

**The Board of Trustees
of
The University of North Carolina at Asheville
MINUTES**

September 18, 2008

The University of North Carolina at Asheville Board of Trustees met on Thursday, September 18, 2008, in the Red Oak Room, Ramsey Library on the University of North Carolina Asheville Campus.

The following members of the Board of Trustees were present for the entire meeting: James R. Buckner, Phil Carson, David Cogburn, Sue McClinton, Audrey Byrd Mosley, Cissie Stevens, Pam Turner, Al Whitesides and Nick Ladd.

The following member of the Board of Trustees was present for portions of the meeting as described below: Joe Damore

Trustees absent: Janice Brumit, Doug Orr and Pam Turner

Others in attendance for some or all of the meeting: Adelaide Daniels Key, member of the UNC Board of Governors; UNC President Erskine Bowles; Chancellor Anne Ponder; Gwen Ashburn, Associate Professor of Literature; Buffy Bagwell, Human Resources Director; Steve Baxley, Associate Vice Chancellor for Campus Operations; Janet Cone, Athletic Director; Lothar Dohse, Chair of Faculty Senate; Merianne Epstein, Director of Public Information; Jane Fernandes, Provost and Vice Chancellor for Academic Affairs; Jim Fox, Director of NEMAC; Kathie Garbe, Associate Professor and Chair of Health and Wellness; Bill Haggard, Vice Chancellor for Student Affairs; Melissa Himelein, Professor of Psychology; Ed Katz, Dean for University Programs; Tom Lawton, University Counsel; Judi Leffe, Chair of Chancellor's Staff Advisory Committee; Rusty Marts, Affirmative Action Officer; Bill Massey, Vice Chancellor for Alumni and Development; Patrice Mitchell, Dean of Admissions; Pat McClellan, Dean of Academic Administration; Barry Mundt, Chair of the North Carolina Center for Creative Retirement Steering Council; Karla Piccirillo, Assistant Director of Human Resources for Employment; John Pierce, Vice Chancellor for Finance and Campus Operations; Keith Ray, Associate Professor of Health and Wellness; Christine Riley, Chief of Staff; Alikhan Salehi, student; Wilma Sherrill; Special Assistant to the Chancellor; Elizabeth Snyder, Associate Professor of Foreign Languages; Lynn Spaight, Assistant Secretary to the Board, Monique Taylor, Director of Internal Audit; Susan Weatherford, Administrative Officer for NEMAC; Betsy Wilson, Associate Professor of Biology; and participants in Health and Wellness projects: Mike Burke, Cetta Brown, Diane Chambers, Jade Frank, Georgina Chevsky, Heather Gourley, Matthew Richmond and Grace Yanovich.

Chair Al Whitesides called the meeting to order at 8:30 a.m. He asked those in attendance to introduce themselves.

Referencing the State Ethics Act, Chair Whitesides asked any trustees to declare if they had conflicts with any items for discussion on the agenda. None were disclosed.

The Consent Agenda consisted of minutes from the June 5 and 6 regular meeting, the July 10 special meeting and the August 15 special meeting. The chair noted changes to the minutes as drafted and called for a motion to approve the minutes as changed. Jim Buckner moved for approval, Cissie Stevens seconded the motion and the motion was approved unanimously.

Chair Whitesides then recognized Monique Taylor to review the Audit Committee report. Ms. Taylor referred trustees to the materials that had been sent and noted that the 2007-08 Audit Plan had some incomplete reviews and that those reviews are carried over to the 2008-09 Audit Plan. In response to a trustee question, she noted that there were no issues found in the 2007-08 audits. There being no other questions, **Chair Whitesides asked for a motion to approve the Internal Audit Plan for Fiscal Year Ending June 30, 2009. David Cogburn moved for approval, seconded by Phil Carson. The motion was approved unanimously.**

Chair Whitesides called on David Cogburn to review the Alumni and Development report. Mr. Cogburn noted highlights in the increase of market value of the combined funds with growth from \$23 million to over \$25 million and the number of new funds and pledges received. Chair Whitesides also noted growth of total gifts from about \$2 million in 2002 to \$6.2 million in 2008. He noted that 71% of private gifts came from Buncombe County which indicates there is opportunity for growth of gifts from beyond the county. **David Cogburn moved the affirmation of new members of the Endowment/Investment Committee of UNC Asheville and UNC Asheville Foundation. Al Whitesides, as chair of the UNC Asheville Board of Trustees will serve as the chair of the Endowment/Investment Committee and Chuck Wood is named as a new Foundation Board representative to replace Bobby Daugherty. Cissie Stevens seconded the motion and the motion was approved unanimously.**

Joe Damore entered the meeting at 9:52 a.m.

