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August 9, 2012

Northwest Arkansas Community College Board of Trustees c/o Ms. Miranda Smith One College Drive Bentonville, Arkansas 72712 Via Hand Delivery

Ms. Wendi Cadle Director of Human Resources Northwest Arkansas Community College One College Drive Bentonville, Arkansas 72712 Via Hand Delivery

RE: Notice of Appeal of Termination of Employment of Marty Parsons, Senior Vice President for Administrative Services/Chief Financial Officer

Dear Members of the Board of Trustees and Ms. Cadle:

Joe Falasco of my law firm's Little Rock office and I represent Marty Parsons and send this letter on his behalf. With this letter, we submit an appeal to the Board of Trustees of his recent termination as Senior Vice President for Administrative Services/Chief Financial Officer of Northwest Arkansas Community College ("NWACC"). We respectfully request a hearing with the Board of Trustees pursuant to Section 2-7-4(1)(D) of the NWACC Human Resources Policy or, alternatively, seek relief pursuant to any other administrative remedy deemed available. Dr. Becky Paneitz had conflict of interests in terminating Mr. Parsons because she did not have all the facts when she terminated Mr. Parsons' employment on August 1, 2012, NWACC did not have cause to terminate Mr. Parsons, and Mr. Parsons was terminated without Human Resources representation. While Mr. Parsons stands ready to pursue a lawsuit against NWACC for wrongful termination and defamation of character and will soon issue Freedom of Information of Act requests pertaining to his termination, it is our sincere hope that we can amicably resolve this matter and avoid any unnecessary harm to Mr. Parsons' or NWACC's reputation.

The Termination of Mr. Parsons' Employment Without Cause Constituted A Breach of Mr. Parsons' Employment Contract

Mr. Parsons has been employed as NWACC's Chief Fiscal Officer since October 2010 and as Senior Vice President of Administrative Services/Chief Financial Officer since July 1, 2011. During this time, Mr. Parsons has worked hard to make NWACC a better place by

improving its policies and procedures. NWACC's satisfaction with Mr. Parsons' job performance is reflected by the fact that his contract of employment with NWACC was just renewed in writing on June 29, 2012, for the period July 1, 2012, through June 30, 2013.

On August 1, 2012, however, Dr. Paneitz met with Mr. Parsons and requested his resignation. During the meeting, Dr. Paneitz mentioned two issues: (1) a recent cash-flow issue; and (2) a potential agreement with Cisco Communications. Neither of these issues are cause to terminate Mr. Parsons. Mr. Parsons was told for the first time on Friday, July 27, 2012, by the Vice President for Finance and Controller that they believed that there was a potential cash-flow issue. Mr. Parsons immediately e-mailed Dr. Paneitz and explained the situation. The Vice President for Finance and the Controller were in contact with Mr. Parsons over the weekend to discuss strategy. The detailed analysis required to investigate the situation was performed on Monday and part of Tuesday. On Monday, July 30, Mr. Parsons provided a brief update to Dr. Paneitz. On Tuesday, July 31, he provided a detailed status report that had been forwarded to him by the Controller. The bottom line is that there was an issue, although it was not as bad as the Vice President for Finance and Controller originally believed. The situation was not completely unexpected, of course, given the fact that enrollment is down, the timing of tuition payments, and cash reserves have been depleted. Appropriate communication channels were followed and Dr. Paneitz received timely updates regarding the development and timely resolution of this matter. As for the potential agreement with Cisco Communications, Cisco has a special non-profit financing arrangement that Mr. Parsons and his staff were investigating. Mr. Parsons and his staff (Associate Vice President for Information Technology) kept Dr. Paneitz apprised of these talks. Neither of these issues provides cause to terminate Mr. Parsons' employment.

Nevertheless, when Mr. Parsons refused to resign, Dr. Paneitz immediately terminated his employment. No Human Resources representative was present for the termination. Dr. Paneitz acted without cause and with an incomplete understanding of the facts. Apparently, she desired to terminate Mr. Parsons' employment for personal reasons. A copy of Dr. Paneitz's August 1, 2012, letter terminating Mr. Parsons' employment is attached hereto as Exhibit A. Because she acted with a conflict of interests, the Board should review her decision before Mr. Parsons is required to file a lawsuit.

