

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

Meeting Minutes
July 15-16, 2013

The University of North Carolina at Asheville Board of Trustees met on Monday, July 15, and Tuesday, July 16, 2013, in meeting room 417 of the Sherrill Center on the UNC Asheville Campus.

The following members of the Board of Trustees were present on Monday, July 15: Kennon Briggs, Sue McClinton, Doug Orr, Ron Paulus, King Prather, Pat Smith, Virgil Smith, Cissie Stevens, Leigh Whittaker

The following members of the Board of Trustees were present for part of the meeting: David Cogburn (arrived at 12:00 pm), JW Davis (was absent from 1:00 – 3:00 pm).

The following members of the Board of Trustees were absent: Audrey Byrd Mosley, Piyush Patel.

Others in attendance for some or all of the meeting included: Bruce Peterson, former trustee; Anne Ponder, Chancellor; Buffy Bagwell, Vice Chancellor for Advancement; Elizabeth Becker, Executive Assistant; Luke Bukoski, Director of Digital Marketing; Skip Capone, General Counsel; Janet Cone, Senior Administrator for University Enterprises and Director of Athletics; Shannon Earle, Director of Admissions; Jane Fernandes, Provost and Vice Chancellor for Academic Affairs; Debbie Griffith, Associate Vice Chancellor for Communication and Marketing; Bill Haggard, Vice Chancellor for Student Affairs; Brian Hook, Associate Professor of Classics; Amy Jesse, Writer/Editor; Ed Katz, Associate Provost; Jim Lenburg, representative of the Osher Lifelong Learning Institute at UNC Asheville steering committee; Marlane Mowitz, Director of the Career Center; 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; Robert Straub, Chair, Chancellor's Staff Advisory Council.

I. Opening Remarks

There being a quorum present, Chair Cissie Stevens called the meeting to order at 9:08 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.

Elizabeth Becker, notary public, swore in three new members of the board: Kennon Briggs, JW Davis and Leigh Whittaker. All took the oath of office and were welcomed. Each gave a brief introduction of him/herself. The Chair then asked everyone present to introduce

themselves.

Chair Stevens remarked that she has had a wonderful experience as the Chair of the Board of Trustees. She has learned a lot about UNC Asheville and has great admiration for the trustees and all they do as well as for Chancellor Ponder and the senior staff officers. She expressed specific appreciation for the assistance and expertise of Lynn Spaight in the Chancellor's Office throughout her tenure as chair. She feels a great sense of community on the campus and is optimistic about the future of university in reaching its potential and is pleased that she will continue to be involved in making that happen.

Election of Officers

Chair Stevens called on Sue McClinton to announce the slate of officers for election.

Sue McClinton thanked Piyush Patel and Cissie Stevens for their help in putting together the slate of officers for the 2013-14 year. As part of the process, she polled every board member and received input from all trustees regarding the slate of officers. The slate of officers, as included in the meeting materials, was presented:

King Prather, Chair

Doug Orr, Vice Chair

Audrey Byrd Mosley, Secretary

Chair Stevens asked if there were other nominations from floor. **Hearing none, she asked for a motion to close nominations and elect the slate as presented. Pat Smith moved for approval, JW Davis seconded the motion and the motion passed unanimously.**

King Prather took the chair and thanked Cissie Stevens for her service as the chair.

Chancellor Ponder thanked Cissie Stevens and, in appreciation for her service as a member of the Board of Trustees, as its chair for the past two years, and as interim director at the North Carolina Center for Creative Retirement, presented her with a permanent parking pass so that she will always know she has a space in our hearts as well as a parking space whenever she comes to campus.

Chancellor Ponder recognized Bruce Peterson. As is our custom at the retreat, retiring members of the board are included in the meeting so that we can have the benefit of their wisdom and so we can thank them for their service. She recognized Janet Cone, who added her thanks for Bruce Peterson's service as chair of the Athletics Committee and long-standing support of the athletics program. Mr. Peterson was presented with tickets to a future basketball game.

King Prather shared information about what he learned at the Association for Governing Boards (AGB) conference for new board members:

- UNC Asheville is not alone with the challenges we are facing including the economy and budgets, student retention, faculty retirements, parking, etc.

- With the focus provided by the strategic plan, we are more prepared than some institutions.

