

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

Meeting Minutes  
September 28, 2012

The University of North Carolina at Asheville Board of Trustees met on Friday, September 28, 2012, in meeting room #011 of Overlook Hall 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, King Prather, Nathan Ramsey, Cissie Stevens, Ben Judge.

The following members of the Board of Trustees were present for parts of the meeting: David Cogburn (attended by phone 2:45 – 3:00 pm), Ron Paulus left the meeting at 3:11 pm

The following members of the Board of Trustees were absent: Piyush Patel, Pat Smith, Virgil Smith.

Others in attendance for some or all of the meeting included: Anne Ponder, Chancellor; Buffy Bagwell, Interim Vice Chancellor for Advancement; Elizabeth Becker, Administrative Assistant; Ericka Champion, Academic Affairs Executive Assistant; Cindy Berryman-Fink, representative, Osher Lifelong Learning Institute at UNC Asheville; Skip Capone, General Counsel; Greg Carter, Assistant Vice Chancellor for External Relations; Janet Cone, Senior Administrator for University Enterprises and Director of Athletics; Jane Fernandes, Provost and Vice Chancellor for Academic Affairs; Catherine Frank, Director, Osher Lifelong Learning Institute; Kevan Frazier, Associate Vice Chancellor for Advancement; Debbie Griffith, Associate Vice Chancellor for Communication and Marketing; Bill Haggard, Vice Chancellor for Student Affairs; Ed Katz, Associate Provost and Dean, University Programs; Rich Kucharski, Interim General Counsel; Debra Liles, University Advancement Executive Assistant; Merianne Miller, Director of News Services; Barry Mundt, Steering Committee, Osher Lifelong Learning Institute; Rob Nelson, Fuquay Solutions and consultant on Campus Master Plan; John Pierce, Vice Chancellor for Finance and Operations; Steve Plever, Assistant Director News Services; David Powers, member and liaison to UNC Asheville, UNC Board of Governors; Christine Riley, Chief of Staff; Lynn Spaight, Assistant Secretary to the Board; Robert Straub, Chair, Chancellor's Staff Advisory Council; Monique Taylor, Director of Internal Audit; Brian Turner, Director, Corporate and Foundation Relations.

There being a quorum present, Chair Cissie Stevens called the meeting to order at 9:41 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.

The Chair asked everyone present to introduce themselves.

### Chancellor's Report

Chairs Stevens called on Chancellor Ponder for her Chancellor's Report. Chancellor Ponder recognized Merianne Miller, Director of News Services for her 27 years of service and congratulated her on her retirement. She called on Skip Capone to provide information on a legal settlement and to introduce the new Interim General Counsel, Rich Kucharski.

General Counsel Skip Capone gave a brief review of the litigation suit with the Shelco Corporation, the contractor for the Sherrill Center construction project. In May 2010, during construction, there was a heavy downpour. Because of improper drainage at the construction site, damage to the Justice Center cost us \$150,000 to \$200,000. Claims were filed against Shelco's insurer and when those claims were not paid, with the help of the North Carolina Attorney General's office, a suit was filed. Recently, a settlement was reached for \$100,000. UNC General Administration has since determined that UNC Asheville will not have to pay back the funds they lent us for those repairs.

Skip Capone has announced his retirement, having worked 37 years for the state of North Carolina. He introduced Rich Kucharski who has agreed to be the Interim General Counsel. He retired from Western Carolina University two years ago.

Chancellor Ponder delivered her report using the format of UNC Asheville's Strategic Plan:

### Our Public Responsibility

1. **Diversity & Inclusion** benchmarks. UNC Asheville currently has the highest ever percentage of students, faculty staff from underrepresented groups. Currently underrepresented groups make up 10.7% of students, 15% of faculty, and 12% of staff. For the third year in a row, the university reports improved graduation rate for students from underrepresented groups. 20% of the faculty and staff have received multiple days of diversity & inclusion training from national consultants.

