The Board of Trustees met in regular session in the lobby of the new Library, Allied Health and Nursing building on Tuesday, July 25, 2006, at 8:10 a.m. Mr. Stephen D. Showfety, Chair, presided and called the meeting to order with the following comments:

On behalf of the Board, I would like to welcome everyone to our summer board meeting and to this beautiful new building—it is spectacular and it is a testimonial to the services that we are providing in health care and the expansion of that effort. This is a wonderful place for us to celebrate our success with those programs. I don’t see any of the deans here this morning but I understand that we have an opportunity for a tour this afternoon.

We had the pleasure of spending the day in this building yesterday and had a planning session -- we won’t use the term “retreat” because of the connotations of work and play -- it was an all work session and it was all day long. We started at 8:00 yesterday morning and we finished up just before 5:00, I believe and through that effort we developed a lot of focus on where the Board and administration would like to go over the next short term. We spent some time on organizational issues with regard to the Board’s operations and I believe that you will continue to see efficiencies by our actions. Yesterday developed a closer and closer alliance with the administration which is our primary goal.

I see that we are on the verge of almost 100% attendance so I would ask Secretary Kelly to call the roll.

Roll Call

Members present:

Bruce N. Austin
William H. Bodenhamer, Jr.
Joel K. Butler

Robert V. Lucas, Jr.
E. David Redwine
Stephen D. Showfety
Chairman Showfety asked Mr. Austin, as a member of the Nominating Committee to give his report.

Mr. Austin reported that the committee nominates the current officers for reelection. They are: Steve Showfety, chair; Bob Greczyn, vice chair, and Mike Kelly, secretary.

Mr. Austin asked for any further nominations from the floor. Hearing none, he asked for a motion that the current officers be re-elected by acclamation.

Mr. Tipton moved approval of the slate of officers and Mr. Bodenhamer offered a second. The motion passed. Mr. Austin offered congratulations to all of the officers.

Chairman Showfety said, “It is indeed a pleasure to serve on this Board and I must say that I have great pride in our group and I appreciate the confidence in the opportunity to serve. Thank you very much.”

Mr. Showfety acknowledged to guests that the Closed Session will be long and invited them back for the balance of the meeting. He asked Mr. Greczyn to read the motion for Closed Session.

Mr. Greczyn moved that the Board 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:
   a) William Swart v. East Carolina University;
   b) Frank Salamon v. East Carolina University, et. al.; and
   c) James Dautremont v. East Carolina University, et. al.
2. prevent the disclosure of privileged information under N.C. General Statutes #126-22 to #126-30;
3. consider the qualifications, competence, performance, character, fitness or conditions of appointment of prospective employees and employees;
4. establish or instruct concerning the position to be taken regarding the amount of compensation and other material terms of an employment contract or proposed employment contracts;
5. establish or instruct concerning the position to be taken by or on behalf of the University in negotiating the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease; and
6. prevent the premature disclosure of honorary degrees and/or awards.

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

Upon returning from Closed Session at 10:50 a.m., Chairman Showfety asked Mr. Holland to introduce his guest, Kim Lewellen.

Mr. Holland introduced Ms. Lewellen, coach of the women’s golf team, who made brief remarks.

Chairman Showfety reminded the Board that the Chancellor had given his report earlier and asked for individual committee reports. At the conclusion of the committee meetings, Chairman Showfety asked for approval of the full Board minutes.

APPROVAL OF MINUTES

It was moved by Mr. Tipton and seconded that the minutes of the May 5, 2006 full meeting of the Board of Trustees be approved as submitted.
The motion passed with no negative votes.

It was moved by Mr. Hill and seconded that the minutes of the joint meeting of the ECU Board of Trustees and the ECU Board of Visitors on June 7, 2006 be approved as presented.

The motion was approved with no negative votes.

Mr. Showfety asked for comments from Mr. Phil Dixon, our representative with the Board of Governors.

REPORT FROM THE REPRESENTATIVE OF THE BOARD OF GOVERNORS

Mr. Dixon stated there would be no meeting of the Board of Governors in July and updated the Board on some plans Erskine Bowles had shared in regards to downsizing as well as changes in personnel at the various institutions. It appears that Chancellor Ballard is now one of the senior Chancellors in the UNC system.

