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***Preparing North Carolina's World-Class Work Force***

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

**August 17, 2007  
9 a.m.**

**CALL TO ORDER**

In the absence of Chair Pinnix-Ragland, Vice Chair Powell presided over the meeting. 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 Dr. Powell at 9 a.m. He welcomed those in attendance. The following members were present:

Linwood Powell, Vice Chair  
James W. Daniels  
Jimmie E. Ford  
Stuart B. Fountain  
Raichelle Glover  
Bob H. Greene  
Gordon "Buddy" Greenwood  
Estell Lee Harrelson  
Sandra L. Hayes  
Thomas Houlihan  
Anne-Marie Knighton

Chester P. Middlesworth  
Treasurer Richard Moore  
Represented by Pam Wortham  
Bently C. Pagura  
Lt. Governor Beverly Perdue  
Represented by Will Polk  
John Shaw, Jr.  
B. Joanne Steiner  
Norma Turnage  
Herbert L. Watkins

The following members were unable to attend: Hilda Pinnix-Ragland and Nancy M. Brenner.

Dr. Powell welcomed Will Polk who attended representing Lieutenant Governor Perdue.

**ETHICS AWARENESS AND IDENTIFICATION OF CONFLICTS OF INTEREST**

Dr. Powell advised members of the ethical requirements for those who serve as public servants and requested they identify any conflicts of interest present. Having so requested and hearing none identified, he asked that the record reflect no conflicts of interest were identified.

**APPROVAL OF MINUTES**

Mr. Middlesworth moved, Mr. Ford seconded, and the minutes of the July 20 SBCC meeting were approved.

## **CHANGES IN AND APPROVAL OF AGENDA**

The Board suspended the rules and approved amending the agenda based upon Committee recommendations as follows. Dr. Fountain presented a motion, seconded by Mr. Daniels, to move to action Attachments Pol.1, Pol. 2, Pol. 3, and Pol. 4. Mrs. Turnage moved and Ms. Hayes seconded, to move to action Attachments Prog. 3, Prog. 4, and Prog. 5. Dr. Powell granted a request by Mrs. Harrelson to remove FC-8 from the action agenda. Mrs. Harrelson further requested and Mr. Shaw seconded to remove Attachment FC-19 from the consent agenda to action on the regular agenda. Dr. Powell granted a request by Mr. Shaw to remove Attachment Aud. 1 from the agenda. Motions were made and approved to restructure the order of standing committee reports as follows: Finance, Personnel, Program Services, and Policy. Motions were made respectively by Ms. Harrelson seconded by Ms. Hayes, Mr. Ford seconded by Mr. Middlesworth, Ms. Turnage seconded by Ms. Hayes, and Dr. Fountain seconded by Ms. Glover. Mr. Shaw then moved, Mr. Daniels seconded, and the Board approved the agenda and reporting order of the standing committees as amended.

## **APPROVAL OF THE CONSENT AGENDA**

Mr. Ford moved, Ms. Harrelson seconded, and the consent agenda was approved as amended. The consent agenda included the items that follow.

### **POLICY COMMITTEE, Dr. Stuart Fountain, Chair**

#### Approval of Proprietary Schools

The Board approved proprietary school applications from the Divine Health Academy in Charlotte, More Than Conquerors College-Career Technologies in Charlotte, and Sandhills Dental Career Center, Inc. in Aberdeen for programs as outlined in Attachment Pol. 6.

### **PROGRAM SERVICES COMMITTEE, Ms. Norma Turnage, Chair**

#### Curriculum Standard Application (NS)

As recommended by the Transfer Advisory Committee, the Board approved the pre-major *Associates in Arts/Special Education* [A1010x] under the Associate in Arts degree that is new to the System.

#### Customized Industry Training 2006-2007 Annual Report

The Board approved the *Customized Industry Training 2006-2007 Annual Report* as presented in Attachment Prog. 10 that is to be presented to the Joint Legislative Education Oversight Committee on September 1, 2007.

#### New and Expanding Industry Training 2006-2007 Annual Report

The Board approved the *New and Expanding Industry Training 2006-2007 Annual Report* as presented in Attachment Prog. 11 that is to be presented to the Joint Legislative Education Oversight Committee on September 1, 2007.

