

**MINUTES
of the meeting of the**

**CLEMSON UNIVERSITY BOARD OF TRUSTEES
Friday, July 22, 2005 – 1:30 P.M.
Renaissance Charleston Hotel
Charleston, South Carolina**

After notification as required by the Freedom of Information Act, the Chairman called the meeting to order at 1:30 P.M. with the following members present: Leon J. Hendrix, Jr., *presiding*; Bill L. Amick, J. J. Britton, Lawrence M. Gressette, Jr., Thomas C. Lynch, Louis B. Lynn, Patricia H. McAbee, Leslie G. McCraw, E. Smyth McKissick, III, Thomas B. McTeer, Jr., Robert L. Peeler, William C. Smith, Jr., Joseph D. Swann, Fletcher C. Derrick. W. G. DesChamps, Doug Kingsmore, Allen Wood, and Chalmers Eugene Troutman III, *Executive Secretary*

ADMINISTRATION PRESENT: President James Barker, Dori Helms, Neill Cameron, John Kelly, Steve Copeland, Chris Prziembel, Clay Steadman, Almeda Jacks, Bob Geolas, Terry Don Phillips, Lawrence Nichols, Debbie Jackson, Cathy Sams, Angie Leidinger and Marvin Carmichael

OTHERS PRESENT: Connie Lee, Faculty Senate President; Richard Cowan, President, Classified Staff Senate; Jack Day, Robin Denny, Stassen Thompson, Alan Godfrey, Brian O'Rourke, Kathy Coleman, Linda Allen and Becky Copeland

MEDIA PRESENT: Anna Simon, the *Greenville News*; Stephanie Tracy, the *Anderson Independent-Mail*; Jim Hammond, *The State*

Item 1. Introductions

Statement: Chairman Hendrix asked Cathy Sams to introduce members of the media who were present. Ms. Sams introduced Anna Simon of the *Greenville News*, Stephanie Tracy of the *Anderson Independent-Mail* and Jim Hammond of *The State*.

Item 2. Approval of Minutes

Statement: Chairman Hendrix noted that draft minutes of the April 22, 2005 and June 24, 2005 meetings had been previously distributed, and he asked if there were any corrections to these minutes.

Action: Steve Copeland, Interim Vice President for Finance and Facilities, noted one correction to Item K of the April 22, 2005 Minutes. Mr. McKissick made a motion to approve the April 22, 2005 Minutes, as corrected, and the June 24, 2005 Minutes as submitted, Mr. Lynch seconded and the minutes were approved.

Item 3. Election of Chairman of the Board of Trustees

Statement: The Trustee Manual states that “at the annual meeting of the Board in odd-numbered years, the Board of Trustees shall elect one of its members to serve as Chairman of the Board for a two-year term.” Chairman Hendrix stated that a nominating committee, consisting of Lawrence Gressette as Chair and Louis Lynn, was appointed to receive nominations for Chairman of the Board. He turned the meeting over to Lawrence Gressette for the nominating committee’s report. Mr. Gressette stated that his committee had received one nomination for Leon J. Hendrix, Jr. to serve as Chairman for another two-year term. There were no nominations from the floor.

Action: Dr. Britton moved to close the nominations, Mr. Lynch seconded and the vote was unanimous. Mr. Gressette called for the vote to elect Mr. Hendrix for another two-year term and the vote was unanimous. Mr. Hendrix accepted the appointment and he thanked the Trustees for their confidence and support.

Item 4. Dates of 2006 Board Meetings

Statement: Gene Troutman, Executive Secretary to the Board of Trustees, reported that after reviewing Trustees’ responses to a questionnaire regarding 2006 Board meeting dates, the following dates are being proposed for approval:

- Winter Meeting - February 1-2, 2006
- Spring Meeting - April 20-21, 2006
- Summer Meeting - July 21-23, 2006
- Fall Meeting - To be announced pending football schedule

Action: These dates were approved.

Item 5. Executive and Audit Committee

Statement: No report

Item 6. Agriculture and Natural Resources Committee

Statement: No report

Item 7. Finance and Facilities Committee

Statement: Mr. Smith reported that the Finance and Facilities Committee met earlier in the day and considered two action items and two informational items.

