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Clemson president defends school's business practices

The Associated Press

Clemson University uses sound business practices and its nearly \$80 million rainy day fund is not out of line when compared to other schools, according to university president James Barker.

Barker recently sent an e-mail to faculty, staff and students that he hopes will answer questions raised by a lawsuit filed by a former adviser to Clemson's board of trustees. Barker also made a similar presentation to legislators considering Clemson's budget request.

Chalmers Eugene Troutman III has sued the school, saying it raised tuition in the past eight years to overstuff a rainy day fund. A judge earlier this month refused to toss out the suit.

In his e-mail obtained by The Greenville News, Barker said the state allows agencies to carry forward money from one fiscal year to the next to help in planning and prevent administrators to spend wastefully at the end of the year.

Clemson had \$79 million to carry over at the end of the most recent budget year, which was about 12.6 percent of its total budget and not out of line when compared to other schools, Barker wrote.

Francis Marion University rolled over about 8 percent of its total revenues, while the College of Charleston's balance was 5 percent. On the other end, the University of South Carolina system retained about 23.8 percent of its budget, while Lander University saved about 21.9 percent, according to Barker's e-mail.

Barker compared the practice to home budgeting. "You don't wipe out your checking account on Dec. 31 of each year. You carry funds forward to cover bills you know will be coming in January," he wrote.

Troutman sued the university, saying he was asked to resign and later was unfairly fired after questioning the trustees about raising tuition. The school has said it needed extra money from students because of budget cuts, inflation and efforts to improve the quality of its undergraduate program.

The university said Troutman was fired after a unanimous vote by trustees, citing "management and work style" issues.

In his e-mail, Baker said he is trying to follow the advice of the school's lawyer and not talk about the case. But he said recent stories about the lawsuit led him to explain the university's practices.

"Contrary to what you may have read, I can assure you that the lawsuit has nothing to do with Clemson's financial management practices, which are based on sound, conservative business principles such as planning ahead for known and unknown future expenses," Barker wrote.

Information from: The Greenville News, <http://www.greenvillenews.com>

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