

Project: UNC Chapel Hill Statement

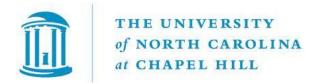
Speakers: UNC System President Tom Ross

Chancellor Carol Folt Kenneth Wainstein

Date: Wednesday, October 22, 2014

President Ross:

I'm Tom Ross, President of the University of North Carolina. And I want to begin by thanking each of you for being here today. I also want to thank you for your patience these past several months as we all waited for today to arrive. And for allowing Ken Wainstein to complete his investigation and report without distraction or interference. When the Board of Governor's Academic Review Panel completed its review of the issues on the Chapel Hill campus last year, then Board of Governors Chairman Peter Hans and I publically indicated that the Board would wait until the SBI had completed its investigation before deciding what further steps should be taken in this matter. At the time, there were still many lingering and unanswered questions. But having served 17 years as a judge. I knew it was right and important that we not interfere with an ongoing criminal investigation and that we cooperate fully with it. Upon her arrival at Chapel Hill in the summer of 2013, Chancellor Folt began asking some hard questions within the campus that had no ready answers. She came to me with her concerns and we stayed in regular contact with Orange County District Attorney Jim Woodall and we awaited the outcome of the SBI probe and the District Attorney's decision on whether or not to pursue criminal charges. As the SBI concluded, we learned in early January, that the District Attorney was willing to facilitate additional information, previously unavailable witnesses, the information and witnesses of which were needed to address the outstanding questions and finally bring this matter to closure. Within days, Chancellor Folt and I concluded that it was vital for us to bring someone from outside to interview the newly available witnesses and conduct the independent investigation.



As you know, we retained Mr. Wainstein, an experienced former federal prosecutor and former General Counsel to the FBI. Chancellor Folt and I told Mr. Wainstein, and I quote, "To ask the tough questions, follow the facts wherever they lead and take any further steps necessary to address any questions left unanswered during previous reviews commissioned by the university." We gave Mr. Wainstein full authority to address definitively how, why and for how long, academic irregularities occurred at UNC-Chapel Hill. We believe he has done just that. We did not direct the details of his work. We placed no restrictions on what steps he should take, how long he should take or to whom he should talk. We pledged our full cooperation and full access to the information needed to complete his work. I want to thank Mr. Wainstein and his team for their hard work, professionalism and thoroughness of this investigation. Because of that thoroughness and the breadth of the investigation, I believe we now know all that we are able to know about what happened and how it happened. It has been important for us to get to this point and I am pleased we are here. I expect the findings will enable Chancellor Folt to build on earlier reforms and take the decisive steps needed to bring a close to the remaining questions and concerns around this matter. The hard lessons learned and process weaknesses identified will enable us to take appropriate steps at all of the campuses across the UNC system.

I especially want to thank District Attorney Woodall for his assistance and his willingness to facilitate Mr. Wainstein's having access to previously unavailable witnesses. It would not have been possible to truly get to the bottom of this without the access and support Mr. Woodall provided. The Board of Governors and the Board of Trustees at UNC-Chapel Hill have also tackled these issues head-on throughout the last three years and I appreciate each of them and the support they've given to Mr. Wainstein's work from the beginning. Finally, I want to thank Chancellor Folt for her steadfast leadership and her resolve to gain a complete picture of what happened at Carolina so that we can make certain that something like this never happens again. Together we have insisted on getting to the bottom of what happened. I pledge that I will work with Chancellor Folt, the Board of Trustees and the Board

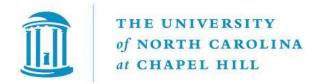


of Governors to take what we've learned from this report and ensure that Carolina emerges a stronger university, dedicated to our students and to our state. With that, I will turn the floor over to Chancellor Folt.

Chancellor Folt:

Thank you Tom. Your leadership and your partnership have been invaluable as we've navigated this very challenging time. To everyone in the audience today, thank you for joining us. This is a very important moment for the University of North Carolina at Chapel Hill. Before I was hired as Chancellor, the university had conducted and commissioned a number of investigations into past academic irregularities, as well as into the university's response. Before I was hired, I was also told by everyone, starting with President Ross and my Board of Trustees, that my job was to lead this great university and if anything became available that would shed more light on this or any such issue, it was my solemn duty to pursue it. Purpose and integrity were what I felt to be the most important values of the community and it was and still is why I feel so privileged to be here. When I arrived as you've heard, there were clearly still lingering doubts about what exactly had gone on. I heard from hundreds of members of our community that there were still too many unanswered questions; that a cloud continued to hang over Carolina preventing us from moving forward as we all hoped. The Board of Governors too, as you heard, stated that as soon as additional information became available, they would revisit this issue. Getting to the bottom of this matter was my responsibility and my charge and I wanted to be sure that we wouldn't have to do this again and again. That's why you heard when new materials from District Attorney Jim Woodall and new witnesses became available earlier this year. President Ross and I knew we had to act quickly and act together to take this necessary step of asking Kenneth Wainstein, former federal prosecutor and attorney, who had served at the highest levels of the government, to conduct this additional inquiry. And today, he will share the results of that investigation.

As you heard, we instructed Mr. Wainstein to ask tough questions and follow facts wherever they lead. His investigation was



independent but it was also very different from any of our previous efforts in five main ways. First, Mr. Wainstein had access to the two key witnesses, Deborah Crowder and Julius Nyang'oro who shared new information. Mr. Wainstein also spoke to anyone who was willing and able to share new relevant information. Second, he also had the support of the District Attorney and the State Bureau of Investigation and that included access to SBI investigators and their files. Again, until this point, we had never had access to these individuals or materials. Third, Mr. Wainstein's team searched millions of electronic records and that included student transcripts and course records going back the 1980s. In addition, tens of thousands of records were individually reviewed by a member of his team. Fourth, Mr. Wainstein's team was able to use the information gleaned from this document analysis to inform each interview. That enabled them to ask each interviewee individually tailored questions. And finally, Mr. Wainstein also retained independent faculty members at other universities to evaluate whether original work was done on the papers obtained through his document review. For all these reasons, we are confident that this was the most thorough and complete investigation possible.

We received Mr. Wainstein's report late on Thursday, October 16th. We had asked to receive the report, five or six days before its public release so that we could be able to share a full response with you today including actions that we're able to take immediately. I'd like to say this from the start, I am deeply disappointed in the duration and the extent of the wrongdoing, as well as the lack of oversight specifically vital missing checks and balances that if in place, could have captured and corrected this much sooner. That would have saved so much anguish and embarrassment and more importantly, it would have protected our students and the countless members of the community who played absolutely no role in any of this. I know the Carolina community will find these findings very sobering. This never should have been allowed to happen. At the same time, I want to underscore that there is a clear distinction between the 'then' and the 'now'. Mr. Wainstein found the irregularities peaked about ten years ago and ended in 2011 just over three years ago. And Carolina began taking action as soon as

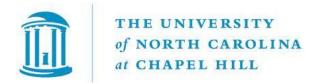


they were first discovered to ensure that nothing like this would happen again. After Mr. Wainstein speaks to you about his findings, I'd like to share more of my own reactions to the report and in particular, outline the additional steps that we will be taking today and in the immediate future to further address everything that we've learned. President Ross will also share additional thoughts. So, now I'd like to turn it over to Mr. Wainstein to share his findings. Thank you.

K. Wainstein:

Thank you Chancellor Folt. Thank you President Ross. Good afternoon everybody and thank you for being here to hear from us and thank you for including me in this event. I'd like to take a minute just to give a little introduction before I start walking through the results of the investigation. As you heard from both President Ross and Chancellor Folt, I was reached out to and my firm...Cadwalader was reached out to back in January of this year. And we put together a team and that team was myself, Joe Jay and Colleen Kikowski who are here with me today and I stand up here really representing the team because they put their heart and soul into this and felt as honored as I do to serve the University of North Carolina today and throughout this investigation.

But I just want to mention a couple things. First I want to thank Chancellor Folt and President Ross for the way they've conducted themselves throughout this investigation and the way they've dealt with us. From the very beginning, when they first called me within days of when they got the notification from District Attorney Woodall, that the university could have access to Deborah Crowder, they made several things very clear to me. First, they said we want an independent investigation. We want this to be completely independent and that I think, people need to recognize. You heard about it from the President and the Chancellor today, but that's a very difficult thing for any organization to do. I do independent investigations for a living and I can tell you that whenever you are dealing with an organization, be it a corporation or a school or an association, it is a difficult decision to ask an outsider to come in and look around in your business and find the faults. They recognize the need to do that and they told me they



wanted it done and they wanted it done completely independently and they delivered on that promise. Every step of the way, we have been given complete latitude to do what we needed to do, to follow the leads as we saw fit.

