



Preparing North Carolina's World-Class Work Force

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

**July 20, 2007
9 a.m.**

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. She welcomed those in attendance. The following members were present:

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

Thomas Houlihan
Chester P. Middlesworth
Treasurer Richard Moore
Represented by Pam Wortham
Lt. Governor Beverly Perdue
Represented by Mike Arnold
John Shaw, Jr.
B. Joanne Steiner
Herbert L. Watkins

The following members were unable to attend: Stuart B. Fountain, Estell Lee Harrelson, Anne-Marie Knighton, Bently C. Pagura, and Norma Turnage.

ETHICS AWARENESS AND IDENTIFICATION OF CONFLICTS OF INTEREST

Chair Pinnix-Ragland 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, the Chair asked that the record reflect no conflicts of interest were identified.

ELECTION OF OFFICERS, Dr. Bob Greene, Chair

The Chair asked that Dr. Greene as Chair of the Nominating Committee preside over the meeting during the election of officers. Dr. Greene, stated that the Committee of Ms. Harrelson, Ms. Steiner, and himself wished to place on the ballot the names of Ms. Pinnix-Ragland as Chair and Dr. Powell as Vice-Chair of the SBCC for 2007-2009. Dr. Greene shared that both Ms. Pinnix-Ragland and Dr. Powell had indicated a willingness to serve. Hearing no nominations from the floor, both candidates were elected unanimously in separate votes. Dr. Greene commended both of them for the outstanding leadership they had displayed since elected two years ago.

Chair Pinnix-Ragland and Dr. Powell thanked the Board for their support and vote of confidence.

ADMINISTERING OATH OF OFFICE

G. Thomas Houlihan, elected by the House to serve his first term on the SBCC from 2007-2013, and G. Gordon "Buddy" Greenwood, elected by the Senate to serve his second term from 2007-2013, were administered the oath of office by NC Supreme Court Justice Robert Holt Edmunds.

INTRODUCTION OF FAYETTEVILLE TECHNICAL COMMUNITY COLLEGE PRESIDENT

Dr. Powell introduced Dr. Mary Jeffries, Chair of the Fayetteville Technical CC Board of Trustees, who presented the college's new president effective August 1, Dr. Larry Keen. Dr. Keen, who is currently serving as the Vice President of Economic and Work Force Development at the NCCCS System Office, thanked the Fayetteville Board, current President Larry Norris, and the State Board for their support in allowing him this new opportunity. In serving Fayetteville Technical CC, Dr. Keen said he looked forward to a great relationship with the Board, the faculty and staff, and continuing the quality leadership established by his predecessor and maintaining the high level of respect for the college and its place in the community and in the State of NC.

APPROVAL OF MINUTES

The minutes of the May 18 and June 15 SBCC meeting were approved in separate motions. Mr. Middlesworth moved and Ms. Hayes seconded the motion relative to May and Mr. Ford and Mr. Daniels relative June.

CHANGES IN AND APPROVAL OF AGENDA

The Board suspended the rules and approved amending the agenda based upon Committee recommendations as follows. Ms. Steiner moved and Ms. Brenner seconded to move Attachment Pol. 2 and Attachment Pol. 4 from future action to action on the regular agenda. Dr. Greene moved and Mr. Shaw seconded to move from future action to action Attachments Prog. 8, Prog. 9, Program 10, Prog. 11, and Attachment Prog. 12. The Chair granted a request by Mr. Watkins to remove Attachment FC-10 and FC-15 from the agenda. Mr. Shaw moved, Mr. Daniels seconded, and the agenda was approved as amended.

APPROVAL OF THE CONSENT AGENDA

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

POLICY COMMITTEE, Dr. Stuart Fountain, Chair

Independent Comprehensive Articulation Agreement

The Board approved the Independent Comprehensive Articulation Agreement to facilitate transfer between the NCCCS college transfer students and the signatory institutions of the North Carolina Independent Colleges and Universities that was approved by the Independent Transfer Advisory Committee in June of 2006. (See Attachment Pol. 5)

PROGRAM SERVICES COMMITTEE, Ms. Norma Turnage, Chair

Curriculum Program Applications (NS)

The Board approved new-to-the-system curriculum program *Boat Manufacture and Service (Diploma)* [Dxxxxx] to be offered at Cape Fear CC and Carteret CC.

Curriculum Standard Revisions

The Board approved revisions to the following curriculum standards as requested by the college listed: Fayetteville Technical CC *Central Sterile Processing (Diploma)* [D45180]; Johnston CC *Early Childhood Education* [A55220], *Early Childhood Education/Special Education* [A5522A], *Early Childhood Education/Teacher Associate* [A5522B], and *Infant/Toddler Care (Certificate)* [C55290]; and Stanly CC *Biomedical Equipment Technology* [A50100].

