AGENDA
Finance and Facilities Committee
ECU Board of Trustees
Trustees Suite, Room 254
Mendenhall Student Center
March 28, 2007
3:00 p.m.

I. Minutes

A. Finance and Facilities Committee Meeting of December 14, 2006

II. Finance

A. 2007/09 Budget Update
   Information

B. PACE Update
   Information

C. MFPP Update
   Information

III. Facilities

A. Property
   Action
   • Lease agreement for 2nd Floor Moye Medical
   • Lease agreement for Firetower Clinic
   • Lease agreement for Wahl-Coates Elementary School
   • Lease agreement for maintenance buildings at Eppes Middle School

B. Master Plan Process
   Discussion

C. Rappel Tower
   Information

D. Designer Selections Approved by Finance and Facilities Since Previous Meeting
   Information
   • Joyner HVAC Repairs (Design)
   • Belk Residence Hall AC Upgrades
   • Upgrade Brody Freight Elevators
   • Open End Design Agreements
   • Cotanche Critical Utility Infrastructure
   • Howell Science Elevator Upgrades
E. Status of Major Capital Projects Information
F. NC Hwy 43 NCDOT Project Information
G. Residence Halls Sprinkler Installation Plan Information
H. Chancellor’s Residence Discussion

IV. ITCS
   A. Banner Update Information
   B. Data Security Issue Information

V. Other
East Carolina University
Board of Trustees
Finance and Facilities Committee

Item I. A. – Finance and Facilities Committee Meeting Minutes of December 14, 2006.

Attached are minutes from the Finance and Facilities Committee meeting held on December 14, 2006.
Minutes of Finance & Facilities Committee Meeting  
ECU Board of Trustees  
December 14, 2006  

Attendees: Mike Kelly, Chair, Bruce Austin, David Brody, Joel Butler, Steve Showfety, and Margaret Ward.

Mr. Kelly called the meeting to order at 12:27 p.m. Minutes were approved for the October 6, 2006 Finance and Facilities Committee meeting.

The 2007 proposed tuition and fee increases were presented by Mr. Seitz. He drew the Board’s attention to the materials previously distributed to the Board. He reminded the Board that the UNC Board of Governors (BOG) revised its policy for tuition and fee increases. The new policy provides predictability for students and their parents and is helpful for university planning. State appropriations from the General Assembly can impact future increases. ECU limited the actual increase to the student for tuition and fees to 5.9% ($215.00). In addition, a total of $21 of debt service fees were reclassified to operations for Recreational Services. According to the BOG policy, the $21 is considered an increase in mandatory fees thus making the total increase $236 or 6.5%. The Student Government approved all fee increases and reviewed the tuition increase.

Chancellor Ballard stated that the administration worked closely with the Student Government because tuition and fee decisions are important. ECU has more students with financial need than any other institution in the UNC system and ECU leads the university system in the amount it dedicates financial aid. Sixty-one percent of the tuition increase will go to financial aid. The Student Government Association (SGA) voted on fees for health services, student activities, athletics and education/technology.

Mr. Seitz introduced Anne Jenkins and Stephanie Coleman and thanked them for their efforts with the tuition and fee process. The fee process that ECU follows is more extensive than other UNC institutions and is included in the Board materials. The Tuition and Fee Committee submitted the proposal to the Chancellor’s Executive Council which reviewed and approved the proposed rates, and the Student Congress approved the fees at their November 13 meeting. Mr. Showfety stated that it is critical that ECU’s tuition and fees rank the university as competitive in the UNC system.

Last year the Board approved a $150.00 debt service fee for Mendenhall Student Center. The students have not been charged the fee this year due to the fact that the fee cannot be charged until the semester that construction actually starts. It will begin in the 2007/08 academic year. Discussion followed on use of fees by other institutions, endowment funds, the correlation of tuition, fees and financial aid, and student scholarships through the Foundation.

Mr. Redwine asked what the deciding factors are for students choosing a college. Chancellor Ballard responded that athletic programs, recreation facilities, housing conditions and word of mouth play important roles. Tuition and fees are major concerns for out-of state students.
Mr. Kelly stated that he is pleased with the Student Government Association involvement in the tuition and fees process. Mr. Showfety was pleased with the process and the materials presented to the committee. The Finance and Facilities Committee approved a motion to present the tuition and fees proposal to the full Board on December 15, 2006.

Mr. Seitz presented information regarding a state law that requires public agencies to charge interest on past-due student accounts. UNC has not been in compliance and the universities are being urged to initiate this process.

Information on the 2006/07 budget was presented to the Committee. New faculty lines, academic support funds and library support funds were distributed by the Provost. General Institutional services funds were distributed based on funding priorities established by the Executive Council. The materials included distributions for the previous two years.

The 2007/09 budget request was presented with two highlights: the dental school and indigent care. There are also two capital projects, the dental school and the shared academic building. An attempt was made to obtain a funded capital project for each campus. With the right support this year, the Chancellor is optimistic that both the dental school and the shared academic building will be funded. ECU has already received $3M for capital planning for the dental school. Institutional funds have been used for advanced planning for the shared academic building. Mr. Tipton raised the issue of lobbying for this shared academic building. Mr. Redwine suggested starting with the Governor’s office. The project needs to be on the Governor’s list. A list of ECU’s projects approved by the Board of Governors is on the website listed in the Board materials.

Three property items were presented for consideration: the purchase of a private residence located at 601 East Fifth Street, a lease for the ECU Physicians Psychiatric Outpatient Center and a lease with University Health Systems of space in the old Health Science Library. A motion was approved to present theses three items to the full Board for its approval on December 15.

Mr. Bagnell presented an update on the Wright Circle/Fountain. Mr. Showfety stated a solicitation document will be sent to all ECU Trustees or families of ECU Trustees, and Senator Morgan has agreed to serve as co-chair of the fund raising effort. The site plan has a designated area that will identify all trustees who have served ECU in its first 100 years, the only public site on campus that recognizes trustees. Mr. Showfety would like to dedicate the improvements at the March Board of Governor’s meeting. Mr. Showfety presented a motion to request the Naming Committee, working through the Foundation, permit authorization of the project with a commitment from the existing Board members to work diligently to raise the $300,000. The motion was approved by the Committee.

The Mendenhall Student Center schematic design was submitted to State Construction and Department of Insurance in November. A construction manager has been engaged, the designer is working on comments from Mr. Bagnell’s office, and a preconstruction proposal is being negotiated. Design development drawings on the project will be underway in January.
Chancellor Ballard talked about the university as a significant partner in downtown development because of the impact downtown has on ECU students. Conditions have changed over the last two years, and he would like for the University to step into a secondary role for the Downtown Center project. The cost has increased to $22M and cannot be funded by state dollars. Other ECU projects have higher priority. There are private sector interests in downtown. The current proposed site, the BB&T bank property, is inadequate. Mr. Tipton agreed with Chancellor Ballard and recommended that ECU have input into the architectural styling and stay involved. The Trustees are very supportive of a renaissance in the downtown area.

Mr. Bagnell stated that the early release packages for the East Carolina Heart Institute should be completed by December 20. Building packages are set to be opened in January and Department of Insurance approval is expected in the next thirty days. Mr. Tipton asked if a guaranteed maximum price was developed and Mr. Bagnell responded that there was a preliminary guaranteed maximum price. General condition and contingency fees were discussed.

The Family Medicine Center design contract has been submitted to the State Construction Office and funds have been donated for the geriatrics center. Projected date of completion is June 2009.

The Old Cafeteria Building is completed and occupied.

The Belk renovation project, the last major renovation project under the bond program, is under construction with D.S. Simmons as the general contractor. The construction window is fourteen months with completion date of March 2008.

The Coastal Studies Institute contracts have been executed and the designer is working on a floor plan for schematic design. Design development should be completed before June 2007. Land has been gifted to the UNC system and the Board of Governors will be reviewing this transaction at its next meeting. ECU will take the lead for construction and operations.

Mr. Showfety asked if there were any structures on 14th Street owned by the university that have not been demolished. Mr. Scott Buck replied that all of ECU’s properties have been demolished, except facilities currently being used.

Mr. Seitz stated that the internal street signs have been painted purple and white. Visitor parking signs have also been painted. A committee has been established to review other ideas and branding projects. Wayne Newnam, chair of the Branding Committee, gave an update on ECU Colors on Campus. Projects being considered are pirate names/lore for street naming and purple gowns for graduation. After a positive response from a survey of students and alumni, purple gowns will be used for spring graduation. Mr. Brody suggested a consistent branding effort for east and west campuses. The Committee is considering 4x6 ECU flags that can be flown under the American flag, retrofitting the pirate logo on existing buses, pole banners and repainting crosswalks. Mr. Kelly will follow up on crosswalks and DOT signs. Mr. Butler posed the possibility of ECU colors downtown. The city manager is very supportive of ECU but the subject has not been presented to him. Mr. Seitz mentioned that a pirate design for the trestle over Charles Boulevard has been chosen and will be completed before March 1st.
The status of major capital projects was provided in the Committee materials.

Mr. Seitz provided a document showing the initiatives that are underway in the Medical Faculty Practice Plan. He also distributed the delegated authority proposal for review. The proposal would allow the Medical Faculty Practice Plan to use an expedited process for processing leases. Mr. Seitz expressed his appreciation for the work done on the initiative by Dr. Cynda Johnson and Mr. Scott Buck. The document provides flexibility for leases only and the Board of Trustees retains authority for approval of leases greater than $25,000/year or longer than 3 years in length. The Properties Review committee will provide institutional oversight. Mr. Brody mentioned that Brody School of Medicine will be leasing the first floor of the Moye Medical Building and is considering the second and third floors. If the Trustees approve the policy, leasing the other two floors could be handled without the normal state process and in a timely manner. Mrs. Ward recommended that the Board read the policy that evening and vote the next day at the full Board meeting.

Mr. Seitz gave a brief update on Banner. Student modules are being implemented. Human Resources implementation has been moved to July 1.

The meeting was adjourned at 2:30 p.m.
Item II.A. 2007/09 Budget Update

Attached is a comparison of UNC’s 2007-09 budget request and the Governor’s Budget.
February 22, 2007

MEMORANDUM

TO: Members of the Board of Governors
FROM: Rob Nelson
SUBJECT: Governor Easley's Budget Recommendations

Governor Easley released his 2007-09 budget recommendations today for consideration by the General Assembly. The attached spreadsheet compares the Governor’s recommendations to the budget priorities approved by the Board of Governors.

I am pleased that in response to your request, the Governor has recommended significant new funding for need-based financial aid; note this proposal does exclude need-based aid required to hold eligible students harmless from 2007-08 tuition increases. However, the Governor’s proposal does include a remarkable new financial aid program—to be funded at $50 million in 2007-08 and $100 million in 2008-09—for UNC and community college students whose family incomes are less than 200% of the poverty level. While the entire budget for this new financial aid program is included within the University’s recommended budget, approximately 1/3 of this new funding would provide much-needed financial aid for students attending a community college.

Continuation budget increases proposed for the University include enrollment funding, although the Board’s request was modestly adjusted by the Governor, as well as important funding needed to cover rising utility bills and operating costs of new facilities. While the Governor proposes a 2 1/2 % salary increase for all State employees—along with an additional $1 million for distinguished professorships on our campuses—his budget does not address our request to bring average faculty salaries on our campuses to the 80th percentile of our peers. As you know, these funds for faculty compensation were considered critical to attracting and keeping the kind of professors we need to ensure our students will have the skills they need to compete for the new jobs that will be created in this knowledge-based global economy.

On the capital side, the Governor has recommended substantial funding for new University facilities, all of which would be provided through general obligation bonds to be approved by the voters of the State on the November 2007 ballot.

We are immensely grateful to the Governor for his ongoing support of the University and public education in this State. It is very early in the budget process, and we must work hard—and as one team—with the General Assembly in the days ahead to make sure our University receives the funding needed to provide our students with a high-quality education.

