

BOARD OF TRUSTEES

East Carolina University

February 27, 2009

The Board of Trustees met in regular session in the East Carolina Heart Institute on the Health Sciences campus of East Carolina University. Chair Robert Greczyn called the meeting to order at 8:30 a.m. and read the conflict of interest statement required by the State Government Ethics Act. Mr. Greczyn asked if anyone would like to declare a conflict of interest or appearance of conflict for this meeting. No one declared a conflict.

ROLL CALL

Members present:

Bill Bodenhamer.
Robert Brinkley
David Brody
Joel Butler
Bob Greczyn
Drew Griffin
Robbie Hill
Bob Lucas
Carol M. Mabe
David Redwine (via conference call)
Mark Tipton
Margaret Ward

Members absent:

Bruce Austin

APPROVAL OF MINUTES

Chairman Greczyn noted a correction in the minutes of the November 28, 2008 meeting. On page 5, in the Facilities and Resources section, in the first line of the first paragraph, the sentence should read “Committee Chairman David Redwine gave the Facilities and Resources

Committee Report.” Mr. Greczyn asked for a motion to approve the minutes of the November 21, 2008 meeting with the above correction. Mr. Brinkley made the motion and Mr. Butler seconded the motion. The motion was passed with no negative votes and the minutes were approved as corrected.

REPORT OF THE CHAIR

Mr. Greczyn commended Dr. Chitwood on the East Carolina Heart Institute and expressed how happy he was to see patients in the facility. He stated that he looks forward to the good things it will do for the people of North Carolina.

Mr. Greczyn stated his appreciation for the discussion that took place Thursday in terms of the budget. He stressed the importance of balancing the budget cuts and making ECU as efficient as possible while continuing to maintain ECU’s core objectives.

CHANCELLOR’S REPORT

Dr. Ballard began his report by remembering Dr. Lessie Bass, who recently passed away. Dr. Bass was the UNC General Administration’s Excellence in Public Service Award winner in 2008 and was recognized by the ECU Board of Trustees at the November meeting. Dr. Ballard expressed his sympathy to her family and the entire ECU community.

Dr. Ballard recognized head football coach Skip Holtz and thanked him for one of the best football seasons in ECU history. Coach Holtz introduced his coaching staff and thanked them for all their hard work and dedication. In addition, he thanked the Board of Trustees, the Chancellor and the Athletics Administration for their continued support of the football program. He stated that he was very proud of his football players, not only for their performance on the football field, but also for their performance in the classroom. He stated that he had 45 student athletes with GPA’s of 3.0 or higher. He then fielded a few questions from various trustees.

Dr. Ballard highlighted several individuals as well as programs throughout the university:

- The Pirate Tutoring Center – Jayne Geissler and Elizabeth Coghill developed this program and because of its success, base funding for the program has been increased,
- Conference USA Commissioner’s Honor Roll – 192 ECU student-athletes on the Honor Roll. In addition, Hannah priest of women’s tennis and Kelley Wernert of volleyball were named Scholar-Athletes of the Year,
- ECU Olympic sports facilities will begin construction in June 2009
- School of Nursing recently received recognition as a Center of Excellence in Nursing Education by the National League for Nursing,
- The Second Century Campaign has now crossed \$123 million. Dr. Ballard announced two newly endowed professorships at East Carolina University. The first is the East Carolina Heart Institute Distinguished Professorship in Research and the second is the Linda E. McMahon Distinguished Professorship in Foreign Language,
- Renewal of the RENCI Center for Coastal System Informatics and Modeling. Dr. Ballard recognized the leadership of Dr. Tom Allen (Geography) and Jamie Kruse (Economics),
- Enrollment: Dr. Ballard reported that to date, ECU has received 12.7% more freshman applicants than was received all of last year (17,648 to date),
- Enterprise Risk Management - For the first time in a number of years, ECU received a clean financial audit with no reportable findings from the State Auditor. Dr. Ballard thanked Vice Chancellor Kevin Seitz, Dr. Steve Duncan and Ms. Stacie Tronto for their efforts,

- National Webcast - Mr. Tipton hosted a national webcast on February 3, 2009. The webcast featured two prominent members of the National Association of Home Builders, Mike Luzier and Ed Sutton. ECU was a cosponsor of the webcast which was viewed by twice as many viewers than the previous two webcasts combined,
- Valerie DiTomasso, a student in the Deaf-Blindness Certificate Program, was selected to participate as a Helen Keller Fellow in a federal program targeted to increase personnel to serve school age children in low incidence disabilities.
- The Center for Health Disparities recently received funding from NIH to conduct the PROCARE Study, a NIH funded clinical trial evaluating supportive care interventions for African American prostate cancer survivors. Dr. Lisa Campbell received the Health and Wellness Award from the 100 Black Men of America, Inc., for her efforts to increase prostate cancer awareness in African American communities.