Mr. Prather listed questions he came away with: Are we committed, informed enough, headed in the right direction and at the right speed to meet the issues we are faced with? In his AGB sessions and discussions with other institutions' trustees he discerned that with changes in higher education, boards leading these institutions need to change also. Money is necessary but not sufficient. Vision is critical. Some schools are making drastic changes in response to budget cuts and other concerns. Examples include Spellman College that eliminated its entire athletics department and East Tennessee State dropped its football program, then, after protests, brought it back. The University of California system's in-state tuition tripled in 5 years. He reported that author Art Levine facilitated a panel discussion of young leaders regarding student concerns such as retention, affordability, fear of death, technology. Our commitment to quality, critical thinking and students who are seriously creative is paramount. "Seriously Creative" is not just a slogan, it is the university's mission. He provided a handout (attachment 1) on strategic thinking for the board.

Further, Mr. Prather reported from the AGB Conference, there were discussions about the importance of transparency in the board process, ensuring faculty commitment and the shared governance model. He pledged that during his tenure as chair he will work to ensure equality on this board, that every viewpoint is important. It is up to trustees to ask the hard questions.

II. Career Center Discussion

Chair Prather called on Provost Fernandes for a discussion on the Career Center. Provost Fernandes introduced Dr. Marlane Mowitz, the new career center director who is infusing the center with a new sense of urgency in preparing our students for graduate schools and jobs. Dr. Mowitz described several ways the Career Center is being organized, staffed and operated to help students achieve their job-search goals. Dr. Mowitz noted that she would like to institute an annual alumni survey to be able to track graduates' successes several years out. That is part of the Center's 3-year strategic plan that focuses on communication, teamwork, initiative, analytical, leadership, and technical skill building. Trustees discussed additional ways to help students including calling on trustees for networking with soon-to-be graduates and alumni.

Dr. Mowitz reported that three graduates have been hired from the Meet Mission [Health] initiative. One of these, James McClellan was introduced to trustees. Mr. McClellan is a veteran of the U.S. Navy who received federal work study support for internships. His degree is in political science but an Information Technology job was his career goal. He is pleased that he has found a position at Mission Health Care that meets his goals and seems to be a fit for him. Ron Paulus described the Meet Mission project as a terrific way to match graduates with positions. Chair Prather thanked Dr. Mowitz and Mr. McClellan for the presentation and thanked trustees for their input. He called for a short recess.

III. Graduate Programs Survey

Chair Prather called on Jane Fernandes and Ed Katz to provide an update and results of the survey on graduate programs.

Ed Katz reported on the needs assessment recently conducted by UNC Asheville that was designed to discover what programs were felt to be needed and what programs were being managed adequately by other institutions in the region.

After collating the survey data, the project team looked at data on programs with the highest demand that also connected with our strengths and our distinctive mission.

Our current MLA program offers potential for piloting some programs to see if there is a market and can be sustained. For example, sustainability studies and creative writing could offer certificates in those areas and, if successful might evolve into full masters programs.

We have begun discussion with UNC Chapel Hill Gillings School of Public Health about a joint Masters in Public Health (MPH) and we are researching the possibility of a joint program with UNC Medical School, with a Bachelor's degree from UNC Asheville and an M.D. from UNC Medical School. Currently a program with Mission Health and UNC Medical School is producing MD's who also have an MPH degree. Nurses and doctors wanting to add Public Health to their skill set and to receive those credentials are prospects for this joint program.

Other options for collaboration include NC State, which could bring its Masters in Climate Change and Society to our campus for a joint degree. Our BS grads could continue their education while working in Asheville.

The survey provided support for a Masters in Social Work (MSW) as another area of interest. Since UNC Asheville does not have faculty expertise to provide these classes, we are talking with East Tennessee State about bringing their program which has a clinical research focus that is different from Western Carolina University's MSW program. The earliest such a program could start is fall 2014 if approved and licensed. Using this model, we could look for other institutions to develop partnerships and collaborations.

The next step in this process of determining the potential for offering additional master's degrees is that Academic Affairs will assess faculty availability for moving forward in the areas of Organizational Leadership, Entrepreneurship, New Media and Documentary Studies. Given that the Board of Governors has discontinued several programs in recent years, they may require a great deal of evidence to be convinced of the need for a new program. SACS must affirm the program also.

Jane Fernandes noted that there are faculty concerns about adding additional graduate programs. There is a perception that if we start new graduate-level programs those will get the resources and undergraduate programs, already underfunded, will continue to suffer. She

wants to make sure that any programs developed will strengthen undergraduate education, not compete with it. There could be a faculty teaching load issue. With the current requirements, we cannot ask faculty to teach more, to pull them out of service for their undergraduate teaching, advising and research oversight.

Trustees affirmed a desire for Academic Affairs to continue exploring options. Programs should pay for themselves and add revenue to the institution and value to students. Having graduate level researchers might enhance the undergraduate research opportunities.