Enclosure
cc: The Chancellors
### The University of North Carolina
### Budget Comparison
#### 2007-09

<table>
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<tr>
<th></th>
<th>BOG Budget Priorities</th>
<th>Governor’s Budget</th>
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<td></td>
<td>2007-08</td>
<td>2008-09</td>
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<td>Enrollment</td>
<td>48,312,908</td>
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<td>Utilities</td>
<td>15,750,590</td>
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<td>Other Adjustments (library books, vehicles, equipment, etc.)</td>
<td>49,411,770</td>
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<td><strong>Total Continuation Budget Increases</strong></td>
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<td><strong>Total Continuing Operations</strong></td>
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<td>Need-Based Financial Aid</td>
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<td><strong>Academic Salary Increases</strong></td>
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<td>Competitive Salaries for Faculty - 80th percentile of Peers</td>
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<td>Merit-Based Increases (estimate) - BOG - 4%; Gov - 2.5%</td>
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<td>Distinguished Professorships</td>
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<td>NC Research Campus (Kannapolis)</td>
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<td>Joint Program in Nanosciences &amp; Nanoengineering</td>
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<td>Biomanufacturing Research Institute and Technology</td>
<td>Enterprise Initiative (BRITE)</td>
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<td>Photons Consortium</td>
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<td>Research Vessel Hatteras</td>
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<td>21,651,315</td>
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<td>NC High Need Teacher Scholarship Loan Program</td>
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<td>Lateral Entry Scholarship Program</td>
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<td>Prospective Teacher Scholarship Loan Program</td>
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<td>Future Teachers of North Carolina</td>
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<td>Millennium Teacher Scholarships</td>
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<td>Teacher Education Enrollment Planning &amp; Recruitment Efforts</td>
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<td>Summer Term Teacher Education Pilot Programs</td>
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<tr>
<td>Science, Technology, Engineering &amp; Mathematics (STEM) Education (NCSU &amp; UNC-CH)</td>
<td>1,000,000</td>
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### The University of North Carolina
Budget Comparison
2007-09

More and Better Teachers & Improved Schools (cont.)

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<th>BOG Budget Priorities</th>
<th>Governor’s Budget</th>
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<td><strong>2007-08</strong></td>
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<td>UNCCS Partnership Online 2+2 Joint Initiative</td>
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<td>UNC Charlotte Lateral Entry Program</td>
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<td>Support for Lateral Entry and Teacher Assistants: NCMTEC Program Expansion</td>
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<td>Success for All</td>
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<td>Principals’ Executive Program (PEP) and Kenan-Flagler Leadership Program for Priority Middle &amp; High Schools</td>
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<td>New Teacher Support and Mentoring Aimed at Retention</td>
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<td>NCCAT Connections Program</td>
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<td>MSEN Pre-College Program</td>
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<td>A+ Schools</td>
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<td>North Carolina in the World (NCIU)</td>
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Healthcare

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<td>Healthcare</td>
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<td>ECU Dental School</td>
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<td>Area Health Education Centers</td>
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<td>Graduate Nurse Scholarships for Faculty Production</td>
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<td>Nurse Scholars Program</td>
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<td>UNC-CH Schools of Medicine and Dentistry - Pipeline Programs</td>
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<td>Indigent Care - ECU</td>
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<td>Indigent Care - UNC Hospitals</td>
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Regional & Statewide Economic Transformation and Competitiveness

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<td>Regional &amp; Statewide Economic Transformation and Competitiveness</td>
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<td>NCSU College of Engineering</td>
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<td>NCCU School of Law</td>
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<td>Entrepreneurship and Regional Cluster-based Economic Development</td>
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<td>Support for North Carolina Communities</td>
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<td>Management Academy for High Growth Companies</td>
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<td>Hickory Engineering and Technology Center</td>
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Campuses Specializing in the Arts & Sciences

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Affiliated Entities

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<td>UNC-TV Statewide Public Affairs &amp; Informational Prog. Services</td>
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<td>NC Arboretum Educational Outreach &amp; Economic Development</td>
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<td>UNC Press Digital Books</td>
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The University of North Carolina
Budget Comparison
2007-09

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<tr>
<td></td>
<td>2007-08</td>
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<tr>
<td>Other Items</td>
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<tr>
<td>EARN Scholars</td>
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<td>Graduate Nurse Scholarships for NCCCS Nursing Faculty</td>
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<td>Aid to Private Colleges – LTG and SCSF</td>
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<tr>
<td>Temporary Space – Pharmacy Program – ECSU</td>
<td>–</td>
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<td>NCSSM Transportation Contract</td>
<td>–</td>
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<td>UNCP Leased Space – Modular Bldg.</td>
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<td>ECSU Buses</td>
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<td>Recurring budget amounts</td>
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<td>Nonrecurring budget amounts</td>
<td>17,900,000</td>
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<td>Recommended UNC Operating Budget Increases</td>
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<td>Total Recommended UNC Operating Budget</td>
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*NR = nonrecurring*

| Capital Budget * | 403,878,199 | 435,614,801 | 487,270,000 |
| ASU College of Education Building | 17,000,500 | 17,000,500 | 34,001,000 |
| ECU School of Dentistry | 43,500,000 | 43,500,000 | 87,000,000 |
| ECSU School of Education Building – Planning | 2,000,000 | 3,000,000 | – |
| FSU Science and Technology Complex | 11,293,500 | 11,293,500 | 22,587,000 |
| NCA&T General Classroom Instructional Facility | 12,893,500 | 12,893,500 | 25,787,000 |
| NCCU School of Nursing Building – Planning | 2,500,000 | 3,750,000 | – |
| NCSA Library | 12,460,000 | 12,460,000 | 24,920,000 |
| NCSU Centennial Campus Library – Planning | 11,400,000 | 17,100,000 | – |
| NCSU Companion Animal Hospital | 19,000,000 | 19,000,000 | 38,000,000 |
| NCSU College of Engineering Facilities, Phase 1 | 17,000,000 | 17,000,000 | – |
| UNCA Rhodes Hall and Rhoades Tower Renovation | 4,343,500 | 4,343,500 | 8,887,000 |
| UNC-CH Genomic Sciences Building | 56,744,112 | 62,864,113 | 119,608,225 |
| UNCC Research Facilities, Phase 2 – Planning | 7,621,800 | 11,432,700 | – |
| UNCG Academic Classroom & Office Building | 22,583,500 | 22,583,500 | 45,167,000 |
| UNCP Residence Hall (West Hall Replacement) | 9,500,000 | 9,500,000 | 19,000,000 |
| UNCW Teaching Laboratory Building – Planning | 3,452,500 | 5,178,750 | – |
| WCU School of Health and Gerontological Science Building | 21,902,500 | 21,902,500 | 43,805,000 |
| WSSU Student Activities Center | 9,353,887 | 9,353,888 | 18,707,775 |
| NCA&T/UNCG Nanoscience & Nanotechnology Bldg. – Planning | 5,018,900 | 7,528,350 | – |
| NCSSM Discovery Science Labs/Classrooms/Residence Hall – Plan | 7,000,000 | 10,500,000 | – |
| NCSSM Information Technology Infrastructure – University-wide | 15,000,000 | 15,000,000 | – |
| Coastal Studies Institute (ECU, ECSU, NCSU, UNC-CH, UNCW) | 16,250,000 | 16,250,000 | – |
| Land Acquisition | 25,000,000 | 25,000,000 | – |
| Repair and Renovation Reserve - 46% UNC share | – | – | 46,000,000 |

* Governor recommends that General Obligation bonds be used to fund the UNC capital projects.
Item II.B. PACE Update

Attached is the interim report provided to General Administration regarding the PACE initiative at ECU.
EAST CAROLINA UNIVERSITY
INTERIM PACE REPORT

Introduction

In response to guidance provided by President Bowles and General Administration, East Carolina University has conducted an internal review of its programs and processes. Attached are eleven initiatives that are currently being implemented. In addition, other initiatives, not included in the interim report, are in the conceptual stage. There are also a number of initiatives that are mainly qualitative in nature and which will be developed in more detail prior to the June report.

East Carolina University has established a campus-wide PACE working committee that includes representatives from each division. The Committee will continue to meet periodically to refine the eleven initiatives cited in this submission, develop the initiatives which are still in the conceptual stage, develop the qualitative initiatives and develop additional ideas.

Results

East Carolina University’s analysis to date has focused on three areas of economies and efficiencies.

1. Personnel Savings: ECU is encouraging supervisors to carefully review any vacancies to determine the extent to which full time employees will be needed. Options to hire part time employees or to have employees share work tasks across two or more offices are encouraged with each position opening. Personnel savings are quantified in the first five ECU PACE initiatives (see attached). These initiatives resulted in a personnel savings of $995,000 and an additional cost avoidance of $90,000 for a combined personnel savings of $1.085M.

2. Efficiency and economy in managing the Brody School of Medicine. In addition to personnel savings mentioned in category one above, the Brody School of Medicine is implementing several initiatives to reduce costs/increase revenues as part of its initiative to improve the financial situation of the practice plan. For example, the revenue cycle has been completely reworked in order to reduce costs, streamline processes and increase revenues. ECU PACE initiatives 6-8 (see attached) are projected to save $5.94 M in 2007-08 and an average of $3.7M savings throughout 2011-12.

3. Efficiency and economy involving reduced energy costs and other smaller activities. These projects reveal smaller savings but indicate success in inculcating a “PACE culture” across the ECU campus. Initiatives 9-11 (see attached) include projects such as purchasing alternative fuel and strip pricing for natural gas, moving cleaning teams to day shifts, and consolidating computer lab

Vice Chancellor for Administration and Finance
February 16, 2007
services into fewer labs. These smaller initiatives have accounted for $328K of annual savings.

The initiatives outlined in this interim report will account for over $5M in annual savings on a recurring basis and over $7M in first year savings.

Conclusion

East Carolina University remains committed to the PACE effort. Dr. Ballard has championed intra-university efficiency reviews since he took office as Chancellor and the PACE process has served to heighten East Carolina University’s commitment to the process. The campus has made a good start in its efforts but has additional work to complete.
Initiative

Encourage supervisors to review all vacancies to determine if work can be assigned across several work centers. This will save on personnel costs and ensure a fully employed worker.

<table>
<thead>
<tr>
<th>Priority Level</th>
<th>High</th>
<th>Medium</th>
<th>X</th>
<th>Low</th>
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</thead>
</table>

Rationale & Timing

The implementation of this initiative can start immediately. It will be encouraged through the Human Resources office.

Efficiency Improvement

The VC for Administration and Finance and the VC for Student Life have already implemented this initiative. It resulted in 3 positions being saved in Student Life and a savings in A&F by compressing two positions into one.

Effectiveness Improvement

Service Improvement

Projected Cost Savings

<table>
<thead>
<tr>
<th>Year</th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
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Projected Cost Avoidance (in addition to or in lieu of Savings)

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<th>2008-09</th>
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Impact on Unit

Builds in a means of cross training by sharing tasks across several jobs.

Impact on Campus (Student, Faculty, Staff, Other Units)

Impact on Others

Sponsors / Champions

Human Resources
Campus Pace Initiatives

Initiative
Selective Hiring Freeze BSOM

Priority Level
High
Medium
Low

Rationale & Timing
A selective hiring freeze was implemented in mid-summer 2006 to eliminate non-mission critical personnel expenses funded from the BSOM’s Medical Faculty Practice Plan (MFPP). The hiring freeze has identified numerous positions which are non-mission critical and are funded by the MFPP. These positions will either not be filled or alternative funding sources will be found.

Efficiency Improvement
Efficiency is improved by critical functions being met at a reduced cost.

Effectiveness Improvement
- N/A -

Service Improvement
- N/A -

Projected Cost Savings

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<tr>
<th></th>
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</table>

Impact on Unit
Mission essential functions continue to be met despite the vacant positions not being filled.

