AGENDA
ECU Board of Trustees
Executive Committee
Mendenhall Student Center
February 25, 2011

1. Approval of Minutes  
   November 19, 2010  
   Action

2. Closed Session  
   Action

3. State Ethics Commission Requirements Update

4. Request for Bylaw Change  
   Action

5. Board of Visitors Nomination Update
David Brody, chair of the Executive Committee, called the meeting to order at 8:32 am. in the Great Rooms of Mendenhall Student Center.

Mr. Brody read the conflict of interest statement required by the State Government Ethics Act. No conflicts were identified.

Members of the Executive Committee present, in addition to Mr. Brody, were Bob Greczyn, Bob Lucas and Carol Mabe, and David Redwine. Other members of the Board in attendance were Robert Brinkley, Ken Chalk, Steve Jones, Danny Scott, Mark Tipton and Tremayne Smith.

Ms. Mabe moved approval of the committee minutes of the Sept. 17, 2010, meeting. The motion was seconded and approved by the committee.

Mr. Redwine offered a motion for the committee to go into closed session. The motion was seconded by Mr. Greczyn and approved by the committee at 8:35 a.m.

At 9:05 a.m., the committee returned to open session.

Mr. Greczyn offered a motion to approve the recommendations for tuition and fee increases for the 2011-12 academic year, as presented in Board materials. The motion was seconded and approved by the committee.

Mr. Brinkley briefly reported on a project to update the board’s bylaws and to reformat them to conform to the new university policy manual.

With no further business to come before the committee, Mr. Brody adjourned the meeting.

SUBMITTED BY JOHN DURHAM
Assistant Secretary to the Board
CLOSED SESSION MOTION

I move that we go into Closed Session:

1. to prevent the disclosure of privileged information under N.C. General Statutes §126-22 to §126-30 (personnel information);

2. to consider the qualifications, competence, performance, character, fitness, or conditions of appointment of one or more prospective and/or current employees and/or to hear or investigate a complaint, charge, or grievance by or against one or more individual employees; and

3. to consult with an attorney to preserve the attorney-client privilege between the attorney and the Committee.
John,

Please ask the Board of Trustees to consider restructuring the university’s Endowment Fund Board.

It is nearly impossible to get approvals for matters that pertain to investments in the Endowment Fund. When ever the combined Investment Committee (ECU Foundation and Endowment Fund) votes to make changes in asset allocation, to rebalance their investment portfolios, or to make new investments, there are not enough votes by members of the Endowment Fund Board to make the changes in the Endowment Fund.

We have two problems. First, most members of the Endowment Board do not participate in the quarterly meetings of the investment committee. Second, when members of the Endowment Board are asked to vote by email to approve decisions by the investment committee they do not respond, probably because they did not participate in the meetings and discussions and do not fully understand what they are being asked to approve.

Please consider this structural change

1. Three of the six Endowment Fund Board members will be members of the ECU Foundation Investment committee and they will be elected by the university Board of Trustees for overlapping 3 year terms, as Trustees of the Endowment Fund. These are highly qualified people who have knowledge, experience, and interest in investments.
2. The other three members will continue to be the Chair of the University Board of Trustees, the Chancellor, and one other member of the University Board of Trustees

This change will meet the regulations for endowment funds in the UNC Policy Manual (see section 4 in the attachment) and it will improve the ability of the Endowment Fund Board to establish a quorum for the transaction of business.

Bill

Bill Clark
President and CEO
East Carolina University Foundation, Inc.
(252) 328-9594
Section 104. **Endowment Fund Board.** The Trustees of the Endowment Fund Board shall consist of six (6) members, one (1) of whom shall be the Chair of the Board of Trustees who shall serve as the ex-officio Chair of the Endowment Fund Board; one (1) of whom shall be the Chancellor; one (1) of whom shall be the [Vice Chair of the Board of Trustees or the Chair of the Advancement & Naming Committee]; and three (3) of whom shall be elected by the Board of Trustees. The terms of the three (3) elected members of the Endowment Fund Board shall be initially for one (1), two (2), and three (3) years each. All elections thereafter shall be for a regular term of three (3) years, except that any person elected by the Board of Trustees to fill a vacancy created otherwise than by expiration of a term shall be elected to serve the term of the person whom he or she succeeds.

The Trustees of the Endowment Fund Board shall make decisions concerning the receipt and administering of Endowment Fund gifts and property bequests, exclusive always of monies received through State appropriations and from tuition and fees.

The Endowment Fund Board shall function in accordance with North Carolina General Statute 116-36 and regulations of the Board of Governors of the University of North Carolina.
Endowment Funds

A. Regulations for Endowment Property Exclusively for the Benefit of One Constituent Institution.

1. Under the provisions of N.C.G.S. § 116-36, as amended by Chapter 506, 1977 Session Laws, and pursuant to these regulations, uniformly applicable to all constituent institutions, the Board of Trustees of each constituent institution shall establish and maintain an endowment fund for the constituent institution.