2. **North Carolina** goals and initiatives: Marketing and branding efforts have been initiated to improve understanding of our mission and special focus. She provided materials for trustees that include stories of students and alumni and other news about the university so trustees have good information to share about the university. The communication and marketing staff will survey admissions prospects and others over the next several years to find if there is improvement in public understanding and appreciation of UNC Asheville..

3. **Greater Asheville** goals and initiatives:

- The Sherrill Center has hosted over 100,000 attendees in its first year.

- The Osher Lifelong Learning Institute (OLLI) has its largest membership ever. It is financially sound with two endowments: \$1million from the Janirve Foundation and \$2million from the Osher Foundation.
- Community events in the past quarter include the Eddie Biedenbach Celebrity Golf Championship that netted \$80,000 in scholarship funds, an Asheville Student Committee on Rational Equality (ASCORE) reunion, and the dedication and naming of David G. Brown Hall, named after the university's second chancellor. Next week the Charlotte Bobcats are holding a training camp in Kimmel Arena that will bring visitors and recognition to UNC Asheville. Two student groups have invited Vice President Joe Biden to campus on October 2.
- The Signage and Wayfinding project is underway with a focus on the visitor experience. Rob Nelson was asked to provide a brief update. Samples of the design were included in trustee materials. The university is currently planning to implement Phase I by the end of the calendar year.
- Last year 47 Undergraduate Research projects paired students and faculty with businesses, governmental agencies, nonprofit agencies in the Asheville area to address real-world problems and seek solutions

## Liberal Arts

### 1. Undergraduate Education

- Recent admissions results show success in attracting and enrolling high achieving students. The university intentionally did not over enroll so the class sizes can be kept at levels that will result in optimal learning environments. The fall admissions SAT average is 1194, the GPA average is 4.09 and 150 of the entering freshmen rank in top 15% of their high school class. There were 85 athletes admitted with high academic profile. And, as in years past, there were no chancellor's exceptions for athletes' admission for students who did not meet our basic requirements.
- US News Best Colleges in 2013 ranks us seventh among public liberal arts universities in the US, and the university was ranked 21st in the Forbes top 100 colleges.

2. The Undergraduate Research office is continuing to partner with COPLAC on a grant project from the Teagle Foundation, so we and 10 other campuses are working together to enhance research opportunities for our students.

### 3. Campus Experience updates

With the addition of Overlook Hall, we now have over 40% of our full time students living on campus. This year's orientation session was well attended and our counselors, advisors and others working with students report that our students are showing school spirit and school pride.

## Long-Term Sustainability

### 1. Economic Sustainability

In 2012-13, UNC Asheville has more state money than in the past 5 years; Senator Apodaca was very helpful in the state budgeting process and we all owe him our thanks.

- Advancement - The university is making a substantial investment to improve our opportunities to raise more private funds than in the past.
- John Pierce is improving our economic sustainability with his stewardship of finances and operations. Monique Taylor was recognized for her help with the state financial audit, soon to be closed.

### 2. Social Sustainability

The academic year opened with a campus community Convocation followed by a picnic and RockyPalooza celebration for students, faculty, staff and their families. Professional development opportunities have increased for faculty and staff.

### 3. Environmental sustainability

The university continues to set a high standard within the state for low energy consumption and our efforts are being recognized. Princeton Review ranks us one of best colleges for sustainability.

David Powers, liaison from the Board of Governors was recognized and asked to share his thoughts. Mr. Powers was pleased to have received such a comprehensive report and that UNC Asheville is using its strategic plan as a tool for continual improvement. He reported that UNC General Administration and the Board of Governors are working to develop a Strategic Plan for the whole University System. The assessment and plan will be completed by January in order to be able to set priorities for the General Assembly as it convenes its next biennium. Chancellor Ponder noted that UNC Asheville will develop performance measures to track the right data, to be able to report to the General Administration as it develops its plan.

Chair Stevens called for a brief recess. The board reconvened at 11:05 am.

## Lessons from Penn State

Chair Stevens introduced Skip Capone for a discussion on Lessons from Penn State University. Skip Capone summarized findings from the Louis Freeh Report regarding board responsibility in situations such as occurred at Penn State. He compared specific points of criticism of the Penn State Board and compared its actions with what UNC Asheville does.