NWACC's Human Resource Policy establishes that all employees, except the President, are employed for a period not to exceed one year. See NWACC's Human Resource Policy, § 2-4-10(1). NWACC's Human Resource Policy also establishes that employees will only be terminated based on a non-exclusive list of grounds set forth in Section 2-7-4(1). See NWACC's Human Resource Policy, § 2-7-4(1). It is well established under Arkansas law that, when an employment contract is for a definite term, as here, it may not be terminated before the end of the term except for cause. NWACC has no cause whatsoever to terminate Mr. Parsons' employment. Therefore, Mr. Parsons' termination without cause prior to June 30, 2013, was a breach of his employment contract under Arkansas law.

The July 25, 2012, Meeting

Prior to July 14, 2012, Mr. Parsons had never received any complaints regarding his performance from Dr. Paneitz. On July 14, 2012, Dr. Paneitz informed Mr. Parsons that it was her understanding that a subordinate that worked in Mr. Parsons' department had made a claim of discrimination against Mr. Parsons. Dr. Paneitz asked Mr. Parsons to work from home while she investigated these allegations. Mr. Parsons complied with this request and worked from home from July 17 to July 25, 2012.

On July 25, 2012, Mr. Parsons was asked to meet with Dr. Paneitz and NWACC's outside counsel, Marshall Ney, to discuss the complaint of discrimination. I attended the meeting with Mr. Parsons at his request. At the meeting Dr. Paneitz and Mr. Ney explained that, after a thorough investigation, they had determined that there was no evidence to substantiate any claim of discrimination. Mr. Parsons was permitted to return to work on July 26, 2012, and continued to work until his sudden and improper termination on August 1, 2012.

During the July 25 meeting, Mr. Ney suggested that we consider reconvening in thirty days if we deemed it necessary at that time to discuss some communications issues between Mr. Parsons and Dr. Paneitz. There was no discussion whatsoever that Mr. Parsons would be terminated; indeed, Mr. Ney's law firm had found no discrimination. There was no mention of a performance improvement plan and the Human Resources department was not involved. Indeed, there was nothing communicated to Mr. Parsons to indicate that his termination was even being considered.

Mr. Parsons' Job Performance

We take this opportunity to present Mr. Parsons' view of the issues raised during the July 25 meeting and to hopefully avoid any misunderstandings that may have arisen regarding his job performance. We understand that Dr. Paneitz's incomplete and misunderstood version of the facts at issue are outlined in the memo that Mr. Parsons received for the first time on August 1 (the "July 25 Memo to File"), attached hereto as Exhibit B. Mr. Parsons was never given the opportunity to address the issues raised in the July 25 Memo to File prior to his termination. However, based on the summary of issues outlined in the July 25 Memo to File, it appears that Dr. Paneitz had a conflict of interests because she had not received a complete account of the issues discussed in the July 25 Memo to File at the time she terminated Mr. Parsons. We take this opportunity to present the information necessary for a complete investigation into the facts.

ISSUE 1 Mr. Parsons' April 2012 Communication With The Arkansas Attorney General's Office Regarding NWACC's Legal Obligations Under FOIA

Mr. Parsons' April 2012 communication with the Arkansas Attorney General's office was not unusual. As a state agency, NWACC has the privilege to seek guidance from the

Attorney General's office regarding its obligations under the law, and often does so. Indeed, NWACC has an appointed representative with the Arkansas Attorney General's office. When Mr. Parsons arrived at NWACC, he was specifically instructed to seek out the Attorney General Office's guidance on any issue NWACC had questions about, especially issues surrounding the complicated topics of employment law and requests under the Freedom of Information Act ("FOIA").

NWACC's policy encouraging communications with the Arkansas Attorney General's office was evidenced by Dr. Paneitz's own actions. Mr. Parsons witnessed, on at least two occasions prior to April 2012, Dr. Paneitz's participation on conference calls with the Attorney General's office regarding NWACC's obligations under FOIA. At no time did Dr. Paneitz express any concerns about these communications with the Arkansas Attorney General's office.

Following the instructions he had received when he arrived at NWACC and the example Dr. Paneitz set, Mr. Parsons contacted the Attorney General's office in April 2012 to clarify issues regarding NWACC's legal obligations under FOIA. At the time, NWACC did not have a representative at the Attorney General's office and had not retained outside counsel to assist with FOIA requests. The Arkansas Attorney General's office was the one place Mr. Parsons believed he could turn to receive accurate counsel regarding NWACC's legal obligations under FOIA.

Mr. Parsons does not recall Dr. Paneitz ever directing him not to contact the Attorney General's office before he did so. He received nothing in writing to this effect. Indeed, he recalls that, prior to any meeting in which the letter to the Attorney General's office was discussed, he had informed Dr. Paneitz on at least two separate occasions that the letter had been sent. Furthermore, Dr. Paneitz never expressed any concern with regard to Mr. Parsons' April 2012 communication the Arkansas Attorney General's office until the July 25 meeting.

