

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

Meeting Minutes  
April 5, 2013

The University of North Carolina at Asheville Board of Trustees met on Friday, April 5, 2013, in meeting room 417 of the Sherrill 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 Piyush Patel, Ron Paulus, Bruce Peterson, King Prather, Pat Smith, Virgil Smith, Cissie Stevens, Ben Judge.

The following member of the Board of Trustees was present for part of the meeting: David Cogburn (left at 3:20 pm).

The following member of the Board of Trustees was absent: Doug Orr.

Others in attendance for some or all of the meeting included: Anne Ponder, Chancellor; Buffy Bagwell, Vice Chancellor for Advancement; Elizabeth Becker, Executive Assistant; Kennon Briggs, member of the Parents Council; 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; Kevan Frazier, Associate Vice Chancellor for Advancement; Jim Fox, Director of NEMAC; Debbie Griffith, Associate Vice Chancellor for Communication and Marketing; Bill Haggard, Vice Chancellor for Student Affairs; Rich Kucharski, Interim General Counsel; Rob Nelson, Fuquay Solutions and consultant on Campus Master Plan; John Pierce, Vice Chancellor for Finance and Operations; Steve Plever, Assistant Director of News Services; Christine Riley, Chief of Staff; Lynn Spaight, Assistant Secretary to the Board; Robert Straub, Chair, Chancellor's Staff Advisory Council; Brian Turner, Director, Corporate and Foundation Relations; Tom Tveidt, economist and owner of Syneva Economics; Jim Woodward, former Chancellor, UNC Charlotte and consultant for Chancellor's Comprehensive Review.

There being a quorum present, Chair Cissie Stevens called the meeting to order at 10:40 a.m. Chair Stevens 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 then asked everyone present to introduce themselves.

Chair Stevens reminded trustees that this would be the last meeting for Ben Judge, as a new Student Government Association president has been elected for next year. She asked Ben to say a few words.

Ben Judge thanked everyone for the great experience. He appreciated the opportunity to represent his fellow students and he learned a great deal from everyone: trustees, faculty and staff and students. He challenged trustees to continue to represent the university well and to remember the students, because that is why we are all here. He noted that the university has strong leadership with the current trustees, chancellor and vice chancellors and that he expects the university to continue with its great work. He closed with a quote from Dwight Eisenhower, "Don't dwell on my mistakes, improve on them."

Chancellor Ponder thanked Ben for his service and presented him with a memento of his year on the board.

### Chancellor Evaluation

Chair Stevens introduced Jim Woodward, former Chancellor at UNC Charlotte and a consultant who is assisting the board with the chancellor's four-year comprehensive evaluation. Chair Stevens announced that she had appointed King Prather as the chair of the review committee and that he is overseeing the process.

Jim Woodward explained that the review is a requirement that has been put in place by the UNC General Administration for all chancellors. The Board of Governors has outlined a process to be used that is comparable to the Association for Governing Boards (AGB) recommended best practices for a CEO review. The Board of Trustees is responsible for conducting the review and Dr. Woodward noted that his task is to help the Board. The process requires that information be gathered through a survey and through interviews with external and internal constituents. Dr. Woodward assured trustees that confidentiality would be maintained with the survey and interviews, nothing will be attributed to an individual. The interviews will be conducted with only the participants and Dr. Woodward. The interviews will collect a wide variety of opinions and will be held in individual and group sessions or by telephone. Dr. Woodward is scheduled to bring the draft report to the trustees in the summer. Trustees will have an opportunity to review the report, make comments, and then Dr. Woodward will write a report to present to President Tom Ross. President Ross will meet with Chancellor Ponder, a Board of Governors member, and the Chair of the Board for the final evaluation discussion.