The second thing they promised, besides independence, was cooperation. And obviously, we couldn't do this without the cooperation of hundreds of people and without the full cooperation of the university and they delivered on that promise. At every turn, we asked for whether it was access to individuals, access to information, records, assistance at getting reluctant witnesses to talk to us; they stepped up and they delivered. And, we wouldn't be here today, if it wasn't for that cooperation.

And, the last thing they asked for, is they said...they wanted it independent, they want it complete and they want it as thorough and as unvarnished as possible. They asked us to go back and look at these questions that have remained unanswered for the reasons that you've heard, because of the unavailability of witnesses and information; go back and look at those questions and answer them definitively. And they wanted us to turn over every rock and ask every hard question and that's what we did. And you're gonna hear about the investigation we did and the result of that investigation is the 131 page report that you're gonna receive today, which is, I think you'll agree once you read it, a very thorough compendium of all the investigative steps that we took, all the facts we've found, the conclusions we drew and the reasons we drew those conclusions. And I hope that we you...and I trust and I believe that once you read that, you're gonna be...you're gonna realize as President Ross said, that this investigation was complete and we've answered those questions as best as they can be answered.

So let me now go ahead and I'm gonna do a PowerPoint here if I can figure out exactly how to use this. Okay. The overview of what we're gonna discuss today is the following. We're gonna talk to you about the focus of the investigation and that is what we call the 'paper classes' that we looked into, the scope of the investigation,



the questions that we were asked to answer, the investigative process and methodology that we went through. And then, I am going to give you a narrative summary, which is really telling the story of what we found that happened over the last 20 odd years here at UNC. And then, we're going to go through specific findings as to the critical issues that we were asked to look into.

The focus of our investigation was what we call the 'paper classes'. Now, those of you who have read the earlier reports know that there have been different ways that the different reports have described the irregular classes that took place in the AFAM Department. We decided to use the term 'paper classes' and the reason is that was sort of the term that was used in the regular jargon around campus to signify those classes that were offered by the AFAM Department that fit the following criteria. These were classes that unlike a typical class, involved absolutely no interaction with a faculty member. A faculty member wasn't involved at all. These classes were managed from soup to nuts, from the registration of the student to the giving of the paper class, the paper topic to the student, to the receipt of the paper, to the grading of the paper; all that was managed not by a faculty member but by the Office Administrator, Deborah Crowder. These classes required the students not to attend class, they never had to attend class, whether they were designated as lecture classes or not, they never had to attend and the only course work they had to do was to fill out a...it was write a single paper. And most importantly or as importantly, at the end of that process, when they turned in a paper, Deborah Crowder graded those papers and handed out liberally high grades regardless of the quality of those papers.

The scope of the investigation. The scope as I said was really the questions that the Chancellor and President said remained open as of the time that I talked to them in January of this year, which was how did these classes come into existence? How did they operate? What were the mechanics behind them? Why were they able to exist for almost two decades? What was the purpose, the reason for these classes? Why is it that they were set up? Did these classes allow students to receive grades that really weren't



deserved? What role did the Athletics Department or the ASPSA, the Academics Support Program for Student Athletes, the counselors? What role did they play in this? In other words, what was the athletic angle? Which university personnel knew about these classes, really knew what they are all about and which university personnel were in any way complicit with these classes. Lastly, they asked us to evaluate the university's response since the revelations came...about these classes came to light in August of 2011.

So, in terms of the investigative plan, I'll just sort of...I'll give a fairly simple run through on what our plan and methodology was. The first thing that we decided to do, was to review the prior reports that had been done and they were all very sound reports, well-done investigations and the Governor Martin Review and the...what we call the Hartlyn-Andrews Review back in 2011 or 2012, both really helped to provide the building blocks of our investigation. We reviewed those. We also consulted with District Attorney Jim Woodall who is here today along with SBI Agent Blane Hicks. AS you've heard from President Ross, we had the opportunity to receive from them the fruits of their criminal investigation and thanks to Jim Woodall's good offices, we then were allowed access to Deborah Crowder, ultimately to Julius Nyang'oro and then also to one of the former tutors, Jennifer Thompson, Jennifer Wiley Thompson. And I want to join the President and the Chancellor in thanking you gentlemen for the work you did and all the time you spent with us. It was absolutely invaluable and it was a real service to this university and to our investigation.

The next thing we did was, we did a full collection of all electronic documents that could potentially relevant to our investigation and that meant that we pulled together over a 100 gigabytes of data, 1.6 million separate emails and we searched those emails with search terms to come up with those emails among those people who were related to this issue that had any bearing on the conduct that we were looking at. And that was valuable not only as a way of getting those emails as direct evidence of the scheme but also because it allowed us then when we sat down and interviewed these people



about things that happened four or five, six years ago we could put emails in front of them and say now do you remember having this conversation? Do you remember this? Which is a critical piece in our effort to get people to remember and divulge the truth of what happened years before. Then we also had the interviews; the next step. We interviewed 126 different individuals, everything from students to student athletes to tutors, to faculty and administrators. We...as you heard from Carol Folt, we reviewed thousands of different student and course records and then we analyzed a group of 150 papers. These are papers that had been submitted by the paper class students in those paper classes.

So now, let me just take a minute and give you the story. This is what we call the narrative summary and this by the way, my presentation today, pretty much tracks the layout of the report that you will be able to read. The story starts and many ways it is really centered around Deborah Crowder. Deborah Crowder is the woman who grew up here in North Carolina. Always dreamed of going to Chapel Hill. Got her...her wish came true in the early 1970s and she came here for four years and graduated. She had a somewhat unhappy experience here because she felt that the school paid too much attention to the...who she considered the best and the brightest students, the ones who didn't have troubles and didn't pay enough attention to supporting those who did or who felt adrift. And she felt herself in that category, here in sort of her enduring take-away from her time in college, was that she wanted to do something to remedy that situation. She wanted to help students who felt like they weren't really...that they were having difficulties in college, to help them deal with those difficulties. She got a job as a secretary or administrator in the AFAM department within about a year and a half or so after her departure from Chapel Hill and she kept that job for the next 30 years. From the very first day she was there, she looked for the opportunity to try to do something to take the pressure off these kids that she thought were struggling and might not be able to completely handle the very difficult and rigorous curriculum here at UNC-Chapel Hill. But for the first 12 years or so, she couldn't do that. There's very strong leadership in the AFAM Department. Chairs who really focused on



rigor and demanding curriculum, so she wasn't able to do anything about it.

But in 1992, things changed and they changed because Dr. Julius Nyang'oro was appointed to be chair of the AFAM curriculum and later on became the department. Dr. Nyang'oro brought a different approach to being the chair of the department. First, he was kind of a hands-off manager. He had a lot of responsibilities, consulting responsibilities around the world and spent a lot of time away from campus and way from the department and was none too happy...or all too happy I should say to delegate a lot of his responsibilities to Deborah Crowder. So, her authority increased and her independence increased under Dr. Nyang'oro. In addition, Chairman Nyang'oro shared some of her compassions and sympathy for students who were troubled and in particular, as he told us, he felt particular compassion for student athletes and that was because he had... The story he told us, he had a couple student athletes early on in his career who were students, both of them ended up having to leave the school because of ineligibility. And one of them ended up in jail and one ended up being murdered. Taking...those experiences left him feeling committed to do whatever he could do to try to prevent those kinds of tragedies in the future and to try to keep student athletes from losing their opportunity to stay here at Chapel Hill.

So, given his hands off management approach, given his sympathy with her outlook towards students that she considered troubled, she took the opportunity to start a line of classes which had watered down work requirements for the students. And what she did is she took a fully legitimate mode of teaching, which is the independent study and I think many of you know, many of you have probably taken independent studies where a student in college gets teamed up with a professor. The two of them decide on a research topic. The professor guides the students as to how to conduct his or her research. The student goes through an outlining process for a research paper. There is constant interaction between student and professor. A lot of oversight from the professor and at the end of the process, there's a research paper and it's an excellent teaching



and learning opportunity. She took that and basically corrupted it. Because what she did is she took the professor completely out of the picture. So she designed independent studies and signed studies up for independent studies who never interacted with a professor Instead, they'd sign up, she'd sign them up. She'd give them the paper assignment. They'd go off and write a paper. They'd submit it to her. She would grade that paper herself, do so typically with an A or a B+ and then the student would get that grade and the grading would be done pretty much without regard to the quality of the paper. There was never a faculty member involved in the process and she did it all including the grading.

