

May 2, 1997

Cemson University
Clemson, South Carolina

MINUTES

of the meeting of

THE CLEMSON UNIVERSITY BOARD OF TRUSTEES
Madren Center
Clemson, South Carolina
Friday, May 2, 1997

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: Lawrence M. Gressette, Jr., presiding; Bill Amick, Louis P. Batson, Jr., Harold D. Kingsmore, Leon J. Hendrix, Jr., Louis Lynn, Patricia McAbee, Leslie McCraw, Thomas McTeer, William C. Smith, Jr., Joseph Swann, Allen Wood, W. G. DesChamps, Buck Mickel, D. Leslie Tindal and J. Thornton Kirby, Executive Secretary

ADMINISTRATION PRESENT: President Curris, Ben Anderson, Almeda Jacks, John Kelly, Scott Ludlow, Steffen Rogers and Gary Ransdell

MEDIA: Allison Glass, *Anderson Independent*

Item 1. Introductions

Statement: Louis Lynn introduced the following first place science award winners:

Praveen Vedagarbha, Ph.D. Student in Electrical Engineering
College of Engineering and Science

Stephen Bartlett, Masters Student in History
College of Architecture, Arts and Humanities

Heather Irwin, Masters Student in Forest Resources
College of Agriculture, Forestry and Life Sciences

Item 2. Statement from Chairman of the Board

Statement: Mr. Gressette made the opening statement that the meeting should focus on action items and asked that informational items be brief.

Item 3. Approval of Minutes

Statement: The Minutes of the February 7, 1997 meeting were previously distributed to Trustees.

Action: Approved as submitted.

Item 4. Report from the Executive Secretary to the Board

Statement: Mr. Thornton Kirby stated that the dates of future Board meetings are as follows: July 11-13, 1997 for the Board meeting and annual retreat in Charleston and October 10, 1997 at the Madren Center, Clemson.

Item 5. Executive and Audit Committee

Statement: Mr. Gressette stated that the Executive and Audit Committee is submitting three action items to the Board for approval.

A. Honorary Degree Candidates

Statement: Mr. Gressette stated that the Executive and Audit Committee is recommending to the Board that Randolph R. Smith and C. Thomas Wyche be awarded Honorary Doctor of Laws degrees during the May, 1997 commencement.

Action: Mr. Gressette made a motion on behalf of the Executive and Audit Committee to approve, Mrs. McAbee seconded and the vote of approval was unanimous.

B. Appointment to CU Research Foundation Board

Statement: Mr. Gressette stated that the Executive and Audit Committee is recommending to the Board that George J. Bullwinkel, Jr. be appointed to the CU Research Foundation Board.

Action: Mr. Gressette made a motion on behalf of the Executive and Audit Committee to approve, Mr. McTeer seconded and the vote of approval was unanimous.

C. Policy on Political Activity

Statement: Mr. Gressette stated that the Executive and Audit Committee is recommending to the Board that the proposed Policy on Political Activity be approved (Attachment 1).

Action: Mr. Gressette made a motion on behalf of the Executive and Audit Committee to approve, Mr. Wood seconded and the vote of approval was unanimous.

D. Informational Items

Statement: Mr. Gressette reported that during its meeting, the Committee approved the continuance of the University's liability insurance policies. It also established January and July as the scheduled times for periodic reports from the Associate Athletic Director for Compliance to be made to the Executive and Audit Committee. Other reports heard by the Committee included General Athletic Compliance Issues; the Audit of Intercollegiate

Athletics Program for the Year Ended June 30, 1996; the SC Crop Improvement Association Financial Statements for the year ended June 30, 1996; and the SC Foundation Seed Association Financial Statements for the year ended June 30, 1996.

Item 6. Student Affairs Report

A. CU Parking Regulations

Statement: Mr. Kingsmore stated that it is the recommendation of the Student Affairs Committee that the attached proposed changes in Parking Regulations be approved by the full Board (Attachment 2).

Action: Mr. Kingsmore made a motion on behalf of the Student Affairs Committee to approve, Mr. McTeer seconded and the vote of approval was unanimous.