Chair Prather thanked Jane Fernandes and Ed Katz and trustees for the good discussion. He recessed the meeting for a lunch break at 12:00 pm. The meeting re-convened at 1:07 pm.

IV. Marketing and Communications Discussion

Chair Prather introduced Debbie Griffith, Associate Vice Chancellor for Communication and Marketing, for an update on the branding campaign. Debbie Griffith introduced Luke Bukoski, Director of Digital Media and Amy Jesse, Senior University Writer/Editor, and Shannon Earle, Director of Admissions. This group has been working together to focus on reaching potential students as a primary market. They are using digital media and various forms of print media to send the message. The message is based on our Seriously Creative brand that describes what makes us distinctive. The messages focus on creative thinkers, multi-disciplinary learning and a vibrant campus and community life. They are using market research to identify markets and they are being very specific in targeting messages to particular markets. They have created objectives and ways to measure the effectiveness in attaining desired outcomes. With digital tools they can track changes in awareness, perception, web-site traffic, quality of students applying and where they come from. One new goal for this year is to reach more international students.

Social media is a big part of the awareness campaign. There is a site just for admitted students (no parents can be members) where the students can tell their stories, ask questions and get to know their prospective classmates.

One of the measures of success is in the recruitment results. Shannon Earle provided the results for the incoming class of fall 2013. In-state applications have increased 6.5%. The average SAT is 1201. Applications from Durham, Mecklenburg and Wake Counties have increased. One community outside of Greensboro has a 76.2% increase from that very good area. Ms. Earle reported that it is difficult to get into schools in the Greensboro area, so this was a great success. The number of deposits has also increased over last year. The 2013 spring open house attendance was up 35% over 2012.

In digital marketing we are on Facebook, Twitter, Pinterest and have an ad on Pandora radio, several You Tube videos, as well as our own web-site blog and microsite. These are great places to highlight our strengths by telling stories about students, faculty, staff, and alumni.

Goals for next year:

- The UNC Asheville magazine is undergoing a redesign.
- The Advancement website will be redesigned for better communication with donors and prospects, to show alumni and donor profiles, to include social media and videos designed to encourage donations.
- An email series for legislators is being developed.

Chair Prather thanked the communications and marketing team for the presentation and called on Chancellor Ponder for her report

V. Chancellor's Report

- The communications and marketing department received two national Circle of Excellence awards from CASE: A silver award for our seriously creative branding campaign and the bronze award for the Viewbook. We competed against 3,600 colleges in 76 countries for these awards.
- The wayfinding project is moving ahead, raising the university's visibility and helping visitors navigate the campus more successfully.
- The University Advancement division's goals this year were to raise \$4 million and have an alumni giving rate of 8%. The division raised \$4,128,000 and received gifts from 8.2% of alumni.
- The Greenway project is moving ahead with City of Asheville and RiverLink grant support in partnership with our students to connect a bike path from WT Weaver Boulevard via Broadway to downtown Asheville.
- The Council of Public Liberal Arts Colleges has renewed its contract with UNC Asheville to serve as its world headquarters through 2019; Bill Spellman's contract as director has been renewed for 3 years.
- The purchase of 118 WT Weaver will be completed this month. Renovations will include a new roof, a security system, technology infrastructure, and fire and emergency protection. The University Advancement division and the student Health and Counseling Center will move into the building in December 2013.
- A new dining contract has been awarded to our current contractor, Chartwells. As part of the contract, they will refresh their retail spaces and make significant renovations in Brown Hall for dining services.
- Janet Cone received the Under Armour Athletic Director of the Year from the National Association of Collegiate Athletic Directors. Chancellor Ponder received the 2013 Claire Van Ummersen Presidential Leadership Award Recipient by the National Association of Collegiate Women's Athletics Administrators.
- UNC Asheville was listed as a "best value" in the *Fiske Guide to Colleges 2014*

Chancellor Ponder reviewed the strategic plan and some new benchmarks that have been created to better measure our progress. Some benchmarks have been added to track

outcomes for the Strategic Directions initiatives from UNC General Administration. The new benchmarks will better demonstrate our accountability to taxpayers.

Chancellor Ponder noted that the University Planning Council and others will review the benchmarks and gather some additional data. She will bring the final version of the benchmarks to the December board meeting. Trustees commended the management team on creating and keeping the benchmarks up to date and for measuring the outcomes that the State wants to see.

Chair Prather called for a short break. The meeting was recessed at 3:35 pm and re-convened at 3:45 pm.

Closed Session

Chair Prather called for a motion to move the meeting 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 as allowed by section 143-318.11(a) (2), (5) and (6) of the North Carolina General Statutes.

