

North Carolina A&T State University
BOARD OF TRUSTEES
EXECUTIVE COMMITTEE MEETING
November 22, 2013

MINUTES

The Board of Trustees Executive Committee convened for a meeting on Friday, November 22, 2013 at 7 a.m. in room 101 of the Alumni-Foundation Event Center.

Chairwoman Zollar called the meeting to order and thanked the members for their attendance. She then paused for the roll call.

Roll Call revealed that the following were:

Present: Mrs. Patricia Miller Zollar, Chairwoman
Mrs. Pamela McCorkle Buncum
Mr. Willie Deese
Dr. Bertram Walls
Mrs. Faye Tate Williams

Absent: Mr. Spence Broadhurst
Mrs. Karen Collins
Mr. Emerson Fullwood
Mr. Tim Rice

Others Present: Chancellor Harold L. Martin
Dr. Deborah Callaway
Ms. Janese Fails
Ms. Linda McAbee
Dr. J. Charles Waldrup
Dr. Joe B. Whitehead, Jr.

Chairwoman Zollar noted that at the first Committee meeting several items were discussed. The agenda for this meeting will be to discuss the next steps. She further noted that the Board's primary charge is governance and understanding and fulfilling the fiduciary duties of the role using the best practices. Chairwoman Zollar stated that today's discussion would also include an update on key positions needing to be filled and the succession planning process around those positions. Lastly, there would be a discussion about a nominating process for Board member replacement.

Chairwoman Zollar called upon Dr. Waldrup to provide an update on his research about governance matters. Dr. Waldrup said he reached out to all 16 campuses and received some responses; he crafted the report based on regional responses. He informed the Committee that the Board would never have to hear any non-reappointment or denial of tenure appeals; those go

from the Chancellor directly to the Board of Governors. Employee appeals that will come before the Board of Trustees include faculty discharges, faculty grievances, EPA non-faculty appeals. The three basic grounds for a faculty discharge are incompetence, neglect of duty or misconduct, which would be clearly spelled out in a letter going to a faculty member. The university has to prove the greater weight of the evidence that the faculty member violated one or more of these grounds. In a grievance, the faculty member must show by the greater weight of the evidence that whatever he/she is complaining about occurred and needs redress.

Dr. Waldrup then provided a breakdown on the number of various cases at A&T during the 2012-2013 academic year. There were a total of 11 SPA cases resolved and seven new cases were filed. There were six faculty cases resolved and six new one filed. Chancellor Martin asked Dr. Waldrup to reference the broad categories and more about where the cases merge. Dr. Waldrup briefly discussed the SPA case categories, which included federal, state, Office of Administrative Hearings, OFCCP cases and EEOC charges, and the basis for the grievances. These cases are normally related to discharges for cause or when disciplinary actions have been taken. Chairwoman Zollar asked why there are more OAH cases. Dr. Waldrup said that with OAH cases an attorney is not required. Mr. Deese said that many of these people know the rules in terms of how to elongate this process and remain on payroll while they play out the process though they know the likely outcome. Staying on payroll only occurs with faculty undergoing discharge. Chancellor Martin added that in some cases the employees have been with the university for 10 – 15 years and they have been dysfunctional for a long time and no one did anything about it. Their skill sets are diminished and they know it will be difficult to find other employment so they fight to keep the positions they have. Ms. McAbee said some of these cases have been ongoing for 4-5 years and these individuals continue to use due process to appeal at every possible level. It takes a great deal of resources and effort to be prudent about following these cases through. The University has persevered and prevailed over the past few years in accordance with the merits of the case at the SPA level.

Dr. Waldrup stated that in terms of the faculty cases many of the cases are related to one particular faculty member. In the EPA Non-faculty, two tort claims were resolved in favor of A&T. Chairwoman Zollar asked which, if any, of the 20 matters that are still pending would likely come before the Board. Dr. Waldrup replied that none of them would come to the Board. He stated that there is one adjunct faculty case that could possibly be brought forward.