B. Student Government Report

Statement: Jim Hendrix, President of Student Government, reported that Campus Sweep was a complete success and that over 2,000 people participated. He reported that the Student Government has chosen a Cabinet for next year, and Matt Wyche (Student Body Vice President) will be in Clemson for the summer and can participate whenever the University needs input from Student Government. Mr. Hendrix congratulated Ted Swann and Craig Healy for the work they did last year as President and Vice President of Student Government. He reported that Student Government has been working with the teacher evaluation process. Mr. Hendrix commented that students support the proposed increase in the Student Activity Fee, and Chairman Gressette thanked him for his letter regarding this fee.

C. Graduate Student Report

Statement: David Hamilton, President of Graduate Student Government, reported that planning has begun for graduate student orientation for Fall 1997. He expressed appreciation on behalf of graduate students for the Administrative Council's decision to apply free airline awards for use by graduate students as they conduct their research findings, and he commented that such use will help many students who are unable to afford travel. Mr. Hamilton reported that the goals of the Graduate Student Government are to reinstate a reading day before exams, to seek dental coverage, and to address parking issues. Mr. Hamilton stated that graduate students also support the proposed Student Activity Fee.

D. Introduction of Faculty Senate President

Statement: President Curris introduced Fran McGuire, the new President of the Faculty Senate.

Item 7. Agriculture and Natural Resources Committee

Statement: John Gentry, who represented Stassen Thompson, presented the following action items for Board approval:

A. Easements (Attachment 3)

1. Matthews 4-H Learning Center, York County
2. SC Department of Natural Resources
3. VYVX, Inc.

Action: Mr. Wood made a motion on behalf of the Agriculture and Natural Resources Committee to approve all three easements at one time, Mr. Kingsmore seconded and the vote of approval was unanimous.

B. Lease Agreement

Statement: Mr. Gentry presented the lease agreement for the SC Foundation Seed Association/Forest Resources Systems Institute (Attachment 4) to the Board for approval.

Action: Mr. Wood made a motion on behalf of the Agriculture and Natural Resources Committee to approve the lease, Dr. Lynn seconded and the vote of approval was unanimous.

C. Informational Items

Statement: John Kelly presented information to the Board with regard to the following strategic plans: Public Service and Agriculture, Cooperative Extension System, and a plan for Action for Agriculture and Natural Resources at Land-Grant Universities.

Item 8. Budget and Finance Committee

Statement: Mr. McTeer announced that he was convening the Budget and Finance Committee to consider construction contract awards (Attachment 5).

A. Riggs Hall Renovations

Statement: Gary Ransdell presented the Riggs Hall Renovations project to the Committee. He reported that the project budget was \$1,000,000 and stated that the construction bid was within the budget.

Action: Mr. Kingsmore made a motion to recommend approval of the construction contract award, Mr. Batson seconded and the vote of approval was unanimous.

B. McAdams Hall Roof Replacement

Statement: Gary Ransdell presented the McAdams Hall Roof Replacement project to the Committee. He reported that the project budget was \$625,000 and stated that the construction bid was within the budget.

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Action: Mr. McCraw made a motion to recommend approval of the construction contract award, Mr. Kingsmore seconded and the vote of approval was unanimous.

C. Harcombe Dining Hall Roof Replacement

Statement: Gary Ransdell presented the Harcombe Dining Hall Roof Replacement project to the Committee. He reported that the project budget was \$500,000 and stated that the construction bid was within the budget.

Action: Mr. McCraw made a motion to recommend approval of the construction contract award, Mr. Smith seconded and the vote of approval was unanimous.

There being no further business, the meeting of the Budget and Finance Committee was adjourned and Mr. Gressette reconvened the full Board.

Action: Mr. McTeer made a motion that the full Board approve the construction contract awards recommended by the Budget and Finance Committee, Mr. Wood seconded and the vote of approval was unanimous.

D. Martin Inn Legal Documents

Statement: Mr. McTeer introduced Jeff Martin to present the Martin Inn legal documents for the Board to approve. Mr. Martin presented the Martin Inn legal documents as prepared by the University's outside counsel, noting that there will be minor adjustments in property descriptions.

