The Citadel Board of Visitors held its spring meeting in the Scarborough Multimedia Room, Holliday Alumni Center, at 0830 hours on 5 April 2013, to receive updates on contractual and legal matters, conduct discussions of Board administrative matters, and receive committee and constituency reports.

The following members were present: Colonel Douglas A. Snyder, Chair; Colonel Fred L. Price, Jr., Vice Chair; Colonel Allison Dean Love; Colonel Glenn D. Addison; Lieutenant Colonel Ben W. Legare, Jr.; Colonel James M. McQuilla; Lieutenant General W. Michael Steele; Colonel Dylan W. Goff; Colonel Tee Hooper, Jr.; Colonel Peter M. McCoy, Sr.; Chairman Emeritus, Colonel Leonard C. Fulghum, Jr.; Member Emeritus, Colonel William E. Jenkinson III; Mr. Frank E. Gibson, III, President, The Citadel Alumni Association (CAA), and Mr. Claudius E. Watts IV, Chairman, The Citadel Foundation (TCF). Member elect, Mr. Robert H. Nuttall, Sr., attended as an observer. Also in attendance were President John W. Rosa and senior members of The Citadel staff. Major George L. Rudolph, Chairman of the Faculty Council, was also present.

Voting member absent: Lieutenant General John B. Sams, Jr.

The meeting followed the agenda at enclosure 1.

Colonel Price stated that the meeting was in compliance with the Freedom of Information Act. A quorum was present.

Chair Snyder opened the meeting and called for a motion to go into executive session to discuss contractual and legal matters. Colonel Love made the motion, seconded by Colonel Addison, and unanimously passed.

Colonel McQuilla motioned to come out of executive session, seconded by Colonel Goff, motion passed unanimously.

Provost and Dean of the College, Brigadier General Samuel M. Hines, Jr., was called on and led a discussion on Board committee restructuring and trends in higher education.

The plan for Board committee restructuring is to first focus on the detailed development of one committee rather than attempting to create elements of all three proposed committees at once.

The primary focus, initially, will be on the proposed Enterprise Risk Management Committee as it will provide the foundation for Board governance and oversight as well as common linkage to the other committees.

General Hines and his staff are reviewing institutional resources from other colleges and universities to ensure that we are in line with their best practices.
A general discussion followed examining current trends in higher education, particularly the rapid adoption of Massive Open On-Line courses and the impact they are having on the traditional delivery of college courses.

The Citadel’s unique educational environment of developing principled leaders does not lend itself to become too heavily involved with on-line courses as leadership, ethics and character building require more personal interaction. At present, we are investing in on-line courses to provide scheduling flexibility and cadet/student convenience, which is a small piece of what the college offers academically.

In the near future it is anticipated that on-line courses will put a great deal of pressure on higher educational institutions as they try to find the right balance of campus vs. on-line courses in order to sustain their residential campus.

Because of the significant impact this trend will have on our business model as we move forward with LEAD Plan 2018, General Hines and his staff will closely follow this emerging trend and will keep the Board apprised of potential impacts on the college.

Chair Snyder called for committee reports.

Athletics Committee: Colonel Addison, Chair, reported the outstanding success the wrestling team at the NCAA National Meet. Two Citadel wrestlers earned All-American honors for their superb performances at the meet. Cadet Ugi Khishignyam placed fourth, losing only to the eventual champion in his class. Cadet Odie Delaney placed seventh, defeating several nationally ranked wrestlers to earn his All-American status. Additionally, The Citadel finished nationally ranked at number 20, ahead of several colleges/universities with higher ranked programs. Informally, indications are that the team will also be number 25 academically in the nation.

Colonel Addison also commended Coach Rob Hjerling for his superb coaching and the success of the team. He announced the committee unanimously agreed to recommend to the Board of Visitors that the wrestling team members be recognized for their outstanding achievements.

In discussing the FY 13 budget, Colonel Addison pointed out that the department is on target with an expectation of a small shortfall and is working diligently to reduce the amount of support need from The Citadel Trust.

