MEMORANDUM

May 24, 2007

TO: Board of Trustees

FROM: John Durham

Assistant Secretary to the Board

RE: Request for Approval of Lease

Kevin Seitz has asked that I seek your approval for the lease of Family Medicine Center space from Pitt County Memorial Hospital. Attached is a description of the terms of the lease.

Please call 252-328-6105 or fax these pages to us at 252-328-0129 as soon as possible to register your votes. We have notified Chairman Showfety and Mike Kelly that we are seeking this approval. Let Mr. Seitz or me know if you have questions.

Many thanks for your attention to this matter.

Check one:

_____ I approve the lease of space from PCMH.

_____ I do not approve the lease.

______________________________
Signature
MEMORANDUM

TO: Kevin Seitz
FROM: Scott Buck
DATE: May 25, 2007
SUBJ: Request Board Approval to Lease Family Medicine Center from University Health Systems of Eastern North Carolina

ECU Physicians, Brody School of Medicine wishes to utilize the ECU Brody School of Medicine Medical Faculty Practice Plan Property Flexibility Policy to enter into a strategic lease acquisition with University Health Systems of Eastern North Carolina (UHS) for 25,117 square feet of clinical and medical office space at the Family Medicine Center,

Both parties have agreed on an annual base rent of $327,027 per year ($13.04 SF) for a term of three (3) years with five (5) one (1) year renewal options. The renewal term will allow rate increases adjusted by the Consumer Price Index (CPI). ECU shall pay for utility and other operating expenses associated with leased space for a total annual cost of $364,698.

ECU Physicians has further negotiated an offset in the first year’s rent payment due to UHS use of 561 square feet of space at ECU Physician’s Firetower Clinic since April 1, 1997. UHS also occupied 1,723 square feet of space at the Brody Clinic since July 1, 2000. The total amount of these offsets is $282,037. Applying these offsets to the first year’s rent of the Family Medicine Center, ECU Physicians shall pay $82,661 for year one (1). Years two (2) and three (3) shall be at the base rent plus operation expenses in the amount of $364,698.

The Property Review Committee has approved this request and we request Board of Trustee approval. Funding shall be from Medical Faculty Practice Plan (MFPP) funds. Contingent on Board approval, the lease agreement shall be reported for informational purposes only to the Council of State in accordance with MFPP Property Flexibility Policy.

Please feel free to contact me if questions arise.

cc: G. Hassler
    G. Vanderpool
    P. Horns
    C. Erwin
MEMORANDUM

May 31, 2007

TO: Board of Trustees
FROM: John Durham
      Assistant Secretary to the Board
RE: Request for Approval of Strategic Plan

Chancellor Ballard has asked that I seek your approval for the university’s new strategic plan, which was distributed to you electronically earlier today.

Please call 252-328-6105 or fax this page to us at 252-328-0129 to register your vote. Please let Chancellor Ballard or me know if you have questions.

Many thanks for your attention to this important matter.

Check one:

_____ I approve the strategic plan.

_____ I do not approve the strategic plan.

_________________________
Signature
VISION

East Carolina University is the opportunity institution. We open doors and transform lives. We make a difference in serving our communities, state, nation, and world. Tomorrow starts here.

HISTORY AND VALUES

East Carolina University has a proud heritage of being a teachers college that has served its region with quality and commitment since 1907. Our highest university award, the Jarvis Medal, recognizes our motto, Servire, or “to serve.” We believe that no university does a better job of public service than East Carolina University, and we will continue to be a national model for how to use our resources for the good of the public.

As we celebrate our 100th anniversary in 2007, we have emerged as a national doctoral university, committed to the three traditional missions of the public university: service, teaching and research. With 25,000 students, we have been the fastest growing university in North Carolina for five years. Our programs are national and global, ranging from a distinctive academic health sciences center to excellence in the liberal arts and professional programs that make a difference for North Carolinians. We are proud of our national leadership in medicine and health sciences, teacher preparation, and award-winning excellence in the visual and performing arts and business outreach. It is a great time to be a part of East Carolina University.

