The Board of Trustees met in regular session in the Great Room, Mendenhall Student Center, on Friday, April 1, 2005, at 2:10 p.m.

Mr. James R. Talton, Jr., Chair presided and called the meeting to order.

Mr. Dan V. Kinlaw, Secretary, called the roll.

**Roll Call**

**Members present:**

David S. Brody  
Joel K. Butler  
Robert J. Greczyn, Jr.  
Robert O. Hill, Jr.  
Michael W. Kelly  

Dan V. Kinlaw  
J. Fielding Miller  
Shannon L. O'Donnell  
Stephen D. Showfety  
James R. Talton, Jr.

**Members absent:**

William H. Bodenhamer, Jr. (present for committee meetings)  
E. David Redwine (present for committee meetings)  
Margaret Ward (connected by conference call)

**Also present:**

Chancellor Steve Ballard  
Interim Vice Chancellor and Assistant Secretary to the Board  
James LeRoy Smith  
Vice Chancellor for Administration and Finance Kevin Seitz  
Vice Chancellor for Health Sciences Michael J. Lewis  
Vice Chancellor for Student Life Garrie W. Moore  
Vice Chancellor for University Advancement William E. Shelton  
Acting Vice Chancellor for Research and Graduate Studies  
Glen Gilbert  
Director of Institutional Planning, Research and Effectiveness and  
Interim Director of Economic Development and Community  
Engagement Robert J. Thompson  
Interim Chief Information Officer Jack Brinn
NEW FORMAT

A new format has been instituted by the ECU Board of Trustees in which Closed Session is considered as the first item of business. Following the conclusion of Closed Session, the Board will go into open session and individual committee meetings will be conducted, followed by the full Board meeting. Therefore, Chairman Talton asked Mr. Showfety for a motion to go into Closed Session. Mr. Showfety then moved that we go into Closed Session:

1. to prevent the disclosure of privileged information under NC General Statues #126-22 to #126-30; and

2. to prevent the premature disclosure of honorary awards; and

3. to consider the qualifications, competence, performance, character, fitness, or conditions of initial appointment of employees and prospective employees; and

4. to consult with our attorney and to protect the attorney-client privilege and to consider and give instructions concerning judicial claims entitled:

   a. William Swart v. East Carolina University

The motion was seconded by Mr. Kinlaw and passed by a voice vote with no negative votes.
APPROVAL OF MINUTES

It was moved by Mr. Butler and seconded by Mr. Brody that the minutes of the December 10, 2004 full meeting of the Board of Trustees be approved as submitted. The motion passed with no negative votes.

CHANCELLOR’S REPORT

Thank you, Mr. Talton. I would first like to begin by congratulating three members of the Board of Trustees here that were reappointed by the Board of Governors. That’s you, Margaret, Joel Butler and Robbie Hill so I’m very pleased to say that the Board of Governors who reappointed those three people and who, in addition, have appointed one new member to replace Mr. Kinlaw – though he can’t be replaced – but to fill the vacancy, Mark Tipton will be joining the Board on July 1. I just wanted to make sure that we made that announcement and congratulated Robbie, Margaret and Joel on their reappointments. Congratulations.

We are still waiting on the gubernatorial reappointments. We hope to have two more of those to announce at some point; perhaps our next meeting.

I would like to talk about three things today: shared governance, leadership, and money and they are all related in some fashion or another. But first let me just say that it is indeed a pleasure to address you finally in an official capacity as Taffye would say, as “head goose”. It is nice to do that and I am very happy to be in that role. Nancy and I are both thrilled at the reception that we’ve received here. I will say that all Chancellors recognize that while it took over a year from the time of my election by the Board of Governors to be officially installed, all Chancellor’s know that it takes a matter of minutes to be removed as Chancellor and we are quite aware of those rules.

On shared governance, I think this is very important and I want to spend just a second on it because I think this is an unusual part of our institution that is not typical of higher organizations and, indeed, many business practices but it is one of the things that has led to the success of American higher education and I think it is working extremely well at ECU. It is also very much stressed in today’s environment and part of my reason for addressing it is just to improve the understanding of the stresses on shared governance.

Just a little bit of history. This week we have celebrated 40 years of our Faculty Senate. We were honored to have past chairs of the Faculty Senate with us both at the University and at the residence. We were pleased to do so
and they said an awful lot about the evolution of this institution and the quality of the people that have been in leadership positions here.

Secondly, shared governance is alive and well at ECU. I would venture to say that we are among the very best if not the best in shared governance across the system. Just one indicator of that is that Brenda Killingsworth has recently been appointed as the new Chair of the statewide Faculty Assembly and that is, in part, recognition of this institution.

Thirdly, and most importantly really to me, is the three recent search processes we did in as open and transparent in a shared governance perspective as we possibly could. Mind you, all of those search processes worded absolutely as well as any search process I’ve been involved in both in terms of identifying good candidates with great credentials who are a fit to ECU and also in a way that we ensured the participation of relevant constituencies on this campus. I think that says an awful lot about how we can do business here and I want to publicly thank the many faculty who served as the majority of those committees and the Faculty Senate for the great support during those search processes and I will have a little bit more to say about the results of those search processes in just a second.

Shared governance is frequently misunderstood across American universities both public and private and occasionally gets referred to or compared to filibustering in the US Congress. Nothing could be further from the truth so let me just say a word about what shared governance does for us. Shared governance is not about consensus or alignment; it is about open debate and the free exchange of ideas. Done well, I think shared governance does much to ensure that we get the quality of debate and vigorous debate about critical issues so that we can come to good conclusions and perhaps, most importantly, shared governance helps to ensure a great sense of community and I think that’s what we see here at ECU because it does allow participation in our governance processes and ideas really get a chance to make a difference if shared governance is done well.