#### Curriculum Program Application (FTFA)

The Board approved the curriculum program *Recreation and Leisure Studies* [A55360] to be offered at Davidson County CC on the condition that equipment funds are available to

the college and operating funds generated by the budget formula will permit the offering.  
(See Attachment Prog. 12)

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

The Board approved the following:

COMMUNITY COLLEGE	FACILITY	MATRIX CLASS.	COURSE NUMBER	COURSE TITLE	CONTACT HOURS
College of The Albemarle	Pasquotank Correctional Institution	3	GRD P 3000	Digital Embroidery Design	288
Durham TCC	Federal Correctional Institution II	**	TEX P 3103	Industrial Sewing	192
Durham TCC	Federal Medical Center	**	NUR P 3240	Nurse Aide Level I (Nurse Aide I)	192
Roanoke-Chowan CC	Rivers Correctional Institution	3	AHR P 3131	Heating and Air Conditioning (Air Conditioning, Heating, and Refrigeration)	288
Western Piedmont CC	Western Youth Institution		MLS P 3871	REAL (Small Business Entrepreneur Series)	32

Continuing Education Master Course List – Course Approvals

The Board approved the following additions to the Continuing Education Master Course List:

COURSE NUMBER	COURSE TITLE	RECOMMENDED HOURS	PROGRAM AREA
CAR3003	Home Inspector – Pre-Licensure	150	R05 – Building Codes/ Inspections
DIA3100	Dialysis Technology	110	L30 – Health Occupations
REA3801	Basic Appraisal Principles	30	F75 – Real Estate
REA3802	Basic Appraisal Procedures	30	F75 – Real Estate
REA3803	National USPAP	15	F75 – Real Estate
REA3804	Residential Market Analysis	15	F75 – Real Estate
REA3805	Appraiser Site Valuation	15	F75 – Real Estate
REA3806	Sale Comparison & Income	30	F75 – Real Estate
REA3807	Appraiser Report Writing	15	F75 – Real Estate
REA3808	Statistics and Finance	15	F75 – Real Estate
REA3809	Advance Residential Apps	15	F75 – Real Estate
REA3810	Emerging Appraisal Issues	20	F75 – Real Estate

**FINANCE AND CAPITAL NEEDS COMMITTEE, Mr. Herbert Watkins, Chair**

CORD Service Agreement for Vocational and Technical Education Faculty (Contract Renewal)

The Board approved the final year of a three year contract with the Center for Occupational Research and Development (CORD) for maintaining and expanding the NC Network for Excellence in Teaching (NC-NET) to enhance the delivery of professional development to vocational and technical education faculty. The contract will not exceed \$150,000 and is for the period September 1, 2007-June 30, 2008.

CORD Contract Amendment for Student Development Services

The Board approved a contract amendment with the CORD for the purpose of completing the final year of a three year initiative to develop and provide on-line professional development

programs for student development services personnel. The contract not to exceed \$120,000 is for the period September 1, 2007-June 30, 2008.

Allocation Request to Fund Three Regional Centers for Teaching Excellence 2007-2008

The Board approved a total allocation of \$105,000 to continue support of three regional Centers for Teaching Excellence, one each at Fayetteville TCC, Martin CC, and Southwestern CC, and will provide \$35,000 to each for 2007-2008. (See Attachment FC-12)

2007-2008 Professional Development Activities Grants (State Leadership Activities) The Board approved \$240,500 for 11 Professional Development Activities Grants (State Leadership Activities) for 2007-2008 to be distributed to Caldwell CC & TI, Central Carolina CC, Central Piedmont CC, Forsyth TCC, Johnston CC, Piedmont CC, Robeson CC, Sampson CC, South Piedmont CC, Vance-Granville CC, and Wake TCC for the amounts outlined in Attachment FC-13.

Contractual Services - Project Management Services - Extend ITS Memorandum of Understanding

The Board approved an extension of the Memorandum of Understanding with State Information Technology Services for short-term project management services as outlined in Attachment FC-14 through June 30, 2008. The additional cost is not to exceed \$123,544.

Final Two Percent Transfer Restriction for 2006-07

The Board approved the final *NCCCS Curriculum and Noncurriculum Salary and Fringe Benefits Allowable Two Percent Transfer Totals for Fiscal Year 2006-2007* as outlined in Attachment FC-15.