Action Items.

A. FY05-06 Budget Request (Attachment A)

Statement: Alan Godfrey discussed the FY 2005-06 Budget Document that had been distributed before the Board meeting to all Trustees for thorough review.

Action: Mr. Smith made a motion on behalf of the Finance and Facilities Committee that the 2005-06 Budget Document be approved as submitted. After discussion, the vote of

approval was unanimous. Trustees Hendrix and McCraw commended Mr. Godfrey and his staff for an excellent report.

B. Electrical Distribution-Cable Replacement Contract (Attachment B)

Statement: Steve Copeland indicated that this project will complete the final phase of work to provide increased reliability for the main electrical distribution circuit connecting the East Campus Substation to the West Campus Substation. Mr. Copeland stated that the Administration requests authorization to award a construction contract, pending the expiration of the protest period, in the amount of \$432,000.00 to Boykin Contracting, Inc. of Columbia, S. C.

Action: Mr. Smith made a motion on behalf of the Finance and Facilities Committee that a construction contract be approved as presented. There was no discussion and the vote of approval was unanimous.

Information Items

A. Financial and Compliance Audit Update (Attachment C)

Statement: Steve Copeland reported that the University's auditor, KPMG, LLP has begun the financial and compliance audit work for the fiscal year ending June 30, 2005. An audit schedule is attached.

B. Classified Staff Senate Report (Attachment D)

Statement: Mr. Smith introduced Richard Cowan, President of the Classified Staff Senate. Mr. Cowan stated that his written report was an attachment to the Board's agenda.

Item 8: Educational Policy Committee

Statement: Mr. McCraw introduced Connie Lee, President of the Faculty Senate. Ms. Lee made brief remarks and indicated that her written report was attached (Attachment E). Mr. McCraw thanked Ms. Lee for her very encouraging report and indicated that the Trustees are looking forward to working with the Faculty Senate.

Item 9. Institutional Advancement Committee

Statement: Dr. Britton reported that the Institutional Advancement Committee met today and had two action items to present to the full Board.

Action Items

A. Spaulding-Paolozzi Foundation Naming Request

Statement: Dr. Britton stated that the Institutional Advancement Committee endorsed a recommendation from the Clemson University Development Program to name the new building that will house the Charleston Architecture Center after the late Countess Alicia

Paolozzi. The building will be named the Countess Alicia Spaulding Paolozzi Building. He further stated that the Spaulding-Paolozzi gift of \$1M, with the state match of \$1M, meets the naming guidelines set forth by the Clemson University Foundation. This recommendation carried the endorsement of the University Naming Committee.

Action: Dr. Britton made a motion on behalf of the Institutional Advancement Committee to approve the recommendation. After discussion, the vote of approval was unanimous. Trustee McTeer suggested that the Executive Secretary to the Board write a letter of appreciation to Charleston Mayor Joe Riley for his help during the dedication of the Spaulding-Paolozzi Building earlier in the day.

B. Clemson University Investment Funds Agreement (Attachment F)

Statement: Dr. Britton stated that the Development Office recommended approval to extend the Memorandum of Understanding between Clemson University and the Clemson University Foundation for the investment of Clemson University endowment funds. The Memorandum of Understanding was entered into in July 2003 for the sole purpose of providing support and assistance to Clemson University. The agreement is for a period of ten years beginning with the date first written. The terms state that this Memorandum of Understanding will be reviewed annually by the parties prior to the anniversary date and the term will automatically be extended each year for an additional twelve (12) months upon agreement by both parties. Dr. Britton noted that all Trustees had the opportunity to review and discuss the Memorandum of Understanding. He further stated that the CU Foundation Board approved the renewal of the agreement. Dr. Britton attended the CU Foundation Board meeting as the Board of Trustees' representative.

Action: Dr. Britton made a motion on behalf of the Institutional Advancement Committee to extend the Memorandum of Understanding for an additional twelve (12) months. The motion was approved unanimously.

