CALL TO ORDER
Following proper public notification, Chairman Scott Shook called the State Board of Community Colleges (SBCC) Meeting to order at 9:02 a.m. in the Craig F. Goess Student Center of Pitt Community College.

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

- Dr. Breeden Blackwell
- Ms. Lisa Estep
- Ms. Toni Formato
- Mr. William Holder
- Mr. Bobby Irwin
- Mr. Frank Johnson *
- Mr. Todd Johnson
- Mr. Bill McBrayer
- Mr. Ernie Pearson
- Dr. Samuel Powell *
- Mr. Lynn Raye
- Mr. Scott Shook
- Mr. Robert Stephens *
- Mr. Burr Sullivan
- Mr. Clark Twiddy
- Mr. Hal Weatherman (rep for Lt. Governor Dan Forest) *
- Ms. Ann Whitford
- Dr. Candler Willis

*Attended by telephone
Absent: Treasurer Dale Folwell, Mr. James Rose, and Mr. Jerry Vaughan

ETHICS AWARENESS AND IDENTIFICATION OF CONFLICTS OF INTEREST
Dr. Willis reminded members of the Board of the ethics requirements and requested members identify any conflicts or potential conflicts of interest. Having so requested, the Chairman Shook asked the record to reflect no conflicts.

APPROVAL OF THE MINUTES
Mr. T. Johnson made a motion to approve the May 18, 2018 and June 8, 2018 minutes for the State Board of Community Colleges as presented. Mr. McBrayer seconded the motion and the minutes were unanimously approved.
CHANGES TO THE AGENDA
The Chair polled the committee chairs as to any changes to the agenda and the results were as follows:

PERSONNEL COMMITTEE, Mr. Bill McBrayer, Chair
Mr. McBrayer stated Personnel Committee five items to address in closed session.

FINANCE COMMITTEE, Mr. Lynn Raye, Chair
Mr. Raye stated the Finance Committee would like to move Initiation of Rulemaking Process to Amend 1G SBCCC 100.1 – “Definitions” (Attachment FC 01) from Future Action to Action.

PROGRAM SERVICES COMMITTEE, Dr. Candler Willis, Vice-Chair
Dr. Willis stated Programs Committee has no changes.

STRATEGIC PLANNING COMMITTEE, Mr. Clark Twiddy, Vice-Chair
Mr Twiddly stated Programs Committee has no changes.

ACCOUNTABILITY AND AUDIT COMMITTEE, Ms. Lisa Estep, Chair
Ms. Estep stated Programs Committee has no changes.

POLICY COMMITTEE, Mr. Bob Stephens, Chair
Mr. Stephens, stated Policy Committee would like to move the following from Future Action to Action:
- Refusal to Recommend Proprietary School License Renewal (Attachment POL 01)
- Temporary Adoption of 1A SBCCC 400 – “Appeal Process for the Award of NC Title II Adult Education and Family Literacy Act Fiscal Years 2018-2021 Competitive Grants” (Attachment POL 02)

APPROVAL OF THE AGENDA
Mr. Raye made a motion to approve the agenda, Mr. McBrayer seconded the motion, and the motion was unanimously approved by voice vote.

APPROVAL OF THE CONSENT AGENDA
Dr. Blackwell made a motion to approve the consent agenda, Mr. Sullivan seconded the motion, and the motion was unanimously approved by voice vote.

Items approved on the Consent Agenda were as follows:

FINANCE COMMITTEE, Mr. Lynn Raye, Chair
Allocation for Virtual Learning Community Research Project – Phase II Artificial Intelligence (Attachment FC 12)
Service Agreement for Community College Grant Program (Attachment FC 13)
Service Agreement for Adult Basic Skills Professional Development (Attachment FC 14)
Allocation for Minority Male Success Initiative (Attachment FC 15)
Allocation for Golden Leaf Scholars Program – Two Year Colleges (Attachment FC 16)
Construction and Property – July 2018 (Attachment FC 17)
PROGRAMS COMMITTEE, Dr. Samuel Powell, Chair
Curriculum Program Applications – Fast Track for Action (FTFA) (Attachment PROG 04)
Curriculum Standard Revisions (Attachment PROG 05)
Courses of Instruction – Captive/Co-Opted Groups (Attachment PROG 06)
Combined Course Library – Continuing Education (Attachment PROG 07)

REPORTS:
Dr. Dennis Massey, President of Pitt Community College
Dr. Massey thanked the State Board for visiting Pitt Community College and introduced the Foundation members and staff who assisted putting the meeting together. Dr. Massey shared a video about the work being done at Pitt Community College.

