



North Carolina Community College System
Preparing North Carolina's World-Class Work Force

State Board of Community Colleges
Raleigh, North Carolina

January 20, 2005
2 p.m.

Due to inclement weather, the meeting was rescheduled from 9 a.m. on Friday, January 21, 2005 to Thursday, January 20, 2005 beginning at 2 p.m. Members who could not drive in were encouraged to attend by telephone.

CALL TO ORDER

The meeting of the State Board of Community Colleges was called to order. The following members were present:

James J. Woody, Jr., Chair
Jeannette M. Council
James W. "Jim" Daniels
Stuart B. Fountain
Bob H. Greene
Gordon "Buddy" Greenwood
Sandra L. Hayes
Anne-Marie Knighton
Estell C. Lee
Mani Memari

Chester P. Middlesworth
Pam Wortham representing
Treasurer Richard Moore
Thomas Norman
Tamara Jones representing
Lt. Governor Beverly Perdue
Linwood Powell
B. Joanne Steiner
Ann T. Turlington
Herbert Watkins

The following members were unable to attend: Hilda Pinnix-Ragland and Norma Turnage.

APPROVAL OF MINUTES

On a motion by Mr. Middlesworth, seconded by Dr. Council, the Board approved the minutes of the November 19, 2004 meeting. On a motion by Dr. Greene, seconded by Ms. Steiner, the Board approved the minutes of the December 16, 2004 telephonic meeting.

CHANGES IN AND APPROVAL OF AGENDA

Due to the inclement weather, Dr. Fountain and Ms. Hayes who were in Raleigh to attend the meetings were asked by Chairman Woody to act as the Chair of the Policy and Program Services Committees, respectively. The Board suspended the rules and approved the following changes in the agenda. On a motion by Dr. Fountain, seconded by Ms. Steiner, "Proposed Disbursement of Tech Train Certificate of Deposit Monies" Attachment Pol. 4 was moved from For Future Action to For Action on the Regular Agenda. The Policy Committee was not able to meet prior to the SBCC meeting, therefore Dr. Fountain requested that all other Policy items be removed

from the agenda. The Chairman granted the request. Since Program Services was also unable to meet, Ms. Hayes requested that all Program Services items on the consent agenda, including Attachments Prog. 5, 6, 7, 8 and 9, be moved to the regular agenda for action. Finance and Capital Needs Chair Watkins, requested that "Contractual Services-Feasibility/Design to Improve Student Access to Services and Optimize Registration Resources-Contract Amendment-Affiliated Computer Services (College Information Systems Project) Attachment FC-17 be removed from the agenda and "Basic Skills Project IDEAL Distance Learning Grants" Attachment FC-10 be moved from the Consent Agenda to the Regular Agenda for Action. Chairman Woody granted the requests of Ms. Hayes and Mr. Watkins. At the request of Chairman Woody, the Personnel Committee was designated the first standing committee report to be given. On a motion by Dr. Greene, seconded by Mr. Watkins, the agenda was approved as amended.

APPROVAL OF THE CONSENT AGENDA

On a motion by Dr. Fountain, seconded by Ms. Steiner, the consent agenda was approved as amended.

REPORTS/PRESENTATIONS

Community College Funding Formula Study, Drs. Jeff Hockaday and Donnie Hunter

Drs. Hockaday and Hunter reported on the study findings of the community college funding formula as mandated in HB 1414, Section 8.13. The report focused on:

- Purpose of Study: To consider modification of current funding formulas to ensure adequate funding to colleges with enrollment increases, the method for projecting enrollment, and adequate funding of high-cost programs.
- Enrollment Projections Considerations: Models indicate a simple formula can be used to project enrollment with a reasonable degree of accuracy. Funds can then be allotted to each college based upon enrollment projections or by using the sum of projections to fund a formula. Funding adjustments during enrollment spikes at individual colleges need to be considered. The current formula appears to distribute funds fairly and equitably, and colleges can accommodate an enrollment increase of up to 3.2% without serious funding problems. During the academic year periods from 1995-2004, the yearly growth rate averaged 4.89%. After allowing for the 3.2% tolerance, the yearly funding deficit averaged \$10,710,080.
- Enrollment Projections Recommendations: The General Assembly should replenish the fund each budget cycle to ensure that colleges do not exceed the 3.2% tolerance level. The SBCC should approve a formula to quickly distribute reserve funds to colleges that encounter problems due to enrollment growth in the current academic year.
- High Cost Program Considerations: Funding formulas for 8 states studied accommodated for high cost programs using a cost analysis including instruction and supply costs for designation. Funding was differentiated accordingly. NCCCS Presidents fear special funding for high cost programs within the formula without additional funds, believing it will affect the fairness of the formula. The study revealed several states use a weighting system to accommodate high cost programs. Allied Health programs were the most expensive programs group, and carried a weight of 1.5 to 1.6 compared to 1.0 for other programs. The SBCC would need to determine programs to be considered Allied Health and the initial weighting to be assigned that should be reviewed every three years. Efforts to secure additional funding for high cost programs should continue, and if secured, the

current funding formula should be modified to allow for additional weight in the area of Allied Health and other programs.

CONSENT AGENDA

FINANCE AND CAPITAL NEEDS COMMITTEE, Herbert Watkins, Chair

For Action

General Educational Development (GED) Annual Scoring Site Contract

The Board approved a contract renewal with the GED Testing Service of the American Council on Education for the NCCC System Office to be an authorized scoring site for GED tests except for the essay component. The contract in the amount of \$750.00 is for the period of January 1, through December 31, 2005. Funding is through appropriated federal funds provided by the US DOE, Adult Education and Family Literacy Act State Grant Program authorized by the Workforce Investment Act, Title II.

General Educational Development (GED) Scoring Services Contract

The Board approved a contract with the University of Texas Scoring Center to score the English Essay component of the GED 2005 Tests, all parts of the Spanish Tests and French Tests including the essay components for the community college system. The contract in the amount of \$35,200 is for the period January 1, through December 31, 2005. \$2.50 of the GED testing fee of \$7.50 will be used to fund the contract.

CC Benefits Marketing Support

A service agreement with the College Market Institute was approved by the Board in an amount not to exceed \$15,000 for the period January 21-June 30, 2005 to provide assistance in developing, coordinating, and facilitating the dissemination of information generated by the CC Benefits, Inc. study on the socioeconomic impact of the NCCCS on the State of NC. Funding will be from State Board Reserve Funds.

State Board Reserve Projects – January 2005 Expenditure Report

The Board received and approved the report of the State Board Reserve Projects awarded July 1 through December 31, 2004. (See Attachment FC-12)

Two Percent Transfer Restriction

The Board received and approved a request from Davidson County CC for a request that exceeds the two percent cap, and the reports for Budget Flexibility 2% Transfer Percentages for FY 2004-05 Established by HB 1414 and the Curriculum and Noncurriculum Salary and Fringe Benefits Transfers Processed Through December 2004. (See Attachment FC-13)

Construction/Property/Bond Authorization Report

The Board approved the Construction/Property/Bond Authorization Report including project approvals for Beaufort CC (1), Blue Ridge CC (1), Caldwell CC and Technical Institute (1), Cape Fear CC (1) Carteret CC (1), McDowell Technical CC (1), Mitchell CC (1), Piedmont CC (1), Randolph CC (1), Southeastern CC (1), Surry CC (1), Wake Technical CC (2), Wilkes CC (1) and Wilson Technical CC (1); acquisition of property by Cape Fear CC; disposal of property (timber) by Richmond CC; and, the Bond Authorization Report as of January 21, 2005. (See Attachment FC-14)

Memorandum of Understanding with the Department of Public Instruction for Performance Incentive Grant Project - Biotechnology Career Development and Performance Acceleration Academy

The Board approved a Memorandum of Understanding (MOU) with the Department of Public Instruction for a Performance Incentive Grant Project - Biotechnology Career Development and

Performance Acceleration Academy to complete activities funded through the Federal Performance Incentive Program Year 2002 Grant. The MOU is for the period January 21, 2005 to May 31, 2006 in the amount of \$450,000, and is subject to the availability of funds from the Department of Commerce, Division of Employment and Training (DET) through the US Department of Labor.