Chair Whitesides welcomed John Pierce, new Vice Chancellor for Finance and Campus Operations and called on him to introduce himself and to review the Finance and Real Property Report. After giving a brief review of his professional background, Mr. Pierce indicated his goals for his first year at UNC Asheville:

- Improve financial reporting, internal and external
- Address Ernst and Young recommendation for improving efficiency and internal controls
- Evaluate and improve the budget process; bring in a new budget director
- Provide leadership on construction projects, particularly with oversight to expenditures

- Evaluate Foundation funds reporting; review spending from restricted and unrestricted funds

Mr. Pierce called on Steve Baxley to provide the Real Property update. Mr. Baxley reported on the following construction projects:

- Zeis Science and Multi-media Hall final acceptance has been made to the contractor. Classes in chemistry, biology and multi-media are being held in the building this fall. Faculty offices are occupied. Furniture and equipment is being installed in the lab spaces during the fall and it is expected that lab classes will be held starting in the spring semester. [Isn't all of this in the Board book report?]

Mr. Baxley responded to questions about electrical upgrades: His office is working with the Student Housing office to coordinate housing for international students when electricity will be off on December 29 and 30 for upgrades. After December 30, 2008, the campus will contain no ACB transformers and no oil switches.

Questions were asked about funds are still needed for Zeis furniture and equipment, NC Center for Health and Wellness, Pisgah House and the Craft Campus.

- A plan is in place to furnish Zeis Hall to the current capacity, but funds are still needed to be raised to complete the building to its full capacity.
- The NC Center for Health and Wellness is a \$42 million project. \$35 million has been allocated from the state and private funds in cash and pledges now total just over \$5 million.
- The Craft Campus has a \$2 million gift and there is an additional proposal being considered by the Golden Leaf Foundation in the amount of \$1 million. These funds will allow for drawings and materials to be created to be used in fundraising efforts.
- The exact funding remaining for Pisgah House was not immediately available. John Pierce and Steve Baxley will work on getting up to date information to the Board.

Mr. Baxley reported that approval of an electrical easement to Progress Energy would allow the power company to run the power lines closer to the Pisgah House and thus eliminate the cost of running the power line from the street to the house. He submitted a resolution approving the granting an easement to Progress Energy Carolina, Inc. for the purpose of access to and maintenance of an electrical distribution line to the building transformer for the Pisgah House on the campus of UNC Asheville. In response to questions, Mr. Baxley noted that the line would be placed underground, passing through an area that is now vegetation and this planned to remained vegetation.

Chair Whitesides called for a motion to approve the resolution as presented. Jim Buckner made a motion for approval and Joe Damore seconded the motion. The motion was approved unanimously.

The chair recognized Jim Buckner to review the Academic Affairs report. Mr. Buckner reviewed the enrollment figures for the 2008-09 academic year. He called on Provost

Jane Fernandes to report on the work of the Diversity Action Council. The Council is continuing the work started last academic year. For its initial task, the Council has been working on defining diversity for our campus. This definition, when approved by the campus constituency, would be the basis for all other initiatives proposed by the Council. The group will be working with General Counsel Tom Lawton to assure that the definition and work of the Council minimizes legal risk while being assertive in improving diversity on campus. Provost Fernandes asked trustees if they had recommendations or suggestions for the Council. Suggestions as follows:

- The definition should be for “Diversity and Inclusiveness” and the Council’s efforts should focus not only on efforts at respecting differences but on providing an atmosphere of inclusivity.
- The definition should include language that would explain what the university would look and be like if it were more diverse and inclusive.
- The definition should be tied to the educational goals, consistent with the university’s mission.

