



Preparing North Carolina's World-Class Work Force

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

**February 20, 2009
9:00 a.m.**

CALL TO ORDER

Following proper public notification and a determination that a quorum was present, Chair Pinnix-Ragland called the meeting of the State Board of Community Colleges (SBCC) to order at 9:00 a.m. She welcomed those in attendance, and since members had been given the option to attend either in Raleigh or by telephone, the roll was called by Mr. Sullins. The following members were present:

Hilda Pinnix-Ragland, Chair
Linwood Powell, Vice Chair
Naomi Daggs

James W. Daniels (telephone)
Jimmie E. Ford
Stuart B. Fountain
Bob H. Greene (telephone)
Gordon "Buddy" Greenwood (telephone)
Anne-Marie Knighton (telephone)

Edwin H. "Eddie" Madden, Jr.

Absent: Raichelle Glover, G. Thomas Houlihan

Chester P. Middlesworth

Anita Powers

Treasurer Janet Cowell

Lt. Governor Walter Dalton

B. Joanne Steiner

Norma B. Turnage

Herbert L. Watkins

Allen Wellons (telephone)

Jason Britt for Jeana ElSadder (telephone)

ETHICS AWARENESS AND IDENTIFICATION OF CONFLICTS OF INTEREST

The Chair advised members of the ethical requirements for those who serve as public servants and requested they identify any conflicts or potential conflicts of interest present. Having so requested and hearing none, the Chair directed that the record reflect no conflicts of interest were reported or identified. The Chair also reminded members of the Board that their Statements of Economic Interests will be due to the Ethics Commission by April 15, 2009.

APPROVAL OF THE MINUTES

Mr. Middlesworth moved to approve the minutes of the January 16, 2009 SBCC meeting. Mr. Daniels seconded the motion, and the minutes were adopted by the Board.

CHANGES TO AND APPROVAL OF AGENDA

The Chair asked for a report from each committee chair as to any changes they might wish to make to the Agenda.

POLICY COMMITTEE, Dr. Stuart B. Fountain, Chair

No changes to the Agenda.

PROGRAM SERVICES COMMITTEE, Ms. Norma B. Turnage, Chair

Requested two changes. The first was to remove the item Curriculum Program Application (Fast Track for Action) at Cape Fear Community College, Medical Office Administration (A25310), Attachment Prog 2 from the Consent Agenda. The request was granted.

The second change is to amend the Agenda as follows:

Addition to Special Curriculum Program Application List:

Medical Office Administration (A25310) and designated as Attachment Prog. 5, for consideration as a "Future Action" item. This items was properly seconded by Mr. Middlesworth. The motion was adopted.

FINANCIAL AND CAPITAL NEEDS COMMITTEE, Mr. Herbert L. Watkins, Chair

No changes to the Agenda but there will be an explanation regarding the authorization of the agreement with Rowan-Cabarrus Community College.

ACCOUNTABILITY AND AUDIT COMMITTEE, Ms. Anne-Marie Knighton, Chair

No changes to the Agenda.

PERSONNEL COMMITTEE, Dr. Linwood Powell, Chair

No changes to the Agenda.

Mr. Ford moved, and Dr. Fountain seconded, that the Agenda be adopted as amended. The motion was adopted.

APPROVAL OF THE CONSENT AGENDA

Dr. Fountain moved to approve the consent agenda. The Board approved his motion that had been properly seconded by Mr. Daniels.

ADMINISTRATION OF THE OATH OF OFFICE TO NEW MEMBERS

The Chair announced that today's board meeting is a historic occasion as the oaths of office will be administered to two new board members. The Chair then introduced Chief Justice Sarah Parker of the North Carolina State Supreme Court and indicated that she is from the Mecklenburg County. She noted that Chief Justice Parker is a wonderful supporter of the community college system and that the State Board also takes pride in her accomplishments as a public servant of North Carolina.

The Oaths of Office were then administered to both Treasurer Cowell and to Lt. Governor Dalton by the Chief Justice.

