The Board of Trustees met in regular session in the Global Classroom, Science and Technology Building, on Friday, December 16, 2005, at 8:10 a.m. Mr. Stephen D. Showfety, Chair, presided and called the meeting to order, expressing thanks to Mr. Lucas for his attendance since he was not feeling well. He also stated we were in the first building built with funds from the bond campaign. Chairman Showfety commented that we would deviate from our usual schedule and asked Chancellor Ballard for his remarks.

CHANCELLOR’S REPORT

Mr. Chairman and members of the Board, I feel rather isolated over here. Hopefully you can hear me.

Thank you. Today I really want to focus on tuition and fee increases today because it is so important. Most of what I have said I think most members of the Board have heard so I’m really speaking to our entire community and especially our students, for whom this is such an important issue.

Before I do that, I think everybody knows but it’s worth repeating and I’m very pleased to announce that after a comprehensive search this fall that the permanent university attorney has been chosen and Kitty Wetherington has accepted that position and I couldn’t be happier with that choice so Kitty, welcome.

Now let’s talk about the single biggest agenda item that we have today or any meeting of the year and that is campus based tuition increases and fee increases. Nothing is more important, I think, to the future of the institution than to resolve the vice that we’re in between the continuing pressures of cost escalations and access and affordability for our students. We are proposing a large percentage increases in student fees to the Board at this meeting. For in-state undergraduates the increase would be over 14% or $526 for in-state undergraduates for the 06-07 academic year. Of this, 29% or about $150
would be designated to the Mendenhall Student Center, 28% for a variety of student fees that Student Government has agreed to and thoroughly reviewed and the remaining $200 for tuition increases and a 6% transit fee that the students have also approved.

So those are the four components of what we are proposing today—really, three elements: Mendenhall/Leodonia Wright expansion that the students approved over two years ago but we could not put on the fee schedule until this year; tuition and fees for $146; and the tuition increase of $200.00.

Why are we proposing these three amounts at this time?

At ECU, let me provide a little context for that, students a year ago paid about $.20 on the dollar for their educational cost and the state of North Carolina paid $.46 on the dollar and all other sources (especially scholarships, grants in aid, federal grants, $6 million that we access through the University of North Carolina system for scholarship assistance) all other elements accounted for about one-third of that cost of education. These figures are changing radically as we speak. One thing that is for sure is that we look to the future on this mix of who pays who for the cost of education. In my view, in every state of the union save one, the state proportion of that will be clearly going down in the future. I see no analysis that suggests that the state government will be able to keep up with the escalating price structure that is a part of public higher education.

Secondly I want to assure everyone that we have paid a lot of attention to reducing our costs and, in fact, have adjusted to serious budget reductions since the academic year of 1999. Since that year we have lost $21 million of base budget support from the state of North Carolina -- not including now the new enrollment growth of the $21 million for all other purposes and $31 million in one-time cuts. So like all public institutions in the state we have faced a six year time period now in which we have really had to make adjustments and ask the question of how we are going to do business.

The biggest cost, I think, of those adjustments since 1999 is that ECU has not been able to keep pace with the national markets for faculty and I'll say a few more words about that a little bit later but for now, let me just say that of the peer institutions that we have proposed to the Office of the President, the new peers that we believe will be accepted, we are last among 15 peer institutions in faculty’s salaries. The national data system called IPEDS which is one of the better comparisons that we use, we are in a group of 34 other institutions. In terms of average faculty salaries, we rank 33rd out of 34 on this database. We simply cannot do business in that fashion. Conference USA institutions, we are 9th out of 12 institutions in average faculty salaries.
It is not just the faculty, of course, that we are concerned about. We have been in cost structures that we must make a difference on. We have over 600 SPA employees who earn less than $25,000 a year for full-time employment and this is simply an unacceptable aspect for employment structure which we did not create, since they are state employees but we must find a way to do something about those problems.

Because of that Vice Chancellors Seitz and many others have been in the continuous efficiency mode, if you will, to look for ways that we can reduce our costs. Recently we have consolidated mail services and consolidated marketing and communications on our two campuses and centralized several advancement functions all in an effort to set us up for the future to do more with less in those areas.

Now let me state the two things I think are most important behind the increases that we are proposing today. That has to do with two values; one is competitiveness and one is affordability.

We must be competitive in all of our programs in order to serve North Carolina, whatever programs we have: dance, metallurgy, construction management, computer science or rural health, we are not competing with just the two or three universities closest to us. We are competing internationally and with the best universities in the country. The nursing program competes with Duke, Virginia and South Carolina; construction management competes with the very best programs in the country.

My commitment is to remain competitive because it is the single best thing we can do for our students. Offer them first class programs in the areas that we say we are going to be good at is the single best thing we can do in my view to prepare them for the future, to prepare them for good jobs and to prepare them for their next state in their educational process. A great indicator of this is our gold star construction management program which placed 100% of their graduates last year, I think, because of the quality of education they are getting.

Secondly, however, and with more tension and difficulty, the second value is that we must be concerned with the economic and fiscal situation of our students and provide that key access and affordability for residents of North Carolina with a special eye towards the residents of eastern North Carolina. That is becoming more and more difficult because we have more and more students with a demonstrated financial need than any other institution of the 16 constituent institutions in North Carolina where 9,000 of our students have accepted demonstrated financial needs with the federal forms. We must do better in terms of paying attention to the low income and middle income students who either could not be students at ECU or would
have their education interrupted if we are unable to provide help with their college education costs.

Let me say a few words about the specific uses for the large package of fee and tuition increases that you have in front of you. A detailed assessment has been provided in the packets and anybody that needs this information it is publicly available. In terms of tuition, we had no increases in tuition last year following the Board of Governors policy that was for in-state undergraduates. We did have increases for some other categories but the biggest share of our students, North Carolina undergraduates, there were no tuition increases. This was in spite of a Board of Governors approval, mind you, that we had three years ago that we would increase tuition $300 per year for three years – this being the third of those three years – but it was reversed in the February Board of Governors’ meeting last year. So we had no tuition increases last year.

If we have the $200 tuition increase this year, we will still be behind the projected tuition that we needed over that three year period and meet our cost structure to remain competitive. During that time period, of course, costs continued to escalate rapidly. Before this year for the four years prior to this year, we had no state support for rapidly escalating utility and energy costs; over $4 million of new energy costs in the last four years without any ability of the state to help us on that. That $4 million came right off the top of our ability to either expand great programs like construction management or to provide the scholarship assistance that we would like for the full range of our students.

Many other cost increases have been significant. The national market that we compete in and the international market for assistant professors went up 22% from the previous four years. We will be competitive in that market. We will continue to find those faculty and those programs that could make the most difference for our students.

Even with these increases, another key point in this is that we believe education here at ECU remains very affordable even after the proposed increases. For this year, 05-06, ECU’s tuition is still near the bottom of most of our comparison groups including our current peers, our projected peers of the new peer group, Conference USA membership and the IPEDS national data system. Among our new peer group or proposed peer group, we rank next to the last in tuition and over $2,500 less than the average in-state tuition for our comparison group.

A good bit of the tuition money (70%) of the proposed tuition part of this $200 increase, 70% of that will go to help us insure that access and affordability remain realistic standards for ECU. 70% will go to both need based and merit based scholarships if this proposal is approved. These funds
will be a significant step towards our commitment to making ECU affordable for more students in North Carolina. The neediest of our students, those in the lowest group with the highest demonstrated financial needs, would be held totally harmless from these projected increases, both the tuition and the fee increase and we are holding harmless those students who are least able to pay the increased cost.

Also let me just say a word about involvement. We have not made these proposals without significant campus involvement. Vice Chancellor Seitz convened a group on campus starting on October 6th to review these. The student government has been directly involved, especially with the two key elements of the fee proposal and we have had many reviews of our proposals throughout the time period and the Executive Council has been reviewing these proposals since last February when the Board of Governors rejected all campuses tuition increases.

Thirty percent of the proposed tuition increases will go to what I think is our biggest vulnerability, which is being last among our peer groups in the average faculty salaries. So 30% of the $200 would be devoted to that.

In summary, let me just repeat that these are not easy decisions and we certainly do not take their potential impacts lightly. We have been reviewing this approach for at least a year. Sixty percent of the total $520 increase has been approved and voted on by the student government and we appreciate the great involvement the student government has had in this process. Again, competitiveness is the key element to these increases so we are asking the Board today to approve this entire package. If you do, the actual uses will continue to be reviewed so that we can ensure that our programs are being responsive to the major values that we have in place.

That concludes my remarks, Chairman Showfety.

Thank you Chancellor. Any questions from Board members?

Hearing none, Chairman Showfety asked Secretary Kelly to call the roll.

Roll Call

Members present:

Bruce N. Austin  Michael W. Kelly
David S. Brody  E. David Redwine
Joel K. Butler  Stephen D. Showfety
Robert J. Greczyn, Jr.  Mark E. Tipton
Robert O. Hill, Jr.  Margaret C. Ward
M. Cole Jones

Members absent:

None.

Chairman Showfety stated he was making some adjustments to the normal scheduling of the Board meeting to respond to demands of the day and asked Mr. Greczyn, for a motion to go into Closed Session.

Mr. Greczyn moved that we go into Closed Session to:

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

   William Swart v. East Carolina University;
   Frank Salamon v. East Carolina University, et.al.; and
   Cabana’s LLC v. East Carolina University, et.al

2. prevent the disclosure of privileged information under NC General Statues #126-22 to #126-30; and
3. consider the qualifications, competence, performance, or conditions of appointments of prospective employees and employees; and
4. to prevent the premature disclosure of honorary awards; and
5. prevent the disclosure of confidential information under NC General Statues #116-40.7.

Mr. Showfety seconded the motion and it passed by a voice vote with no negative votes.

Chairman Showfety explained the Trustees would now move to the Dean’s Conference Room to conduct business in Closed Session in a brief and efficient manner in respect to the others in attendance.

Upon returning from Closed Session, the Trustees began their committee meetings. Mr. Showfety asked for Chairman’s privilege and extended “Best Wishes” to the Board members and remarked there was a
small gift at the table for them and also a gift for Dr. Jim Smith in appreciation of his loyal and continued service. At the conclusion of the committee meetings, the Board met in regular session for the full Board meeting. Chairman Showfety called the meeting to order at approximately 1:30 p.m. and reminded the Board that the Chancellor had given his report earlier and asked for comments from Mr. Phil Dixon, our representative on the Board of Governors and our Commencement speaker for Fall, 2005.

REPORT FROM THE REPRESENTATIVE OF THE BOARD OF GOVERNORS

Mr. Dixon commended Mr. Showfety on his choice for commencement speaker as part of a cost saving measure by saving a hotel bill and an honorarium but he was grateful and was looking forward to it. He did speak to the College of Business previously as well as a community college and enjoyed those experiences. The following are his comments.

I want to make one observation. You were talking about, Mr. Hill especially, I commented on his remarks being right on point, a few years ago, Mike, you remember when we had a retreat down at the Outer Banks along with the groundbreaking for the Outer Banks Hospital and I recall a pharmacist who is retired who was about 80 years old who said he had been illegally practicing medicine there for 50 years because they simply didn’t have anybody to set broken bones, suture wounds and to deliver babies so it is remarkable what has happened down there already and I really do think this dental school idea is a wonderful idea and think we need to be aggressive in that regard. We have been working on that a lot.

Interestingly, the one member on the UNC Board of Governors who is a dentist, Al Rosen, he is a new member of the BOG, is very supportive and he says – based on a report he recently received and you may have seen the same report – you know, North Carolina is right now I believe 11th in the nation in population. We are projected in the next 25 years to be 7th in population and we as well as Georgia, Michigan, and Ohio among others, so we have 4 million people coming into NC in the next 25 years, based on current estimates and he says we are already the size that would justify a second dental school. I know that UNC is talking about a very substantial expansion of their dental school, something to the tune of $107 million and I reminded Kevin Fitzgerald, the lobbyist for UNC that he would probably need some folks from the eastern delegation and we probably need to look at our dental school at the same time, but he does tell me that he has had very good
business here, Chancellor Mewborn has actually called him the last two weeks to spread some support. I think we still need to work on the dean of the dental school there, but we will continue to do that.

A few years ago, and Joel knows this, our Chamber of Commerce took it upon itself to get more representation. First of all more local representation on the Board of Trustees here and then trying to get somebody elected to the Board of Governors. We have Craig Souza, as you know, until the Senate agreed to appoint me in May, and then later agreed to appoint Charles Hayes on the House side in August. So we now have three out of the three potential with the Board of Governors. We need to continue to work toward getting more representation on that Board. As you know, the Chamber worked very hard in getting mayor Don Parrott appointed to the House side but instead a fifth person from Asheville was appointed and now we have five people east of Raleigh and two of those are from Wilmington.

It is something that needs to be on our radar screen and we need to work hard to get more representation. And I'll tell you I was pleased to be appointed to the Governance Committee. For those of you that don't know, the Governance Committee decides on the appointments of the Board of Trustees not only for the 16 campuses but also things like NC Center of Public Television, NC Center for Advancement of Teaching, NC School of Science and Math – we need to have representation on those boards as well. I was a little startled, Chancellor, I don't think I saw anybody from the NC Center for Advancement of Teaching with ECU ties and I can't imagine that with our background in education. It is something we need to work on.

I will also tell you I was pleased to be appointed to the O. Max Gardner Award Committee and they were teasing me a lot because we’ve had so many people recognized for our campus as a recipient of that award for being the outstanding faculty member, I guess, within the system (Dr. Pories, Dr. Chitwood, Stan Riggs and others) and we have been well represented in the group that has been selected. If we have other people that we think deserve this award, we certainly need to take those forward and Chancellor, I would encourage you to do that.

I will tell you that on Wednesday, December 7th, I attended the retirement dinner for President Broad. We had about 400 people there and started about 6:30 and about 8:45, right before the UNC basketball game with St. Louis, the crowd began to dwindle a little but we still had a wonderful evening and a wonderful celebration to recognize all of the things that President Broad has done – most notably the $3.1 million bond issue.

I will also tell you that I had a chance while we attended a meeting in Boone to meet with Erskine Bowles. We had set aside only an hour for that meeting and we ended up speaking for an hour and a half and I was
appreciative of the time he gave me. As you know, he also had a visit to your campus, our campus and he had a chance to visit with some of our leaders in the community and I have to tell you that the report I got following that meeting was that it was the best meeting he attended – best organized meeting – and he was very pleased with the use of his time on our campus.

The first time I met with Erskine, and I’m an Erskine supporter – I think this will be a very positive thing for our system and for the university – the first thing he said to me was “I make mistakes.” I thought that was so commendable that his first comment to me was something about him having made a mistake because as you know he is a very outstanding person, a very talented person to be leading the system – but he was talking about eastern North Carolina and he said he had headed up the Rural Prosperity Task Force and that when they finished he decided one way in which he could help eastern North Carolina and other rural areas of the state was to go out and raise $50 million and he did so. He later came through with $100 million for the small business administration and he wanted to have a group called Dogwood Investments and use that money to invest in eastern North Carolina and other rural areas of the state and he said the mistake I made is when we went around the state and looked for proposals, business plans of people who might make a difference in smaller communities, he didn’t get anybody to help in developing those business plans – any assistance – and he said when I went to the Charlotte area and the Winston-Salem, triad area and the triangle area we had hundreds of proposals and when I came to eastern North Carolina we didn’t have any. Another mistake he said he made was for making the proposals for no less than $1.5 million. So he sees ECU as playing a role in trying to help solve that problem. I think he sees additional money being made available to us for us to be able to help people develop business plans, proposals and maybe make grants as small as $60,000, $100,000, $250,000, half a million dollars.

I think the thing that impresses me the most is he has visited so many of the counties in the state – perhaps every county – and he recognizes that, again, we are an important part of the state and a part of the state that needs assistance right now and I think he sees us as having a very pivotal role in place. So I believe that bodes well for us, Chancellor, and I think we have a great opportunity. He is talking in terms of putting at our disposal as much as $10 million that we might be able to use to help others to do positive things in our area. So I am very pleased with that.

I will tell you there has been a lot of talk about the Board of Governors not just meeting in Chapel Hill. You know they will occasionally meet up in Boone and occasionally have met in Wilmington. I have asked why don’t we meet on other campuses. I had a chance in August to visit all 16 campuses and it’s really wonderful to see other campuses and see the impact the bond issue has had on these campuses and to borrow and steal ideas for our
campus from these other places, too. I would encourage each of you to do that but we need to invite Erskine and we need to invite the Board of Governors to come to this campus and if not before – it takes awhile to get this accomplished I know, but certainly with our 100th anniversary it seems that would be an appropriate time to have them come down and if not, sooner because it gives us a chance to showcase. You know they’re visiting as the 18 elected Board of Governors when they take this tour and that’s only every few years and it’s only a small group of people. Not always do all 8 people attend the tour. If we bring those people to campus, I think it will make a difference in their eyes to see some of the things we are doing. I think when we began playing State and Carolina, Wake Forrest and Duke in football it will change their impression of our campus. If we change the impression to some members of the Board of Governors they can see all of the wonderful things we are accomplishing, especially in the area of our medical school. You can drive past the School of Nursing, Allied Health and the Health Sciences Library and it is quite impressive. You add to that the cardiovascular center and the Family Practice Center and that is something in which we can all take great pride.

