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

Meeting Minutes
July 11, 2011

The University of North Carolina at Asheville Board of Trustees met on Monday, July 11, 2011, in the Manheimer Room, Reuter Center on the UNC Asheville Campus.

The following members of the Board of Trustees were present for the entire meeting: Sue McClinton, Audrey Byrd Mosley, Bruce Peterson, King Prather, Nathan Ramsey, Pat Smith, Virgil Smith, Cissie Stevens, and Renee Bindewald.

David Cogburn was present from 8:32 – 11:45 am. Doug Orr was present from 8:32 am - 3:45 pm.

No trustees were absent (two trustees had previously resigned; replacements yet to be appointed)

Others in attendance for some or all of the meeting included: Anne Ponder, Chancellor; Elizabeth Becker, Administrative Assistant and Notary Public; Eric Boyce, Director of Public Safety; Skip Capone, General Counsel; Janet Cone, Senior Administrator for University Enterprises and Director of Athletics; Dee Eggers, Assoc. Professor of Environmental Science; Jane Fernandes, Provost and Vice Chancellor for Academic Affairs; Don Gordon, Campus Architect; Debbie Griffith, Director of Communication and Marketing; Bill Haggard, Vice Chancellor for Student Affairs; Keith Krumpe, Dean of Natural Science; Chris Miller, Chair, Chancellor’s Staff Advisory Council; Merianne Miller, Director of News Services; Rob Nelson, Fugay Solutions and consultant on Campus Master Plan; Ron Paulus, CEO, Mission Health System; John Pierce, Vice Chancellor for Finance and Operations; Max Queen, VP Administrative Services, AB Tech Community College; Christine Riley, Chief of Staff; Lynn Spaight, Assistant Secretary to the Board.

There being a quorum present, Vice Chair Nathan Ramsey called the meeting to order at 8:32 a.m. The chair welcomed everyone and 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.

Elizabeth Becker, notary public, swore in two new members of the board, King Prather and Renee Bindewald. Both took the oath of office and were welcomed.

Chair Ramsey noted that Cissie Stevens’ mother and Anne Ponder’s mother had passed away last week. He expressed the sympathy of the board to each of them.
Chair Ramsey called on Sue McClinton to report on nominations for officers for 2010-11. Sue McClinton reported that she and Pam Turner had conferred with several trustees and recommends a slate of officers for 2011-12 as follows: Cissie Stevens for Chairman, Nathan Ramsey for Vice Chairman and Audrey Byrd Mosley for Secretary. Chair Ramsey asked if there were additional nominations from the floor. Hearing none, **David Cogburn moved to close nominations and elect the slate of officers as announced. Virgil Smith seconded the motion and the motion was approved unanimously.**

Nathan Ramsey congratulated the officers, thanked everyone for their help during his service as acting chair and turned the gavel over to Cissie Stevens.

Chair Stevens thanked Nathan for his service to the board and congratulated him on a wonderful job.

Chair Stevens asked David Cogburn to read a resolution acknowledging the life of Eleanor Ponder:

"Whereas, Eleanor Israel Ponder for almost 40 years inspired high school students through her teaching of dramatics and English; and

Whereas, the student yearbook names her "Teacher of the Year" twice and in June 2011, the English wing at T.C. Roberson High was named for her; and

Whereas, Eleanor Israel Ponder continued to share her love of poetry with lifelong learning students in the college for seniors as well as providing leadership as the third president of the College for Seniors board; and

Whereas, Eleanor Israel Ponder in her life’s work exemplified the passion for teaching and learning which the University of North Carolina at Asheville is known for; and

Now therefore, the Board of Trustees of the University of North Carolina at Asheville expresses its profound regret at the passing of Eleanor Israel Ponder and its deepest sympathy to Chancellor Anne Ponder and her family."

**Bruce Peterson moved approval of the resolution; Doug Orr seconded the motion and the motion was approved unanimously.**

Chair Stevens announced appointments of the chairs for the Board’s committees. She asked trustees to review the draft list of committees for 2011-12 and let her know if they preferred another committee appointment.

Chair Stevens asked trustees to review the Board Assessment Survey in their folders and to
write their answers to the questions and return the forms to her. The survey will be used to develop subjects for discussion throughout the year.

Chair Stevens introduced guest Ron Paulus, CEO of Mission Health System.