- At Penn State, there was no regular reporting of risks and responsibilities; they had no audit or risk committee. UNC Asheville's board has an audit committee that is updated at least quarterly with current situations at the university. It reviews an annual report of risks and the internal audit plan for the fiscal year. Also, once a year each member of the Senior Staff identifies vulnerabilities in his/her area for the annual risk assessment. Our internal auditor is proactive in seeking out areas of

potential risk, doing an audit of that area and reporting it to administrators and the audit committee.

- At Penn State, there was a climate of leniency and a lack of accountability from the top. Here, there is a high degree of accountability shown by our chancellor and board chair. The Chancellor is evaluated regularly by the board and by the President of the UNC System.
- At Penn State, the board did not take seriously its fiduciary responsibility, which includes matters other than just financial. Even after hearing reports of matters of concern regarding the athletic department, they didn't ask questions; they didn't try to get to the bottom of the issue and resolve it. Here, our trustees are diligent in asking questions and asking for follow-up reports at regular committee meetings and board meetings.
- Penn State has no term limits for board members. UNC Asheville trustees can serve only two terms.
- Penn State has a tradition of naming emeritus board members after their completed terms and giving them positions of influence. UNC Asheville has no emeritus members.
- Penn State had no in-house counsel. Their legal service was outsourced. In 2010 they appointed a general counsel in-house but he was a former member of board and there was a great deal of confusion within the board, administration and the general counsel about who the client was. UNC Asheville has a general counsel with clear lines of responsibility to the administration. Additionally, there is a General Counsel office at UNC General Administration.
- There was no ethics training for board members at Penn State. The State of North Carolina has extensive ethics training and requires annual statements of economic interest to avoid conflicts and appearance of conflicts.
- Penn State had no method for whistleblowers to get a message of wrong-doing to the board. At UNC Asheville we have an anonymous hotline that is monitored and responded to by the Internal Auditor. Additionally the State has an anonymous hotline. On our campus, people often bring matters of misconduct directly to the Internal Auditor or General Counsel and they are dealt with by those offices. The internal auditor regularly reports to the audit committee of the board.
- Penn State had "silos" – divisions and campus leaders who managed their responsibilities with no regular cross-communication or knowledge of activities of other divisions. At UNC Asheville, Chancellor Ponder has structured the senior staff into a closely knit group with a great deal of information sharing and openness between divisions.

Chancellor Ponder asked for the board's advice about policies and procedures for working with minors on campus. Minors participate in camps in the summer, Super Saturday programs in the academic year, tours, visits and other special programs. We have identified a need for more comprehensive instruction and training to staff who work with them. While we conduct background checks on all faculty and staff as well as volunteers. In some cases

we merely rent the facility and the camps or programs are run by others. It was suggested that this potential risk be included in the annual audit plan and could be followed up in the audit committee and that new faculty and staff receive additional training during their orientation.

### Graduate Programs Update

Chair Stevens called on Jane Fernandes, Ed Katz and Brian Turner to provide an update on the Graduate Programs project as reported at the last meeting of the board. Ed Katz reported that they have prepared a Request for Proposal (RFP) for a needs assessment and market analysis for offering mission-related graduate programs on the UNC Asheville campus. Brian Turner reported that additionally they will reach out to the business community in Asheville and the region to gauge specific needs. The analysis of survey results will be ready to report to the board in the March meeting.

Ed Katz noted that our enrollment for the Masters in Liberal Arts is higher than last year. The Asheville Graduate Center partners with Appalachian State, and we are meeting with other campuses for additional graduate programs offerings and advanced degrees.

The chair called a recess for lunch at 12:05 pm. The meeting reconvened at 1:09 pm.

### NCCCR / OLLI Strategic Plan

Chair Stevens introduced Catherine Frank & Barry Mundt for a report on the North Carolina Center for Creative Retirement, recently renamed the Osher Lifelong Learning Institute (OLLI), Strategic Plan.

