THE CITADEL BOARD OF VISITORS
MEETING MINUTES
7 AND 8 SEPTEMBER 2012

The Citadel Board of Visitors held a meeting in the Scarborough Multimedia Room, Holliday Alumni Center, at 0830 hours on 7 September 2012 to receive committee 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; Lieutenant General John B. Sams, Jr.; Colonel “Tee” Hooper; Colonel Peter M. McCoy, Sr.; Colonel Leonard C. Fulghum, Jr., Chairman Emeritus; and Colonel William E. Jenkinson, III, Member Emeritus; Mr. Claudius E. Watts, IV, Chairman of The Citadel Foundation; and Commander W. Keith Midgette, President, The Citadel Alumni Association. Also in attendance were President John W. Rosa, senior members of his staff, Colonel Ralph F. Tice, Interim Executive Director, The Citadel Foundation; Dr. John Palms, representing the Institutional Program Assessment Committee (IPAC), and Major George L. Rudolph, Chairman of The Citadel Faculty Council.

Voting members absent: none.

The meeting followed the agenda at enclosure 1.

Mr. Mark Brandenburg, General Counsel, stated that the meeting was in compliance with the Freedom of Information Act in that notice had been posted in accordance with called meeting procedures. Local media sources were immediately notified.

A quorum was present.

Chair Snyder opened the meeting by thanking Board committees and the administration for all their splendid efforts in preparing for the meeting. He then called on the President for the IPAC report.

President Rosa told the Board this was a comprehensive, across-the-campus look at the college, its programs and challenges and provides recommendations to enhance the continued excellence of the college. President Rosa called on the chairman of the committee, Dr. John Palms, for remarks.
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Dr. Palms reported IPAC had thoroughly evaluated all aspects of the college’s procedures and operations, identifying the most serious risks to its values and mission; the subsequent report provides recommendations to minimize or eliminate these risks. He pointed out the hard work of the committee and praised them for their dedication to the college.

President Rosa thanked Dr. Palms for his leadership and dedication to The Citadel and for an excellent report.

President Rosa led the Board in a review and discussion of slides highlighting the IPAC report. President Rosa emphasized the long term commitment to resolving the myriad challenges identified by the report such as: changing the culture of the Corps, enhancing the cadet honor system, underage drinking, protecting youth at on-campus activities, diversifying the Corps and college workforce, and combatting the negative attitude towards women in the Corps.

He closed by pointing out this was a bold institutional review of where we are and where we are going and emphasized the necessity to get the right people, enough time and resources to accomplish the tasks laid out by the IPAC report.

Chair Snyder thanked the president for his comments on the IPAC report and called for a motion to go into executive session for legal matters. Motion made by Colonel Price, seconded by General Sams, and unanimously passed.

Motion to come out of executive session made by Colonel Price, seconded by Colonel McQuilla, and unanimously passed.

Chair Snyder called for committee reports.

General Steele, Chair of the Strategic Planning Committee, was called on.

General Steele summarized where we are in the planning cycle and pointed out the need for $49 million more to complete all strategic initiatives over the next six years. He called on the Provost and Dean of the College, Brigadier General Samuel M. Hines, to review slides and current status. General Hines led off by discussing the “branding” of the strategic plan with the title LEAD (Leadership Excellence and Academic Distinction).
General Hines went on to point out that LEAD 2018 incorporated lessons learned from Blueprint I, was a two-year collaborative planning process that included the entire Citadel family, and would be linked to the next Citadel Foundation capital campaign. He noted that both deans and department heads were fully engaged in supporting and reporting strategic initiatives outcomes.

After a detailed review of LEAD slides, discussion turned to the critical need to identify the lines of responsibility for raising the additional $49 million needed to accomplish all of the plan objectives over the next six years. Mr. Watts provided insights regarding The Citadel Foundation plans to support the LEAD plan. It was also pointed out that a Board of Visitors structure review is in progress to ensure the Board is properly aligned to support the strategic plan. The plan is a good one and will move the college forward; the challenge is to raise $49 million to make it viable.

