

APPENDIX A

**PRESIDENT BOWLES' REPORT  
BOARD OF GOVERNORS MEETING  
JANUARY 11, 2008**

We have all come to the North Carolina School of the Arts to see the facilities many of times. Rarely have we had a chance to see the talent and the people on this campus. It was truly awe inspiring and we have the opportunity to gain appreciation for the jewel and magic of the School of the Arts. We need to make an investment in the School of the Arts and John Mauceri has taken this school to the next level and during the past two days it is evident that the Chancellor clearly is doing so. But the margin of excellence in every University is for private dollars that make it great. Join me in supporting what we have at the School of the Arts, which is unique in this country and is an enormous asset to the State of North Carolina.

Thank you for the Chancellors being here this morning. I want to offer three accolades: Congratulations to the Appalachian State Mountaineers on their third consecutive National Championship in their win over Delaware State University 49-21. Football does a lot for the school: it creates a sense of togetherness on the campus, it brings back the alumni, it increases the funding, it increases the number of people who want to go to the school, it increases the quality of the student body, and it is an enormous asset.

Congratulations to Chancellor Willie Gilchrist at Elizabeth City State University on receipt of a \$400,000 grant from Wachovia Bank for the recruitment, training, and retention of minority students who are in the joint doctoral pharmacy program with the University of North Carolina at Chapel Hill. East Carolina University received two fantastic grants: \$1.6 M from NIH to study common bacteria from infections in hospitals and lung problems among cystic fibrosis patients. In addition, Body Nowell, headquartered in Rocky Mount, has pledged \$500,000 dollars to the new heart institute being built at ECU and in appreciation for the gift, the pediatric cardiology area of the institute will be named for the new Body Nowell Company.

At UNC Asheville, the Chamber Singers had the honor and rare privilege of being the only North Carolina college group to perform at the White House this holiday season. They also had the distinct honor of singing for the wounded war heroes at Walter Reed Army Hospital.

The University of North Carolina at Chapel Hill has the distinction of Chancellor Moeser and has been named the best value for American Education for the past seven years. We have the best value, low cost, and high quality at UNC Chapel Hill. That is unique! And North Carolina is blessed that out of the top 70 best values in America, we have six of them in North Carolina. No other state comes close. Every University of North Carolina school except UNC Chapel Hill, because it was already No. 1, rose this year. NCSU was 13, ASU was 27, UNCW was 36, UNCA was 40, and UNCG was 68. I am sure UNC Charlotte would have been there, but we have a Chancellor that won't submit numbers, but it is high quality.

Last month our senior Chancellor Pat Sullivan announced her retirement. She is one of our nation's greatest leaders in education. It broke my heart. She is an extraordinary leader. Over her 13 years as Chancellor at UNC Greensboro, Chancellor Sullivan has taken the University of North Carolina at Greensboro from 13,000 students to 17,000 students. That is an increase of 36% and the quality has improved each year. She has created ten new doctoral programs, the number of research grants has tripled, the endowment has more than tripled, and the most remarkable thing is that you can see it everywhere! Not only are there a half billion dollars worth of new buildings, but when you walk the campus with her, not only does she care and cares deeply about the students, but the students know her and believe in her. Pat Sullivan will make it easy to find somebody to come in and succeed her because she has built the foundation of a great university and attracting a new leader will be that much easier. Thank you Pat for all that you have done! I told the trustees and the chair, Steve Hassenfelt, of the search committee, that his job is the most important one he will ever do in selecting the next leader. It is also important in the Triad as a whole because UNC at Greensboro is so actively involved in the economic development of Greensboro. In fact, Pat Sullivan received the Outstanding Citizen Award from the Triad and it is an honor they just don't give out, but she absolutely earned it as she has everything else.