So those are very important values that I think we hold dear at a public university. There are important stresses on shared governance none of the least which are the nature of our changing world and certainly global economy which seems to demand speed and flexibility in order to just be competitive. The University of Phoenix was mentioned just a few minutes ago and certainly in order to be able to compete with many of the vendors, public, private and corporate now, that we are competing with for our programs, our curricula, and our students. Speed and flexibility do challenge shared governance. In addition, leadership perspectives and sometimes mistaken emphasis on the trappings of leadership oftentimes seem to be at odds with shared governance. I don’t think they actually are but we frequently wonder whether we can take the time to have shared governance and I think that is
the wrong way to ask the question. I think the right way to ask the question is how can we get to the best decisions that we possibly can with the sense of community here at ECU.

So I would just conclude that shared governance discussion by saying we have a great tradition here at ECU. It’s something that makes this University stronger and I’m committed to continuing to improve that process. I know that sooner or later the faculty will chastise me for some aggregation of that process. I will try to avoid that but I suspect that my day will come.

Secondly, I want to talk just a minute about leadership because it is so important. I want to welcome several new leaders that we have in attendance today. I think it’s the first Board meeting for Kevin Seitz, if I’m not mistaken. Kevin was introduced to you and has already made a report but Kevin is a great example of what we are doing here in leadership. He is making a difference in many ways already. Every vice chancellor is working well with Kevin and it is a huge advantage to have someone not only with 24 years of nationally known experience coming to us but someone who is totally devoted to the team atmosphere and who is making such a big difference in the substantive things that we need to move forward. So it is great to have Kevin with us for his first official Board meeting.

As you already know, we have two interims that are also making a big difference with us. Interim Vice Chancellor Glen Gilbert in research is the second dean that we have asked to pinch hit for us. These deans are doing this without missing a step in terms of moving their academic units forward but they are also helping us make sure we get through a difficult transition time. I just want to appreciate Dr. Gilbert’s participation and recognizing that he is doing a great job even though it is only his fifth day on that job.

Also Kitty Wetherington joined us as interim council. I think this is her first Board meeting. She withstood a two hour closed meeting today, in closed session, and performed with such skill that one had to wonder if she really got her degree somewhere else other than Chapel Hill, she did so well today.

We are very happy to have Kitty as the Interim University Attorney.

I would also like to recognize what everybody knows, we will have an action item here within a few minutes to approve contracts for Dr. Jim Smith as Provost and Dr. Deidre Mageean as permanent Vice Chancellor for Research. If you approve those, I am very very happy to say that tomorrow will be Jim’s first official day as Provost and Dr. Mageean will join us on July 1, we hope, unless there are housing issues or other issues associated with her move. We expect her to be with us no later than midsummer.
Many many things have been said and could be said about those searches but I just want to reinforce this fact about those searches – or a couple of facts – one is that they were very competitive. Over 75 candidates in one of the searches from across the country. Campus finalists were indeed excellent. I think only one of 11 or 12 campus finalists in three current hirings was viewed to be unacceptable by the search committees and in every case, so far, we have attracted and signed on our first choice. That is a great sign for ECU and a commitment that this administration has that we will not stop until we are satisfied that we have an A level leader here. So I just want to ask everyone to join me in a round of applause for Dr. Smith and Dr. Mageean.

As I said in my installation remarks yesterday, and it is also appropriate just to briefly repeat – just as much as we are committed to finding great leaders we are committed to developing great leaders here at every level – student, staff, faculty and administrators. We have several, I think, model programs that are getting a lot of attention because they are doing the right thing. Those include Dr. Moore’s Discovery Leadership Academy and partnership with Western Carolina which is a statewide model for addressing new college aspirants, first generation students and we believe that is a huge opportunity for ECU and is just a small part of the many things that we have already done to create a pipeline of students who will be interested in coming to ECU and other North Carolina institutions. We cannot guarantee that these students will come to us but we do believe that we are improving the chances that they will get a college education here in North Carolina and we think that improves the state of North Carolina.

We continue to significantly expand the Chancellor’s Leadership Academy created by Dr. Shelton a year and a half ago to allow it to serve more faculty and more staff. The evaluations of that academy are excellent. We will continue to look for ways to expand that so that our employees at every level can achieve their aspirations and get the training to be a good leader in the future if they so choose.

And then the third, which has received more attention in the last few days but I do want to thank once again, BB&T for their million dollar gift to the BB&T Leadership Center. Among other things this gift will allow us to expand that center to several more academic units so that the significant, positive experiences that we have had and the effective programs developed out of the BB&T Center can be expanded to other academic units. We will look for even more resources as we evaluate these expanded programs and want to continue to make that opportunity more available across campus. That is a great opportunity for us to continue to be known as the Leadership University.
My last item is the most painful to talk about but you already know about it. Thankfully Vice Chancellor Lewis warmed you up to bad news. I hope I don’t ruin your weekend but it would be a mistake for me not to mention the great concern I have about budget difficulties in the state of North Carolina. No concern makes more of an impact on my life than the possibility of not having the resources we need to fuel the vision that we have here at ECU and certainly this coming year gives us pause about how we can expand our programs, continue to serve the fastest growing student population in the state with declining resources. It will be especially difficult to resolve these budget issues, I think in this year because some of the budget options that we would normally request have already been precluded from us and that’s not a happy situation. I would like to get to the point where, as a state, we could evolve to a more of the three year budget planning process, so that the campus initiated tuition, revenue issues and the charges that we have to make are all more coordinated and not done in a separate process.