The OLLI committee concentrated on four areas for review and development of initiatives: effective ongoing operation, registration and pricing, programs. The plan is scheduled for implementation over the next two to five years.

### Scholarships

Chair Stevens recognized Shannon Earle, Interim Director of Admissions to introduce some UNC Asheville students who received scholarship. Three students were introduced and gave presentations: Leah Wormack, Caitlin Bridges and Giovanni Figaro. Each gave a brief description of their current studies, graduation goals and how the scholarships made their education possible. Board members commented on the students' maturity, focus on academics and their goals and wished them success in their studies and pursuit of their goals.

Chair Stevens, thanked the board for its response to last year's challenge to raise \$25,000 in scholarship support and requested consideration for a pledge of an additional \$25,000 in the current year. The trustees help make a difference in students' lives and such a contribution demonstrates to the community their commitment to the university. She asked trustees to make a donation before August 1, 2013 so that funds could be used to support students in the 2013-14 academic year.

Sue McClinton made a motion that the Board of Trustees challenges its members to raise \$25,000 this year for scholarships for the 2013-14 academic year and that every trustee makes a contribution to that goal. Ben Judge seconded the motion and it was approved unanimously.

Chair Stevens called for a break at 1:50 pm. The board was called back in session at 2:06 pm.

#### Quality Enhancement Plan [QEP] Update

Associate Professor Lorena Russell, who is directing the QEP, reported that the pilot projects are going well. The goal is to change the academic culture into one where enhancing critical thinking is a natural and consistent part of teaching and learning at UNC Asheville. The faculty panel is developing rubrics to help measure the success of the pilot projects and they want to add qualitative measurement for even more comprehensive assessment. Incoming students were evaluated on their critical thinking skills during orientation and post-course evaluation will measure how well faculty members are teaching critical thinking.

Chair Stevens called for a break. The meeting reconvened at 2:45 and David Cogburn joined the meeting by phone.

#### Closed Session

Chair Stevens then called 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 as allowed by section 143-318.11(a) (6) of the North Carolina General Statutes.

Bruce Peterson moved and Ben Judge seconded the motion for the closed session as stated. The motion was approved unanimously.

The meeting returned to open session at 2:58 pm. David Cogburn left the meeting.

#### Consent Agenda

Chair Stevens called for a motion to approve the consent agenda, consisting of the following items, included in board materials:

- Approval of minutes of July 9 and 10, 2012, Open Sessions
- Approval of the EPA Recruitment and Selection Policy
- Approval of the 2012-13 Audit Annual Plan, as recommended by the Audit Committee at its September 6 meeting
- Accept personnel reports (materials included in Closed Session)

Bruce Peterson made the motion, Ben Judge seconded the motion and it was approved unanimously.

### Enrollment Management

Chair Stevens called on Provost Jane Fernandes to lead a discussion on the university's enrollment plans.

In response to trustees' questions about the current curriculum review process, Jane Fernandes reported that the faculty curriculum review committee has made some recommendations: Fewer requirements for general education and majors and potential for more electives. Another recommendation is to review departmental requirements and content delivery to help students proceed through their course work in a more timely way. The large number of courses offered is also under review. The curriculum review process is still underway.

There was discussion about faculty workload, faculty salaries, the ability to hire adjunct lecturers and the ability for faculty to provide the partnerships in undergraduate research that is such a vital part of the curriculum. Undergraduate research is generally added to the faculty members teaching load and not counted as part of the academic work. This leads to a great deal of additional work time for some faculty members.

Provost Fernandes shared a new five-year enrollment plan, updated slightly from trustee advance materials, based on the census day final figures for the year. The projections show an increase in the number of full-time freshmen and a slight decrease in the number of transfer students over time.

The UNC system is transitioning its budget allocation process to recognize improvements in campus retention and graduation instead of enrollment growth. Because high growth is not part of our mission, if we can meet the retention and graduation measures, this system may improve our allocations or at least not penalize us as the previous system has done. The Board of Governors and state legislature want to adopt performance measures and encourage stability in providing the best education possible.