That's what she set up starting in 1993. She continued that process for about six years until 1999 and then she added a different type of paper class, essentially the same thing but these were lecture designated paper classes. There had been a change in curriculum requirements, which made it advantageous for her to use these paper classes but do so under the designation of a lecture class, so these are actually in the class registry as classes that met at a certain place at a certain time in a certain room but they actually never met. They were conducted as a paper class. Those started in 1999 so for the next ten years, until her retirement in 2009, she was moving people through this paper class process both as independent studies and as lecture classes until her retirement in 2009. Between 2009 and 2011, Professor Nyang'oro agreed himself to go ahead and offer several of these classes and he did. He offered six of these paper classes, which were taught the same way. And it wasn't until the summer of 2011 that these reports caused the administration, Dean Jonathan Hartlyn to interview...to call Dr. Nyang'oro in and sit him down and ask him guestions about these media reports involving students in the AFAM Department. And it was in that meeting that Dr. Nyang'oro admitted that these were classes that he didn't have anything to do with even though he was listed as the instructor of record and in fact, these were classes that Deborah Crowder was managing on her own. That then prompted the university to start a series of investigations that led up to now into our investigation.

So, that's the narrative. Now, let me go through some specific findings that we focused on in our investigation that you'll read about in our report. First, is what is the paper class scheme...and I've already described to you what the elements of the paper class are as the definition we use. And just we won't belabor it, but there were five different types of paper classes. There was the independent studies paper class. There was the lecture designated paper class of which there were 188 different ones between 1999 and 2011. But then there were classes what we call bifurcated where one group of students actually got taught by a professor in the traditional way but another group was appended on to that class roll and actually never showed up in class and simply turned in a paper to Deborah Crowder at the end and got an inflated grade and that was it. Student add-ons were similar. That was just where Deborah Crowder would just take an existing lecture class by a professor, add a student's name on the class roll. That student would go ahead and submit a paper to her and she would then assign a grade. There are all different types but essentially they are all paper classes that are run the same way without a professor.

In terms of the number of students, as Chancellor Folt told you, we went through a long tedious process of examining records from the registrar and I'll tell you Chris Derickson, the university registrar is back there and he spent countless hours (unintelligible) helping us with this process and I want to thank him. But the bottom line is, between the top category of independent studies, middle category of lecture paper classes, we ended up from 1992 to 2011, there were 6000 student enrollments in these paper classes of which there are about 3100 individual students so in other words, you know, the delta of 2900 was accounted for by students who took multiple classes, multiple paper classes. So that's what the paper classes were and that was the number of paper classes that we found. It gives you a sense of the scale.

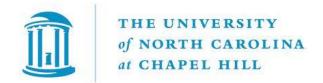
The next issue that we wanted to look at is the grading. As I said, it was well known on campus that Deborah Crowder was a lax grader and graded without real regard to the quality of the papers and that's what we found. But first we had to address a couple of the



allegations that had been out in the press about what Deborah Crowder had done. And one was that she had gone ahead and given passing grades to students even if they had not turned in a paper and we looked into that very hard. We pressed her on that and we did not find that. In fact, the evidence that we found suggested that she never gave a grade unless a student actually submitted a paper nor did we find...the second bullet here, that she ever changed grades unilaterally that were issued by a professor. She would not change Ken Wainstein's grade from a D to B. We checked into that very carefully and didn't find that.

What we did find evidence of though, is the third bullet. We found evidence that some of the counselors at ASPSA actually would suggest...two of them I should say, would suggest to Deborah Crowder what grades she should give to the student athletes who were in her class. We had one football counselor who actually would provide a list of the football players who'd be taking one of her paper classes along with the grades associated with each name that that counselor thought that that student needed to remain eligible. We also have another counselor who gave advice to Deborah Crowder as to what grade to award to a paper for a particular athlete. And then lastly, we have ample evidence that as I said, Crowder did in fact provide high grades without regard to quality. She admitted that she just skimmed the papers, didn't look at them carefully. She assigned high grades and in fact, we compared the average grade for the AFAM paper class to the average grade for the regular AFAM class and you can see the delta is 3.62 for the paper class is 3.28 with the regular AFAM classes which is consistent with the average grade around campus at that time as well. And then, for student athletes, the delta is even bigger, 3.55 for the paper class, 2.84 for the regular AFAM classes.

Okay, now move on from grading to our findings about the student papers. And this is sort of the other half of the equation. We've talked about how these classes were offered by Deborah Crowder and Julius Nyang'oro, why they were, et cetera. Now the question is, okay, even with all the deficiencies of these classes, did the students who took these classes, did they do real work? Did they



do work that earned them those high grades? We were fortunate in a sense...we had thought that all the papers that the students had submitted had been destroyed because there is a one year retention period on student work and in fact that was what we had learned that they had all been destroyed. But when we went back and did that through email and document review that we told you about, we identified a number of emails that contained final papers that were submitted in these paper classes. So we actually ended up with 150 of these papers. That allowed us to do what we talked about in the second bullet here, which was as Chancellor Folt told you, we took those 150 papers and gave them to three experts from three other institutions, Princeton, UCLA and GW; an expert in African American studies, an expert in African studies and an expert in student writing. They carefully reviewed those papers both with anti...plagiarism detection software as well as their own personal review in order to determine how much of those papers were unoriginal, copied from other sources. And they determined that in 61 of those papers, 25% or more, a quarter or more of the papers were unoriginal and in 26 of them, over half of the papers were unoriginal. And what that showed is two things. One is Deborah Crowder as she admitted to us, really wasn't reviewing the papers because she was just skimming them. She wasn't detecting clear and significant amounts of copying and also, that her grading had little relationship to paper quality. And we saw that because in the experts' report, which is appended to the appendix here, points out for example, two papers, one which was mostly copied material by all measures pretty insubstantial and not well done paper. And another one, which is really nicely done and perfectly...great apiece of work, completely original and they both got the exact same grade. So, that was an important analysis to determine the sufficiency, the student work despite the deficiencies of these classes.

Now, I move on to the category that was a particular importance to the Chancellor and the President when they gave us our mandate and that was they wanted us to find out what these paper classes were, how they happened, how they operated. But they also wanted to know who knew about them? Who on campus knew about them and who took any actions to show that they were complicit with these classes? And keep in mind, and I think it's important for everybody to focus on this, there is knowledge and there's knowledge. There were a lot of people on campus who knew that these were easy classes. A lot of people who knew that they were...some number who knew that they were designated as lecture classes, but taught as independent studies. But it was a smaller, much smaller group, who knew that there really wasn't even a professor involved in it. That Deborah Crowder was doing the grading. That's the knowledge that we were focused on to try to find out who knew about that and who took no steps in response.

Let me just go through these categories and tell you what we found and this is all laid out in the report. The first category is the Steele Building Academic Advisors and those are the academic advisors who work with the students across campus, not just the athletes but across campus. And there were some number of them, who would direct students over to Deborah Crowder for placement in these paper classes. They however said, we knew they were easy classes. We knew they were good for some of these students who had troubles but we had no idea that there was no professor involved and no idea that Debbie was doing the grading. And we believe that. We found confirmation for that. So we do not have any evidence that they knew about the real deficiencies of these classes.

The next group to address is the ASPSA Academic Counselors and once again, these are the folks who provide academic tutoring and counseling to the student athletes. And that's where we did find knowledge and complicity. We found that five of the ASPSA counselors knew exactly what was going on with these classes and Debbie Crowder took steps to try to mask what she was doing Wee found lots of emails where she talks about 'try not to raise red flags'. And that's one reason why the knowledge of these classes was limited but five of these counselors knew exactly what was going on and they took affirmative steps to take advantage of them. They steered a number of their student athletes to these classes because...specifically because they were easy, specifically



because they were in their terms, 'GPA boosters'. They knew that these were classes, that gave disproportionately high grades regardless of quality and that was good for the student athletes' GPAs. We had two of them, who as I said, suggested grades to Deborah Crowder. And then this last category was one I want to spend a few minutes on and this was I think, particularly illuminating. There were several football counselors who took a series of actions in 2008...they took those actions once Deborah Crowder announced that she'd be retiring. And this is what they did to try to mitigate the impact of Debbie Crowder no longer being around to offer those paper classes. The first thing they did is they encouraged the student athletes to take the last year of paper classes. They said look, you only have one more year of these classes, you better take them. We heard about that from people and then we saw it. This is a graph that shows the number of student athletes who took or the number of student athlete enrollments who took the paper classes starting in 1999 to 2009. The blue lines are men's football, red line is men's basketball, green is women's basketball and purple is everything else; what we call Olympic. And you see, there is a downward slope there of 2005 to 2008 and that was because there was questions being raised about the number of independent studies coming out of the AFAM Department. But then you see for men's football and the Olympic sports goes right back up in 2008/2009 and the reason it does that is because they realized that Debbie's leaving. They think that's the end of their paper classes. They want to get as many as those classes under their student athletes' belts as possible. Notice though the women's basketball numbers stay down and the men's basketball numbers continue to decline in that same period that the football numbers are going straight up. So, that was the first thing they did in response to the news about Deborah Crowder's retirement.