BOARD OF GOVERNORS REPORT

Mr. Phil Dixon gave the Board of Governor's Report. He stated that a Judge recently pulled him aside in court and told him what a huge impact the ECU student-athletes are having on children in Family Court when they serve as mentors or Big Brothers or Big Sisters. Mr. Dixon stated that ECU should be very proud of the student-athletes and their devotion not only to their sport and their academics, but also their service to their community.

REPORT OF THE FACULTY

Dr. Jan Tovey, Chair of the Faculty, began her report by saying that she was appalled that the state continues to ask for budget cuts from education. She said that the faculty is concerned about the effect the budget cuts will have on students, on programs, and on the staff members that support those programs. Dr. Tovey reported that travel has been all but eliminated, which

severely affects the tenure-tracked faculty and their efforts to get their research recognized or published. Class sizes are being increased, which is acceptable in some cases, but in other cases requires a faculty member to evaluate writing assignments from 200 students several times a semester. She said that is near impossible. Dr. Tovey challenged the Chancellor, the Provost and the Vice Chancellors to make budget cuts strategically.

SGA REPORT

SGA President, Drew Griffin, reported that the SGA is gearing up for elections that will take place in March. Mr. Griffin said that the next event on SGA's calendar is "Chat with the Chancellor," which gives the students an opportunity to learn more about what is going on at the administrative level of the University. Mr. Griffin said that he would like to see even more communication from the administration with students addressing budget cuts. He said that students don't grasp the "big picture" and may need more literal communication.

Mr. Griffin reported that ECU recently hosted the ASG meeting on campus. ASG is the Association of Student Governments from UNC General Administration and it includes all the SGA Presidents in the UNC System. Mr. Griffin said he was proud to bring ASG on campus, specifically the Science and Technology Building because of its facilities.

Mr. Griffin said that he was proud of the Board in the handling of tuition and fees. He said that the consensus of other SGA Presidents in the UNC System is that their input is not important. ASG has created a taskforce with the goal of getting the SGA Presidents across the UNC System more involved in the tuition and fees process. Mr. Griffin said that he felt very good about his role on the Board of Trustees and feels ECU is a great example for the taskforce.

Mr. Griffin asked if departmental "graduations" had been cancelled. Dr. Ballard responded that the administration has not cancelled any departmental graduations, just changed

the schedule. ECU Commencement will now be on Friday instead of Saturday and each College/Department can still have its individual ceremony after commencement depending on the budget of that respective area.

BOARD OF VISITORS REPORT

Chairman of the Board of Visitors, Mr. Steve Jones gave the report. Mr. Jones said that the theme of the last Board of Visitors meeting was service; specifically, how can the Board of Visitors serve ECU. Board of Trustee member, Mark Tipton spoke to the Board of Visitors and gave an overview of what the role of a trustee means and how the Board of Visitors can assist the trustees. In addition, Mr. Mickey Dowdy, Vice Chancellor for University Advancement, spoke as to how the Board of Visitors can be of service on campus.

Mr. Jones said that the Board of Visitors continues to focus on three priorities: legislative priorities, fundraising (the Board raised over \$2,000 at their last meeting for Access Scholarships), and engagement. Mr. Jones distributed two news articles written by members of the Board of Visitors, the first written by Mary Schulken, entitled “We have to take care of the Kelseys” and the second written by Mike Hughes, entitled “Don’t put off ECU’s dental school.” Both are examples of what the Board of Visitors are doing in their communities to advocate for ECU.

Mr. Tipton asked from what areas in the state should the Board of Trustees focus on appointing new members. Mr. Jones responded that there is a need for more members from the western part of the state. In addition, he said that the Board of Visitors needs more diversity of every kind. Mrs. Mabe stated that she would like to attend future meetings of the Board of Visitors and requested dates for upcoming meetings.