North Carolina State Education Assistance Authority (Contract Renewal)

The State Board approved a contract renewal with the North Carolina State Education Assistance Authority for the purpose of administering the NCCC Grant Program. The contract shall not exceed \$139,812 and is for the period July 1, 2007-June 30, 2008.

Construction/Property/Bond Authorization Report

The Board approved the *Construction and Property Report* and the *Bond Authorization Report as of August 17, 2007*. (See Attachment FC-18)

**REPORTS/PRESENTATIONS**

**NC Association of CC Presidents (NCACCP) Report, Dr. Patricia Skinner**

- Dr. Skinner, thanked outgoing president, Dr. Don Reichard, for his leadership for 2006-2007, who distributed Association accomplishments to the SBCC members for 2006-2007.
- Dr. Skinner shared the leadership positions for 2007-2008 for NCACCP as follows:

Officers	President	Community College
President	Dr. Patricia Skinner	Gaston College
Vice President and President-Elect	Dr. Stephen Scott	Wake TCC
Treasurer	Dr. Ron Lingle	Coastal Carolina CC
Secretary	Dr. Robert Keys	Rockingham CC
Past President	Dr. Don Reichard	Johnston CC
Committee Chairs		
Finance	Dr. Mary Rittling	Davidson County CC
Legislative	Dr. Don Cameron	Guilford TCC

Personnel	Dr. Dennis Massey	Pitt CC
Programs	Dr. Ann Britt	Martin CC
Professional Development	Dr. Bill Aiken	Sampson CC
Technology	Dr. Lawrence Rouse	James Sprunt CC

- Dr. Skinner shared the issues/challenges identified for the coming year that included: (1) Establishing a New President's Institute working in conjunction with Dr. Donny Hunter and NCACCT; (2) following up on the new Board of Nursing rules that will require NLN accreditation and higher faculty credentials that will require additional funds for these important initiatives; (3) succession planning and attracting viable candidates particularly in senior level positions on college campuses; (4) reviewing policies related to the implementation of Learn and Earn Online high school enrollments; and, (5) reviewing the curriculum application and approval process. Additional issues and challenges will include working on the FTE funding formula, the criteria for the facility grants, development of the 2008 budget and implementation of the facility master plans, and Dr. Mary Kirk will head a subcommittee to further examine marketing our colleges.

On behalf of the SBCC, Dr. Powell welcomed Dr. Skinner and congratulated Dr. Reichard on the outstanding leadership he provided during the previous year.

#### **NC Association of CC Trustees, Ms. Helen Newsome, President**

(Dr. Donny Hunter, NCACCT Executive Director, reported in the absence of Ms. Newsome.)

- Dr. Hunter thanked the SBCC for their endorsement of the Cabinet he proposed and said that tentatively the Cabinet's first meeting will be held around the Leadership Conference to be held at the end of October.
- There will also be an organizational meeting of the NCCC Attorneys at the October conference. This will provide an excellent opportunity for those attorneys to come together to discuss and learn more about the legal challenges and issues attorneys are facing throughout the State, and discuss the possibilities of forming an association.

#### **N4CSGA, Mr. Bently Pagura, President**

- Mr. Pagura reported that N4CSGA officer training will take place at Durham TCC on September 29th with workshops on event planning and team building for all delegates and individual officer training to assist local N4CSGA executive boards.
- The N4CSGA Fall Conference will be held October 19-21; therefore, Mr. Pagura will be unable to attend the State Board Retreat in October. He extended an open invitation to board members to attend and participate in the many workshops planned for the conference to be held at the High Point Radisson.
- The new N4CSGA website is up and running and members were encouraged to look at the site located at [www.N4CSGA.org](http://www.N4CSGA.org). Areas of the site are still being developed.

### **Retirement of Ken Whitehurst**

On behalf of the SBCC, Dr. Powell recognized Mr. Ken Whitehurst who after many years of service, will be retiring soon and was attending his last SBCC meeting before retirement.

### **REGULAR AGENDA**

#### **FINANCIAL AND CAPITAL NEEDS COMMITTEE, Herbert Watkins, Chair**

(In the absence of Chair Watkins, the report was given by Vice Chair Harrelson.)

