

The Board of Trustees
of
The University of North Carolina at Asheville
Meeting Minutes
July 12, 2010

The University of North Carolina at Asheville Board of Trustees met on Monday, July 12, 2010, in the US Forest Service Conference Room, 222 Weaver Boulevard, Asheville.

The following members of the Board of Trustees were present for the entire meeting: Board Chair James Buckner, Phil Carson, Sue McClinton, Audrey Byrd Mosley, Bruce Peterson Nathan Ramsey, Pat Smith, Virgil Smith, Pam Turner and Courtney Galatioto, Student Government President.

Trustees present for part of the meeting, as noted: David Cogburn (left meeting at 3:10 pm) and Doug Orr (entered the meeting at 10:40 am).

Trustee absent: Joe Damore.

Others in attendance for some or all of the meeting included: Anne Ponder, Chancellor, Gwen Ashburn, Dean of Humanities; Steve Baxley, Director for Facilities Management and Planning; Skip Capone, General Counsel; Janet Cone, Senior Administrator for University Enterprises and Director of Athletics; Yusef Fahmey, Research Professor of Engineering, NC State; Jane Fernandes, Provost and Vice Chancellor for Academic Affairs; Don Gordon, Director of Design and Construction; Debbie Griffith, Interim Director of Marketing and Communications; Bill Haggard, Vice Chancellor for Student Affairs; Keith Krumpe, Dean of Natural Sciences; Merianne Miller, Director of News Services; Rob Nelson, retired VP Finance, UNC General Administration; John Pierce, Vice Chancellor for Finance and Operations; Christine Riley, Chief of Staff; Lynn Spaight, Assistant Secretary to the Board; Nancy Yaeger, Assistant Director, Student Affairs Planning; Richard Maimon, James Timberlake and Jeff Hubermann of Gantt Hubermann Architects; Regina Pente and Tara Tieman, interpreters.

There being a quorum present, Chair Buckner called the meeting to order at 10:05 a.m. The chair welcomed everyone and asked those in attendance to introduce themselves. He reminded trustees of their obligations under the State Ethics Act, and asked trustees to declare if they had conflicts with any items on the agenda. None were mentioned.

Chair Buckner provided the list of board committees and current members and invited trustees to contact him if they would like a change of committee assignment. The chair also provided the board meeting schedule for 2010-11.

Chair Buckner called on Pam Turner to report on nominations for officers for 2010-11. Pam Turner reported that she and Sue McClinton had conferred with several trustees and recommends a slate of officers for 2010-11 as follows: Jim Buckner for Chairman, Nathan

Ramsey for Vice Chairman and Audrey Byrd Mosley for Secretary.

Chair Buckner opened the nominating process for additional nominations from the floor. There were none. **David Cogburn moved to close nominations and elect the slate of officers as recommended. Phil Carson seconded the motion and the motion was approved unanimously.**

Chair Buckner called on Chancellor Ponder to provide an update on the State Budget.

Doug Orr entered the meeting at 10:40 during the following discussion.

Chancellor Ponder reported that the budget sent to the Governor for signature on July 1 will be challenging but manageable for UNC Asheville. She thanked trustees for their help in educating legislators on the importance of education for the continuing success of the state. Items of particular interest:

- Included in the measure was an option for campuses to increase tuition by the amount of the budget cut. For UNC Asheville, this amount was \$428 per year, which can be phased in over the next two years (\$82 in fall 2010 and \$346 in 2011). Chancellor Ponder has conferred with faculty and student leadership. This is in addition to the \$155 increase already approved. Even with this combined increase, UNC Asheville is still the least expensive university among its peers.
- The total budget cut for UNC Asheville is about 3.1% which is on top of the 2% already held back for this year's budget. There is funding for operating costs for new buildings and for financial aid, repair and renovation and distinguished professorships. There is also a new provision that energy savings can be retained on the campus for re-investment in future energy savings.
- There will be no salary increases for any faculty or staff. Some budget savings will be realized through vacancies and in managing the hiring of replacement and new positions. There is potential for three years of no salary increases to cause some of the rising stars of the faculty to look elsewhere for employment.
- To the extent possible the budget will be managed in a way to protect the academic core. Some classes may have a few more students and some professors may have more class time to reduce the number of adjunct faculty to be hired.
- Next year the legislature will pass a budget for the next biennium – 2011-13. Depending on the economy and state revenues, there may be even greater cuts.