The Chair thanked Chief Justice Parker and welcomed both the Lt. Governor and Treasurer. She indicated that both of these individuals have already been at work for the community college system since assuming office in January.

SMALL BUSINESS CENTER NETWORK AWARDS

The Chair then recognized Dr. George Millsaps, Director for the Small Business Center Network, to present the Small Business Awards for Excellence. Dr. Millsaps spoke to the members about the Small Business Centers and their great success in assisting many dislocated workers and helping many of them to start successful small businesses.

Dr. Millsaps recognized three Excellent Small Business Centers with Awards for Excellence:

Eastern Regional recipient: Anne Shaw from Coastal Carolina Community College

Central Regional recipient: Ken Dillo from Wake Technical Community College

Western and Statewide recipient: Bee Strain from Cleveland Community College

OTHER PRESENTATIONS/REPORTS

NCACCP, Dr. Stephen Scott, President

Dr. Scott shared that many of the community colleges are dealing with significant enrollment increases. More students have registered for classes this spring compared to registration during the fall. Colleges are holding FAFSA Day on Saturday, February 21, 2009. There will be workshops to educate students and parents on how to complete the Federal Financial Aid applications.

The NCACCP held its spring meeting at Lenoir Community College. The meeting was compressed into 24 hours. President Rose Johnson, from Haywood Community College and President Rusty Stephens, from Wilson Community College, both gave presentations with regard to Green Technologies – Code Green Initiative. They both co-chair this initiative and are responsible for identifying growth areas for jobs and energy conservation.

Presidents are scheduling meetings with their local legislative delegation members to discuss community college needs and how to put the unemployed back to work. We also discussed planning for our budget. Most schools have indicated that they have implemented a travel restriction or “freeze” and that purchases have been reduced. Other potential budget cuts were also discussed.

NCACCT, Mr. George Regan, President

There was no report given from the North Carolina Association of Community College Trustees.

NC Comprehensive Community College Student Government Association (N4CSGA), Ms. Jeana J. ElSadder, President

On behalf of the N4CSGA, Mr. Jason Britt, Vice President of the N4CSGA, reported that due to a low number of registrations, the N4CSGA canceled the Division Meetings scheduled for February 7, 2009. Registration for the spring conference is underway and approximately 257 students are registered, with 20 special guests planning to attend the banquet. This conference will be the 40th year Anniversary of the N4CSGA and will include a celebration to honor those

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who have demonstrated the values and leadership skills that the N4CSGA represents. Mr. Britt also indicated that Western Piedmont Community College is planning a tribute to the N4CSGA founding members during the opening session of the spring conference. Mr. Britt reminded everyone that elections for the N4CSGA's Executive Board will take place during the conference.

STANDING COMMITTEE REPORTS

POLICY COMMITTEE, Dr. Stuart Fountain, Chair

The Board received upon the recommendation of the Policy Committee:

For Action

Amend 23 NCAC 02D .0301 “Operating Budget Requests: Distribution of Funds” (Attachment POL 4)

Amend 23 NCAC 02D .0326 “Budget FTE Funding” (Attachment POL 5)

Amend 23 NCAC 02D .0327 “Reporting Student Membership Hours to the Department” (Attachment POL 6)

Amend 23 NCAC 02E .0101 “Program Classification” (Attachment POL 7)

Amend 23 NCAC 02E .0205 “Program Review” (Attachment POL 8)

Amend 23 NCAC 02E .0401 “Customized Training Program” (Attachment POL 9)

Dr. Fountain made the motion to the Board to approve the amended Administrative Rules, Attachments POL 4 through Attachments POL 9, inclusive, as indicated. This motion was properly seconded by Mr. Ford and was adopted by the Board.

PROGRAM SERVICES COMMITTEE, Ms. Norma B. Turnage, Chair

The Board received upon the recommendation of the Program Services Committee:

For Future Action

Ms. Norma Turnage moved that the members of the board approve the Addition to Special Curriculum Program Application List as Attachment PROG 5 as follows:

Curriculum Standard:

Medical Office Administration (A25310)

This motion was properly seconded by Ms. Naomi Dags and the motion was adopted.