Curriculum Program Applications (FTFA)

The Board approved curriculum programs at the colleges listed on the condition that equipment funds are available to the college and operating funds generated by the budget formula will permit the offering: Forsyth Technical CC *Database Management* [A25150] and *Interior Design* [A30220]; Johnston CC *Business Administration/International Business* [A2512D]; Nash CC *Advertising and Graphic Design* [A30100], Piedmont CC *Biotechnology* [A20100] and *Medical Assisting* [A45400]; Robeson CC *Medical Office Administration* [A25310]; Sandhills CC *Simulation and Game Development* [A25450]; Wake Technical CC *Cosmetology* [A55140]; and, Wayne CC *Agricultural Biotechnology* [A20110]. (See Attachment Prog. 15)

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

| COMMUNITY COLLEGE | FACILITY | MATRIX CLASS. | COURSE NUMBER | COURSE TITLE | CONTACT HOURS |
|-------------------|----------------------|---------------|---------------|------------------------|---------------|
| Mitchell CC | Life Span Enrichment | ** | BSP S 2000 | Compensatory Education | 1500 |

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

| COMMUNITY COLLEGE | FACILITY | MATRIX CLASS. | COURSE NUMBER | COURSE TITLE | CONTACT HOURS |
|--------------------|---|---------------|---------------|---|---------------|
| Cape Fear CC | Pender Correctional Institution | 3 | ELN P 3006 | Computer Repair (PC Troubleshooting and Repair) | 60 |
| Craven CC | Craven Correctional Institution | 2 | ANS P 3011 | Veterinary Assisting (Veterinary Assistant) | 120 |
| Montgomery CC | Southern Correctional Institution | 4b | BUS P 3047 | Human Relations I (Human Relations in the Business Setting) | 15 |
| | | | COM P 3725 | Reading Improvement (Read to Succeed) | 48 |
| South Piedmont CC | Anson Correctional Center | 3 | BPR P 3011 | Blueprint Reading | 86 |
| | | | CAR P 3006 | How to Design A House | 40 |
| | | | CAR P 3124 | Residential Framing | 528 |
| Vance-Granville CC | Federal Correctional Institution; Federal Prison Camp; and Low Security Institution | ** | HRD P 3001 | Employability Skills | 36 |

Curriculum Program Applications for Captive/Co-opted Groups

The Board approved curriculum programs at the colleges listed on the condition that equipment funds are available to the college and operating funds generated by the budget formula will permit the offering: Roanoke-Chowan CC at Odom Correctional Institution *Air Conditioning, Heating, and Refrigeration* [C35100] and *Plumbing (Diploma)* [C35300] and at Rivers Correctional Institution *Plumbing (Diploma)* [C35300]. (See Attachment Prog. 18)

Program of Study Revisions for Captive/Co-opted Groups

The Board approved revisions to the following captive/co-opted programs of study: Central Carolina CC at Harnett Correctional Institution *Automotive Systems Technology* (C60160); Halifax CC at Tillery Correctional Institution *Plumbing (Diploma)* (C35300); James Sprunt CC at Duplin Correctional Center *Automotive Systems Technology*

(C60160) and *Electrical/Electronics Technology (Diploma)* (D35220); Mayland CC at Avery/Mitchell Correctional Institution *Air Conditioning, Heating, and Refrigeration Technology* (D35100), *Horticulture Technology* (D15240), *Industrial Systems Technology* (D50240), and at Mountain View Correctional Institution *Carpentry (Diploma)* (D35180) and *Horticulture Technology* (D15240); South Piedmont CC at Brown Creek Correctional Institution *Advertising and Graphic Design* (A30100) and *Business Administration* (A25120); and, Western Piedmont CC at Foothills Correctional Institution *Computer Information Technology* (A25260). (See Attachment Prog. 19)

Program of Study Revisions for Captive/Co-opted Groups/Foodservice Technology

The Board approved revision of the *Foodservice Technology* (D55250) curriculum standard as requested by the following colleges to be offered at the institutions listed: Asheville-Buncombe Technical CC at Craggy Correctional Center, Central Carolina CC at Harnett Correctional Institution, Halifax CC at Caledonia Correctional Institution, James Sprunt CC at Duplin Correctional Center, Johnston CC at Johnston Correctional Institution, Montgomery CC at Southern Correctional Institution, Piedmont CC at Orange Correctional Center, South Piedmont CC at Anson Correctional Center, and Wake Technical CC at NC Correctional Institution for Women. (See Attachment Prog. 20)

Continuing Education Master Course List – Course Approvals

The Board approved the following for placement on the Continuing Education Master Course List:

COURSE APPROVALS

| COURSE NUMBER | COURSE TITLE | RECOMMENDED HOURS | PROGRAM AREA |
|---------------|-----------------------------------|-------------------|-----------------------------------|
| BTC3900 | BioNetwork Validation Academy | 24 | P-40-Biotechnology |
| DEN3100 | Oral & Maxillofacial Surg Tech | 45 | L-30-Health Occupations |
| FIP5561 | Confined Space: Incident Plng | 6 | R-30-Fire & Rescue |
| FIP5562 | Confined Space: PPE | 6 | R-30-Fire & Rescue |
| FIP5563 | Confined Space: Rescue Equip | 12 | R-30-Fire & Rescue |
| FIP5564 | Confined Space: Hazard Control | 6 | R-30-Fire & Rescue |
| FIP5565 | Confined Space: Mechanical | 8 | R-30-Fire & Rescue |
| FIP5566 | Confined Space: Anchor Systems | 16 | R-30-Fire & Rescue |
| FIP5567 | Confined Space: Victim Removal | 16 | R-30-Fire & Rescue |
| GRD3000 | Digital Embroidery Design | 288 | D15-Art and Design Occupations |
| HOS4020 | Wine Types and Sensory Evaluation | 24 | T75-Service Occupations |
| LEX3875 | Electronic Notary Public | 6 | N50-Mgmt, Leadership, Supervision |