Mr. Dixon said the General Assembly was very kind to us in this legislative session and announced that the Board of Governors would be meeting at ECU in March for the 100th anniversary.

The make up of the Board of Governors committee was discussed stating that not many members east of 95 are asked to serve.

Mr. Dixon remarked that the dental school was the number one project and Mr. Hill replied that he did not know Mr. Dixon prior to him being on the Board of Governors but that he appreciated his feedback and activity.
Mr. Lucas asked if Mr. Dixon would let us know when the members of the Board of Governors are going of the Board in order to try to get more representation.

Mr. Dixon replied that in the past you stayed on the Board for quite some time but it is not that way now. ECU originally had three slots and that is what we currently have.

Mr. Showfety thanked Mr. Dixon for attending the Trustee meetings and for his comments. (A transcript of these remarks is available from the Office of the Assistant Secretary to the Board.)

Mr. Showfety called on Doug Byrd to make comments on behalf of the Board of Visitors. (A transcript of theses remarks is available from the Office of the Assistant Secretary to the Board.)

Mr. Showfety called on Mark Taggart for his report. (Please access the following website to read the comments in their entirety www.ecu.edu/cs- acad/fsonline/speeches/bot.cfm).

Chairman Showfety thanked Dr. Taggart for his comments and recognized Professor Henry Ferrell for his historical perspective.

HISTORICAL MOMENT BY UNIVERSITY HISTORIAN

Professor Ferrell commented he was sorry Phil Dixon had left since he wanted to recognize him as being the SGA President in 1969. Dr. Ferrell’s comments covered the three major building periods in ECU history. (A transcript of these remarks is available from the Office of the Assistant Secretary to the Board.)
Chairman Showfety called for a motion on any items considered in Closed Session.

Mr. Kelly moved approval of the requests for action on recommendations for tenure as follows:

--Mr. Michael Drought, Professor, School of Art and Design, College of Fine Arts and Communications,
--Dr. Hamid Fonooni, Associate Professor, Department of Technology Systems, College of Technology and Computer Science,
--Dr. Ricky P. Hicks, Professor and Chair, Department of Chemistry, Harriot College of Arts and Sciences,
--Dr. Andrew Jackson, Professor, Department of Technology Systems, College of Technology and Computer Science,
--Dr. Kathleen A. Row, Professor, School of Social Work, College of Human Ecology, and
--Dr. Mark B. White, Associate Professor, Department of Child Development and Family Relations, College of Human Ecology.

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

Mr. Kelly moved approval of the modifications in the employment contract for Sharon Baldwin-Tener to extend the contract for two years and to increase her annual salary by $15,000.

Mrs. Ward seconded the motion and it was approved with no negative votes.

COMMmittee Reports and Recommendations

Executive Committee Report

Mr. Durham gave the following report items since the last meeting per a request from Mr. Showfety:

--Request for approval of tenure for Dr. Patrick J. Pellicane, Dean of the Graduate School and Professor, College of Technology and Computer Science, and

--Approval of purchase of parcel of land on MacGregor Downs Road.
Chairman Showfety asked for action items from the committee and Mr. Kelly moved that the current officers for the Board of Visitors be reappointed as presented (Doug Byrd, chair; Carl Davis, vice chair; and Robert Brinkley, secretary); that the appointments of the new members to the Board of Visitors be approved as presented (Gerald Arnold, Bob Bird, Dr. Jim Galloway, Daniel Hardy, Mike Hughes, Richard Jones, Steve Jones, Tom Morrow and Terry Yeargan); and the amendment to the bylaws of the charter be approved as presented *(If for any reason other than ill health or service in the interest of the State or nation, a member fails to be physically present for three (3) successive regular meetings of the Board of Visitors, his/her place as a member shall be deemed vacant.)*

Mr. Hill seconded the three-part motion and it was approved by a voice vote.

Mr. Kelly moved approval of the 2005-20106 Lifetime Achievement Award in Research and Creative Activity for Professor James McCubrey and the Five-Year Achievement Award in Research and Creative Activity for professors Derek Alderman and Reide Corbett and he further moved approval of the Distinguished Professor for Microbiology and Immunology Award for Dr. McCubrey.

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

Mr. Kelly moved approval of the changes as presented in the Board books (see also [www.ecu.edu/fsonline/](http://www.ecu.edu/fsonline/)).

