



Approved: January 19, 2007

Preparing North Carolina's World-Class Work Force

**State Board of Community Colleges
Caswell Building, 200 West Jones Street
Raleigh, North Carolina**

December 15, 2006

9 a.m.

(Telephonic)

CALL TO ORDER

Following proper public notification and a determination that a quorum was present, the meeting of the State Board of Community Colleges (SBCC) was called to order by Chair Pinnix-Ragland at 9 a.m. The following members were present:

Hilda Pinnix-Ragland, Chair
Linwood Powell, Vice Chair
Nancy M. Brenner
James W. Daniels
Jimmie E. Ford
Stuart B. Fountain
Raichelle Glover
Bob H. Greene
Gordon "Buddy" Greenwood
Sandra L. Hayes
Anne-Marie Knighton

Estell C. Lee
Chester P. Middlesworth
Treasurer Richard Moore
 Represented by Pam Wortham
Thomas Norman
Lt. Governor Beverly Perdue
 Represented by Mike Arnold
John Shaw, Jr.
B. Joanne Steiner
Norma Turnage
Herbert Watkins

Jonathan R. Smith was unable to attend.

Ms. Pinnix-Ragland, Dr. Powell, Mr. Arnold and Ms. Wortham were in the Board Room and all others attended by telephone.

SUMMARY OF THE CHAIR'S OPENING REMARKS

- The Chair called the roll for the telephonic meeting. Members were thanked for their attendance with 19 members present.

CHANGES IN AND APPROVAL OF AGENDA

The Chair asked whether changes to the agenda were necessary, and none were reported. On a motion by Mr. Ford, seconded by Ms. Steiner, the Board approved the agenda.

REGULAR AGENDA

PROGRAM SERVICES COMMITTEE, Norma B. Turnage, Chair

For Action

2006-2007 Community College Program Start-up Grant Awards

Ms. Turnage moved, Mr. Middlesworth seconded, and the Board approved a total allocation of \$375,000 to be distributed as outlined in Attachment Prog. 1 to Asheville-Buncombe Technical CC, Central Piedmont CC, Sandhills CC, and Stanly CC. The funding source is non-recurring special funds appropriated by the 2006 session of the NC General Assembly to help colleges start up new and innovative curriculum programs. The grant awards are held to an implementation timeline of June 30, 2007.

FINANCIAL AND CAPITAL NEEDS COMMITTEE, Herbert Watkins, Chair

For Action

Golden LEAF Scholars Program - Two-Year Colleges

Mr. Watkins moved, Ms. Lee seconded, and the Board approved a grant agreement with the Golden LEAF Foundation awarding the NC Community College System \$500,000 for the Golden LEAF Scholars Program for the fiscal period January 1-December 31, 2007. Staff was asked to look at the last two times this grant was administered to determine whether colleges were unable to fund students because of the first come, first served methodology. Depending on the outcome of that study we may recommend a change to the method of awards. Mr. Briggs and Dr. Parker have begun discussions related to this.

For Action

Synopsis of Findings in Response to Allegations Made with Respect to Blue Ridge Community College

Following a review and discussion of the report that “Synopsis of Findings in Response to Allegations Made with Respect to Blue Ridge Community College” prepared by David J. Sullivan and Richard Sullins, Dr. Powell read a proposed resolution. He then moved for approval, and Mr. Greenwood seconded. Chair Pinnix-Ragland called for discussion, and a motion by Dr. Fountain, seconded by Ms. Steiner, was approved by the Board to amend the eighth “Whereas” to ...but have neglected to reprimand the President of Blue Ridge Community College ... A second motion made by Dr. Fountain, seconded by Mr. Daniels, was approved to amend the third “Resolved” to include the second enumerated item Blue Ridge Community College shall immediately cease and desist from using state funds for any purpose that either directly or indirectly supports the operation of intercollegiate athletic programs; and. A third motion to amend the amended motion by Dr. Fountain, seconded by Mr. Daniels, and approved by the Board changed the eighth “Whereas” to ...neglected to take appropriate actions to correct others failures that have been...