Continuing Education Master Course List – Course Modifications (Attachment Prog. 22) [CA]

| COURSE NUMBER | COURSE TITLE | MODIFICATION REQUEST(S) |
|---------------|-------------------------|--|
| MLS3874 | Notary Public Education | Increase recommended hours from 6 to 8 |

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

The 2007-2008 State Financial Aid Allocation Tables for Targeted Assistance (High Demand/Low Enrollment Programs) and Less Than Half-Time Enrolled Students

The Board approved the allocations for targeted assistance and less than half-time enrolled students as presented in Attachment FC-9.

Allocation of Resources for the Career Readiness Certification Sites 2007-2008

The Board approved an allocation in the amount of \$252,000 to the colleges listed in continuing the statewide implementation of Career Readiness Certification (CRC) sites. Central Carolina CC, Durham Technical CC, Forsyth Technical CC, James Sprunt CC, Nash CC, Sampson CC, and South Piedmont received allocations of \$28,000 each and Beaufort CC, Craven CC, Richmond CC, and Wayne CC received allocations of \$14,000 each. The funding source, monies available through the federal Workforce Investment Act of 1998 (WIA) from the Department of Commerce, Division of Employment and Training, is for the period September 1, 2007-August 31, 2008.

Contract Renewal With the North Carolina Rural Center for the New Opportunities for Workers (NOW) Project

The Board approved the renewal of a contract with the the North Carolina Rural Center for the New Opportunities for Workers (NOW) Program. The contact in the amount of \$67,100, is for the period July 1, 2007-June 30, 2008. The funding source will be monies available through the federal Workforce Investment Act of 1998 (WIA) from the Department of Commerce, Division of Employment and Training. Approval is contingent upon the receipt of funding.

Contract Amendment With the Employment Security Commission of North Carolina

The Board approved a contract amendment with the Employment Security Commission of North Carolina originally entered into on May 18, 2007. The amendment deleted all references to the Career Compass and reduced the original contract amount by \$42,000 from \$207,000 to \$165,000. The amendment shall be effective July 1, 2007-June 30, 2008. The funding source will be monies available through the federal Workforce Investment Act of 1998 (WIA) from the Department of Commerce, Division of Employment and Training, and approval is contingent upon receipt of said funds. (Attachment FC-14)

Use of 2006-2007 Board Reserve Funds (Year-End Report)

The Board received and approved the semiannual report for year-end for the use of 2006-2007 State Board Reserve Funds indicating \$1,067,157 approved allotments, \$125,000 held in reserve, and an unencumbered allotment balance of \$107,843 as outlined in Attachment FC-17.

Construction/Property/Bond Authorization Report

The Board approved the *Construction and Property Report* that included a reallocation of funds by Lenoir CC, one project approval each for Alamance CC, Cape Fear CC, Catawba Valley CC, Cleveland CC, Coastal Carolina CC, Craven CC, Davidson County CC, Fayetteville Technical CC, Pitt CC, Randolph CC, Robeson CC, Wayne CC, and Western Piedmont CC; two each for Lenoir CC, Piedmont CC, and Vance-Granville CC; and three for Gaston College; disposition of property by Gaston College and Richmond CC; disposition of property to county that will later be conveyed back to the college at McDowell Technical CC and Western Piedmont CC; and acquisition and lease of property by Mitchell CC. The *Bond Authorization Report as of July 20, 2007* was also approved. (See Attachment FC-18)

REPORTS/PRESENTATIONS

Presentation, Small Business Center Network Awards for Excellence, Dr. George Millsaps, Director, Small Business Center Network

Dr. George Millsaps, Director of the NCCCS Small Business Center Network, presented the awards on behalf of the Board for the Small Business Centers of Excellence.

Southeastern CC in Whiteville, the Eastern Regional Small Business Center of Excellence, also received the honor as the state's best Small Business Center. Mark

Council is the director. The Small Business Center at Asheville-Buncombe Technical CC, directed by Russ Yelton, received the honor for the Western Region. The Central Regional award went to Wake Technical CC's Small Business Center, directed by Ken Dillo. The three centers alone created over 100 small businesses that employ more than 400 individuals, symbolizing what the Small Business Centers do throughout NC by creating lots and lots of jobs. The Chair thanked and commended Dr. Millsaps for his leadership and congratulated the award recipients.

NC Association of Community College Presidents (NCACCP) Report, Dr. Don Reichard
(Dr. Patricia Skinner reported in the absence of Dr. Reichard)

- Dr. Skinner shared that Dr. Reichard has provided excellent leadership to the NCACCP during the past year and extended thanks from the Association to him.
- Dr. Skinner, whose nomination as NCACCP President for the 2007-2008 year is expected to be confirmed at the summer meeting, shared that the one of the challenges will be the large number of new presidents coming on board that will require a combined effort among the NCACCP, State Board, and System Office to create a smooth transition.
- The summer meeting of the NCACCP planned for Tri-County Technical CC next week will include topics of interest including campus security, the "Learn and Earn" program, the "2+2 E-Learning Initiative," fund raising, presidential contracts, and "Pipeline North Carolina." Presidents look forward to this networking opportunity.
- NCACCP is looking forward to having a new budget soon and continuing to work locally with legislators throughout various areas of NC. NCACCP is really appreciative of the support of the Board, President Lancaster, Mr. Briggs, and Ms. (Suzanne) Williams in their efforts to secure the best budget attainable.
- The Chair thanked Dr. Skinner and shared that the SBCC looks forward to working with her as she assumes the NCACCP presidency.

