five major programs that were tested. There were no material weaknesses identified with SC State’s internal controls over compliance with the five major programs tested. Mr. Ratchford indicated that in summary, this is one of the better audits. He then addressed the Trustees’ questions and concerns.

Mr. Ratchford responded to Trustee Washington’s concern about the $4.5M spread between current assets and current liabilities. He indicated that CB&H could go more in depth with the numbers if that was of interest. Mr. Ratchford indicated that CB&H is working on a five-year trend analysis of the financials for SC State and they have already discussed with President Cooper the possibility of presenting and discussing it at a Board meeting to show where SC State stacks up compared to other institutions. He indicated that they audited all of the assets and liabilities and are comfortable with the numbers. Mr. Ratchford explained that a statement of net assets is a picture in time as of June 30, 2011. At that time, the current assets exceeded the current liabilities so then that is available for operating results for the upcoming year. The rule of thumb is a 2:1 spread but you would not want less than a 1:1 ratio. Mr. Ratchford stated that SC State is not in a critical zone or anything in terms of where it is now. He indicated the ratio could be improved going forward.
Mr. Ratchford reported that there were no deficiencies or material weaknesses found in the financial system controls. He also stated that from an audit standpoint, SC State has a clean bill of health this year. Mr. Ratchford agreed with Trustee Washington’s statement that a clean bill of health/clean audit does not represent that there are not any financial challenges that they need to be looking at; a clean audit says that the numbers are fairly presented. Mr. Ratchford indicated that the trend report will give a better picture of SC State’s financial health. He indicated that he would provide the report when it is completed next week.

There was a brief discussion of how the pass through concept works when money passes through state agencies. Mr. Ratchford explained that funds come to one agency and are spread out to other agencies. He indicated that those funds are tested if they come up in the audit of one of the five major programs tested. Mr. Pearman explained that when SC State is the primary recipient of the funds, we receive the funds from the grantor and disperse them to the sub recipients who spend the funds. There are also cases where SC State is the sub recipient; SC State receives and spends the funds on the particular program’s objectives. Mr. Pearman indicated that SC State takes advantage of recovering indirect cost of administrative fees depending on the grant and what it allows.

Trustee Grant expressed concern and asked a number of questions about the allowance for bad debt and the three-year trend for the allowance of bad debt for receivables and student loans and the corresponding policies related thereto. Trustee Grant suggested that the administration revisit the related policy in place. He stated concern that there were some significant write-downs without any explanation stated in the audit where adjustments were made to the reserves without much explanation and the accounting did not necessarily support the write downs. Trustee Grant indicated that this was unacceptable and recommended that it be tightened up going forward. Mr. Pearman explained that based on the University’s policies, the bad debt will be written off if there is no movement on the outstanding debt within a two year period but while they are written off they maintain a repository that if the individual tries to do business with the University in the future, they can start collections efforts again. Trustee Grant expressed concern that the University’s collection efforts are not what they should be. Mr. Pearman indicated that they put a lot of effort in trying to minimize the accounts receivables. Trustee Grant recommended that the Board get a better understanding of the loans made at the beginning of the year because often times the loans are made to augment the budget but then on the backside, the collectability is not there. He suggested stronger efforts in looking at other underwriting criteria, seeing if there are any entities or corporations willing to take the loans to get SC State out of the picture/exposure and he suggested that they explore best practices. Trustee Grant recommended that they look at the accounts receivables’ policy and strengthen the policy to where they can understand what is happening there. Looking at the spread of financial statements, he was concerned about the 16.4% increase in expenses year-after-year in the expense category (Service, Supplies and Other) especially in a downed economy. He requested that they list the expenses side-by-side so he can see what caused the expenses to increase and see if they can effectively have some influence over how much that category increases. Mr. Pearman stated that the Controller’s Office analyzed the increase in service and supplies and found it was mainly attributable to the increase in SC State’s federal grants specifically, the TLMP and the $5M - $6M increase in federal grants over the prior year. Therefore, those dollars were expended that were not there the prior year. Trustee Grant suggested that they take this to the Finance Committee for discussion on the numbers because if a policy was in place for review of the write-downs and receivables the deficit could have been managed a little better if SC State did not have to take the write-downs. Thus, the bottom line would have been managed a little closer as well.