General Sams, Education Committee Chair, was called on.

General Sams called on General Hines for the report.

General Hines opened by reporting that the Class of 2016 is the largest class in 55 years with 779 enrolled including 398 in-state students and 64 women.

Other highlights:
- Summer programs showed growth especially on-line courses with an enrollment of 500 students
- The Citadel Success Institute had a record enrollment of 266
- The Citadel Graduate College (CGC) undergraduate enrollment is growing in criminal justice and business programs
- Other programs are stable and liaison has been made with 12 community colleges in the state to facilitate transfer students
- CGC School of Education enrollment presents a challenge as local districts are not funding their teachers as well as in the past and many potential teachers are turning away from the profession
- CGC School of Engineering Project Management Program is well attended as 24 local corporations, such as Boeing and SPAWAR, assist their employees with funding and the program was designed with input from businesses to meet their needs
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- CGC also has several joint programs with the College of Charleston. The administration is collaborating with the college to be sure that our pricing for the same program is consistent, so that students pay the same price at either campus.
- Results of The CGC Student Satisfaction Survey has pointed out a need to create a campus environment more supportive of CGC students.
- CGC students have requested CGC “logo” Citadel items so they can show their pride in the program.
- Noteworthy is that 72% of CGC students state that attending The Citadel enhanced their ability to be a principled leader.
- Of concern, only 61% of CGC students would enroll at The Citadel if they could change their choice, while 67% of cadets would re-enroll.
- Results of The Citadel Experience Survey taken by graduating seniors pointed out a need to reengage TAC officers and company faculty advisors and provide more involvement.
- National Survey of Student Engagement 2012 Benchmarks for First-Year Students showed The Citadel scoring in the top 10% of: student-faculty interaction, enriching educational experience, and supportive campus environment.

General Hines noted that in the Faculty Social Climate Survey a number of concerns were identified that the college needs to improve to enhance faculty morale and show appreciation for their efforts. These issues are being addressed by the administration.

In responding to a question on the academic rigor of the college, General Hines pointed out The Citadel has 60 hours of required courses in math, science and the humanities compared to the 30 hour norm at most other colleges.

Colonel Addison, chair of the Athletics Committee, was called on.

Colonel Addison reported the athletic budget overall expenses increased by only 1% in FY12 and overall campus support increased by 8.9%. Over the past five years there has been a significant reduction in campus support, from $2,538,298 in FY 08 to an average of just over $1,500,000 since FY 09.

The opening football game drew 14,264 fans and the fireworks after the game were greatly appreciated. The initial concerns that some had over the new priority parking system did not materialize.
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Colonel Price, Chair of the Buildings and Grounds Committee, was called on.

Colonel Price called on Colonel G. Dewey Yeatts, Vice President for Facilities and Engineering, to present the report.

Colonel Yeatts provided the Board with an overview of on-going campus projects, projects funded with Citadel Foundation grant funds, deferred maintenance projects, and future works yet to be approved and funded.

Currently there are 16 projects on-going, four of which are being funded by The Citadel Foundation grant. Five deferred maintenance projects are currently being worked with a further nine being identified for FY 2013-2014 at an estimated cost of $3.9 million. Auxiliaries deferred maintenance projects identified for FY 2013-2014 are projected to cost $1.6 million.

Request for proposals for the proposed parking garage were due on 7 September 2012 and will be reviewed and presented to the administration and Board for consideration in November 2012.

The faculty and staff housing project remains in an initial review and information gathering phase.

The meeting recessed at 1330 hours for members to attend The Citadel Foundation Leaders in Philanthropy activities.

The Board of Visitors meeting reconvened at 0815 hours on 8 September in the Board Room, Jenkins Hall.

Continuing with committee reports, Colonel Legare, Chair of the Customs and Regulation Committee, was called on.

Colonel Legare called on Colonel Leo A. Mercado, Commandant of Cadets, for the report.