### Chancellor's Report

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

Chancellor Ponder used UNC Asheville's Strategic Plan as the centerpiece and structure for the report. She outlined how well the Strategic Plan aligns with the UNC System's Strategic Directions. She reviewed the UNC Performance Measures and other external measures of

success that we will be incorporating into our Dashboard in the coming months. (see attached presentation)

Chancellor Ponder reminded trustees of the exercise that they had completed with Jim Fox, Director of NEMAC, that used as Decision Making Building Blocks. That process resulted in Trustees compiling a list of Top 10 Values that reaffirmed the main goals of the Strategic Plan. What will change about our plan in the next five years is not the values but the strategies and action steps, and the resulting dashboard metrics.

Example: Because we have a strategic goal for High Quality Liberal Arts Undergraduate Education and the number 2 goal of the UNC Strategic Directions is Strengthen Academic Quality, we will use the Collegiate Learning Assessment data and other external measures of quality liberal arts education as benchmarks.

New benchmarks will be developed for our dashboard and these will be brought back to trustees for additional board advice and comment at the July Board Retreat. Board members expressed support in developing benchmarks that show us to our best advantage and provide data that citizens value and respect.

Chancellor Ponder reported on the current Campus Master Plan. The most immediate need, as identified by the planning committee, was an improvement in way-finding. New campus signs are being installed this semester to improve the visitor experience. This is Phase I of the project, which will need additional funding to be completed. Additionally, we will need a completely updated campus master plan in the next few years for long-term capacity utilization that includes an analysis of current and potential for expanded programs, residence facilities, space utilization and possible need for physical growth. That kind of complete plan will require a considerable investment.

A Campus Master Plan is just one of the components needed for a potential capital campaign. We would also want to have a needs assessment and a feasibility study. The Advancement department is beginning the planning process and when it is complete, the Board of Trustees will need to determine if we are ready for capital campaign and what the priorities are.

Chancellor Ponder asked Ron Paulus to brief the trustees on a collaborative program with Mission Hospitals. Paulus explained that the program that has just begun will recruit 50 – 75 students who will be introduced to Mission Hospitals to give them information about the possibilities of internships and jobs in the health professions after they graduate.

The meeting recessed for lunch at 12:01 pm and returned to session at 1:05 pm.

### Student Environmental Center

Chair Stevens called on Vice Chancellor Bill Haggard to introduce the students from the Student Environmental Center [SEC]. He introduced the students: Loyd Timmer, Kristen Emory, Blake Everhart, Kelsey Hermann, Julie Tierney, Caeley Kane, Aaron Rothemich, Ryan Roseman, Melanie Bonds.

The SEC was formed by students and is led by students with support from an advisory committee that includes staff. It is a student initiative to collaborate with staff and administration on environmental strategies for the campus. Students reported that each member of the group has his or her own project. Through the work with the Center, the students gain skills in writing, management, communication, budgeting and organizational structure in addition to the environmental management skills they learn. Students shared their experiences about their projects.

One of the Center's chief goals is to reduce the campus carbon footprint. Other goals include involving community members along with students, faculty and staff in learning more about sustainable agriculture. They work together on community gardens that raise vegetables and herbs. They also collect and use compost in the gardens. Another project is related to helping students find alternative transportation methods and making the campus shuttle system more efficient. The group encourages recycling on campus. They have added recycling collectors and have raised awareness and participation in recycling and energy conservation in residence halls and other campus buildings.

Chair Stevens thanked the students for their presentation.

### Economic Impact Study

Chair Stevens called on Buffy Bagwell for a report on the Economic Impact Study.

Buffy Bagwell reported that the work in the University Advancement area is made easier by being able to demonstrate that UNC Asheville has a positive economic impact on the community. An economic impact study was last completed in 1995. It was determined that current information and an objective assessment would provide relevant data that could be used to expand community awareness, create stronger case statements for fundraising, inform legislators, and demonstrate to city and county governments, donors, business leaders and citizens the importance of supporting UNC Asheville as a nexus of the community.

