

TIMELINE OF EVENTS: SETTING THE RECORD STRAIGHT

In recent months, a narrative has emerged from certain factions within the Raleigh local business community and the Save SAU Coalition, portraying the Saint Augustine's University (SAU) Board of Trustees as unfit to guide the university during this critical juncture. This depiction is rooted in hypocrisy and smear tactics, which aim to undermine the Board's genuine efforts to address significant financial challenges that the university has faced. As the timeline below unfolds, it becomes evident that the SAU Board of Trustees has consistently demonstrated its ability to lead the university with transparency, integrity, accountability, and excellence, effectively maneuvering through this pivotal moment in its history.

MISSING AUDITS DISCOVERED

- The SAU Board uncovered missing audits for the years 2021 through 2022 due to the negligence of the former administration.

NEW BOARD CHAIR APPOINTED

- SAU alumnus Brian Boulware was appointed Chairman of the SAU Board of Trustees. Since his appointment, more than 70% of the Board consists of new members
- The appointment comes on the heels of SACSCOC's December 2023 decision to remove SAU from membership and the subsequent appointment of Dr. Marcus H. Burgess as Interim President

TENSIONS RISE IN MEETING WITH LOCAL BUSINESS LEADERS

- SAU Board of Trustees Chairman Brian Boulware and Interim President Dr. Marcus H. Burgess met with AJ Fletcher Foundation leaders: Jim Goodman, Smedes York, and Orage Quarles.
- Business leaders express that Raleigh "doesn't need two HBCUs" and push for a merger, threatening to withhold support unless SAU acquiesces to the merger, aiming to acquire valuable land from Shaw University. SAU leadership firmly rejects this proposal.

IRS TAX LEINS DISCOVERED

- It was revealed that the IRS had imposed a \$7.9 million tax lien on the university for unpaid payroll taxes spanning from 2020 to 2023.
- These troubling revelations culminated in an October 2024 affidavit, confirming that the previous administration had intentionally withheld critical financial information from the Board, opting instead to provide false statements.

ATTEMPTS TO COLLABORATE WITH SELF-HELP FAIL

- In a proactive measure, SAU reaches out to Self-Help Credit Union, led by CEO Martin Eakes.
- Over a period from March to July, numerous attempts to engage Self-Help go unanswered, highlighting a lack of willingness to support SAU, further exacerbating the university's financial challenges.

DECEMBER 2022

JANUARY 2024

FEBRUARY 2024

FEBRUARY 29, 2024

FEBRUARY-JULY 2024

SECURING CRITICAL FUNDING FOR OPERATIONS

- SAU successfully secures a \$7 million loan and an additional \$30 million line of credit from Gothic Ventures, enabling the university to continue operations and welcome students for the fall semester.
- This funding is crucial for maintaining educational services, contradicting claims of irresponsibility in financial dealings.

PUBLIC OPPOSITION AND SMEAR CAMPAIGN BEGINS

- Realizing the then-commercial certified appraisal value of SAU's land exceeds \$207 million, Self-Help Credit Union CEO Martin Eakes begins speaking to local media, labeling the Gothic Ventures loan "predatory."
- Eakes, with the partnership of Jim Goodman, extends an offer to SAU for a \$19 million loan and up to a \$40 million line of credit, but under the condition that Self-Help assumes control over all SAU's assets, requiring the ousting of the current Board Chair and Immediate Past Board Chair in favor of leaders appointed by him. **NOTE: SAU has never received any financial support from Self-Help or Goodman.**

LAWSUIT DROPPED

- The courts dismissed a lawsuit filed against the SAU Board of Trustees by the SAVE SAU Coalition.
- Following this, a formal complaint is lodged with the NC Attorney General's Office by the SAVE SAU Coalition with the support of Martin Eakes.

PUBLIC OPPOSITION SHOWN IN PRESS CONFERENCE

- Martin Eakes and members of the Save SAU Coalition, along with the Center for Responsible Lending and other organizations, coordinated a press conference to voice opposition to the Gothic Ventures loan and highlight concerns over its implications for educational independence.

STEPS TAKEN TOWARD FINANCIAL STABILITY AND COMPLIANCE

- Through shared governance, the current Board has played a crucial role in strengthening financial policies and procedures, balancing the university's budget, and completing all four overdue audits by November 2024.

AUGUST 2024

NOVEMBER 8, 2024

NOVEMBER 14, 2024

NOVEMBER 20, 2024

NOVEMBER 23, 2024

NOVEMBER 26, 2024

NOVEMBER 27, 2024

DECEMBER 12, 2024

JANUARY 21, 2025

TRANSFORMATIVE PARTNERSHIP ANNOUNCED

- SAU announces a transformative \$70 million partnership with 50 Plus 1 Sports, enhancing its financial stability and positioning within the collegiate sports landscape, countering negative narratives regarding its financial management.

SAU BOARD CHAIR CLEARED OF ALL ALLEGATIONS

- An external audit, signed on November 27, 2024, cleared SAU Board Chairman Brian Boulware of all allegations.

OUTREACH MADE TO NC ATTORNEY GENERAL'S OFFICE

- SAU contacts the NC Attorney General's Office to seek approval to proceed with the 50 Plus 1 Sports land lease. Given that over 49% of SAU's assets are leased as a nonprofit, the Attorney General's approval is essential for finalizing the deal. As part of this deal, 50 Plus 1 will pay 50% of the Gothic Ventures Loan's 26% interest rate and early termination fees to address the community's concerns about predatory lending.
- SAU requested a decision by December 31st to enable prompt access to funding linked to this partnership.

CONCERNS OF ABUSE OF POWER AND TAMPERING BY OUTSIDE ENTITIES

- SAU has made three submissions to the Attorney General's Office in response to inquiries, yet awaits a decision regarding the 50 Plus 1 deal.
- Concern arises that delays may result from potential interference by Self-Help, particularly considering Martin Eakes' connections with the now-Governor, the former Attorney General.
- Approval from the Attorney General's Office must happen by January 24. Without securing the needed funding from the deal before January 31, SAU risks failing to demonstrate financial sustainability for its upcoming appeal hearing with SACSCOC in late February.



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HOW CAN SAU BE SUPPORTED:

Please call Governor Josh Stein at 919.814.2000 and Attorney General Jeff Jackson at 919.716.6400 to ask them to Save SAU. We're on a 10-day countdown to get the 50 Plus 1 deal approved by NC Attorney General's Office. Without the approval, the university's future is at risk.

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