Chair Buckner called on Provost Jane Fernandes to introduce the speaker for the Mechatronics Program presentation. Provost Fernandes introduced Professor Yusef "Joe" Fahmey, the chair of the program. Professor Fahmey is part of the NC State faculty. He has been the director of the Engineering program at UNC Asheville since 2002. Professor Fahmey described the history and uniqueness of the program, as well as its growing reputation. The Mechatronics concentration includes studies in mechanical, electronics and computer engineering. It is especially useful to today's manufacturers who are increasingly using computers to run equipment. About 100 students enter the program each year, with about 8-12 completing a degree here at UNC Asheville.

At 11:55 am, Chair Buckner declared a lunch break. The meeting reconvened at 1:10 pm.

Chair Buckner called on Rob Nelson to begin the discussion on developing a new Campus Master Plan. Mr. Nelson reviewed the important underpinnings needed before a campus master planning process can begin, and emphasized that UNC Asheville has already completed these (strategic plan, program review, enrollment goals, peripheral property study, etc.).

Including constituents in the initial stages of planning is critical. These include Trustees, faculty, staff, students, possibly administrators from GA, possibly parents and alumni as well as community constituents such as county and city officials, economic leaders, etc. Going through a process to review alternatives as a campus project is preferable and a less expensive alternative to hiring a consultant for the fact-finding stage of the project.

Other factors to be considered when undertaking a master plan: Objectivity, Visionary and Long-term Thinking, Accountability, Governance by a body that did not participate in the making of the plan, Strategic thinking and consideration for what's best for North Carolina and the region and Financial Aspects of Growth – state budget and the economy, potential for capital campaign, revenue streams, funding sources, debt capacity, etc. An additional consideration to build into the plan is flexibility – planning for what we don't know will happen.

The creation of a plan can take 18 months to 2 years and requires work by a committed group that can steer it to completion. The next steps would involve determining what the process should be and a potential work group to consider how to proceed. It was agreed that a key first step would be a comprehensive survey of current space and its uses and potential. The estimated cost of a plan is \$200,000 - \$300,000. Those costs can be spread over time if the project is taken in steps.

At 2:35 pm, Chair Buckner called for a brief recess. The meeting reconvened at 2:50 pm.

Chair Buckner called on Vice Chancellor Bill Haggard and Vice Chancellor John Pierce to report on the Student Residence project. John Pierce reported that the *ad hoc* committee had met several times over the past few months to consider the design of the new residence hall, to be placed on the site of the former facilities building. The proposed building is designed to fit into the campus cohesively, to provide 300 beds for students as well as gathering and study space and to meet the needs of current students. He introduced Richard Maimon, the architect for the project, to review the schematic design. Mr. Maimon reviewed the plans for space allocation, structural features and potential design elements. John Pierce reported that the estimated cost of the building is at \$172 per square foot or a total of \$15,915,843, which includes furnishings. It does not include the possibility of solar panels, which would be \$300,000-\$500,000 but that cost might be covered through federal rebates and energy savings. If stone is used as designed, it will be sought through a donation from a local stone company. The available financing total is \$24.9 million. **After discussion, Pam Turner moved to approve the schematic design as presented. David Cogburn seconded the motion and it was approved with one opposed – Jim Buckner.**

At 3:10 pm Chair Buckner called for a brief recess. The meeting reconvened at 3:20 PM

David Cogburn left the meeting at 3:10 pm.

Chair Buckner 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 AND
- to consult with our attorney to consider and give instructions concerning a potential claim or potential judicial action as allowed by section 143-318.11(a) (3) and (6) of the North Carolina General Statutes.

Audrey Byrd Mosley moved and Virgil Smith seconded the motion to go into closed session for the stated reasons.

The meeting returned to open session at 4:45 pm.

Chair Buckner called for a motion to approve the Consent Agenda as follows:

- Minutes of the March 26, 2010 meeting – open session
- Minutes of the special April 29, 2010 meeting – open session
- Personnel actions and acceptance of reports
- Resolution accepting Pisgah House from the Foundation
- Approval of new member of the Investment Committee


The chair noted that Courtney Galatioto's name was misspelled in the last motion of the April 29th meeting. Pat Smith moved for approval of the consent agenda with the one correction noted in the minutes. Phil Carson seconded and the motion was approved unanimously.


