



State Board of Community Colleges

Caswell Building, 200 West Jones Street

Raleigh, North Carolina

December 20, 2016

10:00 a.m.

CALL TO ORDER

Following proper public notification, Chairman Scott Shook called the telephonic State Board of Community Colleges (SBCC) Meeting to order at 10:00 a.m. in the AW North Carolina Conference Room of the Caswell Building.

ROLL CALL

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

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| Dr. Breeden Blackwell | Ms. Janet Lowder | Ms. Kirsten Stovall |
| Ms. Lisa Estep | Mr. Bill McBrayer | Mr. Clark Twiddy |
| Representative Jimmie Ford | Mr. Ernie Pearson | Mr. Jerry Vaughan |
| Mr. Bobby Irwin | Dr. Samuel Powell | Mr. Hal Weatherman (rep for
Lt. Governor Dan Forest) |
| Mr. Schorr Johnson (rep for
Treasurer Janet Cowell | Mr. Lynn Raye | Dr. Candler Willis |
| Mr. Todd Johnson | Mr. James Rose | |
| | Dr. Darrell Saunders | |
| | Mr. Scott Shook | |

Absent: Mr. Lee Roberts and Ms. Yolanda Stith

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.

APPROVAL OF THE AGENDA

Mr. Raye made a motion to approve the agenda, Representative Ford seconded the motion, and the motion was unanimously approved by voice vote.

COMMITTEE REPORTS

PERSONNEL COMMITTEE, Ms. Janet Lowder, Chair

The Board went into closed session pursuant to North Carolina General Statute sections 143-318.11(a)(1) and 143-318.11 (a)(6) following a motion by Ms. Lowder, a second by Mr. McBrayer and voice vote approval.

President Williamson reviewed the information on the two college presidential candidates.

Ms. Lowder moved to go back into open session with second from Mr. Raye, approved via voice vote.

On behalf of the Personnel Committee, Ms. Lowder recommended and moved the following item be approved by the board:

Dr. Michael Elam as President of Halifax Community College

The motion was unanimously approved by voice vote.

On behalf of the Personnel Committee, Ms. Lowder recommended and moved the following item be approved by the board:

Dr. Maria Pharr as President of South Piedmont Community College

The motion was unanimously approved by voice vote.

ACCOUNTABILITY AND AUDIT COMMITTEE, Representative Jimmie Ford, Chair

For Information

Martin Community College Corrective Action Plan (Attachment AUD 1)

Mr. Jenkins updated the board on activities in relation to Martin Community College. Staff received the corrective action from Martin Community College dated December 7, 2016. The corrective action plan which has been released to the public is redacted due to protected information.

- Dr. Ann Britt has announced her retirement effective March 15, 2017. The board will strive to find a viable interim candidate.
- Currently there are multiple versions of the bylaws. The BOT of Martin CC will update the bylaws and vote an official copy of them at the January 2017 board meeting. Currently the BOT meets every other month, but will meet monthly until Martin CC is back in good standing. The organization of the BOT will be reviewed and standing committees will have equal representation.
- The BOT stated that across the board raises will be retroactive to staff. There will be a review organization of faculty and staff as well as whether salaries align with experience.
- Fiscal management will be reported to the board on a monthly basis. Bank reconciliations being kept current will be a priority.
- The acting President will be required to provide an overview of the status of the college annually to the BOT and the community.

Representative Ford stated it will be good for the system to have a copy of updated bylaws from all of the colleges.

Mr. Jenkins reviewed the draft response to Martin CC.

Mr. Raye made a motion to go into closed session pursuant to North Carolina General Statute sections 143-318.11(a)(1) and 143-318.11 (a)(6) which was seconded by Mr. Vaughan. The motion was approved via voice vote.

The committee moved back into open session via voice vote.

Corrective Action plan states the Martin CC BOT will establish a search team. Ms. Haygood stated the Task Force recommends they appoint an interim, then hold off on hiring a permanent president to allow the college to stabilize.

Ms. Haygood stated the responsibility and oversight of fiscal management addressed by the Corrective Action Plan seemed acceptable, but the expectation could be difficult due to the limitations of funding.

Mr. Vaughan emphasized the need for versioning to assure the bylaws are historically accurate. All current trustees get copy of bylaws, as well as a process be developed for new members to receive bylaws, contracts, and other important foundational documentation.

The Board discussed and set the expectation of quarterly reports on progress, with the first being by the BOT chair at the January 2017 meeting.

Chairman Shook stated the State Board is getting ready to take the strongest action that can be taken. Ms. Estep stated, in her opinion, the college would be more successful if the current president does not serve same time as the interim. Mr. Vaughan stated if there are deficiencies in the corrective action plan, then the State Board should consider moving forward on withdrawing funds from the college. Mr. Irwin stated the BOT needs to shoulder the leadership. Mr. Pearson stated that while this isn't the perfect solution, the State Board needs to move forward.

On behalf of the Accountability and Audit Committee, Chairman Shook moved, and Mr. Raye seconded the following item be approved by the board:

Approval of the Task Force Response to Martin CC Board of Trustees with the following additions:

- County holding salary in agreement with State Board
- Audit for FY 15-16 and annually until clean.

The above item was approved by voice vote.

The conclusion of the MCC Corrective Action Plan Response will read:

The SBCC finds the corrective action plan provides an acceptable starting point for restoring standards of administration. However, the SBCC does not believe that this plan can be effectively implemented under the current leadership and, therefore, will withhold State funds for the president's salary effective January 1, 2017. Furthermore, the BOT shall provide quarterly updates to the SBCC until such time the SBCC is satisfied that the college is fully restored standards of administration. The first quarterly progress report shall be provided by the BOT Chair at the SBCC meeting scheduled for January 20, 2017.

BOARD MEMBERS QUESTIONS/COMMENTS

Chairman Shook shared that Governor McCrory appointed Ms. Yolanda Stith to the Industrial Commission and Mr. Lee Roberts to the Golden Leaf Foundation Board which means they would step down from the SBCC.

DATE OF NEXT MEETING

The next State Board Meeting will be held on Thursday, January 19, 2017 through Friday, January 20, 2017 in the Dr. W. Dallas Herring State Board Room located in the Caswell Building in Raleigh, North Carolina. More information regarding this meeting will be communicated.

EXPIRING TERMS AND VACANCIES

There are currently no terms expiring and no vacancies for the membership of the State Board.

ADJOURNMENT

There being no further business to come before the Board, Representative Ford made the motion to adjourn, seconded by Ms. Estep unanimously approved by voice vote at 11:21 a.m.

RESPECTFULLY SUBMITTED BY:

Secretary

APPROVED BY:

James C. Williamson, PhD, System President

Mr. Scott Shook, Chair