Dr. Waldrup then proceeded with sharing the results of his research on governance matters from other institutions. A school in the east reported they tend to have an average of two faculty reappointment appeals per year that go the Board of Governors; two discharges over a four-year period have gone before the Board; there have been an average of four EEOC law suits per year; no faculty grievances and they have about six SPA grievances. About two tort claims are the average per year. The cursory response from one Piedmont campus was that they have not had any personnel appeals/grievances to go before their Board of Trustees. One western campus replied that they have not had any personnel cases to go before the Board since 2010. Another western campus reported that they have had 13 internal hearings and faculty grievances; five state and federal lawsuits; four NC tort claims; one NC State Court of Appeals action; one

federal 4th Circuit Court of Appeals action; 31 governmental agency actions, e.g., EEOC, OCR, DOAH, and five BOG faculty appeals.

Dr. Waldrup believes the increased number of appeals on our campus in part results from unhappy employees who have not received pay raises in six years and who are being required to do more work with personnel cuts. The employees then lash out at the employer. Vice Chancellor McAbee said in the last three years there have been significant changes in leadership, for example, six new deans were hired in that time frame. Those leaders are expected to come in and set higher standards which often times result in changes within personnel in terms of faculty—tenured and non-tenured, EPA non-faculty and SPA employees. Change is difficult at best when it impacts employees that are 20-year veterans on the campus. Employees look for ways to secure income replacement and often feel that A&T owes them job security which is sometimes secured through the appeals process and an increase in worker's compensation claims. She said it is important for the Board to understand how these circumstances are linked together—causal factors vs. outcomes. Mr. Deese said in academia there is an entitlement culture and mind set; therefore, for someone that has been here for 20 years and the bar is raised, it does not go well. There a big difference between the culture in academia versus that in the corporate setting in terms of the appeal process.

Chairwoman Zollar said as the appeals matter rise to the level of the Board of Trustees and the services of an outside attorney have to be secured, she asked Dr. Waldrup what should the charge be to that attorney? He replied that the attorney should make sure that key evidence is summarized and highlighted by transcript page or exhibit. The attorney should also prepare a high level summary and a proposed decision. Mrs. Williams said in a recent case, the Academic Affairs Committee's role was made easier when the information was presented in terms of the complaint as received, the facts that were found followed by the Chancellor's decision. It was easier to go through the materials bullet by bullet.

Chairwoman Zollar then called upon the Chancellor to provide an update on key positions. Chancellor Martin stated that a search process has begun for the Vice Chancellor for Advancement position. The committee is being co-chaired by Melody Pierce and Robert Pompey. They are now evaluating search firm and will make a decision shortly. Chancellor Martin shared that there are two additional Cabinet level positions pending retirement—one is Deborah Callaway. A retirement celebration was held for her on November 20. The position she is vacating will be framed as a Chief of Staff position and has been posted. The second pending retirement is that of Barbara Ellis, which will occur on June 30, 2014. A search committee for that position will be formed before the holiday break. The search will move into full swing in early spring so that it comes to closure around May. We anticipate filling the position by July 1. At the deans' level, there is one vacancy in the School of Business and Economics. Provost Whitehead has been managing the interface with the search committee. They have identified six candidates for airport interviews that will occur in December. The candidates will be narrowed to the top three that will be invited to campus for interviews in early spring. Mrs. Buncum asked if the interim dean is interested in the position. Chancellor Martin said that he is not. He noted that within three divisions there are senior level positions that are direct reports to Cabinet members. There is one in Academic Affairs, vice provost for

undergraduate programs—Wanda Lester’s position. The search is ongoing now and there are 19 candidates thus far. There are three senior level positions in University Advancement—one is associate vice chancellor for development; associate vice chancellor for alumni relations, and associate vice chancellor for planned giving. The associate vice chancellor for alumni relations is a new position and grew out the restructuring of the national alumni association. Chancellor Martin noted that there are several positions within academic units such as interim department chairs and the deans are chairing and driving those searches. Vice Chancellor Pompey was recently notified that one of his associate vice chancellors has to step down because her spouse is being relocated. The employee is Tracey Smith who served as associate vice chancellor for budget. Vice Chancellor Pompey has begun a search process and has identified some key people that have applied for the role. Mr. Deese asked if the naming of a new business school dean is still on schedule for the end of the school year. Chancellor Martin said the School of Business advisory board met last week and had a very productive meeting with Dr. Liverpool and the chairpersons. Dr. Liverpool is managing through the transition with the assistance of Provost Whitehead.