Colonel Mercado discussed the good work of both the athletic cadre and the cadet cadre in getting the year off to a good start. Leadership of both groups was professional and focused; he highlighted the processing of 710 cadet recruits in three hours. Of note, this was the largest class of freshmen in 55 years.
Attrition of the fourth class parallels that of previous years. As of this date, First Battalion has a retention rate of 97.7% with Third Battalion bringing up the rear at a rate of 89%. As expected, most attrition occurred in the first week. Inability to adjust/adapt to the fourth class system being the top reason followed by family/personal and financial reasons.

 Colonel Mercado expressed confidence in leadership demonstrated by the top levels of cadets and noted his training emphasis would focus on cadet Lieutenants and NCOs who need more training in order to reach their fullest potential.

 He will conduct a comprehensive review of cadre training and incorporate lessons learned into SY 2013-2014 syllabus.

 Overall the Corps is off to a good start and he is confident they will perform to expectations.

 He stressed his priorities for the year:
  - Elimination of hazing
  - Substance abuse reduction and education
  - Implementation of “One Standard” throughout the Corps
  - Improving physical effectiveness
  - Improving the academic environment
  - Emphasizing accountability

 In responding to a request to brief the Board of Visitors on the results of cadet summer activities, ROTC summer camps, academic study abroad and other unique activities he reported the following:

  - Army ROTC sent 105 cadets to summer training: two were dropped, one for physical training and one for drugs
  - Air Force ROTC sent 20 cadets to training and one failed
  - Navy ROTC sent 34 cadets on summer cruises and all successfully completed their training
  - Marine ROTC sent 29 cadets to training: one was dropped for medical reasons
A discussion followed on the financial impact on the college with a loss of ROTC scholarships due to the forthcoming military drawdown of commissioned officers.

Colonel Mercado detailed the success that Human Affairs Cadet Officers and NCOs were having within the Corps. He also pointed out his desire to get retired military NCOs as assistant TAC officers into the battalions to further enhance training for cadet NCOs and to provide another layer of supervision in the barracks.

The Summerall Guards Transformation Plan was discussed; Colonel Legare will keep the Board informed of future actions and activities of the Guards.

Colonel Mercado closed by discussing a cadet request to form a “Lifestyle” club. He stated that it would be established in accordance with College Regulations and its parameters would need to be in line with the core values of the institution.

Colonel Goff called for a motion to go into executive session to discuss a personnel matter. Motion seconded by Colonel McQuilla and unanimously passed.

Motion to come out of executive session made by Colonel Love, seconded by Colonel McQuilla, and unanimously passed.

Colonel Love, Chair of the External Affairs Committee, was called on for a report.

Pertaining to legislative matters, she reported that:

- State financial support is currently positive, an example being the legislature overriding the governor’s veto of funds for the Jenkins Hall Armory upgrade
- Legislators will be invited to several football games this fall. The Charleston delegation will be honored on the 29th of September
- Liaison continues with local neighborhood associations to build positive Citadel/community relationships
- Major areas of focus this year for our Legislative Liaison will be: advocating increased state support for deferred maintenance, support funding for the Cadet Information System ($1.2M), work on a bond bill and identify opportunities to expand regulatory reform
In other areas:

- The new website developed in September last year has resulted in increased contacts for the college, especially in the area of cadet and veteran student applications/enrollment.
- Blueprint objectives are being aggressively pursued in increasing national and "brand awareness" of the college with focus on out-of-state student solicitation, CGC enrollment overall, special attention to reaching more MBA prospects and enhancing veteran student enrollment.
- Also of interest has been the use of Facebook with over 5200 "friends" who have provided significant positive feedback.
- To improve the Evening Undergraduate School, coordination has been developed with 12 South Carolina community colleges.
- To improve CGC enrollment, efforts are underway to promote each program individually, an example being an increase of 63 students in Project Management.
- Aggressive promotion of the Veterans Day enrollment has resulted in 41 students, up from the initial 10 students in the fall of 2010.
- Efforts to promote the college among Lowcountry high school graduates have resulted in a gradual increase of applications.
- The internet continues as the major advertising vehicle for the college.
- Local media coverage of the college compared with the College of Charleston is appropriate and balanced for the most part. We do, however, receive more negative press than the College of Charleston.
- The Office of External Affairs is working to become an on-campus resource for college schools and departments to ensure consistency of messaging as well as working closely with TCF.