Chair Stevens began the board orientation session with a brief review of the University from her long term view and from several different perspectives. She was the first Director for College for Seniors at the North Carolina Center for Creative Retirement (NCCCR). After she retired, she had the perspective of a member of the community and a member of the Board of Trustees. She was asked to serve as the Interim Director of the NCCCR, which she did, after resigning from the Board of Trustees, for about a year until current Executive Director, Catherine Frank, was named. She provided the perspective of the students and community from the 1970s and 80s, when many were non-traditional students — people with families, working at a job and having not a lot of time to spend on campus. Today, for most students, this university is their first choice of college to attend. Being a faculty member is now a tougher job: the focus is more on excellent teaching and serving on committees and service to the community are also expected. The administration, in Ms. Stevens’ opinion, is better and more professional. Chancellor Ponder has the right staff she needs except for not having a Vice Chancellor for Development. Chair Stevens is impressed with the job staff is doing. In the community, UNC Asheville is better known and appreciated, locally, nationally and statewide. In the Western North Carolina region it is still not well known and appreciated as it should be. One thing Trustees can do to help the University succeed is to reach out to people they know to tell the University’s story. In today’s era, trustees are more engaged than in the past but they could be even more involved. The UNC System is not going to take care of all the need of this university and we need to do our part. Trustees know more about the University and the community needs and can make more of a difference now than ever before.

Chair Stevens called on Doug Orr to continue the board orientation with information on Board Development.

Doug Orr shared his perspectives gained from serving as a faculty member and Vice Chancellor of Development at UNC Charlotte, as President of Warren Wilson College and, now, working with boards around country, as a consultant for the Association of Governing Boards (AGB). UNC Asheville is unique as the designated liberal arts university in the system and over the years it has established a real niche. Serving on a board is a privilege, a challenge and an opportunity. In addition to its role in governance of the University, the board provides continuity. A board can take the long view and the overarching view and has a sacred trust to carry on the university’s mission over years.

This is an unprecedented time in the University’s history. There have been budget cuts in the past, but times are different. Today’s students are different, more diverse in ethnicity, gender, age, and geographic origin. Education is now considered a life-long endeavor, not just K-16 and possible graduate school. The North Carolina Center for Creative Retirement
is a genius idea because it takes advantage of this trend. One aspect of globalism is that more students have been exposed to other cultures and have other experiences than just a North Carolina or a US background. Fiduciary responsibilities are more important now. Part of the board’s responsibility is to generate resources, build friends and build endowment funds. The board also has a responsibility to understand tuition, financial aid and scholarships. The board needs to understand marketing. There are so many more possibilities for education, so many options that the university needs to sell itself now, no matter how the good education is. It does no good to have a great educational system and university if students don’t hear about it. The competition for students is fierce. So it is important to generate revenue to provide scholarships. Being small means the university has a small margin of error and has vulnerability to economic forces such as are faced now.

Dr. Orr cited the three gremlins of governance. 1. Don’t confuse strategic planning with strategic thinking. First have an open-ended discussion about larger issues. The plan comes later. 2. Generate resources yes, but the fundamental role of the board is governance. We can’t delegate or relinquish that. 3. Structure, committees, officers, and developing the board culture is the most important work of the board. Trustees need to have a level of trust, encourage multiple points of view and voices. Talk individually but proceed collectively. Resolve your ability to live with the majority sentiment. Dr. Orr provided handouts on expectations of the board for the president (chancellor) and the expectation of the president (chancellor) of the board members.

At the September meeting the Board orientation discussion will continue. The assessment survey that trustees completed will be reviewed and there will be time for trustees to reflect on issues and needs for the future. Trustees and the chancellor need to be partners in leading change. Change must happen and board must help with the tough decisions about changes needed.

Chair Stevens thanked Doug Orr for his presentation. She looks forward to discussions that address the big questions. In order for everyone to learn to know each other better, she asked everyone to take a few minutes to share more about himself/herself.

Chair Stevens thanked everyone for sharing their stories. She called a short recess at 10:00 am, after which trustees would convene in Closed Session. The meeting reconvened at 10:15 am.

Chair Stevens asked for a motion to go into closed session for the following reasons:

- To prevent the premature disclosure of an honorary award or scholarship, 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, AND
• 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 involving Shelco, Inc.

as allowed by section 143-318.11(a) (2), (3), (5) and (6) of the North Carolina General Statutes?

David Cogburn moved to go into closed sessions for the reasons stated. Sue McClinton seconded the motion and the motion was approved unanimously.

(note: Virgil Smith was not in the room for this action; returned to the meeting at 10:22 am)

The meeting returned to Open Session at 11:45 am. Chair Stevens called for a lunch recess until 2:00 pm.

The meeting reconvened at 2:10 pm.