Impact on Campus (Student, Faculty, Staff, Other Units)
The decreased costs allow the redirection of funding to support core functions.

Impact on Others
- N/A -

Sponsors / Champions
Interim Vice Chancellor Health Sciences / Interim Dean BSOM / Vice Chancellor Administration & Finance
### Initiative

**Reorganization of Financial Services**

### Priority Level

| High | Medium | Low |

### Rationale & Timing

The reorganization of financial services resulted from two key vacancies which occurred at the same time as significant leadership changes in the Brody School of Medicine (BSOM). The reorganization resulted in the duties/responsibilities of the two key vacant positions being reallocated to other existing staff in the health sciences division / BSOM. The change was implemented mid-summer 2006.

### Efficiency Improvement

Efficiency is improved by critical functions being met at a reduced cost.

### Effectiveness Improvement

- N/A -

### Service Improvement

- N/A -

### Projected Cost Savings

<table>
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### Impact on Unit

The unit (Health Sciences / BSOM Administration & Finance) is now operating at or near full capacity for administrative and financial responsibilities.

### Impact on Campus (Student, Faculty, Staff, Other Units)

The reduced costs for financial services is redirected to core missions.

### Impact on Others

- N/A -

### Sponsors / Champions

Health Sciences / BSOM Administration & Finance
## Campus Pace Initiatives

### Initiative
10% reduction in student employment implemented in 2005-06.

### Priority Level
- High
- Medium
- Low

### Rationale & Timing
Required to maintain a balanced budget based upon new mandate not allowing planned use of existing fund balance/reserves.

### Efficiency Improvement
Full-time personnel assumed additional responsibilities; student positions were re-evaluated for purpose and cost effectiveness.

### Effectiveness Improvement
2005-06 10% reduction was $49,128. A 25% increase in savings for 06-07 budget due to upgraded pay scale and minimum wage increase.

### Service Improvement

### Projected Cost Savings
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<thead>
<tr>
<th></th>
<th>2007-08</th>
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</table>

### Impact on Unit
Direct savings to budget; streamlined services; encouraged supervisory effectiveness.

### Impact on Campus (Student, Faculty, Staff, Other Units)
Maintained a balanced budget; reduced amount of student fee request; maintained same quality level of service/programs.

### Impact on Others

### Sponsors / Champions
Division of Student Life/Campus Recreation & Wellness
Campus: East Carolina University
Interim Report

Initiative
Combine the marketing duties of all the departments in the Division of Student Life into one Marketing Team.

Priority Level

<table>
<thead>
<tr>
<th>High</th>
<th>Medium</th>
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Rationale & Timing
The Division of Student Life needed a unit to market the Division. Rather than hiring new employees, they expanded the scope of the responsibilities for the existing marketing staff who were currently working in Housing.

Efficiency Improvement
The decision to consolidate all marketing staff for the division into one Marketing Team saved the expense of additional staff.

Service Improvement
Provides marketing service to the entire Division of Student Life from one source.

Projected Cost Savings

<table>
<thead>
<tr>
<th></th>
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Projected Cost Avoidance

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</table>

Impact on Unit
The Division of Student Life saves in excess of $475,000 over five (5) years.

Impact on Others
Provides marketing expertise to a department at a reduced cost.

Sponsors/Champions
Campus: East Carolina University
Initiative No: 6
Date: 2/18/2007

Campus Pace Initiatives

Initiative
Revenue Cycle Enhancements

Priority Level
High
Medium
Low

Rationale & Timing
The revenue cycle is the portion of the MFPP that is responsible for taking information from physician-patient encounters and generating a bill to the appropriate parties (public or private insurers and the patients). BSOM management believed improvement opportunities existed. Specific enhancement initiatives implemented in late-summer and early fall 2006.

Efficiency Improvement
- N/A -

Effectiveness Improvement
Maximize revenue potential from medical services provided by BSOM physicians.

Service Improvement
- N/A -

Projected Enhanced Revenues

<table>
<thead>
<tr>
<th>Year</th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
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Projected Cost Avoidance (in addition to or in lieu of Savings)

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<th>Year</th>
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Impact on Unit
Increased staffing and technology investments will allow the clinical finance unit to become more effective in generating revenues for services provided.

Impact on Campus (Student, Faculty, Staff, Other Units)
The increased revenues will allow greater support for core functions.

Impact on Others
- N/A -

Sponsors / Champions
BSOM Clinical Finance Department and BSOM Revenue Enhancement Steering Committee
Campus Pace Initiatives

Initiative
Enhanced Contract Revenue from affiliated hospital for physician leadership services.

Priority Level
High  Medium  Low

Rationale & Timing
The BSOM has successfully negotiated for the affiliated teaching hospital to compensate BSOM for physician using the 75th percentile of compensation benchmark surveys. Previously the hospital had been indexing payments to the 50th percentile. The BSOM was successful in convincing the affiliated hospital that the 50th percentile did not adequately offset opportunity costs of BSOM physicians for their services. This initiative was implemented in the summer of 2006 with full implementation expected to be completed by the summer of 2007.

Efficiency Improvement
Enhanced efficiencies are realized by higher revenues for no change in physician labor.

Effectiveness Improvement
- N/A -

Service Improvement
- N/A -

Projected Enhanced Revenues

<table>
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<tr>
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Impact on Unit
- N/A -

Impact on Campus (Student, Faculty, Staff, Other Units)

Impact on Others
- N/A -

Sponsors / Champions
## Campus Pace Initiatives

### Initiative
Transfer costs for physician fellowship program to affiliated teaching hospital.

### Priority Level
<table>
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<tr>
<th>High</th>
<th>Medium</th>
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### Rationale & Timing
Most teaching hospitals affiliated with medical schools fund the salaries/benefits for physicians in fellowship programs due to the fellowship programs being training programs. The BSOM has successfully negotiated with the affiliated teaching program to fund most of these costs starting in FY 2007/2008.

### Efficiency Improvement
Significant efficiency improvement due to removing these costs from the BSOM Medical Faculty Practice Plan.

### Effectiveness Improvement
- N/A -

### Service Improvement
- N/A -

### Projected Cost Savings

<table>
<thead>
<tr>
<th></th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Savings</td>
<td>$1,800,000</td>
<td>$1,800,000</td>
<td>$1,800,000</td>
<td>$1,800,000</td>
</tr>
<tr>
<td>Investment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Costs</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net Savings</td>
<td>$1,800,000</td>
<td>$1,800,000</td>
<td>$1,800,000</td>
<td>$1,800,000</td>
</tr>
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### Projected Cost Avoidance (In addition to or in lieu of Savings)

<table>
<thead>
<tr>
<th></th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Cost Avoidance</td>
<td>$</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Investment</td>
<td>-</td>
<td>-</td>
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<td>-</td>
</tr>
<tr>
<td>Other Costs</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net Cost Avoidance</td>
<td>$</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

### Impact on Unit
Significant cost reduction.

### Impact on Campus (Student, Faculty, Staff, Other Units)
Reduced costs enhances support for core missions.

### Impact on Others
- N/A -

### Sponsors / Champions
Vice Chancellor Administration & Finance
Campus: East Carolina University
Initiative: Convert Night Housekeeping to Days
Priority Level: High
Rationale & Timing: Conversion saves 10% shift differential or about $2000 per housekeeper converted.
Efficiency Improvement: Increased day cleaning produces small decrease in day manning requirements associated with day response requirements.
Effectiveness Improvement: General customer satisfaction has been associated with the ownership aspect of the program.
Service Improvement: Increased since of ownership and customer satisfaction has resulted.

Projected Cost Savings
- Gross Savings
- Investment
- Other Costs
- Net Savings: $, $, $, $, $

Projected Cost Avoidance (in addition to or in lieu of Savings)
- 2007-08: $10,000, 2008-09: $20,000, 2009-10: $30,000, 2010-11: $30,000, 2011-12: $30,000
- Gross Cost Avoidance
- Investment
- Other Costs
- Net Cost Avoidance: $10,000, $20,000, $30,000, $30,000, $30,000

Impact on Unit: Since we began the program several years ago we have converted about 40 housekeepers at a total annual savings of $80,000.

Impact on Campus (Student, Faculty, Staff, Other Units):

Impact on Others:

Sponsors / Champions: George Harrell and Facilities Services Team.
Campus: East Carolina University
Interim Report

Campus Pace Initiatives

Initiative
Campus Living closed one (1) Computer Lab

<table>
<thead>
<tr>
<th>Priority Level</th>
<th>High</th>
<th>Medium</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

Rationale & Timing
A review of campus computer labs determined that there were several labs within walking distance of the residence halls, and three computer labs in the residence halls were not necessary.

Efficiency Improvement
Consolidated three Computer Labs into two labs, while still providing easy access for the students.

Service Improvement

Projected Cost Savings

<table>
<thead>
<tr>
<th>Projected Cost Savings</th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Savings</td>
<td>30,000</td>
<td>31,000</td>
<td>32,000</td>
<td>33,000</td>
<td>34,000</td>
</tr>
<tr>
<td>Investment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Savings</td>
<td>$30,000</td>
<td>$31,000</td>
<td>$32,000</td>
<td>$33,000</td>
<td>$34,000</td>
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</tbody>
</table>

Projected Cost Avoidance

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Cost Avoidance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Cost Avoidance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Impact on Unit
This change will result in a savings of almost $160,000 over five (5) years.

Impact on Others

Sponsors/Champions

Initiative: Alternative fuel and Strip Pricing for Natural Gas

Priority Level: High

Rationale & Timing: Alternative fuel allows lower interruptable rates to be used, and strip pricing allows base fuel usage levels to be contracted as lows in pricing occur.

Efficiency Improvement: n/a

Effectiveness Improvement: Lower total fuel costs.

Service Improvement: Service levels maintained.

Projected Cost Savings

<table>
<thead>
<tr>
<th>Year</th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
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</thead>
<tbody>
<tr>
<td>Gross Savings</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment</td>
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<td></td>
</tr>
<tr>
<td>Other Costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Savings</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

Projected Cost Avoidance (in addition to or in lieu of Savings)

<table>
<thead>
<tr>
<th>Year</th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
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</thead>
<tbody>
<tr>
<td>Gross Cost Avoidance</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
</tr>
<tr>
<td>Investment</td>
<td>12,000</td>
<td>12,000</td>
<td>12,000</td>
<td>12,000</td>
<td>12,000</td>
</tr>
<tr>
<td>Other Costs</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Net Cost Avoidance</td>
<td>$288,000</td>
<td>$288,000</td>
<td>$288,000</td>
<td>$288,000</td>
<td>$288,000</td>
</tr>
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</table>

Impact on Unit: n/a

Impact on Campus (Student, Faculty, Staff, Other Units): Lower utilities for student auxiliaries such as Housing.

Impact on Others: n/a

Sponsors / Champions: George Harrell
Item II.C. MFPP Update

A verbal report on the status of the Medical Faculty Practice Plan project will be made at the Committee meeting.
Item III.A. Property

There are four property items for Board approval:

- Lease agreement for 2nd floor Moye Medical
- Lease agreement for Firetower Clinic
- Lease agreement for Wahl-Coates Elementary School
- Lease agreement for maintenance buildings at Eppes Middle School

Please see the attached materials describing the leases.
MEMORANDUM

TO: Kevin Seitz

FROM: Scott Buck

DATE: March 16, 2007

SUBJ: Request to Lease Clinical/Office Space

Below are two strategic lease requests negotiated under the ECU Brody School of Medicine (BSOM) Medical Faculty Practice Plan (MFPP) Property Flexibility Policy approved by the ECU Board of Trustees on December 15, 2006.