Major goals of External Affairs for 2012-2013 will be to:

- Increase national and local advertising to attract high quality students.
- Expand positive media coverage of The Citadel.
- Increase senior administration community outreach.
- Enhance legislative engagement.
- Run an out-of-state pilot market test advertising for the Corps of Cadets.

In closing, Colonel Love discussed the contracting of Chernoff-Newman to support and enhance the capabilities of the External Affairs staff in media and advertising and to provide crisis management consultant support as required. It was requested that the performance of their contract terms and payments be closely monitored by the administration and the Board informed accordingly.
Colonel Hooper, Chair of the Finance Committee, was called on for his report.

Colonel Hooper called on Brigadier General Thomas J. Elzey, Executive Vice President, to present the committee report.

General Elzey provided a summary of The Citadel’s financial position by reviewing the statement of revenues, expenses, and change in net assets at 30 June 2012 (unaudited) versus the prior year. The following items were highlighted:

- Citadel operating revenues increased by $598,000 due to increases in tuition and fees and increases in auxiliary revenues. Citadel operating expenses increased by $4.5 million due existing employee salary increases and new positions funded by the TCF supplemental grant.
- Net assets increased by $2.7 million, which is a positive indicator when considering the significant spending required in FY12 for deferred maintenance projects and new programs.

General Elzey presented several slides for the FY11 / FY12 college budget closeout report which provided the Education and General (E&G), Auxiliary, and Athletics revenues and expenses versus budget.

- E&G revenues were slightly below budget due to a higher than expected in-state student/out-of-state student ratio, and lower evening school, Maymester, and Summer I revenues
- E&G expenditures were well below budget due to higher than expected time lapses on vacant positions and lower than expected services and supplies expenditures. The resulting surplus of $652,000 is included in the FY13 E&G budget.
- Fee-based auxiliary revenues were above budget due to higher than budgeted student enrollment, and profit-based auxiliaries were also slightly above budget due to higher sales
- Auxiliary expenditures were slightly above budget due to increased costs, but $1,182,500 was still available to be transferred to supplement Athletics. The remaining surplus of $528,000 was transferred to the appropriate auxiliary maintenance reserves.
- Athletics revenues were slightly below budget due to lower than expected fundraising, and a decrease in men’s basketball revenues
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- Athletics expenditures were slightly below budget. The budgeted $350,000 transfer from The Citadel Trust was required in addition to the above mentioned $1.2 million auxiliary transfer to cover the deficit. General Rosa and General Elzey have begun meeting with The Citadel’s Athletics Director to develop a plan to reduce the Athletics Department’s future dependency on TCF and auxiliaries to cover deficits.

General Elzey presented additional slides for the FY12 / FY13 State Scholarship Program. The LIFE Scholarship, HOPE Scholarship, Palmetto Fellow, and South Carolina CAP Scholarships are currently being utilized by in-state students at The Citadel. A total of 75% of in-state freshman currently have some form of state scholarship.

General Elzey next provided an update on TCF grant request. The specific programs funded by the grant were based on recommendations by the Boston Consulting Group to enable The Citadel to obtain financial sustainability. Approximately half of the $5 million TCF supplemental grant had been expended by 30 June 2012, and 91% of the tasks have been completed.

General Elzey closed by discussing a recent meeting he had with an insurance agent to review options for Directors and Officers coverage for the Board as coverage by the State Insurance Reserve Fund is limited. He will continue to explore options to expand coverage.

There being no further business, the meeting adjourned at 0945 hours, 8 September 2012.

Respectfully submitted,

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