A local economist, Tom Tveidt conducted the study. He has conducted economic analyses for industries, developments, airports, communities, etc. The report, which demonstrates that UNC Asheville created \$268 million in economic impact to the region, will be provided to area media and a communication campaign will further share the information with the public. (Attachment A)

As an example of potential uses for the study, Janet Cone reported that the data was included in a grant request application to the Tourism Development Authority and may have been instrumental in UNC Asheville receiving a \$500,000 grant.

#### Committee Reports

Chair Stevens called on Audrey Byrd Mosley for the Academic Affairs Committee report. Ms. Mosley reported that the Inquiry ARC projects are well received by faculty and students and are showing positive results for enhancing critical thinking and communication skills. She noted that Ed Katz is completing the survey work to assess the community need for graduate programs. The summary will be available in a few weeks and a report will be made to trustees at the summer retreat. The AB Tech connections are being strengthened to make the transfer programs run smoothly.

Chair Stevens called on Sue McClinton for the University Advancement Committee report.

Ms. McClinton reported that of the \$4 million fundraising goal, \$3,619,000 has been raised and there are 3 more months before the end of the fiscal year. The goal for alumni giving is to receive donations from 8% of the alumni and currently we have reached 5.6%. There will have been 270 fundraising events by June 30, 2013. Included are events that are meant to introduce new community members to the university through small-group receptions that include presentations by students and faculty and introduction to Chancellor Ponder and other university leaders. These are usually co-hosted by community members and their help with the expenses make this program more affordable. A better prospect management system has been implemented to help with follow-up of the people attending the events.

Ms. McClinton reported that the UNC Asheville Foundation Board is in process of revising its by-laws. The Foundation will be making changes in the way the endowment funds are supervised. Instead of one committee that reviews the Foundation endowment and the University Foundation, there will be two separate committees: One committee will have 5 representatives from the UNC Asheville Foundation Board of Directors, the other will have 5 representatives from the Board of Trustees. The two committees can meet together to consider reports from the investment company and from UNC Asheville finance department staff.

She reported that a grant application is being submitted for the 525 Broadway Greenway project. In addition, Leadership Asheville is again going to be a university-related organization.

Cissie Stevens reported that the trustee scholarship challenge is at 61.5% of its goal. Since not everyone has pledged a gift, she gave trustees another opportunity to pledge dollars to be donated by August 1, 2013. She said a matching challenge was issued to the UNC Asheville Foundation Board and they are at 94% of their goal.

Chair Stevens called on Bruce Peterson for the Athletics Committee report. Mr. Peterson reported that the Economic Impact Report, shared earlier in the meeting, included specific information on the impact of athletics on the community. That analysis showed that athletics will directly and indirectly support 140 jobs over next 5 years and \$5.2 million annually in local income. UNC Asheville athletics is building partnerships and bringing in new athletic events that will have an impact on tourism and raise more awareness of the university. Our improved facilities also help us host more children in summer camps such as baseball, soccer and basketball camps.

Chair Stevens called on Virgil Smith for the Audit Committee report. Virgil Smith reported on a peer-to-peer collaboration to provide shared services to the audit departments of UNC Asheville and Western Carolina University, as noted in documents provided (Attachment B).

**Mr. Smith noted that the Audit Committee recommends that the board approve a peer-to-peer collaboration with Western for Carolina University for Shared Services for Internal Audit. Chair Stevens noted that since this is a motion from a committee, it doesn't need a second. After discussion the chair called for a vote and the motion was approved.**

Chair Stevens called on Pat Smith for the Finance and Real Property Committee report. Pat Smith recognized John Pierce who made a presentation on the Sources and Uses of Funds (Attachment C). Pat Smith reported that the Finance Committee recommends the approval of the issuance of special obligation bonds for re-funding or re-financing previously issued bonds to take advantage of lower rates. By re-issuing taxable bonds that were at 4.5% rate now and going to a lower rate, the university will save \$63,000 per year. There is a second bond issue that, if combined with the first re-issuance, will save on issuance costs. The second bond issuance will help to finance the MAHEC property and renovations at \$5 million. This will be bank funding not public issuance which saves about \$130,000. After approval by the Board of Trustees, the action will go to the Board of Governors for their review and approval. After approval, the university will ask for Requests for Proposal from large banks. The student fees that were approved last December included a debt service fee that will be used to retire these bonds.