Mr. Zack Cleghorn, Industrial Instructor/Coordinator, Pitt Community College
Mr. Cleghorn shared his story of service in the military, the struggles he experienced after leaving the military, and how Pitt Community College helped him find a new purpose. Mr. Cleghorn completed his degree in industrial engineering technology at East Carolina University. Mr. Cleghorn now works helping others as an instructor at Pitt Community College and is finishing his masters and starting his doctoral program.

Mr. Harry L. Smith, Jr., Chair, University of North Carolina Board of Governors
Chairman Smith thanked Chairman Shook for inviting him to the meeting. He congratulated the State Board on the new president and spoke highly of President Hans. The message from the UNC System is it is a Community College System advocate. Chairman Smith plans to partner with the community college system for higher education. Every day there is a challenge in higher education – and it is sustainability.

Chairman Smith shared some of the plans the UNC System has for offering online programs. Hopefully the Community College System and UNC System can work to harness and build the platforms together.

Chairman Smith thanked the State Board and shared he appreciates the service members give to the System.

Dr. David Johnson, President of North Carolina Association of Community College Presidents
President Johnson gave an overview of NCACCP activities at the meeting on June 13, 2018:

- After a report on progress made RE: RISE, the NCACCP moved for adoption and implementation based on the pilot. The motion carried.
- Presidents discussed the study for the NCCCS Tiered Funding Model. Mr. Trip Stalling, representative from the Friday Institute reported that the Chief Financial Officers of Davidson County Community College, Guilford Community College and Richmond Community College will serve as content experts throughout the study. In the future, individual community colleges will be asked to provide cost analyses. There was discussion related to other cost considerations which should be included in the study.
- NCACCP received a report regarding RDS and issues students were having completing college applications. Changes were discussed as to simplifying the process for students. NCACCP will continue to monitor.
- The Finance and Legislative Committees moved to convert the funding allocation for short-term workforce expansion funds from 688 to 512 hours to change the FTE formula calculation
permanently. This adjustment will allow the System to move forward until permanent funding for short-term workforce expansion funds exist. The motion carried unanimously.

- Additionally, the Finance and Legislative Committees presented a motion to convert the Continuing Education reporting period from a calendar year to a fiscal calendar year. NCACCP approved.
- Dr. Brewer, Chair of our Technology Committee reported the ERP will continue despite not receiving funding during the short session. The committee will develop next steps for the ERP.
- The Personnel/Professional Development Committee continues to work with North Carolina State University to develop a Presidents’ Academy and New Presidents’ Orientation. Dr. Greene reported that Dr. Ray Garcia, NCSU will work with the development of trustee training.

President Johnson stated his last report to the State Board as President of NCACCP, comes with bittersweet emotion. It’s been a very good year. NCACCP has tackled several agenda items for the year -

- New Presidents’ Orientation
- Administrative Assistant for the Association
- Renewed relationships
- Made progress with Apprenticeship, RISE, RDS, ERP
- Created a strong legislative agenda
- Obtained expansion funding for instruction
- Assisted in the development of the System Strategic Plan
- Reenergized involvement in State Board Committees
- Financial Aid Academy

The next NCACCP meeting will be the annual summer meeting on July 25 – 27 in Chapel Hill and hosted by Durham Technical Community College.

President Johnson thanked the State Board for the opportunity to serve and be part of a year of healing.

Ms. Julie Woodson, President of North Carolina Association of Community College Trustees
Ms. Woodson thanked everyone for the hospitality.

Ms. Woodson provided an update from NCACCT:
- NCACCT staff continues to focus training that will be offered at the Leadership Seminar scheduled September 5-7, 2018 in Asheville, NC.
- Ms. Woodson continues to reach out to new trustees and board members to assure that colleges know the association is a resource to help them be successful.
- Ms. Woodson will be attending the western presidents meeting planned the beginning of August. Ms. Shuping presenting information on the important role of trustees with legislative work.

Ms. Toni Formato, President of NC Comprehensive Community College Student Government Association (N4CSGA)
Ms. Formato provided an update of N4CSGA activities:
• The N4CSGA has filled nine of twelve positions on its Executive Board for the upcoming year; the three vacant positions are Western Division Representative, Public Information Officer and Campus Activities Chair.

• The incoming board met during the Transition & Bonding Retreat at Camp Caraway located in Sophia, North Carolina June 12-14.

Ms. Formato shared that she is very excited for the upcoming year and is truly thankful that to have the opportunity to represent over 710,000 students across North Carolina.