#### **For Information**

The Board received the following for information:

##### **Higher Education Bond Oversight Committee Report**

The 2000 State Bond Funds Report to the Higher Education Bond Oversight Committee to be presented on August 20, 2007 was provided as Attachment FC-1 to the SBCC for their review.

##### **CIS Project Discussion and Implementation Update**

Ms. Harrelson asked Dr. Sandra Williams to provide a CIS update. Dr. Williams shared that two milestones were completed in August for the CIS Project. All 18 Phase 2-C colleges are live with CIS and will be registering students for Fall semester through that system. All 58 colleges are now live with CIS and the original implementation has been completed. In terms of Release 18, a DVD has been delivered to each of the colleges two weeks ahead of schedule enabling colleges to have two additional weeks of testing and placing the System ahead of schedule on the migration of Release 18.

#### **For Future Action**

##### **Increasing Student Activity Fees**

Ms. Harrelson asked that Mr. Briggs provide the Board with additional information on a request for the increase in student activity fees. Mr. Briggs shared that the \$38 cap on student activity fees had not been increased in over 20 years, and at the request of the Financial and Capital Needs Committee in 2002, a study was done on the fees and again in a 2006 survey regarding the number of colleges charging fees, their purpose, and the allocation of the fees. After this data was compiled for the NCACCP, they voted to request that the Division of Business and Finance seek SBCC approval to remove the \$38 cap. The Division then developed models for the results if the fees were increased to \$48, \$57, or \$75 for the Board's review as they consider this item for future action. (See Attachment FC-3)

#### **For Action**

##### **The North Carolina CC System Scholarship and Grant Projections for 2007-2008**

Ms. Harrelson moved, Ms. Steiner seconded, and the Board approved Attachment FC-4 The North Carolina CC System Scholarship and Grant Projections for 2007-2008. The attachment included all projected awards for 2007-2008.

Notice of Renewal and Amendment to the WorkKeys Assessment Use and Express Score License Agreement With ACT Value-Added Reseller (VAR)

Ms. Harrelson moved, Mr. Shaw seconded, and the Board approved an amendment to the WorkKeys Assessment Use and Express Score License Agreement with ACT VAR's that removed all contract automatic renewal provisions, specified the licensing fee is \$2,500 for 2007-2008 and will be deducted from the credit that NCCCS has with ACT, waived fees imposed upon colleges as a satellite site, and clarified that NCCCS may continue to draw down and score against the balance of funds. (See Attachment FC-5)

Service Agreement for BioNetwork Grant Evaluator, Dr. Pamela George

Ms. Harrelson moved, Ms. Steiner seconded, and the Board approved a professional service agreement for the BioNetwork Grant Evaluator, Dr. Pamela George. The contract is not to exceed \$61,750 (1,235 hours at \$50 per hour) and is for the period August 1, 2007-June 30, 2008. The tasks and deliverables are listed in Attachment FC-6.

Contract With the NC Biotechnology Center

Ms. Harrelson moved, Mr. Shaw seconded, and the Board approved a contract in the amount of \$25,000 with the NC Biotechnology Center to act as fiscal agent for the marketing committee of the Biomanufacturing and Pharmaceutical Training Consortium (BPTC). The contract is for the period August 1, 2007-June 30, 2008. (See Attachment FC-7)

Request for use of State Board Reserve Funds – Consultant Services, Pursuant to Goal 2, 2007-2009 North Carolina CC System (NCCCS) Strategic Plan

Ms. Harrelson moved, Ms. Steiner seconded, and the Board approved to authorize President Lancaster to award a contract to a consulting firm to perform a supplementary gap analysis to validate educational and program gap areas identified in the HB 1264 Report, *Staying a Step Ahead: Higher Education Transforming NC's Economy* and develop a gap analysis to be maintained by the NCCCS staff for long term use. The agreement will cover the period of September 1, 2007-June 30, 2008. The cost is not to exceed \$50,000 and will be funded using State Board Reserve funds. (See Attachment FC-9)

Tuition Increase for 2007-08

Ms. Harrelson moved, Ms. Steiner seconded, and the Board approved to implement the tuition increases for fiscal year 2007-2008 at the rates approved by the General Assembly in the 2007 Appropriations Act, retroactive to July 1, 2007. (See Attachment FC-17)

2007-2008 Budget Allocations

Ms. Harrelson asked Mr. Briggs to discuss the budget. Following that discussion, Ms. Harrelson moved, Mr. Ford seconded, and the Board approved the policy matters and guidelines in Attachments FC-19 and FC-19-1 and the allocations in FC-19-2. The budget and policy issues in the *2007 Appropriations Act* were listed in Attachment FC-19 and 19-1 and explained by Mr. Briggs. Attachment FC-19-2 included the budget allocations for the System totaling \$1,081,746,159.