Chair Stevens asked for approval of the consent agenda which included:

• Minutes of April 18-19, 2011, Meeting Open Session
• Resolution for the RENCI Lease for its Downtown Engagement Site
• Acceptance of the Personnel Report

Bruce Peterson moved for approval, Audrey Byrd Mosley seconded and the motion was approved unanimously.

Chair Stevens called on Rob Nelson to lead the discussion on the Campus Master Plan. Rob Nelson introduced members of the Campus Master Plan Working Group: Eric Boyce, Director of Public Safety, Professor of Environmental Sciences Dee Eggers, Max Queen, Vice President of Administrative Services at AB Tech Community College, and Don Gordon, Campus Architect. He also recognized Renee Bindewald as one of the student members of the group.

Notes on the discussion have been posted on the Campus Master Plan Web Site at http://www.unca.edu/node/2842

Rob Nelson thanked trustees for their participation. The information will be shared with the Campus Master Plan working group and will help with next steps. Mr. Nelson recommended a possible timeline: The next step will be to determine how the process works for planning; to preview the guiding principles in a real-world situation to determine how to evaluate a project using the principles. The guiding principles will be something that helps a professional planning firm know our sense of values and what's critical to us. With that in place, we can determine what services we want from a
professional planning firm. We can work on these two steps in the fall and then if the board is willing to continue the process we could start the discussion in spring about whom to hire for completing the official plan. If a firm can start in 2012, they could probably have a plan completed by December 2012.

There being no other business for discussion today, Chair Stevens called for a recess until Tuesday, July 12, 8:30 am.

The meeting recessed at 4:15pm.
The Board of Trustees
of
The University of North Carolina at Asheville

Meeting Minutes
July 12, 2011

The University of North Carolina at Asheville Board of Trustees met on Tuesday, July 12, 2011, in the Manheimer Room, Reuter Center on the UNC Asheville Campus.

The following members of the Board of Trustees were present for the entire meeting: Sue McClinton, Audrey Byrd Mosley, Doug Orr, Bruce Peterson, Nathan Ramsey, Pat Smith, Cissie Stevens, and Renee Bindewald.

Trustee present for part of the meeting: David Cogurn (left at the 11:00 am break)

Trustees absent: King Prather, Virgil Smith

Others in attendance for some or all of the meeting included: Anne Ponder, Chancellor; Buffy Bagwell, Director of Human Resources; Skip Capone, General Counsel; Janet Cone, Senior Administrator for University Enterprises and Director of Athletics; Jane Fernandes, Provost and Vice Chancellor for Academic Affairs; Catherine Frank, Director of the North Carolina Center for Creative Retirement; Don Gray, Interim Director of Development; Debbie Griffith, Director of Communication and Marketing; Bill Haggard, Vice Chancellor for Student Affairs; Keith Krumpe, Dean of Natural Science; Chris Miller, Chair, Chancellor's Staff Advisory Council; Merianne Miller, Director of News Services; Rob Nelson, Fuquay Solutions and consultant on Campus Master Plan; John Pierce, Vice Chancellor for Finance and Operations; Christine Riley, Chief of Staff; Lynn Spaight, Assistant Secretary to the Board, Tom Courtice and Judith Gray, consultants from AGB Search.

There being a quorum present, Chair Cissie Stevens called the meeting to order at 8:32 a.m. The chair welcomed everyone and 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 Stevens asked everyone to introduce themselves and asked staff to each give a brief biography. After introductions, Chair Stevens called for a brief break at 8:50 am and the meeting came back into session at 9:00 am.

Chair Stevens introduced Catherine Frank, the Director of the North Carolina Center for Creative Retirement. Catherine Frank announced that the Osher Foundation had accepted
our proposal for funding on June 14, 2011. In the near future we will receive a check for $100,000, to go for programming and equipment costs for the Center. At a future date the Center will receive $1 million for its endowment fund. At the time that the Center changes its name from the North Carolina Center for Creative Retirement to the Osher Life Long Learning Institute at the University of North Carolina Asheville, another $1 million will be granted for the endowment fund. These funds, along with the $1 million grant to the endowment fund provided by the Janirve Foundation, will secure the Center’s future for years to come.

Chair Stevens called on Sue McClinton and Janet Cone for an announcement. Janet Cone updated the board on the partnership with Mission Health System that has been in place for several years. This extended affiliation agreement will enhance corporate relations with support at the level of $100,000 a year for five years. There will be a signing ceremony in August and trustees will be invited to attend. Chair Stevens thanked Sue and Janet for working on ways to collaborate with organizations in the community.