---

**COMMITTEE REPORTS**

**PERSONNEL COMMITTEE, Mr. Bill McBrayer, Chair**

Initiate Rulemaking Process to Adopt 1C SBCCC 300.1 – “Presidential Selection Process”  
(Attachment PER 01)

Ms. Martin reviewed the reasoning behind the introduction of this rule which will codify the selection process for the president at colleges.

Ms. Whitford asked if the rule recommends or encourages searches to include more than one candidate. Ms. Martin stated there is a recommendation of more than one candidate to be considered, but it could be waived via request by the BOT to the State Board.

On behalf of the Personnel Committee, Mr. McBrayer recommended and moved the following item be approved by the board.

Initiate Rulemaking Process to Adopt 1C SBCCC 300.1 – “Presidential Selection Process”  
(Attachment PER 01)

The above item was approved by voice vote.

Initiate Rulemaking Process to Amend 1C SBCCC 300.98 – “Evaluation of Presidents”  
(Attachment PER 02)

Ms. Martin stated the rule recommends each trustee receiving a copy of the evaluation. Additionally, if a college has a contract with the president, then the members on the Board of Trustees would need to see a copy of the current contract.

On behalf of the Personnel Committee, Mr. McBrayer recommended and moved the following item be approved by the board.

Initiate Rulemaking Process to Amend 1C SBCCC 300.98 – “Evaluation of Presidents”  
(Attachment PER 02)

The above item was approved by voice vote.

Initiate Rulemaking Process to Amend 1C SBCCC 400 – “Salaries and Benefits” (Attachment PER 03)
Ms. Grovenstein stated the rule will update the information about the presidential salaries in code, to match current practice.

On behalf of the Personnel Committee, Mr. McBrayer recommended and moved the following item be approved by the board.

Initiate Rulemaking Process to Amend 1C SBCCC 400 – “Salaries and Benefits”
(Attachment PER 03)

The above item was approved by voice vote.

The Board entered into closed session pursuant to North Carolina General Statute section 143-318.11(a)(1) to prevent the disclosure of information that is confidential or privileged pursuant to North Carolina General Statute section 115D-27; 126-22, and 143-748. Additionally, moved to go into closed session pursuant to North Carolina General Statute section 143-318.11(a)(6) to consider the qualifications, competence, performance, and fitness of individual prospective public employees and to consider the conditions of appointment for an individual public employee following a motion by Mr. McBrayer, a second by Mr. Raye, and a voice vote by the Board.

The Board discussed the matters referenced above.

Mr. T. Johnson made a motion to return to open session, seconded by Mr. Raye, approved via voice vote.

Mr. McBrayer recommended and moved the following item be approved by the board:

Dr. William Aiken, Interim President of Wake Technical Community College

The motion was unanimously approved by voice vote.

Mr. McBrayer recommended and moved the following item be approved by the board:

Dr. Ken Boham, Interim President of James Sprunt Community College

The motion was unanimously approved by voice vote.

Mr. McBrayer recommended and moved the following item be approved by the board:

Dr. Gregory McLeod, President of Edgecombe Community College

The motion was unanimously approved by voice vote.

Mr. McBrayer recommended and moved the following item be approved by the board:

Dr. Gordon Burns, Interim President of James Sprunt Community College
The motion was unanimously approved by voice vote.

FINANCE COMMITTEE, Mr. Lynn Raye, Chair
Initiation of Rulemaking Process to Amend 1G SBCCC 100.1 – “Definitions” (Attachment FC 01)
Ms. Grovenstein reviewed the rule. It will initiate the rule making process to align the curriculum and continuing education period for FTE funding. Lines 27-31 align the definition of FTE to 512 hours.

On behalf of the Finance Committee, Mr. Raye recommended and moved the following item be approved by the board.

Initiation of Rulemaking Process to Amend 1G SBCCC 100.1 – “Definitions” (Attachment FC 01)

The above item was approved by voice vote.

Allocation for Previously Funded Title II AEFLA Providers (Attachment FC 02)
Ms. Grovenstein stated the agenda item is a result of legislative action to provide funding to providers who did not receive funding through the Title II RFP process. The $1.3 million of funding will give the providers time to improve and qualify for federal funding or phase out the project.

On behalf of the Finance Committee, Mr. Raye recommended and moved the following item be approved by the board.

Allocation for Previously Funded Title II AEFLA Providers (Attachment FC 02)

The above item was approved by voice vote.

Allocation of Title II Adult Education and Family Literacy ACT (AEFLA) (Attachment FC 03)
Ms. Grovenstein shared this is the second half of funding that was approved in June for Title II providers. This allocation includes the same 63 providers who received the prior allocation, just additional funding. Also, section 225 funding for institutionalized or correctional settings are awarded to 18 providers.