Mr. Ratchford reported that CB&H’s contract had expired. Mr. Pearman explained the process of selecting SC State’s external auditor. They hope to have the process completed by February 2012. Trustee Richardson expressed concern that the University proceed with the correct process in that the
Internal Auditor is responsible for handling the process, not Finance. Mr. Pearman indicated that they just started the process failing to contact Ms. Anderson; he assured the Trustees that Ms. Anderson will play the role she is expected to play going forward.

Mr. Ratchford reported that SC State is in compliance with all of its bond covenants, including affirmative and negative covenants. He indicated that CB&H prepared a detailed worksheet on that and agreed to share it with the Board.

Trustee Johnson suggested that SC State look at refinancing its bonds since interest rates are down. Chairman Pinson agreed.

**Chairman’s Report**

Chairman Pinson reminded the Trustees of the following events: Academic Success Academy’s Open House on December 3, 2011 and Graduation on December 10, 2011. He discussed his and President Cooper’s recent meeting with Governor Nikki Haley wherein she indicated her support of SC State. Also, they discussed making sure that SC State gets included in the many job announcements across the state so that SC State can be represented and in position with the companies relocating to South Carolina to begin relationships with the companies in hopes of them becoming strategic partners too. Chairman Pinson stated that Governor Haley was in support of that and would be in contact with President Cooper. Governor Haley stated that she would be a champion for SC State at the Statehouse with anything we need because she understands that SC State plays a pivotal role in South Carolina.

There was a brief discussion about spring graduation being scheduled for May 4, 2012 as opposed to Mother’s Day weekend as usual. President Cooper explained the rationale for the change and noted that Trustee Lott asked that the administration to reconsider. He agreed to have additional conversation about this. Trustee Lott expressed concern that SC State is getting away from too many of its traditions. Trustee Edwards-Duncan agreed that it has been a tradition.

**Update on ROTC Program**

LTC Derrick Corbett, SC State’s Professor of Military Science and SC State graduate, presented each Trustee with this year’s Bulldog Battalion unit coin on behalf of the cadre cadets. On the front of the coin was the University’s emblem and on the back was the unit’s recruiting picture. He distributed copies of and presented his report (Attachment 5).

Trustee Johnson recommended that Chairman Pinson appoint a committee to explore where the ROTC program should be going in the future. Chairman Pinson agreed to.

Trustee Edwards-Duncan requested that LTC Corbett provide the Trustees with the summer training dates. LTC Corbett agreed to provide the dates.

Chairman Pinson requested that Mr. Holloman identify a person from his development team that has skills and knowledge about the ROTC program because there are some unique areas across the country that SC State can tap into resources to help support our military. With many soldiers now coming home, there is an emphasis on making sure that we find employment and create job opportunities, etc. He believes it would be great if SC State could position itself in that forefront by having someone in the development office that could work closely with the ROTC program and start identifying companies that have supporter programs i.e., your Boeings and government companies. Chairman Pinson asked Trustee
Johnson, Dr. Watson and Mr. Holloman to be on the committee. They all agreed to serve. Chairman Pinson indicated that they would start looking at this.

**President’s Report (Attachments 6 -10)**

The Trustees were provided with packets of publications talking about and relating to SC State i.e. *US News and World Report, Newsweek, Diverse Issues in Higher Education*. The President’s Report was distributed to the Trustees and President Cooper discussed the report (Attachment 6).