There was a brief discussion of legal requirements and limitations regarding diversity targets and goals for student enrollment and employees. The Council will continue its work during this academic year and in the 2009-10 academic year the student body will be engaged for additional discussions.

The chair called on Athletics Director Janet Cone to introduce the presentation on Health and Wellness programs. Ms. Cone introduced Keith Ray, Director of the NC Center for Health & Wellness. He and other members of the Health and Wellness faculty and staff, along with students and community members participating in the programs, described various programs and achievements of those programs. Presenters included Kathie Garbe, Melissa Himelein, Mike Burke, Cetta Brown, Diane Chambers, Jade Frank, Matthew Richmond, Georgina Chevsky, Heather Gourley, and Grace Yanovich.

Upon completion of the presentation, Chair Whitesides called for a recess so that trustees could attend the dedication of the AC Reynolds Green. The meeting was recessed at 10:45 am.

The meeting reconvened at 1:08 pm. President Erskine Bowles joined the meeting at this time. **The Chair asked for a motion to go into closed session for the following reasons:**

To consider the qualifications, competence, performance, or condition of appointment of a public officer or employee or prospective public officer or employee under N.C.G.S. 143-318.11(a)(6) and

To establish or instruct the staff or agent concerning the negotiation of the price and terms of a contract concerning the acquisition of real property under N.C.G.S. 143.318.11(a)(5).

Jim Buckner made the motion, seconded by David Cogburn and the motion was approved unanimously.

The meeting returned to open session at 2:30 PM.

Chair Whitesides asked for a motion to approve the personnel action in personnel report 1, and accept the matters reported in personnel report 2. Sue McClinton moved for approval of the reports, Cissie Stevens seconded and the motion was approved unanimously.

Chair Whitesides recognized Ed Katz and Susan Weatherford for a presentation on the HUB Alliance project. They reported that UNC Asheville is collaborating with members of the community on efforts to enhance the economic viability of the region. Several projects have resulted in new businesses and additional jobs being created in the region in technology, climate and craft/tourism.

Chair Whitesides then called on Jim Fox for a presentation on Global Climate Change. This study was requested by Senator Marc Basnight and President Erskine Bowles. Studies performed on all participating campuses will be presented to the Board of Governors at a future meeting. Mr. Fox reported on projects where UNC Asheville scientists have worked with those at the National Climatic Data Service and National Oceanic and Atmospheric Administration to create models that show the effects of global warming on the world, particularly in rising sea levels and increasingly unstable and violent weather events such as hurricanes, floods and tornadoes. These models are used to help local and regional governments and businesses make critical decisions related to natural disasters.

Chair Whitesides called for a break at 3:25 PM. The meeting came back into session at 3:40 PM.

Chair Whitesides asked if there were any questions regarding the written reports in Personnel, Athletics and Student Affairs. Virgil Smith pointed out highlights from the Athletics report regarding academic performance. Cissie Stevens remarked on the Career Banding Personnel Report and asked for a discussion in a future meeting on salaries and how to make salaries more competitive. Jim Buckner asked Bill Haggard, Vice Chancellor of Student Affairs, if there had been many problems in instituting Mandatory Student Insurance. He responded that there had been few problems, most being handled on a case-by-case basis. Approximately 18% of students have elected the health insurance offered by our provider and the balance had shown proof of outside insurance.

Chair Whitesides called on Chancellor Ponder for her report to the board.

Chancellor Ponder showed trustees a sample of the type of metrics the university will be using to measure the outcomes of the strategic plan objectives. This electronic

“Dashboard” will show each action strategy along with ways to measure the level of progress toward the goal.

Retention rate was shown as one example of the type of measurements that will be made. Factors that have been shown historically to affect retention rate were listed:

- Students living on campus are significantly more likely to remain at the university.
- Financial Aid – for every \$500 of demonstrated financial need left uncovered in a student’s financial aid package, that student is 9% more likely to drop out.
- If the atmosphere is not considered welcoming and inclusive for that student, he/she is more likely to drop out.
- If a student grade point average is 1.0 or lower in the first semester, there is only a 5% chance that student will ever graduate from any university at any time in his/her life.