The Brody School of Medicine, ECU Physicians wishes to lease 14,121 gross square feet of clinical/office space located at Moye Medical Building, 2nd Floor, 521 Moye Boulevard for use by the Department of Internal Medicine. Lease term shall be for ten (10) years. Years one (1) and two (2) shall be at $14.50/GSF, $204,754.50 per year. Years three (3) thru ten (10) will have an escalation rate of 3% per year. The owners of Moye Medical I, LLC have agreed to rebate the cost of the 3% escalation for year three (3). Janitorial and utilities are to be paid by ECU. The owner in good faith will provide up fits to the facility at BSOM's request in the amount of $185,835. BSOM has elected to pay monthly amortized payments for the up fits at 8.5% over 10 years or $2,304.37 per month. It is recommended that we expedite approval of this lease. This is a strategic lease acquisition in accordance with MFPP Property Flexibility Policy. Source of funds shall be funded by MFPP.

The Brody School of Medicine, ECU Physicians wishes to enter into a five (5) year lease for the current site of Firetower Clinic which is expiring soon. The lease is for 12,832 square feet of office/clinical space located at 1204 East Firetower Road. The annual lease amount shall be $186,064 at $14.50/GSF, fixed for five (5) years with the option to renew for another five (5) year term. If renewed, years six (6) thru ten (10) would be subject to Consumer Price Index increases. BSOM shall pay for all janitorial and utilities. The landlord, MEE Properties, has agreed to paint interior,
exterior, new flooring, install handicap door openers and other miscellaneous repairs.

It is recommended the ECU Board of Trustees approve this request for a strategic lease acquisition in accordance with MFPP Property Flexibility Policy. Funding shall be from MFPP.
MEMORANDUM

TO: Kevin Seitz
FROM: Scott Buck
DATE: March 16, 2007
SUBJ: Leasing Request with Pitt County Board of Education

We seek approval to enter into a disposition by lease with Pitt County Board of Education, the Wahl-Coates Elementary School (Laboratory School) located on East 5th Street. The lease shall be for a term of twenty (20) years at a rate of $1.00 per year. The Pitt County Board of Education shall be responsible for all repairs and upkeep for the term of the lease including janitorial and utilities. The ECU School of Education supports this action and it has been a long-standing arrangement for decades.

We also seek approval of acquisition by lease six (6) outlying buildings utilized by ECU Campus Operations at C.M. Eppes Middle School, located adjacent to College Hill Drive. ECU Campus Operations currently occupies these facilities and a new lease is needed. The lease shall be for twenty (20) years at a rental rate of $1.00 per year. ECU shall provide all necessary maintenance, repairs and utilities for these facilities.
East Carolina University
Board of Trustees

Action Item

Approval of the resolution to lease +/- 14,121 gross square feet of clinical office space located at Moye Medical Building, 2nd floor, 521 Moye Boulevard for use by ECU Physicians, General Internal Medicine. The lease term shall be for ten (10) years. Years one (1) and two (2) shall be at $14.50/GSF, $204,754.50 per year. Years three (3) thru ten (10) will have an escalation rate of 3% per year. The owners of Moye Medical I, LLC have agreed to rebate the cost of the 3% escalation fee for year three (3). Janitorial and utilities shall be paid by ECU. The owner in good faith will provide up-fits to the facility at Brody School of Medicine's (BSOM) request in the amount of $185,835. BSOM has elected to pay monthly amortized payments for the up-fits at 8.5% over ten (10) years or $2,304.47 per month. This is a strategic lease acquisition in accordance with Medical Faculty Practice Plan Property Flexibility Policy. Source of funds shall be from Medical Faculty Practice Plan.

Background Information

General Internal Medicine provides primary care for adult patients. Inpatient and outpatient services range from simple and uncomplicated treatment of individuals to complex and integrated conditions, medical resistant infections and unusual family and social situation.

General Internal Medicine is currently housed in two totally separate locations – The Brody Outpatient Center and Pavilion Internal Medicine. The co-location of these services into one space will improve the efficiency of the department and staff. The Pavilion property, due to its age, does not offer the most convenient access to our patients.

The full spectrum of training opportunities for medical students and residents occurs virtually every month. The clinical rotations in General Medicine is vital to our students and the new property will provide improved access for staff, faculty, residents, students and patients.

Recommended Action

The Finance and Facilities Committee approved this at their March 23, 2007 meeting and we seek Board of Trustee approval. Contingent on your approval, a lease shall be executed and the acquisition shall be reported to the Governor and Council of State.
East Carolina University  
Board of Trustees

**Action Item**

Approval of the resolution to lease +/- 12,832 gross square feet of clinical/office space located at 1204 Firetower Road for use the Firetower Medical Office. The annual lease amount shall be $186,064 at $14.50/GSF, fixed for five (5) years with the option to renew for an additional five (5) year term. If renewed, years six (6) thru ten (10) would be subject to Consumer Price Index increases. Janitorial and utilities shall be paid by ECU. The landlord, MEE Properties, has agreed to paint interior, exterior, new flooring, install handicap door openers and other miscellaneous repairs. This is a strategic lease acquisition in accordance with Medical Faculty Practice Plan Flexibility Policy. Source of funds shall be from Medical Faculty Practice Plan.

**Background Information**

The Firetower Medical Office, located on Firetower Road, was the first off-site clinical facility established by the Brody School of Medicine approximately ten years ago. The proximity of this site allows the school to expand services to a growing population of the county. The practice has grown to over 26,000 patient visits per year, providing services in general internal medicine, family medicine, pediatrics, sports medicine and physical therapy.

**Recommended Actions**

The Finance and Facilities Committee approved this at the March 28, 2007 meeting and we seek Board of Trustees approval. Contingent on your approval, a lease shall be executed and the acquisition shall be reported to the Governor and Council of State.
Action Item

Approval of the resolution to enter into a “disposition” by lease with the Pitt County Board of Education, the Wahl-Coates Elementary School (Laboratory School) located on East Fifth Street. The lease shall be for a term of twenty (20) years at a rate of $1.00 per year. The Pitt County Board of Education shall be responsible for all repairs and upkeep for the term of the lease, including janitorial and utilities.

Background Information

The Wahl-Coates Elementary School located on East Fifth Street is owned by East Carolina University and operated by the Pitt County Board of Education. The ECU School of Education supports this action and it has been a long-standing arrangement for decades as a laboratory school.

Recommended Action

The Finance and Facilities Committee approved this at their March 28, 2007 meeting and we seek Board of Trustees approval. Contingent on your approval, we will seek approval from the State Property Office, Governor and Council of State.
Action Item

Approval of the resolution to enter into an “acquisition” by lease with the Pitt County School Board, six (6) outlying buildings utilized by the ECU Campus Operations at C.M. Eppes Middle School, located adjacent to College Hill Drive. The lease shall be for twenty (20) years at a rental rate of $1.00 per year. ECU shall be responsible for all repairs and upkeep for the term of the lease including janitorial and utilities.

Background Information

The six (6) outlying buildings at C.M. Eppes Middle School are owned by the Pitt County Board of Education and for approximately a decade have been leased by ECU Campus Operations to house many of their trade related service operations. The current lease agreement expires in the near future and a new lease agreement is desired.

Recommended Action

The Finance and Facilities Committee approved this at their March 28, 2007 meeting and we seek Board of Trustees approval. Contingent upon your approval, we will seek approvals from the State Property Office, Governor and Council of State.
Item III.B. Master Plan Process

Attached is an outline of the proposed master plan for ECU as part of our institutional strategic planning process. The process has been reviewed by the Executive Council and is being distributed to the Board for its review and comments.
East Carolina University
Master Plan Framework

BACKGROUND

1997/98 North Carolina General Assembly mandated the UNC Board of Governors to conduct a Capital Equity and Adequacy Study (Eva Klein & Associates, Ltd.)

1999 Facilities Profile and 10-Year Capital Plan

- ECU’s report for the Capital Equity and Adequacy Study
- Basis for UNC Bond Program
- Produced by Eva Klein & Associates, Ltd.

2000 Campus Master Plan

- Replaced 1992 master plan
- Addresses only main academic (East) campus
- “Concepts-oriented” plan focusing on revealing the “sense of place” unique to ECU
- Did not provide the definitive design of the campus
- Produced by Ellerbe Becket

2001 Learning Village for the Health Sciences

- Only master plan completed for the health science (West) campus
- Provides guidelines for buildings, site framework, functionality framework, transportation, utilities.
- Addresses only health science (West) campus
- Produced by NBBJ
### ACTIVITY 2000-2006
**Capital Projects**

#### 2000 Bond Program

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Cost</th>
<th>Square Feet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Science &amp; Technology</td>
<td>$67.7M</td>
<td>273,000 sq. ft.</td>
</tr>
<tr>
<td>Allied Health Nursing Bldg @HSC</td>
<td>$55.0M</td>
<td>303,000 sq. ft.</td>
</tr>
<tr>
<td>Rivers Building Addition</td>
<td>$11.5M</td>
<td>36,000 sq. ft.</td>
</tr>
<tr>
<td>Fletcher Music Addition</td>
<td>$5.9M</td>
<td>17,000 sq. ft.</td>
</tr>
<tr>
<td>Flanagan Renovation</td>
<td>$13.5M</td>
<td>107,000 sq. ft.</td>
</tr>
<tr>
<td>Old Cafeteria Renovations</td>
<td>$8.7M</td>
<td>54,000 sq. ft.</td>
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#### Legislative

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Cost</th>
<th>Square Feet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardiovascular Institute</td>
<td>$60.0M</td>
<td>182,000 sq. ft.</td>
</tr>
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#### Self Liquidating

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Cost</th>
<th>Square Feet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family Medicine Center</td>
<td>$30.0M</td>
<td>90,000 sq. ft.</td>
</tr>
<tr>
<td>College Hill Residence Hall</td>
<td>$31.5M</td>
<td>156,000 sq. ft.</td>
</tr>
<tr>
<td>West End Dining Hall</td>
<td>$13.6M</td>
<td>40,000 sq. ft.</td>
</tr>
<tr>
<td>North Recreation Fields</td>
<td>$6.0M</td>
<td></td>
</tr>
<tr>
<td>Mendenhall/Ledonia Wright</td>
<td>$35.0M</td>
<td>Renovation 121,000 sq. ft. Addition 47,000 sq. ft.</td>
</tr>
</tbody>
</table>

#### Private Giving

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Cost</th>
<th>Square Feet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geriatrics Center</td>
<td>$2.5M</td>
<td>10,000 sq. ft.</td>
</tr>
<tr>
<td>Clark LeClair Stadium</td>
<td>$9.7M</td>
<td>46,000 sq. ft. (3,000 seats)</td>
</tr>
</tbody>
</table>

#### Property Purchases

<table>
<thead>
<tr>
<th>Location Description</th>
<th>Cost</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>West 10th Street Vacinity</td>
<td>$8.0M</td>
<td></td>
</tr>
<tr>
<td>10th Street Warehouse</td>
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<td>Hardees</td>
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<td>Amoco</td>
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<td>.281</td>
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<tr>
<td>Full Gospel Christian Church</td>
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<td>.108</td>
</tr>
<tr>
<td>Szechuan Gardens</td>
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<td>1.000</td>
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<td>Greenville Center</td>
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<tr>
<td>North Recreational Fields</td>
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<td>129</td>
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<td>Voice of America</td>
<td>$.6M</td>
<td></td>
</tr>
<tr>
<td>14th Street/Rock Springs</td>
<td>$1.7M</td>
<td>4.8</td>
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</tbody>
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#### Major Leases

**East Campus**

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self Help Building</td>
<td>$.186M</td>
</tr>
<tr>
<td>Student Life (Cultural Diversity)</td>
<td>$.048M</td>
</tr>
<tr>
<td>Student Transit</td>
<td>$.047M</td>
</tr>
<tr>
<td>Facilities Services</td>
<td>$.011M</td>
</tr>
<tr>
<td>Slay Residence Hall Conversion</td>
<td>$.684M</td>
</tr>
<tr>
<td>Gateway Technology Center</td>
<td>$.026M</td>
</tr>
<tr>
<td>C.M. Epps</td>
<td>$1</td>
</tr>
</tbody>
</table>
NEW MASTER PLAN

Inputs

Strategic Review
The strategic review includes:
• The university’s mission statement, strategic plan, and realistic financial plan to implement the strategic plan;
• A market enrollment analysis which includes a demographic analysis, enrollment management analysis, peer institution study, and marketability analysis;
• Identification of the university’s academic programs including validation and prognosis of the existing programs, its academic goals, and alignment of programs both with its goals and with available facilities; and
• Review the future plans for research, clinical practice, public service, and economic development activities.