Our success is attributable to our strong commitment to values that began with East Carolina Teachers College. Values define how we work together. They provide a compass to help direct us through the inevitable tensions that exist in our society. They remind us that who we are as people is the most important thing about us.

Among the values that have guided East Carolina University over the past 100 years, five are especially important to our future:

- **Respect:** We know that our constituents are diverse, that we live in a global economy, and that open discourse is a necessary component of our educational community. Respect for others is a foundation of our community.

- **Authenticity:** East Carolina does what it says it will do, whether it is leading North Carolina in teacher preparation, building health sciences that provide primary care, or creating a dental school for underserved populations. Our goal is to be trustworthy.
• **Transparency:** At the heart of our service culture is a commitment to improving lives, focusing on results, getting better. We will be accountable to the UNC System, our State, and to ourselves.

• **Team Work:** Creating partnerships is a distinctive part of our mission; this comes from our values of working together, sticking together. We believe in collaboration and we try to consistently ask: “What is best for East Carolina University?”

• **Commitment and Compassion:** We reach out, help others, and are committed to people. Our students attest to the soul of the Pirate spirit when they talk about how ECU transformed their lives. We believe in a first chance and a second chance so that every student is ready for success.

**MISSION**

The traditional missions of teaching, research and service will continue to drive our programs. As a national university, we are committed to producing new knowledge, translating knowledge into products that help people, and to the education and transformation of our students. We know that no great university excels without great faculty and staff. As East Carolina University looks towards its contributions in the next 15 years, our mission has specific dimensions that define the heart and soul of our work. Our history, our commitment to public service, and our national stature help us to define five areas of distinction within the mission of East Carolina University.

• **Access** to our resources. We are committed to using our resources and programs to serve North Carolina, especially as we shape the workforce of tomorrow. No better example exists than our distance education programs, serving over 5,000 students who cannot be residents of the university.

• **Success** of our students. We are committed to great education in the classroom and to achieving student learning outcomes. Preparing tomorrow’s leaders also requires engagement, community service, and the opportunity to develop as leaders.

• **Economic catalyst.** No institution is more important to eastern North Carolina than East Carolina University. We will prepare tomorrow’s workforce, generate the intellectual capital that drives our economy, provide hands-on engagement with our region and state, and create new technologies from our research. Our colleges of Business, Technology and Computer Science, and Fine Arts and Communication as well as our health sciences colleges are significant drivers of the new economy.

• **Helping the underserved.** Perhaps no university does more to help the underserved. Our health care is available to populations with significant needs throughout the state. We are engaged with communities in transition that must have new educational resources, and we are leaders in the creative and entrepreneurial economies.
• Creating effective partnerships. We are committed to working with other institutions for the good of North Carolina. Our health care services are built on foundation of collaboration with regional hospitals. Our Wachovia Partnership East is a national model for educational cooperation for teacher preparation. Our partnerships with communities in the east have flourished throughout our history.

STRATEGIC DIRECTIONS

The strategic directions that will enable us to create these opportunities include: ensuring 21st century education; being the leadership university; and enhancing economic prosperity, health, and the arts.

1. 21st Century Education

The legacy of ECU over its first 100 years is in transforming its students. Education at ECU is about the whole student and making a difference for all of our students.

Education today is radically different than it was even a generation ago. We live in a knowledge-dependent, technology driven economy. Our students will compete in the job market with people from around the world as well as the student next door. At no time in our history is a strong foundation in the liberal arts more important than today; that foundation prepares students to learn, how to learn.

The university will offer undergraduate and graduate programs that provide the skills and competencies necessary for the 21st century, with strong foundations in arts and sciences, critical thinking, communication, and professional preparation. We expect our students to develop the ability to interact effectively with people from many cultures, backgrounds, and life experiences and to be able to use multiple ways of knowing to solve problems.