Given the circumstances that existed at the time, Mr. Parsons continues to believe that he acted in accordance with NWACC's policies in contacting the Arkansas Attorney General's office. Mr. Parsons expressed this belief when he subsequently explained to NWACC's attorney and the Chair of the Board of Trustees, Alex Vasquez, that "given the circumstances at the time, [he] would do it over again." If Dr. Paneitz and the Board of Trustees believe that a different policy should be implemented that would prohibit Mr. Parsons' communications with the Arkansas Attorney General's office, he would follow any written policy so adopted by NWACC through the appropriate procedures.

ISSUE 2

Mr. Parsons' Communication With The Arkansas Attorney General's Office Regarding the Legality Of The Proposed Funding For A Contract With A Search Firm To Find The Next President Of NWACC

Mr. Parsons contacted the Attorney General's office in July 2012 regarding the legality of the planned funding for a contract for a presidential search firm only after (1) NWACC's

Executive Director of Foundation Relations, Dr. Meredith Brunen, had contacted him about her concerns with the contract and what she felt was the pressure on her to sign off on the agreement despite her concerns, and (2) informing Mr. Vasquez of his intention to contact the Arkansas Attorney General's office regarding the contract's adherence to the State Procurement Guidelines.

The draft Mr. Parsons received provided that the agreement with the search firm would be funded by the Foundation. However, the contracting parties to the agreement were NWACC and the search firm. After being contacted by Dr. Brunen regarding her concerns with the contract, Mr. Parsons sent an e-mail to Mr. Vasquez, who was overseeing the preparation of the agreement, and Dr. Brunen outlining his concern that the agreement violated the State Procurement Guidelines. In the e-mail he informed Mr. Vasquez that he would seek the advice of Ms. Erika Gee, who had been recently appointed as NWACC's representative with the Attorney General's office. Mr. Parsons subsequently followed up with Ms. Gee. Several hours later, Mr. Vasquez responded to Mr. Parsons' e-mail and directed him not to contact the Attorney General's Office until Mr. Vasquez had approved him to do so. However, the e-mail had already been sent to Ms. Gee at the time Mr. Vasquez instructed Mr. Parsons not to contact the Attorney General's office. Furthermore, the NWACC Board is a policy governance board who does not direct NWACC staff on any issues.

Ms. Gee later confirmed that Mr. Parsons' concerns with the agreement with the search firm were valid and the contract, as drafted, violated the State Procurement Guidelines. Mr. Parsons then reported back to Mr. Vasquez and explained that Ms. Gee had confirmed that the contract violated the State Procurement Guidelines.

Dr. Paneitz was not a party to this process because she had appropriately distanced herself from the search for her successor. It was not until the July 25 meeting that Dr. Paneitz ever expressed any concern with the fact that Mr. Parsons had communicated with the Attorney General's office regarding the legality of the funding for the agreement with the search firm.

ISSUE 3 Submission To The Arkansas Department of Higher Education

Mr. Parsons does not recall every being informed that NWACC should not include certain high-level positions in the submission to the request to the Arkansas Department of Higher Education ("ADHE") prior to its submission. Indeed, a draft of the request to the ADHE was reviewed during a Cabinet discussion and several changes were made. However, there was no request in Mr. Parsons' presence to eliminate the high-level positions that have subsequently become a concern. Mr. Parsons' department even received accolades because the submission went so smoothly. Only after the request was submitted was Mr. Parsons told that he should not have included the high-level positions. When the ADHE returned their recommendations, they recommended that the two positions at issue should not be approved. Other administrative

positions were also not recommended for approval by ADHE. The two positions at issue were never removed from the request.

At most, there was a communication issue between Mr. Parsons and Dr. Paneitz regarding the request to the ADHE, but this did not cause NWACC any harm. The ADHE simply recommended that the two positions at issue not be approved.

ISSUE 4 Mr. Parsons' Communications With Members of The Board of Trustees

As the Board of Trustees knows, Mr. Parsons has never disregarded any proper channels of communication with the Board. Mr. Parsons has directly communicated with Joe Spivey and Mark Lundy, who are members of the Board of Trustees. Mr. Parsons works closely with Mr. Spivey due to his involvement with the Land Use sub-committee for the Board of Trustees and Mr. Lundy due to his involvement with the Finance/Audit sub-committee of the Board of Trustees. Any communications he has had with Mr. Spivey or Mr. Lundy regarding Dr. Paneitz have related to their roles on the relevant sub-committees or concern for the overall well-being of NWACC, and have not involved personal criticisms of Dr. Paneitz.

