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

Meeting of Thursday, June 18, 2009

MINUTES

Members in attendance for all of the meeting:
Janice Brumit, Jim Buckner, Phil Carson, David Cogburn, Sue McClinton, Audrey
Mosley, Doug Orr, Virgil Smith, Al Whitesides and Cortland Mercer

Members in attendance for part of the meeting:
Joe Damore left the meeting at 3:00 PM.

Others present:
Incoming trustees Bruce Peterson, Nathan Ramsey and Pat Smith;
Anne Ponder, Chancellor; Janet Cone, Athletics Director; Merianne Epstein, Director of
News Services; Jane Fernandes, Provost; Bill Haggard, Vice Chancellor for Student
Affairs; Bill Massey, Vice Chancellor for Alumni and Development; John Pierce, Vice
Chancellor for Finance and Operations; Christine Riley, Chief of Staff, Lynn Spaight,
Assistant Secretary to the Board; Monique Taylor, Director of Internal Audit; Regina
Pente and SuSan Slatkey, interpreters; and Shannon Kinkaid, member of the public.

The meeting was called to order at 9:12 am, Chair Al Whitesides, presiding. Referencing
the State Ethics Act, Chair Whitesides asked any trustees to declare if they had conflicts
related to items on the agenda. No conflicts were disclosed.

Chair Whitesides welcomed the incoming trustees and asked everyone to introduce
themselves.

Chair Whitesides called on Sue McClinton to announce the slate of officers for 2009-10.
Jim Buckner is nominated for as Chairman, Joe Damore is nominated as Vice Chairman
and Audrey Byrd Mosley is nominated as Treasurer. A special meeting will be held in
July to elect officers. A date will be determined soon.

Chair Whitesides provided a draft of board committees for the next year and asked that
input regarding the potential assignments be provided to Al Whitesides or Jim Buckner.
In the ensuing discussion the following issues were addressed:
- Meetings - Each committee will determine its schedule.
- Standing committees’ scope and purpose – Standing Committees are named in
  the bylaws, but not definition or charter for the committees is given. Staff was
  asked to provide templates or suggestions, especially as it pertains to scope of
  work.
• Working groups - These are less formal groups that may be formed around a specific topic from time to time as needed.
• Action items – It is expected that action items for board votes will come from the committees; a particular topic that arises during a board meeting may also be referred to committee for further consideration.

Chair Whitesides recognized Joe Damore for Audit Committee report. Joe Damore reported that at the committee’s meeting of June 5, 2009, the Identity Theft Prevention Program and the FTC requirement known as “Red Flag Rules” was discussed. Joe Damore called on Internal Auditor Monique Taylor to give an explanation. Monique Taylor reported that the goal of the program is to protect sensitive identifying information the university needs to collect from students, parents or employees, such as Social Security number, credit card information, checking accounts, etc. Joe Damore moved approval of the red flag policies as drafted with the amendment that the policies be included in the Audit Plan and reviewed annually. David Cogburn seconded the motion as amended and it was approved unanimously.

Chair Whitesides recognized Vice Chancellor John Pierce for an update on the budget. John Pierce reported on the State budget as it moves through the legislature. No decisions have been made, but we know there will be significant cuts to our State budget.

John Pierce showed graphs to illustrate how the University budget is currently allocated and how the cuts would be allocated for next year. With a 10% estimated cut, it is expected that there will be some employee cuts, some through vacant positions not being filled and a few staff members being laid off.

Upon conclusion of the report, Chair Whitesides called for a break at 10:27 am. The meeting reconvened at 10:47 am.

Chair Whitesides called on Phil Carson for a discussion of Board of Trustee expectations and responsibilities. Phil Carson, who has been a member of the Board of Governors and of the Board of Trustees of UNC Chapel Hill, provided some history on how the UNC system developed, with the Board of Governors being formed, the constituent universities being added and the Boards of Trustees being set up under The Code of the University of North Carolina. Phil Carson explained that the board’s responsibility is in the area of policy and it is up to the chancellor and staff to carry out administration. Phil Carson counseled trustees to keep informed and to discuss issues with the chair, other members and the chancellor. He reported that the board committee system is a successful organizational strategy at UNC Chapel Hill.

At the conclusion of the discussion, Chair Whitesides called a lunch recess. The meeting was recessed at 12:06 pm and reconvened at 12:58 pm.

Chair Whitesides asked for a motion to go into closed session.
On a motion from Janice Brumit, and a second by Jim Buckner, the board voted unanimously to go into closed session for the following reasons:

- To prevent the disclosure of privileged information under Chapter 143 of North Carolina General Statutes;
- To establish or instruct the staff concerning the negotiations of the amount of compensation or terms of an employment contract and
- To consider the qualifications, competence, performance, or condition of appointment of a public officer or employee or prospective public officer or employee,

as allowed under sections 142-318.11(a)(1), (5) and (6) of the North Carolina General Statutes.

The meeting returned to open session at 2:25 pm.