Because of our history and commitment to innovative approaches to teacher preparation programs and the training of school administrators, we will improve the performance of public schools and hence the college-going rate, especially in eastern North Carolina. Wachovia Partnership East, our model partnership program with community colleges and the corporate sector, takes our high quality, campus-based teacher education program directly to adult students in remote areas of eastern North Carolina. Cutting-edge technologies are used to connect our regular faculty to these students, many of whom are teacher aides who previously had no access to a four-year degree.

At Windows on the World in Roper, North Carolina, ECU is involved in an outreach collaborative that brings opportunity to young people who need
support to realize the promise of higher education. Through our Legislators’ School, we bring middle and high school students to campus to put them in touch with the college experience.

**East Carolina University will make our campus accessible to potential students and reach out to those who cannot come to campus.**

We are committed to **increasing access** to higher education for all students.

- Our distance education programs will be expanded. They will remain high quality and reach thousands of North Carolinians who cannot be campus residents.
- Pilot programs will be launched for first generation students and the underserved.
- We will tailor programs to working adults through weekend and distance education models.

We will work closely with high schools in eastern North Carolina to **increase college attendance**.

- We will seek a federal Trio Grant to support the transition of low-income students from high school to college.
- Our Early College program will bring high school students on campus to complete coursework and get a head start on the attainment of a degree.
- Outreach staff will work closely with high school guidance counselors to create seamless transition programs like Teacher Cadets.
- Innovative partnerships that target minority and underrepresented groups will be designed as part of the Office of Admissions.
- We will create a $5 million endowment to insure the dissemination of access scholarships.

We will ensure that **all students learn** as we prepare them to enter the global marketplace.

- Because retention is vital, we will make our First Year Experience program among the best in the nation.
- Global competence is required for tomorrow’s economy; ECU will internationalize our programs, students, and faculty. We will create a $5 million endowment to support global competencies.
- We will provide additional support for minority students to build on ECU’s national prominence in minority retention.
- We will further enhance our EC Scholars program to include fully endowed scholarships for North Carolina students.
- We will use meaningful assessments throughout the college experience to ensure that learning is measured and achieved.
2. The Leadership University

ECU prepares tomorrow's leaders. We believe that every student should develop leadership skills and every employee should have opportunities to enhance his or her leadership skills.

In the 21st century, new models of leadership are needed to empower all members of academic institutions to embrace change. We will support our faculty and staff and prepare our students for teamwork and collaboration, global perspectives, ethical decision making, and social responsibility. ECU emphasizes leadership through service and transformative change in keeping with its core mission and values.

The Center for Transformational Leadership in Eastern North Carolina will underscore the importance of service as a vehicle for change. It will have a regional focus and place particular emphasis on the needs and priorities of the eastern part of the State.

Among its commitments, this Center will:

- Be a partner with public schools to enhance leadership capacity of students, teachers, and administrators;
- Network with state and community agencies to build leadership capacity; and
- Promote economic development by helping to keep great young leaders in our state.

The BB & T Leadership Center will be viewed as a model of excellence for working with faculty to embed leadership and service learning components into their courses and programs. The Center will be housed in the new College of Business/College of Education building and serve as the focal point for developing faculty leadership across the university.

Commitments of the BB&T Leadership Center include:

- $10 million funding to support endowed chairs in leadership for all ten colleges;
- Annual leadership conference supported by $1 million endowment; and
- Incorporate leadership in programs and courses. These include a leadership minor in the Thomas Harriot College of Arts and Sciences, a series of leadership courses in the College of Business, and a speaker series on leadership for the campus.

The Chancellor's Leadership Academy will be a model for developing staff and faculty leaders with particular emphasis on women and minorities.

