

## William Peace University Board of Trustees

Dear Trustees:

Almost 18 months ago we came to you with concerns about the university. The meeting with Todd Robinson, Fred Kelly, and Beth Cherry resulted in commitments from the BOT that have since been abandoned. We are gravely concerned about the current and future condition of William Peace University, and we believe you may not have enough relevant and accurate information to assess the situation with the care it deserves. In short, the faculty do not have confidence in the president, Debra Townsley, or in her administration, and we have come to believe that she is not making decisions with the institution's best interest in mind. We've chosen to communicate with you in this way because the university is precious to us and we hope to keep this matter out of public forums.

Today we come to you out of concern for our current and future students, and the story we will tell you here is the same story you would hear from other stakeholders—students, staff, and alumni, who all agree that the leadership at the top of this institution is destroying Peace's credibility. Undoubtedly President Townsley tells and will continue to tell a different story—one in which a selfish faculty do not appreciate the sacrifices that we are all making for the good of the university. In the narrative that the President has presented to us repeatedly, everyone at Peace except the administration must be blamed for getting in the way of bold and unpopular decisions that must be made to get through this tumultuous period.

Most of the students, staff, and faculty don't buy this story and neither should you. In fact, Peace has become an institution driven by mediocrity, suspicion, and fear, a university desperate for tuition dollars but entirely unwilling to provide students with the support and encouragement they need to complete their degrees. Moreover, Peace is led by an arrogant administration that scorns the professionalism of its faculty and staff and openly seeks to discredit their skills and achievements. Despite enrollment gains, most of the other metrics of a healthy institution have deteriorated further under Townsley's leadership. Graduation rates, for example, have dropped. The entering first-year class of 2004 had a six-year graduation rate of 35.1% (in the bottom third of all NC private colleges and universities). As the Chronicle of Higher Education report, Peace spent \$117,807 per completion (4th highest in NC after Duke, Davidson, and Wake Forest). The most recent graduation rate figure, reported to the Department of Education and SACS, is 30% (for the entering class of 2007 that is calculated through May 2013).

Graduation rates are directly correlated with retention rates. Most stable institutions retain over 70% of their entering first-time, first-year students in the second year and continue to retain these students to graduation. We are sure you have heard the explanation from the administration that continued lower retention rates are to be expected because schools going through transitions like the ones Peace is experiencing have these issues. That is what we are told, but we believe differently.

The reality is that we lose a disproportionately large number of students because most of these students believe that the **promises they were made before they enrolled are not being fulfilled**. Faculty and staff hear these stories every day and, despite our efforts to talk them out of leaving Peace, many of our brightest students leave. These students talk about being betrayed by administrative offices that do not or cannot help them. They talk about costs they are not told about being charged to their semester bills. They complain about unhealthy and unsafe living

conditions. Most of all they speak in very emotional terms about an uncaring administration that consistently makes decisions that are detrimental to their academic careers.

In this letter, we will briefly outline the concerns of not only the faculty, but the other constituent groups as well. We have data to support our claims, data that will, without doubt, be disputed or spun by the president and her administrators. We come with our concerns and data, however at great risk. The culture of retribution at Peace is significant. We know that the president will seek to punish and even fire us simply for contacting you and alerting you to the problems in this letter, but we contact you, nonetheless, because we care and because we are tired of telling our students that there is nothing we can do. We believe we have an ethical responsibility to stand up for their well-being and to act upon the trust they have placed in us.

Let us be clear—we have raised many of the concerns listed below with the president and other members of her council and they have been ignored. That is why we are coming to you. We believe that the willful disregard of concerns raised by faculty represents a lack of integrity on the part of the president and her senior staff. The results of problems listed below directly affect our students and their experiences at Peace.

Staffing—the most obvious factor affecting students is employee turnover. Since President Townsley's arrival, there has been over 80% employee turnover. We recognize that some of this was through the efforts to reduce expenses, but a significant portion has been a result of poor decisions made by the president and her staff. For example, constant turnover in the Registrar's Office—four Registrars in just over three years—has resulted in inconsistent documentation of student records which threatens the integrity of the Peace degree itself. The last registrar—Kevin Godfrey—documented these concerns. When he arrived, student transcripts were unsecured, left piled on the floor. More significantly, the research he conducted while attempting to put that office in order has raised the possibility that a few students who graduated in December may not have completed all graduation requirements.

Three offices that are critical to the integrity and financial success of the university are headed by people without the backgrounds and skills necessary for those key areas.