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

**ACADEMIC AFFAIRS and STUDENT LIFE COMMITTEE REPORT**

Acting Committee Chair Ward stated there were no action items.

**FINANCE and FACILITIES COMMITTEE REPORT**

Mr. Showfety asked Committee Chair Kelly for any action items. Mr. Kelly stated he had five items and asked to read them at one time for one vote.

Mr. Kelly moved approval of:

1) changes to the parking ordinance as presented in our materials (Attachment A)
2) the revised automobile allowance schedule as presented in our
materials (Attachment B)
3) the automobile allowance increases for the Chancellor and appropriate Vice Chancellors (Attachment B)
4) a resolution associated with the College Hill Suites project to complete payment for the construction of the new residence hall (Attachment C)
5) a resolution to allow administration to reimburse Housing reserves from proceeds of the financing. (Attachment D)

Mrs. Ward seconded the motions and they passed with no negative votes.

Chairman Showfety noted there were no action items from the Athletics Committee, the Health Sciences Committee, the Research, Economic Development and Community Engagement Committee, or the Advancement and Naming Committee.

OLD BUSINESS

There was no Old Business.

NEW BUSINESS

Chairman Showfety commented that he asked Bob Greczyn to head a discussion on a Committee on Committees to examine the makeup of Board committees and the structure of the Board Meetings.

Mrs. Ward moved approval of the 2006-2007 meeting dates and following Mr. Butler's second of the motion, asked that they be read into the minutes. The meeting dates are: October 6, December 15, 2006, April 20, 2007 and July 24, 2007.

Discussion followed as to why we are not having a March meeting, i.e., the Centennial celebration and the visit of the full Board of Governors in conjunction with the activities that month.
Chairman Showfety continued the use of “New Business” as an open forum for each of the Trustees to offer any comments and asked Mr. Butler for his comments. He had none. Mr. Hill said he was “good” but extended a thank you for the use of the facility in which to hold the meeting. Mr. Kelly thanked the staff, Dr. Thomas and everyone else for their hospitality in the new building. Mrs. Ward said she was “good” and Mr. Bodenhamer had no comment. Mr. Tipton said it had been a “great meeting” and Mr. Austin thanked Mr. Showfety for organizing the retreat, said it was most helpful to him, and that Terry MacTaggart was an excellent facilitator. Mr. Lucas echoed those comments and stated he appreciated the calendars and approval of the Board dates in advance. He also said he would be glad to add his name to the Committee on Committees.

Mr. Showfety said he thought the Trustees had gained some focus from the retreat and recognized the work the administration and staff did to make it a success. He then asked Steve Thomas to come forward for brief comments.

Dr. Thomas offered the Trustees and any guests a tour with a real live person or a self-guided tour and offered corresponding maps as well as personnel to assist. He said the library is open but the historical room is not yet ready. The nursing section has not moved in yet and there is not much to see other than boxes. He recognized Dr. Beth Velde, assistant dean, who is in charge of this section of the building for specific questions.
Mr. Showfety reminded the board of a short meeting following adjournment regarding the fountain project and said the Chancellor did not have a formal report due to the retreat. He then offered the Chancellor the last word.

Chancellor Ballard said he had no closing comments other than yesterday was very important and that discussion would be continued in the future.

Hearing no further business, Chairman Showfety announced that the next full meeting of the Board would be Friday, October 6, 2006 with possible committee meetings the day before.

The meeting was adjourned at 3:05 p.m.

_____________________________________
Stephen D. Showfety, Chairman

_____________________________________
Michael W. Kelly, Secretary

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.
Parking and Transportation Services  
East Carolina University  
305 East Tenth Street – Greenville, NC 27858-4353  
252-328-6294 office  
www.ecu.edu

TO: Board of Trustees
FROM: Mike Van Derven
DATE: June 29, 2006
SUBJECT: Parking Ordinance Change Request

The following changes are requested to the current parking ordinance as approved by the Board of Trustees in 2005:

**Article II**
REGISTRATION OF & PARKING PERMITS FOR STUDENT MOTOR VEHICLES

**Section 18.**
The Director of Parking and Transportation Services or his/her designee shall report to the Office of Student Rights and Responsibilities the names of students who do not comply with registration provisions. If appropriate, such students may be disciplined in accordance with university procedures.