**Chair Stevens noted that because this action was a recommendation from committee, it required no action. After discussion, she called for a vote and the motion to approve the financing resolution was approved unanimously.**

Chair Stevens called on King Prather for the Student Affairs Committee report. King Prather reported that the committee had read and discussed the book Generation on a Tightrope by Arthur Levine. The committee recommends that the full board read the book as it reports about what students of today look like and how they interact and what higher education needs to do in response. By describing clearly the students of today, it takes readers away from their own viewpoints – skewed by being a generation or two older than the students being described. Recommendations in the book include preparing students for

the change they will face by providing them with skills in creativity, critical thinking and continual learning.

Mr. Prather reported that an item on consent agenda regarding a police department mutual aid agreement with city and county departments was discussed in committee. The opportunity to partner with fire, police and emergency medical services might lead to developing and leasing a shared facility on our property. The Shared Services agreement is the first step and will be beneficial regardless of this option.

Chair Stevens called for a short recess. The meeting was recessed at 3:20 pm and returned to session at 3:30 pm. David Cogburn left the meeting during the break.

#### State Budget and the Legislative Process

Chair Stevens called on Chancellor Ponder and Greg Carter for a discussion on the state budget and the legislative process. Chancellor Ponder introduced Greg Carter, Assistant Vice Chancellor for External Relations, who worked formerly at UNC Pembroke and has had experience in the legislative process. Greg Carter reported that the state budget process is at its beginning stages when the Governor, the Senate and the House of Representatives is each in the process of creating its own budget. The House of Representatives should approve its budget by late May or June. After the House and Senate confer and send the budget bill to the Governor for approval, and there is likely to be no veto.

Greg Carter provided a Talking Points paper for trustees regarding the budget (Attachment D) that includes information about the type of funds especially needed: Special funding allocation, repair and renovation, student financial aid, and funding for the UNC Strategic Plan initiatives. Mr. Carter noted that the Economic Impact Study could be helpful in showing the importance of UNC Asheville to the region and that every state dollar spent is returning more through the jobs created and tourism expenditures. He recommended that if trustees have an opportunity to meet with legislators that they say thank you for their service to the state and help them understand just a few important, specific points. For example, they might talk about repair and renovation funds and how expenditures of those funds can provide economic impact through construction spending.

#### Closed Session

Chair Stevens asked for a motion for the meeting to go into Closed Session for the following reasons:

- To prevent the premature disclosure of an honorary award or scholarship, AND
- To consult with our attorney to consider and give instructions concerning a potential or actual claim or administrative procedure or potential judicial action, 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 by section 143-318.11(a) (2), (3) and (6) of the North Carolina General Statutes.

Bruce Peterson made the motion to go into closed session for the reasons stated, Sue McClinton seconded and the motion was approved unanimously.

The meeting returned to Open Session at 4:25 pm

Consent Agenda

After asking and receiving further information about the campus police resolution, Piyush Patel moved that the Consent Agenda be approved. Audrey Byrd Mosley seconded and the consent agenda was approved unanimously.

Closing Remarks

Chair Stevens thanked all for attending. She has asked Sue McClinton to contact each trustee regarding their interest in serving as an officer of the Board of Trustees for 2013-14. Sue McClinton will put together a slate of officers and that will be provided to trustees prior to the July meeting so that the election of officers can take place at the July meeting. She encouraged trustees to attend the Honorands evening on May 10 and the commencement on May 11.

There being no other business to come before the board, Chair Stevens asked for a motion of adjournment. Ben Judge moved for adjournment, Ron Paulus seconded and the motion was approved unanimously.

The meeting adjourned at 4:31 pm.

Submitted respectfully,



Lynn Spaight      Date  
Assistant Secretary to the Board

Approved,



Cissie Stevens  
Chair

7/15/13  
Date