NC Association of Community College Trustees, Ms. Helen Newsome, President
(Dr. Donny Hunter reported in the absence of Ms. Newsome)

- The Chair began by congratulating Dr. Hunter on his appointment as the Executive Director of the NCACCT, noting that Dr. Hunter served previously with NCCCS as the Executive Director of the State Board.
- Dr. Hunter took a point of personal privilege to thank Fayetteville Technical CC on the professional manner in which they conducted their presidential search. He said that it is interesting that in the majority of the cases, as was the case in Fayetteville, that the Board's choice will also be that of the community when their input is sought, and congratulated Dr. Keen on his selection.
- NCACCT will begin to incorporate some changes when conducting training opportunities. The training for new and reappointed trustees will no longer be done in conjunction with the State meeting and will become more regional at sites centrally located in the Eastern and Western part of the State. This will allow for more depth in the training in finance and personnel and will allow bringing in more expertise, including staff from the NCCCS, to help trustees understand more thoroughly their oversight and responsibilities. Training to assist trustees in learning how they can be effective on their board will continue which concentrates on the do's and don'ts of trusteeship and helps them to understand their responsibility is that of oversight and not administration. Statewide conferences/leadership meetings will

continue and will include training on topics of interest to the colleges statewide and to provide them the pros and cons of such topics when appropriate. Athletics within the college is such an example, and NCACCT will provide trustees with the information to allow the college's Board to make their own informed decisions.

- Additionally in the area of training, the Future President's Institute and Senior Administrator's Leadership Institute, formerly conducted through UNC as a private organization, will continue but will be held under the umbrella of NCACCT. The Senior Administrator's Institute is done in cooperation with NCACCP and is geared towards individuals identified by NCCCS college presidents as those likely to move into leadership positions on their campus.
- Consistent with President Skinner's remarks, NCACCT is also concerned with the number of new presidents coming into the NCCCS. Dr. Hunter is aware there is an orientation, but is looking into whether a more in-depth institute would be something that the NCACCP would endorse. Should that be the case, Dr. Hunter will work with the staff of NCCCS to see how this can be most productive.
- The services that NCACCT has provided through subcontracting, often with Dr. Hunter, will now be done in-house to assist the local boards and will be done through a competitive process.
- NCACCT has been contacted by attorneys who represent the community colleges who feel there needs to be more training specifically in the area of community college law, issues that local colleges face, and the possibility of a NC Association of Community College Attorneys.
- Dr. Hunter has discussed with the SBCC Chair and will discuss further with the NCACCP next week the possibility of creating a community college cabinet. The concept would be fairly simple, possibly composed of three members each from the SBCC, the NCACCP, and the NCACCT to meet possibly on a quarterly basis to discuss issues and concerns that arise.
- Dr. Hunter also requested that the Chair appoint one member of the SBCC as a liaison to the NCACCT Executive Board to hear and provide feed back to the SBCC on their meetings.
- Dr. Hunter took a point of personal privilege and said one of the great pleasures that he has had has been the high regard that NCCCS holds nationally, sharing that he felt everyone would put it in the top five and most in the top three. Many states and countries have come to NC to see how it is done whether in the area of being productive, of operations, or in the area of government. There is a message in the fact that this is where they come to learn. Speaking personally and for the trustees of the colleges, Dr. Hunter shared that trustees are proud to be trustees from the smallest to the largest colleges and love their colleges. The NCACCT, a tremendous force in the efforts to support the work of the colleges, is rightly protective of the traditions and operational structures that have made our system so admired. They will, however, buy into efforts to improve these structures and changes if the case is clearly made to substantiate the change by the promoter, whether it is the NCACCP, the NCACCT, the System Office, or the SBCC, through an inclusive process. There will be times that we will not all agree but should agree for the majority, and Dr. Hunter said he will strive to encourage the trustees to be supportive of those initiatives/changes reached through this process when determined that change is in the best interest of our colleges.

N4CSGA, Mr. Bently Pagura, President

- The Chair shared that while Mr. Pagura was absent, the N4CSGA had been very active and she wished to thank them for their legislative efforts during the past few weeks.

REGULAR AGENDA

POLICY COMMITTEE, Dr. Stuart Fountain, Chair

(In the absence of Dr. Fountain, the report was given by Vice Chair Joanne Steiner.)

For Information

The Board received the following for information:

Ms. Steiner shared that the Policy Committee continued their discussion on the approach to risk management resulting from the letter from the Office of the State Auditor. The committee formed to address the issues noted (three members each from the SBCC, NCACCT, and NCACCP along with NCCCS staff) have created a collaborative document that is being tweaked; however, it should be coming to the SBCC in the near future.