Trustee Grant recommended that faculty and other employees annually sign a Code of Conduct form for the use of SC State equipment if they do not do so already. President Cooper indicated that as the new technology is distributed there will be a signature by all faculty and staff that they will follow SC State’s IT protocol which is for official purposes only. Trustee Grant suggested that they be reminded annually and if employees do not comply, they should face repercussions. The discussion led into conversations about SC State’s tracking abilities and employees sending out emails from work for personal or nonrelated SC State business. Based on the comments, President Cooper will review the policy on official use of SC State equipment. Trustee Grant encouraged Mr. Anthony Caldwell to determine how SC State can track an employee logging into or sending emails from their personal email accounts (Yahoo, Gmail, etc.) when they are supposed to be working. President Cooper assured Dr. Watson that the academic integrity of the faculty was not being jeopardized. Trustee Grant suggested that if there is anything that suggests that folks are doing what they are not supposed to be doing that SC State would address that as well.

Mr. Austin Floyd requested additional computers for the Library. President Cooper stated that the Library is scheduled to receive a portion of the 300 new computers mentioned in the Technology Update. He indicated that as computers are replaced with new ones, some of those may be assigned to the Library.

Trustee Washington requested that President Cooper provide a report in his next Board report with focus on how the administration plans to deal with and close the gap on the following: working capital shortfall ($4.5M); the $699K shortfall under Revenues, Expenses, and Changes in Net Assets (CAFR pg. 23); the $29M on the balance sheet before noncurrent revenues kick in on the shortfall; and, the $19,177 debt per FTE student in speaking of accounts receivables and collectibles.

Trustee Lott pointed out the importance of President Cooper and his cabinet being visible when the Capital Campaign leaders go to the Orangeburg community for support.

There was a short discussion about the Planetarium’s leadership and operation. President Cooper and Dr. Blackwell were unaware it was not open; Dr. Blackwell stated there is a need for a Planetarium Director.

Deferred maintenance was briefly discussed; President Cooper indicated that they are in the process of negotiating an Energy Performance Contract with the State of South Carolina.

While a SACS liaison has not been named yet, President Cooper stated that Dr. Teal is assisting with this.

President Cooper provided a copy of SC State’s Hazing Policy (Attachment 7). He explained that SC State recently engaged students as outlined in his report so they know and understand what hazing is and to inform them of the process in place if they are. Additional meetings will be held in the spring.

President Cooper requested approval to have conversations with Orangeburg County School District 5 related to the use of SC State’s Crawford Engineering and Lewis Research Building for a Health and
Science Magnet School as described in the handout (Attachment 8). **Trustee Johnson so moved, seconded by Trustee Waldrep.** President Cooper addressed the Trustees’ questions related to security, parking, facility access, and liability. Trustee Nance recommended that the administration look at Felton or another building other than the engineering building noting that this may be an opportunity to upgrade and change Felton’s mission. **Vote: unanimously approved.**

A brief update on the demolition of Bradham Hall was provided by President Cooper.