After a short break, Chair Whitesides called for a motion to approve the Consent Agenda

On a motion by David Cogburn and a second by Virgil Smith, the board unanimously approved the consent agenda consisting of:

- Minutes of the March 23, 2009 meeting, open session
- Minutes of the March 24, 2009 meeting, open session
- Minutes of the May 16, 2009 meeting, open session
- Personnel Report

Chair Whitesides recognized Jane Fernandes for an update on the Craft Campus site. Jane Fernandes introduced Ed Katz, Associate Provost and Brent Skidmore, Director of the Craft Campus. She reviewed the history of the Craft Campus site, originally planned to be placed at a former Buncombe County landfill. This site was recently determined not to be viable.

A Craft Campus Advisory Team was formed to consider alternative sites, with trustee Janice Brumit included as one of its members. Originally 11 sites were considered. The advisory team identified five sites it considered the optimum and asks the board of trustees to determine the top two or three sites and to authorize a feasibility study to determine the best site.

The estimated cost for the building as currently designed is $10 million. This project is the third priority on the Capital Projects with request for funding $8 million for the Craft Campus and $9 million for Owen Hall renovation. While we would want to raise funds prior to construction, the planning and approval process takes about 12 to 15 months, so there is time to do a feasibility study to determine the best site. It is necessary to find a site and design plans for the facility to help with pursuing private donations for the project.
Brent Skidmore, Jane Fernandes, and Ed Katz responded to questions from Board members. The advisory team asked the Board of Trustees to choose the top three sites and approve a feasibility study to determine which of the three sites will work best.

Joe Damore left the meeting at 3pm.

There was consensus from the trustees to eliminate the Rhoades Property as a possible site. There were also no objections to spending $20,000 for a feasibility study for each site, for a total of $60,000.

After discussion, Chancellor Ponder summarized what the University agreed to do:

- Find a way for the board to be fully informed about the Master Plan and Peripheral Property Plan.
- Eliminate the Rhoades Property site as one of the options for the Craft Campus and perhaps also eliminate a second site from the proposed list.
- Provide more detail about what would work – full understanding of what is needed for the Craft Campus to be optimal: examples, number of buildings, square footage, utilities needs, classroom space, outdoor work space, parking, public access, campus access, distance to residential neighbors, etc.
- Review the capital priorities list from January, 2008

Chair Whitesides suggested that the Craft Campus Advisory Team, with Provost Jane Fernandes as staff leader, take the above list as their charge and come back to the board at the September meeting with another report and proposal.

Chair Whitesides recognized Provost Jane Fernandes for a discussion on faculty teaching load. In summary, UNC Asheville does not meet the UNC General Administration standard established for our campus regarding the number of hours each faculty member spends teaching class. Part of this is due to the expectation of our faculty that they will spend time with students individually in independent research projects and as team teachers in interdisciplinary classes. In order to better meet the expectations and requirements of the UNC system, Provost Fernandes has begun working with the faculty to revise policies on teaching load, and will continue to do so in the fall. She reported that the changes will be gradual and that each semester for the following year or two should show some improvement in teaching load.

Upon conclusion of the discussion, Chair Whitesides called for a short break. The meeting was recessed at 3:45 pm and resumed at 3:55 pm.

Chair Whitesides recognized Cissie Stevens, Interim Director of the North Carolina Center for Creative Retirement (NCCCR) for the report of the Blue Ribbon Commission on the NCCCR. Cissie Stevens reported that the Commission was charged by Chancellor Ponder to consider the future of the Center and how NCCCR and UNC Asheville are aligned in the strategic plan. When NCCCR Director Ron Manheimer
announced his retirement, the group was additionally charged to address what that change would mean for the Center and to set some goals for consideration of finding new leadership. The Commission is made up of trustees Phil Carson and Pam Turner, NCCCR members Beth Lazer, Barry Mundt and Bob Davis and staff members Ron Manheimer, Keith Ray and now Cissie Stevens. Bob Davis of the Commission presented a report on the work to date on aligning strategic linkages between the NCCCR and UNC Asheville and the community.

The Commission will have a final report in December 2009, including plans for the leadership change. Chancellor Ponder commended the Commission for its work, and challenged the Commission in its next stage to imagine a future that doesn’t mirror the past, that prepares for a new era with new people, new needs, new programs, new delivery.

Chair Whitesides recognized Sue McClinton to give a report on fundraising for Pisgah House. The construction progress is on schedule, with expected completion by October. The fundraising for the project is not yet complete. She challenged trustees to contribute and to find potential major contributors for the project.

There being no other business on the day’s agenda, Chair Whitesides called for a motion to adjourn the meeting until the next day.

With a motion from David Cogburn seconded by Cortland Mercer, the board approved unanimously a motion to adjourn.

The meeting was adjourned at 5:05 pm.

Submitted respectfully,

Lynn Spaight
Assistant Secretary to the Board

Date

Approved,

Jim Buckner
Chair

Date