Chair Stevens reported that she, Sue McClinton and Pat Smith had met with Don Gray who is serving as the interim director of development. During this next year, he will help with the university’s development efforts and with the search for a new Vice Chancellor. Don, along with Tom Courtice and Judith Ward from the search firm that is working on the search for the new Vice Chancellor, facilitated a discussion on development with the board. Tom and Judith started the discussion about the future of development efforts at the university. A search for a development director is a leadership and team building activity.

Public institutions, unlike in the past are having to fundraise to provide for the needs of the institution. This means there is less difference between public and private colleges and universities. To create a successful philanthropic atmosphere, an institution needs to find a way to talk about itself and promote its dreams. It needs to develop support and influence for those dreams. Finding the right person to lead the fundraising effort does not mean just creating an accurate job description. It is matchmaking – matching the organization’s culture, ways of working, views of goals and efforts with a leader who understands and can meet the needs most completely. Don Gray was selected by Tom and Judith as the best fit for someone to help UNC Asheville on an interim basis. He comes from a liberal arts background. He was chancellor of a small public university, a chemistry professor, served as an officer in a foundation and is a trainer for CASE. His wide experience and values that match UNC Asheville will help the development department build on success and help with gaining a national reputation.

The search for the new director will be launched in early fall. The first step is to gather information. Tom and Judith want to hear the hopes and dreams for UNC Asheville in development. He asked trustees to think about and respond to a number of questions:

1. Why do you love UNC Asheville? What do you think is distinctive about it and what are opportunities to capitalize on that distinctiveness.
2. What do you worry about with the institution; what are the challenges?
3. What are the ideal attributes you look for in the person that will be hired as the chief development officer?

Trustees’ responses were recorded and will be shared with the Development Committee and the Search Firm to help them with next steps.

Tom thanked everyone for their responses and provided his email if anyone had follow-up questions or comments. Don Gray shared insights on what would be helpful attributes to have for a next generation development leader - traits and characteristics that go with gifted experts in the field.

Chair Stevens thanked the development professionals for leading the discussion and thanked trustees for their participation. She reminded them that they have responsibility as trustees; fundraising is not just the Foundation's job. The person hired as VC for Development can't do it by themselves. It will be a joint effort.

Chair Stevens called for a break at 11:00 am. The meeting reconvened at 11:25 am.

Chair Stevens called on Doug Orr for the Academic Affairs report.

Doug Orr reported on the SACS reaffirmation process, as noted in materials including in board materials. Quality Enhancement and Compliance reports are due February 2012, and the reaffirmation team visit will occur in fall 2012. At the September meeting he and Provost Fernandes will provide more detail about the Quality Enhancement Process (QEP). The university has chosen to focus on critical thinking as its premiere way to help improve student learning. Academic departments will design ways to include critical thinking capabilities in the classroom, through the use of logical arguments, multiple perspectives, challenging traditional ways of thinking and underlying assumptions, and real-world problem solving. The report will be submitted to SACS in January 2012.

Chair Stevens called on Dean Keith Krumpe to report on NCAA Recertification. He reported that the completed self-study has been submitted. Staff is now in the process of clarifying some of the study in response to questions from staff of NCAA. The NCAA review team will visit campus in October.

Chair Stevens called on Vice Chancellors John Pierce and Bill Haggard for an update on student residence projects. Bill Haggard reported that the Governors Village renovation is on schedule for completion in late August. There is contingency housing set up for the 100 students if the building is not completed by move-in day in August. In planning the new 300-bed residence facility, the bid was accepted on June 28 at $15.3 million against budget of $15.4 million, so that allowed reserve funds for installing geothermal heating system and the and rooftop lounge – both environmentally sustainable features that had been desired as part of the original concept. The facility is scheduled for August 2012 completion.
In response to questions from trustees regarding local companies who had made bids, John Pierce reported that there were four North Carolina companies that made bids and one of those was accepted. Bill Haggard noted that the design process was inclusive with staff, students, and trustees participating. He is confident that the project will result in the finest living learning environment for this institution.

In her closing remarks, Chair Stevens thanked trustees for their participation and ideas. It is the trustees’ job to make sure the university serves our students. She urged trustees to find ways to support students and faculty, through financial support, by opening doors for students, faculty and staff to find resources, and work with others. She also urged more involvement, more sharing the stories and university’s accomplishments with friends.

She asked if there was other business to bring before the board. Hearing none, she called for a motion to adjourn. Audrey Byrd Mosley moved adjournment, Nathan Ramsey seconded and the motion was approved unanimously.

The meeting was adjourned at 11:47am.

Respectfully Submitted,

[Redacted]

Lynn Spaight, Assistant Secretary to the Board 9/30/11

Date

Approved:

[Redacted]

Cissie Stevens, Chair 9/30/11

Date