SPECIAL CALL MEETING
Wednesday, October 8, 2025
10:30 a.m.

The Fayetteville State University Board of Trustees convened on Wednesday, October 8, 2025, via Microsoft Teams. Chair Glenn Adams presided and called the meeting to order at 10:30 a.m.

ROLL CALL
The following trustees were in attendance: Glenn Adams, Joyce Adams, Jerry Gregory, Latoya Harper, Donald Moore, John McFadyen, Frederick Nelson, Brian Pearce, Greg Pinnix, and Al Ragland.

Before proceeding into the main portion of the meeting, Chair Glenn Adams acknowledged 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. No conflicts were reported.

ACTION ITEMS
The Full Board had no information items and four action items discussed during the meeting.

Action Item A-1: Building Automation System Upgrade Project
Chief Operating Officer, Hector Molina, presented for approval updates to the building automation system project. In November 2023, the Board approved a project to replace the outdated building automation systems (BAS) in four campus buildings—Barber, Collins, Cook, and Lyons Science Annex. These systems control heating, cooling, and other building functions. The old Siemens system will be replaced with one of the newer, campus-approved systems from either Trane or Schneider. The project was estimated to cost $700,000 and was planned to be funded through Title III - FY 2023–24 FUTURE Act funds, which are federal grant dollars provided under the FUTURE Act and designated for the university's FY 2023-2024. In April 2025, the Board also approved hiring the engineering firm McKim & Creed to design and oversee the technical work for the BAS upgrades.

Due to changes in the project scope and rising costs, we now require the Board's review and approval to proceed. We've confirmed that the original FUTURE Act funds are restricted to academic facilities — in this case, the Lyons Science Annex. Barber and Collins, designated as administrative facilities, will need to be supported through an alternative funding source.

The planned building automation upgrade for Cook Hall will be incorporated into the comprehensive renovation project, which is already in the advanced design phase, and scheduled for completion in 2028.

The NC State Construction Office's requirements will significantly increase the project's costs, making it necessary to adjust the overall budget.
Recommendations:

- Approve two separate projects to upgrade the Building Automation Systems (BAS) in three campus buildings:
    - Lyons Science Annex – Estimated project cost: $700,000, funded through the original FUTURE Act allocation.
    - Barber and Collins Halls – estimated project cost: $600,000, funded through FY 2024-25 management flex carry-forward funds, with the design team to be selected through a future solicitation process.
- Cancel all previous approvals and authorizations for earlier BAS upgrade plans to avoid duplication and ensure alignment with these new project buildings.

Trustee John McFadyen asked COO Molina to confirm the dollar amount for the buildings, in which they were confirmed as &700,000 for the Lyons Science building work and $600,000 for both Barber and Collins buildings. Trustee Al Ragland asked if the Board would receive new estimates for Barber and Collins buildings, in which it was confirmed that the next step is to receive the estimates and bring it back to the Board for an update at a future meeting.

Motion: Trustee Al Ragland motioned to approve the cancellation of the previously authorized BAS upgrade projects and authorizes two new BAS upgrade projects as outlined. The motion was second by Trustee John McFadyen. The motion carried.

Action Item A-2: Health and Wellness Center Project Authority Increase
COO Molina presented the action item for the Health and Wellness Center authority increase. Board of Trustees approval is required for new capital projects or additions in construction project budget authority for previously approved projects. The original project authority for the Health and Wellness Center project was $5,500,000 from a State of North Carolina capital appropriation. In 2019 the FSU Board of Trustees and the UNC Board of Governors approved an increase in authority to $7,500,000 based on City of Fayetteville funding. Because those City funds are no longer available, only the original $5,500,000 State of North Carolina capital appropriation remained.

The Higher Education Emergency Relief Fund (HEERF) regulations were revised in 2022 to allow for more flexibility for the funds to be used on construction projects. By 2022, the original scope of the $5,500,000 HWC project had eroded due to construction cost escalation. In June 2022, the FSU BOT and UNC BOG approved to increase the project authority to $11,100,000 using $5,600,000 of available HEERF funds. The U.S. Department of Education also approved FSU's request to spend $5,600,000 in HEERF funds for this project.