REGULAR AGENDA

PERSONNEL COMMITTEE, Stuart B. Fountain, Chair

On a motion by Dr. Fountain, seconded by Mr. Daniels, the Board convened in closed session to discuss personnel issues. The Board re-convened in open session.

On a motion by Dr. Fountain, seconded by Mr. Daniels, the Board approved Dr. Thomas E. Williams to serve as Interim President of Mayland CC upon his retirement at the end of June. The interim appointment is effective July 1, 2005 until his successor is selected.

POLICY COMMITTEE, Anne-Marie Knighton, Chair

(Dr. Stuart Fountain gave the report at the request of Chairman Woody.)

For Action

Proposed Disbursement of Tech Train Certificate of Deposit Monies

On a motion by Dr. Fountain, seconded by Ms. Knighton, the Board approved the disbursement of funds from the CD's held by Tech Train as an alternative to the bonding requirement for a proprietary school in the amount of \$291,146.08. \$279,466.58 was allocated to students who suffered losses during the Tech-Train closure, \$10,000 is to be held in reserve for one year in case of additional claims, and \$1,650 is to be distributed to 11 students for a test voucher.

PROGRAM SERVICES COMMITTEE, Bob Greene, Chair

(Ms. Sandra Hayes gave the report at the request of Chairman Woody.)

For Information

The Board received the following for information.

Special Termination Approval By System President

The following colleges requested and received approval to terminate the programs listed: Asheville-Buncombe Technical CC *Machining Technology/Tool Die and Mold Making* (A5030A), College of The Albemarle *Emergency Medical Science* (A45340) and *Welding Technology* (A50420), and Randolph CC *Community Spanish Interpreter* (A55370) and *Spanish Interpreter* (A55390).

CRC Standard Revision Approval By Vice President

The following curriculum standards were revised to reflect core course revisions by the Curriculum Review Committee on September 15, 2004: *Civil Engineering Technology* (A40140), *Scientific Graphics Technology* (A40360), *Surveying Technology* (A40380), *Manufacturing Technology/Integrated Operations* (A5032C), *Computer-Aided Drafting Technology* (A50150), *Industrial Systems Technology* (A50240), and *Library and Information Technology* (A55310).

For Action

Curriculum Program Applications (FTFA)

On a motion by Ms. Hayes, seconded by Mr. Middlesworth the Board approved curriculum program applications submitted by Central Piedmont CC for *Manufacturing Technology* [A50320] and Vance-Granville CC *Bioprocess Technology* [A50440].

Course of Instruction to Captive/Co-opted Groups/Basic Skills

On a motion by Ms. Hayes, seconded by Dr. Greene, the Board approved Asheville/Buncombe Technical CC to offer BSP R 2000 at Lincs, Central Piedmont CC to offer BSP J 2000 at Mecklenburg County Jail, and Martin CC and Wilkes CC to offer BSP S 2000 at Martin Enterprises and Mountain House respectively.

Course of Instruction to Captive/Co-opted Groups/Continuing Education

On a motion by Ms. Hayes, seconded by Dr. Powell, the Board approved Robeson CC to offer 1 course at Lumberton Correctional Institution, Sandhills CC to offer 2 courses at Hoke Correctional Institution, Western Piedmont CC to offer 4 courses at Foothills Correctional Institution, and Vance-Granville CC to offer 6 courses at Warren Correctional Institution. (See Attachment Prog. 7)

Curriculum Program of Study Revisions for Captive/Co-opted Groups

On a motion by Ms. Hayes, seconded by Dr. Greene, the Board approved a revision to the Air Conditioning, Heating, and Refrigeration (C35100) as requested by Johnston CC to be offered at Johnston Correctional Institution.