Once again, Trustee Tobin expressed concern that the Wellness Center and box seats are out of SC State’s realm at this time. President Cooper reminded the Trustees that they authorized the administration to move forward with the Wellness Center. There was a lengthy exchange of dialogue. Trustee Tobin recommended that the Board reconsider the Wellness Center because of the major needs across campus and since a Fitness Center recently opened in Truth Hall. After a recent tour of the library seeing the condition it is in, Trustee Washington pointed out that he voted in favor of the Wellness Center but is now backing off that vote. He informed the Trustees that if it resurfaces again, he intends to vote on putting the attention on SC State’s more critical need, the library. Trustee Washington recommended that each Trustee tour the library. **Trustee Tobin moved that they put the Wellness Center at the stadium on hold until they have further opportunity to discuss it more thoroughly. Trustee Grant called for point of order noting that they would have to go back and look at the vote in order for it to be put back on the agenda because Trustee Tobin would have had to vote in the affirmative; he noted that it would take 2/3 vote to have it reconsidered.** Trustee Johnson suggested that they review the Facility Master Plan to make sure that we have things in the right priority. President Cooper informed the Trustees that they have some persons who have already expressed interest in being part of the Wellness Center’s construction. Trustee Grant pointed out that they cannot pull the cord without considering the ramifications associated therewith since the Board has already approved it and the administration has already taken steps to align external funding opportunities for it. He suggested that the friendly amendment might be to enhance the order of the library’s needs by making it a higher priority than it is now and that they look at that being the next facility that they put all resources towards finding appropriate resources. Chairman Pinson shared that the University has received some commitments for major contributions already that will change and improve the financial situation of the University, making it much better. Trustee Grant recommended that the library be put at a higher priority than it is now. Trustee Nance pointed out that he recently read an article about cities turning their libraries into other things because libraries today are not what they used to be; he suggested that SC State also consider doing the same. Chairman Pinson requested that the President look at the $5M funds and see if there is a way to take some of the funds of the outside gift they have for the Wellness Center and use them to enhance the library. President Cooper recommended that they work through the Facilities Committee to consider all the comments and recommendations and move forward. Trustee Tobin stated his opposition to anything that they do until they establish some sort of priority on campus for the major mission of the University in serving students academically. Trustee Lott requested that the Board call a special meeting to focus only on and discuss the Master Plan and facility priorities that the Board feels need to be taken care of. Trustee Nance agreed to put that on the agenda for the next Budget Committee meeting. Trustee Grant explained how critical it is that they vote it up or down and recommended that the University not give mixed signals because it does not make us look good and that is not the way to do business. He restated that to reconsider it, it would take a 2/3 vote and he would have had to vote in the affirmative. Chairman Pinson explained that they missed the concept of the Wellness Center. He talked about the tremendous cost of diabetes to South Carolina and the nation as well as the death rate that claims three people’s lives a day in South Carolina of which the majority are African-Americans. There is money out there for health and wellness so it is not just about box seats, it is an initiative that SC State’s faculty, students and community can get involved in, not to mention it is a recruiting tool also. Trustee Washington pointed out that there was a Wellness Center on the 2005 Master Plan.
President Cooper provided the Trustees with a handout in response to the requests that were made at the last Board meeting (Attachment 9). Several inaccuracies were pointed out on Academic Affairs’ organizational chart i.e. Drs. Learie Luke and Stephanie Steplight-Johnson were not listed and the Chair of Health and Human Services was in the wrong college. President Cooper asked the Trustees to disregard that chart and noted that the accurate representation would be provided within a few days.

Dr. Watson expressed concern that the SACS delegation was administrative heavy and questioned the faculty representation. President Cooper asked him to identify additional persons that he felt needed to go. Dr. Watson agreed to inform him that day.

In regards to the follow-up regarding the letter of credit, Trustee Grant clarified his point. He explained that he asked Mr. Smalls whether there was a surety and Mr. Smalls indicated there was. That is why he asked what type of surety, a guarantee or a letter of credit. Trustee Grant suggested that it would be in SC State’s best interest, when relying on $5M from an outsource company especially in a construction project, not to just go forward saying we know we are going to get it but instead have a trigger in case something goes wrong that will not leave us out in the wind on the collection of that $5M. SC State needs to make sure that source is tied down. Understanding the point that SC State needs a surety guaranteed, President Cooper will go back to the procurement process and look at it differently.

Trustee Washington expressed concern that the hiring of a chief financial officer is equally important as the hiring of a president; the University’s $76M in outstanding bond debt and some other things are very complex matters. He believes the position is not for someone requiring on-the-job training but rather someone who has the background of dealing with complex financial systems. He suggested that they not sacrifice quality based on the urgency because there is not a serious urgency to fill the position.

On behalf of the Academic Affairs Committee, Trustee Lott announced that Dr. Carl Jones was leaving SC State after serving for a number of years and in different capacities; she thanked him for all of his years of service.