In reviewing the FY 14 budget, he pointed out that The Citadel will have 12 football games this year, including a game against Clemson. Six of the games will be at home. The Athletics Department is planning on a zero increase in fees and salaries. The Athletics Department
continues to fine-tune budget parameters and is taking internal steps to maximize staff effectiveness.

Customs and Regulations Committee: Lieutenant Colonel Legare, Chair, reported that Commandant’s office was coordinating with the Krause Center to ensure synchronization of input regarding cadet regulations and manuals currently under review. In support of the LEAD Plan 2018, the Commandant’s Department regards Strategic Initiative One, “develop principled leaders in a globalized environment,” as the most significant to their department. The Commandant continues to review the impact of the proposed Board committee restructure on his department. In this regard, Colonel Legare requested that the Board give strong consideration to establishing a sub-committee to hear appeals. He closed by reporting that his committee was finalizing changes to the College Regulations and he encouraged all members to become thoroughly familiar with the regulations.

Audit Committee: Colonel Goff, Chair, reported that all recent waste, fraud and abuse complaints had been resolved and closed. He noted that two upcoming audits, Treasurer’s Office and Purchasing Card, were on hold awaiting a priority determination from the Board. Following discussion, the will of the Board was for the Treasurer’s Office to be audited.

Buildings and Grounds Committee: Colonel Price, Chair, reported the committee had received a comprehensive review and update on the major buildings and grounds projects that are currently being worked on campus as well as FY 13/14 funding for projects. The Board was then presented several campus location options for the placement of the new Stevens Barracks (5th battalion) and the impact its location would have on other campus facilities. Colonel Price emphasized the window for constructing the barracks was becoming critical as some five years ago the Board was briefed that the barracks needed to be built within the next ten years. It was noted that the first step in this process was the need to relocate campus parking spaces.

A discussion was held on the proposed Campus Parking Garage project which is critical to future campus development. The Board had previously approved the selection of Bulldog Parking, LLC to design, construct and manage the project. A general discussion followed with reference to a future city initiative to redevelop the Lockwood Boulevard/Hagood Street corridors and its impact on a campus parking garage. The subject will be discussed further tomorrow when an action item on the parking garage will be presented.

As a matter of interest to the Board, Colonel Price provided an update on the railroad spur property adjacent to the campus. The Citadel appraiser and the City appraiser, who differ greatly, agreed to an appraisal by a third party to see if a more reasonable and accurate appraisal can be found. The third party appraisal came in at $3,100 which is significantly below the valuation given to The Citadel of $50,000, and the City’s valuation of $250,000. No decision was reached other than to ensure fairness and integrity in dealing with the City to resolve this matter.
Colonel Price expressed concern of the committee and individual Board members that the photographs of the Greater Issues Distinguished Speakers had been removed from the Greater Issues Room to be archived instead of displayed. It was felt that this action should have required Board approval.

The administration acknowledged the Board’s concern and will report at a future meeting the pictures status and planned improvements to the Greater Issues Room.

In closing, Colonel Price informed the Board that the ring monument, prominently displayed at Lesesne Gate, will be removed by Balfour, taken back to their factory and refurbished due to flaws in the coating substance on the ring. Anticipated return is before school starts in the fall.

Education Committee: Colonel Love, Vice Chair, reported for the chair, General Sams, who is out of town. Colonel Love called on the Provost for his remarks.

General Hines opened by proudly informing the Board that the School of Education had received a positive NCATE report - very good news in that on the last NCATE report the school had been found deficient in some areas. Dean Tony Johnson has done an excellent job in restoring excellence to the School of Education. Spring enrollment is holding steady with excellent retention within the Corps of Cadets; the evening undergraduate enrollment is improving, and The Citadel Graduate College enrollment remains slightly down. Both day and evening Veterans Programs are showing increases and Dr. McNamara is actively working to support and meet the needs of the veterans. Regarding the Employer Survey Results; sixty-six of five hundred and thirteen employers registered responded for an acceptable 13% response rate.