AUDIT REPORT

Committee Chair Joel Butler gave the Audit Report. There were no action items that needed the attention of full board. A summary of the Audit Committee Report is included as Attachment A.

FACILITIES AND RESOURCES REPORT

Committee Chair David Redwine, who was participating in the meeting by telephone, called on Mark Tipton to give the committee report. There were several action items that required full board approval. From University Advancement, there was one action item. Mr. Tipton moved that the Board accept the committee's recommendation and approve the naming the Resident Office, located on the second floor of the new Family Medicine Center in honor of Medical Mutual. The motion was accepted with no negative votes.

Mr. Tipton reported that two action items that had been sent to the Facilities and Resources Committee were not acted on because three members of the committee are also members of the ECU Foundation Board and there were concerns about a potential conflict of interest and the committee, in its meeting of Feb. 3, had deferred action on those items to the full Board.

Vice Chancellor Kevin Seitz presented the information concerning the property at 1001 East Fourth Street. Mr. Brody moved approval for the purchase of the property from the ECU Real Estate Foundation as presented in board materials and by Mr. Seitz. Mr. Butler seconded the motion. The motion passed with no negative votes.

Mr. Seitz presented the information concerning the Fed Ex/ Kinko's property at 321 East Tenth Street. Mr. Brody moved approval for the purchase of the as presented in the board

materials and by Mr. Seitz. Mr. Butler seconded the motion. The motion passed with no negative votes.

Mr. Tipton moved approval for the purchase of property located at 111 East Tenth Street as presented in the board materials. The motion was approved with no negative votes.

Mr. Tipton moved approval for the purchase of property located at 110 East Ninth Street as presented in the board materials. The motion was approved with no negative votes.

Mr. Tipton moved approval of the Construction Manager at Risk Selection for the East End Zone Seating at Dowdy-Ficklen Stadium as presented in the additional materials distributed at the full board meeting. The motion was approved with no negative votes.

Mr. Tipton moved approval of the Construction Manager at Risk Selection for the Croatan demolition and replacement, as presented in the additional materials distributed at full board meeting. The motion was approved with no negative votes.

Mr. Tipton moved approval of the Site Plan for the Athletic Facility Expansion as presented in the additional materials distributed at the full board meeting. The motion passed with no negative votes.

Mr. Tipton moved approval of the administration's efforts to have the Board of Governors approve the Reimbursement Resolution for the financing of the renovation of the Wright Place and Croatan dining facilities, softball field, and renovation, equipping, and furnishing of Scott Residence Hall as presented in the board materials. The motion was approved with no negative votes. The draft of the Board of Governors resolution is included as Attachment B.

Mr. Tipton moved approval of the Resolution approving the issuance of Special Obligation Bonds for the dining facilities, softball field and residence hall as presented in the

board materials. Mr. Tipton read the resolution, which is included as Attachment C. The motion passed with no negative votes.

Mr. Tipton moved approval for of the transfer of excess reserves from the Minges Coliseum renovation project in accordance with the terms and conditions provided in the Board materials. The motion passed with no negative votes.

Mr. Tipton stated that there would be no action taken on the increase in the parking fee proposal. After discussion among the committee, the committee asked that the university take a more aggressive look at parking fees and report back in April.

A full summary of the Facilities and Resources Committee is included as Attachment D.

HEALTH SCIENCES

Committee Chair Robbie Hill gave the committee report. There was one item that the Health Sciences Committee wanted to bring before the board. Mr. Hill moved that the full Board recommend to the Chancellor that he offer to Dr. Phyllis Horns be offered a three-year term as Vice Chancellor for Health Sciences. Several of Dr. Horns' colleagues spoke in support of this motion, including Dr. Stephen Thomas, Dr. Paul Cunningham, Dr. Dorothy Spencer, Dr. Deirdre Mageean, Dr. Jan Tovey and Dr. Marilyn Sheerer. The motion was approved with no negative votes. A summary of the committee meeting is included as Attachment E.