For Action

No items for Action.

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

For Future Action

No items For Future Action.

For Action

North Carolina Research Campus Lease with Castle & Cooke (Attachment FC 2). Mr. Watkins explained to the members of the state board the authorization of a lease agreement. Mr. Watkins, on behalf of the Committee on Finance and Capital Needs, made the following motion with respect to the proposed agreement:

“The Finance and Capital Needs Committee, in its discussion, recommends, and I am so moving, that this Board grant its approval to enter into a lease agreement with Castle Cooke on behalf of Rowan-Cabarrus Community College. I further move that this Board be on record that this approval to proceed further acknowledges that the full acceptance and accountability for all such risks are borne solely by Rowan-Cabarrus Community College. The Chair and members of the board, I so move.”

The motion was seconded by Mr. Edwin H. Madden, Jr., and was adopted by the State Board by a voice vote.

PERSONNEL COMMITTEE, Dr. Linwood Powell, Chair

Dr. Powell moved and Ms. Steiner seconded that the board enter into closed session for purposes authorized by N.C.G.S. 143-318.11(a)(6) for discussion of confidential and personnel matters as authorized by the statute. The motion was adopted unanimously by the Board .

Before going into closed session, the Chair took the opportunity to recognize Mr. Mike Arnold, who had previously served with the Board as a representative for the then Lt. Governor and now Governor Beverly Purdue. Mr. Arnold thanked the members of the board for the opportunity to work with them. He expressed a heartfelt congratulations and welcome to both Lt. Governor Walter Dalton and to State Treasurer Janet Cowell. Mr. Arnold indicated that he will continue to attend our State Board meetings and represent the Governor’s Office.

The Board then went into closed session.

The Board reconvened in open session.

Upon a motion by Dr. Powell that was seconded by Mr. Watkins, the Board approved Dr. Kerry Youngblood as President of Carteret Community College.

OTHER BUSINESS

PRESIDENT’S REPORT TO THE STATE BOARD OF COMMUNITY COLLEGES

President R. Scott Ralls’ report to the Board is attached as Exhibit I and is incorporated herein by reference. His report is available on the NCCCS website at:

http://www.ncccommunitycolleges.edu/External_Affairs/President/President%20Ralls%20Report%2002.20.09.pdf

SUMMARY OF CHAIR 'S CLOSING REMARKS

The Chair thanked President Ralls for his update and stated that his reports are like chapters in a book that is being written for the future of North Carolina. She stated that “These chapters are

always thought provoking and it helps us to understand why we are here. Leaders stand really tall in times of adversity and challenge. Anyone can do the task when times are good, but it's the job of making those toughest of all decisions that truly separates the good from the great."

The Chair went on to say that these challenging economic times will test our mettle in ways that it has never been tried before, and that the coming days will require both sacrifice and effort on the part of all who are involved in this great effort to retool the economy of North Carolina for future generations. She expressed her appreciation for the long hours and hard work that are being done by faculty and staff members at our 58 community colleges, and for the dedication of the System Office staff who are working under even heavier burdens. In that context, she stated, "No matter where you look, whether its with a student at Durham Technical Community College or Blue Ridge or Pamlico, people come to us for education to increase their skill levels, learn new ones, and gain the confidence necessary to better themselves and those that depend on them. We cannot, and we will not, let them down."

"With that being said, I am going to put a challenge before the Board. Its not times like this that we as a governing body need to roll back and say that we don't need to get together to do the work that the State is looking to us to complete. We do. I truly believe that, and I am going to propose that we each review our current per diems and consider putting those aside for the moment. We all should say 'what can I bring to the table that will help the people of this state?' I believe that meeting face-to-face really helps, and I'm very appreciative of those [members] that made a special effort to participate by telephone today because they could not be here in person, but there is a time for us to stand tall and work together and say 'how can we make this state better?', and that time is now. "I draw a great deal of personal inspiration from Dr. Dallas Herring. As you know, he was a humble man of modest means from rural eastern North Carolina. Yet he had a dream of an entirely new approach to higher education, one that would create opportunities where none previously had existed. Now, more than ever, it is imperative for this Board to reaffirm that the open door will remain open to the citizens of this great state."