Cissie Stevens made a motion, seconded by Virgil Smith to move the meeting to closed session. The motion was approved unanimously.

The meeting returned to open session at 4:47 pm.

Consent Agenda

Chair Prather called for a motion to approve the consent agenda as stated in the board materials, to include:

- Minutes of April 5, 2013 meeting open session
- Minutes of the April 26, 2013 special meeting open session
- Personnel Report (as reported in closed session materials)
- Approval of a Policy: Programs and Activities Involving Minors on Campus
- Approval of a Policy: Non-Salary and Deferred Compensation

JW Davis moved approval of the consent agenda, David Cogburn seconded the motion and the motion was approved unanimously.

Chancellor's Four-Year Review

Chair Prather provided an update on Chancellor Ponder's four-year performance review. Jim Woodward has been the outside consultant conducting the evaluation process. King Prather is the board's representative in the process. The process has been thorough and professional, with good response to the on-line survey and the interviews. Chair Prather provided copies of the confidential report that Jim Woodward had prepared and invited Trustees to attend a special Board of Trustees meeting on July 29, at 3:00 pm to discuss the draft report and the chancellor's performance. Dr. Woodward will be present at that meeting and trustees will have the opportunity to ask questions and discuss in a closed session. After the July 29 meeting, a final report will be sent to President Ross and a member of the Board of Governors. They will meet with King Prather, Chancellor Ponder and Jim Woodward in early August.

Chair Prather recessed the meeting for the day. The meeting will re-convene at 9:00 am on Tuesday, July 16. The meeting was recessed at 5:00 pm.

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Meeting Minutes
July 15-16, 2013

The University of North Carolina at Asheville Board of Trustees continued its summer meeting on Tuesday, July 16, 2013, in meeting room 417 of the Sherrill Center on the UNC Asheville Campus.

The following members of the Board of Trustees were present on Tuesday, July 16: Kennon Briggs, JW Davis, Sue McClinton, Doug Orr, Ron Paulus, King Prather, Pat Smith, Virgil Smith, Cissie Stevens, Leigh Whittaker

The following members of the Board of Trustees were absent: David Cogburn, Audrey Byrd Mosley, Piyush Patel.

Others in attendance for some or all of the meeting included: Anne Ponder, Chancellor; Buffy Bagwell, Vice Chancellor for Advancement; Elizabeth Becker, Executive Assistant; Steve Birkhofer, Special Funds Accountant; Terri Brne, Associate Athletics Director for Internal Affairs; Suzanne Bryson, Associate Vice Chancellor for Finance; Skip Capone, General Counsel; Janet Cone, Senior Administrator for University Enterprises and Director of Athletics; Jane Fernandes, Provost and Vice Chancellor for Academic Affairs; Debbie Griffith, Associate Vice Chancellor for Communication and Marketing; Bill Haggard, Vice Chancellor for Student Affairs; John Liposhak, Director of Advancement 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; Robert Straub, Chair, Chancellor's Staff Advisory Council.

Chair Prather called the meeting to order at 9:03 am. 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. Everyone introduced themselves.

Chair Prather called for a motion to go into closed session for the following reason:

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 as allowed by North Carolina General Statutes §143-318.11(a)(5). JW Davis moved to go into closed session for the stated reason. Cissie Stevens seconded the motion and the motion was approved unanimously.

The meeting returned to Open Session at 9:32 am.

X. Committee Reports

Finance

Chair Prather called on John Pierce for the Finance Committee report. John Pierce reported on the following items reviewed by that committee at its recent meeting:

- Financial Integrity Index (FIT) is an Improvement and Transformation initiative of UNC General Administration that tracks key performance indicators in finance. He reported that UNC Asheville's recent review is generally positive. There were three minor observations in two areas and all have been addressed. John Pierce recognized staff members Suzanne Bryson and Steve Birkhofer for their work on FIT.
- Outcomes of recent financing negotiations. At the April board meeting, the board authorized borrowing funds for the purchase of the 118 WT Weaver property and additional funds for the financing of housing and dining loans. With re-financing to a 2.19 % rate, the university will save \$43,000 per year in interest payments.
- The Real Property report was included in board meeting materials and there were no questions about that report.

Student Affairs

Chair Prather called on Bill Haggard for the Student Affairs update. Bill Haggard reported on facility plans for student life activities.

- When the 118 WT Weaver renovations are complete, the student Health and Counseling offices will move into that facility, scheduled for January 2014. Among the benefits are more confidentiality, improvements for urgent care, more exam rooms for improving capacity to see medical staff in more expedient way.
- A new dining contract was approved on August 1, 2013. Using an open bid process, there were three strong proposals submitted. Chartwells, our current provider, was selected. The new contract is for 10 years with one five-year renewal option. This allowed the university to get a greater investment from the contractor: \$10 million over the length of the contract, which will improve options at retail outlets and expand seating in the main dining hall by 100 seats.