Functional Analysis/Utilization of Space/Building Assessment
The functional analysis includes:
• Utilization of existing facilities, which addresses facilities operations and utilization for the university’s programs;
• Determining the quantity and type of academic, research and clinical practice space needed;
• A facility space assessment which addresses inventory of existing space by category and
space requirements compared to applicable space planning guidelines; and
• Determining the condition of the current buildings and the space within them.

Technology Issues
The technology issues addresses:
• Campus communication systems;
• Computer networking/campus network wiring; and
• Classroom technology.

Organizational Review
The organizational review includes:
• Identification of planned organizational changes expected during each of the planning periods;
• Review of the administration or policy changes that would impact the results of the plan; and
• Examination of the regulatory requirement that impact implementation of the plan or that guide the structuring of the plan.

Financial capabilities
The financial capabilities review includes:
• A review of the sources of funds the university has available for realistically implementing the strategic plan, academic program and the physical facilities plan, including state appropriations, fund raising, bond loan capabilities, grants, etc.;
• A review of the university’s current expenses, debt service, and financial reserves; and
• A projection of the expected increase/decrease in expenses resulting from implementing the plan.

Enrollment
The review of enrollment addresses:
• The projection for future enrollment based on historic trends and demographic projections;
• The recruitment capabilities of the university;
• The retention history, and projections used to develop the plan; and
• Identification of current and projected enrollment target groups.

Academic Quality
The academic quality review includes:
• A brief history of enrollment, by program;
• Projected or anticipated changes in enrollment, by program; and
• Program match with current and projected market and available university resources.

Process
The master plan must anticipate the future by considering facility needs generated by the university’s mission statement, strategic plan, and corresponding academic program. Due to the cost and necessary lead time to plan and implement capital projects, a longer term vision (twenty
The strategic plan is the critical step in establishing the framework for the master plan; it should be the first step in the master planning process. The key to a successful master plan process is the integration with institutional planning – strategic, academic and financial.

- Inputs are collected/prepared by university personnel and, as needed, a professional planning firm;
- Participants include representatives of constituencies internal and external to the university;
- The synthesis of input information leads to the development of potential solutions;
- The potential solutions are evaluated through an iterative process;
- Top university leadership must be involved in all planning groups;
- Cohesion of the planning groups is achieved through joint participation of the university’s leadership;
- Working groups may be formed to focus on the following areas:
  - Strategic planning
  - Academic planning including research, clinical practice, economic development and public service
  - Student life
  - Physical planning
  - Financial planning
- Communication
  - Develop consensus on a shared vision and capital project priorities
  - The communications strategy is intensively managed during all phases of the master planning process.
  - Information must be available for all interested parties.
  - Effective means of communication include information exchanges during group and individual interviews, workshops, town meetings and a regularly updated web page.

**Outputs**

**Physical analysis**

The physical analysis includes:
- The interface and relationship between the campus and the community with regard to land use and zoning, pedestrian and vehicular circulation, physical barriers, and campus image; and
- Identification of the existing buildings and building systems emphasizing appropriateness of use, utility services, building density, functional relationship and accessibility according to ADA criteria.

**Solution Development**

The solution development component for implementing the strategic plan addresses:
- The development potential of the university real estate and the opportunities and constraints for future development;
- The evaluation of options, including strategies and costs for implementing identified options citing the criteria used for the evaluation; and
• The feasibility of the university’s ability financially to achieve implementation of the options.

**Space Allocations**
The space allocations addresses current space deficiencies (as determined by comparison of existing space with the applicable space guidelines) with consideration of:
• Alignment of needs with availability;
• Projected changes in needs;
• Size/configuration of classrooms and laboratories;
• Number and design configuration of residence rooms; and
• Availability of athletic/recreation facilities.

**Site Development Plan**
The site development plan includes a plan for addressing land utilization, a site master plan for locating future buildings, an acquisition plan for future real estate acquisitions, and a landscape master plan for the campus. The review of the site issues will address:
• Campus image/entries/open space/landscaping plan/visibility of the university;
• Interfaces with neighbors and growth potential;
• Adjacent land uses/neighborhood context;
• Physical characteristics/topography/climate;
• External control such as zoning, building code enforcement, support services, i.e. fire protection, utilities, etc.;
• Campus land use;
• Vehicular and pedestrian circulation including accessibility according to ADA standards;
• Parking;
• Campus history; and
• Architectural significance.

**Building Development Plan**
A building development plan (capital facilities program) identifies the renovation, major repair, modernization, and new construction projects for the next 5 to 10 years. The buildings, as a whole, will be addressed to include:
• Functional location appropriateness, including images/entries;
• Appropriateness of use;
• Compatibility of use;
• Flexibility and growth capacity/potential;
• Adequateness of space;
• Physical conditions and architectural compatibility/finishes;
• Code compliance;
• Accessibility by customers, employees, and services entities;
• Building circulation; and
• Maintenance condition/maintenance backlog, energy efficiency, building condition, hazardous materials, etc.
**Infrastructure Development**
The adequacy and location of the supporting infrastructure should be addressed to include:

- Existing and required for plan implementation;
  - storm sewer
  - sanitary sewer
  - water system
  - gas service
  - electrical system
  - chilled water, steam, condensate
  - roads
  - parking
  - telecommunications and data communications networks
  - fire alarm system
  - others

- Code compliance;
- Flexibility and growth capacity/potential;
- Physical condition; and
- Maintenance/repair/renovation/replacement requirements.

**Design guidelines**
The design guidelines for construction or renovation of facilities for the campus include the concepts for planning and programming campus facilities, architectural considerations and vocabulary for guiding design of future projects for the campus, the landscape concepts to be used, and the utility systems and infrastructure concepts to be incorporated into future projects to produce coordinated development of the campus.

**Implementation strategies**
The implementation strategies for affecting the university master plan should include capital project programming requirements within the short-, mid-, and long-term time frames with project cost estimates and phasing schedules, as required.

**Timeline**
The master planning process will require twelve to eighteen months to complete depending on the scope of the project.
East Carolina University  
Board of Trustees  
Finance and Facilities Committee

Item III.C. Rappel Tower

Attached is information regarding a proposed Rappel Tower to be constructed on campus in support of our ROTC program. Final design, cost of construction and site location are not available yet. We would like the Committee’s support for the concept. Final approval will be requested once all details are available.
MEMORANDUM FOR Dr. Steve Duncan, Office of Military Programs, East Carolina University, Greenville, NC 27858

SUBJECT: Rappel Tower

1. Request that a 40 foot rappel tower be built on campus grounds to provide additional training and recruiting opportunities for the Army ROTC department. The proposed tower would have two sides for rappelling and one for side for climbing. (See Enclosure 1 for example of construction)

2. Background:

   a. The mission of the Department of Military Science is to train college men and women to become commissioned officers in the US Army, Army National Guard and/or US Army Reserve. Upon successful completion of the ROTC program and graduation from college, the cadet is commissioned as a second lieutenant. ROTC Cadets are commissioned and receive duty assignments based on their performance in the three key areas of academics, leadership, and physical fitness.

   b. The Army ROTC program currently has 68 Cadets enrolled through all four military science classes.

   c. Currently we must travel to training facilities in Ft. Pickett, VA or Ft. Bragg, NC to conduct rappel training. Because of the cost and time involved we only conduct this training once a year and each cadet only goes down the tower one time. We conduct this training in conjunction with a scheduled field training exercise. The cost of travel and meals is approximately $2500. There is a time cost involved as well with 68 Cadets and 5 cadre spending 5 hours each just for travel.

3. Value of having a rappel tower on campus:

   a. Rappelling is one significant way that we teach cadets confidence. We teach cadets to overcome the natural fear of heights by descending a forty foot tower backwards using proper technique. The confidence Cadets learn from this helps them in all military endeavors. This added confidence improves their leadership, one of the key components upon which they are evaluated. Also, rappelling improves physical fitness which is another of the key components.
ATOE-DNC-EC
SUBJECT: Rappel Tower Proposal

b. Rappelling is a required task at the Leadership Development and Assessment Course held in Ft. Lewis, WA from which all Cadets must graduate. It is important that our Cadets be proficient in this task to qualify for the best and toughest jobs in the Army. Rappelling is part of Air Assault School training and is a common task for many Soldiers and Officers at major posts such as Ft. Campbell, KY and Ft. Bragg, NC.

c. An on-campus rappel tower would be a significant recruiting tool. Tasks like rappelling set us apart from the general student population and fulfill the sense of adventure of many prospective Cadets. The proposed location on the north side of the main football practice field close by Charles Blvd would make its presence a visible marketing tool for both ROTC and ECU.

d. An on-campus location would allow us to train several times a year and allow Cadets much more time conducting rappelling instead of in travel and train-up.

e. A rappel tower would have more uses than just by the ROTC department. It would be used by the athletic department for filming practices. In addition this tower could also be used by SRC personnel for adventure training through their programs. The multi-use tower would have rappelling and climbing capabilities.

f. An on-campus rappel tower would mean that no significant costs would be incurred for training on this task. Its value for recruiting and retention would add money to the university through increased tuitions. One-hundred percent of our senior Cadets are either on scholarship or are having their tuition paid through the National Guard. Therefore, the university is receiving full payment for the education of these students.

4. Costs/Proposals for building the tower:

a. One proposal is to involve a National Guard Engineer unit in building this tower. The 505th EN Bn has just returned from Iraq. SFC Miller, the Battalion Operations NCOIC has told me that there is a "fair" chance that the unit would be willing to build the tower. The university would need to provide building supplies, fuel, and security for their equipment. From the time they would start the project it might take as long as four months to complete because it will be done on weekend training opportunities for unit personnel. It would probably be one year before we could reasonably expect the tower to be built. Cornerstone Designs, Inc would be willing to provide oversight on this project at a cost of approximately $700/visit. They would certify the tower's safety upon completion. In the past they have made 3-4 visits during construction.

b. Cornerstone Designs, Inc can build a suitable tower for approximately $65,000. It would take one week from start to finish. This cost could be lowered if the university provided food and housing to their five workers for the duration of the project. Costs could be further lowered by providing the necessary heavy equipment and building supplies. (see enclosure 2)
5. A rappel tower would provide additional leadership and physical fitness opportunities to ROTC Cadets that they do not currently have. In addition it would provide value for both the athletic department and the Student Recreations Center. When considering the reduced cost of doing this training on-campus along with the recruiting and retention benefits we believe that the tower would pay for itself.