Chairwoman Zollar proceeded with the discussion about succession planning. In terms of the framework for succession planning, Vice Chancellor McAbee said it is quite relevant and strategic to the organization. She looked at senior administrative and academic officers, known as SAAO Tier I and II, who are eligible to retire in 2014-2015. Eight persons are immediately eligible for retirement out of Tier I and 22 out of 30 in Tier II or 73 percent. Within the next three years 50 percent of Tier I and Tier II are eligible to retire according to the criteria established by the Optional Retirement Plan (ORP) and State Teachers Retirement Plan, which means employees that are 60 or 65 years of age with a certain number of years of service can retire if they elect to. Within five years there will be 20 percent at SAAO Tier I and 80 percent at SAAO Tier II. Overall, 34 percent of our senior level positions are eligible to retire. Vice Chancellor McAbee said at the SAAO Tier I level, which includes the Chancellor, provost, vice chancellors and deans, there are two vacancies, 16 current FTEs and 18 positions. Within Tier II, which includes assistant and associate vice chancellors, vice provosts, directors of larger units. There are 70 positions with 63 current incumbents and seven vacancies.

Vice Chancellor McAbee further shared that under the frame work for succession planning, approximately 98 percent of all leadership positions at the Tier I level filled in the last three years were filled external to A&T. Mrs. Buncum asked what that says about our hiring practices and training people that are already here when we have to go out at that high a percentage to hire. Vice Chancellor McAbee said that it speaks to the change in leadership under Chancellor Martin and where we are going in talent and leadership. There is a significant leadership gap for talent and expertise which requires going outside to hire to fill an immediate need for certain levels of leadership until the organization can stabilize those key jobs to develop successors internally. Chairwoman Zollar asked when will the University no longer have to hire externally to fill our leadership positions. Chancellor Martin stated that when A&T was reclassified by the Board of Governors as doctoral research university in 2005, but nothing at our institution changed in our behavior when we shifted from a master’s category campus to a doctoral university, individuals who were here in leadership roles either lacked experience or understanding what it meant to manage the university to the behavior warranted with the change. He said there are an increased

number of maturing deans and cabinet members and the biggest challenges now are making decisions about directors, department chairs, vice provosts, etc. There are a number of personnel that are being encouraged to consider pursuing advancement opportunities as they become available. The process has begun to develop successors from within the institution.

Vice Chancellor McAbee added that key leadership positions in Tier I filled over the past three years were strategic hires. The leadership team, under the guidance of Chancellor Martin and Provost Whitehead, has decided to begin a development process with the department chairs in the schools and colleges because they have the greatest opportunity to influence faculty who report to them. Therefore, over the next six months through the end of this academic year, there are five planned leadership development engagements for department chairs. The workshop modules will entail core leadership development, competency, fiscal management, compliance and understanding policies and regulations. Chairwoman Zollar said we will spend more time discussing these important initiatives at future meetings.

In closing, Chairwoman Zollar asked the Executive Committee to think about the nominating process for the next Board members. Five members will rotate off the Board next year with one being eligible for reappointment. She suggested that each committee member think about their network of organizations and prepare a list of three candidates for our Board. The skill sets that we are looking for include asset management, finance, human resources, and organizational governance. The plan is for the committee to come up with the list by the February meeting, assess it in April and be prepared to make recommendations to the Board of Governors and the Governor at the appropriate time. Mrs. Buncum suggested that we think about people who really have the time to serve and be committed to do the job. Dr. Walls suggested that committee members contact any persons being considered for our respective lists to discuss the role with the prospective candidates and answer any questions they may have about the role.

There being no further items for discussion, Chairwoman Zollar entertained a motion for adjournment. A motion made by Mrs. Buncum was seconded by Mr. Deese and unanimously carried.

Respectfully submitted

Janese A. Fails
Recording Secretary