Also discussed during Committee were proposed administrative rules for the “Learn and Earn” online program introduced by the Governor that allows high school students to enroll in community colleges courses. The Committee may have to call a special meeting to deal with this, and Ms. Steiner asked Ken Whitehurst to provide further information. Mr. Whitehurst informed the Board that provisions expanding “Learn and Earn” online classes may be included in the final budget Resolution. Should that occur, it will be necessary for the SBCC to adopt a temporary Rule to cover enrollments in the 2007 Fall semester and to initiate the process of implementing a permanent Rule to govern the application of “Learn and Earn” online courses.

Report on Performance Measures

The Board received the summary report of performance measures for the NCCCS for 2005-2006 as presented in Attachment Pol. 1. Ms. Steiner said that Keith Brown reviewed the report in Committee, sharing the success of the colleges stating, “Our colleges are doing a great job” and NCCCS has come a long way since the report’s inception. The reports have been tweaked recently and include a policy change that allows the Board to add measures but any measures taken away require action by the Legislature.

For Future Action

Approval of Proprietary Schools

The Board will be asked to approve licensure for the following proprietary schools to offer the programs outlined in Attachment Pol. 3: Divine Health Academy in Charlotte, More Than Conquerors College-Career Technologies in Charlotte, and Sandhills Dental Career Center, Inc. in Aberdeen.

For Action

Request to Abolish the Rockingham Off-Campus Center of Richmond Community College
Ms. Steiner moved, Mr. Ford seconded, and the Board approved to abolish the Rockingham Off-Campus Center at Richmond CC since it is no longer needed to meet the needs of the students. (See Attachment Pol. 2)

Initiate Rulemaking to Amend 23 NCAC 02C .0210 "Local College Personnel Policies"

Ms. Steiner moved, Ms. Hayes seconded, and the Board approved to initiate Rulemaking to amend 23 NCAC 02C .0210 "Local College Personnel Policies" as outlined in Attachment Pol. 4. The change basically adds a requirement that the colleges give some preference to veterans in their hiring decisions.

PROGRAM SERVICES COMMITTEE, Norma B. Turnage, Chair

(In the absence of Ms. Turnage, Vice Chair Bob Greene gave the report.)

For Information

The Board received the following for information:

Special Application Approvals by System President (AGE)

Brunswick CC and Randolph CC requested and the System President approved them to offer the *Associate in General Education (AGE)* [A10300] program.

Special Application Approvals by System President

The following community colleges requested and the System President granted approval to offer the following programs: Carteret CC *Lateral Entry (Certificate)* [C55430], Cleveland CC *Information Systems Security* [A25270], Forsyth Technical CC *Lateral Entry (Certificate)* [C55430], Haywood CC *Early Childhood Education/Special Education* [A5522A] and *Infant/Toddler Care (Certificate)* [C55290], McDowell Technical CC *Networking Technology* [A25340], and Southeastern CC *Early Childhood Education/Special Education* [A5522A] and *Web Technologies* [A25290].

Special Termination Approvals by System President

The following colleges requested and received approval to terminate the curriculum program listed: Coastal Carolina CC *Business Administration/Electronic Commerce* [A2512I], *Information Systems/Network Administration and Support* [A2526D], *Machining Technology* [A50300], and *Surveying Technology* [A40380]; Wayne CC *Manufacturing Technology/Plastics* [A5032A] and *Web Technologies* [A25290]; and , Western Piedmont CC *Business Administration/Operations Management* [A2512G].

For Future Action

Customized Industry Training 2006-2007 Annual Report

The data for the Customized Industry Training 2006-2007 Annual Report is being gathered and the report will be finalized for approval at the next meeting of the Board on August 17, 2007.

The report will then be presented to the Joint Legislative Education Oversight Committee.

New and Expanding Industry Training 2006-2007 Annual Report

The data for the New and Expanding Industry Training 2006-2007 Annual Report is being gathered and the report will be finalized for approval at the next meeting of the Board on August 17, 2007. The report will then be presented to the Joint Legislative Education Oversight Committee.

Curriculum Program Application – Existing Program

The Board was advised that there was discussion in Committee regarding Attachment Prog. 6, a request for program approval from Robeson CC to offer Practical Nursing (Diploma) [D45660]. Bladen CC has filed an objection stating that approval would negatively impact their program. The Program Services Committee said that while the item will continue its path for consideration by the Board, additional data has been requested to clarify the positions of the colleges and both colleges have been asked to meet in the interim to see if there can be a resolution reached between them regarding the concerns and encouraged considering a cooperative arrangement. (See Attachment Prog. 6)

Curriculum Standard, New to the System

The Board will be asked to approve the *Arts/Special Education* [A1010x] pre-major under the Associate in Arts Degree as approved by the Transfer Advisory Committee on May 23, 2007. (See Attachment Prog. 7)

For Action

Additions to Special Application List

Dr. Greene moved, Mr. Middlesworth seconded, and the Board approved to allow the use of the special application process for the following programs: *Information Systems Security/Operating Systems* [A2527A] and *Information Systems Security/Security Hardware* [A2527B]. (See Attachment Prog. 8)

Curriculum Standard Revision

Dr. Greene moved, Mr. Shaw seconded, and the Board approved revisions as requested by Blue Ridge CC to *Automotive Restoration Technology (Diploma)* [D60140]. (See Attachment Prog. 9)

Curriculum Program Approval, Electrical Related CIP

Dr. Greene moved, Ms. Hayes seconded, and the Board approved Rockingham CC to offer *Electronics Engineering Technology* [A40200] beginning in the Fall 2007. (See Attachment Prog. 10)

Focused Industrial Training Guidelines July 2007

Dr. Greene moved, Ms. Brenner seconded, and the Board approved to revise the guidelines for the Focused Industrial Training Program as outlined in Attachment Prog. 11.