I will tell you that I have been told from various sources there “may” and that is a very big may, be some one-time money that may be available to the General Assembly and already we are seeing UNC Charlotte proposing that they be given $39 million for a downtown building, that Appalachian State be given $35 million for a new College of Education which would include a satellite center in Hickory, NC (called the Broyhill Center) for distance education. As you know, we outdo everybody in the system when it comes to distance education. They are not standing by idly, folks; they are trying to catch up with us both at NC State, UNC Charlotte, Appalachian State are certainly targeting that as an area in which they can grow but I will tell you that if we have an interest in getting some money, we need to say so. My suggestion would be that you look both at the College of Education and the College of Business proposal that will probably cost $80 million. The downtown project which may cost $20 million, your Family Practice Center, you may have a shortfall on the cardiovascular center – we need to be aggressive in saying we need money and if someone else is going to be considered for some money for the College of Education we should to – it seems to me – or some other special project. Of course it will depend on how much money is available but I certainly want our name in the hat.

I will tell you UNC Wilmington is seeking money for a School of Nursing and again, we just need to be prepared that if any money becomes available to be standing in line with our hand out as well to get some money. I think there are a number of folks receiving money in the western part of the state they will try to balance it out with some appropriations down east.
I will tell you that I was very pleased. You did a very good job of convincing the system that the Chancellor here was grossly underpaid and we received the largest percentage increase in salary of any Chancellor and it’s still not where we would like for it to be. It’s hard to argue, it seems to me, that we should have our Chancellor making as much or more than the Chancellor at UNC Charlotte when we have a medical school, a larger enrollment, the first to give a doctoral designation, and we have a Division 1 athletic program and I think it’s hard for them to argue against that and we did get a very sizable increase for the Chancellor. There are other things we need to do and I think Erskine is very sensitive to that. We just need to keep asking and keep being very aggressive in that regard.

I will tell you that there was a sense of great loss by certain members of the Board of Governors with the passing of Dr. Best. He apparently was an exceptional member of the UNC Board of Governors and from what I can tell had a very instrumental role to play in the medical school coming here—he and Henry Frye apparently. It does seem to me that it might be appropriate for you to figure out some way you might honor him because he certainly had a very significant role to play in our getting the medical school and you all see what impact that had.

I was very pleased last time to receive that report that Mark Tipton made about our construction management program. I’ve known for a long time how popular that program was and how most of the graduates have about 10 jobs waiting for them. I did read, Mark, that Virginia Tech has just received a $10 million gift to establish a construction management program and that’s a place in which we need to devote some time and attention. When visiting other campuses we saw at Appalachian between $40-45 million in their endowment. Here I think we have about $60-65 perhaps. UNC G has about $135 million. That’s an area that we need to focus on.

I’m excited about the opportunity to serve. It’s been a wonderful experience and opportunity so far and please, if you have any way that you know I can help, please let me know.

Thank you very much.

Chairman Showfety commended Mr. Dixon on his tradition of long service to the university and gave his appreciation. He hoped that the lines of communication would continue to improve every week.

Mr. Hill asked about the deadline for the one-time money and Mr. Dixon responded that he understood there was a possibility for one-time money and if there was any, many interested parties would be standing in line but ECU needed to be one of those groups as well. He drew attention to the new Colleges of Education at UNC Wilmington and UNC Charlotte and due to the
teacher shortage there should be a real interest to see what can be done to address that need and who is in a better position to address that need than ECU. Of course, there may not be any of these funds available but we need to be prepared.

Chairman Showfety asked for chairman’s privilege in regards to scheduling and called on Mr. John Hudson, President of the Pirate Club for comments. Mr. Showfety stated that Mr. Hudson was very involved in the Circle of Excellence campaign with the Athletics Department he would like to continue to build on the lines of communication being established at Board meetings by asking Mr. Hudson to speak.

**Hudson:** Thank you. I would like to first thank the Board members who participated in this campaign. It was very encouraging to have your support and I might add that this campaign, we accomplished our mission in 3-4 month which I think was the quickest and most successful campaign we’ve had in a number of years. I think the strategy we had – we had small groups with pirate club members hosting the events – and our star pupil, Coach Holland, was the guest speaker at each event and he did a tremendous job. We found out just how hungry the pirate nation is and obviously the last two football wins didn’t hurt anything. We are going into 2006 with some momentum. We exceeded over 9,000 memberships this year and we look forward to some real good things in 2006.

Hearing no questions, Mr. Showfety called on Doug Byrd to make comments on behalf of the Board of Visitors. Mr. Showfety called attention to the June 20th joint meeting in Raleigh, including the format, which will be held in conjunction with the legislative reception and then turned the floor to Mr. Byrd.

**Byrd:** Mr. Byrd said the final agenda had not been set but the date was secure (June 20th) with the meeting of the Board of Visitors to begin around 3:00, adjourn and go to the legislative reception. A legislative subcommittee has been formed and Mr. Byrd suggested that this subcommittee be utilized, especially this year, with the things that will be coming before the legislature that will affect this university. He challenged his Board to bring at least one member of their respective delegation to the reception. He is looking forward, as are the members of the Board of Visitors, to have a greater interface with the Board of Trustees. This way the talents of the Visitors can be utilized for moving ECU forward.

Mrs. Ward asked if other institutions have this type of support and how they handle joint meetings to which Mr. Byrd responded that he knew of a co-worker on the Board of Visitors in South Carolina and dialog had just begun in respect to their activities.
Mrs. Ward then asked for particulars to share with the legislators in order to get them to join the Boards for the legislative reception.

Mr. Byrd responded that communication itself was key and it should be noted that background would be gladly provided for any issue the legislature needed to be brought up-to-date on. He also noted that he was sure NC State and UNC Chapel Hill was doing the same thing.

Conversation continued verifying that the Greenville delegation shows up but due to a variety of available events, it is hard to get others to attend. Timing is everything and invitations should be sent as soon as possible. Mr. Showfety reiterated the fact that all of the members of the Board of Visitors were elected by the Board of Trustees and it is now time to ask for a personal commitment in following up to the initial invitation to get the legislators in attendance.

Mr. Tipton remarked that when he charted the individual members of the Board of Visitors, west of Winston-Salem down to Charlotte is extremely sparse. During the last reception a young member of the legislature did attend due to ECU’s involvement with the Speak Easy device but didn’t know a soul in the room.

Mr. Redwine added that the new legislators are more apt to attend because the older members are busy. He also suggested that the event be scheduled in the beginning of the legislative session. The longer you wait, the busier people are. He reiterated Mr. Tipton’s point to have someone from the district there and pointed out that the best way to get them there is to meet them in their respective district and get to know them.

Mr. Showfety summarized the conversation by saying the Board now understood what the goal is and we would strive to make the joint meeting and subsequent reception the biggest and best.

Mr. Lucas pointed out that the individual legislators were indeed important but even more important is the leadership of the legislature – the handful of individuals that really control things.

Mr. Showfety said that as we mature as an organization, we have realized there is a multi-pronged approach to real success and we should try to broaden our base and not lose sight of the decision makers. This reception should be viewed as part of that foundation.

Mr. Showfety apologized to Catherine Rigsby for her wait to deliver the Chair of the Faculty report and asked her to give it at this time.
CHAIR OF THE FACULTY REPORT

Thank you, Chairman Showfety.

For the last year and a half, I’ve been telling you about the work of our new faculty -- mainly our junior faculty and their research. When preparing for today’s meeting, I considered telling you about yet another stellar faculty member. There are so many! For example, there is the new assistant professor in the Department of English who is sponsoring a speakers series of Irish scholars who study castles, castle design, and the archaeology of castles. There are the two assistant professors in the Department of Foreign Languages and Literature who have already written several books and numerous journal articles in their field of Spanish Literature and who are stellar teachers, connecting with students in ways that truly enhance learning. And, there is the young faculty member in the medical school who is doing exciting and important research on SARS and pox viruses.

But, I’ll save the details about these great faculty and their research for another time. Today, I want to say a little more than usual about the “mood” of the faculty and about what faculty want and envision for this university.

Most people who become faculty members do so because they have a deep love of learning and of creating knowledge – both in general and in a specific discipline or field of study. The examples of faculty research I have shared with you in the past show this well. But, faculty are more than just their research. Most faculty strive to connect with their students – to pass on their love of learning as well as their knowledge. And, most faculty are also passionate about being active university citizens – in their research groups, their department, their college, and across campus.

Our system of shared governance provides a mechanism for this citizenship. And it usually works! Our committees do much work and strive to send clear messages to the university administration about the faculty’s needs, faculty viewpoints about the state of the university, and faculty ideas and observations about needed changes.

Although we are skeptical about the end result (as usual!), faculty are excited about the opportunity to participate in the ongoing planning process (the process you heard about earlier today from Provost Smith and Vice Provost Peel). You would be disappointed in us if we weren’t skeptical! We are excited about the opportunity to participate in setting the university’s goals and priorities.

It is the faculty who are on the front lines. It is the faculty who are implementing the major teaching, research, and service missions of the university. Faculty buy-in to any planning process is important. Without the
buy-in of those doing the major work of the university, realizing any institutional goals is going to be difficult.

So, faculty participation from the beginning is a great idea. And, we are pleased that the Chancellor and the Provost have asked for our input.

And, of course, faculty do have opinions! We have started our discussions about strategic goals and planning. From those discussions, it is clear that the faculty want to be involved in the practical issues that largely impacts on the nature/culture/mission of our university. We want to be involved in making the basic choices that must be made as we move forward.

I will outline a few of those basic choices here, putting them in the form of questions that faculty feel must be answered as we decide what kind of university we want to be 5, 10, or 15 years from now.

◊ Should we continue increasing the number of PhD programs we offer? (If so, how many, how fast, and at what cost to our existing programs?)

◊ Should we continue to increase the number of DE courses we offer? And, what is the appropriate ratio of DE to face-to-face courses for our university?

(The answers to these first questions have bearing on the work of the faculty. They effect faculty workloads and bring up subsets of questions such as,

 o is the work associate with teaching a DE course equivalent to the work associated with teaching a face-to-face course?

 o how do we handle the academic freedom issues associated with increased DE offerings?

 o what is a reasonable teaching vs. research workload in a research university?

 o how do we compete for the best graduate students?)

◊ How do we increase our research productivity while maintaining, even strengthening, our liberal arts core curriculum at the undergraduate level?

◊ How wise is it to create new interdisciplinary undergraduate programs in an environment of restricted resources?

◊ How do we handle increasing enrollments? Do we allow uncontrolled growth or do we limit enrollment increases? The answer to this requires examination of both resources and resource
shifts. For example, we must ask, how do very high enrollments in academically weak undergraduate programs affect our academically strong core programs?

As we think about what we want for ECU, we are also thinking about what we need as faculty – about what the university needs if it is to retain and recruit the best faculty. This is a question that the Chancellor has asked. It really boils down to “what do faculty want?” I can provide a short (unprioritized) list: better health care, a child care center, workloads in line with that of other research universities, a faculty club, moving expenses and start-up money for new faculty (so, as Vice Chancellor Mageean said earlier, we can recruit the very best research faculty), off-campus scholarly leave for established faculty (as is common at all research universities), and salaries that are competitive with our peer institutions across the state and across the nation (using a fair set of peers!) Without that, we will not be successful in recruiting or retaining the best faculty for our growing university.

Obviously all of these things cost money. With our limited resources, we understand that we must make choices; we must set priorities. As we discuss the basic choices we have to make – the basic questions we must answer to determine what kind of university will be in the years ahead – we are also working on prioritizing this list of faculty “wants.” We know the current administration will listen to the opinions, ideas, and needs of the faculty and to the faculty’s vision for ECU. We hope that you, the Board of Trustees, will do so as well as you go through the planning process. When you get the feedback from the administration, after they have gotten feedback from us, we hope that you will incorporate the faculty point of view in your planning because that would really say that ECU absolutely has the best system of shared governance in the state. And that’s what the faculty really wants.

Thank you.

Chairman Showfety thanked Dr. Rigsby for her comments and recognized the Chancellor.

Chancellor Ballard asked that the record be noted that last year Dr. Rigsby reported the faculty “guardedly optimistic” and this year she reports that they are “excitedly skeptical” so our adjectives are getting noticeably better and our nouns are going down and I don’t know how to place that.

Chairman Showfety commented that he assumed that was progress! He noted that the guest audience was dwindling but the Trustees were still committed and asked that entertainment value be incorporated with the learning experience and asked for Professor Ferrell to come forward for his historical perspective.
The geologist is getting better – throwing words around she didn’t know two years ago.

We have several ways of looking at the university. I think sometimes we forget that it’s a lot of people involved. The athletic base at the university is old, ancient and revered. It’s first intercollegiate – I suppose that’s the right term – activity was baseball. This is a baseball school and from what I can see now it’s still a baseball school in many ways. It was a high school schedule, we had a prep school at that time, and the young men played the local high schools. There weren’t very many high schools and they also played private academies.

The first athletic director was two students and they did it for free. Some of the best activities that you could find during the first 25 years were tennis, basketball and baseball. The women were really good at basketball and that was their game really, into World War II.

Football is a latecomer. There are several causes for football to suddenly appear in 1933. First off there had been a football revolution in the 1920s. It was a teens game and it really took on after WWII. Before that time it had been sort of select and elect in the ivy leagues and places like Virginia. But we became increasingly more democratic in the 1920s with the Midwestern explosion with the days of Notre Dame, Michigan and all of the songs they still sing when they sell tickets.

In the 1930’s football became, it took on a crowd pleasing characteristic. It was not an unusual thing for people to load up their cars in Greenville, North Carolina, at 5:00 in the morning and go to Chapel Hill or Durham or Wake Forrest to see football games. That was something new. And as late as the 1950s, I think Leo stopped this habit, it was not unusual for the President of East Carolina to be invited to the football games as a social function but in Chapel Hill.

So what do we have here? (see Attachment A) Well 1933 is your first team. It was a fantastic team that won one game—that year the yearbook said “a list of fatalities” and they listed the number of wins and losses. They beat Campbell 6-0. Now I went back into the archives of The Daily Reflector and if I may, I’d like to read it to you just briefly so you can see just how much things have changed—or maybe stayed the same!!

The title is “We Win a Hard Fought Game.” They were called the “Teachers” then. They did not become the “Pirates” until the next year and that was a football name—it did not spread quickly to basketball. The
women’s teams for example were called “Panthers” and the men’s baseball team was called “Teachers” until the end of the 1930s. I suspect the collective “Pirate” doesn’t really appear until after World War II. That’s an observation.

Locals win till with Campbell by a 6-0 nothing victory. Whole team working as a well organized machine. In keeping with the spirit of Armist’s Day, local football boys fought their way to a hard won victory over Campbell. The Teachers by far surpassed their usual outing (they won rather than lost) and they were able to threaten in every period and scored in the third. (They missed the extra point but that’s OK, they won.)

Ken Beatty was the coach. He was coach for two years, I think, and then was succeeded by J.B. Alexander who coached for most of the rest of the thirties. There is a picture of Ken on the front page and here is his description:

Ken Beatty who is serving his second year as coach in college graduated from Mt. Holly High School where there he played football, basketball and baseball. He went to State College where he played on the freshman football team and was president of the class. He also attended college at Guilford. He’s been living in Greenville eight years, married, has a daughter five years old.

It looks like they kinda said; would you like to be football coach? That’s what football was. It was an unknown art. There were a lot of demands coming out of the eastern schools for somebody to teach football. That’s how exciting it was as a new game. The result was, here, it echoes and perhaps the football team was a result of teaching football. It knows it’s the case that the NCAA was not involved in this. They had players who had played for Virginia Tech, Wake Forest – they had a great group of different people. I don’t think they received any monies other than tuition and room. The first real scholarships aren’t given until after World War II, athletically speaking.

Where did they room? This is a place that existed for women. Well, I know they had some ideas of where they would like to room but they couldn’t do that so they put them in the basement of Ragsdale. Have you ever been in the basement of Ragsdale? If you have, you know what a happy place that is! The coach would go down there every now and then and then and straighten things out. It would be messed up again – jump back.

You have on your screen there and you have a copy before you (see Attachment A) of a 1937 game. If you look very carefully, you know where that is. Along the top of the line there is history. Two of those houses shown are still in existence. The white house in the middle and then the taller brick house on the right. There was a very heavy fence there that grew some type of weeds and this is a picture of the East Carolina Teachers College single wing
tackle. That was a very complex tackle that required the ability to hold the block. I don’t mean to hold the way they do now, but hold the block with your hands across your chest and don’t let it slip away. You have four people in the backfield, the quarterback, the tailback, the blocking back and the full back. If you look closely at this particular scene, you will see the quarterback, I think, is passing the ball off to the fullback who is getting ready to give it to somebody else. It may be the tailback that has the ball. They did a lot of what is called “cross bucks” and coming right at you is a block, if he takes out number 26 this play may work.

The fellow in the white pants – attractively attired – is the linesman. Over the top he has a little black hat on. Just in front of him, I don’t know which referee it is, perhaps the back judge, he’s there too. Lots of people had line passes here because you can see across the line people standing along the sidelines. They also were very blunt about lines. If you run your finger across there, you see a lot of white signs which appear to be wooden stobs pounded into the dirt. Now if you are running out of bounds you may take one with you with unfortunate consequences.

The first successful coach, if you call winning successful, was John Christenbury. He comes in 1940 and is the athletic director – he is hired for that purpose – and in 1941 he ran a non-division team. That gets East Carolina so much publicity. That was the intension of both Wright and his successor Meadows. We are going to recruit. We can’t just bring in more women; we want to bring in more men. My suspicion is – real vague here – football is a real popular new game to get more men to enroll at East Carolina.