In February 2024, the BOT approved an additional $1,000,000 in project authority, bringing total project authority to $12.1 million. In August 2024, the BOT approved an additional $800,000 in project authority, bringing total project authority to $12.9 million. In December

2024, the University received construction bids for the project. The lower bid was higher than estimated and additional funding is required to complete the building and provide additional parking. In January 2025, the Board approved an additional $1,000,000 of project authority funded by HEERF to cover the added cost.

Much of the construction contingency and funds allocated for equipment have been used to address unforeseen site conditions. An additional $400,000 of HEERF funding is needed to furnish the building with equipment, cameras, emergency notification, etc.

Trustee Jerry Gregory asked if the project could be impacted financially by federal funding delays given the additional funds are HEERF dollars. Chief Financial Officer Kenny Spayd shared that he did not anticipate any delays at this time. Trustee McFadyen asked if the items funded by the additional $400,000 were in the original estimation or left out. Interim Associate Vice Chancellor for Facilities Gene Cottrell shared that they were included initially, however, unforeseen costs overtook the money set aside for the items and is now being added back as essential to the project's completion. Trustee Joyce Adams asked a follow up to Trustee Jerry Gregory's question to clarify the impact to funding from a risk mitigation perspective.

Motion: Trustee Frederick Nelson motioned to approve the additional $400,000 of project authority. Trustee Al Ragland second the motion. The motion carried.

<u>Action Item A-3: Policy on Non-Salary and Deferred Compensation</u>
Vice Chancellor Wanda Jenkins presented a new policy for the Board's approval. The University of North Carolina (UNC) Board of Governors requires each institution to have a policy concerning the granting of non-salary compensation for all personnel exempt from the North Carolina Human Resources Act. Each policy that provides specified non-salary compensation to a defined category of employees shall set out what types of non-salary compensation the campus or UNC System Office will provide, and the criteria for awarding such compensation.

The FSU BoT established a Non-Salary and Deferred Compensation policy in 2007. The BoG subsequently revised their Non-Salary and Deferred Compensation policy to include deferred compensation for Senior Academic and Administrative Officers (2022) and employment bonuses (2024). Following the BoG's approval of the revisions to their Non-Salary and Deferred Compensation policy, the UNC System President issued regulations in 2022 and 2024 specifically outlining requirements that should be included in each institution's policy.

The BoT's policy has been revised to include the requirements of the BoG's 2022 policy and the UNC System President's 2022 and 2024 regulations
Trustee Al Ragland asked if Human Resources was included in the drafting of the policy, in which VC Jenkins shared that her division drafted the policy with human resources initially providing a background summary. Trustee Ragland clarified that he wanted to know in the

context of Human Resources' role in implementing the policy. COO Hector Molina, who oversees Human Resources, shared that they have reviewed, agreed to the guidance, and are ready to implement as presented.

Motion: Trustee Al Ragland motioned to approve the policy on Non-Salary and Deferred Compensation, as presented. The motion was second by Trustee John McFadyen. The motion carried

<u>Action Item A-4: Faculty Workload Annual Report</u>
Provost Monica Leach and Dr. Sonja Brown presented the 2025-26 faculty workload annual report for approval. The Board of Governors approved a faculty workload policy on July 19, 2023 (400.3.4), with the UNC President adopting accompanying regulations on February 20, 2024 (400.3.4[R]).

The regulation requires each institution to submit an annual report in the formal prescribed by the President to its Board of Trustees to be approved following the academic year. After being accepted by its Board of Trustees, each institution shall submit its annual report to the UNC System Office President.

Trustee Glenn Adams asked if Dr. Brown and Provost Leach could share context on the data—if FSU's data was good? Chancellor Allison shared the UNC System's interest in the amount of time spent on teaching. Provost Leach added how FSU's data aligns with our mission as a teaching college, which is certainly good to see the reflection.

Trustee Jerry Gregory asked how we compare with our UNC System institutions, in which Provost Leach shared that she and Chancellor Allison would receive that information after the UNC System compiles the submitted reports. The deadline for the UNC System is October 15th, and a report will be at the following Board of Governors meeting.

Motion: Trustee Frederick Nelson motioned to approve the faculty workload annual report, as presented. The motion was second by Trustee Joyce Adams. The motion carried.

ADJOURNMENT
The Full Board meeting adjourned at 11:22 a.m.

Respectfully submitted,

Glenn Adams, Chair
Karen Bussey, Secretary to the University