

Committee on Educational Planning, Policies, and Programs

Minutes

389th meeting, September 9, 2010

Members Present: Mr. Barringer, Mr. Davis, Mr. Deal, Mr. Hayes, Mr. Leatherwood, Mr. Mitchell, Mr. Pitts, Dr. Taylor

Members Absent: Dr. Roseman, Ms. Sanders

Chancellors Present (ex officio members): Chancellor Anderson, Chancellor Dubois, Chancellor Gilchrist, Chancellor Ponder, Chancellor Woodson

Other Board Members Present: Mr. Bhula, Mr. Blackburn, Mr. Bowden, Mr. Daniels, Mr. Daughtridge, Mr. Davenport, Mr. Dixon, Mr. Fulton, Ms. Gage, Ms. Goodnight, Ms. Goodyear, Mr. Hays, Dr. Key, Mr. Lail, Mr. Mercer, Mr. Mills, Mr. Young

Others Present: Mr. Baddour, Dr. Bardo, Dr. Barlow, Mr. Boney, Mr. Bowles, Mr. Ceresnak, Dr. Chapman, Ms. Charest, Mr. Davies, Dr. DePaolo, Mr. Fleming, Dr. Gravett, Mr. Harrison, Dr. Leath, Mr. Lewis, Ms. Luger, Dr. Mabe, Dr. Mallette, Dr. Martin, Dr. Nelms, Dr. Prochaska, Dr. Roper, Ms. Taylor, Ms. Thompson, Dr. Thorp, Ms. Watkins, Dr. Wetherill, Ms. Worthington

Chairman Deal called the meeting to order at 1:00 p.m. in the Burney Center Ballroom A at the University of North Carolina at Wilmington in Wilmington, North Carolina.

There being no corrections or additions to the minutes of the August 12, 2010 meeting, it was moved by Dr. Taylor and seconded by Mr. Pitts that the minutes be approved as presented. Motion carried.

The committee heard a Report on the UNC Health Care System from Dean Bill Roper, who heads the Medical School and the hospital system. The General Assembly granted the UNC Health Care System flexibility from State regulations in the four key areas of personnel, purchases, property management, and property construction. The Report reviews the savings achieved as well as other impacts of flexibility. For example, in purchasing, the hospital system saved \$5.5 million dollars last year with a cumulative savings of approximately \$34 million since being granted flexibility. Based on flexible personnel policies, the hospital system has been able to reduce turnover from 20% to 8% and increase employee satisfaction significantly from the 30% range to almost 70%. The flexibility granted has been put to good use and has had the kind of results that clearly justifies continuing to have it.

Dean Roper brought two items to the Committee's attention that need careful and continuing attention. The cost of uncompensated care was over \$280 million in FY 10 and is projected to grow to over \$300 million this year. At the same time the State support has dropped from a high of \$47 million in FY 08 to \$36 million this year. The other issue is the growing gap between wages in the hospital system and market rates. The policies put in place under flexibility have helped but as the market gap grows it may be more difficult to keep employees.

Dean Roper spoke briefly about the Plan for Medicine that the Board approved in 2008, which contemplated expansion at UNC-CH and ECU, as well as UNC-CH's developing satellites in Charlotte and Asheville. He indicated that he did not expect the State could fund such an expansion in the near future so they were exploring starting the expansion on a smaller scale and not waiting for State resources. The Committee will hear more as the plan develops.

It was moved by Mr. Pitts and seconded by Mr. Barringer that the UNC Health Care System Annual Report be accepted for submission to the Board of Governors for approval and conveyance to the Joint Legislative Commission on Governmental Operations. Motion carried.

The Committee reviewed the Annual Report on Athletics. Dr. Mallette gave a brief presentation and there is good news overall, even though we had a problem with one sport on one campus in the 2008-09 reporting period. We are seeing improvement in the academic performance of our athletic teams. Even though intercollegiate athletics is delegated to the campuses as a chancellor's responsibility, we require campuses to report key information about their programs to the President. The lengthy report contains a lot of information about our programs, but the executive summary provides a good account of the key indicators. There you can find minimum course requirement exceptions, average core high school grade point averages, standardized test results, and the most popular majors for student-athletes, all by campus.

Five schools, involving eight teams, fall below the 925 Academic Progress Rate minimum standards but only one is in a penalty situation. On the very positive side, 11 of our campuses, involving 29 sports, have received the NCAA's Academic Public Recognition Award for being in the top 10% of all athletic programs in a sport. The number receiving this award in our system has grown from six schools and twelve teams in 2008 to eleven schools and twenty-nine sports in 2010.

Chancellor Martin of NCA&T discussed the situation he inherited in football and described to the Committee the steps he is taking to put the program on sound footing and to get the NCAA sanctions removed.

The opportunity was presented to address the situation on the UNC-CH campus. Chancellor Thorp and Athletic Director Dick Baddour provided an account of the sports agent issue and the tutor issue. He described how they were working closely with the NCAA on both issues. They are developing the facts and once fully developed they will share them with the NCAA and jointly discuss penalties that would be appropriate. Regarding the tutor issue, it was made clear that if student honor court issues were involved that route would be utilized as well. President Bowles and the Committee both commended Chancellor Thorp and Athletic Director Baddour for their handling of the issue and for placing the academic values of the institution first.

The Committee heard a report on licensure with a characterization of the problems articulated by Board members in recent Committee discussion. The report also described some of the national issues being addressed by the US Department of Education and by Committees of the US Senate. Licensure is a complicated issue that can be addressed at different levels of governmental authority. Campuses characterized as "for profits" are being carefully scrutinized for their recruitment practices, the debt load that students have who attend their institutions, and whether their programs prepare students adequately for contemporary job requirements. The Committee recognizes that the licensure function is governed by State statute and that non-profits as businesses have a different standing under the commerce clause in relation to State regulation.

The Committee reviewed the national and local issues and decided that it would be a good idea to establish a committee to look at licensure.

It was moved by Mr. Mitchell and seconded by Mr. Leatherwood to bring a request to the Board to ask President Bowles and Chairman Gage to set up a committee to review licensure to determine what recommendations might be made to the General Assembly. Motion carried.

A brief summary of the Remedial/Development Activities Report was given by Dr. Mabe. This is an annual report that tracks changes in levels of remediation needed by students at our campuses. The long-range trend is that our students need less remediation even as the undergraduate student body has grown significantly. In this reporting year, 2008-09, approximately \$2 million was spent across our campuses on development and remedial student support with \$1.4 million spent on course work.

The Committee received the Annual Report that summarizes the Educational Planning Committee's work for 2009-10. This report provides Committee members and other Board members with a good reference for the Committee's work regarding policy, planning, and programs.

At the April Board meeting, several Master of School Administration programs were recommended for reauthorization. For those few that needed further revisions, authority was delegated to the President for future approval. Dr. Chapman reported that the President has approved the revisions of the MSA programs from ASU and UNCW.

Chairman Deal adjourned the meeting at 3:10 p.m.