Information Item

Neill Cameron provided an executive summary of Development activities as follows:

- Alumni participation reached an all-time high of 26.2%. The national average now stands at 12.4%.
- Overall Endowment investment growth was @ 11% against a 9.01 benchmark.
- The Conference Center Complex exceeded all objectives.
- Twenty-seven million dollars was raised for the Annual Fund, which exceeded the goal of \$26 million.

Dr. Britton commended Mr. Cameron and his staff for their work.

Item 10. Research Committee

Action Item

A. Health Sciences South Carolina – Master Agreement and Bylaws (Attachment G)

Statement: Chris Przirembel discussed the Health Sciences South Carolina Master Cooperative Agreement and Bylaws as approved January 12, 2005 and amended July 6, 2005. Dr. Przirembel recommended that the Board of Trustees approve both of these documents.

Action: Mr. Swann made a motion on behalf of the Research Committee to approve the recommendation. There was no discussion and the motion was approved unanimously.

Information Item

In response to a question from Trustee Swann regarding research funding, Dr. Przirembel reported that preliminary information shows that \$122M has been raised for 2004. The University is on target to reach the goal for external research funding of \$150M by 2008. Trustees Hendrix and Swann thanked the faculty for its efforts in research funding.

Item 11. Student Affairs Committee

Informational Items

A. Student Government Executive Update (Attachment H)

Statement: Dr. Lynn noted that a written report prepared by Katy Bayless was attached with the agenda for the Board meeting. Ms. Bayless was not in attendance.

Almeda Jacks stated that the Graduate Student Government Report to the Clemson University Board of Trustees will be mailed to the Trustees.

Item 12. President's Report

Statement: President Barker discussed tuition and state appropriations. He stated that there have been some inaccuracies and misconceptions contained in press reports on this subject. He explained that the E&G budget has been cut every year since 2001, including this year. Earmarked state funds cannot be shifted to cover shortages in the E&G budget. He stated that economic development is not driving up tuition or cost to students. For the past five years, tuition has replaced state appropriations as the major source of revenue at Clemson University. He further stated that everyone at the University is concerned about the effect of tuition increases on the students and their families; and every effort is being made to minimize costs and increase non-tuition revenues in order to lessen the need for tuition increases. President Barker emphasized that we don't want double digit increases. Mrs. McAbee encouraged President Barker to distribute his statements to elected officials.

He reported that over 17,000 students are on campus this summer. This includes the traditional summer school enrollment, graduate students, visiting students for programs such as the concrete competition, etc. and early start freshmen.

Item 13. Resolution of Appreciation for The Honorable Robert W. “Bobby” Harrell, Jr.

Statement: Chairman Hendrix introduced The Honorable Robert W. “Bobby” Harrell, Jr., Speaker of the South Carolina House of Representatives. He stated that Speaker Harrell was elected as the leader of the House of Representatives last month. He was first elected to the House of Representative in 1992. He has been a member of the House Ways and Means Committee since 1994 and has served as chairman of that committee since 1999 until his election as Speaker of the House. Speaker Harrell has supported all of higher education in South Carolina and is a leader in the research universities’ efforts to establish their role in the State’s economic development. Speaker Harrell addressed the Board of Trustees. He stated that his focus for the legislative year will be on economic development and lowering the State’s unemployment rate. A discussion between Speaker Harrell and the Trustees ensued.

Action: Chairman Hendrix presented a Resolution of Appreciation to The Honorable Robert W. “Bobby” Harrell, Jr. (Attachment I). President Barker presented Speaker Harrell with one of his personal sketches. The Trustees gave Speaker Harrell a standing ovation.

Item 14. Other Business

Statement: Chairman Hendrix congratulated President Barker, the faculty and staff for an outstanding year. He thanked the Trustees Emeriti for their continued contributions to the Board of Trustees and Clemson University.

Item 15. Conclusion of Business Session of the Board of Trustees Meeting

Statement: At 4:10 P.M., Chairman Hendrix stated that the business session of the Board meeting was concluded and for the next day and a half during its Annual Retreat, the Board would be hearing various reports concerning the University. He further stated that the Board would take no official actions during the Retreat.

Respectfully submitted,

Chalmers Eugene Troutman III
Executive Secretary to the
Board of Trustees