



June 17, 2024

Dear FALCON NATION,

I hope that this letter finds you well. This dialogue aims to address the lawsuit and provide you with an update on our institution's financial status. As Vice Chair, I assumed the Chairmanship in January 2024, completing the term left vacant by the former Chair, Justice James Perry, who resigned for health reasons. This change occurred when our cherished SAU faced significant challenges, a duty I embraced to protect our institution.

One example of our difficulties occurred during a business meeting with influential Raleigh business leaders. I accompanied SAU's Interim President, Dr. Marcus Burgess, to an invited dinner. In attendance were a television station owner, a former editor of the local newspaper, a prominent local developer, and executives of another local higher educational institution. After exchanging pleasantries, the owner of the television station stated, "Let's get to the bottom of this: Raleigh doesn't need two black universities. We need the two to merge. I don't care what you call it. However, we need them both on SAU's property because we need downtown land to expand the development footprint." I turned to the other university's president in attendance and asked, "Do you agree with this?" She responded, "I'm going to reserve judgment." I later learned that her Board Chairman had floated the idea of a "merger" to the former SAU Chairman three or four weeks before the dinner, which he didn't take seriously.

Additionally, the local developer stated, "You have no leverage in this situation. You need to consider this as an option." The developer informed us that the Raleigh business community shared similar sentiments, thus limiting our access to financial resources. Following a tense dialogue, rejection of the proposal, and the conclusion of dinner, we left promptly. The next day, an article and a news report highlighted the financial challenges SAU and other regional HBCUs in NC faced. Shortly after that, a targeted campaign against SAU ensued.

Given the preceding, the Board of Trustees and the administration aggressively sought solutions to SAU's fiscal condition. Then, SAU family members filed a legal complaint, attacking the Board of Trustees and members individually. After carefully reviewing the complaint that The Save SAU Coalition members had filed, I assure you that this complaint is an inaccurate characterization of my service on the SAU Board of Trustees, specifically the statement that I was using SAU as a "Personal Piggy Bank," which is untrue. It is essential to understand that I am a 1995 SAU graduate, Student Body President, and a former Student Body Board of Trustees representative in the final year of leadership of the Honorable Dr. Prezell R. Robinson. More importantly, I am the only son of my mother, Shirley Boulware, and the father of 2 outstanding young adults. It bothered me to have to sit with my immediate family and closest friends to explain the baseless implied allegations that their father's efforts to help something

that he loves can be through manipulative tactics used against him. My goal is to make this a teachable moment for them. I have promised my family that this process will be a teachable moment for all involved with the truth versus baseless, false allegations and perceptions.

This defamatory complaint is fraught with lies and deceptions from individuals and disgruntled former board members and graduates.

I am addressing the recent claims made by former trustees who are members of the Save SAU Coalition. It is of utmost importance to clarify the situation and reassure all stakeholders about our unwavering commitment to transparency and integrity, which are the very foundations of Saint Augustine's University.

The allegations against current board members and me regarding financial and accreditation issues are rooted in personal vendettas. The former trustees who filed the lawsuit and lodged complaints with SACSCOC in 2019 have shown a pattern of unsubstantiated claims, including misappropriation of funds and kickbacks. It's crucial to understand that SACSCOC conducted a comprehensive and rigorous investigation, which found no evidence to support these allegations.

The fact that SACSCOC launched an investigation and found no wrongdoing should speak volumes about the integrity of our actions. In addition, the institution commissioned an independent investigation of the same allegations, led at the time by our then-vice chair, Rodrick Miller, Trustee Joseph Cheshire, and former trustee Henry "Hank" Debnam, which also found no wrongdoing. The decision to place SAU back on warning, probation, and the subsequent removal from membership resulted from a premature investigation fueled by personal vendettas rather than factual evidence long before the originally scheduled SACSCOC reaffirmation review for 2025. It is important to note that the actions of these former trustees have had far-reaching consequences for SAU. SACSCOC's scrutiny of SAU's financial records and the subsequent placement on warning directly resulted from these false accusations.

This unwarranted attention has disrupted our operations, leading to delays in meaningful projects and the need for additional resources. It has also jeopardized the trust of our community, with some stakeholders questioning our financial management.

I believe in freedom of speech and expression; however, it is beyond malicious to file such a slanderous document as a legal matter during the SACSCOC accreditation arbitration period and critical fundraising initiatives for the fight to maintain the existence of our beloved SAU. In addition, in this crucial time when our SAU faculty and staff are not receiving paychecks and SAU cannot fulfill its financial obligations, the former board members named in the complaint tactics are irresponsible, unconscionable, and equivalent to a terrorist attack against SAU they say that they love.