First Christenbury is killed two years later in the Navy and the gym is named for him in 1950, remembering not only Christenbury, but the other fellows that died in WWII that went to East Carolina.

If there are any questions, I’ll answer them but otherwise you have a picture worth framing and a little bit of East Carolina’s history.

Chairman Showfety thanked Dr. Ferrell for the “windows to the past” and introduced Dean Ralph Rogers for brief comments. Mr. Showfety commented that he would like for each dean to have an opportunity to give the Board an overview of their college/school on a rotating basis with emphasis given to what they are striving to accomplish in the short term.

Mr. Showfety said our time was limited today but he thanked Dr. Rogers for having the Trustees in this new beautiful facility and asked how it was helping him with his mission.
Thank you, Chairman Showfety. First of all some numbers. I'm an engineer so we will start with numbers. The College went from 1100/1200 students two and a half years ago and today we are at about 1800 students. We have more than increased student credit hour production by about 40% but the difference between student credit hours and head count involves a little bit of DE here. We will try to identify what we have been doing with our programs. We have really been realigning. Do you know we have an engineering program now? If you read The News and Observer or The Daily Reflector you probably noticed that. We are doing very well. Our second freshmen class this year has 58 students. The other good news is that the small freshman class we had last year with 37 students, we have an 80% retention rate going into the sophomore year. We expect to have a similar retention rate going forward because of our approach to engineering. It continues to grow. We think we have a really great story coming into that.

This facility, as you look around, shows some of the equipment and laboratories that we have planned in support of that. If you read The Daily Reflector, last week you might have seen that we had a robotics competition over here. This was robots put together by freshman students—freshmen who have been here less than a full semester on campus were putting robot kits together, making parts for it in our rapid prototyping lab which is right next store and going forward and having a competition. Our philosophy is to engage the students early, get them excited about the discipline and then have them go forward. We see these types of things as the way to make this work.

That's really a lot of what you will see as you go through our College. You heard Mark Tipton talk about construction management. He'll tell you all about the department every chance he gets! We do have the fourth or fifth largest undergraduate construction management program in the country with about 600 majors.

You heard the earlier mention that Virginia Tech has a gift of $10 million to start a construction management program for Virginia Tech. You will also hear that the Kimball family in Charlotte has just given $6.5 million to Western Carolina for their construction management program. That gift will be matched by $3 million from the state. We are setting the lead, we are delivering the quality but we have people already on our heels in our neighborhood. This facility enabled us to move out in that program to raise to that kind of level of recognition because we can go out and demonstrate to our students when they see this facility that we have quality programs and quality operations. You'll hear the phrase we use as we provide opportunities and choices leading to jobs and careers. This college is fundamentally about the very professionals here in the world of technology. What we see our
contribution to eastern North Carolina is to provide a technology based workforce to compete in the 21st century. We are going to be competitive. Global competitiveness is about being able to work in technology whether it’s engineering or being able to work as a technically literate supervisor.

One of our programs that you will hear about in the coming year is the Bachelor of Science in industrial technology. It’s been at this institution for quite a long time and is getting ready to take on a very new look. It’s really a 2+2 program applying to our community colleges. By that, our BS in Industrial Technology program aligns with about 100 of applied associate degree programs in the community colleges. That means they can do an applied associate’s degree at a community college and apply most of that degree towards a four year degree in our BS IT program here and do it via DE. OK, that’s just another program, except it goes via DE and we are able to provide workforce development. The AAS degrees are those technicians out there that have taken manufacturing technology, construction management technology, that are out there that usually do not have anywhere to go. These are terminal degrees for most people. We now offer a pathway to a BS degree and they can do it while they’re working. I cannot emphasize enough what kind of pool of students that is out there. There is no competition for us in the middle Atlantic states for this degree program. It provides continuing life long learning, when we keep talking about while these students grow on the job and increase their capability and availability and enriching the workforce of North Carolina.

These are the types of things we are about in this College. We emphasize the innovation, the transition of the research out of the laboratory into a difference in the workforce. How will we improve the productivity and quality? We are going to go out and engage, we are going to help our companies become productive and our students know how to make the companies they go to work for and enterprises they go to work for productive the day they walk through the door. We provide the opportunity that will lead to jobs.

Now I know you are behind schedule. I can go on for a long time but this facility has enabled us to move out. We’ve been so successful we’re already beginning to – how do I put it? – bust the seams already around here. The way we are going, we are already outgrowing many of the rooms we had. Remember this building was designed in 1998, we moved in 2003 and now its 2006 coming up. When this building was designed for about 700/800 students to now –we are approaching 1800 and 1900 students and we project 2400/2500 in about another 4/5 years. The engineering program should – by itself – add about 300 more students in the next 4/5 years.

Now we’re in the growth mode. This year we are hiring about 16 new faculty and replacing some faculty who are leaving. In the last three years –
by the end of this year – we will hire between 40 and 50 new faculty into this organization/this college. We are now approaching somewhere between 80 and 90 faculty. It’s kinda hard to pin it down due to where we are in our search processes with some of these operations. So this college has changed dramatically. More than 50% of our faculty has been here less than 3 years. That provides for unique challenges which Catherine will more than attest to. When we have that kind of new faculty here the need for mentorship and to be able to bring senior faculty in this type of operation because we just can’t always hire who we want. Senior faculty cost more money, they have higher expectations and we have higher expectations of them.

So this is the quick, thumbnail sketch of the College. We are on the move; we have programs that are new and exciting offering new challenges. We are in the process of trying to get three new masters degrees approved all of them available via DE again aimed at the professional development workforce. Those are in construction management, which we hope to take the lead and build on the strength of our undergraduate program to begin to lead into graduate education in construction management again, working toward the working professional. We also have an undergraduate degree in software engineering which is building on strengths in several departments in the college to reach out to the new development of the information professional that is coming. And the rabbit out of the hat... We have a degree that we will be coming to you with trying to convince you and General Administration – a doctorate of technology systems. Not a Ph.D., it’s called an M.D. for technology – a high focused, high level degree. There are none – to speak of -- in this country, it is a degree that’s bringing strength in Europe and especially in England and Australia because it meets a need. It’s the higher level working professional who has to work with very large amounts and breathe of technology. It’s not about the research discovery but that innovation piece. How do I get technology to move through large complex problems?

Those are the things we are pursuing and trying to accomplish in this College. We are rolling the dice on a few things, we are sticking our necks out on a few others but we are building on a solid base of our undergraduate programs and not neglecting that and trying to grow and make in stronger as we go forward. We can only start from where we are. This College did not exist two and one/half years ago so we are off to the races and trying really hard to get there and your support, as always, is welcome. I would be glad to answer any questions but any of you that can break free, at around 3:00 or so I will give you a walking tour of the building. I do have to be available at 3:30 for our recognition ceremony at 4:00 and I’ll be taking Mark Tipton with me to speak to us today. However, if you would like to, I’d be glad to give you a quick walking tour. If there are any questions, I’d be glad to answer them.

Hearing no questions, Mr. Showfety thanked Dean Rogers and stated that if anyone had missed the tour when Erskine Bowles visited our campus,
I think you will find this particularly meaningful and I appreciate the invitation. Thank you for the energy and direction. You’re offering this school a great example of being able to gain employment after your college career and trying to find a real need for our stud nests. We appreciate that very much. Thank you.

Mr. Showfety asked Mr. Hill for a motion regarding the minutes.

APPROVAL OF MINUTES

It was moved by Mr. Hill and seconded by Mr. Tipton that the minutes of the September 30, 2005 full meeting of the Board of Trustees be approved as submitted. Mr. Tipton asked for verification and correction on page 11 of the amount of $6 million to be changed to $60 million, regarding the cardiovascular center. Mr. Butler seconded the correction and the motion passed with the amended notation with no negative votes.

Mr. Showfety asked for the committee reports and explained this is where he wants to expedite the meeting process. He noted we were now in the 12th hour of meetings since the process was started on Thursday and there may be a lack of focus. He asked – from this point forward – that there be no duplication of presentation of materials and estimated that would have saved 2 ½ hours at today’s meeting. He reminded the Board that 5 ½ hours was spent yesterday arriving at the point where the meeting began today. He continues to look for efficiencies in this process and said this was the part of the Board meeting that is the actual formal part and asked for the Executive and Audit Committee Report.
COMMITTEE REPORTS and RECOMMENDATIONS

EXECUTIVE and AUDIT COMMITTEE REPORT

Mr. Kelly moved approval of the amendment to the charter of the ECU Board of Visitors as described in the Board materials. (Amendment is duplicated below)

Emeritus(a) Status of Former Chairs

Since its inception in 1994, four persons have served as chair of the ECU Board of Visitors – Janice Faulkner, Kelly King, Bob Greczyn, and Joel Butler. These four people served as members of the ECU Board of Visitors in addition to providing leadership through the development and enhancement of the body.

The request is to designate each former chair of the ECU Board of Visitors as an emeritus(a) member of the ECU Board of Visitors. In this capacity, the honorary member serves as an ex-officio member of the Board with all the rights and privileges of an ex-officio member.

The charter of the ECU Board of Visitors will require an amendment that must be approved by the ECU Board of Trustees. The proposed amendment is as follows:

4) Upon the conclusion of a term of service on the ECU Board of Visitors, any member who has served in the capacity of Chair will be designated as an emeritus(a) member. Members Emeritus(a) will serve in an ex-officio capacity of the ECU Board of Visitors in perpetuity. In the event the person is appointed to a subsequent term by regular appointment, emeritus(a) status will be held in abeyance pending conclusion of the regular term. This action will increase the total membership of the ECU Board of Visitors in accordance with the number of members holding emeritus(a) status.

Passed unanimously by members present at BOV meeting of October 7, 2005.

Mrs. Ward seconded the motion and it was approved by a voice vote.

Mr. Kelly moved approval of the change to the Board of Trustees Bylaws to combine the University Advancement Committee and the Naming Committee as it appears in the Board’s materials. (Amendment is duplicated below.)
Advancement and Naming Committee: The Chancellor shall consult with the Advancement and Naming Committee on policies related to advancement activities including but not limited to fund raising, relationships with the University's tax except affiliates, and alumni affairs. The Committee shall make recommendations to the full Board regarding these policies. The Chancellor may also seek the advice of the Committee relating to issues involving advancement. The Committee also shall advise the Chancellor and the full Board in confidence with respect to proposal to name or change the name of university facilities or activities consistent with the procedures and guidelines established in the Board of Trustees Policy on Naming University Facilities and Activities.

Mr. Bodenhamer seconded the motion and it was approved unanimously.

Mr. Kelly moved approval of the resolution supporting the widening of Highway 43 as the resolution appears in the Board materials. (Resolution is below.)

NORTH CAROLINA:
PITT COUNTY:

RESOLUTION IN SUPPORT OF WIDENING HIGHWAY 43 TO FOUR LANES FROM PALADIN DRIVE TO 264 BYPASS

Whereas, the Board of Trustees of East Carolina University supports the continued development of critical corridors that promote commerce between towns and cities in eastern North Carolina; and

Whereas, the growth of the Brody School of Medicine at East Carolina University and Pitt County Memorial Hospital will increase traffic flow on Highway 43; and

Whereas, we support improved access to East Carolina University for the many students and adult learners that attend for day and evening classes; and

Whereas, reconstructing Highway 43 would provide an appropriate gateway to downtown Greenville and tie into the redevelopment planned for West Greenville;

Now, Therefore, Be It Resolved that the Board of Trustees of East Carolina University hereby supports widening Highway 43 to four lanes from Paladin Drive to the 264 Bypass.

ADOPTED this the 16th day of December, 2005
Mr. Showfety seconded the motion and it was approved by a voice vote with no negative votes.

Mr. Kelly then moved that the Board of Trustees approve the Policy for Employees Exempt from the Personnel Act as presented in the Board materials. (See Attachment B)

Mr. Showfety seconded the motion and it was approved unanimously.

Items approved by the full Board since the last meeting are listed below:

--Request for Employment Contract Terms for Billy Godwin,
--Request for Approval of Separation Agreement for Randy Mazey, and
--Approval of Meeting Dates for 2006.

Chairman Showfety called on Mr. Brody for action items from his committee.

ACADEMIC AFFAIRS and STUDENT LIFE COMMITTEE REPORT

Committee Chair Brody moved that the candidates for degrees, as approved by the Faculty Senate, be authorized for conferral on Saturday, December 17, 2005 at the annual Fall commencement.

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

Chairman Showfety asked Committee Chair Ward for any action items from her committee. There were none.

FINANCE and FACILITIES COMMITTEE REPORT

Mr. Showfety asked Committee Chair Kelly for any action items. Mr. Kelly responded that there were six and moved approval of the 2006-2007 campus based tuition increases in the amounts and for the purposes outlined in the Board materials. (See appropriate section of Attachment C)

Mr. Bodenhamer seconded the motion and it passed with a voice vote.

Mr. Kelly moved that the Board approve the 2006-2007 proposed student fee increases in the amounts and for the purposes outlined in the Board materials. (See appropriate section of Attachment C)

Mr. Butler seconded the motion and it passed with a voice vote.

Mr. Kelly moved approval of the 2006-2007 housing suite style dorm and dining services rates as outlined in the Board materials. (See appropriate section of Attachment C)

Mr. Butler seconded the motion and it passed with a voice vote.

Mr. Kelly moved that the Board approve the new Mendenhall Student Center/Leodonia Wright Cultural Center debt service fee as outlined in the Board materials. (See appropriate section of Attachment C)

Mr. Bodenhamer seconded the motion and it passed with a voice vote.

Mr. Kelly moved that ECU purchase the 4% public benefit allowance for the 581 acres of underdeveloped portion of the former Voice of America site C
under federal surplus property rules through the US Department of
Education for the amount of $59,751.

   Mr. Tipton seconded the motion and it passed with a voice vote.

   Mr. Kelly moved that the Board approve the elevations of the North
Recreational Fields restrooms facility.

   Mr. Bodenhamer seconded the motion and it passed with a voice vote.

HEALTH SCIENCES COMMITTEE REPORT

   Committee Chair Hill reported that there were no action items.

RESEARCH, ECONOMIC DEVELOPMENT and COMMUNITY ENGAGEMENT REPORT

   Committee Vice Chair Bodenhamer reported no action items from this
Committee on behalf of Committee Chair Greczyn.

ADVANCEMENT & NAMING COMMITTEE REPORT

   Chairman Showfety asked Committee Chair Bodenhamer for any action
items from his Committee. There were none.

OLD BUSINESS

   Mr. John Durham stated the lawsuit with Medical Mutual had been
settled and documentation of the settlement was available if anyone would
like a copy. (See Attachment D)

NEW BUSINESS

   Chairman Showfety continued the use of “New Business” as an open
forum for each of the Trustees to offer any comments and asked Cole Jones to
go first.
Mr. Jones reminded everyone that no one was perfect and said he liked the openness and honesty of those he works with and hoped the Board could continue to act proactively. There are many difficult situations to be dealt with and this atmosphere helps produce positive results. Mr. Jones remarked he was proud to serve on a Board with these traits and asked for a round of applause for the Trustees. He concluded his remarks by wishing everyone a Happy Holiday, eat lots of good food and come back ready to work.

Mr. Tipton said it had been an enjoyable meeting, Merry Christmas and Happy Holidays.

Mr. Brody and Mr. Bodenhamer wished everyone Happy Holidays.

Mrs. Ward wished everyone a Merry Christmas.

Mr. Kelly said his committees had a very productive last quarter and thanked everyone for their participation and said he and Wilo wished everyone Happy Holidays also.

Mr. Hill reiterated how enthusiastic he was about the dental school and said this university has great potential and means so much to eastern North Carolina, to better the lives of people in eastern North Carolina. This dental school is truly one of the things that can actually better their lives.

Mr. Redwine hoped Santa Claus would be good to everyone.

Mr. Butler wished everyone a Merry Christmas and Happy Holidays and expressed thanks to the school and Mr. Showfety for his gifts. He remarked that these would probably be his only gifts and wished everyone a safe holiday.
Mr. Lucas wished everyone Merry Christmas and Happy Holidays.

Mr. Austin also wished everyone a Merry Christmas and Happy Holidays. He said he thought this had been a very productive meeting and gave congratulations to the Chairman and to each of the committees for their effort.

Chairman Showfety said indeed, there had been a lot of work done over the last two days which was the culmination of months of energy and effort. He expressed that there was a sense of momentum building at our university and continued to say each day that he wished it was his first day on the Board because in the last year/year and a half/almost two years it was a great time for progress to begin again at our university and a great time to be a Pirate!

Chairman Showfety called for a motion on any items considered in Closed Session.

Mr. Kelly moved that the Board approve permanent tenure for Larry Dennis, Department of Physician Assistant Studies.

Mr. Hill seconded the motion and it passed with a voice vote.

Chairman Showfety said the Chancellor would have the last word.

Chancellor Ballard remarked Merry Christmas.

Hearing no further business, Chairman Showfety announced that the next full meeting of the Board would be on Friday, February 24, 2006.