UNIVERSITY AFFAIRS

Committee Chair Bob Lucas gave the University Affairs Committee report. There was one matter that required action by the full board. Mrs. Carol Mabe moved that the Board accept the Strategic Enrollment Task Force Report as a roadmap of the university, understanding that each recommendation within the report will be evaluated by the assigned parties from the administration and implemented as appropriate. Updates on actions against the

recommendations are to be made to the University Affairs Committee. The motion passed with no negative votes. A full summary of the University Affairs committee meeting is listed as Attachment F.

EXECUTIVE COMMITTEE

Committee Chair Bob Greczyn gave the Executive Committee report. The committee deferred action on the proposed resolution regarding the sale and regulation of kegs of beer in order to gather input from students. Mr. Greczyn reported other matters that come before the Executive Committee:

- Philip Rogers, Executive Assistant to the Chancellor, reported on upcoming vacancies on the Board of Visitors and asked Board members for their recommendations for new members;
- Donna Payne spoke on the potential conflict of interest for Board of Trustees members who are also members of the board of an affiliated entity such as the ECU Foundation.
- Mr. Ken DeVille reported on upcoming deadlines for reporting training for Board members to comply with the state ethics law.
- Mr. Greczyn also requested that the University Affairs Committee take on the role of seeking potential candidates for the Board of Trustees.

The Executive Committee brought two items to the Board. Mr. Hill moved approval of the conferral of tenure for faculty in Academic Affairs and Health Sciences as presented in the Board materials. The motion passed with no negative votes.

Mr. Hill moved that the Jarvis Medal be awarded to Janice Faulkner, a distinguished alumna and an exemplary public servant. The motion passed with no negative votes.

OLD BUSINESS

Mr. Greczyn stated that he needed to appoint someone to fill Mr. Bodenhamer's expired term on the Endowment Fund Board. Hearing no volunteers, Mr. Greczyn stated that the board may need to look at the appointment process due to so many members of the board already serving on the Endowment Fund Board.

Mr. Greczyn also appointed a nominating committee for the new officers of the Board of Trustees. He appointed Robbie Hill as chair of the nominating committee, along with Robert Brinkley and Bill Bodenhamer. Mr. Hill asked that the board members contact him or other members of the nominating committee with suggestions for officers of the board.

NEW BUSINESS

There was no new business.

Hearing no further business, Mr. Greczyn accepted the motion to adjourn from Mr. Brody. The motion was approved and the meeting adjourned at 11:15 am.

**East Carolina University
Report of Audit Committee Meeting
02/26/09**

Action Items

- Approval of November 28, 2008 minutes

Research Compliance Officer Report

- Mr. John Chinn, Research Compliance Officer, reported on the current and proposed conflict of interest disclosure process
- Recommendations for the COI disclosure process include:
 - supplemental COI disclosure and review process should be developed for those submitting proposals for external funding
 - COI training and educational materials should be made for unit leaders and EPA faculty and staff
 - Current forms used for reporting should be modified to address situations that are more likely to occur in a university with a medical component

BSOM Compliance Officer Report

- Ms. Joan Kavuru, BSOM Compliance Officer, reported on the Compliance efforts at the Brody School of Medicine.
- Review of consultations have been expanded with improved results
- Other areas in report:
 - contract/new venture reviews
 - denial claims
 - provider documentation reviews
 - Medicare CERT reviews
 - DHHS OIG Inquiry regarding Medicare payments
 - Review of Wound Care Clinic
 - Compliance Education that has been provided by the Compliance Office

Associated Entities – Audit Reports

- Per UNC-GA requirements the Audit Committee received the audit reports for the ECU University Educational Foundation and the Medical Foundation
- Both foundations received an unqualified opinion with regard to the external audit of the financial statements.
- For the Medical Foundation, there was a suggestion that accounting staff should agree trust records to gift records on an annual basis to ensure completeness of records; additionally the Foundation's Investment Committee should adopt a policy on the acceptance of charitable remainder trusts.

Internal Audit Dashboard Report

- Currently, the Audit Committee receives many reports throughout the year with regard to performance measures of the Internal Audit activity as well as observations and recommendations of each review conducted by the Internal Audit staff
- Discussion around developing a dashboard report for each audit committee meeting rather than rehash what is already reported throughout the year in these other reports
- Audit Committee members discussed various measures they would like to see; Audit Director will pursue creating a dashboard report based on Audit Committee recommendations

Update on State Auditor IT Report

- Follow-up has been completed by Internal Audit with regard to findings and recommendations in the State Auditor IT Report
- Meeting held with UNC GA and State Auditor representatives and they are satisfied with progress that has been made with regard to implementation of recommendations
- Dr. Jack Brinn, CIO, provided comments with regard to the State It Audit process.

