

The Board of Trustees of the University of Central Arkansas convened in an emergency Board meeting at 3:30 p.m., Thursday, September 1, 2011, with the following officers and members present:

Chair:	Mr. Scott Roussel
Vice Chair:	Mr. Bobby Reynolds
Secretary:	Mr. Victor Green
	Dr. Harold Chakales
	Mr. Rush Harding, III
	Mrs. Kay Hinkle
	Mr. Randy Sims

President Allen C. Meadors and Chairman Roussel each made statements to the Board.

President Meadors: Dr. Meaadors noted that his primary goal when he became President of UCA was to move the University forward. In his 17 years as a college chancellor/president, he has never been more disappointed in himself. He asked the Board to allow the administration to thank Aramark for offering \$700,000 for renovation of the President's residence, but that the University will request bids this spring for the University's food services contract. Dr. Meadors also asked the Board to consider allowing him and Barbara Meadors to live some place other than the President's residence.

Chairman Roussel: Mr. Roussel said that Mr. Reynolds and Ms. Hinkle had appropriately requested this emergency meeting. Mr. Roussel said he did not blame Mr. Reynolds for being upset and wanting answers; or for Mr. Green and Dr. Chakales saying they did not know or understand why this matter was handled as it was; or for Mr. Harding saying it should have been presented more as a business deal. Mr. Roussel said he agrees with all of that. He said it is obvious now that this should have been handled differently and that the Board should had all the information before the August 26 Board meeting. Mr. Roussel stated that although he did not see the letter before the rest of the Board, the administration did explain the terms of the transaction to him and noted that he commented, "In other words, this is similar to what we have done at Christian Cafeteria, the Student Center, coffee shops around campus, the Pepsi Center, and the bookstore. The answer was 'yes.'" Mr. Roussel indicated that he now understood that the information should have been passed on to the Board and apologized for not doing so.

Mr. Roussel further stated that it is important for the Board to understand all contracts the University has with various vendors. He noted that some of the contracts allow the vendor to invest in the University, expense that investment, and to recover any remaining portion of the investment if the contract is cancelled.

Mr. Roussel pointed out that the Board did not extend Aramark's contract and that the University had not received money from Aramark for renovation of the President's residence. Mr. Reynolds requested a chronology of events leading to the matter. Diane Newton, Vice President for Finance and Administration, said that the letter was dated August 12, 2011, but she was unsure when it was delivered. Ms. Newton said she took the letter to President Meadors. The President asked her if this type of arrangement was the norm in Arkansas, whether UCA had

a history with this type of arrangement, and if it could be guaranteed that this investment would have no effect on the cost of student's meal plans. Ms. Newton indicated that the answer to each question was "yes."

President Meadors stated that he called Chairman Roussel and "shared with him the document." President Meadors indicated that Mr. Roussel asked him not to make word of the donation public until Mr. Roussel had an opportunity to discuss the development with the members of the President's Residence Advisory Committee. President Meadors next stated that over the next few days, in discussions with two Board members, he shared news of Aramark's offer, but failed to appreciate that it would have been important to mention that when Aramark made its offer, it requested a contract extension. President Meadors stated that he accepted full responsibility for not disclosing the full terms of the offer.

Mr. Harding said that these transactions are common and that he was confused as to why this was not fully disclosed as a business deal in which Aramark offered to make an investment in return for a contract extension.

Mr. Green said that in his short time on the Board, he thought there had been a commitment by all at the University to be transparent. That did not happen in this case. Mr. Green went on to say that he finds it regrettable that President Meadors did not share the Aramark letter with Mr. Roussel. He noted that, in his opinion, sharing the details of the letter, but not the letter was unacceptable. He stated that he hoped that the lesson was clear that there must be 100% transparency.

Ms. Hinkle said that at the August 26, 2011, meeting the \$700,000 was presented as a gift. She further stated that when she thinks of a gift, there are no strings attached. He recalled having been told three or four times by Mr. Roussel that Aramark offered a gift and, therefore, did not question the terms of the offer. She wishes that someone had come forward and clearly stated the actual terms of the offer.

Mr. Roussel agreed that Ms. Hinkle had properly identified the issue, but indicated that he had made a mistake. He stated that the omission was not intended to hide anything. Mr. Roussel said it was not in his nature to hide things. He agreed that the word "gift" should not have been used to describe the Aramark offer.

Mr. Harding stated that he did not believe Aramark had done anything wrong. He believes that Aramark was honest in stating its offer. President Meadors stated that no money would be accepted from Aramark until the Board was asked to renew the food service contract with Aramark as a future meeting. Mr. Green responded by noting that Board had actually agreed to spend some of the money on August 26, 2011, when it voted to hire an architect to draw up plans for renovation of the President's residence.

Mr. Reynolds made a motion to rescind the motion he made at the August 26 Board meeting to retain an architect firm. The motion was seconded by Ms. Hinkle and passed unanimously.

EXECUTIVE SESSION

Executive session, for the purpose of considering personnel matters, was unanimously declared upon motion by Victor Green with a second by Kay Hinkle.

OPEN SESSION

Rush Harding asked that the motion made at the August 26 Board meeting to secure rental property for the Meadors be rescinded. The motion was seconded and passed unanimously.

Harding also made a motion to form a committee, to be chaired by Bobby Reynolds and to include the Presidents of the Staff Senate, Faculty Senate and Student Government Association and Tom Courtway. The committee will interview the principals involved in the recent situation with Aramark, under oath and with a court reporter present, and the interviews will take place in public meetings. Once the facts are gathered the committee will give a report to the Board and the Board will decide at that time what actions are appropriate. The motion passed unanimously upon second by Victor Green.

There being no further business to come before the Board the meeting was adjourned upon motion by Kay Hinkle with a second by Bobby Reynolds.

**The University of Central
Arkansas Board of Trustees**

Scott Roussel
Chair

Victor Green
Secretary