The meeting was adjourned at 2:37 p.m.
Minutes of the Committee meetings are on file in the Office of the Assistant Secretary to the Board of Trustees and shall be retained for the term of this administration.
FINAL PROPOSAL

POLICY FOR EMPLOYEES
EXEMPT FROM THE STATE PERSONNEL ACT

EAST CAROLINA UNIVERSITY

I. Scope and Applicability of Employment Covered by These Policies

A. Scope of Category

Employment positions within East Carolina University that are covered by these policies (hereinafter "covered positions") are those positions that are not subject to most provisions of the State Personnel Act (General Statutes Chapter 126). This policy is adopted by the East Carolina University (hereinafter referred to as “ECU”) Board of Trustees pursuant to policies entitled “Senior Academic and Administrative Officers” (300.1.1) and “Employees Exempt from the State Personnel Act” (300.2.1) adopted by the University of North Carolina (hereafter referred to as “UNC”) Board of Governors. If there is any discrepancy between provisions of this policy and UNC policies as originally adopted or periodically revised, UNC policies supersede this policy.

1. The following positions are covered by this policy, except as otherwise stated herein:

   a. Senior Academic and Administrative Officers (as defined in Section I.B. and governed by Section III of the UNC policy 300.1.1, “Senior Academic and Administrative Officers”) in the following positions: associate and assistant vice chancellors; associate and assistant deans; and other administrative positions within the University that have been approved by the Board of Governors as Senior Academic and Administrative Officers.

   b. Positions within the “instructional and research staff” category under G.S. 126-5 and subject to UNC Policy 300.2.1, “Employees Exempt from the State Personnel Act.” that have been designated and approved by either the UNC Office of the President or East Carolina University.

2. The following positions are otherwise categorized and are not covered by this policy:

   a. All faculty positions which are subject to the ECU Faculty Manual
   b. Positions within Senior Academic and Administrative Officers (as defined in Section I.A. of the UNC 300.1.1, “Senior Academic and Administrative Officers”) category of employment subject to G.S. 116-11(4), G.S. 116-11(5), or G.S. 116-14
   c. Positions within the "physicians or dentists" category under N.C.G.S. §126-5 with faculty appointments
   d. University students who are employed incident to their status as students, as in graduate teaching assistantships or work-study positions.
B. Applicability of Policies

Except as otherwise stated, these policies apply to all permanent covered positions.

C. Administration

The Chancellor shall be responsible for the implementation of these policies and may delegate his or her authority to other identified officers of East Carolina University as he or she deems appropriate.

II. Appointments to Covered Positions

A. Every appointment to a covered position within East Carolina University shall be made by the Chancellor or the Chancellor’s designee, by means of a letter of appointment that fulfills the requirements of this section.

B. Letters of appointment

Every letter of appointment to a covered position shall include the following:

1. The title of the position;

2. The initial salary;

3. Provision for periodic review of compensation\(^1\); 

4. Provisions consistent with Sections II.C. and II.D.2., below, if contingencies based on availability of funding are applicable;

5. The annual leave entitlement of the employee;

6. a. Senior Academic and Administrative Officers. Notice that the employment conferred is "employment at will" and subject to continuation or discontinuation at the discretion of the Chancellor;

   b. Instructional or Research Positions. Notice that the employment conferred is either for a stated definite term or “employment at will” subject to continuation or discontinuation at the discretion of the Chancellor;

7. Notice that the employment is subject to these policies, as originally adopted and as they may be periodically revised;

8. A copy of this policy shall be attached to all letters of appointment.

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\(^1\) Subject to any compensation policies adopted by the Board of Governors or the Board of Trustees.
9. The anti-fraudulent statement as adopted by the UNC Board of Governors and as stated in the UNC Policy Manual under policy 300.2.3[R], “Regulations Governing Fraudulent Job Applications”;

10. The Criminal Background Disclosure statement; a copy of the Criminal Background Check Authorization shall be attached to the letter of appointment and

11. Senior Academic and Administrative Officer (as defined in Section I.B. and governed by Section III of the UNC policy 300.1.1, “Senior Academic and Administrative Officers”) appointees only: notice that employment is subject to “East Carolina University Policy on Administrative Separation and/or Retreat to a Faculty Position”; a copy of this policy shall be attached to the letter of appointment.

C. Source of Funding

When a covered position is funded in whole or substantial part from sources other than continuing state budget funds or permanent trust accounts, the letter of appointment shall state that continuation of the employee's service in that position is contingent upon the continuing availability of funds from such other sources to support that position, shall specify the source of such funds, and shall state that the effect of such contingency may apply without the additional notice otherwise required by Sections IV.A, IV.B, and IV.C; provided, that the affected employee shall be informed at the earliest possible practicable date of the occurrence of such a funding contingency.

D. Multiple Appointment Relationships

1. When an employee is to serve simultaneously in both a covered position and a position of University employment not covered by this policy, with the result that two different prescriptions may appear to obtain with respect to a particular condition of employment or a right or responsibility of the employee, one position shall be designated in writing as the base position to determine the conditions of employment and the rights and responsibilities of the employee. If appointment to a covered position occurs subsequent to an appointment to a position not covered by this policy, the letter of appointment to the covered position shall embody the required designation of base employment; conversely, if appointment to a covered position precedes appointment to the other category of University employment, the letter of appointment or contract establishing the second employment shall embody the required designation of base employment. In either case, the designation of base employment shall specifically describe the different rights, duties, and compensation for each position and the relationship, if any, between the two positions.

2. Any funding contingency of the type referred to in Section II.C shall be set forth separately for the covered position and for the other position, since the operation of any such contingencies may be independent.

3. When an appointment to a covered position also includes a faculty appointment that is intended to be nominal or honorary, or to create a faculty affiliation not entailing significant duties or compensation, the term "adjunct", or similar nomenclature, shall
be used to identify the faculty appointment. Such nominal or honorary (courtesy) faculty appointments do not confer any right or privileges for promotion and/or tenure.

III. Evaluation of Performance

Any employee in a position covered by these regulations shall receive an annual written review using an evaluation instrument approved by the appropriate vice chancellor, athletics director or equivalent officer. The written evaluation will be discussed with the employee before being placed in the personnel file. The employee should sign the evaluation instrument to indicate that the evaluation has been provided and discussed. An employee’s signature does not imply agreement with the evaluation.

IV. Discontinuations of Employment in Covered Positions

A. Discontinuation of appointment, with notice or severance pay

Employment within a covered position that is established by the letter of appointment to be an employment at will is subject to discontinuation at any time at the discretion of the Chancellor or the Chancellor’s designee; provided, that such a discontinuation (as distinguished from discharge for cause, Section IV.D) shall be subject to advance timely notice of discontinuation or the payment of severance pay, in calendar days, as follows:

1. During the first year of service, not less than 30 days prior to discontinuation of employment or the payment of severance pay for 30 days;

2. During the second and third years of service, not less than 60 days notice prior to discontinuation of employment or the payment of severance pay for 60 days; and

3. During the fourth and all subsequent years of continuous service, not less than 90 days notice prior to discontinuation of employment or the payment of severance pay for 90 days.

The Chancellor may provide the employee with a combination of notice and severance pay that totals the required number of days. The determination of whether the employee shall receive notice of discontinuation of the appointment or severance pay or a combination of the two, shall be in the sole discretion of the Chancellor.

B. Termination of employment due to financial exigency, program curtailment, or program elimination

Employment within a covered position that is established by the letter of appointment to be for a stated definite term may be terminated prior to expiration of the stated term because of:

1. Demonstrable, bona fide, institutional financial exigency; or

2. Major curtailment or elimination of program.
"Financial exigency" is defined to mean a significant decline in financial resources of the University that compels a reduction in the University’s budget. The determination of whether a condition of financial exigency exists or whether there will be a major curtailment or an elimination of a program shall be made by the Chancellor, with advance notice to and approval by the President and the Board of Governors. If the financial exigency or curtailment or elimination of a program is such that the contractual obligation to an employee within a covered position cannot be met, the employment of the individual may be terminated, subject to the following notice requirements in calendar days:

a. During the first year of service, not less than 30 calendar days notice prior to termination;

b. During the second and third years of employment, not less than 60 calendar days notice prior to termination; or

c. During the fourth and all subsequent years of service, not less than 90 calendar days notice prior to termination.

C. Discharge for Cause

Any employee occupying a covered position may be discharged for stated cause. Discharge for cause is to be distinguished from discontinuation with notice (Section IV.A), automatic expiration of term (Section IV.B), and termination (Section IV.C). Stated causes for discharge shall include, but not necessarily be limited to, incompetence, unsatisfactory performance, neglect of duty, or misconduct that interferes with the capacity of the employee to perform effectively the requirements of his or her employment. Discharge for cause is to be preceded by written notice of intent to discharge and is subject to invocation by the affected employee of the grievance procedures of Section V of this policy. When an employee occupying a covered position has been notified of the intention to discharge him or her for cause, the Chancellor may suspend the employment at any time and continue the suspension until a final University decision concerning discharge has been reached by the procedures prescribed below; such suspension during this time period shall be with full pay. For employees subject to UNC Policy 300.2.1, the power to suspend shall be invoked only in exceptional circumstances. If the final University decision is to discharge the employee, then the employee may be discharged without further pay without regard as to whether or not there is an appeal to the Board of Governors in accordance with Section 609 C of The Code of the University of North Carolina [hereafter referred to as “The Code”].

D. Expiration of Term Appointment

1. Senior Academic and Administrative Officers. Employment within an SAAO position covered by this policy that is established by the letter of appointment dated prior to December 1, 2004, to be for a stated definite term expires automatically at the conclusion of the stated term; however such an appointment may be renewed at the option of the employer on an employment at will basis, by a new letter of appointment satisfying the requirements of Section II., above.
2. Instructional and Research Staff. Employment within a covered position that is established by the letter of appointment to be for a stated definite term expires automatically at the conclusion of the stated term; such an appointment may be renewed at the option of the employer, by a new letter of appointment satisfying the requirements of Section II., above.

If the employer intends not to renew the employment, the following pertains:

a. To an employee with a term of one year or less, no notice of intent not to renew shall be required;

b. To an employee with a term of more than one year but less than four years, notice of intent not to renew shall be transmitted in writing at least 60 calendar days prior to the expiration date of the term; or

c. To an employee with a term of four years or more, notice of intent not to renew shall be transmitted in writing at least 90 days prior to the expiration date of the term.

Failure to provide written notice as required in subsections b. and c. shall result in the automatic extension of employment for a period, respectively, of either 60 days or 90 calendar days, beyond the scheduled expiration date of the term.

V. Review of Employment Decisions and Grievances

Grievances for employees in covered positions shall be conducted in accordance with the ECU Grievance Procedures for EPA Non-faculty Employees. Decisions reached pursuant to such grievance procedures concerning the discontinuation of employment may be appealed to the Board of Governors in accordance with the provisions of Section 609 C of The Code.

VI. Equal Employment Opportunity

It is the policy and intention of East Carolina University that there be equal employment opportunity and freedom from unlawful discrimination in all employment within East Carolina University. There shall be no discrimination in covered positions on the basis of race, color, national origin, gender, religion, disability, age, honorable service in the armed forces of the United States, or sexual orientation. Employment in covered positions shall be conducted in accordance with all provisions of state or federal law or regulations prohibiting any such discrimination, and in accordance with applicable affirmative action plans.

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2 Bona fide occupational qualifications or other exceptions to those general prohibitions, specifically provided by state or federal law, may be applied to covered positions.

3 See the UNC Policy on Discriminatory Conduct for the complete equal opportunity statement.
VII. Political Activity

Employment in covered positions shall not be adversely affected by the exercise of rights guaranteed by the First Amendment to the United States Constitution or by Article I of the North Carolina Constitution; provided, that employees in covered positions shall be subject to any limitations on political activity established by Article 5 of G.S. Chapter 126. The Board of Governors' policy, "Political Activities of University Employees," as adopted on January 16, 1976, and as may be revised from time to time, shall apply to covered positions.

VIII. Holiday and Leave Entitlement

A. Holidays

Employees in positions covered by these regulations shall be subject to the same State-prescribed holidays given ECU employees subject to the State Personnel Act.

B. Annual Leave

1. Basic Leave Policy

The amount of annual leave to which a permanent full-time employee (1.00 FTE) in a position covered by these regulations shall be entitled to accrue is 24 workdays per year. Annual leave is accrued at a monthly rate and is adjusted proportionately for permanent part-time employees who work halftime or more (.50 - .99 FTE). The monthly earnings amount is equal to one-twelfth of the annual rate for each month the employee works or is on approved leave with pay. Monthly leave is earned when an employee works or is on approved leave with pay at least half the working days of a month. The scheduling of an employee’s annual leave shall be subject to the approval of the employee’s supervisor. With respect to an incumbent employee who is earning more than 24 days per year as of the date this policy becomes effective, such employee shall be entitled to continue to earn leave at their current rate.

The maximum number of unused days of annual leave that may be accrued and carried forward from one year to the next shall be 30 workdays. Annual leave in excess of 30 days will be automatically converted to sick leave at the end of the calendar year.

2. Transfer of Accrued Annual Leave

Upon discontinuation of employment from the employing institution, the employee may either elect a payout of accrued annual leave [see subsection 4., below] or

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4 Effective July 1, 2001.
5 "Year" is defined as a calendar year (January 1-December 31).
6 In the case of an employee who has been denied from using annual leave by his or her supervisor (due to scheduling conflicts or other job-related reasons) and, as a result, the employee has over 30 days of leave accrued, the HR Director of Employee Relations, in consultation with the employee and supervisor, shall decide whether to 1) allow the employee to carry forward any such days, 2) allow the days to convert to sick leave (if allowable under employee’s retirement program), or 3) pay out the employee for all or a portion of the unused leave.
transfer the remaining balance of any unused annual leave to another State or local governmental agency, subject to the receiving agency’s approval.

Upon appointment to ECU, an employee may request to transfer the remaining balance of any unused annual leave, subject to a maximum of 30 days, from another UNC constituent institution or State or local governmental agency. The approval of the request to transfer leave is subject to the employing department's acceptance of the fiscal responsibility.

3. Advancement of Annual Leave

Subject to the approval by the employee’s supervisor, an employee may be advanced the amount of leave that can be accrued during the remainder of the calendar year. If an employee separates from the University and has taken more annual leave than has been accrued, the University will determine the amount of leave that the employee must repay to the University and make deductions from the employee’s final salary check accordingly.

4. Payout of Accrued Annual Leave

An employee in a covered position who has accrued unused annual leave upon discontinuation of employment from the University and who either does not elect or is not eligible to transfer such accrued leave to another State or local governmental agency, shall be paid for such unused annual leave. The amount paid to an employee who has been employed an aggregate of 24 months or less by one or more State or local governmental agencies is equal to one day for each month worked less the number of days of annual leave taken during the employment period. An employee who has been employed for more than 24 months shall be paid subject to a maximum of 30 such days. EPA employees who change employment status to a non-leave earning position not covered by this policy shall receive a payout of accrued annual leave.

C. Sick Leave, Family and Medical Leave, Family Illness Leave Act, Civil Leave, Military Leave, Community Service Leave, and Special Annual Leave Bonus

Employees in positions covered by these regulations shall be subject to the same policies concerning sick leave, family and medical leave, family illness leave, civil leave, military leave, community service leave, and special annual bonus leave as may be prescribed for employees subject to the State Personnel Act. With respect to sick leave, subject to approval by the employee’s supervisor, an employee may be advanced the amount of sick leave that can be accrued during the remainder of the calendar year.

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7 When such an employee with accrued annual leave is separating from the University, he or she may be required to use all or some portion of his or her accrued leave rather than receive a full leave payout at the discretion of his or her supervisor.
D. Leave of absence without pay

Employees in covered positions may request leave of absence, without pay, subject to approval of such leave by the Chancellor or his or her designee.

E. Educational entitlement

Employees in positions covered by these regulations may be offered the same educational entitlements as may be prescribed for employees subject to the State Personnel Act, including tuition waivers and the Academic Assistance Program.

F. Voluntary Shared Leave

Permanent employees with appointments of three-quarter (.75 FTE) or more shall be subject to the same provisions concerning shared leave as are applicable to employees subject to the State Personnel Act with the exception that the donation and acceptance of such leave shall be computed on the basis of days rather than hours.

IX. Statutory and Other Rules of Employment

A. Privacy of personnel records

Employees in covered positions enjoy the protections of and are subject to the provisions of Article 7 of G.S. § 126, entitled "The Privacy of State Employee Personnel Records."

B. Employment preference for veterans

Employees in covered positions enjoy the protections of and are subject to the provisions of G.S. § 128-15, which provide for preference in employment for veterans of United States military service and their spouses and widows or widowers.

C. Employment of related persons

Employees in covered positions are subject to the UNC policy concerning employment of related persons, Policy § 300.4.2 as it may be revised from time to time.

D. Retirement

Employees in covered positions may retire in accordance with the provisions of Chapter 135 of the North Carolina General Statutes ("Retirement System of Teachers and State Employees").

X. Effective Date

These policies will be become effective upon approval by the Chancellor and the ECU Board of Trustees. The policies may be revised from time to time, with subsequent changes to selected portions of the policies effective on the dates indicated herein.
PREAMBLE

East Carolina University is committed to fair and equitable treatment for all employees. Within this context of equity and fair treatment, the University administration is charged by law with the responsibility of managing and directing its human resources, including determining workforce size, recruitment, training, work assignments, hours of employment, promotion, demotion, transfer, or dismissal, all according to State and University policies.

Where there are concerns or problems related to employment, employees, their co-workers and their supervisors are strongly encouraged to find informal means of resolving them. Employees are strongly encouraged to talk over any workplace concerns, problems, or grievances with supervisors. All reasonable efforts should be made to solve work-related problems at the lowest level of authority as is possible.