The second thing they did is, they encouraged their student athletes, their players, to get their papers in on time specifically so that Deborah Crowder could liberally grade their papers and not a professor. So, what you have here is, this is a flyer that was handed out by a counselor to football players saying as you can see in that

box, Debbie Crowder is retiring the following week so if you would prefer that she read and grade your paper, rather than Professor Nyang'oro, you would need to have the paper completed before the last day of classes, making it very clear that those summer school students needed to get their papers in if they wanted her to grade the papers more advantageously. Similarly, an email from another one of the counselors saying Ms. Crowder is retiring at the end of July. Of the guys' papers are not in, I would expect Ds and Cs at best. Most need better than that. All work from the AFAM Department must be done and turned in on the last day class. The 'most need better than that' is a clear reference to her keeping an eye on the impact that these inflated grade have on student athlete eligibility.

The third thing that they did in response to Deborah Crowder's departure was they gave a clear warning to the football coaching staff and when I say 'they', this is the several football counselors who were steering students over the AFAM Department. And the slide you see right here is a slide that was presented by two student...by two of the counselors in one of the regular meetings that they held with the football coaching staff. And the premise of this is they're trying to tell the...make it clear to the coaching staff that the end of these paper classes is a real problem and kids are going to have to measure up on their own. They are no longer going to have the crutch of the paper classes. And what they talk about here is what was part of the solution in the past, that's the solution to getting unmotivated student athletes to perform. And this by the way, only relates to a small subset of those students athletes and that you'll see that's the context here. But they say, what is the part of the solution? We put them in classes that met degree requirements in which they didn't go to class, they didn't take notes, have to stay awake. They didn't have to meet with professors. They didn't have to pay attention or necessarily engage with the material. And those classes were the AFAM/AFRI seminar classes with 20-25 page papers and, in bold, these no longer exist. So, ringing the alarm bell for the coaching staff that they were going to have to provide more support to these kids and also think on the front-end on the recruitment standards to make sure that these kids could cut



it academically without the crutch of these paper classes. And to reinforce the point, there's a second slide...actually a series of slides in which they give specific examples and in fact the student name is whited-out there. But, struggles academically and lacks responsibility is the category of student athletes who fit that profile. You see the first one has student athlete with a 2.2 grade point average and they indicate that the AFAM GPA they earned in those classes was 3.7. Their other GPA generally, 1.86. So they draw that comparison just to hammer home the point that these classes were critical to these students staying afloat.

The fourth thing that they did in response to Deborah Crowder retiring is, they went to Professor Nyang'oro and tried to persuade him to offer these classes. In other words, instead of having Deborah Crowder do it, he would do it and he did agree that he would do so. And the way they did that is they designated one of the counselors, a woman named Jamie Lee to sort of go build a relationship and you see a great relationship with Nyang'oro. She did and she then...and we saw this in emails, she persuaded him to offer several of these classes and offer these classes so that the football players could take them. He did and in the course of those three years between 2009 and 2011, he offered six of those classes. Thirty-four or so football players took those classes including non-football players...19 football players who took the very last paper class in the summer of 2011. Nineteen football players took that class and nobody else. Okay, so that was the ASPSA counselors. So once again, I am going through the different categories of university personnel. We've gone through the ASPSA.

Now I'm going to go through the Athletic Department personnel and I'm gonna go category by...or subcategory by subcategory of those people. The athletic department management. We talked to everybody we could. We talked to Dick Baddour. We talked to John Blanchard. Dick Baddour is the athletic director. And asked them about what their knowledge of these paper classes and in short they said, look we knew that these were easy classes. We knew that they provided high grades. We knew that they were being conducted as independent studies even though they were



sometimes designated as lecture classes but we didn't know that there was no professor involved and that Debbie Crowder was doing the grading. And we found nothing to contradict that. Football coaching staff. We were able to talk to Coach John Bunting and Coach Butch Davis. Coach Bunting was very helpful, very candid and he said look I knew that these paper classes exited. I knew that they didn't require attendance. In fact, Cynthia Reynolds, one of the ASPSA counselors had told him that those courses were part of her strategy, a central part of her strategy to keep football players eligible. But he assumed that there was faculty involvement and assumed that they were otherwise legitimate classes. Butch Davis, similarly says that he knew that they were easy classes but believed that they were something that had been sanctioned by the faculty and didn't realize that there was no faculty member involved. We asked him about that presentation in the November 2009...he didn't remember the presentation but said that that is the type of presentation he might well have seen. That's football.

Basketball. We interviewed Head Coach Weiss. We interviewed Matt Doherty and we interviewed Roy Williams. Matt Doherty explained that, you know, he came here and there was already an ASPSA structure in place and he didn't change it. He said that he understood that these AFAM classes were popular with the basketball players. He knew they were easy. As he said, he thought AFAM was the easiest department on campus but he did not know that there was a process to steer people to these classes and he didn't know that Deborah Crowder was basically running them. Coach Roy Williams, same. We talked to him at length and we talked to him on two different occasions about what he knew about these classes and what he did in relations to AFAM classes. He explained that when we came onboard in 2003, he brought in the staff that he used and he relied upon at Kansas for academic purposes. And that was himself, Assistant Coach Joe Holiday and ASPSA counselor Wayne Walden. We talked to all three of them. And we'll start with Wayne Walden. Wayne was a man who cared deeply about his job, about the ethics of his job. And when he came in, he inherited a situation where the AFAM...a large number of the student athletes on the basketball team were AFAM major and



were taking these AFAM classes and he understood that there was an established channel of moving basketball players into these classes. He continued that channel. He coordinated with Debbie Crowder and he admitted that at some point he realized that Deborah Crowder was doing some of the grading of those classes and he recognized that he didn't see a professor being involved so he did know about some of the main deficiencies of these classes yet he went ahead and passed some of those players over to those classes. We asked him, very pointedly, okay, you knew about that. Did you tell anybody else? Did you tell Joe Holiday? Did you tell Roy Williams that Debbie Crowder was grading the papers in these independent study classes? And he said I don't remember doing that. And we asked him very directly about that and he said no, I don't remember telling them about that at all. We then went obviously to Joe Holiday and to Roy Williams. Both of them said the same thing, that they didn't know anything about the fact that there was no faculty member involved and that Deborah Crowder was managing these classes and taking the place of a faculty member. We asked about the fact that there were basketball players who were, as you saw from the chart, who were taking these classes and what accounts for that? And Roy Williams explained that yes, when he came in there was a lot of AFAM majors and a lot of people taking on his teams taking those classes. It actually was something that caused him some discomfort because he saw this clustering. He understood that his students would understandably be interested...or that his players would understandably be interested in the AFAM Department but he was concerned that it might either be the case or the look the case that the basketball program is somehow steering players into that department. So he asked Joe Holiday after a couple of years, please make sure we are not steering kids and try to steer kids into other classes just so they get a fuller experience. Joe Holiday collaborated that. Said that that's exactly the mandate he got from Roy Williams and he also said that he took it upon himself to tell Wayne Walden to try to keep the players from going into these independent studies because he liked the discipline and structure of the real lecture class as opposed to independent studies. And Roy Williams said the same thing. And we talked to Wayne Walden and he said yup, I got that



instruction and that's why you see the reduction in basketball players towards the end of the decade in these classes. So you had Roy Williams and Joe Holiday taking these steps to reduce the number of paper classes that their players were taking.

Now, let me just very briefly, there have been allegations made public by Rashad McCants about his experience on the basketball team in the middle of the decade. He said a couple of things about how tutors wrote papers for him and others and about how Roy Williams 100% knew about the paper class scheme. Before he even made those public allegations, we tried to reach out to him to talk to him and he didn't get back to our request for an interview. Once those allegations were made public, we reiterated that request by text and by letter. I said so publicly after I spoke to the Board of Governors down here in June and he was asked about whether he'd talk to me in an interview that he gave back when he first made these disclosures and he never submitted to our interview request. We'd have been very interested to talk to him. And as a result, as you'll see in our report, we say that there is no evidence to support his allegations. He didn't talk to us. Didn't give us evidence so there's no evidence.

