



Troutman Alleges Fiscal Irresponsibility by Barker and Board

Why Clemson's project in North Charleston is a delusional vision

By: Amanda Carey, Editor in Chief

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A former Executive Secretary to the Clemson University Board of Trustees has alleged fiscal mismanagement and deception on the part of Clemson President Jim Barker and the board.

Former Executive Secretary Gene Troutman made the allegations in a 14-page letter to some board members.

Troutman is currently in the middle of a lawsuit with Clemson in which he alleges he was fired after questioning the administration about tuition increases that went toward an unrestricted \$80 million cash fund.

The letter says that nowhere is there a better example of the board's fiscal failures than in Clemson's "excessive, wasteful, and misguided project," in North Charleston, otherwise known as the Restoration Institute. According to the Restoration Institute website, it was established in 2004 to "to drive economic growth by creating, developing and fostering restoration industries and environmentally sustainable technologies in South Carolina."

In recent years, Clemson's Board of Trustees has approved a series of tuition increases, saying that such increases were necessary because the state was not giving the school sufficient funding. However, according to Troutman's letter, the board's unquestioning support of Barker and his administration has led to some of the financial difficulties the

university is now in.

Troutman goes on to say that during his time at Clemson he saw that the budget could be cut by 15 to 20 percent without the faculty or students feeling any effect. He said such cuts should start with the Restoration Institute.

In August of 2004, the Civil War submarine, the Hunley was raised off the coast of South Carolina near Sullivan's Island. Subsequently, an organization was formed, known as the Friends of the Hunley, to recover and restore the submarine. State Senator Glenn McConnell is head of the organization which eventually partnered with Clemson for the project. Clemson's contribution is the Restoration Institute.

In May of 2006, The State newspaper published a series of articles written by reporter John Monk which made serious accusations about the formation and funding of the Hunley project. They also suggested evidence of an inappropriate relationship between Barker and McConnell. Mr. Monk also reported that he made numerous requests under the Freedom of Information Act (FOIA) to obtain documents pertaining to how Clemson originally became involved in the Hunley project. Because of recent documents that have been brought to light, it is now known that Clemson did not fully comply with the requests.

New information in the form of digital files were given to Troutman by another former executive secretary that show the idea for a partnership between Clemson and the Friends of the Hunley was originally McConnell's.

However, after Monk's expose ran, Barker and McConnell both responded with a personal address on the floor of the General Assembly by McConnell, and a written public response by Barker. Both men maintained that the partnership had always been McConnell's idea.

These new files not only contradict the statements of both men, but show that McConnell and Warren Lasch, chairman of the Friends of the Hunley, presented the idea of a partnership to Barker as early as June 2003.

In a column published May 20, 2006, in The State, Barker says that the Board was fully apprised and approved the creation of the Restoration Institute on April 9, 2004- almost a whole year after Barker first started working on the project.

According to Troutman's letter, this action is also reflective of an administration that does not enlighten its Board on significant proposals made by a state senator and one that functions without considering the fact the Board may disapprove of any action.

But this is only the tip of the iceberg. The administration furthermore, presented misleading information to the Commission on Higher Education, the General Assembly, and The Budget and Control Board in request for matching funds for an endowed chair in restoration.

Only when an auditor found that Clemson's request was non-compliant did Clemson admit that the funds had actually not been raised, nor had any donor been identified. Clemson withdrew their request for an endowed chair in July of 2007.

According to Troutman, Barker's administration twisted and stretched the truth in order to claim \$10.3 million in matching funds they received from a donor that never existed, from the S.C. Research University Infrastructure Act. They did this to respond to McConnell's initial proposal which they carried on and presented as a "Restoration Institute."

To put it another way: Troutman says Clemson has been working with Senator McConnell in the exploitation of state legislation to use taxpayer's dollars for a misguided project void of any real necessity, of which perhaps only McConnell and the city of North Charleston will ultimately only benefit from. Despite all this, the state did match the \$10.3 million "gift" to be used toward the Restoration Institute. I

It is also worth noting that the land given to Clemson University by the city of North Charleston for the purposes of constructing the Restoration Institute sits on 82 acres of a naval shipyard; a shipyard that has been designated as a brown field site. Millions of dollars so far has been spent by the Navy for environmental testing which has shown the land to be contaminated with pollutants that pose not only environmental risks, but health ones as well.

On July 10, 2004, The Charleston Post and Courier reported these findings after a lawsuit was filed by a contractor working on the site who said his employees were suffering from toxic poisoning.

Nevertheless, on February 3, 2006, Clemson University publicly announced it was still planning on building its Restoration Institute on the shipyard- a new 22,000 square foot building to be completed in 2007 or 2008.

It is now the beginning of 2009. The \$10 million has not been used to even begin the construction of the building, yet according to the Restoration Institute website, new executives have been hired to head the Institute including Alan Godfrey, Elizabeth Colbert-Busch and Karl Kelly, who each make more than \$100,000 annually.

The Trustees of Clemson University have repeatedly made tuition increases, with no regard to students or taxpayers, which only contributed to the unrestricted cash fund. According to the letter, from fiscal year (FY) 2002 to FY2006, the cash fund grew approximately 62 percent. During that same time, Clemson's Net Increase in Resources grew by over \$57 million.

Thus, it's worth asking the question, why did Clemson raise tuition by 42 percent in FY 2002, 14.6 percent in FY 2003, 18.8 percent in FY 2004, 13 percent in FY 2005, and 12.5 percent in FY 2006 if they knew that ultimately, over 90 percent of the resulting growth

on the revenue would not be spent on the tasks the money was requested and budgeted for?

The administration still to this day has not fully explained any reasons that justified such raises in tuition. According to the will of Thomas Green Clemson, the Board of Trustees is to have full authority over matters pertaining to the university. They have full power over Clemson and therefore are not subordinate to any government authority. Yet, it seems they have willfully submitted themselves to the current administration that does not completely inform them on issues.

The new documents Troutman brings to light in his letter show that the Restoration Institute was approved by the Board and created based on false premises. There is no clear reason why Clemson became involved with the Hunley project, or how it will even benefit the University or its students.

Troutman asked in his letter that the university cease all funding for the institute until an investigation and an impartial due diligence evaluation can be completed and a new business plan developed. The letter was also sent to Governor Mark Sanford and Attorney General Henry McMaster in the hopes that the legal side of this issue can be examined, particularly Clemson's noncompliance with Monk's FOIA requests and the inconsistencies between public statements by Barker and McConnell and these new documents.

A copy was also sent to the Ken Wingate, Chairman of the Commission on Higher Education in regards to Clemson's request for the \$10.3 million. According to Infrastructure Act, if money received by institutions is not used for the purposes for which it was requested, full reimbursement is expected.

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