<u>ISSUE 5</u> <u>Miscommunication Regarding Due Date For Budget Report</u>

Even before Mr. Parsons' employment with NWACC, there had been issues with the timely submission of the budget book information to the ADHE because NWACC's budget cycle runs close to the deadline for the submission to the ADHE. This has apparently resulted in some confusion regarding whether the budget book information is due to the ADHE on June 15 or July 15. Mr. Parsons, at the appropriate recommendation of Ms. Baggson, was trying to move NWACC's entire budget cycle up so that NWACC could ensure the timely submission of the reports to the State in the future.

When Mr. Parsons was asked what the due date for the budget book information to the ADHE was, he stated that he thought Jim Hall had said he thought the date was July 15, but this was in no way intended to place blame on Mr. Hall. Mr. Parsons believes that Mr. Hall does a great job. Mr. Parsons took full responsibility for the late submission and had begun taking steps to avoid making a late submission in the future by beginning the process necessary to move up NWACC's budget cycle.

ISSUE 6 Mr. Parsons' Representation That Mr. Kelley Had Reviewed The Food Service Contract Templates Prior To Their Submission To Dr. Paneitz

Mr. Parsons was relying on the information he had received from his subordinates, Jack Thompson and Ethan Beckcom, when he represented to Dr. Paneitz that the food-service

contract templates had been reviewed by Glenn Kelley of the Kelley Law Firm prior to the April 2012 Board of Trustees meeting. When Dr. Paneitz first raised her concern that this was inaccurate and the contract templates had not been reviewed by Mr. Kelley prior to their submission to her, Mr. Parsons followed up with Mr. Thompson and Mr. Beckcom to confirm that his understanding was correct and that the food service contract template had been reviewed by Mr. Kelley prior to the April Board of Trustees' meeting. Mr. Thompson and Mr. Beckcom confirmed that Mr. Parsons' information was correct and they showed him e-mails dated March 2012 that indicated that Mr. Kelley reviewed the contract templates prior to the April 2012 Board of Trustees' meeting.

If Mr. Kelley informed Dr. Paneitz that he had not reviewed the contracts prior to the April 2012 Board of Trustees meeting, he must have been confused, because there is documented evidence that his law firm had reviewed them. While Mr. Parsons did not take any copies of these emails with him when he was terminated, they should be easy to locate by requesting them from Mr. Thompson, Mr. Beckcom, or Mr. Kelley. Mr. Parsons never knowingly made any misrepresentation to Dr. Paneitz. He relied on his chain of command and has subsequently confirmed that his representations were correct.

ISSUE 7 The Delayed Presentation Of The Budget To The Board Of Trustees

On Wednesday, May 2, 2012, Dr. Steve Gates, Wyley Elliott, Dr. Paneitz, and Mr. Parsons met briefly to complete a final review of the budget presentation prior to the meeting of the Finance/Audit sub-committee of the Board of Trustees. Only a few minor changes were made. On Thursday, May 3, 2012, Mr. Ramseyer and Mr. Parsons presented the budget to the Finance/Audit sub-committee of the Board of Trustees. The budget was reviewed in detail and a few minor adjustments were made. The total expenditures budget was approved at \$41,192,830 for fiscal year 2013. The sub-committee approved the budget to the Board of Trustees.

In preparation for the Board of Trustees meeting, individual meetings with the members of the Board of Trustees were held as is customary. On Monday, May 7, 2012, Dr. Paneitz, Randy Lawson as a member of the Board of Trustees, and Mr. Parsons met to review the budget as part of the normal review process. Mr. Lawson expressed concern regarding the projected operating deficit. Dr. Paneitz then expressed concern with the scheduled salary increases in light of the operating deficit. Mr. Parsons reminded Dr. Paneitz that the salary increases had already been announced to the faculty and staff and that the Finance/Audit sub-committee of the Board of Trustees had already approved the budget as prepared. At that point, the meeting was adjourned with the understanding that they would work on presentation alternatives to present the deficit in the best light possible. Later that day, Dr. Paneitz asked Mr. Parsons to come to her office. Based on the conversation that occurred during that meeting, Mr. Parsons understood that Dr. Paneitz had decided to delay the budget presentation until the June meeting.