Continuing Education Master Course List Criminal Justice Course Revisions Recommended by the Criminal Justice Training Review Committee

On a motion by Ms. Hayes, seconded by Dr. Greene, the Board approved revisions to the Continuing Education Master Course List Criminal Justice Course Revisions as recommended by the Criminal Justice Training Review Committee and adopted by the Economic and Workforce Development Leadership Committee. Those included the addition of *Mandated In-Service Training*-24 hours and revision to 15 non-mandated courses as follows: *Traffic Patrol Ops/Highway Interdiction*-80 hours, *Criminal Investigation*-60 hours, *Law, Liability and Ethics*-80 hours, *Supervision and Management*-300 hours, *Tactical Ops*-72 hours, *Communication*-40 hours, *Sheriffs' Specific Ops*-74 hours, *Correction Specific Ops, Instructor Development*-80 hours, *Community Relations*-40 hours, *Personnel Development*-40 hours, *Security and Enforcement Training*-464 hours, *Animal Handling and Control*-287 hours, *Domestic Preparedness*-40 hours, and *Emergency Response Preparedness*-40 hours. (See Attachment Prog. 9)

FINANCE AND CAPITAL NEEDS COMMITTEE, Herbert L. Watkins, Chair

For Information

The Board received the following for information:

1993 Bond Status Report

The Board received the Bond Status Report as of January 21, 2005 indicating 10% of bond funds committed to a project.

Higher Education Bond Oversight Committee Report – December 13, 2004/ Historically Underutilized Businesses (HUB) State Bond Utilization Report as of September 30, 2004

The Board received the Higher Education Bond Oversight Committee Report as of December 13, 2004 and the Historically Underutilized Businesses 2000 State Bond Utilization Report through September 30, 2004 as presented in Attachment FC-2.

Higher Education Bond Oversight Committee/Bond Funds Expenditures Evaluation - December 13, 2004

The Board received the report to the Higher Education Bond Oversight Committee on Bond Funds Expenditures Evaluation through December 10, 2004 as indicated in Attachment FC-3.

Estimated Receipts

The Board received the Estimated Tuition and Fees Report through December 31, 2004 showing \$98,121,766 or 57.36% collected. This is a decrease of 2.86% from the prior year.

Annual Survey of Fees 2003-04

The Board received the annual survey of optional fees as required by the NCAC 02D .0201 to be reported in December of each year. Optional fees include specific, student activity, computer use and technology, and parking fees. The report indicated the following for the system:

Fee	Expended for 2003-2004	Fund Balance as of June 30, 2004
Computer Use & Technology-Curriculum	\$1,471,054	\$2,138,510
Computer Use & Technology-Continuing Education	66,525	122,950
Student Activity Fees	4,293,752	2,335,621
Parking	2,147,302	1,781,891
TOTALS	\$7,978,633	\$6,378,972

CIS Project Discussion and Implementation Update—Mr. Herbert L. Watkins, Chair

Mr. Watkins reported that the project was proceeding as scheduled, and there were no significant issues that required discussion.

For Action

NCCCS System Conference Contract Modification

On a motion by Mr. Watkins, seconded by Ms. Steiner, the Board approved the modification of the NCCCS Conference Contract with Ms. Q. Elizabeth Isler to be paid from revenues generated by the conference, returning \$12,000 to lapsed salary funds.

Basic Skills Project IDEAL Distance Learning Grants

On a motion with amendment by Mr. Watkins, seconded by Dr. Powell, the Board approved a request for funding in the amount of \$125,700 to operate Basic Skills Project IDEAL Distance Learning projects. The amendment was to change the figure in Attachment FC-10, line one under **Request** from "...\$121,600 for ten..." to read"...\$125,700 for ten...", the correct amount and amount shown in the allocation table. The funds were allocated to Brunswick CC, Central Piedmont CC, Lenoir CC, Mayland CC, Mitchell CC, Nash CC, Reading Connections, South Piedmont CC, Stanly CC, Wilkes CC and Wilson Technical CC. The source of funding is federal funds provided from the US DOE through the Workforce Investment Act, Title II. The allocations are for the period January 21, 2005 through June 30, 2005.