New and Expanding Industry Training Guidelines July 2007

Dr. Greene moved, Ms. Steiner seconded, and the Board approved revised guidelines for New and Expanding Industry Training as outlined in Attachment Prog. 12.

FINANCIAL AND CAPITAL NEEDS COMMITTEE, Herbert Watkins, Chair

For Information

The Board received the following for information:

Final Receipts Report - 2006-07

The Board received the report for *Estimated Tuition and Fees Collected Through June 30, 2007*, which indicated \$164,444,672 or 96.86% of the budgeted receipts collected, \$5,323,032 uncollected, and the percent collected increased 5.15% when compared to FY 2005-06. (See Attachment FC-1)

Historically Underutilized Businesses (HUB) State Bond Utilization Report as of March 31, 2007

The Board received the NCCCS Historically Underutilized Businesses (HUB) State Bond Utilization Report as of March 31, 2007, indicating 12.87% of total HUB funds expended. (See Attachment FC-2)

Blue Ridge Community College Refund

The Board received an update that indicated a check in the amount of \$33,460.41 was received from Blue Ridge CC drawn on non-state funds that served as the first of three annual installments (required by the actions of the SBCC on February 16, 2007) to refund the expenses to state funds that were inappropriately used to support intercollegiate athletics. (See Attachment FC-3)

2007-2009 Consensus Budget Update

The Board received the highlights of the Budget and Policy issues included in the 2007 *Appropriations Act* as included in Attachment FC-4 and included the following areas: Salaries for Community College Faculty, Professional Staff, and other College Employees; Studies and Reports required by the General Assembly; Reserves that Require Board Policy/Rules Development; New Allocations (for Allied Health and Instructional Resources); Capital Allocation Process; and, Information on Other Policy and Financial Issues.

System Office Contract Report as of June 30, 2007

The Board received the report of contracts approved and executed under the authority of the System President that met the guidelines adopted by the SBCC in 2005. 16 contracts totaling \$78,043 were approved during the period January 1-June 30, 2007. (See Attachment FC-5)

CIS Project Discussion and Implementation Update

Due to progress as planned, there were no significant issues to report related to CIS.

For Action

UNC/NCCCS 2+2 E-Learning Initiative Funds Allocation Learning Object Repository (LOR) (New Contract)

Mr. Watkins moved, Mr. Shaw seconded and the Board approved a contract with the Learning Edge to establish the NCCCS Learning Object Repository (LOR) not to exceed \$500,000 for the first year and with an option to renew it for five additional years with a maximum spending limit throughout the life of the optional contracts of \$2,079,985. The validation of the software claims had a 60-day limit originally; however, the Committee recommended and included in the approved motion to amend this to be the "LOR Evaluation's Team's completion of the validation of the software claim." (See Attachment FC-7)

The North Carolina Community College System Scholarship and Grant Allocations 2007-2008

Mr. Watkins advised that the Committee was concerned with the approval of the allocation projections for scholarships that included a "TBA" notation. Mr. Watkins then moved to approve Attachment FC-8 with the removal of those items so noted. Dr. Greene seconded the motion, and the Board approved the allocations as amended. Those items removed will come back before the Board when amounts are known. Discussions in Committee identified a need for more counselors; however, since an indefinite amount of work and time are needed to make that happen, the situation could be improved by ensuring that websites direct students to the scholarships available and that the N4CSGA be encouraged to also be proactive in directing students to them. (See Attachment FC-8)

Distribution of Grant Funds From the North Carolina Rural Center to the Small Business Centers in Fulfillment of the Learn to Assist Project

Mr. Watkins moved, Ms. Glover seconded, and the Board approved a distribution of funding from a grant approved in February 2007 to Carteret CC, Central Carolina CC, and Tri-County CC to carry out "Learn to Assist" projects in the amount of \$7,000 each for a total of \$21,000 with the \$2,500 remaining to be retained by the Small Business Center Network. Funding is from a grant from the NC Rural Center. (See Attachment FC-11)

MGT of America, Inc., Review of Instructional Resources Formula

Mr. Watkins moved, Mr. Shaw seconded, and the Board approved the final report by MGT of America, Inc. entitled "Review of Instructional Resources Formula" and the new allocation formula contained within the report as included in Attachment FC-16.

Authority to Approve 2007-08 Budget Allocations

Mr. Watkins moved, Mr. Middlesworth seconded, and the Board approved permission for the Finance and Capital Needs Committee to meet in a special called meeting for the purpose of reviewing and approving tentative budget allocations for FY 2007-08 upon approval of the "Appropriations Act of 2007" by the NC General Assembly prior to the next SBCC meeting. Actions taken by the Committee will be subject to review, amendment and ratification at the August SBCC meeting.

