

APPENDIX E

PRESIDENT BOWLES' REPORT BOARD OF GOVERNORS MEETING SEPTEMBER 8, 2006

I was going to give you an update on the PACE initiative, but I think we spent enough time on that at the *policy discussions* yesterday and we covered it well. I think it is fair to say that Ken Peacock's enthusiasm for this project is something that I think we have earned over a period of time. I believe all of us had some degree of mistrust when we first started out, wondering just what we were really trying to do. However, we all know that this can make a big difference in managing this University in a better way and taking some of the resources that are now involved in the administrative side and being able to reallocate them to the academic side of the house. We are making great progress. We have mapped out the expenses on each campus. We have allocated them by functionality. The data, again let me stress, is fully transparent and available to all. We have formed working groups to address system-wide issues and to identify opportunities for savings, and each campus has begun to evaluate its own opportunities. I think we are making great progress.

We also had a great discussion yesterday on accountability measures with special emphasis on retention and graduation. I know the chancellors feel we are doing a great job of getting people in the door, but we are not doing the job we are going to do or want to do on graduation and retention. We will do better. I am excited about having the board, our chancellors, our faculty, and our students (and Derek, I want to work through you with the students) to help us quantify success, to truly be able to define success for this University and develop the right set of measurable outcomes.

Let me make a short comment on the information that was presented yesterday to the Committee on Educational Planning, Policies, and Programs about the UNC Health Care

System. As you all know, there was a petition that was recently delivered to Chancellor Moeser and to me concerning the Health Care System's approach to its mission and its desire to treat all regardless of their ability to pay. Dr. Roper reacted to this petition in an extremely positive manner; he was not defensive in the slightest. James and I had a number of meetings with him and I am pleased, as James is, with the steps that Dr. Roper and his team have taken to make sure we provide high quality health care service to all citizens of North Carolina regardless of their means. I also made sure that the press understood that I feel Dr. Roper can take great pride in restoring the fiscal integrity to our hospital, which is a responsibility of this board. I think it is clear that without a strong financial position, we can neither hire the best doctors nor acquire the best technology. I must admit that having personally been around health care systems a long time, I have never had folks like you approach me and say, "Erskine, can you get me in to see a mediocre doctor?" I am sure Dr. Roper's steps are directionally correct, I know his intention is to personally ensure that not one patient is denied the care he or she needs. The key, obviously, is the implementation and execution of his plan. Dr. Roper himself, Chancellor Moeser, Chairman McCoy of the UNC Healthcare System Board of Directors, and I will all be regularly evaluating his implementation. Chairman Phillips is going to discuss the measuring up report, so he will speak to that for both of us.

On the tuition plan, let me say that our recommendations will be complete and sent out to all of you approximately two weeks before the October 10, 2006, meeting of the Tuition Policy Task Force. I want to thank each of you in this room who have taken the time to meet with me and give me your thoughts. We have benefited from it. This is an evolving document now. We are coming to a close and I am confident we will get out a good set of recommendations two weeks prior to this task force meeting.

I want to close with some very exciting news. Hannah, your prayers have been answered. I think you said, “Bless those who teach, especially those who work with few resources.” Well, this week we have done that in Guilford County. We made an announcement in Guilford County that I am so excited about I can barely contain my enthusiasm. We have joined your University, through North Carolina A&T and UNC Greensboro, with the Guilford County School System and *Action Greensboro*, which is one of the greatest organizations I have ever had a chance to work with, to bring together all the business community, all the not-for-profits to really make things happen and change Greensboro. We went to them with an idea of how to get more of the people of Greensboro better educated. It is clear that one of the biggest problems that has hampered our ability to raise the achievement scores of the kids in our schools is that we have a huge shortage of teachers, particularly of qualified math and science teachers. Therefore, what we have come forward with in Guilford County is a seven-point coordinated plan as to how we can make sure that we improve the math education of the kids in Guilford County. We are working with eight high schools in Guilford County (Dudley High, Smith High, Andrews High in High Point, High Point Central High, Middle College at NC A&T, Middle College at Bennett, Eastern High, and Southern High). Here is what we are going to do. People ask all the time, “*Why do we have a teacher shortage? Why can’t we get enough qualified teachers? Why do we have a 50% turn over in teachers in Guilford County?*” Well I can tell you why, we don’t pay them anything, it’s that simple. We are going to pay the 70 math teachers at those eight high schools in Guilford County more than the normal \$31,000 a year. Thanks to what we, *Action Greensboro*, and the Guilford County School System have done, we are going to pay them a \$10,000 bonus to get them up to market rate, and a \$4,000 performance bonus if they can get their kids to gain 1.5 years for every year they are in school. Therefore, a teacher there will be

