

FAYETTEVILLE STATE UNIVERSITY

MINUTES, SPECIAL CALLED MEETING

BOARD OF TRUSTEES

Chancellor's Conference Room, C. J. Barber Administration Building
and via teleconference

Wednesday, May 13, 2015

9:00 a.m.

A Special Called Meeting of the Fayetteville State University Board of Trustees was held on Wednesday, May 13, 2015, at 9:06 a.m. telephonically and from the Chancellor's Conference Room in the Barber Building. Chairman Donald L. Porter presided.

ROLL CALL

The following trustee members were in attendance: Mr. Claude Bagues, Mr. Wayne Branch, Ms. Candacy Bush, Mr. Jodie Ervin, Dr. John R. Griffin, Jr., Mrs. Vedas Neal, Dr. Inder Nijhawan, and Mr. Donald Porter.

STATE GOVERNMENT ETHICS ACT

Before proceeding into the main portion of the meeting, Chairman Donald Porter read the State Government Ethics Act to remind all members of the Board of their duty to avoid conflicts of interest and appearances of conflict under this Act.

In reference to the business being conducted at today's special called meeting of the Board, Chairman Donald Porter commended Chancellor James Anderson, Dr. Thomas Conway, Dr. Jon Young, and Dr. Marsha McLean for the professional manner in which they've handled things. On that note, he asked Dr. Young to proceed with the action item he wished to recommend to the Board for approval.

Dr. Jon Young, Provost and Vice Chancellor for Academic Affairs, asked that the FSU Board of Trustees, as Federal Communications Commission (FCC) legal licensees of WFSS 91.9 FM public radio at Fayetteville State University, approve the sale of WFSS to WUNC-FM, LLC, an affiliate of UNC-Chapel Hill. Dr. Marsha McLean has been the General Manager of WFSS for the past two years.

The purchase price of WFSS to WUNC, LLC will be \$1.75 million and includes the following: a) \$1.35 million in cash for the rights to broadcast on the 91.9 frequency, b) internship opportunities for two students annually who are interested in radio or journalism, and c) future underwriting announcements.

The purpose for the sale of WFSS-FM is that since 2009, we've had a severe budget reduction. State appropriations went from \$82.6 million to \$67.2 million, a reduction of

approximately 19 per cent. As well, there was a significant decline in faculty positions (from 437 to 287).

WFSS was operating in a deficit of \$60 - \$100K per year. Efforts to raise funds to support the radio station have fallen short. At this time, the radio station is no longer fiscally sustainable.

Dr. Young stated that WUNC is a right fit for Cumberland and the surrounding counties. There will also be underwriting opportunities.

Approval of the sale from the FCC will take anywhere from 75 to 120 days. If the Board approves the recommendation, Chairman Donald Porter will sign 1) Asset Purchase Agreement, 2) Escrow Agreement, 3) Programming Services Agreement, and 4) Tower and Space License Agreement.

Dr. Young stated that Attorney John Trent was on the telephone to answer any questions. As well, Ms. Wanda Jenkins, FSU's General Counsel, who is also in attendance, has reviewed all documents.

Trustee Inder Nijhawan asked if we received other bids. Dr. Young stated that we received one other bid, however; WUNC was a better fit and also part of another UNC institution.

Trustee Claude Bagues asked who will conduct audits of the radio station. Chancellor Anderson stated that it will be up to WUNC LLC to handle that, as the radio station will be under their jurisdiction.

Chairman Porter made a motion to approve the recommendation from the Provost for Academic Affairs to sale and transfer the license of public radio station WFSS 91.9 to public radio station WUNC. Trustee Inder Nijhawan seconded the motion. *The motion carried.*

Trustee John Griffin made a motion to adjourn the meeting. The meeting was adjourned at 9:25 a.m.

Respectfully submitted,

Jodie Ervin, Secretary

Suzetta M. Perkins, Recorder