Seeing the narrative distorted by individuals prioritizing personal ambitions over our university's best interests is disheartening. The truth is that the lawsuit filed by the former trustees stems

from a personal political agenda rather than genuine concerns about SAU's integrity. The decision to remove a former Chairman from the Presidential search committee, now one of the complainants, triggered this retaliatory action. The complainant's submission of only one candidate out of 70 applicants underlines a troubling disregard for the collective decision-making process essential to a successful presidential search. While the complainant stated his belief that only he could make the right decision to name the president, the Board of Trustees' decision to remove him as the Presidential search committee chair reflected our commitment to the fair and thorough selection process vital for SAU's future leadership.

Since joining the Saint Augustine's University Board of Trustees, I have donated over \$200,000 and secured over eight million dollars for SAU. These efforts, driven by my personal and business relationships, have no personal financial benefit to me. They are a testament to my unwavering commitment to SAU and my role as a board member.

During the first SAU Board of Trustees meeting for the 2019-20 term, newly elected Interim President Gaddis Faulcon, under the leadership of Chairman Perry and Vice Chairman Roderick Miller, stated that we had less than \$40,000 in the bank. He needed board members' assistance to raise nearly \$2 million for repairing the freshman dormitories. A 2020 freshman class could reside on campus if the funds were raised. His administration initiated negotiations with an apartment complex near North Carolina State University. I immediately objected upon becoming aware of this, expressing concerns that we would lose over half of our freshman class without the on-campus freshman experience. Following the meeting, I approached President Faulcon to inquire about inviting a contractor/developer to assess our situation for possible assistance. Once the request was approved, Mr. Hughes and his team voluntarily visited SAU, assessed the dormitories, and confirmed the estimates provided by previous bidders.

Additionally, Mr. Hughes agreed to complete the dormitories at cost without any extra charges. Upon completion in late July, SAU paid less than \$400,000, with an understanding that the bill would be settled by November. SAU compensated his company a year after project completion without any upfront payments or advances.

All parties, including former members and complainants, understood and agreed with the solution. Upon completion of the project, Mr. Hughes received a standing ovation, and the entire Board voted to give Mr. Hughes an honorary degree, with the faculty's approval.

Furthermore, during our 2023 Board of Trustees retreat, Dr. McPhail stated that SAU was facing cash flow issues, and her administration was awaiting the Department of Education drawdowns. In August of 2023, I introduced Dr. McPhail and Gwen Kea, the CFO, to my commercial banker to see if he could assist SAU. The banker had several conversations with Dr. McPhail and Gwen Kea and began trying to help the school obtain a Line of Credit. During the week of homecoming, my banker contacted me, stating that the food service company threatened to stop providing food service to the students due to non-payment. He said he would issue a letter of credit to prevent the shutdown of the food service operations. Once the Line of Credit was

approved, the bank contacted me, indicating that a finder's payment of \$28,000.00 would be issued to me personally for referring SAU to the bank. They requested that I send an invoice for payment. I immediately informed the bank and Mrs. Kea that I would not accept such a payment. I directed Ms. Kea to allocate those funds to the operational budget for SAU's use. Additionally, when the Board of Trustees voted to proceed with the Line of Credit, I abstained from voting on the agenda item due to my relationship with the bank.

Moving forward, SAU will announce an immediate short-term financial solution to address payroll, student refund compensation, and other urgent operational funding needs. This move will allow SAU to develop a solid long-term financial solution within 90 days to address IRS and state tax delinquencies.

Board members are working around the clock, assisting the administration in addressing institutional issues and providing financial resource opportunities during these critical times and circumstances. I understand your frustration; however, we will survive this situation and emerge more robust than ever.

Notwithstanding the preceding, we all have Falcon pride, and the Falcon is wounded. Now is the time for all who love SAU to unify and restore it to its pinnacle. Together, we stand; divided, we fall.

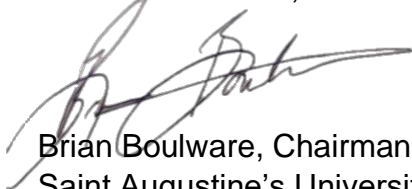
As Chairman of the Board of Trustees, I want to reiterate that our focus remains on the continued growth and success of Saint Augustine's University. We are steadfast in our dedication to upholding the highest ethical standards and fostering a culture of accountability.

I urge the SAU community, a beacon of resilience, to remain steadfast in their support and trust in our commitment to transparency and good governance. We will overcome these challenges and emerge more vital as a united institution.

Thank you, every one of you, for your tireless dedication to Saint Augustine's University. Your support is invaluable and deeply appreciated.

**Note:** I have recorded and written statements of all mentioned persons, attesting to my above statement as true and accurate.

With Falcon Pride,



Brian Boulware, Chairman  
Saint Augustine's University  
Board of Trustees