Now I want to introduce you to the latest member of our team, Ms. Laura Bernstein Luger. Laura is our new General Counsel and will succeed the incomparable Leslie Winner and we are truly blessed. Laura is a partner with Womble Carlyle in Durham, she is a seasoned negotiator, mitigator, and litigator and brings to the University a proven understanding of the legal issues facing large organizations – she represented municipalities, universities, hospitals, and large research organizations. She practiced more than 25 years with two of our most prestigious law firms and she has earned the trust and respect of our State’s legal and business community. She joined Womble Carlyle in 2003 after spending more than two decades at Moore & Van Alan. She is a graduate of Bryn Mawr and the University of California at Berkeley Law School and she has twice been named one of North Carolina Super Lawyers. She has taught legal writing and research at UNC Chapel Hill and has served as a faculty member at the National Institute of Trial Advocacy. She is a state certified mediator and past chair of the bar association’s Construction Law Section and currently serves on the advisory board of the UNC Center for International Understanding. She has also taken other active roles in the community and had leadership positions at the Global Fund for Children, Special Olympics, and the Legal Assistants Program. I am absolutely positive that we have the right person to come to this University. Laura, welcome aboard!

Yesterday we had two truly important discussions: 1) the findings and recommendations of the UNC Tomorrow Commission and 2) the multitude of activities and initiatives the University has underway of the support of K-12. These two critically important topics are intertwined and interdependent. The future of UNC and the future of North Carolina hinges on how quickly and how effectively we respond to the daunting set of needs and challenges presented to us yesterday. During the first Phase of the UNC Tomorrow effort, many of you joined us along the way as we travelled across the state and had 39 Listening Forums and where there were thousands of North Carolinians come out and talk with us. These were citizens from all walks of life: from the business community, from governments, from not for profits, students, faculty members, and they told us of their great love of the University and their needs that they thought the University needed to fill in the years to come. As reported by Norma Houston, the Faculty Scholars did a phenomenal job in this effort. They performed not only the research, but they are the ones that worked with Norma and Tony to formulate the recommendations and

strategies that will go forward. This is coming from our Faculty. The experience of the Listening Forums was exhilarating, but were also exhausting and time consuming. The easy part is now behind us. The hard work for this Board and for our campuses figuring out how we prioritize and respond to and meet the needs of this State is the hard part, which is still ahead of us. But meet those needs we will and we will meet them in the time frame Ms. Houston described yesterday. What stood out from all the listening forums across the state and every forum we held, was we heard a consistent and unmistakable plea that the University do more to strengthen our public schools and raise the academic success and aspirations of our students.

I am a realist. Our public schools are not great. The result we are producing is not up to international standards. That is a fact. If we as a University and we as a state don't figure out how to fix the systemic problems of K-12 and fix them quickly, not only will America as a nation be a second-rate power before we know it, but everything else will go for not. Like it or not, we are living in a knowledge-based global economy, and we need to get more of our own people better educated if we are to compete and compete successfully in this new world of work. Everyone in North Carolina blames the problems of K-12 on somebody else. We blame it on the product we get from the high schools, the high schools blame it on the middle schools, the middle schools blame it on the elementary schools, the elementary schools on the parents and the environment. We have got to take responsibility and own the problem. In some areas we are the problem because we do train the teachers and the principles and we must do a better job. I am not suggesting that we at the University can fix this problem alone, because we can't. But I do believe that we have a responsibility to step up and take a leadership role in breaking down the historic barriers to cooperation and collaboration among the various educational sectors in this State and to do our part and take it as our most important charge to fix K-12. We made progress in recent years before I got here and since I have been here as demonstrated in Alan's presentation. I hope you took great pride in that. We only scratched the surface of what we have to do. I talked to Governor Easley and with my counterparts of the education cabinet about using next month's Joint Meeting of the Education Governing Boards as a real productive working session to talk about two things: what each of our sectors can do and has done, and will do to support K-12 and to open discussion on how we break down unnecessary bureaucratic barriers that prevent us from coming together to solve the problems of a seamless education in North

Carolina. We need to come up with a real set of goals, recommendations, timelines, responsibilities, and accountability. We cannot afford to waste time. I talked to all those people and I am pleased to say that at every level of education in the State, that everyone has responded in an overwhelming positive manner. I am excited about what we can do beginning at this meeting on February 6, 2008, and I know everyone of you will be there. What we are going to do is breakdown barriers and provide the students of North Carolina with a seamless education, a better education, an education that vastly improves K-12 and prepares the next generation to compete and to compete successfully in the knowledge-based global economy. Please come to the meeting on February 6<sup>th</sup>—this is a fight and this is an effort we have to make and we have to take responsibility.

Mr. Chairman this concludes my remarks. Thank you.