ECU is in the process of developing a program that provides for mediation and other means of alternate dispute resolution to assist employees with the resolution of interpersonal disputes. The program will provide consensual resolution alternatives as an addition to the other complaint or grievance procedures available through the University. Once the program is fully implemented, it is expected that ECU employees will utilize this service prior to pursuing a formal grievance. In the event that an informal resolution cannot be reached, the employee may pursue a formal grievance in accordance with university policies and procedures dealing with specific employee complaints (such as racial or sexual harassment) and in accordance with sections II –III below.

I. General Considerations:

A. The University has established this Grievance Process and Procedures for those grievable actions stated in II.C. below that are unresolved through discussions and/or other informal means.

B. Employees have the right to use these grievance procedures free from threats or acts of retaliation, interference, coercion, restraint, discrimination, or reprisal. Employees may not be retaliated against for participating in a grievance as an employee, a witness, an employee assistant, or as a Grievance Committee member.

C. At any point during a grievance, an employee may have assistance with his/her grievance as outlined in Section III.A.3 and Section III.B.6, respectively of this document.

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¹ For purposes of this process, “Employees Exempt from the State Personnel Act” includes Senior Academic and Administrative Officers as defined in Section I.B and governed by Section III of the UNC policy 300.1.1, and employees designated within the non-teaching EPA Instructional or Research category under G.S. 126-5, and as defined in UNC Policy 300.2.1.
II. The EPA Non-Faculty Grievance Committee

A. Composition of the Committee

The Chancellor\(^2\) shall appoint five (5) regular committee members and three (3) alternate members representing EPA non-faculty employees from within each of the divisions of the university. Initial regular appointments to the committee shall be made as follows: one member shall be appointed to a one-year term; two members shall be appointed to two-year terms; and two members shall be appointed to three-year terms. Subsequently, regular members of the committee will be appointed to three-year terms in order to maintain continuity on the committee.

All regular and alternate members of the committee must be subject to the ECU Employment Policy for EPA Non-Faculty Employees Exempt from the State Personnel Act (hereinafter referred to as "Policy"). No division shall have more than one representative on the committee at a given time.

The initial five regular members of the committee will be appointed from among the following current divisions: Academic Affairs; Administration and Finance; Advancement; Athletics; Chancellor’s Division; Health Sciences; Research and Graduate Studies; and Student Life. In addition to the five regular members of the committee, three (3) alternates will be appointed to fill the unexpired terms of regular members or to serve in the event that a regular member is not available to serve or must recuse himself/herself because of a conflict of interest or if the employee is a member of the committee member's department.

Alternates will initially be appointed to represent the remaining divisions not represented by the five regular appointees. Initial alternate member appointments to the committee shall be made as follows: one alternate will be appointed to a one-year term; one alternate will be appointed to a two-year term; and one alternate will be appointed to a three-year term.

Upon expiration of a regular member’s term, a new member of the committee will be appointed from among the three alternates and a new alternate will be appointed to represent the division where the regular member's term has expired. This process will be continued in like manner as regular members’ terms expire.

The committee’s membership year is July 1 through June 30. New appointees assume membership on July 1 and expiring terms end on June 30 of each year.

A committee member may not participate in the review of an appeal he or she brings on his or her own behalf or in any case in which he or she has been involved.

\(^2\) The Chancellor may designate an individual to fulfill this responsibility if he or she chooses to delegate this assignment.
B. Appointments to the Committee

For initial appointments, and subsequently on an annual basis in May, the Chancellor shall send a memorandum to the heads of the divisions noted above requesting nominees to fill vacancies which occur when a regular or alternate member’s term on the committee expires. The Chancellor sends a letter of appointment to the selected individuals to fill the expired terms of regular and alternate members. Members are eligible to serve more than one term; however, appointees may not serve more than two consecutive three-year terms. A member may be reappointed by the Chancellor after waiting at least three-years from the expiration of his or her second consecutive three-year term.

When a vacancy occurs during a regular or alternate member's term due to inability to continue through the remainder of the unexpired term, the Chancellor will solicit a nomination from the head of the division represented by that regular or alternate member. The Chancellor will send a letter of appointment to the individual(s) selected to fill the unexpired term of the regular or alternate member(s).

The chair of the committee will be elected annually in July from among the regular members. The committee will also elect a vice chair, who will preside in the event that the chair is unable to fulfill the requirements of this position.

C. Roles and Responsibilities of the Committee

The Committee hears grievances brought by EPA Non-Faculty employees covered by the Policy. Committee members are conscious of their responsibility to each EPA Non-Faculty employee, and have pledged themselves to consider every grievance submitted to them with fairness and impartiality.

The Committee has jurisdiction to hear grievances concerning discharge for cause or other disciplinary action, or of grievances concerning the interpretation and application of any provision of the Policy; provided, however, that grievances concerning discontinuations or terminations of employment with notice, pursuant to Sections IV(A)-(B), and (D) of the Policy, may only be brought upon allegations of violations of the applicable notice requirements or violations of any provision of Section VI (Discrimination Prohibited) or Section VII (Political Activity) of the Policy.

III. EPA Non-Faculty Grievance Procedures

A. Grievances concerning discontinuation of employment with notice pursuant to Section IV(A) of the Policy or non-reappointment pursuant to Section IV(B) of the Policy or allegation of violation of Section VI or VII of the Policy.

1) Written Statement of Grievance Required. A formal grievance may be filed only after the employee has attempted to resolve the grievance with his or her Department Chair, Dean, or Administrative Official most directly empowered to make adjustments or an appropriate official as identified in applicable University policy. If the employee then wishes to file a formal grievance, a written grievance statement
(hereinafter Statement) must be filed with the chair of the Grievance Committee. The Statement must include the following:

a. The specific nature of the grievance;
b. The identity of all parties against whom the grievance is filed;
c. The resolution being sought;
d. The identity of the employee assistant, if any, and whether or not the employee assistant is an attorney. "Attorney" is defined as anyone with a Juris Doctorate, or other recognized law degree, regardless of whether or not that person is licensed to practice law in the State of North Carolina and/or whether or not that person is "representing" the employee; and
e. The specific steps that have been undertaken to try and resolve the grievance prior to filing a formal Statement of Grievance.

Absent exceptional circumstances, the signed, written Statement shall be submitted within twenty (20) working days of the decision cited in the grievance or within twenty (20) working days from the last attempt at informal resolution to the grievance cited in the Statement. The deadline for submitting the Statement may be extended only if, in the judgment of the committee chair, there are significant extenuating circumstances. The act of filing a grievance does not extend employment.

2) Convening the Grievance Committee. Upon receipt of the Statement, but no later than ten (10) working days after receipt of the Statement, the Chair shall convene the committee for its initial meeting. At this meeting the Chair shall provide the members of the committee with an orientation covering the role and responsibilities of the committee and a review of the grievance process. After the orientation, the Chair shall review the grievance Statement and the Committee shall determine whether the matter as stated falls within the jurisdiction of the Committee or if the grievance should be dismissed if the grievance as stated is not a grievable issue or falls outside the purview of the Committee. Relevant considerations include, but are not limited to, the employment status of the employee, the subject matter of the grievance and the timeliness of the grievance.

If the matter is not properly grievable, the committee may:

a. Allow the employee to amend the grievance statement in writing within five (5) working days of the committee meeting; or
b. Dismiss the grievance in writing for failure to state a grievance that was properly grievable.

If the matter is properly grievable, the chair shall, within ten (10) working days, forward a copy of the grievance Statement to the person(s) against whom the grievance is filed (the respondent(s)), together with notice that a written response to the grievance must be provided to the chair and the employee within ten (10) working days. A copy of the Grievance Statement must also be submitted to the University Attorney and the appropriate vice chancellor.

3) Attorneys and Employee Assistants. Although active participation by legal counsel during the grievance hearing is not allowed, the employee is entitled to have one third-
party assistant of the employee’s choice present. A third-party assistant may be an attorney; however, the attorney, like other assistants, may not participate in the hearing process. A third-party assistant is someone who accompanies the employee to meetings and/or assists the employee in preparing for meetings, etc.

The Office of the University Attorney may provide an attorney to advise and act as an assistant for respondent(s) if the employee has an assistant who is an attorney. Any attorney from the Office of the University Attorney who advises a party on the merits of the grievance may not advise the Chancellor or the Board of Trustees on any appeal of that grievance.

The Office of the University Attorney may designate an attorney to provide procedural advice to the committee upon request. Any attorney who assists the committee may not discuss the merits of the case with any party, observer, or other attorney and shall not act as an advocate for or against any party when advising the committee on procedure. This attorney may advise the Chancellor or/and Board of Trustees on any appeal of that grievance.

4) **Grievance Hearings - Timing and Information Exchange.**

   a. Only if the committee chair is aware of significant extenuating circumstances shall the starting date of the hearing be delayed beyond four weeks from the date the respondent(s) submits his/her/their written response. The Chair shall notify the employee and the respondent(s) in writing of the dates and location of the hearings.

   b. The committee Chair may require the parties to exchange witness lists and copies of exhibits the parties wish to introduce at the hearing, and the committee Chair may specify that the exchange occur a certain number of days in advance of the hearing. If a party wishes to introduce documents or witnesses at the hearing that were not included in a pre-hearing exchange, the committee chair shall decide whether there is a good reason for accepting such evidence. Any pre-hearing exchange of proposed exhibits shall be between the parties only, and in no case shall information be provided to the committee prior to the hearing. Exhibits must be numbered sequentially and identified by the party. References to the documents during the hearing should be by exhibit number with page references as applicable.

5) **Guidelines for the Conduct of Grievance Hearings.**

   a. **Notices of Meetings.** The chair of the grievance committee shall send notices of the scheduled meetings to all committee members, the employee and respondent(s) participating in that meeting. The chair must notify all parties of any amendment to the grievance.

   b. **Committee Participation.** Hearings shall be conducted with the chair and all five committee members present. If the membership of the Committee is for any reason inappropriate in a particular case in the judgment of the membership, then a representative of the committee may submit a written recommendation to the Chancellor that changes in membership are necessary to ensure objective and timely review in that case. Upon such request, the Chancellor shall have the discretion to make any changes to the committee, including replacement of the committee chair, that are necessary to have it function effectively. A request to temporarily alter the
membership of the committee and the decision of the Chancellor regarding the disposition of such a request must be in writing and be included in the Official Record.

A committee member may not participate in the review of an appeal he or she brings on his or her behalf or in any case in which he or she has been involved.

c. **Control of Hearings.** The chair shall be the chief decision maker over all stages of the hearings, and over pre-hearing matters. Consistent with the principles of impartiality and equity, the committee chair shall determine, among other things:

i. The order of testimony presentation if it deviates from the standard order described in III.A.5)f., below;

ii. Any additional information or documentation that should be requested;

iii. The order and procedure for questioning the parties and witnesses;

iv. The admissibility of all questions, evidence, and compliance with procedures; and

v. Who may be allowed to attend the hearing. With the exception of persons specifically designated as third-party observers, grievance hearings are not open to the public.

d. **Relevance of Evidence.** The chair of the committee may admit any information determined to be pertinent and the committee shall have access to any available information relevant to the case. The committee chair shall determine whether information or testimony is material and relevant to the issues involved in the grievance and may rule that certain presentations not be considered. All materials submitted to the committee as evidence, including any printed documents, photographs, audio recordings, and video-materials, shall be retained by the committee until its final report is complete, at which time both the evidence and material excluded from evidence shall be incorporated into the Official Record and forwarded to the Chancellor along with the final report. If material is excluded from evidence, the chair shall make a record of the reasons.

e. **Testimony.** Parties shall have the right to testify, to present testimony of witnesses and other evidence, to hear and question witnesses, and to examine all documents and other information considered by the committee. If a witness cannot or will not appear, and the committee chair determines that testimony of the witness should be admitted into evidence, the committee chair shall identify the witness, disclose the statement of the witness and, if possible, provide for questions. So long as it does not substantially delay the hearings process, the committee chair may, at his or her discretion, call a recess so that reasonable time is provided for the examination of all evidence and for the preparation of appropriate responses.

f. **Order of presentation.** In the standard order of presentation, the employee makes an opening statement, and then the respondent(s) makes an opening statement if desired. Next, the employee presents his or her case through the employee’s own testimony, exhibits and witnesses. If the committee decides that the employee’s evidence is insufficient to support a grievable matter justifying remedial action that would shift the burden of presenting evidence to the respondent(s), then the committee shall dismiss the grievance. If the committee decides that the employee’s evidence is
sufficient to state a grievable matter justifying remedial action, then the committee chair will ask the respondent(s) to present evidence through the testimony of parties, exhibits, and witnesses. Additional testimony from the employee and from the respondent(s) then may be permitted by the committee.

If the entire grievance is dismissed following the employee’s case, a report shall be prepared in accordance with this policy and the report and the record of the proceedings forwarded to the Chancellor. If the grievance is dismissed only in part, the final report shall address all allegations, including those dismissed after presentation of the employee’s case.

After all evidence has been presented, the employee may make a closing statement, followed by the respondent(s), and a last statement by the employee. The committee chair should set a time limit for opening and closing statements, and should prohibit the discussion of any new information in closing statements. The order of presentation may be modified at the committee chair’s discretion so long as each party gets an opportunity to testify and ask questions of other parties and witnesses.

g. Questioning of Witnesses. Following each party’s and witness’s testimony, the committee chair should allow questions from the other parties. The committee members may ask questions of the parties and witnesses at any time. The committee chair shall have the prerogative to determine the appropriateness of all questions and the method of questioning. The committee chair should not allow any questioning that is irrelevant, immaterial, unduly repetitious, or abusive.

h. Confidentiality. Members of the grievance committee, parties and witnesses shall maintain strict confidence concerning all aspects of the grievance process. This is generally required by state law as well as university policy. Any breach of confidentiality, which in the judgment of the committee compromises or substantially affects the process, may result in a committee decision to terminate the grievance process. In this event, the committee shall advise the Chancellor as to whether or not another grievance committee should be formed to hear the case. Access to material placed in evidence and to any records of proceedings shall be strictly limited for the duration of the hearings procedure to members of the committee, persons who have a need to know as part of the process (witnesses, observers, etc.) and the parties.

i. Hearings Records. The chair of the committee shall arrange to record through a court reporter, all hearings and maintain such other written records, as he/she considers appropriate. The expense of the court recorder shall be borne by the University. No other recordings of the hearings will be allowed. At any stage prior to submission of the Official Record to the Chancellor, any party to the grievance shall be granted, under supervision of the committee chair, access to the tapes and other committee records. After the Official Record is delivered to the Chancellor, access shall be determined in accordance with state personnel records law. Once the Official Record has been delivered to the Office of the Chancellor, or a grievance is terminated, committee members must destroy extra copies of documents comprising the Official Record. Any other or unique records pertaining to the grievance, including personal notes of committee members, must be retained in accordance with state public records law and sent to the Chancellor's Office as part of the Official Record.
A written transcript of all proceedings shall be kept; upon request, a copy thereof shall be furnished to the employee at the University’s expense.

j. Withdrawal of Grievance. At any time prior to submission of the committee’s final report, the employee shall have the right to withdraw the grievance by submitting a written request to the committee chair. Receipt of this request shall cancel the proceedings, and the Official Record of the hearings shall consist only of the following:

i. Names of committee members and its chair;
ii. Date committee was formed;
iii. Dates of any grievance hearings;
iv. Date of withdrawal;
v. The withdrawal request; and
vi. The grievance Statement.

The committee chair shall promptly transmit the Official Record and all other documents to the Chancellor, who shall in turn discharge the grievance.

k. Amendment of Grievance. Once the grievance hearings begin, the employee shall not have the right to amend the grievance without the unanimous vote of the committee. If any amendment to the grievance is allowed, the committee chair must promptly notify all parties of this action and defer subsequent proceedings until the other parties have had the opportunity to respond to this revision. A respondent shall have at least two (2) weeks to respond to any amended grievance.

l. Prompt Action. The committee shall attempt to complete its task within six (6) weeks after the first hearing, excluding the initial meeting of the committee.


a. Upon the conclusion of the grievance hearing, the grievance committee shall deliberate and decide whether to sustain all or any part of the grievance. The chair of the committee shall be present during the committee’s deliberations and may instruct the committee regarding its jurisdiction and other grievance related matters. The chair may participate in the discussions but may not vote or veto the decision of the committee.

b. The committee’s decision must be based solely on material presented in the grievance. The committee should be careful not to simply substitute its judgment for that of the respondent(s). Rather, the committee should decide if the decision being grieved was reached for improper or unfair reasons (e.g., was it based on irrelevant factors such as age or race or political views, or were personnel procedures violated to the prejudice of the employee). The burden is on the employee to establish by a preponderance of the evidence that the employee has experienced an injury that would entitle the employee to relief and that such injury is remediable.

c. The chair of the grievance committee shall be responsible for ensuring that a written report of the committee’s findings and recommendations is prepared. The report should state a separate finding for each particular issue of the grievance, make findings that resolve the material issues of fact that have been disputed, address any
minority views and provide a recommendation for disposition of the grievance. Prior to finalizing the report, the chair will provide a copy of the report to members of the committee for review, comment, and approval. Any member who does not concur in the report may submit a separate minority report, which shall be appended to the committee’s report.

   d. The chair of the grievance committee shall transmit the committee’s report and the Official Record as follows:

   If the committee’s recommended decision determines that an adjustment in favor of the employee is appropriate, the chair of the committee shall send the report first to the employee and respondent(s). If the recommended adjustment, or a different adjustment satisfactory to the employee, is not made by respondent(s) within twenty (20) working days of receipt of the report, the chair of the grievance committee shall forward the report to the Chancellor, together with the Official Record of the grievance. If a mutually agreed upon adjustment is made within twenty (20) working days of receipt of the report, the chair shall notify the committee, and the Chancellor, that the grievance has been resolved by mutual agreement of the parties and forward the Official Record of the grievance to the Chancellor. The Chancellor shall thereupon officially discharge in writing the grievance.