There are two budget issues of particular concern that I want to call to your attention. One is a renewed and very serious proposal for the state to sweep or take the F&A cost or the F&A monies that we generate almost entirely from federal dollars because of the research that we are bringing in here – is to take those monies centrally – that is certainly not passed yet. Many states look at this proposal in bad budget times. Without question North Carolina is struggling with over a billion dollar deficit this year so it is an appropriate question, I guess to ask, but I would like to go on record as saying that this is our seed money for future research and technology. We can save a few dollars on these F&A costs by giving back to the state and it will be at the cost of the innovative capacity and creative capacity and research capacity that we must have this institution. There is no more short term thinking evidenced than by this proposal. It is very important that we are able to keep the F&A as costs as seed money to build the research capacity so that we can create hemocellular therapeutics and SpeechEasy and other medical technologies and other breakthrough discoveries that are certainly part of the research capacity of this University.

So, I do not know at this point how serious that proposal is. I suspect given the budget deficit that it is very serious and I would ask everyone here to think seriously about how we can support what I think will be a University of North Carolina effort to ensure that these F&A costs are returned to their campus where they can be reinvested in the infrastructure that we have to have here. Even though almost every element of our enterprise is competitive, no area of our mission is more competitive than the research mission. We are competing right now with one other university in the country for leadership in curing diabetes. Now Walter Pories and many other people in the Brody School of Medicine are at the forefront of that research effort. We are competing with Johns Hopkins University. The well of resources that they have available to them are borders of magnitude—higher than we have to
pursue a cure for diabetes. We cannot win those competitions without the infrastructure needed to compete with the Johns Hopkins and the other institutions around the country that surely want to be known as the institution that did find the molecular trigger to inhibit that molecular trigger for diabetes. That is the nature of the competitive environment we are in and it bothers me greatly that that is not being seen apparently yet in the debates about whether or not this is money that really belongs to the campus or to the state.

The other aspect that really bothers me – it has been mentioned by Vice Chancellor Lewis – we have been asked to prepare a scenario for a 4% budget reduction. This would amount to over $8 million of cutbacks—permanent base budget cutbacks—here in addition to being very concerned, as Vice Chancellor Lewis and Dean Johnson mentioned this morning about the huge impact that would have on the Brody School of Medicine of $1.7 million at a time when virtually all academic medical centers are facing severe financial difficulties, there is another $6.3 million (about) that we would have to find a way to cut on this campus. Those are major cuts at a time when we are trying to grow by 1,000 to 1,500 to 1,800 students per year. That would surely restrict either our ability to grow or the nature of the programs that we could offer.

I think it is too early, to address an earlier question, to begin the lobbying efforts because I think we do need to see what the actual bills say on that but within three to four weeks there will be a more coordinative strategy for lobbying on this issue. If we do receive more than a 1% permanent based budget cut, I think it will have severe consequences on East Carolina University.

If we have to do that, here are the principles that I’ve committed to as we work through dealing with the budget process. First to go back to my first point—we are absolutely committed to a shared governance approach in coming to grips with this. We have raised this issue with the Faculty Senate and have received very positive feedback in terms of the cooperative nature between central administration and the faculty to come to grips with how we would deal with these problems. So shared governance would be the starting place. Secondly we are committed to the quality of our programs and we will not use budget reductions to go to mediocrity. That means we would have to do fewer things than we are currently doing but at least my principle is that we cannot, dare not, in the competitive world allow this to get us to accept any program of mediocrity. Third, we will continue to be absolutely committed to the demonstrated financial needs of our students. We are challenged by that because we have more students with a demonstrated financial need than any campus in the North Carolina system. We will not reduce our commitments to the financial needs of our students and we will take that obligation very seriously.
One other item and then I’ll quit. That is, it is frustrating to me, as a Chancellor, that none of the public debates that I’ve been engaged in—and this mistake might be entirely mine—but none of the debates that I’ve been engaged in so far about who should pay and the balancing between revenues and expenditures and the public institution. None of those debates have come anywhere close to identifying a fact of life in the university system and that is our costs in every major category are increasing at a substantial rate. We have to be very careful about who pays the bill. We have to be very careful about enhancing all of our revenue sources. Let there be no mistake in this debate that our costs are increasing. Utility costs have increased over $4 million in the last three years and there has not been a penny of state support to make up the difference of those utility costs. We compete primarily for professors at the assistant professor level because we cannot afford – as most universities cannot do – replace a professor with another full professor as a rule of thumb. So most of the time when an associate professor or full professor leaves us, we replace that position at an assistant professor position. The market place cost to be competitive at an assistant professor level – again we will be competitive – those costs have gone up 22% in the last three years. Malpractice insurance, as you heard about from Dr. Lewis, continue to rise at a alarming rate and somewhere I have that data but there are too serious for me to be able to not to block out of my mind. Almost every cost category that we pay particular attention to has increased substantially over the last three years so, for example, when utilities go up $4 million, so that we are paying over $14 million this year for utility expenses, that’s $4 million that we don’t have available for, perhaps, dealing with the Brody School of Medicine financial needs that are not of their own creating. Or a new program or expanding the access or increasing our scholarships. So those costs must be factored into how we think about every revenue category.

Let me just assure Shannon and all students who might be listening that we make no assumptions that students have to pay these increased costs. That would be a mistake. I’ve identified eleven revenue sources that we have at our disposal. Certainly the two biggest are the State of North Carolina and student tuition fees but there are nine others that we are paying great attention to including F&A costs which provides the funds for new labs and wet labs space and start up costs and every one of those revenue sources we are paying attention to and I’ve asked every Vice Chancellor for example, to ensure that they are working with other Vice Chancellors to consolidate services, to increase our efficiency, and to ensure that we are not duplicating functions across divisions. That would be a mistake. We are working very hard to ensure that we are making those efficiency cut backs but no matter how much we do on that we will not be able to keep up with the cost increases unless revenues come much closer to meeting the demonstrated open demonstrable areas where our costs continue to rise.
So those are not—that is not a great bit of news to end with but I do end it optimistically because of our commitment to shared governance. Because of the leaders we have attracted and will continue to attract here to East Carolina University and we will find a way to deal with this crisis as we continue to work to ensure that budget reduction is as small as it possibly can be.