Examples of strategies to affect the above would be:

- Increase the number of students living on campus. This year all freshmen are required to live on campus. This strategy will mean a need for additional housing facilities.
- Increase the amount of student aid available to students. This strategy will mean a need to raise additional scholarship gifts.
- Student activities designed to engage students in campus life are one strategy toward encouraging a welcoming atmosphere. Another is to train residence directors to seek out any students living on campus who might need additional attention and support.
- Students who receive a 1.0 GPA or lower at the first semester are automatically suspended from university. Faculty and administrators are developing early warning signs to address student difficulties early in the first semester.

Other examples of strategies and benchmarks shown on the Dashboard:

Long Term Economic Sustainability Benchmarks

- Alumni gifts – our level is much lower than most universities, but gifts are increasing
- State funding – we need a sense of achievable goals for this
- the cost per student per year

The discussion then turned to possible measures for quality of education. Factors might include class size, number of adjunct versus full-time faculty and outcomes might include percentages of students accepted to grad school, receiving full employment at the level anticipated upon graduation, etc. Over the next year, the academic affairs area will be pursuing this culture of evidence in preparation for re-accreditation by SACS.

Chancellor Ponder will be working with the University Planning Council to create more benchmarks and those will be brought to the trustees at future meetings. When it is complete, the Strategic Plan and Dashboard will be on the university’s web site so that members of the public can see them.

Chancellor Ponder then used the Strategic Plan as the outline for reporting on progress and initiatives she has pursued since the last meeting.

PUBLIC

- Diversity and Inclusion – the current level of 9% diversity in student population shows overall progress.
- This year's freshman class missed by about 200 students the projected target number of new freshman. The class is more diverse, has a higher grade point average and SAT scores. Administrators and faculty report that the freshmen students seem to be self-possessed, determined, engaged and active. Attendance at events is higher, more students are using facilities in Highsmith union and there is evidence of an increasingly strong campus culture.
- The North Carolina Center for Creative Retirement is undergoing some strategic planning as it enters its third decade. A Blue Ribbon Commission is going to work to coordinate the Center's planning with the strategic mission initiative of greater Asheville involvement. Trustees Phil Carson and Cissie Stevens along with Barry Mundt, Bob Davis and another leader from the NCCCR Steering Council will work with Ron Manheimer and Bill Massey on mutual strategies.
- As was noted in the earlier report about the Global Climate Change, NEMAC and the Asheville Graduate Center are working with other institutions, including North Carolina State University, on developing a Masters degree in Climate and Technology

LIBERAL ARTS

- In support of becoming the premier liberal arts university, the campus is going to become home to the headquarters for the Council of Public Liberal Arts Colleges (COPLAC). A search for the new Executive Director is underway.
- Our Undergraduate Research and ILS programs have received national recognition for program innovation.
- We have received a Mellon Foundation grant to help teach other colleges and universities in the Appalachian College Association how to do Undergraduate Research.

SUSTAINABILITY


- Social sustainability efforts on campus: In recent meetings with the Chancellor's Staff Advisory Committee (CSAC), discussions have been highly positive with staff engaged in positively improving campus relationships and morale is, overall, generally positive. The university has invested in human resources – adding an Employee Relations Manager and a Professional Development officer.
- Economic Sustainability efforts have improved as better relationships have been built with officials at General Administration and with legislators. Private funding has increased, particularly related to major projects such as the NC Center for Health and Wellness.
- Environmental Sustainability efforts have always been a campus focus. Recently UNC General Administration asked our campus to provide guidelines on how

other campuses could incorporate environmental literacy into their curricula,
They have used our guidelines to help other campuses system-wide.

At the conclusion of the Chancellor's report, Chair Whitesides asked if there was other business to come before the board. Hearing none, he asked for a motion of adjournment. Cissie Stevens made a motion to adjourn, seconded by David Cogburn. The motion was approved unanimously and the meeting adjourned at 4:59 p.m.

Submitted respectfully,


Approved,



Lynn Spaight
Assistant Secretary to the Board

12/20/08

Date



Al Whitesides
Chair
12/20/08
~~Lynn Spaight~~

Date