   If the committee’s recommended decision determines that no adjustment in favor of the employee is appropriate, the chair of the committee shall send the committee’s report, along with the Official Record of the grievance to the Chancellor. A copy of the report shall be sent to the parties.

   The committee may write a separate report to the Chancellor recommending any changes within the university that might prevent similar grievances in the future, or any proposed improvements in the grievance procedure.

7) Response of the Chancellor to the Report of the Committee

   Upon receipt of the committee’s report, the Chancellor may accept or reject any or all findings and recommendations of the grievance committee, may remand the matter to the committee for further consideration of the grievance, or may seek clarifying information from the committee. The Chancellor shall notify the employee of the final decision by registered mail within twenty (20) working days, return receipt requested. Copies of the decision shall be sent to the respondent(s) and members of the grievance committee.

8) Official Record

   a. The Official Record of a grievance hearing shall consist of all correspondence pertaining to the grievance and every item, piece of information, document and exhibit that was either submitted to or given consideration by the committee, along with the court reporter’s transcript of the hearing. All documentation relevant to the committee’s procedural rulings, factual findings, recommendations, and any other aspects of its final report should be included in the Official Record.
b. If the committee decided that certain information offered by a party or witnesses should be excluded from consideration, the decision to exclude should be recorded for the record and the excluded information should be kept as part of the Official Record but segregated from the information that was accepted as evidence.

c. The Official Record should include a table of contents so that every document and record can be easily identified and located. The Official Record should be forwarded to the Chancellor along with the committee’s final report.

9) Appeals from the Decision of the Chancellor.

If the Chancellor concurs in a recommendation of the Committee that is favorable to the employee, his or her decision shall be final. If the Chancellor declines to accept a committee recommendation that is favorable to the employee or concurs in a Committee recommendation that is unfavorable to the employee, the employee may appeal the Chancellor’s decision to the Board of Trustees. The appeal shall be transmitted through the Chancellor and be addressed to the Chair of the Board of Trustees.

Notice of Appeal shall be filed within ten (10) working days after the employee receives the Chancellor’s decision. The appeal to the Board of Trustees shall be decided by the Board of Trustees. However, the Board may delegate the duty of conducting a review to a standing or ad hoc committee of at least three (3) members. The Board of Trustees, or its committee, shall consider the appeal on the record. In all cases, review shall be limited to the question of whether the Chancellor committed clear and material error in reaching his or her decision. The Board of Trustees’ decision shall be made within 60 calendar days after the Chancellor has received the employee’s request for an appeal to the Trustees. The decision shall be final except that the employee may, within ten (10) working days after receiving the Trustees’ decision, file a written Statement for review with the Board of Governors if he or she alleges that one of more specified provisions of The Code of The University of North Carolina have been violated. All such Statements to the Board of Governors shall be transmitted through the President.

B. Grievances Concerning Discharge for Cause

1) The penalties of discharge or suspension may be imposed only in accordance with the procedures set forth in this section. When an employee has been notified of the University’s intention to discharge the employee, the Chancellor may suspend the employee at any time and continue the suspension until a final decision concerning discharge has been reached by the Chancellor. Suspension shall be with full pay.

2) The Executive Officer of the employee’s division (i.e., appropriate Vice Chancellor or Director if there is no appropriate Vice Chancellor) shall send the individual by certified mail, return receipt requested, a written statement of intention to discharge or suspend the individual. The statement shall include notice of the individual’s rights, upon request, to both written specification of the reasons for the intended action and a hearing.

3) If, within five (5) working days after the employee receives the notice of intent to discharge, the employee makes no written request for either a specification of reasons or a hearing, he or she may be discharged without recourse to any University grievance or appellate procedure.
4) If, within five (5) working days after he or she receives notice, the employee makes written request, by certified mail, return receipt requested, for a specification of reasons, the Executive Officer shall supply such specification in writing by certified mail, return receipt requested, within five (5) working days after receiving the request. If the employee makes no written request for a hearing within five (5) working days after he or she receives the specification, the employee may be discharged without recourse to any University appellate procedure. If the employee makes written request for a specification of reasons and if upon receipt of the specification, wishes to appeal the specification of reasons for discharge, then the employee must make a formal request for appeal within five (5) working days from receipt of the specification.

5) If the employee makes a timely written request for a hearing within five (5) working days, a hearing shall be accorded before the Grievance Committee. The hearing shall be on the written specification of reasons for the intended discharge. The hearing committee shall accord the employee ten (10) working days from the time it receives his or her written request for a hearing to prepare for the hearing. The Committee may, upon the employee's written request and for good cause, extend this time by written notice to the employee and to the Chancellor.

If the membership of the Committee is for any reason inappropriate in a particular case in the judgment of the membership, then a representative of the committee may submit a written recommendation to the Chancellor that changes in membership are necessary to ensure objective and timely review in that case. Upon such request, the Chancellor shall have the discretion to make any changes to the committee, including replacement of the committee chair, that are necessary to have it function effectively. A request to temporarily alter the membership of the committee and the decision of the Chancellor regarding the disposition of such a request must be in writing and be included in the Official Record.

A committee member may not participate in the review of an appeal he or she brings on his or her behalf or in any case in which he or she has been involved.

6) The hearing shall be closed to the public. The employee shall have the right to have an employee assistant present during such hearing who may advise the employee, but who may not otherwise participate. The employee may present the testimony of witnesses and other evidence, confront and cross examine adverse witnesses, and examine all documents and other adverse demonstrative evidence. The admissibility of evidence shall be determined by the chair of the hearing committee. A written transcript of all proceedings shall be kept; upon request, a copy thereof shall be furnished to the employee at the University's expense.

The employee must submit to the Chair of the Greivance Committee within three (3) working days of his/her request for hearing the identity of his/her request for hearing the identity of his/her employee assistant, if any, and whether or not the employee assistant is an attorney. “Attorney” is defined as anyone with a Juris Doctorate or other recognized law degree, regardless of whether or not the person is licensed to practice law in the State of North Carolina and/or whether or not that person is “representing” the employee.

7) The burden of proof shall be on the Executive Officer, or the Executive Officer’s designee of the employee’s division, and they may participate in the hearing to present evidence, cross-examine witnesses, and make arguments. The Executive Officer may be
accompanied by an employee assistant who may advise the Executive Officer at the hearing, but who may not otherwise participate.

8) In reaching decisions on which its recommendations to the Chancellor shall be based, the Committee shall consider only the evidence presented at the hearing and such written and oral arguments as the Committee, in its discretion, may allow. The Committee shall make its written recommendations to the Chancellor within ten (10) working days after its hearing concludes.

Upon receipt of the Grievance Committee’s recommendations, the Chancellor may accept or reject any or all findings and/or recommendations of the Committee, may remand the matter to the Committee for further consideration of the grievance, or may seek clarifying information from the Committee. The Chancellor's decision shall be in writing and shall be sent to the employee certified mail, return receipt requested, with copies to the respondent(s) and members of the Committee.

9) Appeals

a. If the Chancellor concurs in a recommendation of the Committee that is favorable to the employee, the Chancellor’s decision shall be final. If the Chancellor either: (1) does not accept a Committee recommendation that is favorable to the aggrieved employee; or, (2) concurs in a Committee recommendation that is unfavorable to the aggrieved employee; or, (3) reaches a decision not to advise adjustment in his or her favor, the aggrieved employee may appeal the Chancellor’s decision to the Board of Trustees. The aggrieved employee must file written notice of appeal with the Board of Trustees by submitting such notice to the Chancellor within fifteen (15) working days of receipt of the Chancellor’s decision. The appeal to the Board of Trustees shall be decided by the Board of Trustees. However, the Board may delegate the duty of conducting a review to a standing or ad hoc committee of at least three (3) members. The Board of Trustees, or its committee, shall consider the appeal on the record. In all cases, review shall be limited to the question of whether the Chancellor committed clear and material error in reaching his or her decision. The Board of Trustees’ decision shall be made within 60 calendar days after the Chancellor has received the aggrieved employee’s request for an appeal to the Trustees.

b. The aggrieved employee may, within ten (10) working days after receiving the Trustees’ decision, file a written Statement for review with the Board of Governors if he or she alleges that one or more specified provisions of The Code of The University of North Carolina have been violated. All such Statements to the Board of Governors shall be transmitted through the President.

Questions concerning the provisions of this process should be directed to the Chair or any member of the EPA Non-Faculty Grievance Committee, to the Associate Vice Chancellor for Human Resources, or to the Office of the University Attorney.
Executive Summary
2006/07 Proposed Student Fees

For the 2006/07 academic year, the UNC Board of Governors set a maximum increase of tuition and general student fees for ECU at $346. This maximum applies to undergraduate resident students. The Chancellor’s Executive Council agreed to reserve $146 for general student fees. Debt service fees and special fees (e.g., ECU transit fee) were exempt from the Board of Governors’ maximum.

The UNC Board of Governors’ policy regarding student fees requires a student consultation process. The ECU consultation process is pro-active and includes significant involvement of the Student Government Association (SGA). The 2006/07 process began with a planning session with SGA officers Mr. Cole Jones and Mr. Andy Beamer. Mr. Jones identified SGA representatives to work with university organizations which charge a student fee. These representatives met with the organization to understand the operations of the unit and the need for the rate increase. Each student fee organization submitted their fee proposals in early November. Proposed increases ranged from $1.50 to $50 per year for the general student fees. (See attachment 1.) The justification for the increases included providing new or increased services, covering rising operating costs, funding salary increases and expanding programs. (See attachment 2.) The increase in general fees totaled $146.

In addition, a special fee increase of $30 for the transit operation was proposed to fund increased operating costs such as rising fuel prices.

Also, a debt service fee of $150 was proposed for the MSC/LWCC project. The special transit fee and the MSC/LWCC debt service fee were exempted from the Board of Governors maximum increase of tuition and general student fees for 2006/07.

The Chancellor’s Executive Council reviewed the proposed 2006/07 student fee rates on November 16, 2005. The Executive Council approved the proposed fee increases and forwarded the proposal to the SGA.

At the November 28th SGA meeting, the proposed fee changes were introduced by the assigned SGA representative to the SGA legislative body with support of the respective administrator from the organization charging the fee. The total mandatory student fee in 2005/06 is $1,492. With the proposed increases in the general student fees ($146), the special transit fee ($30) and the MSC/LWCC debt service fee ($150), ECU’s mandatory student fee will increase by $326 to $1,818/year. All the proposed fees were approved by the SGA.

Based on the 2005/06 data, ECU’s total general fees is ranked 6th in the UNC system. (See attachment 3). Data is not yet available for 2006/07 fees.

Finally, attachment 4 provides historical information regarding ECU’s tuition and fees.
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<td><strong>Total Special Fees</strong></td>
<td><strong>$107.00</strong></td>
<td><strong>$137.00</strong></td>
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**Total Mandatory Student Fees**                   | **$1,492.00**      | **$1,818.00**      | **$326.00**|
## Proposed Student Fees

### 2006-2007

#### East Carolina University

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<tr>
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Attachment 2

East Carolina University
Justification for Proposed Student Fee Increases
For Fiscal Year 2006-2007

1. **Student Government Association $17.50 to $20.50- 3.00 increase**
The Student Government Association is requesting an increase of $3.00 bringing the fee to $20.50. The primary increase is to begin to provide student legal services for students, which would be in line with other NC institutions.

The remainder is to begin to establish funding for cabinet/executive projects, and routine inflation costs associated with salaries and benefits. This staff supports the funding process for student organizations. There is a tremendous volume of paperwork related to organization funding.

2. **Student Media Board $24.00 to $27.50 -3.50 increase**
The purpose of the ECU Student Media is threefold: 1) to provide a training ground for students interested in gaining real-life experience in print and broadcast production; 2) to provide news, information and entertainment to the campus community; and 3) to provide a forum for the free expressions of issues and ideas affecting the campus.

The Student Media consists of the East Carolinian, published three days per week (Tuesday, Wednesday, and Thursday); WZMB 91.3 FM, an alternative music format broadcast station; Expressions, a minority student publication which produces magazine editions totaling five per year; Rebel an annual literary/art magazine and CD-ROM; and Web Media, which provides on-line services to the students including on-line organization registration and information and a campus-wide activities calendar.

The student fee received by Student Media supports everything, but the East Carolinian which has not received student fee monies for more than 9 years. Its operations are entirely supported by advertising revenue.

An increase of $3.50 in the Student Activity fee is necessary for the 2006-07 year to cover the implementation of a Year Book as well as rising costs. Fees keep the media as useful and informative outlets for the campus and practical and current training opportunities for the student staffs.

The fee is almost enough to move forward in developing and expanding student services and training. Some of the anticipated projects include:

1) **Production and Development of the ECU Buccaneer yearbook.** Student Engagement will house 15 to 20 student workers and volunteers to compile, edit, and design the 2005 edition. The anticipated date of delivery will be fall of 2006. This memory-book will be geared toward graduating seniors and will be a historical record of the upcoming year. $26,000 investment
2) Expressions (3000), In the past, Expressions has cost about $32,500. It was cut by mistake in 2005-2006. I ask that it be restored to help continued the magazines award winning status. Expressions would like request $3,567 in monies for equipment.

3) WZMB (1000), In the 2004-2005 budget, WZMB’s budget was 50,258 for salaries. It was cut to 33,000 in 2005-2006. It is requested that WZMB’s budget be restored to $45,600. This is in line with the salary budget of North Carolina State and UNC Chapel Hill.

4) Rebel (1000), In the 2004-2005 budget, the Rebel salary budget was at 7,760. It was cut to $6,000 in 2005-2006. It is requested that the Rebel salary budget be restored to $7,500. Rebel would also like to request $4,096 in monies for equipment updates.

3. Fine Arts $6.50 to $8.00- $1.50 increase
The Fine Arts and Performing Groups Funding Board is requesting a $1.50 increase (bringing the fee to $8.00) to benefit its six (6) student organizations. The groups include the ECU Gospel Choir, Student Forum for Musical Organizations, Theatre and Dance, Gray Art Gallery, ECU Marching Pirates, and the Visual Arts Forum. There are several student guilds within the Visual Art Forum, therefore it is considered as an umbrella organization.

The fee increase is broken down into two parts which includes $0.50 for funding and $1.00 to establish a part time person to support this board. All other areas funding areas within University Unions have a full time staff member supporting its board’s work and paperwork. It is past time for this group to have its own support and operate as other funding board areas operate.

The Wellington B. Gray Gallery Student Guild would like funds to continue support of educational programming including exhibition, lectures, symposia, curation, installation, freight and publication of educational materials. Events are open to the public and larger community. In past years, their endowment account was underwater and frozen.

Theatre and Dance is requesting additional funding to continue providing high quality theatrical and educational experiences for all ECU students.

The Visual Arts Forum, including 11 guilds, is requesting an increase to fund visiting artists, workshops, and demonstrations to understand their respective fields. This is a necessary supplement to their education as art professionals.

The Gospel Choir is requesting an increase to help with rising costs especially for transportation to events.

The Student Forum for Musical Organizations requests an increase to fund events such as professional musician visits, recitals, tours of different musical ensembles, conferences or competitions, workshops and clinician mastered by professionals visiting the school. Events are open and free to students.
The Student Forum for Musical Organizations requests an increase to fund events such as professional musician visits, recitals, tours of different musical ensembles, conferences or competitions, workshops and clinician mastered by professionals visiting the school. Events are open and free to students.

4. Recreational Services $138.00 to $178.00- $40.00 increase
Recreational Services is requesting a $40 fee increase for the 2006-2007 fiscal year. Departmental expenditures and operational expenses have continued to increase, especially as it relates to the Student Recreation Center. Prior to this past year, we had not received an increase since the SRC opened in 1997, other than 1998-99 to bring the Blount Intramural Sports Complex on line.

Over $ .5 million, representing 12% of the projected budget will go directly back to students in student wages, internships and graduate assistant stipends. The Department currently employs approximately 250 students during the course of the year, provides paid internship opportunities and funds 4 graduate assistants.

Operational costs for utilities and maintenance continue to rise at an alarming rate resulting in a projected utility cost of over $700,000. Cardiovascular equipment purchases have increased as new fitness areas have been added to accommodate increased demand. Required funds are budgeted in each Capital Reserve account; however, in the 2005-2006 year Recreational Services is only able to budget ½ of the recommended amount and less than 18% will be budgeted for 2006-2007.

Programs and services continue to expand to meet the interests and needs of all the students. A comprehensive wellness program has been added to our department with two full time staff. Additionally, our Youth and Family Programs have been expanded to meet the growing needs of the adult and commuter population.

The Department of Recreational Services has been a good steward of Student Activity Fee funds and has relied on expending its fund balance for over $800,000 in capital reserves each year and $2 million toward the purchase and development of the North Recreation Complex. As indicated last year, the purchase and development of 130 acres for the North Recreation Complex will provide much needed intramural field space and club sports facilities; however, it will necessitate a fee increase. The 2006-2007 budget request includes $255,000 in start up equipment to prepare for the opening of the North Recreation Complex in Fall 2007.