Small adjustments continued to be made to the budget line items and presentation during May, the approval of the Finance/Audit sub-committee of the Board of Trustees was again sought and received, and individual meetings with the Board of Trustees were continued. The budget was then presented to the Board of Trustees at their June meeting and the budget was approved with an unaltered total expenditures amount of \$41,192,830.

Mr. Parsons was on schedule to present the budget to the Board of Trustees at their May meeting and had every intention to do so. Mr. Parsons can only conclude that the difference in his account and Dr. Paneitz's recollection of the events leading up to the approval of the budget in June is that there must have been a misunderstanding at the May 7, 2012, meeting in Dr. Paneitz's office. However, there was nothing to indicate that Mr. Parsons had misunderstood Dr. Paneitz until the July 25 meeting where she expressed, for the first time to Mr. Parsons, her concern that the budget had not been presented to the Board until the June meeting. In addition, one year ago the budget was presented to the Board of Trustees in June 2011, as has been the case in prior years as well according to the information provided to Mr. Parsons.

ISSUE 8 Use Of Inappropriate Language

At no time prior to the July 25 meeting did Dr. Paneitz express any concern to Mr. Parsons regarding his alleged use of inappropriate language. Mr. Parsons does not recall ever using the phrase "no balls." As for the use of other "inappropriate" language, Mr. Parsons recalls only that he may have used language not considered politically correct during a stressful meeting regarding staff payroll inequities that occurred before his tenure with NWACC.

ISSUE 9 Department Morale

Since joining NWACC in October of 2010, Mr. Parsons has encouraged an open communications policy within his department. All division employees have been encouraged to voice their opinions without any threat of retaliation. Mr. Parsons has never discouraged criticism about himself by his staff through the appropriate channels.

One of Mr. Parsons' main initiatives has been motivating the staff and team building. He held bi-weekly breakfast meetings and all-division, holiday luncheons, as well as division-wide all staff meetings every two to three months. While Dr. Paneitz has always been invited to attend these meetings, she has only had the opportunity to attend one, and, therefore, has not had the opportunity to observe these activities in person. During these activities, Mr. Parsons and his staff have engaged in open and frank discussions. All division employees have been encouraged to speak up when they see a problem. Mr. Parsons has stressed since his arrival at NWACC the requirement of a participatory management philosophy for the entire division. All staff is encouraged to submit ideas for improvement and seek out advice concerning problems.

Mr. Parsons invites anyone to discuss his impact on the morale of his department with any of his direct reports or their direct reports.

CONCLUSION

In light of all of the information available, there is no basis whatsoever to request that Mr. Parsons resign, much less for NWACC to terminate his employment. Without cause, Mr. Parsons' termination constituted a breach of his employment agreement. We regret that it has come to this point because, had Mr. Parsons been given the opportunity to address the misunderstandings that may have existed regarding his job performance, it is apparent that this matter could have been averted.

Mr. Parsons requests that he be reinstated to his position of Senior Vice President for Administrative Services/Chief Fiscal Officer, retroactive to August 1, 2012. Mr. Parsons requests that his name be cleared and that all allegations regarding the matters discussed herein be removed from his personnel file. He also requests that the Board of Trustees issue a statement affirming that Mr. Parsons has been reinstated as the Senior Vice President for Administrative Services/Chief Fiscal Officer of NWACC in all the same forms and to all of the same media outlets in which his dismissal was announced. Finally, Mr. Parsons would request that he be reimbursed for the legal fees he has incurred in pursuing this appeal.

Alternatively, if Mr. Parsons is not reinstated, he requests payment of all unpaid salary and benefits under his July 1, 2012 through June 30, 2013 employment contract pursuant to Arkansas law, plus all legal fees incurred during this process. Mr. Parsons requests that his name be cleared and that all allegations regarding the matters discussed herein be removed from his personnel file. Further, he requests that NWACC engage the services of a firm such as reputation.com to rectify his reputation.

We look forward to the opportunity to present this information to the Board of Trustees at a hearing or pursuant to any other available administrative remedy. Should you have any questions in the meantime, please do not hesitate to contact me.