The survey showed that Citadel graduates are motivated to lead, understand team work, are mission oriented, stand out above their peers and put the best interest of the organization before their own self-interest.

Additionally, the employer needs assessment portion of the survey identified professional areas for the development of new programs. For example, the college is now collaborating with the College of Charleston and MUSC to develop a BA in Health Sciences.

Lieutenant Colonel Tara McNealy, Associate Provost for Planning, Assessment and Evaluation, was called on to update the Board on preparation for the SACS accreditation visit. She said excellent progress was being made across the board for the visit, with particular emphasis focusing on reinforcing the ethical reasoning curriculum of Citadel 101 and 311 by adding ten additional hours of leadership training. Additionally, an ethics literature review is being conducted, looking at VMI and Air Force Academy resources.

General Hines then reviewed ten years of data regarding drug, alcohol and tobacco use by cadets. The good news is that alcohol prevalence is trending down, our programs are working,
and the cadets are making smarter choices. Drug use is down and the college is providing an environment where the cadets can be successful. Tobacco use among cadets is consistently higher than their counterparts nationally. The addition of a recently-authorized staff position to oversee this critical area of cadet life will further enhance the college’s education programs and hopefully further reduce problems associated with drugs and alcohol.

General Hines closed by noting that cadet/student awareness of drug/alcohol policies and prevention measures was over 90%.

Chair Snyder asked Colonel Love to continue to address the proposed ethics form for Board consideration. Following discussion and minor changes, the form was accepted for Board use.

Colonel Love, Chair of the External Affairs Committee, reported that enrollment metrics for the incoming fourth class were significantly higher across the board compared to last year and matriculates will match or exceed last year’s class. She noted there were over 140 pre-knobs registered for this weekend’s visit. She outlined the support provided by the Office of External Affairs to TCF and The Citadel Brigadier Foundation, and to the LEAD Plan 2018 campaign. She reviewed key communication channels, and mentioned that the coverage of the Krause gift announcement had gone well.

Finance Committee Chair, Colonel Hooper, called on Brigadier General Thomas J. Elzey, Executive Vice President, to review the current financial status and FY 14 budget planning factors.

General Elzey reviewed the FY 13/14 legislative budget, stating that the South Carolina House of Representatives approved The Citadel’s request for 9.25 FTEs and $1.5M for the cadet accountability system. The House also approved $8.9M in state appropriations for The Citadel, but did not approve any funding allocated to deferred maintenance. The South Carolina Senate is expected to finalize approvals in April.

General Elzey then updated the FY 12/13 financials highlighting the following:

- Education and General (E&G) funds, Auxiliaries, and Athletics are projecting an estimated $2.63M end-of-year surplus (revenues less expenses)
- E&G is projecting a $0.70M end-of-year surplus due to higher Corps size and better management of expenditures
- Auxiliaries are projecting a $2.31M surplus due to higher Corps size, more use of auxiliary services offered, and better management of expenditures
- Athletics is projecting a ($0.38M) deficit due to the budget effects of the mid-year increases in salary and benefits, and decreased fundraising revenue

General Elzey noted the FY 13 budgeted revenues do not include the planned $350k support from The Citadel Trust to Athletics.
General Elzey then presented the FY 13/14 budget build considerations, assumptions, and options for the preliminary budget.

The budget is currently being built under the following assumptions: 9.25 new FTE positions will be filled; an average paying Corps size of 2,170; The Citadel Foundation supplemental grant positions will be absorbed into the E&G budget; decreased CGC enrollment; and mid-year employee recognition supplements in lieu of pay increases. General Elzey noted although he anticipates not all of these items will be able to occur, they are being included in the budget build in order to be conservative.