2. It is not the statutory intent underlying these regulations that the proceeds from any endowment fund shall take the place of state appropriations or any part thereof, but it is the statutory intent underlying these regulations that those proceeds shall supplement the state appropriations to the end that the constituent institution may improve and increase its functions, may enlarge its area of service, and may become more useful to a greater number of people.

3. Pursuant to these regulations each Board of Trustees shall appoint an investment board to be known as "The Board of Trustees of the Endowment Fund of _______" (here shall be inserted the name of the constituent institution).

4. The Board of Trustees of the endowment fund shall consist of no fewer than six members and no more than nine members, as determined by the Board of Trustees of the constituent institution. One member of the Board of Trustees of the endowment fund shall be the chairman of the Board of Trustees of the constituent institution, one member shall be the chancellor of the constituent institution, and a third ex officio member shall be designated by the Board of Trustees of the constituent institution from among the officers of that board or of the committees of that board. The remainder of the members may be (but need not be) members of the Board of Trustees of the constituent institution and shall be elected by the Board of Trustees of the constituent institution for overlapping terms of three years each. The terms of the three elected members of the Board of Trustees shall be initially for one, two, and three years each. All elections thereafter shall be for a regular term of three years, except that any person elected by the Board of Trustees to fill a vacancy created otherwise than by the expiration of a term shall be elected to serve the remainder of the term of the person whom he or she succeeds. The chairman of the Board of Trustees of the constituent institution shall be ex officio the chairman of the Board of Trustees of the endowment fund of that institution. The Board of Trustees of the endowment fund may establish procedures, consistent with these regulations, for executing business and shall at least establish a quorum and a necessary vote for the transaction of business and require the keeping of minutes for meetings of the endowment board.

5. The trustees of the endowment fund may receive and administer as part of the endowment fund gifts, devises, and bequests and any other property of any kind that may come to them from the Board of Governors of the University of North Carolina or that may come to the trustees of the endowment fund from any other source, excepting always the moneys received from state appropriations and from tuition and fees collected from students and used for the general operation of the institution.

6. Any gift, devise, or bequest of real or personal property to the constituent institution shall be presumed, nothing to the contrary appearing, a gift, devise, or bequest, as the case may be, to the endowment fund of the constituent institution. This presumption shall not apply to property made available to the institution prior to June 8, 1977.

7. Property shall not be deemed a part of the corpus of the endowment fund until it has been presented by the chancellor of the institution through written description of the property to the trustees of the endowment fund and has been acknowledged in writing as received by the trustees of the endowment fund. Property expressly or presumptively made available to the constituent institution for its endowment fund shall be presented by the chancellor to the trustees
Section 104 of the Bylaws of the Board of Trustees of East Carolina University

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TO: ECU Board of Trustees
FROM: Philip Rogers, Executive Assistant to the Chancellor
DATE: February 11, 2011
SUBJECT: Nominations for the ECU Board of Visitors

The ECU Board of Trustees annually nominates and appoints outstanding advocates of the university to serve as members of the ECU Board of Visitors. To propose a nominee for this organization, please complete the attached application form and submit a resume on behalf of the candidate to Megan Ayers (ayersm@ecu.edu) by March 11, 2011. Chancellor Ballard will provide a final list of recommended appointees to be considered for the Board of Visitors Class of 2015 at the April meeting of the Board of Trustees.

For the upcoming nomination cycle, there will be 15 current members of the Board of Visitors eligible for re-appointment and there are three openings for new appointments. The Board of Visitors is a service organization of East Carolina University. In this role, the association has the following functions:

- To assist the Board of Trustees and the Chancellor in maintaining and improving the excellence and effectiveness of ECU;
- To advise and assist the Board of Trustees and the Chancellor in conveying to the people of North Carolina the mission, programs, aspirations, and accomplishments of ECU;
- To assist in informing the Board of Trustees and the Chancellor of the attitudes, beliefs, concerns, and expectations of the people of North Carolina with respect to ECU; and
- To advise and assist the Board of Trustees and the Chancellor with respect to the developmental activities of ECU.

There is only one qualification for membership in the association: a willingness to help East Carolina University fulfill its general, educational, research, and service missions.
Board of Visitors Nomination Form

Name of Nominee: _____________________________________________________________

Spouse’s name:  _____________________________________________________________

Home Address:  _____________________________________________________________

_____________________________________________________________

Home Phone:    ________________________  Cell Phone: ________________________

Email Address:  _____________________________________________________________

Business/Company Name:  _____________________________________________________________

Business Address:  _____________________________________________________________

_____________________________________________________________

Business Phone:    ________________________  Alt. Phone: ________________________

Profession:  _____________________________________________________________

Title:  ________________________________________________________________

Areas of particular interest in higher education (Example – student recruitment, marketing, academic programs, student scholars, athletics, etc.):
___________________________________________________________________________________
___________________________________________________________________________________

ECU Alum (Please check one):    □ Yes    □ No

If yes,     Year:____      Degree(s):_________________________     Major: ________________________

Nominee has agreed to serve if appointed:    □ Yes    □ No

Name of sponsor:  ________________________________________________________________

Please attach resume to this form, if possible.