



State Board of Community Colleges

Caswell Building, 200 West Jones Street

Raleigh, North Carolina

February 16, 2017

12:00 p.m.

CALL TO ORDER

Following proper public notification, Chairman Scott Shook called the State Board of Community Colleges (SBCC) Meeting to order at 12:23 p.m. in the Dr. W. Dallas Herring State Board Room of the Caswell Building.

ROLL CALL

Mr. Bryan Jenkins called the roll and the following members were present:

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| Dr. Breeden Blackwell | Ms. Janet Lowder * | Dr. Darrell Saunders |
| Ms. Lisa Estep | Mr. Bill McBrayer | Mr. Scott Shook |
| Mr. Bobby Irwin | Mr. Ernie Pearson | Ms. Kirsten Stovall |
| Mr. Schorr Johnson (rep for
Treasurer Dale Folwell) | Dr. Samuel Powell | Mr. Clark Twiddy |
| Mr. Todd Johnson | Mr. Lynn Raye | Mr. Jerry Vaughan |
| | Mr. James Rose | |

*Attended by telephone

Absent: Lt. Governor Dan Forest, Representative Jimmie Ford, Mr. Robert Stephens, and Dr. Candler Willis

ETHICS AWARENESS AND IDENTIFICATION OF CONFLICTS OF INTEREST

Mr. Jenkins reminded members of the Board of the ethical requirements for those who are public servants and requested that members identify any conflicts or potential conflicts of interest that they may have with respect to any item on the agenda. Having so requested, the Chair asked that the record reflect no conflicts.

DISCUSSION

NC Community College System Governance (in conjunction with Policy Committee)

Ms. Haygood reviewed the motion from the January 2017 meeting.

The State Board directs staff to research and document the authority of the State Board and report to the Board at our next meeting. Furthermore, the State Board directs staff to propose

other options to be considered by the State Board to ensure the Board has adequate oversight authority over the 58 colleges within our system and report said options at our next meeting.

The outcome of staff's work is the document being presented to the members for review. Ms. Martin provided a general overview of the existing authority of the State Board relevant to the current conversation.

Mr. Raye asked in reference to G.S. 115D-20(1), who performs the vetting of the local presidents when received? President Williamson stated he does the vetting. Once vetted, the local board decides on the candidate(s) to be presented to the Personnel Committee. The State Board can decline any or all of the candidates. Ms. Martin stated the process for submitting candidates is one of the options staff listed for consideration.

Mr. Pearson asked in reference to G.S. 115D-6, does there need to be reason to withhold funds? Ms. Martin stated the statute outlines the parameters by which funds can be withheld.

Mr. Pearson asked in reference to G.S. 115D-19, are there limits or criteria about the initiation of removal and is it just a recommendation? Ms. Martin stated standards exist, which she reviewed. An investigation would be conducted and the evidence presented. The local board has the authority to remove local trustee members.

Mr. Pearson asked in reference to 1A SBCCC 300.2, if another college could have taken over administrative and management control of Martin Community College and the college still function as Martin CC? Ms. Martin stated the current statutory structure would not allow it. Mr. Rose asked if another college was to take over, would the college re-hire all of the employees? Chairman Shook reviewed the rule making process and possible actions to be taken.

Potential issues if another college would have taken over Martin Community College:

- The incoming college would have the choice of whether to hire the current employees.
- The incoming college may not be approved to provide the same courses as Martin Community College.
- The Board of Trustees owns the building, so the incoming college would have to have the agreement of the BOT.

Mr. Raye stated the Boards of Trustees needs to have regular meetings to avoid problems. Ms. Martin stated such a change would require a statutory change.

Mr. Rose stated some of the things at Martin traced back a few years. Are there things within the existing audit findings, responses, and actions that could have been used more effectively? Chairman Shook stated there may have been other actions that could have been taken earlier but, unfortunately, the situation got to a point where strong action had to be taken. Ms. Haygood stated the Board's goal is to define the actions to help mitigate future issues.

Ms. Haygood stated the State Board has broad authority to adopt and execute policies. There are assumptions about the State Board's authority, both ability and lack of ability to take action. The

document provided to members lays out options proposed by System Office staff for discussion as directed by the Board. The document includes whether there is legislation that provides precedence as well as if additional resources would be needed.

Challenges/concerns discussed by members:

- Lack of term limits for Trustees. The State Board of Community Colleges currently has term limits.
- System Office/State Board needs to avoid micromanaging.
- Difficult to pass rules and regulations that fit all 58 community colleges and their service areas.
- Resources and tools need to be available when a college is struggling.
- Always needs to be communication between the System Office and the local colleges.
- The process for reporting issues and the resulting investigations needs to be clear.
- Some of the appointments to Board of Trustees are not in the best interest of the college.
- Address issues to avoid the General Assembly deciding to step in and direct the State Board to take actions to bring resolution.
- Local college autonomy is important, however an issue at one college effects the whole system.
- State funds are shared by all of the colleges.
- Currently, System Office does not adequate staff to assist colleges with investigating complaints.

Potential options discussed by members:

- The State Board needs to be clear on the intent of the adoption of the rules agreed upon.
- Board of Trustees need to be informed about final results of annual Presidential Evaluations.
- Codifying the State Board's vetting process for local president.
- Leave payouts need to be consistent with the State Human Resources Act.
- The Board may need to be aware of contract details to mitigate risks. Would a review process of contract parameters cause delays and loss of candidates?
- Possibly adding an additional trustee to create odd number of voting members. Option the State Board would possibly need to address to match as it currently has an even number of voting members.

Ms. Austin, liaison from NCACCT, shared with the State Board the training requirements for trustees along with thoughts regarding the potential options listed.

Conversation to continue at the joint meeting of AUD and POL at 3 pm.

ADJOURNMENT

There being no further business to come before the Board, Mr. McBrayer made the motion to adjourn, seconded by Dr. Blackwell unanimously approved by voice vote at 1:32 p.m.

RESPECTFULLY SUBMITTED BY:
Secretary

APPROVED BY:

James C. Williamson, PhD, System President

Mr. Scott Shook, Chair