Action: Mr. McTeer made a motion to approve the Martin Inn legal documents as prepared by the University's outside counsel, Mr. Wood seconded and the vote of approval was unanimous.

E. Fiscal Year 1997-98 Budget Proposal

Statement: Mr. McTeer introduced Scott Ludlow to present the Fiscal Year 1997-98 Budget Proposal. Mr. Ludlow submitted the proposed Fiscal Year 1997-98 Budget to the Board (Attachment 6). He stated that the Bureau of Economic Advisors has adopted its final revenue estimate for FY 1997-98 of \$4,675 million and commented that this will represent an increase of \$217 million in the limit on new General Fund Appropriations from recurring revenue. Mr. Ludlow reported that the legislative process regarding the Fiscal Year 1997-98 spending plan in the House of Representatives has been completed and informed the Board that the Commission on Higher Education previously approved dividing any new funding 75% on the current distribution method and 25% on performance measures. He reported that there will be two new fees, an information technology fee and a student activity fee, both of which will be effective Fall 1997 semester. Mr. Ludlow

stated that the fee allocations will be clarified in the full budget presented at the July Board meeting.

Action: Mr. McTeer made a motion to approve the Fiscal Year 1997-98 Budget Proposal, Mr. Hendrix seconded and the vote of approval was unanimous.

F. IRS Reimbursements Regulations on Tax Exempt Bonds

Statement: Mr. Ludlow requested that the Board approve this resolution (Attachment 7) which updates the resolution approved by the Board of Trustees at the November 10, 1995 Board meeting.

Action: Mr. McTeer made a motion to approve the IRS Reimbursements Regulations on Tax Exempt Bonds, Mr. Wood seconded and the vote of approval was unanimous.

G. Leases

Statement: Mr. McTeer introduced Gary Ransdell to present four leases for Board approval (Attachment 8).

1. Clemson University Water Tower

Statement: Dr. Ransdell reported that Duke Power desires permission to sublease space on the water tanks they lease from Clemson University. The purpose of the sublease would be to allow two telecommunications antennae to be located on the tanks.

2. BellSouth Mobility & 360 Communications

Statement: Dr. Ransdell reported that 360 Communications desires to lease land from Clemson University on which to locate an in-ground equipment shelter and connecting cables at the base of the University water tower (currently leased to Duke Power) located next to the Clemson House. BellSouth desires to also lease land (adjacent to the water tower on Perimeter Road) from the University under the same type of agreement with a rate to be determined. All of the proposed documents will be reviewed by the State Leasing office and University Counsel prior to execution.

3. University Square Lease Renewals

Statement: Dr. Ransdell reported that Clemson University currently has two leases in University Square that will expire in June 1997. The University has plans to move the Human Resources and Facilities departments back to the main campus, but the space they will occupy is not readily available. Therefore, the University has received permission to renew each of these leases for 6 months with an option to renew for an additional 6 months if needed. Both leases will expire at the end of December 1997 and the University will have the option to renew if so desired.

Action: Mr. McTeer made a motion to approve the four leases presented, Mr. McCraw seconded and the vote of approval was unanimous.

H. Informational Items

Statement: Mr. Gressette asked that Scott Ludlow and Gary Ransdell present the following informational items.

1. Quarterly Consolidated Operating Report

Statement: Scott Ludlow provided information to the Board regarding the Consolidated Operating Report for the nine months ended March 31, 1997. He Stated that the University expects no surprises at this time concerning the report. Mr. Ludlow reported that Education and General revenues remain on target.

2. Facilities Update

Statement: Gary Ransdell provided information to the Board regarding the executive summary of major projects for the University along with a detailed list of major and deferred maintenance projects. Mr. Wood commented that due to a dramatic increase in construction costs there should be a prompt bid process regarding the Hendrix Student Center to avoid cost overruns.

Item 9. Education Policy Committee

Statement: Mr. Swann announced that he was convening the Educational Policy Committee to consider four proposed changes to the Faculty Manual.

A. Faculty Manual Changes (Attachment 9)

1. Formation and Dissolution of Departments, Faculties, Schools, Centers and Sabbaticals
2. Refinement of Tenure Description
3. Refinement of Academic Rank Description
4. Sabbatical Leave

Action: Mr. Swann made a motion on behalf of the Educational Policy Committee to approve all four changes at one time provided that the term "and/or" be changed to "and" in the new language for Formation and Dissolution of Departments. Mr. Kingsmore seconded the motion, and the vote of approval was unanimous.