### Committee Reports

Chair Stevens called on trustees to share committee reports.

Academic Affairs & Student Affairs Committees met jointly earlier in the day. King Prather gave a summary of that meeting. The committee discussed enrollment practices and measures that are being taken to improve persistence and graduation rates. A special focus on freshmen success includes providing timely feedback on academic progress and requiring living on campus. University practices are being revamped with new marketing materials and branding initiatives, more attention to student life, intercultural and multicultural student programs, a mentor program, alcohol education and intervention, and improved orientation



activities. Doug Orr noted that retention is a complicated challenge. The primary reasons students stop out are cost, family obligations and health. Stopping out is a greater trend now with more demands on student attention, greater needs for financial assistance and greater mobility among campuses.

The Athletics Committee met earlier in the day. Bruce Peterson reported the following:

- Janet Cone, our Athletics Director represented UNC Asheville at the NCAA meeting in Dallas earlier in the week.
- We currently have 193 athletes participating in team sports.
- In the Big South Conference we have a much lower budget than most of the schools. To be conference champions in men's basketball means our coaches are doing more with less.
- Coaches were introduced.
- A student advisory committee helps student athletes integrate into the community.
- We are doing very well in the academic progress rate. 1000 is perfect rating for academic program and of 14 of our teams, 10 have a perfect score. All the women's teams have perfect scores.

Audit Committee met earlier in the month. The State financial audit is underway and results are expected in the next quarter. The internal audit annual report for 2011-12 was reviewed. The committee discussed the annual audit plan for 2012-13 and recommended it for approval by the full board.

Finance & Real Property Committee met earlier in the month. John Pierce reported in Pat Smith's absence. One construction project still underway is the sidewalk and patio repair in front of Lipinsky Hall. He reported that UNC General Administration is discussing with the campuses some shared services and efficiency measures. These include residency verification process, library electronic journals, travel, and procurement. Another initiative, combining internal audit functions for some campuses could have serious implications for the campuses. It may in effect make it an external audit function and take what is now a board responsibility and transfer that to UNC General Administration. Trustees expressed concern that this might not be helpful to our campuses.

University Advancement Committee. A meeting had been scheduled for the previous day but has been postponed. Buffy Bagwell provided an overview of division activities and goals:


1. Expand awareness and pride in our strategic plan themes of public responsibility, the liberal arts, and sustainability. This will include attending many community events, engaging parents at the Family Weekend events, meeting with the Foundation Board, developing social media contacts and working closely with Athletics partners.
2. Foster internal and external partnerships including the Career Center, the NC Center for Health and Wellness and OLLI. Additionally, work with the tourism department

and Chamber of Commerce, area hotels partnerships, expanding the family business forum and area businesses.

3. Build constituent engagement. Alumni, parents, legislators, donors, community members, boards, etc. are the constituents and we are seeking to be the hub of the community.
4. Strengthen purposeful cultivation. We are working with prospective donors to determine their interests and engage and nurture their interest in UNC Asheville for possible donations. The dedication of David G. Brown Hall is one recent activity where a great number of friends were brought closer to the university. We are developing a scholarship business plan with events for friends to hear the stories of our students and learn of the university's need for additional scholarship funds.
5. Increase private support. The division goal for 2012-13 is \$4 million, in 2013-14 the goal is \$5 million and in 2014-15 the goal is \$6 million. Current year-to-date giving is slightly higher than last year at this time.
6. Create effective stewardship. Activities currently include our annual Scholarship Luncheon and May Honorands event. Additional activities will be developed.
7. Integrate and build an effective University Advancement division. Staff members are learning more about building and sustaining relationships. The Division has had a retreat and will have additional work days to help develop each of the above goals.

Chair Stevens asked if there was additional business to bring before the board. Hearing none, she declared the meeting adjourned at 4:44pm.

Submitted respectfully,

  
\_\_\_\_\_  
Lynn Spaight / / Date  
Assistant Secretary to the Board

Approved,

  
\_\_\_\_\_  
Cissie Stevens / / Date  
Chair