- The problems related to the Registrar's Office can directly be tied back to the person currently occupying the role of registrar. She has overseen the office during most of the problems and does not possess the skills necessary to improve the problems in the office. In addition, she has overseen the conversion of administrative databases from Jenzabar to Datatel. This conversion has gone poorly and many of the transcript issues that cause questions to be raised about the integrity of degrees can be traced to her poor leadership in this area.
- The facilities area is headed by someone without the ability to manage the area critical to the health and safety of students and everyone else at Peace. Peace has been cited three times for asbestos violations by the Occupation Health and Safety Administration (OSHA) under his leadership. In one instance, he chose to cover a hole in the floor that exposed people to asbestos with a rubber mat instead of closing the area. Likewise, he has not demonstrated the ability to manage construction projects, which costs the university money and, more importantly, delays the implementation of facilities that students need and expect. His oversight of the Simulation and Gaming Design lab in Pressly was so poorly managed that the lab opened seven weeks into the fall semester after having been promised in August. The poorly managed project also cost Peace approximately \$50,000 in overages. Perhaps the best sign of his

lack of ability comes in the residence halls. Many students and their parents have complained about having no heat for the entire winter, one of the coldest on record. Likewise office, classrooms and laboratories routinely go without heat. Students have also experienced injuries from fallen ceiling tiles and have repeatedly reported large outbreaks of dangerous brown recluse spiders in buildings.

- The Enrollment Office is currently being led by a person with limited higher education experience and none in admissions or financial aid. This is on the heels of the university experiencing over \$500,000 in over-awarded financial aid last year. There are already signs that the admissions are not going to meet its goals this year, as Dr. Cindy Gnadinger told a faculty group that Peace was significantly behind deposits for enrollment next year.

The common denominator with the poor leadership in these areas is President Townsley. All three individuals were brought to Peace by the president, who had personal relationships with each of these people. These individuals have not only been kept on the staff but often have been rotated to new positions, apparently in an effort to keep them employed at any cost. In these three areas, it is clear that nepotism takes precedence over competence.

Finances—we knew at the start of President Townsley's tenure that our budget situation was dire with expenses far exceeding revenues. Although difficult, the decisions made to reduce expenses during the 2010-11 academic year were understandable. The downsizing of faculty was painful and had a direct impact on students. The pain, however continues today.

Three issues make us question Dr. Townsley's stewardship of financial resources:

- 1.) the ever-changing forecasts of financial health
- 2.) the disproportionate spending on administrative costs, as compared to instructional costs
- 3.) the lack of shared sacrifice that has occurred at Peace.

Since 2010-11, President Townsley has talked about the state of the university and forecast when Peace's finances would be stable enough to get out of a deficit situation. The problem is that none of her forecasts have proven accurate, and she has used these incorrect numbers to make strategic decisions that continue to hurt the institution. At first, we were told that when we reached 700 full-time students, the budget constraints would be less severe. Then we were told that the figure was 750 full-time students. Then it was 800 students. This year, when we broke the 800 student barrier, we were told how severe the budget problems were and more cuts were made to the budgets, including to the faculty development budget line, which we discuss in detail below. Given the lack of transparency at Peace, we are left to conclude that these statements were not true or there is serious mismanagement of fiscal resources at the university.

Budgets are a reflection of values and priorities. The changing nature of budgets at William Peace University reflect the decreased emphasis on student instruction. As the table below demonstrates (using data submitted by Peace to the US Dept. of Education in the Integrated Postsecondary Education Data System or IPEDS), it is clear to see that the total amount of the Peace budget spent on instruction continues to drop, while the total amount spent on institutional support (a broad category that includes administrative costs) continues to rise. Of course, the 2010-11 numbers are outliers because they include money spent on faculty buyouts, rather than true instructional costs. The bottom line is that our students feel the impact, from having fewer full-time faculty available for teaching and advising to having increasingly outdated instructional technology available to help them learn. Students entering communication jobs, for

example, often complain that the outdated camera and editing equipment, some as much as ten years old, is making them less competitive for internships.

William Peace University faculty have long demonstrated their loyalty to the institution, even when asked to sacrifice. Since 2007, we have received no salary increases and for five of those years, no institutional match to our retirement contributions. For the most part, we have accepted these compensation freezes as a way of helping the institution get through a difficult period. We do this with the complete understanding that our faculty colleagues at other North Carolina public and private institutions have seen some improvement in their compensation. According to the North Carolina Independent College and Universities (NCICU) annual reports, Peace's faculty compensation ranks close to the bottom of the institutions in the state. This stands in stark contrast to the compensation package for President Townsley that ranks near the top, as widely reported in the *Chronicle of Higher Education* and elsewhere. Peace students openly talk in classrooms and the hallways with contempt about the president's salary and often post on social media the idea that the president's salary and bonus structure is the cause of some of the problems they experience. We believe in sacrifice for the good of the institution, but not when it appears as though the president and her top administrators are not sharing equally in the sacrifice.