There being no further business, the meeting of the Educational Policy Committee was adjourned and Mr. Gressette reconvened the full Board.

B. Informational Items

Statement: Mr. Swann introduced Provost Rogers to report on the following items.

1. Faculty Manual Items

Statement: Dr. Rogers informed the Board that there are three additional Faculty Manual changes, one formalizing mid-term grades, one formalizing the Undergraduate Academic Grievances Committee, and one formalizing the Graduate Student Academic Grievances Committee.

2. Faculty Senate Survey

Statement: Dr. Rogers reported that the Faculty Senate conducted a survey regarding several important issues and informed the Board that copies are available through the Faculty Senate Office. He announced that this document can be found on the Clemson Web site and copies can also be obtained through his office.

3. Financial Analysis

Statement: Dr. Rogers reported that his department has provided a financial analysis of raises to the Faculty Senate. (Dr. Rogers noted that a copy was distributed to the Clemson community). This document was also sent to the Chairman of the Educational Policy Committee and will be sent to the Board if the Chairman of the Educational Policy Committee so chooses.

4. Relocation of Programs in Architecture to Charleston

Statement: Dr. Rogers reported that discussions to relocate programs in Architecture to Charleston are continuing. He stated that a report on this topic was recently submitted to the Educational Policy Committee, and in the most recent report there are no longer plans to move degree programs to Charleston. Instead, small units of both graduates and undergraduates will be provided the opportunity to study in Charleston. The EPC has requested the following from Dean Barker: information regarding the impact of relocation on Clemson's budget, a facility report, and a broader perspective of the architectural community.

5. State Policy Update

Statement: Dr. Rogers stated that the Educational Policy Committee asked for a report regarding the University's transfer policy and its impact on the University. Dr. Rogers indicated that Clemson's transfer policy has had a positive effect for prospective students because Clemson and the tech schools are working together to make sure that courses are transferable. Also, students who do not qualify for admission to Clemson can attend the technical schools and acquire courses that will qualify them for admission at a later date.

6. Update on Search Committees

Statement: Dr. Rogers reported that he continues to negotiate with the top candidate for Chief Research Officer, who is expected to make a decision within the week. He reported that the Graduate Dean Search is going very

well and that the fourth and final candidate will visit Clemson University this week.

Item 10. Institutional Advancement Committee

Statement: Mr. Amick encouraged the Board to visit the Clemson Web site after June 2, and he commended the individuals who were involved with its redesign. He also commented that he was very impressed with the professionalism regarding the marketing of Clemson University.

A. Informational Items

1. Statewide Matching Endowment Income

Statement: Dr. Ransdell provided information regarding the proposed South Carolina Academic Endowment Act of 1997. He stated that this is currently a bill under consideration in the General Assembly, and he commented that it has received scrutiny from some of the smaller comprehensive universities in the State. Dr. Ransdell reported that Clemson is currently negotiating with these universities to ensure that they are effectively covered should the bill be passed. He asked Board members to communicate with any member in the General Assembly who will serve on the Conference Committee in the House and the Senate to support this bill.

2. Second Quarter Endowment Report

Statement: Dr. Ransdell reported that the value of endowment assets of Clemson University was \$30,147,138 on December 31, 1996, up from \$23,890,683 one year ago. Adjusted for additions and income, this endowment generated a total return of 10.46% for the year and 3.78% for the quarter. Total return from the State Treasurer portion of the endowment was approximately 7.33% for the year. Total return from the Prudential portion of the endowment was 8.29% for the year. Returns from the Wachovia trusts were 12.18% for the past year. Charles Schwab returns for the quarter were 6.98%.

The Clemson University Foundation managed endowment pool was valued at \$101,477,106 on December 31, 1996, up from \$88,153,807 in December 1995. The portfolio returned 12.15% for the year and 5.60% for the quarter. The equity portion of the portfolio was restructured in June 1996, and two new equity managers are now in place. In addition, the fixed income portion of the portfolio was evaluated in the early Spring and the fixed income assets will be transferred to the Common Fund during April, 1997.