There being no other business before the board, Chair Buckner called for a motion to adjourn. The board will reconvene on Tuesday, July 13, 2010. Courtney Galatioto moved adjournment, Virgil Smith seconded and the motion to adjourn was approved.

The meeting was adjourned at 4:55 PM.

Submitted respectfully,

Approved,


 Lynn Spaight *Lynn Spaight* Date 9/27/10
 Assistant Secretary to the Board


 James R. Buckner *James R. Buckner* Date 9-27
 Chair

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July 13, 2010

The University of North Carolina at Asheville Board of Trustees met on Tuesday, July 13, 2010, in the US Forest Service Conference Room, 222 Weaver Boulevard, Asheville.

The following members of the Board of Trustees were present for the entire meeting: Board Chair James Buckner, Phil Carson, David Cogburn, Audrey Byrd Mosley, Doug Orr, Bruce Peterson Nathan Ramsey, Pat Smith, Pam Turner and Courtney Galatioto, Student Government President.

Trustee present for part of the meeting as noted: Sue McClinton (absent from 1:10 pm to 3:30 pm).

Trustees absent: Joe Damore and Virgil Smith.

Others in attendance for some or all of the meeting included: Anne Ponder, Chancellor; Skip Capone, General Counsel; Janet Cone, Senior Administrator for University Enterprises and Director of Athletics; Jane Fernandes, Provost and Vice Chancellor for Academic Affairs; David Gardner, Executive Director, North Carolina Center for Health and Wellness; Debbie Griffith, Interim Director of Marketing and Communications; Bill Haggard, Vice Chancellor for Student Affairs; Keith Krumpe, Dean of Natural Sciences; Rob Nelson, retired VP Finance, UNC General Administration; John Pierce, Vice Chancellor for Finance and Operations; Christine Riley, Chief of Staff; Lynn Spaight, Assistant Secretary to the Board; Regina Pente and Tara Tieman, interpreters.

There being a quorum present, Chair Buckner called the meeting to order at 8:59 a.m. The chair welcomed everyone and asked those in attendance to introduce themselves. He reminded trustees of their obligations under the State Ethics Act, and asked trustees to declare if they had conflicts with any items on the agenda. None were mentioned.

Chair Buckner introduced Susan Fox, Assistant Director of the USDA Forest Service Southern Research Station to provide some information on the Forest Service and its collaborations with UNC Asheville. Ms. Fox provided information about the work of the Forest Service and, in particular about the Southern Research Station. Chair Buckner thanked Ms. Fox for her report and thanked her and her colleagues for their hospitality in providing the meeting space for the board retreat.

Chair Buckner called on John Pierce and Rob Nelson to begin the discussion on the university's financial integrity. Rob Nelson provided some historical background on the university system. Under President Bowles, standards for financial accounting and reporting are now in place and key performance indicators are used to compare the performance of

each campus to a standard. FIT Key Performance Indicators are kept for: 1) general accounting and financial reporting, 2) financial aid and 3) grants and contracts. The current data show UNC Asheville as performing very well in all areas. Board members discussed the report and suggested that the FIT reports be provided to the Audit Committee and/or Finance Committee quarterly.

John Pierce reviewed the Moody's Report that was commissioned to determine the university's capability of obtaining financing for the residence hall renovations and new residence hall. Trustees discussed the information and suggested that this type of review would be valuable to see on an annual basis.

At 10:30 a.m. Chair Buckner called for a recess so that trustees could tour the North Carolina Center for Health and Wellness building in progress and then have lunch. The meeting reconvened at 1:10 pm. Sue McClinton was absent from the meeting, returning at 3:30 pm. Chancellor Ponder was absent from 1:10 pm, returning at 2:30 pm.

Chair Buckner called on Doug Orr for the report from the Academic Affairs Committee. Doug Orr first reviewed the history of the practices for delivering the curriculum by professors to students, and the process that Provost Fernandes has undertaken to come into compliance with the UNC requirements for teaching load at baccalaureate campuses. Trustees discussed the information and asked for an update at a future meeting.