Thank you very much. I will be happy to answer questions, Chairman Talton.

Chairman Talton expressed his delight – and that of the other Trustees – to Dr. Ballard as our leader, to have him officially installed and to have him as a leader during this period of growth and challenge and transition at ECU. Mr. Talton said he personally applauded Dr. Ballard’s commitment to collaboration with faculty and joint governance.

Chairman Talton asked Mr. Seitz if he knew of a group or effort in which the CEOs and CFOs of the 16 constituent universities share information. Mr. Seitz responded that they meet regularly.

Mr. Miller commented that he, too, was impressed with the team that Dr. Ballard was building and it reminded him of a saying he had seen sometime earlier in the lobby of Wheatfirst Securities; “First class people attract first class people—second class people attract third class people.” In his opinion, Chancellor Ballard is surrounding himself with first class people.

Chairman Talton called for the Chair of the Faculty report.

CHAIR OF THE FACULTY REPORT

Thank you, Mr. Chairman. At our last meeting I told you about a faculty member from the Department of Planning. Although I now realize that I’ve “created a monster” — can you image how many people (faculty members) would love to be highlighted at a Board of Trustee’s meeting (in front of the Board, the Chancellor, the Provost, the deans, and all the rest!!)? . . . Can you imagine how hard it is to choose from among all of our great faculty!? Nevertheless, I still believe that it is the faculty that makes a great university, so it is the faculty that I should highlight in our meetings.

So, before I tell you about the actions of the Faculty Senate since we last met (in December), I’d like to tell you about two tenure-track assistant professors: Dr. Christine Avenarius from the Department of Anthropology and Dr. Rebecca Torres from the Department of Geography. Many of you met Dr. Avenarius at the reception last night.
Both of these faculty members are social scientists and both of them bring an international dimension to ECU. ECU’s motto is “to serve.” And, as was expressed at yesterday’s “Chancellor’s Forum,” we must serve not only our region and our state but (where we have the expertise and ability) the world. These two faculty members are excellent examples of the close relationship between research and engagement that is possible in many disciplines.

As a doctoral student in her native Germany, Dr. Avenarius conducted research on “social networks and cognition.” She worked in both Germany and in southern California. And, the radically different environment between these two locations, (for example the sprawling urban areas and mixture of ethnic groups in southern California) inspired her to focus her research on the integration process of immigrants. She studied Chinese speaking immigrants from Taiwan, asking the question, “what type of relationships and social structures foster or hinder integration between immigrants from Taiwan and citizens of the United States?”

Upon her arrival at ECU in 2003, she started a new research project on the impact of the changing legal system in China on the traditional social order and behavioral norms. The establishment of the rule of law in China is perhaps one of the most sweeping social reforms in the history of the country. The way people respond can tell us much about the process of social adaptation.

Christine’s methodology is called ethnographic fieldwork. She does this work by interviewing hundreds of villagers in the Hebei province. She is trying to understand the relationship between personal wealth and their willingness to use the formal social justice systems. Yes, she is fluent in Chinese!

Next, she will try to understand the beliefs and perceptions of Chinese citizens – especially beliefs concerning fairness in the justice system. She does this research in collaboration with Chinese scientists who will, eventually, use the results to help their fellow citizens adapt to the changing political and economic structure of their country. Dr. Avenarius brings her research into the classroom by challenging students to find out why people do what they do in other cultures. She helps students gain an in-depth understanding of cultural differences and an awareness of their own personal backgrounds that may have an impact on their interactions with others.

Rebecca Torres joined ECU’s Department of Geography four years ago. Before entering academia she worked as a rural development practitioner in Peru with an international NGO to developing innovative approaches to sustainable agricultural development and waste treatment.
Dr. Torres’ is truly interdisciplinary. She has a Bachelors degree in History, Spanish and Latin American studies, a Masters degree in International Agricultural Development, and a Ph.D. in Geography.

Rebecca’s also does research on the impacts of tourism on rural communities and on the process and outcomes of immigration. She has conducted dissertation research in the Yucatan Peninsula, examining the impacts of mass tourism development on Maya farming communities and trying to develop new “pro-poor tourism” models for development. This kind of development channels tourism industry benefits to poverty alleviation and can be used as a mechanism for rural development.

She also carried out a study in Cuba examining the new free farmer’s markets – a key component of the government’s private market reforms. This was particularly satisfying for Rebecca because of her own Cuban American heritage.

Shortly after arriving at ECU, Rebecca collaborated with Geography department colleagues to secure a grant from the Golden LEAF Foundation. With this grant, the group designed a graduate concentration in Rural Development and a certificate program in Economic Development. They also conducted research on kenaf, a new fiber crop that may be a viable alternative to tobacco in eastern North Carolina.

Rebecca is committed to remaining closely engaged in community development – to bridging the gap between research, academia and practice. Her most recent work with the rapidly growing Latino community in North Carolina exemplifies this commitment. She has established a dual language-immersion education-and-research program, working with the Greene County Public Schools to implement an innovative bilingual education program – one of the first of its kind to be established in a rural community. Rebecca has tied this school initiative to a program of research examining the patterns, processes and outcomes of Latino migration and settlement in eastern North Carolina.

With their professional expertise and field experience ranging from agriculture and development studies to applied linguistics, tourism, social networks, and migration studies – all applied across a broad international arena – Christine and Rebecca exemplify the modern social scientist: interdisciplinary researchers who actively bridging the gap between academia and practice.

When I decided to talk about these two, I really didn’t know what we were going to talk about at the Chancellor’s Forum but this was a really good tie in with what was talked about in the forum yesterday. I think what it tells us – and this is one small example – is that there area many other faculty
members out there but do we have the capacity to do this kind of research and engagement at ECU....we are already doing that!