PERSONNEL COMMITTEE, Linwood Powell, Chair

Dr. Powell moved, Mr. Ford seconded, and the Board convened in closed session to discuss personnel issues. The Board reconvened in open session.

Salary Adjustments for EPA Employees (Action)

Dr. Powell moved, Dr. Greene seconded, and the Board approved contingent upon final legislative approval, a four percent (4%) pay increase for exempt employees consistent with that provided in the budget bill for SPA employees.

Evaluations of College Presidents (Information)

Dr. Powell requested that Mr. Sullins provide an update to the Board on the evaluations of college presidents. The first reports following the Rule change in the NC Administrative Code resulted in 11 colleges not providing all of the information necessary to be in compliance with the requirement that local boards of trustees evaluate college presidents in specific categories. Following the receipt of a letter to those colleges reminding them of the requirements, 10 provided the information necessary to comply with the Rule. One other college has yet to report on the evaluation of their president.

Mr. Watkins shared that during the discussion of this item in the Personnel Committee on Thursday it was his feeling that as the Financial and Capital Needs Chair he should go on record saying that as a part of the Board's practice the failure to provide verification that a college president is properly evaluated and the evaluation reported to the SBCC could result in the Financial and Capital Needs Committee withholding the release of allocations budgeted for that college until the such time as the college is in compliance. Further, if the Board felt it appropriate, a letter would be sent to the colleges under his signature indicating this. Discussion followed and several options were presented. It was

decided that since all but two colleges are now in compliance with the provisions to the Rule, the NCACCT Liaison Committee Chair Dr. Powell would work with the NCACCT Executive Director Dr. Hunter to resolve this problem by contacting those colleges that are not in compliance, generating a letter to those colleges if necessary, and to further work with all of the 58 boards of trustees throughout NC to encourage compliance in the future to avoid intervention by the SBCC.

Instrument to Evaluate the System President (Information)

The instrument for evaluating the System President was discussed and will remain in its current form for this year. The form for completion will be presented to members at the August Board meeting. They will be returned to Chair Pinnix-Ragland. She will tally the results and they will be shared with the System President and SBCC members at the October Retreat.

Effective Date of Retirement for Mr. Fred Williams (Action)

Dr. Powell moved, Mr. Shaw seconded, and the Board approved the withdrawal of the letter of intent to retire at the end of August 2007 from Fred G. Williams, and further that he continue to serve in his current position of Executive Vice President and Chief Operating Officer of the NCCCS at the pleasure of the SBCC through August 31, 2008, at an annual salary of \$185,000 to be effective July 1, 2007.

Appointment as Vice President for Economic Development and Workforce Training (Action)

Dr. Powell moved, Mr. Shaw seconded, and the Board approved the appointment of Willa Dickens as Vice President for Economic Development and Workforce Training at a salary of \$100,000 effective August 1, 2007.

Update on College Presidential Searches (Information)

Dr. Powell asked Mr. Sullins to update the Board on the status of ongoing college presidential searches. Searches for 8 college presidents are currently underway. The finalist is expected from Asheville-Buncombe Technical CC for consideration at the August meeting, possibly 4 of the 8 will have assessed applicants by the September meeting, and year-end is a target date for the remainder. Colleges are receiving approximately 45-50 applicants regardless of the size of the college.

Matters of Concern at Several Community Colleges (Information)

Beaufort CC and Mayland CC have allegations of embezzlement/misappropriation of funds, and both cases are under investigation. Pamlico CC has increasing numbers of complaints about morale and allegations of mismanagement. President Lancaster was asked to meet with their Board but felt it important that Dr. Hunter meet with them first, and he is doing that now. Robeson CC has spent significant funding on its aviation program and has not received approval to offer the program, and when that has occurred in past it has required that the FTE generated by the program be returned to the State. The second problem is in violation of comptroller's regulations that require all funds received by a college be immediately deposited. Checks received at a Foundation fundraiser were not deposited in a timely manner and subsequently were stolen. Counterfeit checks were created from them and cashed and identity theft resulted. That investigation is ongoing.

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 Committee is awaiting the forthcoming state regulations before proceeding too aggressively. The committee discussed audit exceptions but did not see serious findings. It appears the State will not only be looking at dollars but at risk management, and many of those in the college Business and Finance Offices wear several hats which could create risks. Because there is a considerable amount of auditing going on, the Committee discussed moving away from exceptions by assuring/providing training and development of a manual of guidelines. Three schools are currently approved to offer this training and they will be encouraged to get these programs going as quickly as possible with a target date of October. The Committee had hoped to bring to the meeting a charter for the Board's approval, but due to time constraints that will be discussed at their next meeting. That raised concerns that once the Committee infrastructure is in place, more time will be needed to allow the Committee to conduct its business and to enable Chair Shaw to report at the Chairman's Agenda Review. Therefore, meetings will need to convene at an earlier time.

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

The Board received the following for information and took the action deemed necessary:

Update and Action to Increase the Presidential Salary Hiring Range

Herbert Watkins, chair of the Presidential Search Committee, reported the completion of the "Presidential Profile" to be used in selecting the new system president. He noted that a qualification on global education has been added to an earlier draft in response to comments received at three public forums held in June and July. The Committee also determined a need to increase the proposed salary in order to attract the quality of candidates desired. Accordingly, Mr. Watkins moved, Mr. Greenwood seconded, and the Board approved a salary range of \$220,000 to \$300,000 for the new president and a salary range of \$160,000 to \$200,000 for the incoming Executive Vice President/Chief Operating Officer.