Doug Orr summarized the work of the Diversity Action Council regarding the recruitment of minority populations, and developing a welcoming climate for marginalized students. They will track recruitment and retention and continue to seek answers so that all students feel a part of the campus community.

Doug Orr reported on the re-accreditation process with Southern Association of Colleges and Schools (SACS). Professor Bruce Larson is chairing the team that has the primary responsibility for the process. The SACS review team is scheduled to visit in 2012 and the report to that team is due several months prior to the visit. Jane Fernandes expects that there is a large amount of work to be done and that she and the members of the re-accreditation team will be focusing much of their attention on that for this upcoming academic year.

Doug Orr gave an update on the Craft Studies project. Providing a separate facility off-campus has been determined to be the least viable option. Currently the planning is focused around renovating and possibly expanding Owen for additional space for art and craft studies. Dian Magie has announced her retirement from the Center for Craft, Creativity and Design. A new director will be hired.

Doug Orr reported on Admissions figures for the fall semester. We are on target to reach our goal of new students. We have had a large number of applications from transfer students so we expect to have more transfer students than last year and fewer freshmen than last year. Jane Fernandes announced that the university is participating, along with several other universities in a common application. The hope is that this will increase our

application pool and introduce several potential applicants to the university. In September, there will be a full report on the fall enrollment, including diversity figures.

Chair Buckner called on Janet Cone and John Pierce for the update on the North Carolina Center for Health and Wellness. Janet Cone recognized Keith Ray for the important role he has played in bringing the Center to this point. Professor Ray has decided to return to the Health and Wellness department as chair. Janet Cone provided information on the progress of the building and the potential for the many programs scheduled to be housed in the new building. Trustees discussed the information and said they looked forward to seeing the new building upon completion. Scheduled completion is April 2011. Chancellor Ponder introduced the new Executive Director of the NC Center for Health and Wellness, David Gardner.

John Pierce provided information on an opportunity that has developed for a potential collaboration for the Center for Health and Wellness in the area of brain health. It involves collaborating with the Alzheimer's Association, David Murdock one of the founders of the bio-tech institute at Kannapolis. Doctors are increasingly turning to prevention to address many forms of dementia, and their research shows that exercise, healthy diet and stimulating brain activities can be helpful in prevention. Dr. Lodicka and others from Mr. Murdock's institute see Asheville and the new Health and Wellness Center as a great match with their work. In Asheville, there is a large population of retirees with a great interest in maintaining physical and mental wellness, so this could be a great location for a signature program on brain health.

Chair Buckner called on Vice Chancellor Bill Haggard for a report on the university's Emergency Preparedness exercises. Bill Haggard reported that this is a new area of concern and attention for universities. A full scale exercise was held in May and it was helpful in pointing out the campus strengths and weaknesses. One of the strengths was the relationship and support from local agencies, Asheville Police and Fire, Buncombe County Sheriff's office, etc. In an effort to improve campus safety, a new Director of Public Safety and a Director of Emergency Management will be hired. Trustees discussed the information presented and requested information on campus crime statistics at a future meeting.

Chair Buckner called on Chancellor Ponder to review the budget discussion she had participated in with President Bowles and UNC Chancellors during her absence from the meeting. Chancellor Ponder reported that the tuition increases have been determined by each individual campus. UNC Asheville's increase will be \$346 over the next two years. In comparison, Appalachian State's increase will be \$467 and Western Carolina's increase will be \$572 next year. A message will go out to students this week to let them know of the increase and trustees will be copied on that message.

Chair Buckner stated that even in a time of budget cuts, we have continued to be excited about the work the university does. This past year has seen the dedication of the Zeis Building, the opening of Pisgah House, the exciting progress of the NC Center for Health and Wellness and the agreement to host a UNC Chapel Hill pharmacy program at UNC


Asheville. He thanked trustees for their dedication to the University and service to the board this past year and he looks forward to working with them in the year ahead.


There being no other business before the board, Chair Buckner called for a motion to adjourn. **David Cogburn moved adjournment, Nathan Ramsey seconded and the motion to adjourn was approved.**

The meeting was adjourned at 3:45 PM.

Submitted respectfully,

Approved,


Lynn Spaight
Assistant Secretary to the Board
Date 9/27/10


James R. Buckner
Chair
Date 9-27