Standing Ad Hoc Committee Reports- Action Items

Academic Affairs and Faculty-Liaison Committee

- Update (Attachment 10)

Trustee Lott provided the Trustees with some documentation as follow up to their questions from the last Committee meeting (Attachment 10). Chairman Pinson asked the Trustees to review the information and let Trustee Lott know if the information did not address their concerns. The Trustees briefly discussed the issues contained therein.

The Trustees briefly discussed Felton Laboratory School’s Technology Plan with Timelines.

Trustee Lott pointed out that SC State could submit SPA Reports for low enrollment programs even though it was not recommended and that reports had to be submitted in March or September if they were going to do so. Dr. Blackwell recommended that they focus on the reasons why the programs are low producing, i.e. students continue to be challenged by the Praxis Exam so focus needs to be on preparing students to be more successful with taking the exam. Dr. Charlie Spell explained the rationale for submitting SPA reports for only two of the low performing/low enrollment programs. Dr. Blackwell explained CHE’s process of identifying low producing/low enrollment programs and
issues related to SC State’s records not reconciling with CHE. They are working with CHE to rectify the situation. Trustee Lott expressed concern that CIP coding has been an issue since 2005 and does not understand why we cannot get it correct and indicated it would be further discussed in a separate meeting.

There was a brief exchange of dialogue concerning the rationale for coordinators for the Nursing Program.

Trustee Lott suggested that Dr. Blackwell include Chairman Pinson in future meetings with Greenville Medical Center since he was instrumental in making the initial contact.

Trustee Lott also expressed concern that SC State has 40 full-time faculty positions that need to be filled and stated that finding faculty should be top priority. Dr. Blackwell explained that funding was also an issue in not filling the positions. Trustee Lott stated concern that SC State can find money for administrative positions, but not for hiring faculty. Dr. Blackwell indicated that some persons in administrative positions are doing double duty. Trustee Tobin pointed out that if these vacancies are replacements, then there should be some level of funding in place already; Dr. Blackwell responded that some of the positions are replacements. Trustee Washington was concerned that staff and administrators out number faculty 2:1. Dr. Blackwell explained that SC State currently has 214 full-time faculty members and that there is a wide-range of factors that have to be taken into consideration. Dr. Watson indicated that there is not a direct correlation between faculty and student headcount and pointed out that upper level courses have to be taught which may have less than 10 students to maintain program integrity. Trustee Washington pointed out as Trustee Lott had previously indicated that this issue needs to be addressed and asked Dr. Blackwell what is the solution in resolving the problem /next step in addressing the problem. Dr. Blackwell suggested that the Board could help raise some money to hire faculty. Trustee Washington reminded the Trustees of their responsibility to take the faculty shortage very seriously.

Trustee Lott reminded the Trustees of the Academic Affairs and Faculty Liaison Committee’s last discussion on retrenchment wherein they were informed that CHE had sent SC State 14 programs to look at and Dr. Blackwell advised at that time that she was justifying six. Trustee Lott informed the Trustees that according to CHE’s website, CHE was meeting that morning and as the result, SC State made a decision to terminate eight programs; one program was considered non-compliant with productivity standards and seven other programs consistently failed to meet either enrollment or the completion standards. Trustee Lott also reported that CHE commended SC State for doing this voluntarily. Being unable to recall the Board approving eight programs for elimination, Trustee Lott was concerned and discussed it with President Cooper earlier that morning. She asked him to contact Dr. Garrison Walters, CHE Executive Director, to inform him that these eight programs had not gone through the correct protocol to be eliminated; they did not go through the Board, the Faculty Senate or Educational Policies.