RESOLUTION OF THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA DECLARING ITS INTENT TO CAUSE EAST CAROLINA UNIVERSITY TO BE REIMBURSED FOR CAPITAL EXPENDITURES INCURRED IN CONNECTION WITH DEMOLITION AND RECONSTRUCTION OF ONE DINING FACILITY AND RENOVATION OF A SECOND DINING FACILITY; RENOVATION, EQUIPPING AND FURNISHING OF A RESIDENCE HALL; AND CONSTRUCTION OF A SOFTBALL FIELD FROM THE PROCEEDS OF CERTAIN TAX-EXEMPT OBLIGATIONS TO BE ISSUED.

WHEREAS, the Board of Governors (the “*Board*”) of The University of North Carolina (the “*University*”) by resolution adopted on April 14, 2000 has authorized the Vice President-Finance of the University to take such action as may be required to declare the intent of the Board to cause the constituent institutions of the University to be reimbursed for capital expenditures made in anticipation of the issuance of tax-exempt obligations;

WHEREAS, it is in the best interests of East Carolina University (“*ECU*”) to demolish and reconstruct one dining facility and renovate a second dining facility; renovate, equip and furnish residence halls; and construct a softball field on the campus of ECU (the “*Project*”);

WHEREAS, the Board presently intends, at one time or from time to time, to finance a portion of the costs of the Project with proceeds of tax-exempt bonds and reasonably expects to issue its tax-exempt bonds or other evidence of indebtedness as tax-exempt obligations (the “*Bonds*”) to finance, or to cause ECU to be reimbursed for, a portion of the costs of the Project; and

WHEREAS, the Board desires to proceed with the Project and ECU will incur and pay certain expenditures in connection with the Project prior to the date of issuance of the Bonds (the “*Original Expenditures*”), such Original Expenditures to be paid for originally from a source other than the proceeds of the Bonds, and the Board intends, and reasonably expects, to cause ECU to be reimbursed for such Original Expenditures from a portion of the proceeds of the Bonds to be issued at a date occurring after the dates of such Original Expenditures;

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

Section 1. ***Official Declaration of Intent.*** The Board presently intends, and reasonably expects, to cause ECU to be reimbursed for the Original Expenditures incurred and paid by ECU on or after the date occurring 60 days prior to the date of adoption of this Resolution from a portion of the proceeds of the Bonds. The Board

reasonably expects to issue the Bonds to finance a portion of the costs of the Project and the maximum principal amount of Bonds expected to be issued by the Board to pay for such portion of the costs of the Project is \$45,500,000.

Section 2. **Compliance with Regulations.** This Resolution as a declaration of official intent of the Board under Section 1.150-2 of the Treasury Regulations promulgated under Section 103 of the Internal Revenue Code of 1986, as amended, to evidence the Board's intent to cause ECU to be reimbursed for the Original Expenditures from proceeds of the Bonds.

Section 3. **Itemization of Capital Expenditures.** The Vice Chancellor for Administration and Finance of ECU or his designee, with advice from bond counsel, is hereby authorized, directed and designated to act on behalf of the Board in determining and itemizing all of the Original Expenditures incurred and paid by ECU in connection with the Project during the period commencing on the date occurring 60 days prior to the date of adoption of this Resolution and ending on the date of issuance of the Bonds.

Section 4. **Effective Date.** This Resolution is effective immediately on the date of its adoption.

ADOPTED AND APPROVED this ____ day of February, 2009.