Baseball, we talked to...baseball's coaches had essentially the same level of knowledge about the ease of these classes but nothing...no specific knowledge about the workings of them and in terms of women's basketball, there was a counselor there, Jan Boxill, who knew completely what these classes were all about and steered students to them, basketball players to them. Women's soccer, the same level of knowledge as baseball. In terms of other knowledge off other groups, AFAM faculty, we spoke to all the AFAM faculty and the vast majority didn't know anything about the paper classes. There were three however who claimed that they didn't know anything about them but they took actions that kind of reflected some knowledge of the fact that these classes existed. In terms of other faculty, we canvassed other faculty members around the campus and didn't find any who admitted to knowing about the classes. In fact, we carefully examined the accounts of various people about a meeting of the Faculty Athletics Committee in 2007,



that has generated some controversy ever since the Martin Report. And in that meeting, it was contended that some folks from ASPSA and the athletic department had effectively put the faculty members of the FAC on notice about these paper classes. And while there was some discussion about AFAM classes or about independent studies classes, we found they were not put on notice of the paper classes and their deficiencies for one simple reason that the athletic and the ASPSA members who were there didn't even know about those deficiencies. So, that is not a situation where the faculty was put on notice about the deficiencies and neglected to act.

The last category, a very important category is the administration, the Chapel Hill administration. We were asked to really focus on everybody in the chain of command from Julius Nyang'oro up to the Chancellor to see whether anybody knew about these and in short, we didn't find any evidence that anybody knew about the particulars of the paper classes. We did find however, a handful of administrators who were aware of red flags and did not take action. One in particular who was aware that Julius Nyang'oro was taking up to...or was registered for up to 300 independent studies a year for him and his department, which is physically impossible. She asked him to lower the number of independent studies but never asked the question, boy all these independent studies that kids have gotten grades for, what quality of education did they get? So she missed the opportunity to really find out about the scheme back in 2006.

Which now leads to another finding, a completely different finding, which is oversight. You heard from Chancellor Folt about the deficiencies in oversight and they were glaring deficiencies in oversight. And as somebody who has spent most of his career in large organizations, that was probably one of the more striking things I saw about this. We undertook to try to diagnose why was it that there was so little effective oversight and there were a few reasons. One is cultural. We found that there is a sense in academia, at least back then that strict oversight and strict management might conflict to being tension with academic independence and the prerogative of a professor to decide how to



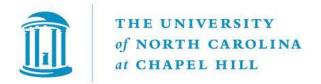
conduct his or her instruction. That, I think is a false dichotomy and I'm sure you're gonna hear more about that from Chancellor Folt but that was a reason why people pushed back against the idea of real meaningful oversight. Another is frankly, something that I've seen over the years with really highly functioning organizations. It's often the most highly functioning organizations that tend to have the blind spots about misdeeds or wrongdoings within their ranks because they think...or those that...my colleagues are the last people in the world who will do that and I think there was some of that here. Kind of understandable in a way. In addition to those cultural issues, there were procedural flaws and there were mechanisms in place but for a number of practical reasons they didn't apply to AFAM and Professor Nyang'oro. There was an external department review requirement for all departments that had a graduate program. AFAM didn't have a graduate program so it wasn't subject to that requirement. There was a faculty peer review process for every tenured faculty member except Chairs. Because they didn't want peers to be trying to review Chairs. They thought that would be awkward so for 20 years...the 19 or 20 years that Nyang'oro was a Chair, he was never reviewed by his peers. So you had these other flaws that led to this...the absence of oversight. As for the oversight of ASPSA, that also was deficient for different reasons, partly because or largely because ASPSA sort of occupied this strange middle land between the College of Arts and Science that they reported to but also the Athletic Department, who they really worked with on a day-to-day basis and as a result, nobody really felt like they had full responsibility to conduct the oversight that they needed. So that's our oversight finding.

And then the last thing I wanted to address is a very important issue which is how did the university respond once these allegations came to light? And as you recall, it was August of 2011. Dean Hartlyn brings Nyang'oro in and says what's going on with these news reports and Nyang'oro says there is this shadow curriculum that Debbie Crowder is running. He immediately tells the higher ups. They immediate task him with conducting an inquiry into these...what he served from Nyang'oro. They interview Nyang'oro at length. They immediately self report to the NCAA. The



NCAA teams up with university personnel to conduct these interviews. They then bring in...they have Nyang'oro...I'm sorry, they have Hartlyn and Andrews, two well respected deans, do a five year retrospective to see...to look back at these classes. When that doesn't completely answer the (unintelligible), excellent piece of work but questions started to arise about whether these classes preceded that five year period, which they did. The President and the Chancellor at the time, brought in Governor Martin, who is...as I said conducted an excellent piece of work, especially forensically in terms of the data review that was critical. They all along, while all these investigations were ongoing, they were instituting organization reforms that were targeted at the deficiencies that allowed this scheme to take place and carry on for so long. And as President Ross told you, as soon as District Attorney Woodall called them and said okay, the handicap that has been a problem for every one of these investigations is no longer a handicap, now you will have access to Deborah Crowder. Within days, he and his office were on the phone with me bringing us in as an independent investigator to do a no holds barred investigation. That's why I say that the response was responsible.

So, lastly, these are the questions that I raised before; these are the questions that I was told to answer when I first talked to the Chancellor and President. These are the questions that I raised when I talked to the board of Governors in June and spoke publicly there. And these were open questions. But I think when you read this report, you're gonna see they're answered now. How did these classes come into existence? I just explained that in shorthand what Debbie did and why she did it. How did they operate and what were the mechanics? We talked to the different types of classes. Why were they permitted to continue for two decades? Debbie Crowder was trying to mask what she was doing and a significant lack of oversight. What was the purpose behind these classes? I told you Debbie and Nyang'oro's thinking was. Did these...and what the thinking of the folks at ASPSA was to take advantage of them. Did these classes allow students to receive high grades that they didn't necessarily earn? Yes. Some kids earned every bit of the grade they got but definitely some number of students got

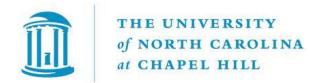


grades they certainly didn't deserve. What was the role of the Athletics Department and the ASPSA? I think I've laid that out very clearly. And what university personnel knew about or complicit or in any way involved in these classes? And I think we've gone through that thoroughly. I think that when you look back at this, you're gonna see that just as President Ross and Chancellor Folt asked at the outset eight months ago, that we did a full investigation. We turned over every rock. We asked every tough question. And now we have the answers. Thank you for your attention. I appreciate it.

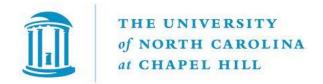
Chancellor Folt:

Thank you. Even though I've heard it before, I know just how hard it is to hear his report. Before I go any further, I want to make a few thank you's and in particular I want to say there are many people over the years who have worked very hard to help bring all of this to light and although I can't list all their names, we are really grateful for them. And in just the last year, my own leadership team has worked pretty tirelessly to get us to this point. I am grateful for their work. The Faculty Athletics Committee and the Provost Academic Athletics Committee team have been working so hard and I appreciate all that they've done. I'd also like to thank the media. You've worked hard and you've also provided a valuable public service for us as we work through this. And of course, I want to thank Mr. Wainstein and his team. I think it was absolutely essential that we have this external investigation and we see it and hear it through your eyes and voice. I know that what we found is very painful but you have done the university a great service in helping us gain a more complete understanding of what transpired here. You know, for four years, as I said earlier, the Carolina community has been under a cloud and when you're under a cloud like this, not only does it make it difficult to focus fully on the future, it makes it very difficult for you even to appreciate the strength of the present. The reason we commissioned this report really is to more fully understand and address that past so that our community can finally move forward.

You know, as I walked across the campus this morning, I was really taken by the fact that at the very moment that we're releasing Mr. Wainstein's report, there are literally thousands of students and



faculty and staff who are very busy learning, and working in our classrooms and our laboratories. And they are doing immensely important work of global and national and local significance. And this report isn't even on their radar. The behavior that's described in this report had absolutely nothing to do with them. And it will shock them. It isn't the Carolina that they know and love and it doesn't reflect their work or their character. And I think it's also very important to remember that Mr. Wainstein was not asked to write the story of the university or its people but he was asked to investigate a very important chapter in that history. And it is indeed a chapter that we have to fully accept and we have to use it as an opportunity to make ourselves stronger but we can't let it define us. On the other hand, if we don't fully accept the responsibility, we will not be able to move forward. And so that's what we are talking about today. We have to show as we go forward that we can be honest and resilient. We have to show that we can continue our soul-searching and self reflection without any excuses. And we have to show how we're gonna use what we've learned specifically to become better, to become stronger and in that way, to be even more proud of who we are. I know you just heard a pretty amazing report, 1.6 million documents and 126 witnesses. I believe we now know what happened. Mr. Wainstein's investigation shows us that bad actions of a very few and inaction of many more, failed our students and our faculty and our staff and it undermined our institution. It was an inexcusable betrayal of our values and our mission and our students' trust. The length of time that this behavior went on and the number of people involved is really shocking. It was a wrongdoing that could have and should have been stopped much earlier by individuals who were in positions of influence and oversight. Many could have sounded the alarm more forcefully. I do believe Mr. Wainstein's report answers the lingering questions and you heard a lot of them. He found no indication that the wrongdoing spread beyond a single academic department. Some people also thought that individuals such as our current coaches might have been involved but his investigation shows they were not. Finally, his investigation confirms that the wrongdoing is not happening now.