**Article III**
FACULTY AND STAFF PARKING PERMITS

**Section 2.**
The parking permits issued to faculty and staff shall be serially numbered and have a letter and color designation which indicates the zoned parking area in which the parking permits are valid. The East Campus Zone A1 and Zone B1 permits and the Medical Campus Zone A3, A6, and Zone B3 permits authorize parking in spaces, lots, and zones of either campus with comparably lettered zone designations. Zone C permits are also interchangeable on either campus. All zone permits will be sold based on an oversell rate established by the ECU Director of Parking and Transportation Services. When permits sales for the following year are available for sale based on dates posted on the ECU official web site, faculty and staff possessing high priority zone permits will have ten (10) days to repurchase their current zone permit. After the initial ten (10) day registration period, all remaining available parking permits will be offered to faculty/staff remaining on waiting lists in chronological order, until zones are filled to maximum capacity. When the zone sales maximum capacity is reached, all applicants will be placed on a first-come-first-served appropriate waiting list.
Article V
PARKING REGULATIONS

Section 2.
No person shall park a vehicle at any time on the university campus except in spaces marked or designated for parking. When signs are placed, erected, or installed giving notice thereof, or the curbing or street has been painted in such manner as to give notice in lieu of signs, no person shall park in these designated areas or places unless authorized to do so by proper authority, and no person shall park except in spaces marked or designated for parking. The parking facilities on the campus shall be divided into the following general categories:

- Zone A1 – Faculty/Staff (Main Campus)
- Zone A2 – Resident Student (College Hill)
- Zone A3 – Faculty/Staff (Brody Campus)
- Zone A5 – Faculty/Staff (Allied Health & Nursing)
- Zone B1 – Faculty/Staff (Main Campus)
- Zone B2 – Resident Student (Main Campus)
- Zone B3 – Faculty/Staff (Brody Campus)
- Zone B4 – Allied Health & Nursing Students
- Zone C – Commuter Student/staff/faculty
- Zone D – Freshman Student
- Handicap in each zone
- Courtesy Permit Parking
- Faculties Service Vehicles
- State/University Owned
- Service/Maintenance

Article VII
ENFORCEMENT

Section 1.
Drivers not complying with parking and traffic regulations are subject to assessment of the appropriate penalty fees. Penalties are payable in person at the Department of Parking and Transportation Services between 7:30 a.m. and 4:30 p.m., Monday through Friday, during fall and spring semesters. During summer sessions, penalties are payable in person between 7:30 a.m. and 4:30 p.m., Monday through Thursday, and between 7:30 a.m. and 11:00 a.m. on Friday. Penalties may be paid by mail. A night deposit facility is available for payments after hours. A $5.00 late fee is added to each citation if not paid within 10 days of the date of the citation. The following are violations and penalties as listed in the Ordinance Governing Parking, Traffic, Registration of Motor Vehicles and Collection of parking fines for East Carolina University as adopted by the Board of Trustees:

VIOLATIONS AND PENALTIES

1. Unregistered vehicle $ 35.00
2. Parking in unauthorized zone $ 20.00
3. Officer’s signal disregarded $ 35.00
<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>Traffic signal disregarded</td>
<td>$35.00</td>
</tr>
<tr>
<td>5</td>
<td>Sign prohibiting turns disobeyed</td>
<td>$35.00</td>
</tr>
<tr>
<td>6</td>
<td>Illegal turn</td>
<td>$35.00</td>
</tr>
<tr>
<td>7</td>
<td>Signs prohibiting parking or stopping disregarded</td>
<td>$25.00</td>
</tr>
<tr>
<td>8</td>
<td>Driving or parking on the grass</td>
<td>$25.00</td>
</tr>
<tr>
<td>9</td>
<td>Blocking driveway or service entrance</td>
<td>$25.00</td>
</tr>
<tr>
<td>10</td>
<td>Parking facing the wrong direction</td>
<td>$10.00</td>
</tr>
<tr>
<td>11</td>
<td>Wrong way on a one-way street</td>
<td>$35.00</td>
</tr>
<tr>
<td>12</td>
<td>Driving across or parking on curb or sidewalk</td>
<td>$25.00</td>
</tr>
<tr>
<td>13</td>
<td>Improper equipment</td>
<td>$35.00</td>
</tr>
<tr>
<td>14</td>
<td>Failure to stop at stop sign</td>
<td>$35.00</td>
</tr>
<tr>
<td>15</td>
<td>Driving left of center</td>
<td>$35.00</td>
</tr>
<tr>
<td>16</td>
<td>License plate illegal, obscured, non-displayed</td>
<td>$35.00</td>
</tr>
<tr>
<td>17</td>
<td>Overtime parking/meter and/or timed area</td>
<td>$10.00</td>
</tr>
<tr>
<td>18</td>
<td>Reckless operation</td>
<td>$35.00</td>
</tr>
<tr>
<td>19</td>
<td>Parking disregarding painted lines</td>
<td>$10.00</td>
</tr>
<tr>
<td>20</td>
<td>Failure to signal stop, turn, etc.</td>
<td>$10.00</td>
</tr>
<tr>
<td>21</td>
<td>Permit not displayed properly</td>
<td>$5.00</td>
</tr>
<tr>
<td>22</td>
<td>Illegal use of a permit</td>
<td>$50.00</td>
</tr>
<tr>
<td>23</td>
<td>Disregard of barricades</td>
<td>$35.00</td>
</tr>
<tr>
<td>24</td>
<td>Failure to yield to pedestrians or vehicles</td>
<td>$35.00</td>
</tr>
<tr>
<td>25</td>
<td>Damage to or removal of gates, signs, barricades, and other traffic control devices</td>
<td>$35.00</td>
</tr>
<tr>
<td>26</td>
<td>Failure to report lost or stolen permit</td>
<td>$25.00</td>
</tr>
<tr>
<td>27</td>
<td>Intentionally moving a ticket from one vehicle to another vehicle</td>
<td>$25.00</td>
</tr>
<tr>
<td>28</td>
<td>Riding motorcycle on the sidewalk</td>
<td>$35.00</td>
</tr>
<tr>
<td>29</td>
<td>Riding bicycle on the sidewalk</td>
<td>$15.00</td>
</tr>
<tr>
<td>30</td>
<td>Bicycle impounded or not registered</td>
<td>$5.00</td>
</tr>
<tr>
<td>31</td>
<td>Operating a motor vehicle on campus after suspension of parking privileges</td>
<td>$50.00</td>
</tr>
<tr>
<td>32</td>
<td>Use of skateboards, roller-skates or in-line skates in a manner prohibited by this Ordinance</td>
<td>$50.00</td>
</tr>
<tr>
<td>33</td>
<td>Pedestrian violations</td>
<td>$5.00</td>
</tr>
<tr>
<td>34</td>
<td>Littering (non dangerous)</td>
<td>$15.00</td>
</tr>
<tr>
<td>35</td>
<td>Dangerous littering (plus restitution for damages)</td>
<td>$35.00</td>
</tr>
<tr>
<td>36</td>
<td>Unauthorized parking in Handicap Zone will result in vehicle being towed</td>
<td>$250.00</td>
</tr>
<tr>
<td>37</td>
<td>Unauthorized parking in a Fire Zone will result in vehicle being towed</td>
<td>$25.00</td>
</tr>
<tr>
<td>38</td>
<td>Exceeding safe speed of 15 mph</td>
<td>$35.00</td>
</tr>
<tr>
<td>39</td>
<td>Unsafe movement</td>
<td>$35.00</td>
</tr>
<tr>
<td>40</td>
<td>Impeding traffic will result in vehicle being towed</td>
<td>$25.00</td>
</tr>
<tr>
<td>41</td>
<td>Unauthorized parking of trailer will result in a vehicle being towed</td>
<td>$35.00</td>
</tr>
<tr>
<td>42</td>
<td>Trick riding of bicycles</td>
<td>$50.00</td>
</tr>
</tbody>
</table>

University traffic citations issued must be paid or appealed to the ECU Parking and Transportation Services. Based on circumstances and severity of the offense, ECU Police may issue uniform state citation for moving violations. The issuance of a state citation requires the
operator of the offending vehicle to pay the fine at the Magistrate's Office or to appear in District Court.