General Elzey reviewed the revenue impact on changes in residency ratios. The Citadel’s current ratio is 49% in-state and 51% out-of-state. The ultimate goal is a ratio of 45% in-state and 55% out-of-state. Proposed steps to reach this goal include increasing the amount of financial aid available for out-of-state students and increasing advertising outside of South Carolina to generate recognition and awareness of The Citadel. General Elzey noted there are concerns that tuition cost is a factor in deterring students from attending, but he provided results from freshman surveys and attrition trends to support the premise cost is not the driving factor.

General Elzey noted continued success of the auxiliaries has allowed $296k to be built into the budget for support for scholarships.

General Elzey presented the five-year review of projections based on tuition increases of 0%, 1.5%, and 3%.

Following General Elzey’s presentation, there was a comprehensive Board discussion with a number of planning thoughts and assumptions being provided by the Board.

The budget continues to be a work in progress and the administration will review the guidance provided by the Board today and will incorporate their input into the next iteration of the budget for Finance Committee review.

Chair Hooper noted his committee had an action item for the meeting on Saturday, the re-appointment of Major Daniel McQueeny to The Citadel Trust Board.

Strategic Planning Committee Chair General Steele called on General Hines for an update. General Hines reviewed the following: LEAD Plan 2018 implementation update, collaboration with TCF, and 2013/2014 implementation and resourcing. Completion of the four-year leader development model, including a junior ethical fitness seminar and a senior leadership integration seminar, was identified as the most important strategic initiative. These seminars are being “field tested” to assess and measure how the cadets move through The Citadel Experience. Modifications and improvements will be made accordingly. He noted The
Citadel’s service learning program has been recognized nationally by being placed on the president’s Higher Education Service Honor Roll. Additionally, a Citadel cadet has been designated South Carolina Service Learning Student of the Year.

Creation of a new associate Citadel Graduate College Dean of Student Engagement position is allowing the expansion of services and amenities for graduate students and veterans. Other CGC initiatives include development of a lounge in Mark Clark Hall, a reading room in Capers Hall, and opening the Bond Hall fifth floor canteen for limited evening services to support the CGC students.

Student retention programs continue to be critical to the overall academic success of our students. Additional supplemental instruction instructors have been hired, expanding subject area tutoring from 352 students in the fall of 2011 to 634 in the fall of 2012.

In reviewing strategic planning and the College Regulations, General Hines discussed the necessity for the College Regulations and the strategic initiatives to be in sync to ensure proper BOV oversight and guidance.

Chair Steele called on Mr. Watts, Chairman, The Citadel Foundation, for his view of TCF support of LEAD Plan 2018. Mr. Watts reported that TCF had adopted the LEAD goal of $4 million for FY 13/14 and is fully committed to raising the funds. He explained, however, it will take time to raise the money and laid out a timeline for having the $4 million in cash to the college by June 2014. TCF is confident they will meet the goal and they are working to create a plan to keep the BOV and the college current on their progress.

In addressing how the college could budget strategic initiatives for FY 13/14 if funds would not be available till June 2014, Mr. Watts pointed out some funds would be made available but it was just not plausible to fully commit funds due to TCF fundraising cycle. Mr. Watts went on to say TCF, by both intent and spirit, will let the college know the amount it can deliver. General Hines stated the college has identified priorities and will align them with funds available.

Chair Snyder called on Mr. Gibson, President, The Citadel Alumni Association, for remarks.

Mr. Gibson noted the ring monument would be removed from campus and taken to their plant to be refurbished at Balfour’s expense. The CAA-sponsored Junior Dinner was an enthusiastic event and 96% of the Junior Class has been sized for their class ring. Cost of the ring is currently $1040, and CAA will offer financial assistance to those needing help to purchase a ring. Efforts continue to involve graduate students in CAA. Turn out for the Gold Corps at Corps Day was the largest turnout to date. All in all he reported that the association is doing well.
There being no further business, the meeting adjourned at 1730 hours.

Respectfully submitted,

Myron C. Harrington, Jr.
Colonel, USMC (Retired)
Secretary to the Board of Visitors