Supported by a $2 million endowment, all members of the university community will have opportunities to enhance their leadership skills:

- Opportunities to hear, work with, and be mentored by great leaders in business, education, and government;
- Scheduled forums and workshops for staff throughout the academic year;
Women in Leadership Series; and
Minority Leadership Exploration.

ECU’s Center for Student Success will ensure that all students graduate with demonstrated competencies in leadership. The Center will coordinate student leadership and service programs across all academic programs, beginning with orientation and the freshman seminar and concluding with a senior seminar in the student’s major.

The Center for Student Success will:
- Build a $5 million endowment to support the design and quality of the Center for Student Success;
- Develop new leadership pathways for students with a particular focus on exposure to ECU’s Global Classroom and diversity perspectives;
- Build a $5 million endowment to support study-abroad and international experiences; and
- Expand our strong programs in service learning so that tomorrow’s leaders have great classroom experiences, community engagement, and leadership training.

3. Building the Economy of the East

ECU is the catalyst for the emerging prosperity of Eastern North Carolina. No region succeeds without a successful doctoral university, committed to economic growth, community development, and training the workforce of tomorrow.

In the next decade, ECU will expand investments in people, communities, innovation, and new business opportunities.

Investment in people and programs. A vibrant economy is built with an educated workforce. With a foundation in the liberal arts, programs in business, technology, education, health care, and the arts educate individuals to be productive members of the region, the state, and the world. We will invest in academic programs that give individuals the skills and tools they need to compete and thrive in a 21st century workplace.

ECU will support an entrepreneurial mindset throughout the University. We will encourage new ideas and new approaches to programs, research, outreach, and engagement with the clear knowledge that only by trying can we achieve success. We will strengthen our Entrepreneurial Initiative whose mission is to foster practical experience for ECU students in an entrepreneurial environment, to create regional partnerships, and to help the university develop companies and to take products to market.

Working with our partners in business, elected officials, and economic developers ECU will help create and achieve the economic and community development goals for the region. The
University will reward engagement with the business community, will create faculty, staff and student teams to address community socioeconomic issues, and will foster a climate which is supportive of innovative partnerships both within the University and between the University and the community.

Learning does not stop at graduation. Through our academic programs we give students the tools and the desire to continue to learn and grow throughout their lives. ECU will provide ongoing educational and learning opportunities for the citizens of our region and state.

**Investment in innovation and research.** ECU will lead the development of innovation in health sciences, information technology, and products that will be able to compete in the knowledge-based economy. Our innovative capacity began 40 years ago with our academic medical center and the evolution of outstanding science and health care programs over the last 20 years. Innovative academic programs, including systems engineering, designed to shape the new engineer, and the MD/MBA, Science/MBA, and Nursing/MBA programs will have a significant impact on the region’s economy. These programs serve as a catalyst for attracting new industry and in building clusters of pharmaceutical, bioscience and medical device companies. Through investment in interdisciplinary research centers we can help support the regions’ growth in health care, tourism, education, marine trades, and biotechnology.

Research at ECU results in world-class technologies, the acceleration of innovation and the creation of an entrepreneurial culture will create new jobs and lead to greater prosperity throughout the East.

ECU’s research programs create new products and business ventures. The University ranks in the top 10 in five measures of technology transfer (the Milken Report). Our best known product, the SpeechEasy device, a major anti-stuttering technology, was recently named one of the 25 best products developed in university labs.

ECU’s aspirations for the transformation of our economy include:

- We will be the third largest research university in the University of North Carolina, exceeding $100M in external support for our programs;

- Our innovation and research emphasizes the economic and physical health of our citizens. It is applied, translational, and externally focused. We will provide the knowledge to solve tomorrow’s problems;

- We are nationally known for technology transfer, using our knowledge to make lives better. We are committed to being among the nation’s best in creating new technologies to help people;

- Better economies depend on communities. Utilizing the skills of our faculty, staff and students, we will be recognized for engaging in the economic
development of the region and the state in ways recognized as among the best in the nation.