total expenses	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>
	18,594,725	18,300,735	17,967,550	18,526,877	17,095,321
total amount spent	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>
on instruction	4,559,297	4,333,379	4,521,628	5,733,001	3,499,177
% of total expenses	<b>24.52%</b>	<b>23.68%</b>	<b>25.17%</b>	<b>30.94%</b>	<b>20.47%</b>
instruction salaries	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>
	3,153,820	3,160,458	3,399,391	4,137,340	2,504,199
% of total expenses	<b>16.96%</b>	<b>17.27%</b>	<b>18.92%</b>	<b>22.33%</b>	<b>14.65%</b>
total amount spent	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>
on institutional support	5,212,913	4,682,109	4,372,878	4,326,630	6,303,645
% of total expenses	<b>28.03%</b>	<b>25.58%</b>	<b>24.34%</b>	<b>23.35%</b>	<b>36.87%</b>
institutional support	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>
salaries	2,392,636	2,403,687	2,321,096	2,479,149	2,716,735
% of total expenses	<b>12.87%</b>	<b>13.13%</b>	<b>12.92%</b>	<b>13.38%</b>	<b>15.89%</b>

Academic Quality—for years, Peace has prided itself on producing quality outcomes that indicate the quality of the academic program. Student responses on national tests such as the National Survey of Student Engagement (NSSE) and the Collegiate Learning Assessment (CLA) have demonstrated that student-faculty interactions have produced significant improvements in critical thinking and analytic writing. These results, however, are going to be increasingly difficult to maintain, as the chart above indicates, because of the significant decreases in full-time (FT) faculty, even as enrollment grows. In the last five years, the number of FT faculty has decreased by almost half, while the number of students has increased almost 20%. The faculty-to-student ratio has gone from one faculty member per approximately fifteen students to one faculty member per thirty-four students. Class sizes have increased, which means that faculty members can spend less time with each student. To put it in perspective, the NSSE scores, which typically place Peace in the top ten percent of all participating institutions will undoubtedly fall, as should the corresponding scores of student achievement on the CLA.

We understand the financial realities faced by Peace and other private institutions, but decisions made by President Townsley about the ratio of FT faculty to students have significant impact on academic quality. Another way in which academic quality is being affected is in the percentage of classes taught by adjunct or part-time faculty. President Debra Townsley consistently talks to faculty about wanting to maintain between 60-70% of the classes taught by FT faculty. For the first time in Peace’s history, the percentage of credit hours taught by full-time faculty was less than 50%. For example, in the Fall 2008, 74.5% of credit hours were taught by FT faculty in stark contrast to the 49.5% of credit hours taught by FT faculty this year. The full-time faculty at Peace appreciate the efforts of adjunct faculty as many have worked for the university for years. These faculty, however, cannot be expected to provide the intense student engagement that full-time faculty provide because many of these adjunct faculty work other jobs and cannot commit the time to students outside of class that full-time faculty can. Comparing the numbers above to those of other small private colleges in North Carolina reveals an offensive disparity, as other schools typically have a student-to-FT ratio of under 20:1, while Peace’s ratio is 34:1. Students understand the impact of such staffing decisions and openly scorn them.

	Fall 2008	Fall 2009	Fall 2010	Fall 2013
FT faculty	46	44	45	24
PPT faculty	8	7	6	0
PT faculty	47	25	32	75
FT Enrollment	642	661	687	823
FT Student to FT Faculty Ratio	14:1	15:1	16:1	34:1
Percentage of credit hours taught by full-time faculty	74.5%			49.5%

The most damaging decisions made by President Townsley, in terms of academic quality, are those she has made about specific academic programs. Our Education Program, for example, has gone through three department chairs during Townsley's tenure and currently there are not full-time faculty in the area. Students directly feel the chaos caused by the president's decisions in this area and many of the students are changing majors and considering leaving Peace because they do not feel there is a commitment to this program. Although the President promised in your presence that she would stay out of curricular decisions, she continues to reject any notion of shared governance and routinely refuses faculty input in decisions that SACS declares should be faculty driven.

- Last summer she called off an announced faculty search and then secretly began a new one without consulting any members of the department in question
- This semester she has rewritten the curriculum for our First-Year Seminar class—the only class taken by every first-year student at Peace—without any consultation with or feedback from a single faculty member
- Caps on class sizes are routinely raised in direct defiance of agreements made with faculty and without discussion or acknowledgment.