**BOARD OF GOVERNORS OF THE UNIVERSITY OF
NORTH CAROLINA**

By: _____
Robert O. Nelson
Vice President-Finance

**RESOLUTION OF THE BOARD OF TRUSTEES OF
EAST CAROLINA UNIVERSITY
APPROVING THE ISSUANCE OF SPECIAL OBLIGATION BONDS**

WHEREAS, under Article 3, Section 116D of the General Statutes of North Carolina (the “Act”) the Board of Governors (the “Board of Governors”) of the University of North Carolina (the “University”) may issue special obligation bonds, payable from obligated resources to pay the costs of acquiring, constructing or providing a special obligation project at one of the constituent institutions of the University or refunding any obligations previously issued by the Board of Governors;

WHEREAS, East Carolina University (“ECU”) will request the Board of Governors to issue its special obligation bonds (the “Bonds”), the proceeds of which will be used for the purpose of (1) financing the costs of demolishing and reconstructing one dining facility and renovating a second dining facility on the ECU campus authorized by Chapter 146 of the 2006 Session Laws of the North Carolina General Assembly, (2) financing the costs of renovating, equipping and furnishing a residence hall on the ECU campus authorized by Chapter 324 of the 2005 Session Laws, (3) financing the costs of constructing a softball field on the ECU campus authorized by Chapter 146 of the 2006 Session Laws of the North Carolina General Assembly, (items (1) through (3), collectively, the “Special Obligation Bond Projects”), and (4) paying the costs incurred in connection with the issuance of the Bonds;

WHEREAS, Section 116D-26(b) of the Act requires the Board of Trustees of ECU to approve the issuance of the Bonds for the Special Obligation Bond Projects;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of ECU as follows:

Section 1. **Approval of Issuance of Bonds.** The issuance of the Bonds for the Special Obligation Bond Projects is approved.

Section 2. **Effective Date.** This Resolution is effective immediately.

ADOPTED AND APPROVED this 27th day of February, 2009.

**THE BOARD OF TRUSTEES OF EAST CAROLINA
UNIVERSITY**

By: _____
Assistant Secretary

STATE OF NORTH CAROLINA)
)
COUNTY OF PITT) SS:

I, _____, the duly elected Assistant Secretary of the Board of Trustees of East Carolina University, **DO HEREBY CERTIFY** that (1) the foregoing is a full, true and correct copy of the Resolution adopted by the Board of Trustees of East Carolina University at its meeting of February 26, 2009 and appearing in the minutes of such meeting, (2) notice of the meeting of the Board of Trustees of East Carolina University held on February 26, 2009 was sent to each member of the Board, and (3) a quorum was present at the meeting on February 26, 2009 at which time the foregoing Resolution was adopted.

WITNESS, my hand and the seal of East Carolina University this ____ day of February, 2009.

[SEAL]

Assistant Secretary

**ECU Board of Trustees
Facilities and Resources Committee
February 27, 2009**

Highlights

The Facilities and Resources Committee met on February 26, 2009.

Minutes from the February 3, 2009 meeting were approved.

University Advancement

University Advancement Highlights

A. Naming Proposal
Action

- **Approved** proposal that the Resident Office, located on the second floor of the new Family Medicine Center, be named in honor of Medical Mutual.
- A second naming proposal involving personal service rather than a monetary gift was presented. While committee members emphasized there was no opposition and/or concern regarding the individual to be honored, there was discussion regarding the criteria for service recognition and whether the policy needs to be further defined and more specific. Therefore, no action was taken on this naming proposal at this meeting. Mr. Dowdy was asked to provide, prior to the April meeting, a list of namings to date along with other pertinent information to facilitate further discussion regarding the process and elements considered.

B. Second Century Campaign Update
Discussion

- Mr. Dowdy distributed a campaign summary report reflecting a campaign total of \$123M through January 31, 2009. Indicated December 2008 end-of-year total was \$1M over December 2007. While February has been somewhat slower, January 2009 was a relatively good month even with current economic situation. Annual giving continues to make good progress and actually seems to be benefitting due to our being in a campaign.

C. Advancement Highlights Discussion

- Mr. Dowdy announced that for the second year in a row, ECU's Alumni Association received CASE III's *Grand Award for Overall Alumni Relations Programs*. Also referenced Marketing's efforts by showing recent ads prepared by Marketing and Publications staff and now in such publications as *Time*, *Newsweek* and *Sports Illustrated*. The ads are tied to institutional strategies and priorities. Latest edition of *EAST* is in the mail; in addition to sending to alumni, this edition was also designed with incoming students in mind and was sent to them as well. A new newsletter entitled *Chancellor's Notes* has been created and sent to major donors with plans to send this correspondence a couple of times a year.

Administration and Finance

A. Property Acquisition

The Committee reviewed the proposal to purchase property located at 110 East Ninth Street. This property is the block where the University already owns much of the property. Mr. Buck was available for questions. Mr. Buck advised that the property would be demolished and an environmental study was not needed. The Committee approved a motion recommending that the Board approve the purchase of 110 East Ninth Street.