With the $40 fee increase, the budget will be able to facilitate a new program area, support the rise of operational and utility costs and prepare for the North Recreation Complex. However, the budget will still fall tremendously short of the recommended fund balance of $1,400,348 and will only provide the ability to place 18% of the needed funds in the Capital Reserve account. Without the requested fee increase, programs would need to be restricted, operational hours of the Student Recreation Center reduced, and the development of the new field complex postponed.
5. Minges Operations $6.00 – No increase

These funds are used to support routine maintenance associated with Minges William Arena and Minges pool areas including bleacher maintenance, HVAC controls maintenance, elevator maintenance, chiller maintenance, pest control, and housekeeping services.

6. University Unions Student Activities $55.00 to $64.00 increase of $9.00

The Student Activities areas for University Unions include Student Union, the new Student Activity Center, Student Experiences, Bowling & Billiards, Performing Arts Series, Adult & Commuter, Ledonia Wright Cultural Center and Partners in Creative Leadership as well as other Student Activities Events. (Details are in items 6A-6I)

6A. Student Activities Center $2.64 to $3.75 - $1.11 increase

In 2005, a new Student Activities Center was created. The requested fee increase is for the operation of this center including one full time employee that is dedicated to serving 300 student organizations. This center is designed to be the based and resource for organizations. The future plans include holding monthly workshops for organizations, and special two day workshops. Most universities have such a center.

6B. Student Union Program Board - $23.50 to $24.00 - $0.50 increase

The Student Union Program Board is the major programming body for the students of East Carolina University. Everyone who pays a fee is considered a member. The fee increase is to reinstitute lectures or a major attraction and cover rising costs for salaries and benefits. Funds are divided into seven working committees of volunteers and they are: Barefoot on the Mall, Cultural Awareness, Films, Marketing, Popular Entertainment, Spectrum and Visual Arts. Additionally, there are two additional areas called Major Attractions and Lecture. As an entertainment and academic minded organization, it is the organization’s responsibility to provide quality entertainment for all students, not just specialized groups. When people come to this University they come for the whole package, not just for academic purposes but also to meet new people, networking, and learning how to function productively in today’s society. Students, who actively participate in the Student Union activities, learn a great deal about managing budgets, time management, leadership, and organization. The Student Union is on target to develop new programs and services and the funds that we currently receive are not adequate to begin these programs.

6C. Performing Arts $2.00 to $3.25 - $1.25 increase

The Performing Arts area continues to run in a deficit. Hence, the $1.25 increase is requested for them. The additional $1.25 brings their fee to $3.25 to support the series.

6D. Union Programs – old fee needs reinstating $2.75 - NEW

As University Unions has become more engaged in various campus activities, a fee to collaborate efforts in these activities has been reinstituted. The focus is to increase student experiences as well as enhancing student engagement and involvement with more co-curricular based programs and activities. This fee also covers student and staff training and development.
6E. Adult and Commuter $6.00 to $6.25 - $0.25 increase
The Adult & Commuter office provides programs for both first-year and transferring commuter students and adults re-entering college. ACSS works in conjunction with the Office of Orientation and the First Year Experience to present programs for adult, commuter and graduate student orientation. Outreach programs, often sponsored in conjunction with other on-campus entities, are offered through the year. These programs also provide opportunities to interact socially with students in similar circumstances.

6F. Student Experiences (formerly known as Student Leadership)- $3.25 to $3.75 - $0.50 increase
The Office of Student Experiences is committed to complementing the academic curriculum of the university in order to enhance the educational experience and provide programs for continued student development. Our programs and initiatives include leadership and scholarship opportunities, university traditions and campus events, professional development resources, and services to prepare students for academic co-curricular success. This office utilizes student developmental theory, experiential learning and the culture of our university to assist students in personal and professional growth facilitated by trained educators. Student Experiences includes Homecoming, Family Weekend, Scholarships, Open Houses, Etiquette Dinners, strategic planning for University unions especially in preparation for the new facility.

6G. Partners in Creative Learning – New Fee $2.75
As University Unions has become more engaged in various campus activities, including the leadership initiative, a fee to collaborate efforts in these activities has been reinstituted. Offering a more meaningful and purposeful leadership co-curricular program such as LeaderShape, Emerging Leaders other emerging programs to a larger array of students will require a fee increase. The leadership initiative is a small part of a larger holistic approach to programming in the student center.

6H. Bowling and Billiards $2.61 to $2.50 -$.11 decrease
Bowling and Billiards are located on the ground floor of Mendenhall Student Center. Bowling has 8 lanes, which are fully equipped as well as ABC-sanctioned.

The mission of MSC Recreations is to expand the means through which the University educates by offering recreational programs and activities that enhance individual growth and social competency. In addition, promoting competition through leagues and tournament opportunities, providing networking opportunities via participation in the Association of College Unions International organization as well as encouraging participation in recreations as life long activities broadens the student experiences at East Carolina University.

6I. Ledonia Wright Center $15- no increase
The Ledonia Wright Cultural Center will not be requesting a fee increase this year. The staff of the Center will continue to offer quality services to our student, faculty, staff and community visitors through diverse programming initiatives. In addition to the use of the fees for our programmatic endeavors, we are involved in a process of planning for a new facility to house the Cultural Center, thus it is very important to maintain our funded fee.
7. **Mendenhall Student Center (MSC)** $205.00 to $215.00- increase of $10.00

Mendenhall Student Center is requesting an increase of $10.00 bringing the rate to $215. The increase in revenues is sorely needed to maintain this older facility, and provide for mandated salary and benefit increases.

As the Mendenhall Student Center continues to age, the maintenance continues to grow. The fee increase is primarily required for maintenance and repairs for the building. Utility costs continue to rise along. As MSC takes on additional space, the operating costs (including utilities) also rise. It continues to be required that 3% or $571,000 of the building value (approximately $19 million) be set aside in a fund for major repairs and maintenance costs. Additionally, an amortization schedule to replace fixtures, furniture, and equipment on a regularly scheduled useful life basis is being established, but continues to need further funding.

As with each year, salary and benefit costs continue to rise even though salary increases do not keep up with inflation. Funding has still not reached recommended levels to keep reserves sufficient each year for high dollar repair and replacement costs. This scenario continues to be looked at. Looking into the future, we can see that the fund balance needs to be increased due to funding the MSC expansion. Operating expenses will need to cover furniture, furnishings and the cost of maintaining and operating additional space. It is an exciting time ahead but does require prudent financial planning.

8. **Athletics** $386.00 to $436.00- increase is $50.00

Athletics continues to be challenged financially with a deficit fund balance of $1,000,000 and an $18.5 million annual budget. The fund balance should be closer to $3 million given the size of the program. Athletics has a plan in place to address this deficit while the effort to build the fund balance and invest in the program will require efforts from all sources including Pirate Club and close management of operations, in addition to student fees.

Athletics current fee is $386 which is ranked 6th in the UNC system. A $50 increase will keep ECU in line with the other 15 UNC institutional athletic fees.

9. **Student Health Services Fee from $180.00 to $200.00-$20.00 increase**

The Student Health Service is requesting a $20.00 fee increase for the 06-07 academic year. It has become increasingly difficult to attract qualified medical professionals due to the disparity of state salaries in comparison to the salary market index. A portion of the requested increase is needed to support staff salary increases and the significant increase cost of utilities services. Additionally, the SHS is being asked to support 2 new counselor positions at the Center for Counseling and Student Development and one third of the cost of a sports medicine physician position for athletics.

10. **Education and Technology Fee $128.00 to $137.00 -$9.00 increase**

Your fee funds email, Microsoft in the labs, online training tools, Symantec, over 70 general purpose and departmental computer labs, specialized software, student workers,
ACE-Support Center, Help Desk and after hours Student Help Desk only, paper and toner for the labs, new labs and technology over the next three years.

How would the fee increase enhance student technology on campus?
The increase we are requesting this year is to accommodate a 5% increase in operating expenses. Software and hardware costs increase anywhere from 0-200% per year. Additionally, the regular term SCTF needs to increase support for Blackboard since more and more on campus courses are using this as a standard tool. We want to balance the cost between on campus and off campus students.

Debt Service Fee

11. Mendenhall Student Center and Ledonia Wright Cultural Center Renovation/Expansion Project -$150 debt service fee

Like other similar facilities in the NC University System, both the Mendenhall Student Center and the Ledonia Wright Cultural Center are operating at capacity. As the university moves to an increased enrollment, it is essential that these outdated facilities be renovated to handle the needs of not only today’s but tomorrow’s student population. Spaces that are lacking include but are not limited to meeting rooms, space for student organizations, banquet facilities and programming spaces just to name a few.

Over years 2004-05, an exciting discovery and investigation of the Ledonia Wright Cultural Center and Mendenhall Student Center was completed. The architectural firms, Freelon and Associates from Raleigh North Carolina and EYP from Washington DC have studied both facilities looking at options to expand and renovate.

Program review meetings took place late fall and included student and staff stakeholders where space needs were discussed. Some of the groups that were interviewed include: SGA, Mendenhall Operation, Radio Station, Dining, Bookstore, Bowling, Technical, Ledonia Wright students and staff, Student Union and others. The architectural firm then did an analysis of cost and space wants/needs.

A recommendation came forward fall semester 2005. Included in this recommendation are ideas indicating where we might locate a large ballroom, floor layouts and flow, how to develop a ‘front door’, what and where the Cultural Center be physically located and ideas of what a new outside/buildings might look like in renovated and expanded Student and Cultural Centers. Total cost for the projects is budgeted at 35 million.

The next phase, design/development for the project will begin in Spring of 2006 where details for different spaces will be developed. Actual construction could start as early as 2007 and completion is scheduled for spring 2010.
Special Fees

12. Student Transit Fees $100.00 to $130.00 – 30.00 increase

The ECU Student Transit Authority special fee is the primary funding source for transit services provided to the campus community accounting for 83% of projected revenues for the current year. The Student Transit Authority currently provides service through seventeen regularly scheduled unique routes covering main campus, west campus, fringe parking lots, off-campus housing areas and shopping centers across Greenville. These routes run up to twenty-one hours per day, seven days a week to meet the transportation needs of students, faculty and staff in a safe and convenient manner. The SafeRide (van) system operates in conjunction with the bus routes to provide a safe transportation alternative after bus service has ended for the day and in areas that bus service may not be provided. SafeRide operates seven nights a week for a total of thirty-six late night service hours. Charter services are also provided under contract to University affiliated groups and organizations for both academic and extracurricular activities. While the Transit fee provides the capital equipment for charters, the using group is billed for out-of-pocket operating expenses.

In order to adequately meet the demands of the campus community today and in future years, it is imperative that we continue along the path that was started in 1999 to increase reliability, assure safety, maximize fleet utilization and stabilize our capital outlay. To that end, a fleet replacement schedule has been implemented and is working well to grow a safe, comfortable, cost-effective fleet that is ready to roll at any time. The 2006-2007 fee increase request is twenty-eight dollars. This fee increase is required to support the following operational needs:

Driver Wages – Total student wages are anticipated to increase by $35,000 due to increased training activities and the “average” driver wage increasing by seniority. $1.85 of the proposed increase goes to driver wages. This increase does not include any adjustment to the pay scale.

Diesel Fuel – While diesel fuel costs have continued to increase at alarming rates, the Gulf Coast damage caused by Hurricanes Katrina and Rita have caused unprecedented cost increases. Additional, unrelated cost increases are expected as US fuel suppliers transition to EPA mandated Ultra-Low Sulphur Diesel Fuel which is required in all fuel stations in 2007. While we do not control the price, we do control the amount of fuel used. All efforts possible are being made to conserve fuel with the exception of service reduction. While reducing service will cause an immediate savings for the system, it also causes an immediate ripple effect of damage for the customer, our students. Every bus trip that is eliminated adds up to fifty private vehicle trips to the Greenville traffic system. These additions increase cost for the students in added fuel consumption for their vehicles and increase air pollution. Currently, fuel is $1.00 higher per gallon than it was one year ago and no relief is in sight. The resulting deficit for this year and anticipated deficit for 06/07 is $250,000. $13.20 of the proposed increase goes to fuel.

Printing – As the student population and bus ridership grow, accurate route information becomes crucial to the passengers. Changes occur so rapidly that an annual bus schedule
is no longer sufficient. An additional $7,000 is budgeted to allow for bus scheduled to be revised and printed semi-annually instead of annually. With technology advances, the total number of documents printed each time can be reduced for an overall savings. $0.40 of the proposed increase goes to printing bus schedules.

Utilities – The US Department of Energy is anticipating a 50% increase in the cost of Natural Gas over the next year. An additional $8,000 is budgeted to cover Gas increases for the nine thousand square foot Transit Office and Garage. $0.45 of the proposed increase goes to Utilities.

Capital Outlay – As alluded to previously, capital renewal is vital to the long-term success of Student Transit. In addition to the normal “two-bus replacement” that has been in place for several years, this years budget includes $335,000 for the replacement of one of the sixty-foot articulated buses that was purchased used for short-term use. An additional $95,000 is designated to build the capital fund for future purchases. $22.65 of the proposed increase goes to Capital Outlay.

Maintenance and Repair – Maintenance and Repair account for 77% of the “Current Services” line items as opposed to 84% one year ago. As the fleet ages and service remains constant (or grows), wear and tear on the buses is inevitable; however, an appropriate maintenance program will help control costs. The estimated maintenance and repair budget for 06/07 is four hundred thousand dollars, a decrease of seventy-seven thousand dollars from the 05/06-year total. $4.05 has been deducted from the total fee for improvements in the maintenance and repair area.

Debt Service – In previous years, without adequate Capital planning, funds have been borrowed from other departments to allow for the purchase of replacement buses. After several years of planning and hard work, the cycle has been reversed. Last year four buses were purchased and paid for from Transit funds. This year two more buses are on order that will be paid for with Transit funds. The annual debt service line of $130,000 has been eliminated in this budget request. $6.85 has been deducted from the total fee due to debt service elimination.

East Carolina University
Justification for Proposed Increase in Housing
For Fiscal Year 2006-2007

The projected increase in salaries and benefits of 5% equates to an additional $300K in expenses to the Operating Budget. Also, a projected 10% increase in utilities calculates to about $300K. Excluding College Hill Suites, there will be about 4,700 students living on campus. With a $120 increase in room rates it will generate enough monies to offset the cost of salaries and benefits, as well as the increase in utilities.
The new residence hall, College Hill Suites, will be unique to ECU. It will be a “suite style” dorm including four bedrooms, a kitchenette, and a bath to be shared for each two bedrooms. The room rate for College Hill Suites will be $4,275 per academic year. The Greenville apartment market limits Housing to under $500 a month, which this amount calculates to $475 per month.

Due to the increasing cost of salaries and benefits for 2006 and the anticipated dramatic increase in utilities, Dining Services is requesting a $100 increase in the cost of a meal plan. This is a 3.8% increase and will allow Campus Dining to continue to upgrade and renovate the dining facilities at the current level in addition to providing high quality, appealing meals to customers as well as cover the increased cost of salaries, benefits and utilities.
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</tr>
<tr>
<td><strong>TOTAL DEBT SERVICE</strong></td>
<td></td>
<td>209.00</td>
<td>209.00</td>
<td>189.00</td>
<td>189.00</td>
</tr>
<tr>
<td><strong>SPECIAL FEES (excluded from cap):</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TRANSIT (Paid by all students)</td>
<td>VCSL</td>
<td>57.00</td>
<td>65.00</td>
<td>70.00</td>
<td>73.00</td>
</tr>
<tr>
<td>GRADUATION (Paid by all students)</td>
<td>CHANCELLOR</td>
<td>6.00</td>
<td>6.00</td>
<td>6.00</td>
<td>6.00</td>
</tr>
<tr>
<td>ASSOCIATION OF STUDENT GOVERNMENTS</td>
<td>BOG</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td><strong>TOTAL SPECIAL FEES</strong></td>
<td></td>
<td>57.00</td>
<td>65.00</td>
<td>77.00</td>
<td>84.00</td>
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<tr>
<td>Total Mandatory Fees Paid by Each Student</td>
<td></td>
<td>1,062.00</td>
<td>1,113.00</td>
<td>1,167.00</td>
<td>1,221.00</td>
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## EAST CAROLINA UNIVERSITY
### OTHER, APPLICATION AND COURSE FEES

