

WINSTON-SALEM STATE UNIVERSITY

Board of Trustees Finance and Administration Committee
Thursday, December 5, 2013
Cleon Thompson Center, Room 304

MINUTES

***ACTION ITEM**

Chairman Debra Miller called the Board of Trustees Finance and Administration Committee meeting to order with round table introductions recognizing newly appointed Board member Mr. Osirees Uqoezwa.

Roll Call Linda McCullough

Members Present: Mrs. Debra Miller, Chairman
Mr. Osirees Uqoezwa
Dr. Randy W. Mills, Interim Vice Chancellor, ex-officio

Members Absent: Mr. Martin Davis, Committee Chairman

A quorum was established.

Staff Present: Mr. Ivan Foster
Mr. Frank Lord
Mr. Owen Cooks
Ms. Rosalba Ledezma
Mr. Aaron Leftwich
Chief Patricia Norris
Mr. Donald Pearsall
Mr. Jonathan Smith
Mr. Nathan Thompson
Mr. Robert Reese

***Adoption of the Agenda**

Chairman Miller moved and Mr. Uqoezwa seconded the motion to adopt the agenda. The motion passed.

***Approval of Minutes**

Chairman Miller moved and Mr. Uqoezwa seconded the motion to approve the minutes of the September 5, 2013 meeting. The motion passed.

Finance and Administration Update – Dr. Mills

- Mr. Robert Reese, Director of Environmental Services was introduced to the Board.

*2014-15 Tuition and Fees Recommendations – Dr. Mills

- Annually, the Chancellor with student participation develops and proposes tuition and associated fees for the next academic year to the WSSU Board of Trustees (BOT). The recommendation of the BOT is forwarded to the UNC Board of Governors (BOG) for final approval. The recommended changes adhere to guidance from UNC General Administration (UNCGA) for academic year 2014-15.
- Tuition
 - No Increases for Undergraduate Residents as recommended by UNC System President.
 - No Increases for Graduate Students.
 - \$717 or 6% Tuition Increase for Non-Resident Undergraduate Students as recommended by The 2013 General Assembly.
- Fees
 - General Fees: 6.5% increase.
 - Athletics: \$115
 - No increases in Student Activity, Educational/Technology, or Student Health Fee
 - Debt Service: \$220. Restore the Core Phase II
 - Renovation of Hauser Hall, Physical Plant, Fine Arts, and Pegram Hall.
- Increases that do not require BOG approval are proposed in the following:
 - Housing: \$366 annually for standard rooms; Wilson Hall 4-room apartment (0% - 8% increase).
 - Board: \$81 annually for the most popular meal plan – Plan B (3% increase across all plans).
- Increase for typical undergraduate resident student: \$782; to a new total of \$14,961 (Tuition and Fees, Debt Service, Room and Board).
- A copy of the 2014-15 Tuition and Fee Proposal filed for reference

*Deferred and Non-Salary Compensation Policy -- Ivan Foster

- This is a new policy, required by the BOG and approved by UNCGA that applies to employees exempt from State Personnel Act EPA. Upon the advice of the Provost/Vice Chancellor for Academic Affairs or other appropriate Vice Chancellor with submission of appropriate documentation as required under this policy, the Chancellor shall consider requests for non-salary compensation of any EPA employee covered by the policy. If endorsed by the Chancellor, such compensation must be subsequently approved by the WSSU Board of Trustees before the employee is eligible to receive the requested non-salary compensation.
- Exempt from this policy are the Athletic Director, Head Coaches in Athletics (subject to BOG Policy 1100.3 and its guidelines) and the Chancellor. BOG Policy 300.2.14 addresses separately non-salary and deferred compensation for the Chancellor.
- The awarding of non-salary compensation may be based on any reason considered relevant to attracting and/or retaining faculty/staff of the highest possible quality. Decisions concerning non-

salary compensation shall not be based in whole or in part upon discriminatory factors of the employee's race, color, national origin, sex, age, religion, creed, disability or veteran status.

***Acquisition of Martin-Schexnider Residence Hall Resolution -- Owen Cooks**

- This resolution authorizes the Chancellor to complete the necessary transactions with the WSSU Foundation and the Department of Administration's State Property Office in a manner consistent with all State laws and regulations and is directed to keep the Board of Trustees advised of such actions taken to accomplish the purchase of the Martin-Schexnider Residence Hall from the WSSU Foundation.

***Designer Selection for Residence Hall Phase 2 Resolution -- Owen Cooks**

- The Designer Selection Committee conducted interviews with firms in line with specifications required for the performance of duties of a Designer on December 3, 2013 and recommended to the Chancellor the following prioritized list of finalist:
 - Lord Aeck Sargent, Inc., Chapel Hill, NC
 - Design Collective, Inc. Baltimore, MD
 - Hanbury Evans Wright Vlattas + Company, Norfolk, VA
 - LS3P Associates, Ltd., Raleigh, NC
- In reviewing the Committee's work, the Chancellor recommends the said firms for this project in priority order for approval by the Winston Salem State University Board of Trustees.

***Use of Vehicle for University Business Policy -- Owen Cooks**

- This policy establishes University policy for operating any vehicle while conducting University business or for any other University purposes. It defines the procedures that are in place to minimize the potential for accidents and losses, and serves as a guide to departments in managing those vehicles under their control.

***Intent to Transfer Real Property Resolution -- Owen Cooks**

- WSSU Board of Trustees determined that a North Carolina General Warranty Deed was intended to reference Winston-Salem State University Foundation, Inc. as the grantee of property on Vargrave Street and not "Winston-Salem State University, Inc." The Board desires to correct the error by executing a corrective special warranty deed naming the Foundation as grantee and transferring the Property to the Foundation.
 - This Resolution affirmatively declares the University non-ownership stance in order for the North Carolina Department of Transportation sale to the Foundation to proceed.