Now on to the faculty/faculty senate actions since our last meeting.

First a “mood update.” After yesterday’s installation, the faculty are in a very good mood – maybe even beyond “cautiously optimistic!” But, as we all know, the celebration is almost over (after tonight’s gala!) and we must get back to work. . . and back to our skepticism . . .

Of course, we’ve been working all along . . .

Since the Board last met (in December) the Faculty Senate and its committees have been very busy. The Senate has passed several resolutions that may be of interest to you:

In December, the Senate overwhelming approved a resolution against smoking in the entrance ways of buildings on campus. A task force has been formed to investigate the implementation of a policy.

In February, the Academic Standards Committee presented new goals for our General Education program (the course of study that ALL of our students must take -- the course of study that provides a foundation upon which students can build a lifetime of learning). These are classes outside the major that give the student a breadth of awareness about the sciences, humanities, social sciences, the arts, and wellness . . . After extensive debate, the Senate approved the resolution with a solid majority.

March marked the 40th anniversary of Shared Governance at ECU. We celebrated by honoring past Chairs of the Faculty, inviting them to our March meeting and to a reception at the Chancellor’s residence. We are privileged at ECU to have such a strong history of shared governance.

At that March meeting, the Senate approved the reshaped University Athletics Committee. A special ad-hoc committee had worked with Terry Holland and the rest of the athletics community to reshape the University Athletics Committee – turning what had been an administrative committee into a Faculty Senate Academic Committee (with elected faculty representatives). This reshaped committee is an acknowledgement of the importance of academics in the life of our student-athletes.

Also in March, the Faculty Welfare committee finalized, and the Senate approved, a new (and long awaited) Serious Illness and Disability Policy.
And, the Senate passed a resolution asking that a committee be formed to look into the use (and abuse!) of Greenspace on campus. Although this has long been a concern across campus, this resolution was spurred at this time because of the faculty’s desire to keep the Greenspace at the corner of Cotanche and Greenville that is highly visible to visitors and it currently used as a Frisbee Golf course.

Finally, the University Budget Committee has called a special meeting to provide faculty input into possible ways to handle a 1 to 4% budget cut. The committee will work with Vice Chancellor Seitz in this endeavor. Many of the faculty will be away for the summer but I wanted for them to have the information before the end of the semester so we will have that meeting in the next couple of weeks in cooperation with Vice Chancellor Seitz, we will put together a list of what the faculty think are priorities.

Mr. Chairman, this concludes my remarks. I will be pleased to answer any questions.

Mr. Talton thanked Dr. Rigsby for her report and asked Dr. Henry Ferrell to come forward to share a historical moment.

HISTORICAL MOMENT BY UNIVERSITY HISTORIAN

Dr. Ferrell stated that the third topic that the Chancellor introduced this afternoon starts right where he wanted to start. This particular moment occurred—I’ll let you guess—it snuck up on people. Although the commodity producers in eastern North Carolina had falling prices for seven or eight years, the general case was that the bankers and lawyers were doing OK but gradually as the stain goes across the dinner table the great depression hit eastern North Carolina. It didn’t happen in 1929 but began to show its ugly face in 1931 and 1932. East Carolina Teachers College felt, directly, the impact of that national disaster.

For the first couple of quarters (in those days we had three quarters as opposed to two semesters) the enrollments held up pretty well but in the spring of 1931 a third of the previous enrollment didn’t show up. They just didn’t come back. In addition to that, a lot of students who were paying their bills were in arrears—that is, they hadn’t paid their bills. You think, well, how easy was that! A quarter’s total bill was about $70 and that included room, board and $12.50 for tuition. They were having difficulty making those payments and President Wright said we are in a very bad situation because the college—in those days—depended upon student fees and tuition as much as they did for the state appropriation. The state appropriation was not
determined exactly as it is now but it did have to do with the number of students.

What to do?

There were several things they did and it was rather creative. First off, the idea that East Carolina was a women’s college had been permeating for about 15 years. That really wasn’t exactly right – there were men present – but the administration, particularly President Wright pushed now for an enrollment to take up the slack. There were no men’s dorms on campus so you used the baseman of Wright – which is still a pretty gloomy place but at the same time, large numbers of men did show up (50). And there were other triggers he hoped to use to attract men to the school on Harrington Hill—like intercollegiate sports.

Sports. In its early days you had to play baseball with a vigor. It had sort of faded away and the women had played in the 1920s (intercollegiate basketball). That kind of basketball they played then is nothing like the basketball we play now so even I could have played that kind of basketball—basically one step, two step, shoot!!

In 1931 the men’s basketball team was formed and they won their first game against Campbell—an upset. The next year, 1932, the football team was formed and these players came from a great variety of places some of which I could tell you and the others I have no idea. Their first game was a 32-0 defeat of the hands of Presbyterian. That team did accomplish something that year – it scored one touchdown but it was at the beginning.

In addition to that, I suspect one of the things that really made the mark was in 1934 they decided to change the name of the men’s team – at least – from “Teachers” to “Pirates”. That is the first time I’ve found “Pirates” being used as an identifying factor in athletics. However, they remained teachers for sometime because they could not afford to buy new uniforms.

The women, however, did not join in with that name. They preferred to be called “Panthers”. However, as is often the case, the men had their way – at least in Athletics. What really saved the college in the 1930s was federal intervention. It marks the first time that the federal government spent large and significant amounts of help in Greenville. The whole relief system had its direct impact on our students; our work relief was a part of that. We were able to pave street that had not been paved ever. There are pictures of large numbers of people laying down the concrete street in front of Spilman. In addition to that, the older buildings had a really bad tendency to wear out fast—were reworked and repainted—so much so that by 1939 East Carolina sparked with greater attractiveness than was the case in 1929.
So is there any kind of lesson we can pull from the past? It seems to me that innovation and commitment is a good start.

That’s my moment.