6. Point of contact for this action is MAJ Kevin Woodrow at (252) 328-4108, or via e-mail at woodrowl@mail.ecu.edu.

SUSAN K. DONALDSON
LTC, MP
Professor of Military Science
ATOE-DNC-EC
SUBJECT: Rappel Tower Proposal

Enclosure 1

PICTURE OF FINISHED RAPPEL TOWER CONSTRUCTED BY CORNERSTONE DESIGN
Enclosure 2

RAPPEL TOWER COST REDUCTION PLAN*
(CORNERSTONE DESIGN)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>COST FOR 40 FOOT RAPPEL TOWER</td>
<td>$65,000</td>
</tr>
<tr>
<td>REDUCTION FOR PROVIDING FOOD AND LODGING FOR WORKERS</td>
<td>- 3,000</td>
</tr>
<tr>
<td>REDUCTION FOR PROVIDING HEAVY EQUIPMENT</td>
<td>- 3,000</td>
</tr>
<tr>
<td>(INCLUDES EXTENDED BOOM FOUR WHEEL DRIVE FORKLIFT WITH 42' REACH FOR ONE WEEK, BOBCAT SKID STEER WITH AUGER ATTACHMENT FOR ONE DAY, 30 TON CRANE W/65' REACH FOR FOUR HOURS)</td>
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<tr>
<td>REDUCTION FOR PROVIDING BUILDING SUPPLIES</td>
<td>- 10,000</td>
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<tr>
<td>TOTAL AMOUNT DUE TO CORNERSTONE DESIGN WITH REDUCTIONS</td>
<td>$49,000</td>
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*ALL COSTS ARE APPROXIMATE
Item III.D. Designer Selections Approved by Finance and Facilities Since Previous Meeting

Since the last Board meeting designer selections were made for the following projects:

- Joyner HVAC Repairs (Design)
- Belk Residence Hall AC Upgrades
- Upgrade Brody Freight Elevators
- Open End Design Agreements
- Cotanche Critical Utility Infrastructure
- Howell Science Elevator Upgrades

Attached for your information is correspondence used in the selection process.
MEMORANDUM

December 5, 2006

TO: Bill Bagnell

FROM: George W. Harrell

SUBJECT: Designer Selection
Joyner HVAC Repairs (Design)

We have received approval from five of the six Finance and Facilities Committee members approving the Designer Selection for the Joyner HVAC Repairs (Design). The firms were approved in the following order:

1. EDI
   Raleigh, NC

2. SUD Associates
   Durham, NC

3. RMF Engineering, Inc.
   Durham, NC

You may proceed with the next steps of the process.

George W. Harrell, PhD
Senior Associate Vice Chancellor
for Campus Operations

cc: K. Seitz
    J. Durham
MEMORANDUM

January 10, 2007

TO: Bill Bagnell

FROM: George W. Harrell

SUBJECT: Designer Selection
Belk Residence Hall AC Upgrades

We have received approval from five of the six Finance and Facilities Committee members approving the Designer Selection for the Belk Residence Hall AC Upgrades. The firms were approved in the following order:

1. Dewberry & Davis Raleigh, NC
2. The East Group Greenville, NC
3. Sud Associates Durham, NC

You may proceed with the next steps of the process.

George W. Harrell, PhD
Senior Associate Vice Chancellor
for Campus Operations

cc: K. Seitz
    J. Durham
MEMORANDUM

January 18, 2007

TO: Bill Bagnell
FROM: George W. Harrell
SUBJECT: Designer Selection
Upgrade Brody Freight Elevators

We have received approval from five of the six Finance and Facilities Committee members approving the Designer Selection for the Upgrade of Brody Freight Elevators. The firms were approved in the following order:

1. Vertical Transportation Excellence  Raleigh, NC
2. 2H Design Services, PA  Charlotte, NC
3. JFK Architecture  Greenville, NC

You may proceed with the next steps of the process.

George W. Harrell, PhD
Senior Associate Vice Chancellor
for Campus Operations

cc: K. Seitz
    J. Durham
MEMORANDUM

February 21, 2007

TO: Finance and Facilities Committee

FROM: George W. Harrell

SUBJECT: Designer Selections – Open End Design Agreements

Attached is the recommendation from the Designer Pre-Selection Committee in regard to the Open End Design Agreements. The firms are recommended in priority order:

<table>
<thead>
<tr>
<th>One Year Contracts</th>
<th>1st Choice</th>
<th>2nd choice</th>
<th>3rd choice</th>
<th>4th choice</th>
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<tr>
<td>Architectural Services</td>
<td>JFK Architecture</td>
<td>Davis Kane Architecture</td>
<td>MH Architecture*</td>
<td>HH Architecture*</td>
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<td>Chapel Hill, NC</td>
<td>Raleigh, NC</td>
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<td>Mechanical/Electrical Plumbing Services</td>
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<td>Dewberry &amp; Davis</td>
<td>United Engineers</td>
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<td>Carter &amp; Burgess</td>
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<td>Cole &amp; Stone</td>
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<td>Landscape Carolina</td>
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<td>Mulkey Inc.</td>
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<td>Cary, NC</td>
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<tr>
<td>Surveying Services</td>
<td>Rivers &amp; Assoc.</td>
<td>The East Group</td>
<td></td>
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<td></td>
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<td>Greenville, NC</td>
<td>KCI Associates</td>
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<td>Raleigh, NC</td>
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<tr>
<td></td>
<td></td>
<td>Greenville, NC</td>
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</tr>
</tbody>
</table>

* indicates Women or Minority Owned Firms

Please review this recommendation, register your vote below, and return this memo by fax to (252) 328-0792.

Please contact Bill Bagnell or me at (252) 328-6858 if you have any questions regarding this recommendation.

Thank you.

George W. Harrell, PhD
Senior Associate Vice Chancellor
for Campus Operations

Attachment

cc: K. Seitz
J. Durham
B. Bagnell

Approved Date

Disapproved Date

East Carolina University is a constituent institution of the University of North Carolina. An Equal Opportunity/Affirmative Action Employer.
MEMORANDUM

March 8, 2007

TO: Bill Bagnell

FROM: George W. Harrell

SUBJECT: Designer Selection
Cotanche Critical Utility Infrastructure

We have received approval from four of the six Finance and Facilities Committee members approving the Designer Selection for the Cotanche Critical Utility Infrastructure. The firms were approved in the following order:

1. KlingStubbins  Raleigh, NC
2. Dewberry & Davis, Inc.  Raleigh, NC
3. Affiliated Engineers East, PC  Chapel Hill, NC

You may proceed with the next steps of the process.

George W. Harrell, PhD
Senior Associate Vice Chancellor
for Campus Operations

cc: K. Seitz
    J. Durham
MEMORANDUM

March 6, 2007

TO: Bill Bagnell

FROM: George W. Harrell

SUBJECT: Designer Selection
Howell Science Elevator Upgrades

We have received approval from four of the six Finance and Facilities Committee members approving the Designer Selection for the Howell Science Elevator Upgrades. The firms were approved in the following order:

1. The Wooten Company          Raleigh, NC
2. Oakley Collier Architects PA Raleigh, NC
3. JFK Architecture            Greenville, NC

You may proceed with the next steps of the process.

George W. Harrell, PhD
Senior Associate Vice Chancellor
for Campus Operations

cc: K. Seitz
    J. Durham
Item III.E. Status of Major Capital Projects

Attached is a report on the major capital projects ECU is undertaking.
NORTH RECREATIONAL FIELDS:
Funding Source: Self Liquidating Project – Student Recreational Services.
This project is an incremental development of a 129 acre site, for additional recreational
sports fields to accommodate enrollment growth in the student population. The site is
outside the city limits of Greenville at the intersection of highways NC 33 and US 264.
The site development includes new roadways, parking, infrastructure, support facilities,
and fields for intramurals and club sport activities. Once the site is fully developed,
fields would include but not be limited to football, softball, soccer, rugby, lacrosse,
ultimate Frisbee, and field hockey. A large lake for boating and swimming, a skate park,
a student services building and an amphitheater have also been considered in the planning
effort. Phase I project budget is $6,000,000.

Designer: Site Solutions, Inc., Charlotte, NC
General Contractor: Burney & Burney Construction, Greenville, NC

Project Status: Notice to proceed was November 27, 2006 - construction is
underway with contract duration of 425 days.

BELK BUILDING RENOVATIONS:
Funding Source: Higher Education Bond
This project is a comprehensive renovation and conversion from Allied Health to General
Academic use by the College of Health and Human Performance. The scope of work is
primarily deferred maintenance needs as well as a significant amount of asbestos
abatement that will restore the flexibility and utility of the building. The project budget is
$8,089,000.

Designer: Michael Hining Architects, Chapel Hill, NC
General Contractor: D.S. Simmons, Goldsboro, NC
Completion Date: January 15, 2008

Project Status: Notice to Proceed was December 11, 2006. Construction is
underway with contract duration of 400 days.
EAST CAROLINA CARDIOVASCULAR INSTITUTE:

Funding Source: State Appropriation: House Bill H 1264 Certificates of Participation.
The project consists of a 210,000 gsf building to include cardiovascular clinical research, outpatient programs and an education center, and basic science research for cardiovascular disease. The new building will create a facility with a focused initiative directed toward comprehensive treatment, prevention and eradication of cardiovascular maladies. The project Budget is $60,000,000.

Designer: Perkins and Will, Charlotte, NC
CM@ Risk: Bovis Lend Lease, Raleigh, NC

Project Completion Date: May 29, 2008
Anticipated Completion Date: May 29, 2008

Project Status: Bids for the building packages were let in January, 2007. Bids were $5.8 million over the preliminary guaranteed maximum price. However, the budget has been reconciled with $1.8 million in value engineering from the project. The additional $4 million will be added to the GMP from reduced owner allowances in the reserve lines for Medical Equipment, Furniture and Fixed Equipment, Audiovisual Technology and Owners Contingency. Steel Erections should begin March 23, 2007.
MENDENHALL STUDENT CENTER AND LEDONIA WRIGHT CULTURAL CENTER RENOVATION:
Funding Source: Self Liquidating Project – Student Life.
Mendenhall and the Ledonia Wright Cultural Center currently occupy about 123,000 square feet of floor space. Enrollment projections define a need to increase the student center up to 320,000 square feet. A renovated and expanded student/campus services center will include relocation of the Ledonia Wright Cultural Center, additional 1000 seat banquet room, additional meeting rooms, student organization offices, lounge spaces, gallery spaces, media center, entertainment spaces, retail spaces, business center, expanded game areas, and additional building renovations. The project budget is $35,000,000.

Designer: The Freelon Group, Inc., Research Triangle Park, NC
CM@Risk: T.A. Loving Company, Goldsboro, NC

Project Status: Schematic Design has been completed. Design development is holding until the Schematic Design budget is reconciled. Construction Manager at Risk has been selected and is working on the Schematic Design cost estimate. The designer’s initial estimate for cost of work ($34.2 million) is approximately $7.5 million over the budgeted cost of work for construction ($26.7 million). The design team is currently working on value engineering items to bring the project back into budget. We anticipate start of construction in the Spring 2008.

UNC COASTAL STUDIES INSTITUTE:
Funding Source: State Appropriation
The Coastal Studies Institute will consist of the development of 40 acres adjoining the North Carolina Aquarium and the Dare County Airport in Manteo, NC. The Institute will conduct basic research and training on large scale interactions between ecological systems, the ocean, the earth, and the atmosphere. The research activities of the Institute will require offices, common spaces, areas of computer research, wet labs, dry labs, flexible space for equipment assembly and storage, as well as associated facilities that include residential functions for visiting researchers. The design will place a high priority on minimizing environmental impacts as well as maximizing possible energy efficiency and use of sustainable materials necessary for LEED certification. The project is approved for advanced planning with a planning budget of $1,300,000.

Designer: PBC+L Architecture/ Kahoon & Casten Raleigh, NC
CM@Risk: Whiting-Turner Contracting Co., Raleigh, NC

Project Status: Design contract has been executed, and schematic design is underway. The program identifies 94,000gsf and $32 million program budget. Schematic Design has been complete and submitted to state agencies for review. Whiting-Turner is preparing the schematic design cost estimated that should be complete within the next two weeks.
FAMILY MEDICINE CENTER:
Funding Source: Medical Family Practice Plan
This program is for a new Family Medicine Center of approximately 102,000 gsf and a total project budget of $30,000,000. The new facility will be proximate to the corner of Heart Drive and Arlington Blvd on the Health Sciences Campus. The building will consist of exam modules for outpatient services, offices, patient services and building support spaces.

Designer: BBH Design, Research Triangle Park, NC

Project Status: Programming has been completed. Schematic design meetings started in January and February 2007. The designer is working to finalize floor plans with the user groups such that exterior elevations, structural evaluations and mechanical coordination can begin. Schematic Design is scheduled to be complete April 2, 2007.