4. Health Care and Medical Innovation

ECU saves lives.

We are nationally known for primary health care and family medicine in our Brody School of Medicine. We are a world leader in minimally invasive surgical technologies. Our colleges of Allied Health and Nursing are among the nation’s best, and both meet critical state needs and train North Carolinians to provide health care to North Carolina. We are committed to addressing the state crisis in oral health care...a prime example of our unique ability to provide health services to underserved areas.

ECU is a driver of economic development through its clinical excellence, biomedical research, and growth of our comprehensive academic health center. ECU has a higher percentage of physicians, nurses and allied health professionals who practice in this state than any other institution in North Carolina. These graduates are committed to rural practice, represent a substantial source of workforce for health care agencies and contribute significantly to the region’s economy and quality of life. Addressing North Carolina’s health care needs and strengthening the state’s capacity for economic growth are fundamental to our work even in a time of an increasingly challenging health care economy.

ECU faculty members are internationally known for their work in robotic surgery, gastric bypass and the development of the SpeechEasy anti-stuttering device. ECU is an academic health center where the best educational technologies help prepare health care professionals to work in settings that range from complex academic health centers to individual clinics in small towns and communities. We are proud of our tradition of nurturing leaders for tomorrow’s health care by teaching practitioners to work in teams and to share accountability for excellence in clinical care. Our clinical education programs care for all patients regardless of gender, ethnicity or socioeconomic status. Diverse learning environments help students learn best practices, build stronger health care provider teams of the future, and stimulate research aimed at improving the health and well-being of all citizens of North Carolina.

To address the health concerns of the region, biomedical research focuses on the study of acute and chronic conditions prevalent in our area, especially obesity, diabetes and cardiac disease. Accelerating knowledge development that solves the mysteries of human illness and offers the promise of new cures and better therapies is a priority and a responsibility that ECU takes seriously.
As we build a legacy for North Carolina, our excellence in teaching, patient care and research will assist the region’s citizens in leading healthier lives. Our vision is to find efficient and successful delivery systems for underserved areas, while educating quality health professionals who will staff our hospitals, clinics and community health departments for the future. Our dedication to the health of our citizens includes these aspirations:

**Programs and Services**

- We will expand the Brody School of Medicine class size at least 10% and perhaps as high as 50% in order to address the health needs of North Carolina.
- We will add up to five new medical specialties to the faculty and service mix, and we will extend clinical services to every county in the eastern region through partnerships with local providers.

**Facilities**

- We are committed to three major new facilities: the East Carolina Heart Institute, School of Dentistry building and 10 regional dental practices, and the Family Medicine Center.

**Research**

- We will expand bio-medical and health-related research funding to $75 million a year, primarily in the areas of clinical and translational research in rural health care, health disparities, diabetes and obesity, cancer, cardiovascular diseases, sensori-motor defects and quality care and patient safety.

**Outreach**

- We will establish BSOM East, a primary care satellite campus in one of the rural areas of Eastern North Carolina. This will enable the school to continue its commitment to primary care and service to rural populations while growing the subspecialty depth necessary for financial viability and physician training needs on the Greenville campus.

5. **The Arts, Culture and the Quality of Life**

ECU lights up lives. Its students, faculty and graduates inform, challenge and entertain audiences nationwide and inspire the hope and the pride of the region.

East Carolina has a storied tradition in the arts, from theatre and dance to chamber music and jazz to sculpture and metal design. Our former students receive honors across the gamut
of the artistic world, from Rick Atkinson’s multiple Pulitzer prizes to Howell Binkley’s Tony award to Sandra Bullock’s box office successes to Kevin Williamson’s hair-raising triumphs in Scream and its successors.