ARTICLE XII
BICYCLES

Section 7.
Per Article XI Section 2., motor scooters and mopeds must park in spaces and zones specifically designated as Motorcycle Parking Only.
MEMORANDUM

TO: Mike Kelly  
Chair, Finance and Facilities Committee

FROM: Kevin Seitz

DATE: July 11, 2006

SUBJECT: Auto Allowance Increases

At its July 2005 meeting, the Board approved ECU’s Automobile Policy and Allowances. As stated in the Policy, the rates are to be reviewed and adjusted periodically. Due to a significant increase in gas prices, I am recommending a change in the allowance rates effective July 1, 2006. The new rates are based on a factor for gas prices of $2.70/gallon (the current factor is $2.10/gallon). The revised schedule is attached.

If the Board approves the changes to the automobile allowances, it must also approve the increase of allowances to the Chancellor and some Vice Chancellors according to the following schedule.

Proposed Changes to Automobile Allowances  
Effective July 1, 2006

<table>
<thead>
<tr>
<th>Employee</th>
<th>New Rate</th>
<th>Former Rate</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chancellor Ballard</td>
<td>11,670</td>
<td>11,327</td>
<td>343</td>
</tr>
<tr>
<td>Vice Chancellors Dowdy</td>
<td>7,557</td>
<td>7,385</td>
<td>172</td>
</tr>
<tr>
<td>Seitz</td>
<td>7,557</td>
<td>7,385</td>
<td>172</td>
</tr>
<tr>
<td>Sheerer</td>
<td>7,557</td>
<td>7,385</td>
<td>172</td>
</tr>
</tbody>
</table>

Note: The Chancellor’s allowance is based on 10,000 miles per year. The Vice Chancellors’ are based on 5,000 miles per year.
Unfortunately, the Board materials were distributed before I could add this to the agenda. I plan to cover this item under “other business” in the Finance and Facilities Committee meeting.

Thanks for your assistance.

cc: Board of Trustees
    Steve Ballard
    John Durham
## EAST CAROLINA UNIVERSITY
CAR ALLOWANCE RATES
(Effective July 1, 2006)

### CAR ALLOWANCE RANGES:

<table>
<thead>
<tr>
<th>ALLOWANCE RANGE</th>
<th>FOR</th>
<th>MILES</th>
<th>CAR ALLOWANCE RATES</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td>Chancellor</td>
<td>10,000</td>
<td>$10,127 $1,543 $11,670</td>
</tr>
<tr>
<td>67%</td>
<td>Vice Chancellors</td>
<td>5,000 $6,785 $772 $7,557</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>10,000</td>
<td>$6,785 $1,543 $8,328</td>
</tr>
<tr>
<td>50%</td>
<td>Assoc Vice Chan Deans and Foundation Pres</td>
<td>5,000 $5,064 $772 $5,835</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>10,000</td>
<td>$5,064 $1,543 $6,607</td>
</tr>
<tr>
<td>33%</td>
<td>Develop Officers &amp; Selected Staff</td>
<td>5,000 $3,342 $772 $4,114</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>10,000</td>
<td>$3,342 $1,543 $4,885</td>
</tr>
</tbody>
</table>

### BASIS FOR CAR ALLOWANCE:

<table>
<thead>
<tr>
<th></th>
<th>CROWN VICTORIA LEASE</th>
<th>PLUS MILEAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5,000 MI X $.108*</td>
<td>10,000 MI X $.108*</td>
</tr>
<tr>
<td>Annual Lease</td>
<td>$6,115</td>
<td>*$2.70/gal</td>
</tr>
<tr>
<td>Insurance</td>
<td>$676</td>
<td>25 mi/gal</td>
</tr>
<tr>
<td>License</td>
<td>$45</td>
<td>=$0.108/mi</td>
</tr>
<tr>
<td>Tax</td>
<td>$251</td>
<td></td>
</tr>
<tr>
<td>Total Cost</td>
<td>$7,087</td>
<td>$540 $1,080</td>
</tr>
<tr>
<td>30% Tax Gross-up</td>
<td>$3,040</td>
<td>$232 $463</td>
</tr>
<tr>
<td>Allowance Amount</td>
<td>$10,127</td>
<td>$772 $1,543</td>
</tr>
</tbody>
</table>
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 applied to refinancing all or a portion of the outstanding indebtedness which financed the costs of completing the construction and equipping of College Hill Suites on the ECU campus authorized by Chapter 360 of the 2003 Session Laws of the North Carolina General Assembly (the “Special Obligation Bond Project”), and

WHEREAS, ECU will borrow funds in an amount up to $4,000,000 (plus costs of issuance and capitalized interest) to complete the Special Obligation Project in anticipation of receipt of proceeds of the Bonds pursuant to a loan agreement with a financial institution to be determined by the Vice Chancellor for Administration and Finance (the “Loan”);

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

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

Section 1. Approval of Issuance of the Loan and the Bonds. The issuance of the Loan and the Bonds for the Special Obligation Project is approved.