GERIATRICS CENTER:
Funding Source: Donor Gift
This program is for a new Geriatrics Clinic space of approximately 11,000 gsf and a total project budget of $3,500,000. The new facility will be located in proximity to the future Family Practice Building on the Health Sciences Campus. The building will consist of exam rooms, support spaces, offices, patient services and building support spaces.

Designer: BBH Design, Research Triangle Park, NC

Project Status: The project development and design has been integrated with the Family Medicine Center. The integrated buildings will maintain a separate and identifiable presence and entrance for the Geriatric Center in keeping with the wish of the Donor. Project programming and floor plans are being finalized on the same time table as the Family Medicine Center and Schematic Design is scheduled to be complete April 2, 2007.

SCOTT RESIDENCE HALL RENOVATION:
Funding Source: Self Liquidating Project – Student Life.
This project will provide ADA up-fits, door and window replacements, asbestos abatement, HVAC replacement, elevator installation, complete bathroom renovations, fire alarm replacement, and emergency generator installation. The project budget has not been set yet.

Designer: Davis Kane Architects, Raleigh, NC

Project Status: Study completed and University is waiting on final renderings from designer to present to Board of Trustees. Final study document shows a wing added to the rear of the building.
CAPITAL PROJECTS UNDER DESIGN
EAST CAROLINA UNIVERSITY

TODD DINING SERVERY RENOVATION:
Funding Source: Self Liquidating Project – Student Life.
This project will include replacing existing serving lines and stations to allow for a better traffic flow through the dining hall. This will also include expanding the servery into the current Sweetheart’s private dining space. Also plan the addition of a stone pizza oven and a bakery station. Design will also evaluate head load added to the space, since the building is close to maximum cooling capacity in the summer now. The project budget is $2,100,000.

Designer: Moser Mayer Phoenix Assoc. PA, Greensboro, NC

Project Status: Schematic/Design Development documents have been submitted to University, Department of Insurance, and Office of State Construction. Review of the documents is currently underway.

Ficklen Stadium East End Zone Expansion and Press Box Renovation and Expansion Study:
Funding Source: Self Liquidating Project – Athletics
The feasibility study will include, but not limited to a 4,000 – 6,000 seat expansion in the East end zone and concepts for “bowling-in” the end zone. The study will also include options for complete renovation of the press box on the south side of the stadium, the addition of box seats, office suites, concessions, academic space, coach’s offices, press area and conference facilities. The south side expansion should also be able to accommodate future vertical and/or horizontal expansion. The feasibility study will also include the renovation of the softball stadium. The study will include concepts with various options within our current space limitations, estimates of probable construction costs, and different options within different cost ranges. We will receive visual displays of the various study options suitable for use in fundraising campaigns. A project budget has not been set yet.

Designer: Corley Redfoot & Zack, Chapel Hill, NC

Project Status: Designer selection completed. University and designer are currently in discussions with Department of Insurance to determine extent of stadium modifications necessary for endzone bleachers. A kick-off planning meeting for the stadium expansion is scheduled for Thursday March 15.
**CAPITAL PROJECTS UNDER DESIGN**  
**EAST CAROLINA UNIVERSITY**

**Academic Building A :**  
**Funding Source:** Higher Education Bond Project  
The project begins with programming and budgeting for a new academic classroom and support building to accommodate the continuing enrollment growth at the university. Several academic programs including, but not limited to the Colleges of Business and Education may occupy the new building. At this time, ECU anticipates a new building of approximately 225,000 square feet with a total estimated cost of $64,000,000 including design, construction, FF&E and Owner Reserves. The program will, at minimum, include classrooms, class labs, computer rooms, faculty offices, administration offices, and other required building support functions. The project will also include campus utility generation and distribution as required to support the new building. Site planning in keeping with the campus master plan will also be required. The initial phase of the design contract will be a study to address programming and cost estimating. Capital approval and appropriation will be required prior to the project proceeding with the complete design and construction. ECU anticipates engaging a Construction Manager at Risk firm during the schematic design phase of the project. The project budget is $84,500,000.

**Designer:** Walter Robbs Callahan & Pierce, Winston-Salem, NC

**Project Status:** Programming meetings were held with the design team, College of Education and College of Business in January and February 2007. The design team is compiling the anticipated space needs based on the information gathered. Additional programming meetings are underway and we anticipate a completed program report May/June 2007.

**Brody School of Medicine Auditorium Renovation:**  
**Funding Source:** TBD  
The auditorium is approximately 8,800 square feet and has about 500 seats. The scope of the project will include replacement of seating, replacement of dividing partitions, new curtains, new projection screen, new entry doors, lighting, ceiling, finishes, and will address accessibility issues. The design team will work in conjunction with ECU ITCS Instructional Technology to provide the required infrastructure and power for the audiovisual equipment. Estimated Project Budget is $2.2 million.

**Designer:** Cherry Huffman Architects, Raleigh, NC

**Project Status:** The Design Study and Programming have been completed. Schematic design meetings started in January and February 2007. We are awaiting a finalized design proposal from Cherry Huffman. Combined Schematic Design:Design Development drawings have started at the designer risk.
Health Science Administration Space Study and Renovations:
Funding Source: TBD
The program study and renovation of the space vacated by the Health Sciences Library in May of 2006. The vacated space is approximately 43,000 square feet located on the first and second floors of the Brody School of Medicine. Programming for the space will involve evaluation of several programs to determine programs will work best within the space. The scope of the project will basically incorporate a demolition, reorganization, and replacement of interior walls, ceilings, lighting, flooring, and other finishes. HVAC and support services will be rework as necessary to accommodate the new layout and functions, and replacement of air handlers may be required. Estimated Project Budget is $6 million.

Designer: BJac Architects Raleigh, NC

Project Status: Design contracts have been executed and programming meetings have been scheduled for March 23rd and the 29th with interested user groups. Programming Study will be complete July 2007.
CAPITAL PROJECTS ANTICIPATED FOR ADVANCED PLANNING AND DESIGN
EAST CAROLINA UNIVERSITY

Health Sciences Campus New Dental School Study: Designer Selection is Underway


Health Science Campus Student Services Building and Police Department: Advanced Planning Authorized. Designer Selection Underway

Main Campus: New Police Department Building: Project Authorization Requested
## Major Capital Projects Schedule Overview 3-28-07

<table>
<thead>
<tr>
<th>PROJECT</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>JAN</td>
<td>FEB</td>
<td>MAR</td>
</tr>
<tr>
<td>North Recreational Fields Complex</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Belk Building Renovations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>East Carolina Heart Institute</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Todd Dining Hall Servery Renovation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family Medicine Center &amp; Geriatric Center</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mendenhall Student Center &amp; Ledonia Wright Cultural Center Addition and Renovation</td>
<td></td>
<td></td>
<td>through Aug 2010</td>
</tr>
<tr>
<td>Coastal Studies Institute</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>School of Dentistry</td>
<td></td>
<td></td>
<td>through April 2011</td>
</tr>
<tr>
<td>Academic Bldg. &quot;A&quot; (Education &amp; Business)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brody Auditorium Renovations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ficklen Stadium Expansion Study</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health Science Administration Space Study &amp; Renovation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health Science Campus Student Services Building</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Performing Arts Center</td>
<td></td>
<td></td>
<td></td>
</tr>
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</table>

### KEY:
- Project Approval/Designer Selection
- Programming
- Design
- Advertise, Bid & Award
- Construction

- **JAN**: January
- **FEB**: February
- **MAR**: March
- **APR**: April
- **MAY**: May
- **JUN**: June
- **JUL**: July
- **AUG**: August
- **SEP**: September
- **OCT**: October
- **NOV**: November
- **DEC**: December
Typical Project Schedule

1. Obtain planning authorization
2. Advertise for designers
3. Interviews
4. Selection approval
5. Develop scope
6. Accept design proposal
7. SCO approval
8. Schematic design (8-12 weeks)
9. Accept design
10. SCO/DOI/OWNER review
11. Design development
12. SCO/DOI review
13. Const docs phase
14. SCO/DOI review
15. Authorization to bid
16. Bidding
17. Award
18. Mobilization
19. Construction (12-36 months)
20. Punch list/inspection
21. Final completion

WEEKS
MONTHS
Item III.F. NC Hwy. 43 NCDOT Project

At the December 16, 2005 Board of Trustees meeting the Board passed a motion in support of a project to widen NC Highway 43 from the Health Sciences building to 264. PCMH, ECU and NCDOT are partnering on this project. In addition to NCDOT’s funding, PCMH, the City of Greenville and ECU will provide resources to facilitate the design and construction of the project.
Item III.G. Residence Halls Sprinklers Installation Plan

UNC General Administration has mandated the installation of fire sprinklers in all residence halls by the Fall semester 2010. In addition, all affiliated fraternity and sorority houses where their charter associates the organization with the University. Attached is ECU’s plan. Given the amount of work required in ECU’s facilities, our plan requires five years to complete.
On Campus Housing

Background

There are sixteen residence halls on campus at East Carolina University. All halls are equipped with fire alarms. Over the past ten years, the fire alarms have been updated in eleven of the halls. Four halls are scheduled to receive updated alarm systems over the next five years, and our newest hall, College Hill Suites, has a new fire alarm system.

Sprinklers have been installed in two residence halls with a partial installation in a third building. These systems were installed as a result of new construction or major renovation to an existing facility. Our plan was to install sprinklers in several residence halls as they were renovated.

Action Plan

We are requesting consideration of an extension of the completion date for having all of our campus residence halls equipped with sprinklers to 2012 as opposed the 2010. Our justification is based on the following business reasons:

ECU has the largest number of residence halls of any UNC university requiring sprinklering and would require an estimated $10.7 million dollars to complete the work.

The financial impact of ECU’s housing program absorbing such an unanticipated expense would result in operating deficits and cash flow deficits. Also, there is a potential violation of bond covenants on current housing debt; and, a project like this would reduce housing’s overall debt capacity for planned future renovations significantly.

In addition, from a construction perspective, it is our opinion that there is a limit to the number of halls that can be logistically completed in any given summer due to the high volume of square footage involved, as well as availability of contractors for such projects. ECU would be competing for the same labor pool as other UNC system schools.

Enclosed, please find our projected timeline for installation of sprinklers in our remaining residence halls. Our fiscal plan, if approved, would be to utilize primarily general funds due to campus housing’s current financial position. We have based our assessment on such financial indicators as cash reserves, cash on hand and bond and debt requirements.
Below outlines the proposed schedule for completing residence hall sprinkler systems in all remaining buildings. This schedule is predicated on the following metrics:

# All projects must be completed during the summer months to ensure use of facilities during the academic year.
# The maximum available annual capital budget within Campus Living beginning 2012 is $1.1M.
# The debt service capacity within Campus Living has already hit its maximum limit.
# General fund monies in excess of $7.8M will be required to meet the schedule outlined below.
# Without general fund or other outside support the schedule below would need to extend to 2016-17.