In response, Dr. Blackwell stated that she had been informed by Dr. Michael Raley and Ms. JoAnn Gardner that CHE would hold off on SC State’s agenda items. When she was copied on Dr. Cooper’s email this morning, Dr. Blackwell called CHE to find out what was going on. She learned that the meeting taking place that day was a Commission Committee on Academic Affairs and Licensing (CAAL) meeting. Dr. Blackwell indicated that Ms. Gardner informed her that CAAL was not acting on eliminating any of SC State’s programs that day because CHE was working with SC State to reconcile its records. Trustee Lott indicated that CHE was not taking action on SC State’s programs because SC State had agreed to eliminate the programs voluntarily. Dr. Blackwell explained that even when SC State gets to that process, those programs that SC State recommends will still go
before the CAAL who will then vote on the programs; it is not about whether or not programs are voluntarily sent in or whether or not CHE makes the decision because CAAL will make the recommendation. Dr. Blackwell indicated that she would address the issue with CHE. Chairman Pinson informed Dr. Blackwell that the key issue was that it had not been vetted on campus with the proper bodies so everyone has an opportunity for input. Dr. Blackwell discussed the process she went through to identify the programs for elimination. She indicated that she understood from Drs. Learie Luke and Rita Teal and others that they have eliminated low producing programs before through Ed Policies but never brought them before the Board of Trustees. Dr. Blackwell requested clarification on that; if program deletions need to go before the Board, she needs to know that. President Cooper reminded Dr. Blackwell that he raised that question; Dr. Blackwell indicated that she shared the response she received. Trustee Lott indicated that they would iron this out in a meeting between meetings. Trustee Lott indicated that she just wanted the Trustees to know that CHE commended SC State for voluntarily cutting 8 programs.

Dr. Watson expressed concern that this has tremendous implications in terms of curriculum, faculty involvement and academic programs; he does not want them to miss the importance of this issue in terms of the process. Since this is a public issue, Dr. Watson requested that discussion regarding this matter would be public also. Trustee Lott responded ok.

Trustee Washington requested that the Trustees be informed before leaving that day the identification of the eight programs in jeopardy because it was a very serious issue.

Trustee Joyner-Fleming explained that if they were education or graduate programs, education programs must go through the Teacher Education Council and graduate programs have to go through the Graduate Education Council.

Dr. Blackwell indicated that SC State has 12 programs with low enrollment and low completion rates, not just eight and stated that CHE is very concerned about that. She also discussed the legislature’s pressure on CHE to be more proactive in eliminating programs with low enrollment and low completion rates.

Trustee Grant voiced concern that these are the kind of things that are sometimes irreparable particularly with folks who have oversight for SC State. He suggested that the Board get a better handle on these kinds of things because there is an appearance of this being kind of systemic i.e. when you charge off, when you back off the charge offs, when you write down an allowance of bad debt without having some dialogue with the committee. Trustee Grant recommended that every committee look at those things.

Trustee Tobin was concerned by the fact that there is a public document that is available to anybody who wants it, that indicates SC State recommended the elimination of programs and there has been no process.

Trustee Joyner-Fleming cautioned the administration to be very careful in eliminating programs because other universities are watching and waiting to submit proposals to CHE to open those programs. She suggested that SC State keep those that may be successful in the future because it is easier to get rid of them than it is to get them back.

Trustee Grant requested the list before the end of the Board meeting. It was provided.

- December Graduates
Trustee Lott moved, seconded by Trustee Grant, that the Board accept the list of December graduates as provided. Vote: unanimously approved.

- Lifting the Moratorium on Tenure for AY 2011-12

Trustee Lott moved, seconded by Trustee Grant, to lift the moratorium on Tenure for Academic Year 2011-12 and to form an ad hoc committee to review this matter and place this item on the Board’s Retreat agenda so a final decision can be made at that time. Trustee Washington reminded the Trustees that his initial recommendation was driven on the financial side and focused on tenure and promotion. Trustee Washington expressed concerns about lifting the moratorium by mentioning the following: lifting the moratorium before the Board receives the information initially requested; there are other issues besides the $22K that drive the cost to the budget; and the two documents provided by Dr. Blackwell are in conflict with one another and with the original computer generated ledger coming from the University’s system. Several Trustees, President Cooper and Dr. Watson debated the matter at hand until Trustee Lott requested that everyone hold all other comments until the ad hoc committee is formed. Trustee Lott amended her motion; she moved that the tenure and promotion moratorium be lifted for the AY 2011-12 with the understanding that an ad hoc committee will be formed and a final decision will be made at the Board’s Retreat next year; Trustee Tobin seconded the motion. Vote: motion carried by a majority of the vote, 10 to 1. Trustee Washington voted against the motion and Trustee Richardson had left the meeting earlier.