Dr. Fountain thanked and congratulated Mr. Briggs and his staff including Ms. Smith, Ms. Dishner, and Ms. Van Metre for their excellent work with the budget. Dr. Powell echoed those remarks and shared that on behalf of the SBCC, he would like to thank the Legislature for those funds received, as well as NACCP, NACCT, N4CSGA, and SBCC members who worked on behalf of the System to communicate the NCCCS budgetary needs.

## **PERSONNEL COMMITTEE, Linwood Powell, Chair**

(Ms. Steiner gave the report since Dr. Powell was presiding in Ms. Pinnix-Ragland's absence.)

Ms. Steiner moved, Mr. Daniels seconded, and the Board convened in closed session to discuss personnel issues. Following the Board's discussion, it reconvened in open session.

### Interim President of Asheville-Buncombe Technical CC

Ms. Steiner moved, Mr. Daniels seconded, and the Board approved Mr. Richard Mauney as the interim president of Asheville-Buncombe TCC through August 31, 2007.

### President of Asheville-Buncombe Technical CC

Ms. Steiner moved, Ms. Harrelson seconded, and the Board approved Dr. Betty Young as president of Asheville Buncombe TCC effective September 1, 2007.

### Salary Increases for EPA Positions

Ms. Steiner moved, Mr. Middlesworth seconded, and the Board approved two salary increases. The Board approved to increase the salary of the Executive Director of the State Board Richard Sullins to \$75,000 annually and to General Counsel David Sullivan to \$90,000 annually. Both increases are to be effective retroactive to August 1, 2007.

### Update on College Presidential Searches

Ms. Steiner asked Mr. Sullins, Executive Director of the State Board, to discuss this item and the two that follow. Mr. Sullins stated that there were still eight presidential searches ongoing. Four assessments are expected in September and if all goes according to plan, it is hoped all will be completed by November with the exception of Bladen.

### Evaluations of College Presidents

Mr. Sullins provided an update on the evaluations of college presidents required by June 30<sup>th</sup> of each year in the NC Administrative Code. It was reported last month that all but two colleges had complied. Those colleges have since reported and all presidential evaluations for 2006-2007 are now complete.

### Process for the Evaluation of the System President

Mr. Sullins distributed the forms to evaluate the System President to members of the Board. Members should return their form to the Chair by or before the September meeting so that she can compile them and they can be shared with President Lancaster at the October retreat.

## **PROGRAM SERVICES COMMITTEE, Norma B. Turnage, Chair**

### **For Information**

The Board received the following for information:

### Special Application Approvals By System President

The following colleges requested and received approval to offer the programs listed: Catawba Valley CC *Information Systems Security* [A25270], Central Piedmont CC *Early Childhood Infant/Toddler Care (Certificate)* [C55290], and Pitt CC *Information Systems Security/Security Hardware* [A2527B].

### Special Termination Approvals By System President

The following colleges requested and received approval to terminate the curriculum programs listed: Brunswick CC *Air Conditioning, Heating, and Refrigeration Technology* [A35100], *Business Administration/Electronic Commerce* [A2512I], and *Real Estate* [A25400]; and, Central Carolina CC *Dialysis Technology (Diploma)* [D45300].