Academic Affairs

Doug Orr provided the Academic Affairs report. At their meeting of June 10, the committee discussed issues such as graduate programs, faculty teaching load and curriculum, the closing of the Center for Craft Creativity and Design. The committee reviewed positive recommendations regarding tenure for eight professors and also reviewed the process that was used to consider tenure decisions and promotions from associate professor to full professor.

University Advancement

Chair Prather called on Buffy Bagwell for the University Advancement Committee report. As announced at its committee meeting, the University Advancement division met its 2012-13 goals as of June 30. It was a year of discovery, learning and building and the division has committed to raise \$5 million in 2013-14 and reach 9% in alumni giving. Buffy Bagwell noted that the division has invested resources in writing grant applications and that will be a primary focus for this next year's funds.

Athletics

Chair Prather called on Janet Cone for the Athletics report. Ms. Cone introduced Terri Brne, Associate Athletics Director for Internal Affairs, and the primary officer for NCAA compliance training.

Terri Brne led trustees through a mandated NCAA training session on the role of trustees as representatives of athletics interest for UNC Asheville. She outlined their responsibilities and referred trustees to documents included in the meeting materials for further information. She reminded them that wagers for anything of value on intercollegiate sports is forbidden. She asked trustees to contact the Athletics Department with any questions.

Audit

Virgil Smith reported on the Audit Committee meeting. The Internal Audit charter and Internal Audit procedures manual were reviewed with no significant changes made to either. The Internal Audit Annual Plan for 2013-14 was reviewed and the committee voted to recommend its approval by the full board. **Virgil Smith moved for approval by the board for the Internal Audit Annual Plan for 2013-14. With a recommendation from the committee, no second was needed and the motion was approved unanimously.** Virgil Smith reported that a Quality Assurance Review of internal audit functions would take place next month. He commended Internal Auditor Monique Taylor for her work toward that review and for continuing her education on risk management.

Chair Prather called for a brief recess at 10:49 am. The meeting returned to session at 11:03 am.

XI. Tuition and Fees Process and State Budget Discussion

Chair Prather introduced Rob Nelson, a former Vice President for Finance at UNC General Administration, a consultant on finance and planning for UNC Asheville and the satisfied parent of a UNC Asheville graduate, to discuss the tuition and fees process and state budget dynamics.

Rob Nelson reviewed the methodology and traditions for tuition increases to UNC institutions throughout the tenures of several UNC presidents. In recent years, tuition has become a more important source of revenue for UNC schools, but decisions about raising tuition have an emotional and political component because of the direct impact on students

and their parents. Tuition costs involve other issues such as scholarships, financial aid, accessibility, student outcomes, faculty salaries, etc.

Currently UNC Asheville's revenue for its core mission is balanced at 31% from tuition total and 69% from state revenue. State support has decreased since 2010 and student enrollment has increased during that time. Increasingly, schools are being asked to place greater emphasis on entrepreneurial activities and fundraising. Endowments have been hit by the recession in the past five years and the income from endowment investments has decreased, and this is especially important for expenses that are restricted from being funded by the state.

The Board of Governors and UNC General Administration set the policy directions and instructions for tuition and fees each summer. While the Board of Governors sets tuition rates, the North Carolina General Assembly has the right to overturn the decision. Campus tuition and fees recommendations come to the Board of Trustees for their consideration.

Chancellor Ponder noted that when the state budget is complete, it will go to the Board of Governors who will apportion the revenues and any budget cuts and they will issue instructions regarding tuition and fees for 2014-15. We will develop our proposal and bring it to the Board of Trustees for their vote at the December 2013 meeting.

Closing Remarks and Adjournment


Chair Prather, in his closing remarks, thanked trustees for completing the board assessment forms and giving him their preferences for committee assignments. He will review both and will communicate to trustees a list of discussion topics for the year and their committee assignments. He thanked trustees, including retiring trustee Bruce Peterson, for their contributions to the board.


Chancellor Ponder thanked trustees for their strength, dedication, leadership and attention to the university.

There being no other matters to bring before the board, Chair Prather called for a motion to adjourn. Virgil Smith moved for adjournment, seconded by Kennon Briggs. The motion was approved unanimously and the meeting adjourned at 11:59 am.

Submitted respectfully,

Approved,


Lynn Spaight
Assistant Secretary to the Board


King Prather
Chair

Date

Date

9/27/13

Sept 27, 2013