Dr. Watson recommended that faculty resource persons be included on the ad hoc committee discussions.

- May Graduation

Trustee Lott reminded President Cooper of her request that they reconsider May’s graduation date.

Athletics and Student Affairs Committee

- Housing Fee Increase

Because of a mortgage increase for the 2012 school year, Trustee Edwards-Duncan moved, seconded by Trustee Washington, to approve the housing increases for Hugine Suites as well as the other residence halls and University Village. She asked the Trustees to look at the information included in the materials where the amounts of those increases were provided. Trustee Grant expressed concern that this issue did not go to the Budget, Facilities and Grounds Committee even for a cursory review. He also mentioned concern about the type of financing used. A short discussion on the details of the financing followed. Trustee Washington was concerned that housing fees were being increased even on dorms where there is no outstanding debt. Trustee Tobin suggested having a committee of the whole with everybody there so they could have those discussions as a whole so budget or the others are not in isolation. Once that is done, they could come to the board meetings and take action. Vote: unanimously approved.

Trustee Grant suggested that they explore what SC State’s options are in terms of rates and terms for Hugine Suites i.e. refinance. He requested that they put this as a conditional approval. Trustee Edwards-Duncan responded that she was very open to that and explained why. Trustee Grant recommended that Chairman Pinson engage the Budget Committee with the Student Affairs Committee to review the specific documents in relation to the debt of Hugine Suites and University Village. Trustee Edwards-Duncan amended her motion; she moved, seconded by Trustee Grant,
that they accept the increases with the condition of looking at other options before they make a final decision. Vote: unanimously approved.

Institutional Advancement and Public Relations Committee

- Board of Visitors Recommendation

In the absence of Committee Chair Richardson, Trustee Johnson moved, seconded by Trustee Waldrep, that Mr. Alexander Conyers be added to the Board of Visitors. Vote: unanimously approved.

Research, Economic Development and 1890 Programs Committee

- Restructuring of Grants and Contracts Office

Trustee Johnson moved, seconded by Trustees Tobin and Nance, for the reorganization of the Grants and Contracts Office from the Finance Office to the Division of Research, Economic Development and Public Service effective immediately. Vote: unanimously approved.

Other Discussions

Trustee Washington requested an update on the dissolution of the Advancement Foundation. President Cooper indicated that they are acting on the Board’s recommendation to bring closure and in order to bring closure they are waiting on comments from Legal Counsel in terms of how to proceed.

EXECUTIVE SESSION:

Trustee Johnson moved, seconded by Trustee Grant, to go into Executive Session. Vote: unanimously approved.

OPEN SESSION RECONVENED:

Chairman Pinson indicated that no votes or actions were taken during Executive Session.

ADJOURNMENT:

Trustee Grant moved, seconded by Trustee Nance, to end the meeting. Vote: unanimously approved. Chairman Pinson declared the meeting adjourned at 3:43 P.M.
All referenced attachments are made a permanent part of these minutes.

Respectfully submitted,

Robert M. Nance
Secretary of the Board of Trustees

Chrystel Rogers
Recorder

Attachments:
1 - Agenda
2 - Supporting Materials
3 - CB&H’s opinion letter on SC State’s audited financial statements
4 - CB&H’s letter on SC State’s internal control over financial reporting
5 - LTC Corbett’s ROTC Update presentation
6 – President’s Report to the Board of Trustees dated December 1, 2011
7 - Organization Charts for
8 - Lease Arrangement with Orangeburg County School District 5 – Health and Science Magnate School
9 - SC State’s Hazing Policy
10 – Dr. Blackwell’s handout in response to the Trustees’ requests for information