### **For Future Action**

#### Curriculum Program Application (NS)

The Board will be asked to approve a new-to-the-system curriculum program *Alternative Energy Technology: Biofuels* [A20xxx] as requested by Central Carolina CC. (See Attachment Prog. 6)

#### Curriculum Standard Revision

The Board will be asked to approve revisions to the curriculum standard for *Machining Technology* [A50300] as requested by Nash CC. (See Attachment Prog. 7)

### **For Action**

#### Attachments Prog. 3, Prog. 4, and Prog. 5

Ms. Turnage shared that Attachments Prog. 3, Prog. 4, and Prog. 5 were individually reviewed by the Programs Services Committee and deemed to be in order. She then moved for approval, Mr. Middlesworth seconded, and the Board approved the motion that included:

#### 2007 Cooperative/Innovative High School Programs Revisions (Part I)

The Board approved two applications for designation as Cooperative/Innovative High School Programs and to grant exemptions as outlined in Attachment Prog. 3 as requested by Guilford TCC for The Academy at James Benson Dudley High School and by Richmond CC for the Scotland Early College High School.

#### Small Business Center Network Program Guidelines

The Board approved a revision to the SBCN guidelines that enhance program structures and increases local flexibility as presented in Attachment Prog. 4.

#### Memorandum of Agreement between NCCCS and UNC with respect to Small Business Assistance Programs and Services Provided through the CCs' Small Business Centers (SBCs) and the University's Small Business and Technology Development Center (SBTDC)

The Board approved a Memorandum of Agreement between NCCCS and UNC with respect to small business assistance programs and services provided through the CCs' SBCs and the University's SBTDC to reiterate the coordination of the small business assistance programs provided through them as presented in Attachment Prog. 5.

#### Curriculum Program Application

Ms. Turnage stated that the Program Services Committee had discussed in great detail a request from Robeson CC to offer the Practical Nursing (Diploma) [D45660] on its

campus. Reviewing the background, she said the Academic and Student Services staff had found the application to be in order according to the current procedures and protocol and recommended approval based upon that assessment. However, there had been two objections to the application. The objection from Richmond CC had been resolved but one submitted by Bladen CC had not, and the appeals process was initiated. At the July meeting, the Committee agreed to allow the item to proceed to the August agenda for action but requested both presidents provide additional data and meet in the interim to seek resolution and strongly consider the possibility of a collaborative agreement. Both reported they were given the same instructions from their Boards, to proceed as they had initially, and no resolution was reached. Ms. Turnage said several factors remain that caused the Committee to carefully consider a recommendation to the full Board. Those factors included: Additional data requested had not been provided; the study required in the last legislative session to review the policy and procedures by which programs are approved directly relates to this approval decision; and, that while a quorum was present at both Committee meetings, only three Committee members (including the Committee Chair) had heard the discussion at both meetings. Following a lengthy discussion, the Program Services Committee approved a motion to move the item forward requiring the presentation of this report with a recommendation for approval. Ms. Turnage moved for approval of the Practical Nursing program for Robeson CC and Mr. Middlesworth seconded the motion. Discussion followed regarding the implications of this decision, the fact that time is not a pressing factor, and the study related to program approvals. Dr. Houlihan made a substitute motion to table the issue and refer it back to the Program Services Committee for further discussion. Dr. Fountain seconded the motion, and it was unanimously approved by the Board. (See Attachment Prog. 8)

## **POLICY COMMITTEE, Dr. Stuart Fountain, Chair**

### **For Future Action**

#### Approval of Proprietary School

The Board received a request to consider at a future date approval of licensure for a proprietary school at the Atlantic Coast Healthcare Institute in Raleigh to offer the *Medical Assistant* and *Phlebotomy* programs.

### **For Action**

Initiate the Rule-making Process to Amend 23 NCAC 02C .0305 “Education Services for Minors” (Attachment Pol. 1); Initiate the Rule-making Process to Amend 23 NCAC 02D .0325 “Limitations in Reporting Student Membership Hours” (Attachment Pol. 3); Initiate the Rule-making Process to Amend 23 NCAC 02D .0202 “Tuition and Fees for Curriculum Programs” (Attachment Pol. 2); and, Initiate the Rule-making Process to Amend 23 NCAC 02E .0405 “Training for Public Safety Agencies” (Attachment Pol. 4)  
Dr. Fountain reported that Attachment Pol. 1 and Pol. 3 were needed primarily to meet the requirements of the new Learn and Earn program, Attachment Pol. 2 clarifies tuition refunds if a student withdraws from a program or one is cancelled, and Attachment Pol.4 relates to whether FTE is supplanting in training for public safety agencies and clarifies

who has the responsibility for that training and whether it qualifies for FTE credit. He then made a single motion approval of the requested changes, Mr. Daniels seconded and the Board approved.