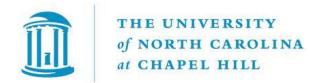
Another lingering question; was this an academic or an athletic issue? Clearly it was an issue in both areas. And indeed, it was a university issue. And on behalf of the university, I want to apologize first to the students. They trusted us with their education and they took these courses. I say to the students that you deserved so much better from your university and I believe we will do everything in our power to make it right. And to our student athletes in particular, I think you've borne the brunt of this. A few people thought that they knew better than the institution and for no good reason, they prejudged people's capabilities and that is impossible for us to forgive. I promise our student athletes that going forward, our focus is always going to be on your long term success in your academics, you athletic endeavors and in your life. We know you're capable of great things and we're proud of you. I also want to apologize to the Carolina community. So many people have been hurt both directly and indirectly by this wrongdoing even though they had no knowledge or responsibility for it. And many of them were not even here when most of it occurred. My job is to restore your trust and to make sure that you don't feel diminished by the actions of others.

I think we now have a full understanding of what happened and the important point now is going forward, how are we going to act? I've been impressed with how much people have done in the last four years to address the underlying issues since first learning of these irregularities years ago. In fact, much of what Mr. Wainstein reported deals with issues, very specific detailed issues which we have already corrected. Moreover, we've already gone deeply into transforming our culture and our policies from the top down and the bottom up and we will continue to do everything we can to keep that progress going forward. And that includes more than 70 wide ranging actions and initiatives already in place. I am not going to take you through every single one of them but that includes policies to ensure regular review of department chairs. Electronically tracking students enrolled in independent studies and strengthening and advising and enhancing our advising activities. And today, we are taking even further action, starting with our leadership. We know people deserve our very best. It cannot be acceptable to say I

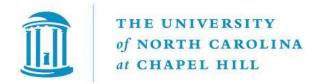


don't...I didn't know or that wasn't my responsibility. Academic freedom does not mean freedom from accountability. Instead, I believe very strongly that we have to hold each other accountable and that's not because we don't trust each other. But by doing so, we can reward excellence and we can learn from feedback and most importantly we do this because integrity of the university is owned by all of us.

I'd now like to share a few of the actions that we are taking today, including personnel decisions and some new initiatives that we are taking in direct response to the findings. First, individuals who remain part of the Carolina community and have been directly implicated in the wrongdoing will be held accountable. There are many individuals who are no longer here. All the decisions that we are making about personnel however, are going to be based on evidence, not assumptions or opinions. We honor and hold very dear our processes for fairness and privacy. Effective today, however, we have terminated or commenced disciplinary actions against nine university employees and we are removing honorary status in at least one case. We will also continue to follow up on the findings that relate to personnel expectations as we move forward. Second, we immediately shared copies of the report with the NCAA and the Southern Associations of Colleges and Schools, our accrediting agency. And we will absolutely continue working collaboratively with both of these organizations. Third, one of our major goals it to better integrate academics and athletics and we've been working on that for a long time. The faculty are going to become even more directly involved in reviewing the athletic student athletes' eligibility and progress towards degree. Fourth, we are also going to enhance all of our efforts to align our existing advising and support programs for our student athletes and to integrate them more fully with the advising programs that reach across our campus. And we have so many good best practices that we can share. This is truly a very important part of our work. Fifth, we want to make sure that every member of the community who has any concerns, will have a clear avenue for expressing those concerns. There are many ways to make those concerns available on our campus but they are not all integrated and we have to make

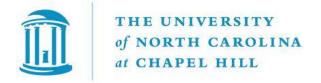


this a very easy process. We're going to create a new structure that will ensure that there are confidential channels for anybody to raise their hand to share concerns about compliance or ethical issues and most importantly, we have to make sure that people have confidence that their concerns will in fact be addressed. Sixth, we plan to conduct an institution wide policy and procedural audit and that goes beyond the work by Baker Tilly. This audit is really important because it gives us a chance to really determine whether we have anymore redundancies or major gaps in our policies and it also will be time that we can create a mechanism for periodic reevaluation and metrics that we make public about those policies. This was a clear need that was identified in the report. Seventh, we plan to establish an expanded process for consistent evaluation and review of each and every unit and department with the Provost and the appropriate director for those reviews selected by the Chancellor. And they will be authorized to launch special department reviews as needed. I've asked Provost Dean, to immediately begin implementing a plan to stabilize and bolster the policies and procedures in the Department African, African American and Diasporas studies. Much, much work has already been done in this department and I am confident that this can happen quickly. But I also want to take a moment to emphasize on this day in particular, that the wrongdoing that happened in this department, had absolutely nothing to do with the study or the work of most of its faculty, its staff or its students. In fact, I believe that every single student at Carolina should take at least one course in this field. To understand the history of...our shared history as a nation, that means that we have to understand. We have to appreciate and value our African and African-American culture and its study. Similarly, athletics director Bubba Cunningham, began over two years ago, to execute a plan that would allow us to bolster integrity and accounting throughout the athletics organization bringing in new people and really making progress in this area. He has my full support to go as far as is needed to ensure that this plan and these principles are accepted and embraced throughout the organization. And finally, we've been criticized in the past for a lack of transparency. Today, we are launching a new public records website. And this website is designed to enhance our



accountability, our responsiveness and efficiency around records requests. And I'm pleased to say that that site is live now.

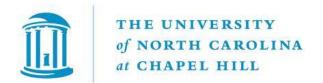
I'd like to close with a few personal reflections. I know that the members of our community are going to feel a very broad range of emotions about the findings and our actions and I just want to say people need time to process this. Everything that we've learned is going to take time to put into action and we can't rush it. But, we have already taken many actions and we are taking more today and I promise you it's not going to stop there. I know that Carolina is already stronger because of its journey over the past few years and that's not just because so many reforms are in place but because there has already been a great change in attitude and a willingness on the part of our community to accept responsibility. We just celebrated 221 years as an institution and throughout that history, no single moment has ever defined us but I know that we are at our best when we use our most difficult moments to teach us. Our core mission is as it always has been; academics. But I also believe that we can offer strong and successful athletics programs and in fact, athletics programs can advance our academic mission. I'm very proud of our student athletes as I am of our student artists, our journalists, our scientists, and indeed all of Carolina's students. I think if we learn nothing else from these past mistakes, I hope what we will take away is that everything we do must begin and it must end with the best interests of our students in mind. Today I feel more than ever, the great privilege of being the Chancellor of this historic university. While we accept full responsibility for the past, I also know that the wind is in our sails for the future because our students, our faculty, our staff and our community is so strong. There is no place for shortcuts here. We must continue to challenge ourselves to do our best. Never tempt ourselves to do our least. We have to pursue excellence through hard work, high standards and with complete focus. And that's our job today, as it is every day. So now I would like to turn the podium over to President Tom Ross to offer a few more of his thoughts. But I want to say before I do, thank you to President Ross. You have shown and have such belief in Carolina and you stand on principle and we admire that very much. Thank you.



President Ross:

I promise we are nearing the end. Thank you Chancellor Folt. I appreciate and fully support your leadership in the actions you've announced today. From the day nearly four years ago that I became President of the University of North Carolina, we have worked across our 16 university campuses, to ensure that we are fulfilling our responsibilities to our students, and striking the right balance between athletics and academics. Before we knew anything about the Crowder/Nyang'oro scheme, we appointed a system wide task force to examine a range of issues related to academic support for student athletes. We later appointed a second task force that focused on athletic financial transparency. In addition to the recommendations put forward by these two groups, we have learned a great deal from what happened here and from the numerous steps that UNC-Chapel Hill has already taken to address this terrible mark on our proud history. As a result of these collective efforts, new policies, safeguards and best practices have been developed and are being implemented across our system. They include rules on the number of undergraduate independent studies a faculty members may teach per term. Require campus base analysis of course clustering among student athletes, Annual reports to all of our Boards of Trustees and to the Board of Governors on the academic profile and progress of student athletes, including comparative data on conference and peer institutions success rates. In light of what we've learned from Mr. Wainstein's investigation and the reforms that UNC-Chapel Hill has already put in place, we will do more. Over the next several weeks, I will direct my staff and the Chancellor's to identify additional changes to regulations and policies needed to foster an enhanced culture of compliance, ethics and integrity in athletics throughout our university system. I will be working with the Board of Governors to develop and adopt and system level policy changes that may be necessary to ensure that situations such as happened here, cannot happen anywhere in our system. Finally, I will take steps to initiate one addition personnel action involving an individual formerly employed on this campus, now employed at another UNC campus.