### Amount

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Time Period</th>
<th>General Funds</th>
<th>CL Funds</th>
<th>Project</th>
<th>Beds</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008-09</td>
<td>Summer</td>
<td>$549,000</td>
<td></td>
<td>Cotten</td>
<td>248</td>
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<tr>
<td>2008-09</td>
<td>Summer</td>
<td>$414,000</td>
<td></td>
<td>Fleming</td>
<td>169</td>
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<tr>
<td>2009-10</td>
<td>Summer</td>
<td>$927,000</td>
<td></td>
<td>Aycock</td>
<td>480</td>
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<tr>
<td>2009-10</td>
<td>Summer</td>
<td>$723,000</td>
<td></td>
<td>Jones</td>
<td>346</td>
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<tr>
<td>2010-11</td>
<td>Summer</td>
<td>$700,000</td>
<td></td>
<td>Garrett</td>
<td>298</td>
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<tr>
<td>2010-11</td>
<td>Summer</td>
<td>$948,000</td>
<td></td>
<td>Fletcher</td>
<td>416</td>
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<tr>
<td>2010-11</td>
<td>Summer</td>
<td>$608,000</td>
<td></td>
<td>Umstead</td>
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<tr>
<td>2010-11</td>
<td>Summer</td>
<td>$329,000</td>
<td></td>
<td>Slay</td>
<td>194</td>
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<tr>
<td>2011-12</td>
<td>Summer</td>
<td>$885,000</td>
<td></td>
<td>Clement</td>
<td>387</td>
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<tr>
<td>2011-12</td>
<td>Summer</td>
<td>$853,000</td>
<td></td>
<td>Greene</td>
<td>387</td>
</tr>
<tr>
<td>2011-12</td>
<td>Summer</td>
<td>$853,000</td>
<td></td>
<td>White</td>
<td>200</td>
</tr>
<tr>
<td>2012-13</td>
<td>Summer</td>
<td>$1,000,000 *</td>
<td></td>
<td>Scott</td>
<td>486</td>
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<tr>
<td>2012-13</td>
<td>Summer</td>
<td>$981,000 *</td>
<td></td>
<td>Tyler</td>
<td>472</td>
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<tr>
<td>2012-13</td>
<td>Summer</td>
<td>$1,009,000</td>
<td></td>
<td>Belk</td>
<td>495</td>
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<tr>
<td>Total</td>
<td></td>
<td>$7,789,000</td>
<td>$2,990,000</td>
<td></td>
<td>4,866</td>
</tr>
</tbody>
</table>

* Scott and Tyler sprinkler systems will be part of a renovation project that will be financed.

* Cost estimates reflect the following items: utility services, plumbing, architectural finish restoration, generators/feeder if required, fire pumps, controllers, and price escalation (2 years).

b Summary of sprinkler systems in residence halls currently:

<table>
<thead>
<tr>
<th></th>
<th>Rooms</th>
<th>Beds</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sprinkled</td>
<td>343</td>
<td>685</td>
<td>14%</td>
</tr>
<tr>
<td>Non-Sprinkled</td>
<td>2,091</td>
<td>4,181</td>
<td>86%</td>
</tr>
<tr>
<td>Totals</td>
<td>2,434</td>
<td>4,866</td>
<td>100%</td>
</tr>
</tbody>
</table>
Off Campus Greek Organizational Housing

Background

All of the registered fraternities and sororities at ECU which own homes are managed by their individual local housing corporation or national housing corporation. The university does not own the property. ECU’s Greek Life staff work collaboratively with the city of Greenville to conduct fire and safety inspections on a regular basis.

In January 2001, the city of Greenville mandated that all fraternity and sorority homes must install a fire alarm or sprinkler system. This was a result of the fire that took place in Chapel Hill at one of the fraternity homes. The Office of Greek Life at ECU worked in collaboration with Greenville Fire and Rescue to educate Greek organizations and monitor their progress. Due to the high cost of sprinklers, all but one of the Greek organizations at ECU opted to equip their homes with fire alarms instead of sprinklers. The deadline for the organizations completing the mandate was January 1, 2005. Effective January 1, 2005, all Greek homes in Greenville were in compliance as mandated in 2001.

Action Plan

Last week, the Office of Greek Life at ECU initiated a meeting with the Greenville Fire and Rescue officials to explain and discuss the requirement from UNC General Administration to have all student housing equipped with sprinklers by 2010. Greenville, Fire and Rescue senior personnel agree with the UNC system requirement, and have committed to recommending a revision to the R1 structure ordinance that would mandate sprinklering of such dwellings by a specific date. ECU officials will collaborate with city officials to implement a new R1 structure ordinance that will require Greek dwellings to comply with the installation of sprinkler systems by 2012.

ECU officials believe this is the best approach. This conclusion is based on the success of the previous fire alarm initiative and the fact that it is reasonable and achievable to require all Greek student housing to comply within the five year time frame. ECU officials will also work with the city of Greenville to put in place measures that will prevent Greek organizations from using dwellings which do not comply. If revision to the R1 structure ordinance is approved, organizations which fail inspections and do not comply with the sprinkler mandate will lose access to their property until such time that this compliance is met.

If the city of Greenville officials do not approve revision to the R1 structure ordinance, then ECU officials are prepared to take a firm stance and hold Greek organizations who own homes accountable for meeting the sprinkler deadline. Below is a list of all ECU Greek organizations who own homes.
Fraternities:

Delta Sigma Phi
Kappa Alpha Order
Kappa Sigma
Lambda Chi Alpha
Phi Kappa Tau
Pi Kappa Alpha
Pi Kappa Phi
Sigma Phi Epsilon
Tau Kappa Epsilon (does have sprinkler system)
Theta Chi

Sororities:

Alpha Delta Pi
Alpha Phi
Alpha Xi Delta
Chi Omega
Delta Zeta
Kappa Delta
Sigma Sigma Sigma
Zeta Tau Alpha
Item III. H. Chancellor’s Residence

Mr. Kelly will lead a discussion regarding the Chancellor’s residence.
East Carolina University
Board of Trustees
Finance and Facilities Committee

Item IV.A. Banner Update

Implementation of the student modules of the Banner System continues. On March 21st the Banner Student Course Registration System is scheduled to be implemented. The Admissions (10/06) and the Financial Aid (2/07) modules have already been implemented. The latest information regarding the project can be found in the Banner Newsletter at www.ecu.edu/sctbanner/index_news.cfm.
Item IV.B. Data Security Issue

A report regarding lessons learned from the data security issue we dealt with in February is attached.
SUMMARY and LESSONS LEARNED
Information Release Incident
March 28, 2007

Background: On January 29th 2007 East Carolina University’s Department of Information Technology & Computing Systems (ITCS) became aware of a problem involving the University’s One Stop portal. This programming error occurred during work within the New Technologies Development Group of ITCS where the Group was implementing part of the Banner system. The programming error allowed for entry into the university’s One Stop system without the need to authenticate. Within 15 minutes of being notified the problem with the One Stop Portal was fixed.

Once notified, the Vice Chancellor for Administration & Finance created a Crisis Action Team. This team was comprised of members from ITCS, Administration & Finance, Student Life, EEO, Academic Affairs, Research & Graduate Studies, Public Affairs, and the University Attorney’s office. The team met on numerous occasions to receive guidance from Mr. Seitz and the legal staff concerning the university’s legal requirements and to develop a plan for managing the incident. On February 9th John Durham called a press conference to announce the incident to the press. Kevin Seitz presented the issues during an approximately 15 minute press session and took questions for another 15 minutes. The incident made the local newspaper and was on local television on Saturday February 10th.

University Actions: Besides fixing the One Stop Portal problem error within 15 minutes of being notified, Dr. Jack Brinn moved quickly to make organizational and operational changes within ITCS. The appropriate personnel actions were discussed and implemented. Dr. Brinn and Dr. Duncan were responsible for establishing a call center which was located in the Greenville Center. This location was chosen because a call center already existed (University Advancement) and we were able to use the same space. Various departments were asked to provide up to 20 personnel to work 4.5 hours shifts allowing for a phone center of 10 open lines for 9 hours daily. Phone center volunteers were trained on February 9th and assumed duties at 8:00 AM on Monday February 12th. University Parking (Bill Koch) was notified about the special parking issues that would be created by adding up to 10 additional cars to the Greenville Center parking lot. Mr. Koch instituted a policy that allowed for open parking in the Center lots (with exception of handicapped or leased space) and this worked well.

ITCS also worked closely with the university legal staff to develop a web page of frequently asked questions (FAQs) and that web site was activated on the 9th of February after the press conference. The legal staff worked with counterparts at General Administration on wording the required notification letters that were subsequently sent to close to 57,000 current and former East Carolina University students, faculty and staff. This letter informed the recipients that an information incident had occurred and social security numbers as well as a limited number (21) of credit card numbers may have been viewed. Phone calls were attempted for the 21 individuals whose credit cards may have been viewed. A subsequent mailing of just under 8,000 letters was made to personnel who may have sought employment with East Carolina University explaining that some personal information may have been viewed but emphasizing in the latter case that no social security numbers or credit card
numbers were exposed. Mr. Seitz also requested an internal audit of information management practices. That audit has been completed and resulted in 5 observations which Dr. Brinn and his staff acknowledged and are fixing. The mailing process went reasonably smooth. Phase 1 mailing (dealing with the information incident) involved letters to just fewer than 57,000 current and former ECU students, faculty and staff. As of March 1st, 2,940 letters were returned for a successful mailing rate of 95%. Phase 2 mailing (which involved notifying personnel who had sought employment at ECU) consisted of sending 7,746 letters. As of March 1st, 764 had been returned for a completed mailing rate of 98.6%.

**Results of University Actions:** Based on the following, the incident seems to have been well managed. The call center was effective and actually handled a lower volume of calls than was expected (356 calls). The web page of FAQs worked exceptionally well and handled 3,995 total hits. While there were a “few” irritated callers the chain of command worked so that the call center employees notified higher level administrators who returned these calls. Dr. Brinn handled a number of these calls personally. The mailings went well with approximately 95% of all letters getting to the intended recipients (based on return mail count).

**Summary and Lessons Learned:** While ECU does not expect to ever need to repeat this experience it is valuable to note the lessons learned from the incident.

- The use of a Crisis Action Team to pro-actively study and manage the issue proved invaluable as far as information uncovered, information shared, and proper execution of a plan.
- The use of a press conference to release the information was valuable versus allowing rumors to create unconfirmed reporting.
- The expertise of the ECU legal staff was invaluable in terms of complying with federal and state notification guidelines. Figuring out ways to move information in a timelier manner between the university and responsible coordination points at UNC-General Administration would be beneficial since some delays occurred during this process.
- The call center worked extremely well. The training session was crucial. Having 10 open lines for 9 hours a day proved to be excessive and the numbers were adjusted downward by the second week. Callers who left messages during non-operational hours had those calls returned within 24 hours. In the future it may be best to start with a smaller center and to increase the numbers if needed. Using the existing call center during the day (it is used by University Advancement at night) proved to be an excellent choice. All needed facilities were in place and all ITCS had to do was drop lines into the center.
- The FAQ page worked well and is credited with keeping the traffic to the call center to a minimum. Callers who reached the call center were directed to the FAQ page if they desired.
- University printing and graphics charges were $15,012.90 for Phase 1 mailing and $1,389.12 for Phase 2. Postage charges were $22,203.30 and $3,020.94 respectively. The university incurred some additional charges due to an editing
error that required some printing be re-done. Lesson learned was to utilize outside readers for final proofing.

- Call center employees were provided lunch and refreshments throughout the day. This proved to be beneficial in terms of continuous operations as well as being a motivational incentive for call center volunteers.
- A number of operational lessons were learned by ITCS security. Some worthy of note are:
  - Possible exposure of personal data should be reported immediately to the Information Security Officer and CIO
  - Resources other than the affected administrator should be used to assess the incident and gather additional data.
  - Additional ITCS personnel should be re-allocated earlier in the investigation to gather information.
  - Incident timelines with follow up actions and responses should be listed on the response board and presented with updates at each follow up meeting.
  - The scope of personal data required to be reported should be defined.
  - Information should be reviewed and tested by an independent party not involved with the incident.
  - The total cost of the incident should be determined and reported (being done)
  - All ITCS employees should be trained on incident response actions and responsibilities.
  - Impacted servers should be taken off line until the investigation is completed.

Besides the growing list of lessons learned Internal Audit conducted a well coordinated review of ITCS issues and responsibilities with the ITCS arena. This report results in a number of findings that will require ITCS to modify its way of doing business. ITCS has been charged with improving its quality control process, improving its hiring process in order to fill vacant positions, doing a better job of creating audit trails, and bringing software changes through a Management Committee prior to implementation. ITCS is expected to develop a plan of compliance with the findings of the Internal Audit. They also will conduct an external audit of their plans, policies, and operational procedures.

Since the security issue was discovered and reported by a student, ECU will provide a reward in the form of a textbook gift certificate in appreciation for his efforts.