On behalf of the Finance Committee, Mr. Raye recommended and moved the following item be approved by the board.

Allocation of Title II Adult Education and Family Literacy ACT (AEFLA) (Attachment FC 03)

The above item was approved by voice vote.

Allocation for Integrated English Literacy and Civics Education (Attachment FC 04)
Ms. Grovenstein stated this item is also related to Title II under section 243. This is separate funding piece of the federal amount specifically for English language learners.

On behalf of the Finance Committee, Mr. Raye recommended and moved the following item be approved by the board.
Allocation for Integrated English Literacy and Civics Education (Attachment FC 04)

The above item was approved by voice vote.

State Board Reserve Funding for CCR Professional Development and Technical Assistance (Attachment FC 05)

Ms. Grovenstein stated this item will provide funds for professional development up to $125,000.

On behalf of the Finance Committee, Mr. Raye recommended and moved the following item be approved by the board.

State Board Reserve Funding for CCR Professional Development and Technical Assistance (Attachment FC 05)

The above item was approved by voice vote.

Allocation for Career and College Ready Graduate Alignment Partnerships (Attachment FC 06)

Ms. Grovenstein stated the Career and College Ready Graduate Alignment Partnership continues to work with the K-12 sector to initiate remediation in high school to ensure college readiness prior to high school graduation.

On behalf of the Finance Committee, Mr. Raye recommended and moved the following item be approved by the board.

Allocation for Career and College Ready Graduate Alignment Partnerships (Attachment FC 06)

The above item was approved by voice vote.

Allocation for Lead College for Career and College-Ready Alignment Partnership (Attachment FC 07)

Ms. Grovenstein shared this item would fund Wake Technical Community College with state funding to work as lead college on the Career and College Ready Alignment project.

On behalf of the Finance Committee, Mr. Raye recommended and moved the following item be approved by the board.

Allocation for Lead College for Career and College-Ready Alignment Partnership (Attachment FC 07)

The above item was approved by voice vote.

Allocation for Improving Career and Technical Education (Attachment FC 08)

Ms. Grovenstein stated allocations are distributed to colleges in Tier 1 or Tier 2 areas based on a weighted allocation process and awarded on a formula basis.

On behalf of the Finance Committee, Mr. Raye recommended and moved the following item be approved by the board.
Allocation for Improving Career and Technical Education (Attachment FC 08)

The above item was approved by voice vote.

Temporary Amendment of 1G SBCCC 100.1 – “Definitions” (Attachment FC 09)
Ms. Grovenstein stated this item will implement a temporary rule while the permanent rule is going through the code approval process.

On behalf of the Finance Committee, Mr. Raye recommended and moved the following item be approved by the board.

Temporary Amendment of 1G SBCCC 100.1 – “Definitions” (Attachment FC 09)

The above item was approved by voice vote.

Allocation of Title II AEFLA, Section 225, Expanding Services (Attachment FC 10)
On behalf of the Finance Committee, Mr. Raye recommended and moved the following item be approved by the board.

Allocation of Title II AEFLA, Section 225, Expanding Services (Attachment FC 10)

The above item was approved by voice vote.

Allocation of Special Capital Improvement Appropriations (Attachment FC 11)
On behalf of the Finance Committee, Mr. Raye recommended and moved the following item be approved by the board.

Allocation of Special Capital Improvement Appropriations (Attachment FC 11)

The above item was approved by voice vote.

Year-End Estimated Receipts (Attachment FC 18)
Ms. Grovenstein reviewed the final information on Estimated Receipts for FY 2017-18.

Mr. McBrayer made a motion to recess at 10:20 a.m., seconded by Mr. T. Johnson, approved via voice vote.

Mr. McBrayer made a motion to reconvene at 10:34 a.m., seconded by Mr. Raye, approved via voice vote.
PROGRAMS COMMITTEE, Dr. Candler Willis, Vice-Chair

Review of Comments for 1G SBCCC 200.93 - "Reporting of Student Membership for Curriculum Classes";
1G SBCCC 200.94 - "Reporting of Student Hours in Membership for Continuing Education Classes"; "1D SBCCC 300.9 - "Clinical Practice"; and 1D SBCCC 300.10 - "Work-Based Learning" (Attachment PROG 03)

Ms. Martin stated this item is a compilation of comments for related code provisions. The updated code is a result of collaboration between community college and System Office staff. The comments received result in substantive changes, thus the rules will have another 5-day comment period.

On behalf of the Programs Committee, Dr. Willis recommended and moved the following item be approved by the board.