In closing, I say again that we are glad to have the results of Mr. Wainstein's investigation and to finally know what happened and



how it happened. I'm proud that Chancellor Folt has already taken clear decisive action to hold accountable those individuals who were involved and who are still at the university. I am also pleased that she is taking extensive further actions to be certain that striking the right balance between athletics and academics is part of the ethos of UNC-Chapel Hill. Protecting the academic integrity of our public university, the first in the nation and one widely recognized as one of the best universities in the world, must be paramount. The Crowder/Nyang'oro scheme marks a horrible chapter in the history of this great university. And we would all agree that it continued unchecked for way too long. But it was finally uncovered more than three years ago and thanks to Mr. Wainstein's efforts and Mr. Woodall's support, today we know the full facts of how and why it happened. We have acted and will continue to act on what we've learned. We must also remember, that across this university, there are approximately 10,000 faculty and staff who go to work every day, do the right thing and provide excellent educational experiences for the more than 29,000 students, athletes and nonathletes alike who are here to learn and grow and prepare for meaningful lives. To those people, I say thank you. I am sad and frankly, I'm angry that you and your great work have been unfairly characterized and criticized. And I pledge to you and to everyone, and all of the people of the State of North Carolina, that Chancellor Folt, the UNC-Chapel Hill Board of Trustees, the University Board of Governors and I, will do all we can to be absolutely certain that nothing like this ever happens again. Thank you.

Speaker:

Good afternoon, I am Joel Curran. I am Vice Chancellor of Communications and Public Affairs. I would like to now invite Mr. Wainstein, President Ross, Chancellor Folt and Athletics Director Bubba Cunningham to join me on the dais. I am going to have a question and answer period for the credential media. We're going to probably have to hold this to a tight timeframe due to the deadlines that I know you're all facing. I am going to ask everyone who has a question...I'll acknowledge you. We have two microphones on either side. When I acknowledge you please, when you have the microphone limit it to one question. If you need a follow-up pleases acknowledge that and we will make sure that you



keep your questions tight if you would. Also before you ask your question, please acknowledge your name, and your outlet and who you would like to direct the question to. I'll be going back and forth trying to alternate them back and forth, and I'll go ahead and get started. We are all set over here with microphones? Great. Right in the middle.

Question and Answers

Q: I'm Emery Dalesio from Associated Press. Chancellor Folt, how

many of the nine people are being fired? Who are they? On what

grounds and if you won't answer that, why not?

Chancellor Folt: We have pretty strict rules about privacy. We don't talk about

personnel issues and give anybody's name ever in the press and so I am not going to talk about them individually. We are still in the process right now. Four at this point. We are proceeding with

severing...with separation, excuse me.

Q: Ed Hardin, *Greensboro News and Record*. For Chancellor or any of

you. Does this suggest that there are students who have gotten into North Carolina who probably shouldn't have gotten in here to start

with? Is that at the crux of this? And does this justify Mary

Willingham's research and the findings that she had years ago?

Chancellor Folt: There was no part of the report that actually addresses any of those

specific issues. And I think what I...the way I'd like to put the context is, I think it's my responsibility and the university's responsibility to accept students and make sure that they can succeed. I believe in the strength of our student body and I think we have to do a very good job in doing it. As I look at this, the main failure that I see was not in the students but was in our failure because we did not treat them well. Assumptions were made about them and we didn't provide the proper services. So that's really where I'm going to focus it and I think that's where the attention has

to be.



Q: Chancellor Folt and Bubba, without being able to predict the NCAA,

is there a concern that there could be additional sanctions handed

down with them receiving this Wainstein Report?

B. Cunningham: We certainly have provided the report to the NCAA. And, we are in

the middle of a review with them that we started again in June. This is just one large piece of evidence and information that we will use throughout that process but it is much too early to speculate on the

outcome.

Q: Justin Quisinberry with WNCN News. We wanted to know how

much the investigation cost and what is the price tag on the new

PR firm that the understand the university has hired?

Chancellor Folt: I was going to say, we don't have the full costs yet so we are still

waiting for that.

Q: (Inaudible)?

Chancellor Folt: No, I don't...I actually...I'm sorry. We will give you the numbers

when we relay have them as far as we go but I don't have those full

costs.

Q: (Inaudible)?

Chancellor Folt: I think when we finish fully the report...I'm sorry, I really don't know

that today.

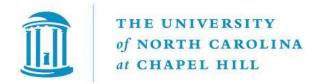
Speaker: To answer your question on the PR firm, we have a PR firm for

ongoing work and I don't have a total for you now but I will follow up

with you. Thank you.

Q: Cullen Browder with WRAL-TV. Mr. Wainstein mentioned this

cultural resistance to oversight and it seemed you were focusing more so on the department. Does that translate, and I will ask this of Chancellor Folt. Does that translate to the coaching staffs who said you know I knew something was going on but I didn't know it in full detail? Do you feel like some of that responsibility falls on them?



Chancellor Folt:

I think when we talk about responsibility in an academic institution. what I said at one point, I know think we think it's all of our responsibility. But people have immense respect for faculty in a university system. And that goes for faculty for each other but that also goes for staff and it goes for coaches and when faculty says they are teaching a course, the absolute expectation is that they are teaching the course. And I think it is not surprising that people would not doubt that. What I think is important and where we have to do a better job and in fact, it is in place now, is that we need to make those routine checks and balances because you have to be sure that you are really following things so that integrity will be held at all times. But, it was a shock to everyone that a faculty member would ever put their name on a roster for a course that they did not teach. And I think that's when we say, they were not expecting it, it's because it is such an unusual thing to happen. And so I look at it that way. I also think we want to encourage people going forward to feel that they can ask questions about any area. So, certainly, I would love to think that anyone in any area if they are concerned would come forward and say things. So I think we are trying to really change that culture so that everyone cannot be afraid to ask if they are concerned.

Q: Derick Waller with WNCN News. I just wanted to know, could you

tell us the four people who were fired, what departments they are

from?

Chancellor Folt: No.

Q: This question is for Bubba Cunningham. Can you tell us if the door

is now closed on any self punishment in the athletics department?

B. Cunningham: Well, this report that we received today doesn't give me any

evidence to do anything right now relative to additional punishment.

Q: Laura Keeley with the Raleigh News & Observer. This is for Bubba

Cunningham. Sir, are you anticipating this NCAA investigation is



going to be kind of a month's long thing, not something that is going to come to an immediate conclusion?

B. Cunningham:

Just like trying to speculate on the outcome, trying to speculate on the end, would be inappropriate at this time. I have no idea how long it will take.

Q:

Laura from *The Herald-Sun* in Durham. I just want to clarify. You mentioned there were other staff members who had disciplinary actions. Can you clarify whether that was the remainder of the nine you spoke of? If you can just clarify disciplinary actions versus terminations?

Chancellor Folt:

Actually, what I think what I said or I hope I said was that we were going to commence disciplinary review, which means that we are going to go through a full process. At a university, we have many different processes that regulate the way that we work with our employees and we're going to follow every single one of those processes. And, it is possible, that through that review, someone may be found to have done absolutely nothing. Just as if it could be found that they were responsible in some fashion. So that's part of that review process.

Q:

This isn't related to that previous question but is there any ideas in place for a new admissions process or athletes coming into the university? (Bradley)

Chancellor Folt:

There's been a lot of changes in admissions policies in many aspects of the university but especially beginning I believe in 2012, they went through a major change. Developed a new analytical algorithm to actually do a better job of predicting success for students. It's been quite successful and I think we will continue with that. That's been...I work at the Faculty Athletics Committee and I think we talk about that publicly quite often. I know people have presented on that in the faculty meetings so we can always get you more information Bradley.



Q: Chancellor, even though you can't give names of the nine or

departments or specifics; are any coaches involved in termination

or discipline?

Chancellor Folt: You know, I am really sorry but I truly can't talk about the personnel

issues and I'm not gonna really get down to giving distinguishing

information about any of them.

Q: Mark Strauss from CBS News. Mr. Wainstein, a question about the

coaches and what they knew and when they might have known it. I heard what you said that you found no evidence to contradict their claim that essentially they just didn't know. But with your trained

investigator's gut, did you believe them?