B. Parking Fee Proposal

The Committee reviewed a parking fee increase proposal. No action will be taken at this time. Mr. Koch and Mr. Tawney were available for questions. The department was prepared to adopt Option Three, however after discussion; The Committee recommends that ECU take a more aggressive position with parking fees and favors Option One.

C. Reimbursement Resolution for Renovations

The Committee reviewed a reimbursement resolution for financing of the renovations of Wright Place and Croatan dining facilities, construction of the softball field, and the renovation, equipping and furnishing of Scott Residence Hall. Mrs. Jenkins and Mr. Price were available for questions.

The Committee approved a motion to recommend that the Board approve the administration's efforts to have the Board of Governors pass a

reimbursement resolution for the dining facilities, softball field and residence hall projects.

D. Transfer of Excess Reserves

The Committee reviewed plans for using excess reserves accumulated in the debt service account held for the Minges Coliseum Renovation project. The reserves would be used to pay debt service on other Athletic projects and establish a “seed money” fund for future projects. Mrs. Jenkins and Mr. Price were available for questions.

The Committee approved a motion to recommend that the Board approve the transfer of excess reserves.

E. Resolution for Issuance of Special Obligation Bonds

The Committee reviewed a resolution approving the issuance of Special Obligation Bonds to finance three projects and pay the costs incurred in connection with the issuance of the Bonds. Mrs. Jenkins and Mr. Price were available for questions.

The Committee approved a motion to recommend that the Board approve the resolution approving the issuance of special obligation bonds.

F. Non-Appropriated Capital Improvements Projects

The 2009 request for non-appropriated capital improvements projects was included as an information item. This item was reviewed at the February 3rd meeting.

G. Other

Bill Bagnell gave a presentation on the site plan for the athletics non-revenue sports project. Nick Floyd and Terry Holland were available to answer questions. Athletics will be holding informational sessions with the neighborhood to discuss the plan.

***Health Sciences Committee
February 26, 2009***

School of Dentistry Update:

- Dr. Hupp reviewed the mission of the School of Dentistry which is to produce dental professionals with outstanding clinical skills, ethical bearing and a strong desire to serve the un and underserved, provide oral health services to the un and underserved of North Carolina, and conduct research to help guide future clinical practice and dental education.
- They currently have 2.5 faculty members and 4 staff members (1 full-time staff and 3 part-time temporary staff).
- Facilities – Currently housed in the Laupus Library. Will be moving to the Warren Life Sciences building. Temporary modular units will be coming and projected occupancy will be in May.
- Dental School site nearing end of schematic phase and will then enter design phase. Remaining items include the exterior appearance, sufficiency of the number of faculty offices, building shell space, and considerations for future expansion (4th floor for research and additional office space).
- Construction of the utility tunnel for the School of Dentistry and the Family Medicine Center has begun.
- Continuing to work on the site selections for the community service learning centers. Two initial sites are close to being identified.
- Recruitment for key leadership positions are occurring and interviews will be taking place in the next few weeks – Associate Dean for Clinical Affairs, Associate Dean for Student Affairs, and Associate Dean for Academic Affairs. Ad has been posted for an Assistant Dean for Dental Education & Informatics.

- Curriculum Development – continuing to work with the BSOM Basic Science faculty to design the basic science curriculum.
- Biggest Need - \$6 million for operating funds for FY 09/10 and \$8 million for FY 10/11. Operating funds needed before recruitment of faculty and staff can begin. Please call on or meet with your local legislators about funding needs for the Dental School.