Section 2. Documents Authorized. The Chairman of the Board, the Chancellor and the Vice Chancellor for Administration and Finance are hereby authorized, empowered and directed to do any and all other acts and to execute the Loan and any and all other documents, which they, in their discretion, deem necessary and appropriate in order to consummate the transactions contemplated by this Resolution and the Loan.

Section 3. Effective Date. This Resolution is effective immediately.

ADOPTED AND APPROVED this 25th day of July, 2006.

THE BOARD OF TRUSTEES OF EAST CAROLINA UNIVERSITY

By: ________________________________

John Durham
Assistant Secretary to the Board of Trustees
I, ______________________, the duly appointed 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 July 25, 2006 and appearing in the minutes of such meeting, (2) notice of the meeting of the Board of Trustees of East Carolina University held on July 25, 2006 was sent to each member of the Board, and (3) a quorum was present at the meeting on July 25, 2006 at which time the foregoing Resolution was adopted.

WITNESS, my hand and the seal of East Carolina University this 25th day of July, 2006.

[SEAL]

___________________________________
John Durham
Assistant Secretary to the Board of Trustees
RESOLUTION OF THE BOARD OF TRUSTEES OF EAST CAROLINA UNIVERSITY DECLARING ITS INTENT TO CAUSE EAST CAROLINA UNIVERSITY TO BE REIMBURSED FOR CAPITAL EXPENDITURES INCURRED IN CONNECTION WITH COMPLETION OF CONSTRUCTION OF COLLEGE HILL SUITES FROM THE PROCEEDS OF CERTAIN TAX-EXEMPT OBLIGATIONS TO BE ISSUED

WHEREAS, the Board of Trustees (the “Board”) of East Carolina University (the “ECU”) has determined that it is in the best interests of ECU to complete the construction of College Hill Suites on the campus of ECU (the “Project”);

WHEREAS, the Board presently intends that ECU, at one time or from time to time, finance all or a portion of the costs of the Project with proceeds of tax-exempt obligations and reasonably expects to issue its tax-exempt obligations (the “Obligations”) to finance, or to cause ECU to be reimbursed for, a portion of the costs of the Project; and

WHEREAS, the Board desires that ECU 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 Obligations (the “Original Expenditures”), such Original Expenditures to be paid for originally from a source other than the proceeds of the Obligations, and the Board intends ECU to be reimbursed for such Original Expenditures from a portion of the proceeds of the Obligations 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, 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 Obligations. The Board reasonably expects to issue or cause ECU to issue the Obligations to finance a portion of the costs of the Project and the maximum principal amount of Obligations expected to be issued by the Board or ECU to pay for such portion of the costs of the Project is $4,000,000.

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 Obligations.

Section 3. Itemization of Capital Expenditures. The Associate Vice Chancellor for Administration and Finance of ECU or her designee, with advice from bond counsel, is hereby authorized, directed and designated to act on behalf of ECU 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 Obligations.

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

ADOPTED AND APPROVED this 25th day of July, 2006.

THE BOARD OF TRUSTEES OF EAST CAROLINA UNIVERSITY

By: _______________________________________
   John Durham
   Assistant Secretary to the Board of Trustees
I, ______________________, the duly appointed 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 July 25, 2006 and appearing in the minutes of such meeting, (2) notice of the meeting of the Board of Trustees of East Carolina University held on July 25, 2006 was sent to each member of the Board, and (3) a quorum was present at the meeting on July 25, 2006 at which time the foregoing Resolution was adopted.

**WITNESS**, my hand and the seal of East Carolina University this 25th day of July, 2006.

[Seal]

___________________________________
John Durham
Assistant Secretary to the Board of Trustees