K. Wainstein: I had no reason to disbelieve them based on the evidence that I

had. So I had their denial. So, let's say if you are talking about the basketball coaches or the football coaches for that matter. Let's go to the basketball coaches; Coach Williams and Coach Holiday. We asked them very pointed questions about what they knew and we asked them questions that you might ask. Well, look, you knew these were easy classes. You knew these were independent studies. You knew a lot of your players were taking them. Didn't you think that something was amiss? Those kinds of questions. But 'a' they had very credible answers that made sense. And you know, keep in mind, these are not the only easy classes on campus, not the only easy campus in any campus in the country and as I've said earlier today, I think a lot of us who went through college found the

occasional well known easy class and took it, myself included. So that's all they knew about the class was that it was easy. That doesn't really distinguish those classes from any other easy classes

around campus. So that to me, made sense. Also, Wayne Walden who was the counselor who we know did have some understanding of the way these classes worked, was credible across the board.

He is a man as far as I was concerned, a man of great honesty and integrity. And he said what he knew and he also said look, I don't remember telling them anything about that. So, you had that. And

then you also had actions that both Holiday and Williams took that would have been inconsistent with that. You had them trying to pull

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back on independent studies because they wanted a lecture class. You had them pulling back on AFAM or asking that Walden pull back on AFAM because they didn't like the clustering. Too many kids gravitating to one area. Those actions are inconsistent with being complicit or really trying to promote that scheme. So you put all that together, my gut told me that I had no reason to disbelieve what they told me.

Q: (Unintelligible) Observer. I was two years ago at a news conference

that Roy Williams held in which I asked him, why did the basketball players stop taking AFAM classes and his response was not at all what we've read in your report today. His response was well maybe

they had other interests. How do you explain that?

B. Cunningham: I don't have any way to explain Coach Williams' statement from two

years ago or what his thinking is today. That's a great question for

Coach Williams.

Q: Justin Quisinberry again with WNCN. A follow-up to my earlier

question about the cost of this. Mr. Wainstein, do you know how

many hours that you and your team put into this?

K. Wainstein: About a thousand in the last week it feels like. I don't I honestly

have been so totally focused on getting this report done, which as you can see is a pretty massive undertaking, and catching typos. I even saw one typo I didn't catch. So just doing that and then getting prepared for today, I haven't focused on that at all. But it was a big undertaking. We had been working very hard, seven days a week

for quite a while. So, we will focus on that now once the dust

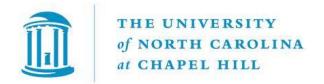
settles.

Q: Andrea Blanford with ABC 11. Chancellor Folt, President Ross, are

you confident that this investigation was truly independent if you hired Mr. Wainstein and paid him with money through the system?

President Ross: Let me take a crack at that because as I said at the beginning when

we made the decision to have somebody come interview Deborah Crowder, we were at a point where we could have undertaken that



ourselves. We could have had some of our lawyers or someone else interview her. But that wasn't the right thing to do. What we wanted to do was bring in somebody completely independent. So. we went through a process and interviewed law firms to try to find somebody with investigative experience that we believed that we could turn this over to that would indeed follow every lead. So you take a look at his resume. He spent 15 years in a US Attorney's office prosecuting cases. Cases involving racketeering, cases involving all sorts of conspiracies. He was the US Attorney for the DC Circuit, maybe the hardest prosecutorial job in America. People with that kind of integrity and that kind of investigating experience are hard to find. Then you layer on top of that, he was General Counsel and Chief of Staff to the FBI, a pretty good investigative organization. On top of that, he served as an Assistant Attorney General for National Security. And he served in President Bush's administration as his first homeland security advisor. So, to me, we found a man with a great deal of integrity and extensive investigative experience. And then we turned it over to him, as I said earlier. I am absolutely satisfied that he was completely independent. And just to get to this question over here about cost, it's gonna be very expensive for the university. And again, we were faced with a decision. Maybe we could have avoided all this cost if we wanted to avoid getting to the truth. But that's not what we wanted. We wanted to get to the truth. We found the right investigator and we will pay the bill for it in many ways unfortunately.

Q:

For Mr. Wainstein, he was just mentioning your experience as a prosecutor. So put yourself in that role. You laid out the case. You gave us the evidence but I didn't hear your closing argument so to speak in terms of know your opinion. You went to college. I am curious of what your overall thought is on what you found?

K. Wainstein:

That's a good question. I guess is first is just to go back what my mandate was. And I was, you know, we do this...this is what I do. I am at Cadwalader. We have a group that does independent internal investigations. That's what we do. So this is akin to what we do every day. My job was to go find the facts and my colleagues



and I did that. So, just the facts kind of approach. We just want to get the facts and we then lay them out and as unvarnished and as clear away as possible. And then we draw factual conclusions from those facts. In other words, we find so and so remembers this meeting. So and so remembers this meeting this way. We find the evidence suggests that this is the way that this meeting took place. We didn't then go on and say, and this is what this says about this university. This is what this says about the needs of this university. Frankly, that is for you and that's for the President and the Chancellor and as you've heard a number of the changes that they announced today and that have happened over the last couple of years are in response to these facts coming out. So, that was the role that we played and I think we did it.

Q: But I am just curious, person to person, what's your conclusion?

K. Wainstein:

The one thing that I think I did really take away from this is what I mentioned and what Chancellor Folt was mentioning which is, there was for a variety of cultural and practical reasons, there was an organization, a very complex organization that needed oversight at every step of the way and it didn't exist. And you know, pretty shocking when you look back at it that it didn't exist. I understand why it wasn't because, as far as I can tell, they are nefarious motives. People said let's not have oversight so that we can let people do...engage in wrongdoing. It was just a belief that that would somehow diminish independence of the faculty and that maybe they really didn't need it because we are all well intentioned and good people which is exactly, as I think I mentioned earlier, exactly the attitude I've had and when I've been in really highly functioning good organizations. And it's that blind spot that's created by that that often causes these oversight lapses that allow these pockets of misconduct to take place. And I think that's what we saw here.

Q:

Andy Madison, Time Warner Cable News. Just a quick question for Mr. Wainstein. You said Rashad McCants, you reached out to him and you did not have any luck talking to him for this report. Was



there anyone else that you tried to reach out to that you weren't able to speak with?

K. Wainstein:

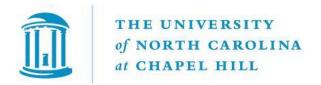
Good point. Good question. In fact, if you look at, I think it is page three or four of the report, as we are going through the methodology and we talk about the interviews that we did. We did 126 interviews I think. You'll see we drop a footnote that lists the five...I think it's five people who did not cooperate with us. And we did that upfront for two reasons. One, to show how the absolutely vast majority of people cooperated. And we even had a situation where one person balked who was affiliated with the university. We told the university folks and the next thing we knew, the message went out that the person would either talk to us or be fired and the next day they were in talking to us. So, we had real cooperation from pretty much everybody except for these five people and they are listed on page 12 footnote 9. And that was one of those people and we were very disappointed that she wouldn't talk to us.

Q:

This is for the President or the Chancellor. Can you tell us about the impact that this scandal has had on enrollment and the second part, after this report is digested, what kind of impact do you hope it has on parents and future students?

Chancellor Folt:

Thank you. It's very interesting that the enrollments and the applications to Carolina are at historic highs. And that's happened every year for the past three or four years. It continues to go up. We are not seeing a change there. Our philanthropy is actually at a historic high and I think if you read much about us, you'll see our research productivity is up in the top seven. I could give you many great things about the institution and I think what that tells me is that when students are looking for a university they do really look at many things about that university. And they are looking to find a place to do something really exciting and this is a wonderful university. But that doesn't make me take any less value from this report because when we accept them, we want that promise to be real. And we want to make sure that we are coming good on every one of those promises. My hope is that people will understand that



we really did take seriously the mandate to get to the bottom of it. We know where it occurred. We know that it is not occurring now and I believe if we've learned anything, we will be even stronger in the way we find the advising select our students and help them flourish. And that's what I'll tell every student and parent I have a chance to talk with. Thank you.

Speaker:

Thank you everybody for coming today. This is just a reminder; the report is available at Carolina Commitment at UNC.edu. We will have an archived video of today's press conference available there as well as soon as we can get that up there. Also, transcripts from the press conference today, all the remarks will also be posted as soon as they can be transcribed. More on Carolina as at UNC.edu and UNC News at UNC.edu. And we appreciate your time and your trust. We thank you. If you have any additional questions or comments, please find a UNC media rep here on the floor. Thank you for your time.

[End of audio.]