#### 2006-07 PROPOSED

<table>
<thead>
<tr>
<th></th>
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<th></th>
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<tbody>
<tr>
<td><strong>OTHER FEES:</strong></td>
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<td></td>
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<tr>
<td>TRANSCRIPT</td>
<td>VCAA</td>
<td>3.00</td>
<td>3.00</td>
<td>3.00</td>
<td>5.00</td>
<td>5.00</td>
<td>0.00</td>
<td>5.00</td>
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<tr>
<td>RETURNED CHECK</td>
<td>VCAF</td>
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<td>20.00</td>
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<td>20.00</td>
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<td>LATE PAYMENT</td>
<td>VCAA/VCAF</td>
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<td>25.00</td>
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<td>25.00</td>
<td>25.00</td>
<td>0.00</td>
<td>25.00</td>
</tr>
<tr>
<td>STUDENT PARKING</td>
<td>VCAF</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>ORIENTATION</td>
<td>VCAA</td>
<td>63.00</td>
<td>66.00</td>
<td>66.00</td>
<td>70.00</td>
<td>70.00</td>
<td>0.00</td>
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<tr>
<td>GRADUATION - Replaced</td>
<td>CHANCELLOR</td>
<td>25.00</td>
<td>25.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td><strong>APPLICATION FEES:</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>APPLICATION FEE -- UNDERGRAD</td>
<td>VCAA</td>
<td>45.00</td>
<td>45.00</td>
<td>45.00</td>
<td>50.00</td>
<td>50.00</td>
<td>0.00</td>
<td>50.00</td>
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<tr>
<td>APPLICATION FEE -- GRAD</td>
<td>VCRGA</td>
<td>45.00</td>
<td>45.00</td>
<td>45.00</td>
<td>50.00</td>
<td>50.00</td>
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<tr>
<td>APPLICATION FEE -- MEDICAL SCHOOL</td>
<td>VCHS</td>
<td>50.00</td>
<td>50.00</td>
<td>50.00</td>
<td>60.00</td>
<td>60.00</td>
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<td>60.00</td>
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<td>APPLICATION FEE- HOUSING 1ST TIME APPLICANT</td>
<td>VCSL</td>
<td>100.00</td>
<td>0.00</td>
<td>100.00</td>
<td>0.00</td>
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<tr>
<td><strong>COURSE FEES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRIVATE MUSIC (PER CR. HOUR)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1105,1205,1405,1435,1445,2105,</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2125,2305,2455,3105,3205)</td>
<td>VCAA</td>
<td>30.00</td>
<td>30.00</td>
<td>31.00</td>
<td>31.00</td>
<td>31.00</td>
<td>35.00</td>
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<td>P.E. 1060, INTRODUCTION TO SAILING</td>
<td>VCAA</td>
<td>80.00</td>
<td>150.00</td>
<td>150.00</td>
<td>150.00</td>
<td>150.00</td>
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<tr>
<td>P.E. 2278, 3278,4278, 5000,5278 SCUBA</td>
<td>VCAA</td>
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<td>450.00</td>
<td>450.00</td>
<td>450.00</td>
<td>450.00</td>
<td>450.00</td>
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<tr>
<td><strong>NURSE PRACTICUM</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Undergraduates (3021, 3211, 3271, 3331, 3341,3371, 3901, 4011, 4021, 4211, 4511)</td>
<td>VCHA</td>
<td>85.00</td>
<td>85.00</td>
<td>85.00</td>
<td>85.00</td>
<td>85.00</td>
<td>0.00</td>
<td>85.00</td>
</tr>
<tr>
<td>Graduates (6209,6215,6225,6330,6331,6421,6423,6425,6609,6977,6978,6979,6614,6615,6616,6617,6618,6619,6620,6112,6113,6905,5620)</td>
<td>VCHA</td>
<td>125.00</td>
<td>125.00</td>
<td>125.00</td>
<td>125.00</td>
<td>125.00</td>
<td>0.00</td>
<td>125.00</td>
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<tr>
<td><strong>PHOTOGRAHY LAB FEE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Art 2220, 3280, 4220, 4290, 5220</td>
<td>VCAA</td>
<td>75.00</td>
<td>75.00</td>
<td>75.00</td>
<td>0.00</td>
<td>75.00</td>
<td>0.00</td>
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<tr>
<td><strong>CLINICAL SKILLS EDUCATION/ASSESSMENT PROGRAM</strong></td>
<td>VCHA</td>
<td>0.00</td>
<td>50.00</td>
<td>50.00</td>
<td>0.00</td>
<td>50.00</td>
<td>0.00</td>
<td></td>
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</table>
### EAST CAROLINA UNIVERSITY

**HOUSING AND DINING FEE**

**2006-07 PROPOSED**

<table>
<thead>
<tr>
<th>HOUSING &amp; FOOD SERVICES:</th>
<th>Responsible Administrator</th>
<th>Proposed Increase</th>
<th>Proposed 2006-07</th>
<th>Percentage Increase</th>
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</thead>
<tbody>
<tr>
<td>HOUSING (double occupancy)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>with air conditioning</td>
<td>VCST 2,600.00</td>
<td>3,910.00</td>
<td>3.17%</td>
<td></td>
</tr>
<tr>
<td>without air conditioning</td>
<td>VCST 2,200.00</td>
<td>3,100.00</td>
<td>0.00%</td>
<td></td>
</tr>
<tr>
<td>Suite Style Dorm (New)</td>
<td>VCST 4,275.00</td>
<td>4,275.00</td>
<td>100.00%</td>
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</tr>
<tr>
<td>FOOD SERVICES</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9 meals per week plan</td>
<td>VCST 1,870.00</td>
<td>2,250.00</td>
<td>4.65%</td>
<td></td>
</tr>
<tr>
<td>14 meals per week plan</td>
<td>VCST 2,070.00</td>
<td>2,550.00</td>
<td>4.08%</td>
<td></td>
</tr>
<tr>
<td>19 meals per week plan</td>
<td>VCST 2,270.00</td>
<td>2,850.00</td>
<td>3.64%</td>
<td></td>
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</table>
SETTLEMENT AGREEMENT AND RELEASES

THIS SETTLEMENT AGREEMENT AND RELEASE (the "Agreement") is entered into by and among Medical Mutual Insurance Company of North Carolina, Inc. ("MMICNC"), a North Carolina corporation; The Board of Governors of the University of North Carolina ("UNC") and its Constituent Institution, East Carolina University, the East Carolina University Body of School of Medicine ("ECU"), named defendants in the Complaint (collectively "UNC/ECU"); and certain individual physicians named as defendants in the Complaint, William B. Floyd, Theodore C. Koutlas, Ann Michele Martin, Eddie H. Sze, Vincent L. Sorrell, Micah D. Ball, Esq., Executor of the Estate of William Reeves, James E. Ingram, Nicolai Francalancia, Eric H. Dellinger, George R. Dababic, Walter J. Pories, Andrew D. Sumner, Cynthia Debra Barker, Oommen P. Mathew, John C. Fitzpatrick, Samuel M. Atkinson, Michael F. Rotondo, Carl E. Haisch, David L. Tait, Christy M. Isler, Hamid A. Hadi, Eric A. Toschlog, Scott G. Sagraves, Rosa Elena Cuenca, Jennifer Lea Ferguson, Mark Franco, Scott L. Roth, Ann Jobe, Harriett H. Wooten, Bernward Steinhorst, Juan A. March, and Nicholas H. Benson (the "ECU Physicians") (collectively called the "Parties"), each party intending to be legally bound hereby.

WHEREAS, on or about 4 June 1990, MMICNC and ECU entered into an agreement under which MMICNC agreed to provide certain annual medical malpractice insurance for certain physicians employed by ECU in accordance with the terms and conditions reflected in those documents entitled Purchase Agreement and East Carolina University School of Medicine Retrospective Rating Plan and which contract was subsequently amended by two documents entitled Amendment to Purchase Agreement executed on 22 December 1994 and 17 December 1999 respectively (collectively "the Contract"); and

WHEREAS, subsequent to the execution of the 17 December 1999 Amendment to Purchase Agreement certain disputes arose among the Parties regarding their rights and obligations under the Contract (collectively "the Disputes"); and

WHEREAS, the Disputes lead to MMICNC, on or about 18 March 2003, filing an action in Wake County Superior Court, 03 CVS 3622, naming UNC/ECU and the ECU Physicians as defendants (the "Civil Action"); and

WHEREAS, on or about 24 March 2003 MMICNC filed a Demand for Arbitration with the American Arbitration Association (the "AAA"), seeking to resolve the Disputes through arbitration and pursuant to the AAA Commercial Arbitration Rules (the "Arbitration Proceeding"); and

WHEREAS, on or about 29 July 2003, UNC/ECU and the ECU Physicians filed a Complaint and Petition for an Investigation Of, and Other Relief Against, MMICNC, with the Commissioner, North Carolina Department of Insurance (the "NCDOI") (the "NCDOI Action"); and
WHEREAS, on or about 7 October 2004, UNC/ECU and the ECU Physicians each filed certain appeals of certain actions taken by the Wake County Superior Court in the Civil Action, No. COA05-32 (the "Appeals"); and

WHEREAS, the Parties desire to compromise and settle their differences as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, they do hereby agree as follows:

1. **Payment.** ECU shall pay to MMICNC the sum of $4.5 million dollars on or before 30 November 2005.

2. **Releases by MMICNC.** Subject only to paragraph 4 herein, MMICNC hereby releases the other Parties to this Agreement as follows: MMICNC, on its behalf as well as its officers, directors, members, shareholders, employees, subsidiaries, affiliates, corporate parents, successors, assigns, agents, and representatives, irrevocably and unconditionally remises, generally releases and forever discharges and acquits UNC and ECU, as well as their respective officials, officers, directors, employees, successors, assigns, agents, attorneys, and representatives, and the ECU Physicians, as well as their assigns, agents, attorneys, heirs, estates and representatives, for, of and from any and all demands, sums of money, actions, rights, causes of action, obligations and/or liabilities of any kind or nature whatsoever which it may have had, or claims to have had, or now has or claims to have, or hereafter may have or assert to have with respect to or arising out of the Disputes or the Contract, or the Parties or their officials, officers, directors, employees, successors, assigns, agents, attorneys, heirs, estates or representatives responses thereto, including, but not limited to, any other claim or cause asserted, or which could have been asserted in the Civil Action or the Arbitration Proceeding. Such release shall become effective as of the effective date of this Agreement.

3. **Releases by UNC, ECU and the ECU Physicians.** Subject only to paragraph 4 herein, UNC, ECU and the ECU Physicians each hereby release MMICNC as follows: UNC, ECU and the ECU Physicians each on their own behalf as well as their respective officials, officers, directors, employees, successors, assigns, agents, attorneys, heirs, estates and representatives, irrevocably and unconditionally remises, generally releases and forever discharges and acquits MMICNC, as well as its officers, directors, members, shareholders, employees, subsidiaries, affiliates, corporate parents, successors, assigns, agents, and representatives, for, of and from any and all demands, sums of money, actions, rights, causes of action, obligations and/or liabilities of any kind or nature whatsoever which it may have had, or claims to have had, or now has or claims to have, or hereafter may have or assert to have with respect to or arising out of the Disputes or the Contract, including any other claim or cause asserted, or which could have been asserted.
in the Civil Action, the Arbitration Proceeding or the NCDOI Proceeding. Each such release shall become effective as of the effective date of this Agreement.

4. **Exceptions to Releases.** In this Agreement, no Party waives its rights under the Contract in regard to the Pending Insurance Claims listed on Attachment A hereto, and no Release executed as part of this Agreement applies to the Pending Insurance Claims. The Parties have agreed that MMICNC will continue to defend and indemnify the Pending Insurance Claims in accordance with the Contract and the insurance policies, and ECU will abide by its obligations under the Contract regarding the Pending Insurance Claims as though the contract had expired at the end of the contract term. Provided, however, ECU is not required to maintain any Trust Fund in regard to the Pending Insurance Claims.

5. **MMICNC Not Responsible for Certain Precautionary Notifications.** MMICNC shall not have any responsibility to defend or indemnify UNC, ECU or the ECU Physicians for any claims or suits related to incidents reported in the precautionary notifications communicated to MMICNC on or about 31 December 2002 and more specifically identified in Attachment B hereto. Notwithstanding the first sentence of this paragraph, any claim or suit arising out of the notification reported on or about December 31, 2002 regarding Dr. Ann Jobe shall be treated by MMICNC, ECU and the ECU Physicians in the same manner as Pending Insurance Claims described above in paragraph 4.

6. **Dismissal of All Pending Actions and Proceeding.** UNC, ECU, the ECU Physicians and MMICNC will dismiss, with prejudice, all pending adversarial actions and proceedings asserted against each other pertaining to the Contract and the Disputes, including but not limited to the Civil Action, the Arbitration Proceeding, the Appeals, and NCDOI Action. Upon receipt of a filed stamped copy of a stipulation of dismissal with prejudice by the Parties of the Civil Action and a mutual dismissal and withdrawal of claims in the Arbitration Proceeding, UNC, ECU and the ECU Physicians will take such necessary steps as to dismiss the Appeals, and will withdraw their Complaint and Petition in the NCDOI Action, advise the NCDOI that all matters presented by the Complaint and Petition have been resolved, and use best efforts to see that the NCDOI ceases its investigation pursuant to said Complaint and Petition.

7. If demand is made upon MMICNC by any person or entity insured under an MMICNC policy of insurance issued pursuant to the Contract to defend or indemnify a claim or suit, other than Pending Insurance Claims described herein, MMICNC agrees to notify ECU immediately upon being notified of any such claim and to tender the defense and indemnity of the claim or suit to UNC and ECU. UNC and ECU will accept tender of, and will be responsible for defending and indemnifying, any such claim or suit.

8. **Senate Bill S602.** All Parties to this Agreement agree that they will use reasonable efforts to seek an unfavorable report by the North Carolina House of Representatives on S 602 (2005) and to preclude further consideration of said bill by the North Carolina House of Representatives.

10. **No Admission of Liability.** By executing this Agreement, the Parties do not admit liability for any claim, allegation or defense asserted by one Party against another Party in connection with the Dispute, the Civil Action, the Arbitration Proceeding, the Appeal or the NCDOI Action. The Parties represent that the payment to compromise and settle MMICNC's claims against UNC/ECU and the ECU Physicians was not premised on satisfaction of any specific element of or claim asserted in or in connection with the Dispute, the Civil Action, the Arbitration Proceeding, the Appeal or the NCDOI Action, but, together with the other elements of this settlement, rather serves as a complete and final resolution of all MMICNC's claims against UNC/ECU and the ECU Physicians, as well as their respective officials, officers, directors, employees, assigns, attorneys, heirs, estates and representatives, with respect to or arising out of the Disputes or the Contract.

11. **Non-Alienation.** The Parties hereby warrant and represent that they each are the sole and lawful owner of all rights, title and interest in and to all matters released pursuant to the Releases above, and that they each have not heretofore assigned or transferred, or purported to assign or transfer, any of such released matters, in whole or in part, to any other person or entity.

12. **Further Assurances.** The Parties hereto agree to execute such other documents and take such other action as may reasonably be necessary to further the purposes of this Agreement without any additional consideration.

13. **Governing Law/Enforcement.** This Agreement shall be governed by, construed, and interpreted in accordance with, the laws of the State of North Carolina, without regard to the application of any conflict of laws rules thereof.

14. **Benefit and Burden.** This Agreement shall be binding upon, and inure to the benefit of, the Parties hereto and their respective heirs, executors, administrators, representatives, successors and assigns.

15. **Continuing Obligations.** The Releases provided for herein do not affect or diminish any obligation contained in the Agreement.

16. **Amendments, Waivers.** This Agreement may not be modified, amended or terminated except by an instrument in writing, signed by each of the Parties affected thereby. No failure to exercise and no delay in exercising any right, remedy, or power under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy or power under this Agreement preclude any other or further
exercise thereof, or the exercise of any other right, remedy, or power provided herein or by law or in equity.

17. **Voluntary Agreement.** The Parties hereto, and each of them, further represent and declare that they have carefully read this Agreement and know the contents thereof and that they sign the same freely and voluntarily.

18. **Drafting.** The drafting and negotiation of this Agreement have been participated in by each of the Parties, and for all purposes this Agreement shall be deemed to have been drafted jointly by each of the Parties.

19. **Entire Agreement.** All agreements, covenants, representations and warranties, express or implied, oral or written of the Parties hereto concerning the subject matter hereof are contained herein.

20. **Signatures.** The Parties hereby each signify their agreement to the above terms by their signatures below. The undersigned represent that they are authorized to execute this Agreement on behalf MMICNC, UNC, ECU and the ECU Physicians, that each Party has read this Agreement, has had sufficient time to review this Agreement before signing it, and has had an opportunity to consult with legal counsel prior to signing this Agreement.

21. **Effective Date.** This Agreement shall become effective on the date the Attorney General certifies the Final Settlement Agreement in accordance with N.C. Gen. Stat. § 114-2.4 (2005).
*Medical Mutual Insurance Company of North Carolina, Inc.

By: [Signature]
A. Dale Jenkins

Title: MMIC CEO

Date: October 10, 2005

STATE OF North Carolina
COUNTY OF Wake

I, the undersigned Notary Public, in and for the aforesaid county and state, do hereby certify that A. Dale Jenkins personally appeared before me this day and acknowledged the due execution of the foregoing document.

This 10 day of October, 2005.

[Signature]
Notary Public

(NOTARIAL SEAL)

My commission expires: 7-6-2007
The Board of Governors of the University of North Carolina

By: Jeffrey R. Davies

Title: Vice President for Finance

Date: October 6, 2005

STATE OF North Carolina
COUNTY OF Orange

I, the undersigned Notary Public, in and for the aforesaid county and state, do hereby certify that Jeffrey R. Davies, personally appeared before me this day and acknowledged the due execution of the foregoing document.

This 6th day of October, 2005.

Notary Public

Commission expires: July 30, 2010
East Carolina University and Brody School of Medicine

By: 

Steve Ballard

Title: ECU Chancellor

Date: 10/3/05

STATE OF North Carolina

COUNTY OF Pitt

I, the undersigned Notary Public, in and for the aforesaid county and state, do hereby certify that Steve Ballard personally appeared before me this day and acknowledged the due execution of the foregoing document.

This 3rd day of October, 2005.

Claudia D. Peader
Notary Public

My commission expires: 4-22-06

NOTE: THE ORIGINAL AGREEMENT ALSO INCLUDED SIGNATURE PAGES OF 34 ATTORNEYS.