Approve the System Office recommendations for Comments for 1G SBCCC 200.93 - "Reporting of Student Membership for Curriculum Classes"; 1G SBCCC 200.94 - "Reporting of Student Hours in Membership for Continuing Education Classes"; "1D SBCCC 300.9 - "Clinical Practice"; and 1D SBCCC 300.10 - "Work-Based Learning" (Attachment PROG 03)

The above item was approved by voice vote.

STRATEGIC PLANNING COMMITTEE, Mr. Clark Twiddy, Vice-Chair

Performance Measures Report (Attachment PLAN 01)

Dr. Sieman presented an overview of the information included in the Performance Measures Report.

On behalf of the Strategic Planning Committee, Mr. Twiddy recommended and moved the following item be approved by the board.

Performance Measures Report (Attachment PLAN 01)

The above item was approved by voice vote.

Mr. Twiddy recommended members review the information shared in the Strategic Planning items.

POLICY COMMITTEE, Mr. Bob Stephens, Chair

Refusal to Recommend Proprietary School License Renewal (Attachment POL 01)

Mr. Corl presented the information related to non-renewal of four schools. Ms. Martin reviewed the process that will occur if the State Board approves the denial as well as the school’s right for due process. Ms. Whitford asked about impact on the students. Mr. Corl provided the status of courses for each school and reviewed the bond requirements for licensed proprietary schools.

On behalf of the Policy Committee, Mr. Stephens recommended and moved the following item be approved by the board.

Refusal to Recommend Proprietary School License Renewal (Attachment POL 01)

The above item was approved by voice vote.
Initiate Rulemaking Process to Amend 1B SBCCC 400 – “Program Accountability”  (Attachment POL 02)
Ms. Martin stated that this is a temporary rule to implement an appeal process for applicants who did not receive funding for Title II this year.

On behalf of the Policy Committee, Mr. Stephens recommended and moved the following item be approved by the board.

Initiate Rulemaking Process to Amend 1B SBCCC 400 – “Program Accountability”  
(Attachment POL 02)

The above item was approved by voice vote.

Adopt 1A SBCCC 200.5 – “System Advisory Council”  (Attachment POL 03)
Ms. Martin stated this rule codifies language related to the System Advisory Council.

On behalf of the Policy Committee, Mr. Stephens recommended and moved the following item be approved by the board.

Adopt 1A SBCCC 200.5 – “System Advisory Council”  (Attachment POL 03)

The above item was approved by voice vote.

Adopt 1A SBCCC 200.4 – “Sound Fiscal and Management Practices”  (Attachment POL 04)
Ms. Martin stated the rule codifies language defining sound fiscal and management practices.

On behalf of the Policy Committee, Mr. Stephens recommended and moved the following item be approved by the board.

Adopt 1A SBCCC 200.4 – “Sound Fiscal and Management Practices”  (Attachment POL 04)

The above item was approved by voice vote.

LEGISLATIVE AFFAIRS COMMITTEE, Dr. Breeden Blackwell, Chair
2018 Short Session Legislative Report  (Attachment LEG 01)
Ms. Shuping reviewed the report.  Stated much of the budget information will be presented in the FY 2018-2019 State Aid Allocations and Budget Policies scheduled to be presented in August 2018.

NEW BUSINESS
Mr. McBrayer shared President Hans’ assistant is retiring at the end of July. Mr. McBrayer motioned to enable President Hans select an assistant subject to ratification by the Board at its August meeting. Dr. Blackwell seconded, and the motion subsequently approved via voice vote.

PRESIDENTS REPORT
President Hans provided an update with the following highlights:
• President Hans thanked Chairman Shook, Pitt Community College, and Martin Community College for the hospitality.
• President Hans stated he has been a privileged to visit about a dozen colleges in his few months on the job.

Mr. Pearson asked if the information that President Hans has been sharing also be shared through the newsletter/email for North Carolina Economic Development Association (NCEDA). Ms. Little shared information is getting distributed and President Hans has been taking opportunities to interact with NCEDA.

Chairman Shook stated that he is working with Chair Smith to start discussing joint committees to discuss joint issues.

Ms. Austin thanked President Hans for having Mr. Jenkins attend the dedication at Johnston Community College to represent the System Office and State Board.

BOARDS MEMBERS QUESTIONS/COMMENTS

DATE OF NEXT MEETING
The next State Board Meeting will be held on Thursday, August 16, 2018 through Friday, August 17, 2018 at Forsyth Technical Community College. 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, Mr. Raye motioned to adjourn, seconded by Mr. McBrayer, unanimously approved by voice vote at 11:24 a.m.

RESPECTFULLY SUBMITTED BY:  
Secretary

APPROVED BY:

Peter Hans, System President

Mr. Scott Shook, Chair