3. Alumni Survey Overview

Statement: Dr. Ransdell provided information regarding the alumni survey conducted by the Alumni Association as part of a major marketing effort. The University's marketing faculty were engaged to survey Clemson's alumni to determine perceptions, perspectives, strengths and weaknesses for the University as a whole and to help shape future programming by the

Alumni Association. This information will provide a solid basis for recommendations intended to strengthen the relationship between alumni and the University.

4. Year To Date Gift Report

Statement Dr. Ransdell reported that total cash received through March 31, 1997 is \$10.3 million, a 12% increase over the prior year. Gifts-in-kind amount to \$1.39 million, a figure which is 34% behind last year's results. The total number of gifts is down 5% compared to last year. There were 8,524 alumni donors this year, representing an 11% increase over last year.

5. Web Site Redesign

Statement: Dr. Ransdell reported that Clemson's redesigned Web site will be up and running in June.

6. Public Relations Update

Statement: Dr. Ransdell reported that the Public Relations summary contained in the meeting handouts is the result of a request by the Board at last year's retreat to formulate a marketing plan for the University. The final marketing plan will be presented to the Board at its meeting in July.

7. Campus Signage Program

Statement: Mr. Amick distributed information regarding the campus signage program. Dr. Ransdell reported that this program is a plan to enhance identification of the campus, wayfinding for visitors, and the image of the University. Through a system of computer kiosks, signs and directories, the plan facilitates a user-friendly environment that meets the challenges of staying current, providing people with essential information, and an aesthetic that compliments the University.

B. Action Item

1. Cemetery Plot

Statement: Mr. Amick stated that a policy exists regarding cemetery plots at Cemetery Hill, any exceptions to which must be approved by the Board. Mr. Amick then asked Dr. Ransdell to discuss a proposed exception to the policy. Dr. Ransdell reported that a letter from Ernest Corley was received by the Advancement Committee at the April 29 meeting. Dr. Corley is an alumnus of the University, Class of 1949, and a former employee of the United States Department of Agriculture. He was also engaged in several capacities with the Agricultural Research Service of the Federal Government. Dr. Corley retired from the University and has left his entire estate, valued between \$1.5 and \$2 million, to Clemson. Dr. Corley has requested permission to be buried at Woodland Cemetery.

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Action: Mr. Amick made a motion to approve Dr. Corley's request for burial at Woodland Cemetery, Mr. Hendrix seconded and the vote of approval was unanimous.

Item 11. President's Report

Statement: President Curris reported that it has been a good and progressive academic year. He thanked Co-chairs Lawrence Gressette and Jerry Dempsey for their work and leadership in convening the Commission on the Future of Clemson University. Dr. Curris also thanked David Stalnaker and his staff for their work and contributions to the Commission. He reported that Clemson received nearly 270 acceptances out of 300 invitations to serve on the Commission. Dr. Curris characterized the approximate 210 alumni and non-alumni who are in attendance today for the meeting of the Commission on the Future of Clemson at the Madren Center as a stellar group of individuals.

Item 12. Executive Session

Statement: Chairman Gressette announced that that Board needed to go into executive session to discuss a contractual matter. Mr. Kingsmore made a motion to go into executive session, Mr. Swann seconded and the vote of approval was unanimous. The Chairman stated that no decisions would be made and no votes taken while in executive session. The Board went into executive session at 3:25 P. M.

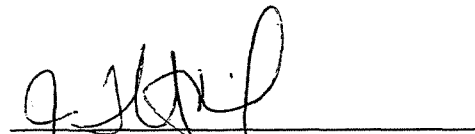
Item 14. Open Session

Statement: Mr. Gressette reconvened the Board at 4:20 P. M. He stated that no decisions were made and no votes taken while in executive session.

Item 15. Adjourn

Statement: Mr. Smith made a motion to adjourn, Mr. Hendrix seconded and the vote of approval was unanimous. The meeting adjourned at 4:25 P. M.

Respectfully submitted,



J. Thornton Kirby
Executive Secretary to the
Board of Trustees