Following the inclusion of the three proposed amendments, the main motion offered by Dr. Powell and seconded by Mr. Greenwood was approved as amended in a roll call vote with eighteen (18) cast for and one (1) against. The approved resolution follows:

**A Resolution of the
State Board of Community Colleges**

Whereas, the North Carolina General Assembly has given the State Board of Community Colleges the authority to adopt and execute such policies, regulations, and standards concerning the establishment, administration, and operation of the institutions comprising the North Carolina Community College System, and which the State Board has done through Title 23 of the Administrative Code, and

Whereas, the State Board of Community Colleges has the legal and moral obligation to both the students and taxpayers to ensure that local boards of trustees are maintaining prescribed standards of administration and instruction and that the taxpayer's money and student tuition and fees are being spent in accordance with the law, and

Whereas, the State Board of Community Colleges acknowledges the tremendous value of autonomous Boards of Trustees, the responsiveness and flexibility they bring to the Community College System and the benefits that the citizens of North Carolina have reaped under a balanced system of State and local control for almost fifty years, and

Whereas, the effectiveness of an institution is dependent on the effectiveness of its board of trustees which is itself dependent on the board of trustees' ability to retain the support and good will of the entire community for which it holds the college in trust, and

Whereas, the Trustees of Blue Ridge Community College have failed in their obligations to oversee and supervise the actions of the College President in the operation of its intercollegiate athletics programs, resulting in material findings by the Office of the State Auditor, the North Carolina Community College System, and by the Trustees themselves, and that such failures led directly to a depletion of financial reserves that could have benefited significant numbers of students in Henderson and Transylvania counties, and

Whereas, the Trustees of Blue Ridge Community College are ultimately responsible for these failures, and

Whereas, these failures include violations of the Constitution of the State of North Carolina, the North Carolina General Statutes, the North Carolina Administrative Code, and the Code of Federal Regulations, and

Whereas, the Trustees of Blue Ridge Community College have implemented some corrective measures to address these failures, but have neglected to reprimand the President of Blue Ridge Community College and have neglected to take appropriate actions to correct other failures that have been documented by official findings and which continue to this day, be it therefore

Resolved, that the State Board of Community Colleges does hereby find such conduct to be contrary to law as well as the spirit and the traditions of the North Carolina Community College System, and be it further

Resolved, that the State Board of Community Colleges does hereby censure and condemn the failures of the Trustees of Blue Ridge Community College to provide proper oversight of its College President in the management and administration of the College in accordance with statutory law, administrative regulation, and policies adopted by the Board, and be it further

Resolved, that as a consequence of this censure, that the State Board of Community Colleges directs that

1. The Trustees of Blue Ridge Community College make full and complete restitution to the State of North Carolina of those state funds that have been misdirected to support the operation of its intercollegiate athletics programs since January 1, 2002;
2. Blue Ridge Community College shall immediately cease and desist from using state funds for any purpose that either directly or indirectly supports the operation of intercollegiate athletic programs; and
3. The Trustees of Blue Ridge Community College recover the fair market value for the use of college athletic facilities for private athletic activities that its coaches have conducted using those facilities.

The amount of restitution and recovery is to be determined jointly by the Chief Financial Officers of the North Carolina Community College System and Blue Ridge Community College, and reported to the State Board of Community Colleges no later than January 31, 2007.

Adopted on this 15th day of December, 2006, in the City of Raleigh.

Hilda Pinnix-Ragland
Chair

H. Martin Lancaster
System President

During the discussion, two related items received clarification. First, the legislatively-mandated salary increase for President Sink for the 2006-07 fiscal year will continue to be withheld until all issues in the resolution are resolved. Further, after lengthy discussion with the Attorney General's office, it was opined that the State Board has the authority to approve and disapprove the election of a president. However, there is no provision in law that supports the withdrawal of approval by the State Board once the election has been approved. Steps can be taken to move the Board in this direction allowing them to propose exercising such authority, and the Policy Committee may wish to review this at a future meeting.

Dr. Powell moved, Dr. Greene seconded, and the Board approved to instruct the System Office to communicate with all local trustees a synopsis of the State Board's action, the justification of this unprecedented action, along with a copy of the resolution.

SUMMARY OF CHAIR PINNIX-RAGLAND'S CLOSING REMARKS

- Announced that David Sullivan would be the spokesperson for any questions directed to the State Board in reference to the Blue Ridge CC Report and Resolution.
- Thanked the members for their attendance during a busy time of year and extended wishes for a safe holiday season for the SBCC members, NCCCS staff, and their families.

DATE OF NEXT MEETING

January 18-19, 2006 - NCCCS, 200 West Jones Street, Raleigh, NC

OTHER BUSINESS ITEMS/COMMENTS

The Chair asked for other business or comments. Upon determining there was no further business to be discussed, she called for a motion to adjourn.

ADJOURNMENT

On a motion by Mr. Middlesworth, seconded by Ms. Steiner, and approved by the Board, the meeting adjourned at 10:20 a.m.

RESPECTFULLY SUBMITTED BY:

Secretary

APPROVED BY:

H. Martin Lancaster, System President

Hilda Pinnix-Ragland, 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.