Our faculty members have national prestige and distinction. They have performed at Carnegie Hall, had their work displayed at the Smithsonian, and created sculptures, painting, jewelry and music that have won worldwide honors. ECU performances in eastern North Carolina bring top-tier performances to audiences year-round. The quality of these faculty brings an educational and cultural value to the eastern United States that is unmatched in the UNC system.

Pirate athletics contests draw hundreds of thousands of fans every year. They come from Eastern North Carolina and beyond to show their Purple Pride, support ECU student-athletes, and in all cases extend the hand of good sportsmanship to our visitors. The Pirate Nation, best witnessed on clear autumn afternoons in Dowdy-Ficklen Stadium, is a remarkable force that gives the entire region pride, thrills, hope, and pleasure. More importantly, we take pride in the academic success of our athletes and their development as tomorrow’s leaders.

The economic impact of the arts is often overlooked. It is seen, of course, in ticket sales, in meals bought, in hotel rooms filled. But perhaps more importantly, it elevates the quality of life of the region. The “creative economy” speaks not just to dollars changing hands around a headliner event, but to the attractiveness of the region as a place to live and work and invest. It speaks to and of the soul of the East, filling its days and evenings with delight, wonder and magic. It helps spirits soar and optimism to bloom.

ECU’s history in the artistic arena is remarkable; its future one of transformation. In the next decade, we will:

**Build a Center for Visual and Performing Arts second to none.** This facility will provide venues for rehearsal, performance and exhibition that will become the setting for even better performances. It will be a magnet for the region, not only for audiences, but also for artists and performers.

**Be a catalyst for a true renaissance of downtown Greenville, working with all of our partners.** Great universities help great neighborhoods grow around them. ECU’s arts and athletics, its spirit of initiative and creativity, its expanding student body and work force will provide the foundation of a downtown that will draw patrons to restaurants, galleries, shops, offices, hotels and cabarets.

**Strengthen the athletics program and build the conference relationships and venues that best reflect the university and the region.** We will expand the football stadium and improve other facilities as we position the program for the future. We will be a national model for conducting intercollegiate athletics the right way...with integrity, with commitment, and always with student success at the center.
MEMORANDUM

June 7, 2007

TO: Board of Trustees

FROM: John Durham
Assistant Secretary to the Board

RE: Request for Approval of Retreat Rights

As Chancellor Ballard reported to you earlier today in his update, we are seeking your formal approval of the terms of the retreat rights for Provost James LeRoy Smith. Those terms are described in the attachment.

Please call 252-328-6105 or fax this page to 252-328-0129 to register your vote. Please let Chancellor Ballard or me know if you have questions.

Many thanks for your attention to this important matter.

Check one:

_____ I approve the retreat rights for Jim Smith.

_____ I do not approve the retreat rights.

__________________________________________
Signature

East Carolina University is a constituent institution of the University of North Carolina. An equal opportunity/affirmative action university, which accommodates the needs of individuals with disabilities.
PROPOSED RETREAT RIGHTS FOR
JAMES LEROY SMITH

Chancellor Ballard is requesting your approval of the following material terms of the proposed retreat package for Dr. Jim Smith:

1) Effective July 1, 2007, Dr. Smith will return to his faculty role as Professor in the Department of Philosophy, and will have the additional title of Distinguished University Professor. (Dr. Smith will begin active teaching in Fall 2008.)

2) Dr. Smith will be paid his current full administrative salary of $220,500 from July 1, 2007 through June 30, 2008.

3) Dr. Smith's assignment from July 1, 2007 through June 30, 2008 will be to prepare for his return to active teaching in Fall 2008.

4) Effective July 1, 2008, and commensurate with his Distinguished University Professorship, Dr. Smith's nine-month faculty salary will be $115,000.

5) Dr. Smith will be provided a relevant University assignment for the time period from July 1, 2008 through the date of Fall 2008 convocation. The topic for this assignment will be in the Chancellor's discretion, and the salary during this time will be pro-rated at the 2008-2009 nine-month salary rate ($115,000). This assignment will prevent Dr. Smith from having a break in his University service.