## **ACCOUNTABILITY AND AUDIT COMMITTEE, Mr. John Q. Shaw, Jr., Chair**

### **For Information**

The Board received the following for information:

#### Accountability and Audit Committee Update

Mr. Shaw reported that the Charter was removed pending additional revisions and will be brought back to the next meeting. Mr. Shaw asked Ms. Van Metre to provide members with an overview of the bills recently passed by the Legislature that will affect the Accountability and Audit Committee. Ms. Van Metre shared there were three bills including HB 1551 *The State Governmental Accountability and Internal Control Act*, HB 1401 *The NC Internal Audit Act*, and SB 1132. The latter established a Program Evaluation Division in the General Assembly that has broad investigative powers to evaluate programs overall. HB 1551 recognized the need to have policy on internal control; however, the Assembly later separated all references to internal audit from HB 1551 and created HB 1401 that requires each State Agency have an internal auditor on staff. Funding was only provided for the Internal Audit Act which allowed \$686,000 to OSBM for start-up.

President Lancaster said considering the impact of these bills, he should share that this is clearly a mandate without funding. We can handle the requirement for an internal auditor in the System Office; however, there simply is no way that we can handle a mandate that includes all of the colleges because it would require significant funding to hire an estimated 100+ auditors at \$90,000 each, requiring \$9,000,000 to comply. It is also important to ensure that if funding is provided, it is not at the expense of another priority. He reiterated that this issue, along with the fact that the NCCCS receives only eight percent (8%) of the educational dollars, will be the critical legislative issues for NCCCS in the upcoming year.

## **PRESIDENTIAL SEARCH COMMITTEE, Mr. Herbert L. Watkins, Chair**

(In the absence of Mr. Watkins, Vice-Chair Turnage provided the report)

### Committee Update

Ms. Turnage stated that the Presidential Search Committee met on August 16. The first order of business was to dispel a rumor that the Committee is merely a formality and that the new System President has already been selected. NCACCP President Skinner was invited to come at a time deemed appropriate to ask pertinent questions during the elimination portion of the search, but will not be a committee member or have voting power. Applications will be due no later than September 14; the consultant will combine and present a summary of all applicants to the Committee on September 28, and the Committee will meet on October 2 to begin the process of narrowing down the list to approximately five applicants for first round interviews. The Committee plans to present the final three applicants at the November meeting.

## **NEW BUSINESS**

Dr. Powell called for any new business. Hearing none, he called upon the President for his report.

### **PRESIDENT'S REPORT, H. Martin Lancaster**

*(The full text of the President's report is available on the NCCCS Web site. The following items from that report were highlighted.)*

- Given the hour, President Lancaster referred members to his written report, but did wish to recognize Ken Whitehurst for his outstanding service to the NCCCS and wished him well in his upcoming retirement. Mr. Whitehurst has done a wide range of work since coming to the System Office from Piedmont CC eight (8) years ago. That work has been primarily in the area of student related issues and particularly with the *New Schools* project where he has been a leading voice and highly respected by all involved.
- President Lancaster said that with the ongoing presidential searches, he learned statistics that might be of interest to the SBCC. Of the 58 current presidents, only 17 were in the System when the President began his tenure with the NCCCS in 1997. Since then, 58 college presidential searches have taken place. Twenty-two of the 41 new presidents came from within NC; therefore, half are bringing new ideas and cultures to our education and workforce training.

### **SUMMARY OF CHAIR 'S CLOSING REMARKS**

- Information on the retreat will be forthcoming by e-mail that will require a timely response by members of the Board. Members are encouraged to attend the retreat to be held at Halifax CC. This will give members the opportunity to see the progress that has occurred over the past year and witness the installation of their new president, Dr. Ervin Griffin, Sr., that will take place during our visit.
- The next meeting will be held in Raleigh on September 20-21.

## **ADJOURNMENT**

Mr. Shaw moved, Ms. Hayes seconded, and the Board approved to adjourn the meeting at 11:25 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 CC System, 200 West Jones Street, Raleigh, NC 27603-1379, (919) 807-6969.