able to make \$45,000 rather than \$31,000. I think I can get some people to teach for \$45,000 a year. However, it is not just the salary. This is a comprehensive package. We are also going to recruit like crazy. We are going to recruit nationally and we are going to recruit locally for teachers. We have assigned someone from the model teacher program at the Center for School Leadership Development that is going to help recruit teachers nationally. In addition, this summer I took some of the discretionary funds we have and went to NC A&T and UNC Greensboro. At NC A&T, we have a dozen young people who are math, science, and engineering majors graduating this year. We put them through an intensive program this summer to get them certified to teach and seven of them are going to teach in the Guilford County School System. I am excited about that. We are going to go back and give that challenge again next year and see if we can get more people to say yes. These are all kids with great grades that are math, science, and engineering majors who are going to teach in those public schools, and they have that teaching certificate because we were able to provide the money to do it.

The third part of this is, money is one thing but you must make sure you get the right professional development. We are going to have great professional development for these 70 teachers. All of them have to go to a program on UNC Greensboro's campus where they are going to have rigorous, intensive professional development. They are going to be paid an additional \$4000 stipend to go to this program. They are all going to go, they have to finish, and they can't go back to teaching unless they perform in this program. They are going to get great professional development, and we are going to do more than that. They all tell me that they need more than professional development; they also need to be mentored. We are going to provide content mentoring through the faculty at NC A&T, UNC Greensboro, and the Guilford County

School System so that these teachers can get the mentoring they need all through the year. In addition, we have purchased a laptop computer for every mentor and every teacher so that they can stay constantly in touch. Therefore, we have mentoring, professional development, recruiting, and differential pay. We also have two of those teachers/principals (since leadership is such a big part of what we do) coming to this new principals' program we have at the Principal Executive Program being run by the Kenan-Flagler Business School. This is providing them the kind of management and leadership skills they need. The principals say they never had a chance to go through something like this. This is a yearlong program and I think it is going to be a big success. If it is, we can get the other principals in Guilford County to come down here and get the kind of leadership, management, and budgeting training that they need in order to be better leaders in their public schools.

Additionally, there is something that is run by UNC Greensboro called the *iSchool* where they are able to give college courses in math over the internet to several thousand people throughout North and South Carolina. However, you have to pay for it. We are going to be able to offer it to every kid in these eight Guilford County Schools. They are going to be able to take three courses in Math and Science and get college credit, and its going to cost them zero. Therefore, every kid gets a chance to do it.

The last thing we are going to do is evaluate this program extensively. We provided the funds to UNC Greensboro to do a comprehensive evaluation every year. That evaluation will be completely transparent and it will be available to you, the people in Guilford County, and the whole state. I think what we have here is a model for North Carolina and the nation. For example, Lou Gerstner came down to visit John Davis and me. He had read the inauguration speech I made and he said, "Here is a state that really gets it about the inner relationship between

higher education and K-12 and a nation that really understands that education and economic development are linked.” He said, “Erskine, if this program works, and we think it will because this is the first program that we have ever seen that brings professional development, mentoring, recruiting, and differential pay together in one organization. If it works, we’ll take this program national.” I think we really have a chance to do something great here and I am truly excited about. I thank you all for giving us the chance to do it.

Mr. Chairman, that concludes my remarks.