Chairman Talton thanked Dr. Ferrell for his report and asked Mr. Showfety to read any action items taken by the Board since the last meeting.

COMMITTEE REPORTS and RECOMMENDATIONS

EXECUTIVE and AUDIT COMMITTEE REPORT

Mr. Showfety stated there were no items approved by the full Board since the last meeting. The following items were acted on by the Executive and Audit Committee on behalf of the full Board since the December 10, 2004 meeting:

1) Approval of request for property acquisition – 101 East 10th Street
2) Approval of request to lease approximately 2,800 net square feet of office space for the Division of Student Life
3) Approval of request to lease 7,535 net square feet for BSOM Department of Psychiatry from PCMH
4) Approval of request to purchase two properties from the Medical Foundation of East Carolina University, Inc. (will complete the Learning Village site)
5) Approval of the University to enter into a lease agreement with the University of North Carolina Foundation, Inc. in order to execute the (COPS) Financing for the Banner Administrative Systems Project
6) Approval of request to purchase two adjoining parcels of property (Old Hardee’s Restaurant at Tenth and Cotanche Streets)
7) Approval of Request of Water Line Easement to Greenville Utilities Commission, and
8) Approval of Request for Recommendation of Initial Appointment with Permanent Tenure for: Timothy J. Hudson, Professor and Director, School of Communications; and Earl W. Hill, Professor, Department of Child Development and Family Relations, College of Human Ecology.
Mr. Showfety drew attention to the arrangement regarding #4 and briefly explained the strategy employed just a few years ago that showed a great working relationship with that foundation.

Chairman Talton called on Mr. Kinlaw regarding a motion for support of the county sales tax. Mr. Kinlaw moved that the Board express to the Pitt County Legislative Delegation and to the North Carolina General Assembly that the ECU Board of Trustees supports allowing Pitt County the ability to implement a 1% local option sales tax which would be dedicated exclusively for education related capital needs.

Mr. Butler seconded the motion and it was approved by a voice vote with no negative votes.

Mr. Kinlaw then moved approval of the revisions to Appendix C and L in the Faculty Manual as presented in the Board materials. (see Attachment A)

Mr. Brody seconded the motion and it carried with no negative votes.

**NAMING OF BUILDINGS, FACILITIES, and OTHER RECOGNITIONS COMMITTEE**

Committee Chair Bodenhamer stated there were no action items.

**ACADEMIC AFFAIRS and STUDENT LIFE COMMITTEE REPORT**

Committee Chair Ward stated there were no action items.

**UNIVERSITY ADVANCEMENT COMMITTEE REPORT**

Chairman Talton asked Committee Chair Miller for any action items from his Committee. There were none.
FINANCE and FACILITIES COMMITTEE

Mr. Talton asked Committee Chair Kelly for any action items. Mr. Kelly responded that there were none.

RESEARCH, ECONOMIC DEVELOPMENT and COMMUNITY ENGAGEMENT

Committee Chair Greczyn reported no action items from his Committee

HEALTH SCIENCES COMMITTEE REPORT

Committee Chair Hill reported that there were two action items and moved that the East Carolina University Board of Trustees approve the policies and standards generated and recommended by the University’s Steering Committee and which becomes effective on April 21, 2005 in compliance with the final rule adopting “HIPAA” Standards for the security of electronic health information and which specify a series of administrative, technical, and physical security procedures to assure the confidentiality of such information.

Mr. Kelly seconded the motion and it passed with no negative votes.

Mr. Hill then moved that the East Carolina University Board of Trustees approve changing the name of the “Diabetes and Obesity Center” to the “Diabetes, Obesity and Metabolic Institute” in order to reflect its current and future focus on molecular modeling, testing of concepts in a clinical research institute, state-of-the-art computer resources, and an ability to translate academic advances into clinical realities.

Mr. Brody seconded the motion and it carried by a voice vote.
ATHLETICS COMMITTEE REPORT

There was not a committee meeting so there are no action items; however, Steve Showfety asked that the following be entered into the record.

Mr. Showfety attended a Pirate Club function recently at which Terry Holland went to every single table and spoke to every person at every table. Mr. Holland left a very good impression with the attendees. Upon hearing what transpired at the meeting, people in the community “went into a frenzy” and stated that they now understood what others had been saying. This individual attention that Mr. Holland shares so generously represents the spirit of new leadership. Go Pirates!

Chairman Talton asked for items considered in Closed Session.

ITEMS FROM CLOSED SESSION:

Mr. Miller moved approval of the agreement to terminate employment contract for Bill Herrion as discussed in closed session. Under the terms of the agreement, ECU will pay Bill Herrion $100,000 per year from April 1, 2005 until April 1, 2108 with no benefits except those to which he is already entitled and there will be no reduction for earned income.

Mr. Greczyn seconded the motion and it was approved by a voice vote with no negative votes.

Mr. Miller then moved for approval of the employment contract to hire Ricky Stokes as Head Men’s Basketball Coach as discussed in closed section.
This contract includes the following significant terms:

1) It will be effective on April 1, 2005 and terminate on April 15, 2010
2) Coach Stokes’ base salary will be $150,000 per year
3) In addition to the base salary, Coach Stokes will receive a guarantee of $40,000 for the first year of the term in exchange for his participation in television, radio and internet programs. This guarantee will be increased by $25,000 in each succeeding year. In addition, for each season the basketball team ends up by participating in the NCAA tournament, the amount guaranteed to Coach Stokes will be increased by an additional ($25,000)
4) Coach Stokes will receive $10,000 for making up to 20 Pirate Club speeches or appearances.
5) If the basketball team ends their season by participating in the men’s national invitational tournament, Coach Stokes will receive a one-time bonus of $15,000.
6) If the contract is terminated without cause, the University will pay Coach Stokes $250,000 in a lump sum within 30 days following termination.
7) If Coach Stokes engages in employment services in violation of the contract, he will pay to the University $250,000 in liquidated damages. Any such payment required by Coach Stokes would be due 30 days following termination.