The Committee has prepared a search work plan and schedule that has the marketing and advertisement for the position posted by the first week in August. Applications will go to Gold Hill Associates, the search consultant firm, and the application closing date is September 14. The timetable is as follows:

- October - the Committee (with Gold Hill) will review applications and prepare two detailed review lists of semi-finalists, separated by state and national candidates.
- November - the Committee will prepare a merged list of five finalists with detailed information on the candidates and conduct the first round of interviews

and be ready to recommend three candidates and respective information packages to the Board for consideration.

Mr. Watkins stated that since the Board does not usually meet in December, the Committee will let the Board decide whether to interview finalists in December or wait until January. He suggested the names of the three finalists should be publicly announced and the Board should decide how to include other stakeholders in the decision process.

The Committee will meet again on August 16 at 10 a.m.

NEW BUSINESS

Chair Pinnix-Ragland called for any new business; and, hearing none 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.)

- President Lancaster congratulated Chair Pinnix-Ragland and Vice Chair Powell on their re-election and thanked the Board for their continued support of these leaders who have done an outstanding job over the past two years.
- The Legislature continues towards adjournment which we expect within the next couple of weeks. Most of our substantive legislation has passed or is in good shape, several Legislative Strategy meetings have occurred, the Faculty Legislative Rally was a great success, and progress continues to be made towards a final budget. Work will continue through the weekend, and we hope a budget is adopted before the end of next week.
- Working with Dr. Scott Ralls, President Lancaster went to Havelock for a major announcement involving East Carolina University and North Carolina State University. At the Aviation Institute at Craven's Havelock Campus, a rich array of aviation and technical four-year degrees will be offered in collaboration between Craven Community College and those two universities.
- Since Mr. Pagura was not in attendance, President Lancaster reported that the officers of the N4CSGA met for a week at Peace College in what they call their "Bonding Session" to get to know each other and plan their agenda for the coming year. Several staff members from the System Office spoke with them, and they did some lobbying of the Legislature as well while here in Raleigh. A somewhat similar format occurred the following week at the Community College Student Leadership Institute, and students again visited the Legislature to lobby.
- Some SBCC members were present with President Lancaster at the meeting of the NC Association of Community College Trustees on the night that Helen Dowdy was honored for her many years of distinguished service to the Community College System in various important roles. It was a great evening and a good summer meeting was also held.

- It is interesting that speakers at the presidential search public forums voiced a need to add the ability to promote Global Education as part of the criteria for the search profile. That need was displayed in a recent visit from Sir Reg Empey, the new Minister of Employment and Learning in Northern Ireland, and a delegation from that country to the System Office and Vance-Granville Community College.
- Last week, five of our southeastern community college presidents, representatives of other community colleges, the Chancellor of Fayetteville State University, Chair Pinnix-Ragland, and President Lancaster met at a luncheon to celebrate the community colleges and university partnership and the offering of significant 2+2 programs. President Lancaster has conveyed to University President Bowles that this is a very creative approach that includes dual admission to FSU and to the community college in a planned seamless program allowing the student to go from the first course to the degree having been a student at both the community college and the university.
- We were all pleased that the US Department of Education's (DOE) audit of our Basic Skills program went very well. Dr. Randy Whitfield and her staff received commendations for their use of State Leadership funding (especially for the Appalachian State University grant), the Great Teachers Retreat, and the North Carolina Literacy Ambassadors Program. Our federal vocational education program was also monitored during this DOE audit visit.
- We are all excited that the 18 Phase 2C colleges will be able to register students for the fall term using CIS. The migration to Release 18 has continued to make outstanding progress.
- NCCCS and the University System have established the Open Source Collaborative, creating an ability for e-learning and distance learning professionals from both systems to join their efforts in creating more cost-effective alternatives to the expensive proprietary software systems now being used to support online learning. Dr. Bill Randall has led this effort.
- Fred Williams met with the Fayetteville Technical CC Board of Trustees with regard to its finalists for president. As members are aware, Dr. Larry Keen has been chosen as their new president. This is a bittersweet decision for us, since we will miss the incredible leadership Larry has given to our economic and workforce development programs for the last five years during a time of significant needs and activity. He has always represented this State well as he has worked with companies considering a move to NC and existing companies looking to expand. Again while we will miss him, we are happy that he has this wonderful opportunity for leadership.

SUMMARY OF CHAIR PINNIX-RAGLAND'S CLOSING REMARKS

- Members were reminded to leave the paperwork to receive travel reimbursements by automatic deposit.
- The Fall SBCC Retreat and Board Meeting will be held at Halifax CC in Weldon on October 17-19, the Comfort Suites in Roanoke Rapids will be the resident hotel, and details will be forthcoming.
- Dr. Powell will continue in the role of liaison to the NCACCT, and Dr. Powell, Dr. Houlihan, and Ms. Glover will serve on the NCACCT Liaison Committee and work with the community college cabinet discussed by Dr. Hunter.

ADJOURNMENT

Ms. Steiner moved, Mr. Middlesworth seconded, and the Board approved to adjourn the meeting at 11:50 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.