Marketing & Recruiting Print Advertisement Placement Cost (Attachment FC-16)

On a motion by Mr. Watkins, seconded by Ms. Lee, the Board approved \$75,000 to place NCCCS BioNetwork print recruiting advertisements for the period January 21, 2005 through June 30, 2005. The expenditure, in line with the BioNetwork marketing plan has been approved by and will use funds provided by Golden LEAF.

PRESIDENT'S REPORT, H. Martin Lancaster

(The full text of the President's remarks is available on the NCCCS Web site.)

- The President thanked the SBCC for the wonderful opportunity given him for the educational leave. The President used this time to draft the first draft of a personal memoir currently consisting of 300 pages. This will not be published but will be filed at the library at the University of NC in Chapel Hill in the Southern Collection.
- The President extended his thanks to Mr. Williams and the entire staff for their support during his leave.
- Mr. Williams recently represented the NCCCS in his attendance at the 2005 NC Economic Forecast Forum and farewell receptions for Dr. Kathy Johnson and Dr. Mary Wood. He and President Lancaster also attended the NC Legislators Issues Retreat in November.
- Legislative activities have begun, with the President appearing before the Joint Legislative Education Oversight Committee last week, followed the next day by Dr. Stuart Fountain and Peter Hans reporting on the UNC/NCCCS Taskforce. The President appeared this week before the Economic Development Commission regarding priorities and budgets for the coming session.
- Keith Brown, nationally respected in his field, continues to work with the Department of Public Instruction and the University of North Carolina in developing a plan for a K-20 data warehouse that will integrate the information from the three systems.
- The BioTechnology Initiative is going well, and additional funding proposals will be solicited for innovative programs and equipment later in the month. The process of replacing the Z. Smith Reynolds funds has begun. That funding will expire July 1.
- Willa Dickens was welcomed as the new State Director of the Small Business Center (SBC) Network. She comes from Halifax CC where she served as SBC Director, and promises to work with the General Assembly to request additional funding for the SBC Network upgrades.
- Work is ongoing with Senator David Hoyle and textile leaders in the Gaston County area and elsewhere on the NC Textile Center Study Implementation. The implementation is proceeding with their full cooperation.

CHAIR'S REMARKS, James J. Woody, Jr.

- Chairman Woody announced that Dr. Fountain, Dr. Brewer, Mr. Williams and he would not be in attendance at the February meetings as they will be on a community college exchange visit in Thailand.
- Extended best wishes to Dr. Tim Brewer, attending his last official meeting, as he will be assuming a position at Mitchell CC soon. Dr. Brewer has done a great job in his position as Executive Director to the SBCC, and will certainly be missed.
- SBCC Committee members, including Ms. Pinnix-Ragland, Dr. Fountain, Dr. Greene, Ms. Steiner, and Dr. Powell, and System Office staff are to be congratulated for their expeditious work in reviewing and reporting on the Institute of Medicine Taskforce recommendations that were presented and approved at the telephonic meeting last month.

DATES OF NEXT MEETING

- Date of Next Meetings:
February 17, 2005-Raleigh, NC (Committees Meetings begin at 9 a.m. followed by the meeting of the Full Board)

February 16, 2005- The NC Education Governing Boards (Hosted by the Department of Public Instruction at the Wendell Murphy Football Center, NC State University, Raleigh, NC)

ADJOURNMENT

By acclamation, the Board adjourned at 3:40 p.m.

RESPECTFULLY SUBMITTED BY:

Secretary

APPROVED BY:

H. Martin Lancaster, System President

James J. Woody, Jr., *Chair*

Agenda attachments referenced in this document were previously mailed and therefore are not attached to these minutes. If copies are needed, please contact the Office of State Board Affairs, North Carolina Community College System, 200 West Jones Street, Raleigh, NC 27603-1379, (919) 807-6969.