

April 9, 2008

Ms. Martha Marking, Chair
Faculty Senate Office
I.G. Greer Hall

Dear Martha:

A March 23 article in the *Charlotte Observer* regarding a gift by BB&T to UNC Charlotte may have resulted in some confusion regarding gifts from corporations and other donors to Appalachian. In the case of UNC Charlotte, a \$1 million gift from BB&T was reported to contain the stipulation that the book "Atlas Shrugged" by Ayn Rand be included in a course as required reading. The newspaper article may have lead some to believe that similar gifts to Appalachian could or have resulted in changes in required reading in University-approved courses or to the content of required or elective courses leading to a degree. That is simply not the case.

Appalachian received a \$1 million pledge from BB&T in 2001 to support the Holland Fellows Program in the Walker College of Business. The gift was paid in installments over the past five years and its use was agreed to by members of the College of Business faculty.

The University also has received additional contributions from BB&T that have supported scholarships for students, the Harlan Boyles CEO Lecture Series, the Brantley Risk and Insurance Center, the Boyles Professorship in Excellence, the N.C. Bankers Association Endowment, the student-run Bowden Investment Group, the International Business Endowment, the Graphic Arts and Imaging Technology Program, and for support of Career Development Center activities. BB&T has also provided support to Appalachian's past comprehensive fundraising campaigns as well.

In 2007 and 2008, the 12 Appalachian students selected for the Holland Fellows Program and their Chinese counterparts from Fudan University and trip leaders were given the book as part of a one-day, non-graded seminar. There is no way to assure they read the book as it was used only in a one-day seminar where no academic credit was given and no grade assigned. The title of the seminar is "The Nature of Free Enterprise" and a copy of "Atlas Shrugged" and the "World is Flat" is given to each Holland Fellow each year. This is a small portion of a comprehensive program that includes business case studies, research presentations and visits to State-owned enterprises and foreign joint ventures in China. As part of the program, Appalachian's students learn about Chinese business practices and about Chinese culture. Chinese students learn about American practices and culture.

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The University, through the Appalachian State University Foundation, carefully reviews all gifts made to the University as well as any requirements attached to the gift for their appropriateness to the University and its mission. It is well understood that curriculum development and curriculum revisions are controlled by the faculty and subject to review at the departmental and college level before being approved by the University-wide AP&P Committee. The current agreement with BB&T regarding this gift does not undermine this faculty responsibility in any way. I hope this addresses your concerns.

Sincerely,

A handwritten signature in cursive script that reads "Ken".

Kenneth E. Peacock
Chancellor

KEP/cp