Sincerely,

QUATTLEBAUM, GROOMS, TULL & BURROW PLLC

Brandon B. Cate

BBC:saj

Enclosures

cc (w/encl.): Mr. Alex Vasquez (via e-mail only)

Mr. Joe Spivey (via e-mail only)
Mr. Randy Lawson (via e-mail only)
Mr. Mark Lundy (via e-mail only)
Ms. Joan Clifford (via e-mail only)
Mr. Ric Clifford (via e-mail only)
Mr. Johnny Haney (via e-mail only)
Ms. Hadley Hindmarsh (via e-mail only)

Mr. Mike Shupe (via e-mail only) Ms. Erika Gee (via e-mail only)



August 1, 2012

Mr. Marty Parsons

Re: Termination of Employment with Northwest Arkansas Community College

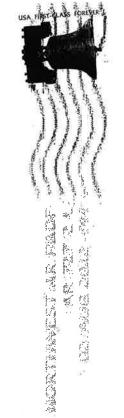
("College")

Dear Marty:

This letter will confirm our conversation earlier today in which I informed you that your employment as Chief Financial Officer with the College is terminated effective immediately.

Becky Paneitz President





Mr. Marty Parsons 5308 Whispering Meadows Lane Rogers, AR 72758

ONE COLLEGE DRIVE • BENTONVILLE, AR 72712

NORTHWEST ARKANSAS COMMUNITY COLLEGE OFFICE OF THE PRESIDENT

MEMORANDUM

To: File

Re: Meeting with Marty Parsons

Date: July 25, 2012

A meeting was held with Marty Parsons, Chief Financial Officer, Northwest Arkansas

Community College ("NWACC") on July 25, 2012. The purpose of the meeting was to discuss a

recent complaint of discrimination made against Mr. Parsons as well as other personnel issues.

Present at the meeting were Mr. Parsons, his attorney, Brandon Cate, Dr. Becky Paneitz,

President of NWACC, and Marshall Ney, counsel for NWACC.

Mr. Parsons was informed that, after investigation, there was no evidence to substantiate any discrimination based on race, color, national origin, religion, gender, or any other protected category. Mr. Parsons was also informed he was not to retaliate in any manner against the individual who made the complaint.

Mr. Parsons was counseled on the following additional issues:

- Mr. Parsons had contacted the Attorney General's Office via letter in April 2012 regarding a Freedom of Information Act ("FOIA") request after being specifically told not to do so by Dr. Paneitz. Mr. Parsons acknowledged in a subsequent meeting with NWACC's attorneys and the Chair of the Board of Trustees that he had sent the letter and that "if he had it to do over again, he would do so."
- Mr. Parsons contacted the Attorney General's Office again three months later without the knowledge of Dr. Paneitz or the Board of Trustees' Chair regarding the contract with the Foundation.

- Mr. Parsons had been requested by Dr. Paneitz, based on input from Shane Broadway, Interim Director for the Arkansas Department of Higher Education ("ADHE"), to eliminate several high level requested positions and to let Dr. Paneitz review the final list before it was submitted to the ADHE. Mr. Parsons failed to do so, forcing Dr. Paneitz to call Mr. Broadway and inform him to disregard the positions submitted by Mr. Parsons.
- Mr. Parsons has shown insubordination and disregarded the proper channels by
 directly contacting Board of Trustees' members to criticize Dr. Paneitz.
- Mr. Parsons gave a reporter (Teresa Moss) an incorrect date on which the budget report was due to ADHE. The reporter later verified it was the incorrect date by contacting Mr. Broadway. When confronted about the mis-information given to the reporter, Mr. Parsons blamed Jim Hall.
- when Dr. Paneitz asked Mr. Parsons if Glenn Kelley had reviewed several contracts for food service that he brought to Dr. Paneitz to sign before the April Board of Trustees' meeting, Mr. Parsons responded that Mr. Kelley had and that Mr. Kelley had approved the template. Mr. Parsons also reiterated at the Board of Trustees' meeting that Mr. Kelley had reviewed the contracts and approved the template. Following the meeting, Mr. Kelley informed Dr. Paneitz that Mr. Parsons' statements were not true, and that Mr. Kelley had not reviewed the contracts.
- Mr. Parsons was also counseled about the budget not being completed in a timely manner delaying approval of the budget until the June Board of Trustees' meeting.

Dr. Paneitz had to give Mr. Parsons specific instructions in an email explaining to him what was needed for the meeting which he then ignored.

- Mr. Parsons was counseled about his use of inappropriate language such as an
 individual having "no balls," and telling other employees that if they did not agree
 with him, that they should not "let the door him them on the ass" when they left.
- Mr. Parsons was also informed that morale in his department was extremely poor and that while his department should support his final decisions, Mr. Parsons should not discourage criticism about him by his staff through the appropriate channels.

Mr. Parsons was informed that he had thirty (30) days in which to improve, and that further inappropriate behavior could result in his termination.

Becky Paneltz, PhD.