"So I'm asking all of us that can, [to] forego the per diems. Let's come together as often as we need to, sit around this table, put our minds together, and together we can figure this out. As I look around this room [at the portraits of past Board Chairs and Presidents] and I look at the great leaders of yesteryear and the ones that are in this room, I am confident that we can handle it, and we can survive and actually be better than we left it and I am convinced that in the end, as Sir Winston Churchill said, history will record that this was truly one of our finest hours. That's a proposal, I don't know how you feel about it, but I'd love to open it for comment."

BOARD MEMBERS COMMENTS/QUESTIONS

Dr. Fountain commented that "as we go around the table, individual people have their own individual varying circumstances and so consequently, I would urge that this be a voluntary action, that everyone make that individual judgment as to whether they would be able to forego the reimbursement. In this difficult time when all of the colleges are under such stress, and this central office is under even greater stress, I would urge that if at all possible the members of the board forego their reimbursements until this crisis passes."

Ms. Steiner said “there’s ample talent around this table, and as I understand it, we may see some strain on the System Office and I certainly offer any support I could for hands and thinking from my background if I can assist.”

The Chair expressed her sincere appreciation to the staff “for the great work they’ve done and the continuous way and positive and professional way that they’ve handled everything, starting with the President on down, and all of the presidents out there. This is not easy, but I believe that if we work together and that the key, there’s value to be derived when we work together versus separately to figure it out. We thank you for all that you are doing and more is yet to come.”

Mr. Middlesworth mentioned that about eight years ago, the State had some cash flow issues that are similar to those being experienced today. At that time, it was suggested that we as members of the Board forego our per diem, our mileage, and so on. During that time span, the Board Secretary provided each member with a statement of the value of their donated services that could be considered as a deduction on their individual tax returns since those services were donated in service to the State and its Community College System. The Chair asked Mr. Sullins to check into this and determine whether it would be possible to establish such a process during the current economic downturn.

Both Mr. Ford and Ms. Steiner mentioned that the colleges and the System Office should be applauded for their great work and effort that is being done in this time of recession, and that it is the job of members of the Board to remind all of North Carolina that the community college system is central in giving individuals hope and opportunity to learn new skills and adapt in this time of uncertainty.

Treasurer Cowell spoke to the issue of student financial aid and the escheats fund, which is made up of the unclaimed property for the state and is managed by the Treasurer’s Office. She noted that the State has been using the corpus of that money over recent years that all goes for student financial aid and some other very worthy causes. However, the State uses around \$200 million plus a year from the escheats fund and we only generate interest income of around \$30 million a year. Thus, the base is being depleted and more dollars are having to be put into short term funds to meet obligations. The Treasurer said that we need to think about a more sustainable means of funding financial aid across UNC and the Community Colleges, and put the state on a better sustainable path for the escheats fund in the future.

Treasurer Cowell also noted that the lion’s share of scholarship money has historically gone to the University System, about ten times more than the community college system receives. As the community college system grows and the world changes, she suggests that the State also look at the equity and how those dollars are distributed in a changing world, and to enlarge that pie to make sure that everybody who wants to get an education gets the assistance they need.

Mr. Sullins reminded the board members that at our March 2009 board meeting, a group photo will be taken of the members of the State Board, as well as individual photographs, and that this will be the first group photograph of the Board since 1996.

DATE OF NEXT MEETING

Chair Pinnix-Ragland announced the next SBCC meeting will be held on Thursday, March 19 and Friday, March 20, 2009, in the Board Room of the Caswell Building in Raleigh, North Carolina.

ADJOURNMENT

There being no further business to come before the Board, a motion was made by Mr. Daniels to adjourn the meeting. The motion was properly seconded by Mr. Ford and the meeting was adjourned at 10:59 a.m.

RESPECTFULLY SUBMITTED BY:
Secretary

APPROVED BY:

Dr. R. Scott Ralls, System President

Hilda Pinnix-Ragland, Chair