Upon review and discussion on the proposed 2014-15 Tuition and Fees, all policies and resolutions as referenced above, Chairman Miller moved and Mr. Uqoezwa seconded the motion to recommend approval to the full Board on Friday, December 6th. The motion passed.

Capital Projects Update December 5, 2013 -- Rosalba Ledezma

Student Success Center

- Begin carpet installation, site restoration including paving and concrete sidewalk. Painting, plumbing and HVAC work is on-going. Completing the building exterior. Anticipated construction completion, end of December 2013.

- Anticipated move-in through spring 2014.
- Aramark's design for the café is under review by Health Department and State Construction.

Center for Design Innovation

- Bid opening August 26 and September 18, 2013.
- Notice to proceed provided to Contractor (Samet/SRS) on November 11, 2013; contractor has mobilized.
- All work to be completed January 2015 (14 month construction period).

North Entry Parking Deck & Bridge

- Parking deck to accommodate ~350 cars.
- Vehicular and pedestrian bridge over the railroad tracks will connect the Lowery property to Cromartie Street.
- Completed selection of Design Team (Little Diversified) and Contract Manager at Risk (New Atlantic).
- Site evaluations and preliminary agency approvals.

Performance Energy Contract II

- Academic/Administrative Buildings and Residence Halls.
- Avoided energy costs repay 20-year loan.
- Approximately \$7.2M total project budget and \$5.2M total construction cost.
- Investment Grade Audit by Honeywell in progress.
- Construction work to bid April 2014 (12-month construction period).

Residence Hall Phase II

- Design Team selection recommendation.
- \$20.8M total project budget. 71,000 SF; 295 beds.
- Building construction bid February 2015.
- Construction completion April 2016.

Restore the Core II

- Hauser Hall for Bands and Music - \$12M total budget; renovate 27,000sf and a 6,000sf addition; relocate Music department; building will accommodate office space, music labs and practice rooms; construction: Summer 2015- Fall 2016.
- Physical Plant for Art and Visual Studies -\$15M total budget; renovate 16,840sf; relocate Art and Visual Studies department; building will accommodate offices, labs, classrooms/gallery; construction: Summer 2015- Fall 2016.
- Pegram Academic Hall -\$12M total budget; renovate 23,500sf, general academic office building; construction: Spring 2016- Fall 2017.

Science Building

- Construction documents completed in February.
- Awaiting appropriation of construction funds.

Bowman Gray Stadium

- Working with State Property Office on acquisition with the City, looking for December City Council and January Council of State approvals. Working with Racing on logistics to support their 2014 season.

- * In a discussion related to *Restore the Core Projects*, Chairman Miller asked that the *Restore the Core II Projects* be identified to show specifics in this phase. Mr. Cooks will revise the status report.

Environmental Health and Safety Initiatives -- Aaron Leftwich

OSHA Globally Harmonized System Mandatory Training

- In March 2012, OSHA was granted authority to enforce the new GHS Standard for all entities under its jurisdiction. The first date (pertinent to WSSU, involves training affected workers on the provisions of GHS standard, which is an enhancement to the existing hazard communication standard. The new requirement (affecting employers; i.e. WSSU) mandates that affected employees are advised on the new labeling requirements and changes containing in the standard that will make chemical handling more direct and user friendly.

NC State OSP Safety & Health Program Audits

- As of December 2012, the State of NC General Statutes (GS 143-583) required the NC Office of State Human Resources (formerly OSP) to monitor state agency safety programs annually to verify compliance. Thus, all universities in the UNC System will be inspected annually in accordance with this statute. The focal points will be the local ESOH Plan (to include its details and execution as required), OSHA compliance and the University Needs Assessment. The needs assessment discussion was held on October 17, 2013.
- The tentative date of the inspection has yet to be determined, although it will be during calendar year 2014. This inspection will be scheduled (vs. impromptu). Therefore, once a date is finalized, this will be published via Leadership channels. Tentative audit date will be second – third quarter of calendar year 2014.

Financial Report --Frank Lord

- The total budget as of September 30, 2013 was \$92.4M.
 - State Appropriations received – \$15.3M.
 - Receipts from student tuition and fees – \$7.8M.
- The university spent \$23.1M or 25% of the total budget towards personnel salaries and operating requirements.
- Expenditures as of September 30, 2013 are \$343,126 less than the amount for September 30, 2012.
- Receipts recorded through September 30, 2013 total \$7.8M, or 33% of the budget.
- Total receipts collected as of September 30, 2013 are \$976,133 more than the amount collected for the same period last year.
- The university manages a number of auxiliary and business enterprises that are self-supporting operations. As of September 30, 2013, WSSU's Athletics Program, Educational & Technology Fee and Central Transportation Fleet are the only business entities that had negative balances.

- The cumulative negative balance for the Athletics program was (\$6.6M) through the end of September 30, 2013.
 - Athletics DI/DII transition (FY2009-11) – (\$5.3M)
 - Current Year Operations – (\$1.3M)

- The negative balances for Educational & Technology Fee and Central Transportation is due to timing.
 - Educational & Technology Fee- (\$46,439)
 - Central Transportation- (63,716)

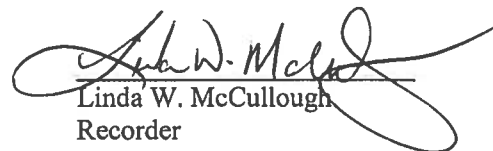
All reporting documents are filed for reference.

Adjournment

With no further business for discussion, Chairman Miller expressed sentiments of staff appreciation. The meeting was called to adjourn at 1:45 p.m.



Debra Miller, Chairman
WSSU Board of Trustees



Linda W. McCullough
Recorder