Mr. Showfety seconded the motion and it carried by a voice vote.

Mr. Greczyn moved approval for the appointment of Dr. Deidre Mageean to the position of Vice Chancellor for Research and Graduate Studies effective July 1, 2005 at an annual salary of $180,250. Mr. Greczyn also moved approval of the Chancellor’s recommendation that Dr. Mageean be provided non-salary compensation in the form of a stipend to compensate her for business related use of her personal cell phone.

Mr. Showfety seconded the motion and it passed without dissent.

Mr. Greczyn moved approval of the appointment of Dr. James LeRoy Smith to the position of Provost and Vice Chancellor for Academic Affairs effective April 2, 2005 at an annual salary of $203,217. He also moved
approval of the Chancellor’s recommendation that Dr. Smith be provided non-salary compensation in the form of a stipend to compensate him for business related use of his personal cell phone.

Mr. Hill seconded the motion and it carried by a voice vote.

Mr. Kinlaw moved approval of the tenure recommendations from Academic Affairs and Health Sciences as they are presented in our notebooks. (These materials are on file in the Office of the Executive Assistant to the Chancellor as well as the respective departments.)

Mr. Greczyn seconded the motion and it passed with no negative votes.

Mr. Showfety moved acceptance of the terms of the contract with Mr. Ben Irons as presented and discussed earlier today in closed session.

Mr. Brody seconded the motion and it carried with no negative votes.

OLD BUSINESS

There was no old business brought before the Board.

NEW BUSINESS

Chairman Talton reminded the Board that each year we go through a nominating committee and then have a report from the Committee just before the close of the year (July 1 – June 30). Mr. Talton continued that the first meeting of the new year (after July 1) is when the Board votes on nominees for officers of the Board which would be the Chairman, Vice Chairman and Secretary. We had a nominating committee which he thought worked quite well last year which consisted of Mr. Kelly, Mrs. Ward and Mr. Miller. He has asked the three of them to serve again this year. They have each agreed to do
so. The item of business is to report to you that the nominating committee has been appointed. Chairman Talton asked for a report at our May meeting. Again, we will vote on the officers at our July meeting.

Hearing no further business, Chairman Talton announced that the next full meeting of the Board would be on Friday, May 6, 2005. He thanked each of the Trustees for their commitment, their interest and their participation. The meeting was adjourned at 3:17 p.m.

__________________________________
James R. Talton, Jr. Chairman

__________________________________
Dan V. Kinlaw, Secretary

Minutes of the Committee meetings are on file in the Executive Assistant’s office and shall be retained for the term of this administration.
I. Selection and Appointment of New Faculty

A. Determination of Number and Nature of Positions

Needed allocation of positions is the prerogative of the vice chancellor for academic affairs, the vice chancellor for health sciences and dean of the School of Medicine, and the vice chancellor for student life, as appropriate.

The unit administrator is responsible for recommending through administrative channels to the vice chancellor for academic affairs, the vice chancellor for health sciences and dean of the School of Medicine, or the vice chancellor for student life the number and nature of positions needed to carry on the functions of the unit.

The unit administrator, in keeping with the mission of the unit and the institutional context, shall follow the provisions of the unit code in making recommendations concerning the number and nature of positions needed.

B. Selection Procedure

The unit administrator shall notify the unit personnel committee of the number and nature of positions allocated to the unit. The actual selection process must then proceed in accordance with Appendix D, Tenure and Promotion Policies and Procedures and Part VI, General Personnel Information, the most recently revised Affirmative Action Plan, and applicable unit code provisions.

C. General Criteria [2]

For appointment, as well as reappointment and promotion, the faculty member is evaluated on potential or achievements in:

- Teaching
- Creative Activity/Research
- Service to the university, the profession, and the community. East Carolina University recognizes the primary importance of teaching.
1. Teaching

East Carolina University expects each member of the faculty to have knowledge of subject matter commensurate with one's teaching assignment, to maintain awareness of developments in one's discipline, and to communicate to students one's knowledge of and interest in the discipline. The faculty member will encourage students in responsible and careful inquiry, in appreciation of the interrelation of various disciplines, and in recognition of the uses of learning and the value of the educated mind. Teaching includes activities and responsibilities beyond the classroom setting, e.g., advisement; mentoring; laboratory supervision; clinical rounds by a physician/professor accompanied by students; the direction of research projects and papers, dissertations, and theses; and other contacts and relationships outside the classroom. (Faculty Senate Resolution #97-43, December 1997)

2. Creative Activity/Research

East Carolina University encourages and supports the continuing efforts of faculty to develop a deeper appreciation of the importance of professional competency acquired through scholarship, research, and other creative activities appropriate to one's discipline. A faculty member's research and creative activities shall reflect the high professional standards incumbent upon those who enjoy full academic freedom; such activities must be measured by standards of quality, not merely by quantity.

3. Service

East Carolina University considers service to the university, the academic profession, and the community as an important aspect of academic performance. (See Section III.)

D. Specific Criteria for Appointment

Among the many qualifications which may be considered when making appointments, the following are essential:

Instructor - Evidence of character traits which contribute decidedly to the professional advancement of the well-trained person; Evidence of a sound educational background for the specific position, including sufficient progress toward a terminal degree that the degree will be obtained within a short period of time as agreed upon by the academic unit and the appointing officer; as a minimum the master's degree or equivalent as evaluated by the academic unit and affirmed by the appointing officer; and evidence of teaching capacity.

(Faculty Senate Resolution #05-09, February 2005, pending final approval)
Assistant Professor - Qualifications of the previous rank; an appropriate terminal degree, as evaluated by the academic unit and affirmed by the appointing officer and the profession concerned; evidence of potential for continued professional growth which shall be in part measured by teaching effectiveness, creative activity/research; and membership in professional organizations.