6) Beginning in Fall 2008, and continuing for the duration of his appointment as a faculty member in the Department of Philosophy, Dr. Smith will be given a reduced teaching load commensurate with his Distinguished University Professorship. Dr. Smith's teaching load will be determined by the Chair of the Department of Philosophy but, to the extent it is reasonable and practicable in light of the needs of the Department, it shall be no more than six (6) hours per semester.

7) Dr. Smith will release the University from liability relative to his employment as Provost and Vice Chancellor for Academic Affairs.
CONFIDENTIAL ATTORNEY-CLIENT
PRIVILEGED COMMUNICATION

TO: ECU Board of Trustees

FROM: Kitty H. Wetherington
University Attorney

SUBJECT: Urgent Request for Approval of Settlement

DATE: June 19, 2007

Chancellor Ballard asked that I seek your approval for a settlement in the William Swart lawsuit, the details of which are included in the accompanying Memorandum.

Please call (252) 328-6940 or fax this page to (252) 328-4832 to register your vote. As you will note in the Memorandum, there is some urgency to this request. As a result, we would greatly appreciate your earliest possible reply, preferably by the close of business today.

As always, please let me know if you have any questions or concerns. Many thanks for your attention to this important matter.

Check one:

_____ I approve the settlement.

_____ I do not approve the settlement.

____________________________________
Signature
CONFIDENTIAL ATTORNEY-CLIENT
PRIVILEGED COMMUNICATION

MEMORANDUM

TO: ECU Board of Trustees

FROM: Kitty H. Wetherington
       University Attorney

DATE: June 19, 2007

SUBJECT: Swart v. ECU

As you know, in a June 1, 2007 Memorandum to you, I requested your approval of a counter-offer to settle the Swart v. ECU matter. The purpose of today’s Memorandum is to notify you that, since the time of my June 1st Memorandum, it has been determined by ECU Payroll and Benefits that any lump sum settlement payment made to Dr. Swart will be subject to employer payments for FICA, Medicare, NC Retirement, and lost-earnings for Dr. Swart’s retirement contributions. As a result, the cost to ECU to settle this lawsuit (on the same bases as contained in my June 1st memorandum) has increased by approximately $20,000.00. The total is now approximately $225,000.00.

As you will recall, as part of the June 1st counter-offer, we would also agree to: (1) provide Dr. Swart with his previous administrative salary of $200,000 for the 2008 Spring Semester and Summer Sessions to “retool,” rather than paying him a lump sum (approximately $142,000), and (2) pay Dr. Swart a prospective faculty salary (beginning July 1, 2007) that is 9/11ths of his previous administrative salary ($174,064).

Please note that ECU’s ultimate cost for settlement of this matter may change slightly, partially depending on whether Dr. Swart elects to receive a lump sum payment for ECU’s employer retirement contributions (6.84%) in lieu of these contributions being put into the Optional Retirement Plan (ORP). ECU is currently awaiting a response from Dr. Swart’s attorney, Mr. Jeff Miller, as to whether or not Dr. Swart will elect a lump sum payment. A settlement agreement is currently undergoing review by attorneys for both parties.

Please indicate if you approve of this updated settlement amount as soon as possible, preferably by the close of business today. I apologize for the urgency of this request, but I have been informed that, should ECU be able to process payment by June 21st, we will be able to utilize any unspent funds from this fiscal year for any lump sum settlement payment. Please note that, as required by applicable University policies and in an effort to assist us in expediting the timely resolution of this matter, General Administration is currently attempting to obtain a quorum of
the Governance Committee of the UNC Board of Governors to meet, consider, and vote by telephone on this tomorrow, June 20th, at 11:00 am.

Thank you for your expeditious review, and for your continuing service. As always, please do not hesitate to contact me at (252) 328-6940 if you have any questions or concerns.

cc: Steve Ballard