Accreditation—we were all pleased to complete the last reaffirmation of accreditation from the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC). Everyone worked hard to ensure that this happened. Our concern is that, since the reaffirmation was received, decisions have been made that put us out of compliance with the core requirements and comprehensive standards that we met just two years prior. The areas in which we believe Peace is currently out-of-compliance include:

- 1. CR 2.5 The institution engages in ongoing, integrated, and institution-wide research-based planning and evaluation processes that (1) incorporate a systematic review of institutional mission, goals, and outcomes; (2) result in continuing improvement in institutional quality; and (3) demonstrate the institution is effectively accomplishing its mission. (Institutional Effectiveness).** Since December the institution has been without an Institutional Effectiveness staff member, who oversees the collection, analysis, and dissemination of institutional assessment data. This, however, is simply a symptom of a much larger issue in institutional planning and evaluation. As part of the last reaffirmation process, we told SACS about an institutional effectiveness process that is open and transparent, one in which academic and administrative units collect information with different groups reviewing the results and making recommendations to decision-making groups like the President's Council and the Board of Trustees. This process is simply not being followed. One concrete example of this failure to use the stated institutional effectiveness process is that we have not conducted formal program reviews, involving outside evaluators, for academic and administrative units for over four years, despite claiming that these were going to be reimplemented last year. Moreover, since the abrupt firing of the Institutional Effectiveness officer last December, all meetings of the Assessment Committee have been canceled, ensuring that there is no coordination between programs and departments that collect and review crucial assessment data.
- 2. CR 2.8 The number of full-time faculty members is adequate to support the mission of the institution and to ensure the quality and integrity of each of its academic programs. Upon application for candidacy, an applicant institution demonstrates that it**

**meets the comprehensive standard for faculty qualifications. (Faculty)** As the table above indicates, we have significantly cut full-time faculty, while increasing the number of students, and popular full-time faculty members with full classrooms are being replaced with adjuncts.

3. **CR 2.11 The institution has a sound financial base and demonstrated financial stability to support the mission of the institution and the scope of its programs and services.**
4. **CS 3.2.8 The institution has qualified administrative and academic officers with the experience and competence to lead the institution. (Qualified administrative/academic officers).** We believe that President Townsley has made personnel decisions in key areas of the university that have and are creating problems for the integrity and sound operation of the institution.
5. **CS 3.4.10 The institution places primary responsibility for the content, quality, and effectiveness of the curriculum with its faculty. (Responsibility for curriculum).** The administration intimidated and bullied the faculty, with explicit threats of termination, into accepting curricular changes.
6. **CS 3.7.3 The institution provides ongoing professional development of faculty as teachers, scholars, and practitioners. (Faculty development)** Only a few years ago, the Frazier Fund provided over \$100,000 for faculty and program development. Debra Townsley cut the funding to less than \$20,000 last year and to \$0 this year (VPAA Gnadinger has re-allocated \$5000 for use this year).
7. **CS 3.7.5 The institution publishes policies on the responsibility and authority of faculty in academic and governance matters. (Faculty role in governance).** As indicated above, the president continues to unilaterally make curricular and academic policy issues, violating not just SACSCOC standards, but our own published processes and procedures.
8. **CS 3.9.2 The institution protects the security, confidentiality, and integrity of student records and maintains security measures to protect and back up data. (Student records).** As indicated above, significant questions exist around how student records, such as transcripts, have been handled over the last year.
9. **CS 3.11.2 The institution takes reasonable steps to provide a healthy, safe, and secure environment for all members of the campus community. (Institutional environment)** Students and employees note ongoing problems with HVAC systems, safety conditions, including several OSHA violations with subsequent fines for failing to properly abate asbestos and for trying to cover it up. Students report their concerns are uniformly ignored.

The issues outlined above are serious and warrant that substantive changes be made. We lack confidence in President Townsley's decision-making and her commitment to the institution. She has proven to be a poor leader, one determined to isolate herself from most faculty, staff, and students and to create a culture of distrust, intimidation, and dishonesty. Most importantly, we do not believe that she can lead the institution and fix the problems that, in many cases, she has created.

As such, we ask you to replace the president immediately with an interim president who can work collaboratively with alumni, faculty, staff, students, and the BOT to restore the integrity to campus and do what we all want the institution to do—thrive in the future. We recognize the gravity of this request and do not ask it lightly. While it will take time and determination to address all of the problems described in this letter, we believe that you share with us a responsibility to hear our students' concerns, and we ask you to act immediately to stop the decline in standards, morale, and public reputation that President Townsley's tenure has created. Please understand what our best students are telling us every day: if they believe that you understand what Peace is becoming and are publicly committed to working with the faculty and staff to restore academic integrity to the University, many of them will stay at Peace and will represent the University with pride.

Respectfully submitted,

Peace faculty