Associate Professor - Qualifications of the previous ranks; evidence of teaching effectiveness; a record of creative or research activity resulting in publication or comparable productivity; a record of participation in organizations; effective service on academic and/or administrative committees, and a record of effective service to the profession.

Professor - Qualifications of the previous ranks; an established record of excellence in teaching; a record of significant publication or creative activity, or research activity; and a record of significant service to the profession, such as contributions to the development of public forums, institutes, continuing education projects, and patient services; consulting in the private and public sectors; and a record of significant contribution as a member of academic and/or administrative committees. (Faculty Senate Resolution #99-7, March 1999)

Notwithstanding any previous statement that has appeared herein, competence for appointment to a specific rank may be attested to by advanced study, culminating in appropriate graduate degrees, or by extensive work experience in the teaching fields or in a professional practice which is demonstrably of highest quality.

E. Initial Appointment

Appointment to the faculty is made by the chancellor or his/her designee. [3] Criteria for evaluation of faculty performance shall be provided in writing and discussed before initial employment. A record of this discussion shall be placed in the faculty member's personnel file. Any action conferring permanent tenure with the initial appointment requires approval of the board of trustees. The initial contract shall be signed by the chancellor, or his designee, and the appointee. This contract shall be accompanied by and elaborated on by a letter signed by the chancellor, or his designee, and a letter signed by the unit administrator.

The chancellor's letter shall specify rank or title; salary; length of appointment; and tenure status, whether fixed term, probationary term appointment, or appointment with permanent tenure (ECU Faculty Manual, Appendix D). The unit administrator's letter shall establish the specific conditions of employment.

[1] For policies and procedures dealing with persons on fixed term appointment, ECU Faculty Manual, Appendix D.
[2] These criteria are not designed to be used for persons with administrative rank to evaluate their administrative service. Criteria for that purpose shall be developed by proper administrative authority.
[3] Reference to the chancellor's designee shall include and be limited to the vice chancellor of academic affairs, vice chancellor for student life, or the vice chancellor for health sciences.
APPENDIX L.

EAST CAROLINA UNIVERSITY CODE

C. Development, Screening, and Implementation of Unit Codes

1. Each autonomous, self-governing unit shall democratically develop a code of operations. This code must be approved by a majority of the permanently tenured faculty members of the unit. The code will provide for the conduct of unit affairs according to Robert's Rules of Order, Newly Revised. Each code will be submitted to the Faculty Senate and the chancellor for review and ratification. In the colleges and schools electing to organize into self-governing, autonomous units at the department level, codes shall be submitted to the appropriate dean for advice prior to submission to the Faculty Senate. After consultation with the Provost or Vice Chancellor for Health Sciences, the chancellor shall ratify a code or shall return the code document to the code unit for revision and appropriate approval.

2. The faculty may democratically decide to organize into self-governing, autonomous units at the department, school, or college level in accordance with guidelines established by the Faculty Senate. A school's or college's proposal to organize into self-governing, autonomous units will be reviewed by the Faculty Governance Committee. If the Faculty Governance Committee finds the proposal conforms to the guidelines, the proposal will be forwarded to the Faculty Senate for their consideration. If the Faculty Senate acts favorably, the proposal will be forwarded to the Chancellor. With the Chancellor's approval, codes of operation for the individual units shall be democratically developed. Upon approval of the codes, the code of the school or college will become null-and-void. Said school or college may democratically develop a constitution as a governance document. However, this constitution may not conflict with the authorities, responsibilities, and characteristics of the constituent units. If faculty members of schools or colleges do not choose to organize into self-governing, autonomous units, faculty in individual departments may democratically develop rules for the internal organization and operation of their departments. (Faculty Senate Resolution #03-51, December 2003)

3. To provide consistency unit codes should be developed following an approved outline that includes at least:

a. a preamble
b. definitions of the unit's faculty, its voting faculty, its graduate faculty
c. the administrative organization of the unit
d. the membership, terms, and duties of standing committees
e. a section that states regulations, criteria, and weights governing the evaluation of faculty members annually and otherwise for all personnel actions, including recommendations for merit awards, reappointment, promotion, and the award of permanent tenure (ECU Faculty Manual, Appendices C and D).

f. procedures for meetings within the unit
g. procedures for the unit's faculty members to indicate in a timely fashion
and by vote their approval or disapproval of the unit's major planning documents, assessment documents, and other major reports prior to their submission in final form to person(s) outside the unit. (Faculty Senate Resolution #03-37, October 2003)

h. procedures for discussing with its unit administrator the unit's annual budget request and annual report

i. procedures for developing criteria for salary increases (Faculty Senate Resolution #05-08, February 2005, pending final approval)

j. amendment procedures.

4. Each faculty member within a unit should have the most recent version of the unit's code.

5. With each quadrennial evaluation the unit administrator and the appropriate committee reviewing the unit's code should report to the Faculty Senate that the unit's code meets the current Faculty Senate guidelines for codes.

6. Unit codes that have been reviewed and approved by the Unit Code Screening Committee, the Faculty Senate, and the Chancellor should be deposited in the Faculty Senate office. The original should include a page containing the signatures of the chair of each reviewing body and the Chancellor or the Chancellor's delegate. If the Chancellor upon reviewing the unit's code requires changes in the code, the document should be returned to the unit for the required revisions and should continue through the review cycle until no further changes are required.

7. Immediately prior to the unit's quadrennial evaluation of its unit administrator, the Chancellor shall remind the unit's faculty and administrator that they must follow the unit's code.

8. The Chair of the Faculty and the Chancellor, or the Chancellor's delegate, shall arrange and schedule an orientation program for newly appointed administrators, to be conducted during the fall semester of each academic year.