Brody School of Medicine Update:

- Performance Indicators: Improvements in all areas have been made in comparison to FYTD 2008 to FYTD 2009. Contract revenues continue to be down. New patient visits have increased. Emergency Med visits as well as Med Direct visits have also increased in comparison to FYTD 2008 to FYTD 2009.
- Operating and non-operating results are lower than budget due to reduced professional fees and contract revenue.
- Positives – Chemo Revenue is up, personnel expenses are down, and \$1,002,000 in expenses have been offset with state lapsed salaries.
- Areas to improve – Pro Fees and Contract Revenue
- Well planned investments are required for long-term viability of ECU Physicians.
- Biggest Need – outside, continuous funding to accelerate improvement (recurring indigent care funds, appropriate GME funding support, and new contracts). Continue to address with our legislators the need for indigent care funding – requesting \$3M this year and \$2M next year.
- Concerns – State budget cuts will impact the Practice plan; 6% of clinical department state funds = \$1.2M May have to access Medicare Reserves.
- Performance Improvements -

- Reduction in Discretionary spending (2.5% reduction):
 - vacant faculty positions; vacant staff positions; non-essential travel; international travel; eliminate salary increases; and non-essential purchases.
- Reduction in Faculty Fringe Benefits – reduce SHERPA benefits (eliminate co-pays for services outside of ECU or PCMH)
- Investments -
 - Family Medicine Center – utility tunnel construction started
 - ECU Physicians CyberKnife - First Patient Treatment on February 11th
 - Endoscopy Center - Opened late January – 30 patients seen the first week.
 - ECHI CT Scanner – will be installed in May and up and running in July.
 - Associate Dean for Clinical Investigation – Dr. Jose Caro has been hired and is very engaged in developing interdisciplinary groups to pursue grants and contracts.

University Affairs Committee Talking Points – February 27, 2009

- Discussion of University Affairs Committee Duties and Responsibilities
 - Committee members submitted their input about the priorities for setting agendas and discussion topics for the University Affairs Committee. Some of the highlights included:
 - Focusing our agenda items on the concerns and issues that are the most pressing to the university rather than more of a show and tell meeting.
 - Many members expressed concerns that they would like to be involved in this committee's issues but are obligated to attend other meetings.
 - Joel Butler stated that this committee is very much like a consultative committee that can make recommendations to the full board. It's okay to be that type of consulting group. What he didn't want was a show and tell committee.
 - There was also expressed a need to have research involved in these committee meetings more often as well as at the full board level. We need to hear about the research challenges that are out there so that we may be able to provide assistance at some point.

- The committee members discussed the many facets of campus safety that should be talked about on this committee. There are members of this committee that don't feel they have an understanding on the standard of care for campus safety and it seems like this should be a big focus of this committee. This is not just an ECU problem. Every school in the UNC system is trying to address these issues. Chancellor Ballard suggested that there could be a plan set for the April meeting to make sure that the board is fully informed on the safety plan.

- Athletics – Terry Holland
 - Economy is hitting them hard - big donors unable to contribute as they normally have.
 - Athletics is very dependent on the economy and the only real drop we have seen has been future giving.
 - Things are doing okay for the rest of this year and his staff is developing contingency plans for next year.
 - On facilities, the Olympics sports facility will break ground sometime this summer. We also talked with a construction manager about the stadium growth project to add 7,000 seats to the end zone. We have the funds set for the Olympic project, but the end zone project will be under constant evaluation to make sure it's feasible and cost effective.

- Enrollment Management – Judi Bailey
 - ECU has raised its class standards for both spring and fall.
 - The primary point from the Strategic Enrollment Management (SEM) Task Force was to slow the rate of enrollment growth.

- ECU's admissions standards for early fall 2009 was a 900 SAT score and 2.35 predicted grade average. For future fall 2009 applications, the minimum numbers are 1050 SAT and 2.35 projected grade average.
- As of January 15th, we have more applications submitted than for fall 2008 in total. Our expected number for fall 2009 right now is about 4,100+ freshmen. Higher admissions standards should assist with retention rates.
- **Carol Mabe made a motion to have the report by the Strategic Enrollment Management Task Force as a road map for ECU. Updates on actions will be made to the UA committee as needed. The motion was seconded. Motion was passed.**

■ Academic and Student Affairs

- Kemal Atkins discussed Greek Life – Update on the fire at the Sigma Phi Epsilon home on 5th street. No students were injured and our response as a university and community was tremendous. We have also submitted a report to GA on our current sprinkler systems on campus and in the Greek houses. The expectation is that Greek affiliated houses should have sprinkler systems, however we don't have jurisdiction to enforce it. However, we can take the action that we don't recognize them as an official university organization.
- Kemal Atkins discussed Student Housing update – There are 5,497 beds available on campus with 500 going away with the Scott Residence Hall going offline for renovations. Maintaining these numbers is important to our Carnegie Classification.