

## **BOARD OF GOVERNORS MEETING**

The University of North Carolina

May 14, 2004

The Board of Governors met in regular session on May 14, 2004, in the Board Room of the General Administration Building, Chapel Hill. Mr. Wilson, the chairman, called the meeting to order at 9:30 a.m.

### **INVOCATION**

Mr. Bowden gave the invocation:

Dear Lord, we thank you for a beautiful day. We thank you for all the men and women who give their time and talent to work for the betterment of this great University. We ask a special blessing and we beg for your protection for our troops away on foreign soil protecting our freedom to build this great University and to live as free people. We ask that you grant us the wisdom to disagree without being disagreeable. We ask that you grant these blessings and provide for our needs. Dear Lord, for all of these things, we thank you. Amen.

### **ROLL CALL**

Secretary Perry called the roll and the following members were present:

J. Bradley Wilson  
Bradley T. Adcock  
G. Irvin Aldridge  
James G. Babb  
Brent D. Barringer  
J. Addison Bell  
R. Steve Bowden  
F. Edward Broadwell, Jr.  
C. C. Cameron  
Anne W. Cates  
John F.A.V. Cecil  
John W. Davis III  
Jonathan L. Ducoté  
Ray S. Farris  
Dudley E. Flood  
Hannah D. Gage

Willie J. Gilchrist  
H. Frank Grainger  
Peter D. Hans  
Peter Keber  
Adelaide D. Key  
G. Leroy Lail  
Charles H. Mercer, Jr.  
Charles S. Norwood  
Cary C. Owen  
Patsy B. Perry  
Jim W. Phillips, Jr.  
Gladys Ashe Robinson  
Benjamin S. Ruffin  
Estelle W. Sanders  
J. Craig Souza  
Robert F. Warwick

The following members were absent:

William L. Burns, Jr.  
Bert Collins

James E. Holshouser, Jr.  
Priscilla P. Taylor

Secretary Perry indicated that Mr. Collins had an excused absence under the provisions of the statute.

## **MINUTES**

Mr. Adcock moved, seconded by Dr. Gilchrist, that the minutes of the meeting of March 19, 2004, be approved. The motion carried.

## **PRESENTATION OF THE OLIVER MAX GARDNER AWARD**

Chairman Wilson noted that the next item on the agenda, the presentation of the Oliver Max Gardner Award is one of the highlights of the university year. Established by the will of the late Governor Gardner, this annual award recognizes a University of North Carolina faculty member's contributions to the welfare of the human race. He added that this is the fifty-sixth year in the history of the award and he called upon President Broad to make this year's presentation.

President Broad recognized Governor Gardner's great granddaughter, Sarah Gardner Naftolin and her husband Josh, who attended the meeting. She also expressed gratitude to the Gardner Family and the Gardner Foundation for their continuing support of the Oliver Max Gardner Award and of the University. She then called upon Mr. Leroy Lail, a member of the Oliver Max Gardner Award Committee to present the first award.

Mr. Lail recognized the other members of the committee, Dr. Priscilla Taylor, who chaired the committee, Mr. Bert Collins, Dr. Adelaide Key, and Dr. Patsy Perry. He

thanked them for their hard work and diligence in choosing this year's recipients of the O. Max Gardner Award. He stated that it was a privilege to introduce the first recipient, Dr. W.

Randolph Chitwood, Jr., Professor of Surgery and Chief of Cardiothoracic and Vascular Surgery at East Carolina University. Mr. Lail introduced members of Dr. Chitwood's family and friends who had come to share in the occasion.

Following a short introductory video highlighting the contributions of Dr. Chitwood, Mr. Lail asked Dr. Chitwood to join him at the podium. Mr. Lail read the citation honoring Dr. Chitwood, and President Broad presented him with a check in the amount of \$10,000 and a framed copy of the citation. For Dr. Chitwood's citation and response, see Appendix A.

President Broad called upon Dr. Patsy Perry to introduce the next recipient of the 2004 O. Max Gardner Award. Dr. Perry stated that she was honored to introduce the second recipient, Dr. Branislav Vlahovic, Professor of Physics at North Carolina Central University. Dr. Perry introduced members of Dr. Vlahovic's family and friends who had come to share in the occasion.

Following a short introductory video highlighting the contributions of Dr. Vlahovic, Dr. Perry asked Dr. Vlahovic to join her at the podium. Dr. Perry read the citation honoring Dr. Vlahovic, and President Broad presented him with a check in the amount of \$10,000 and a framed copy of the citation. For Dr. Vlahovic's citation and response, see Appendix B.

## **PRESIDENT'S REPORT**

President Broad introduced the chancellors and representatives of affiliated organizations in attendance at the meeting and gave the board an update of the good news and accolades afforded many of the campuses.

She stated this would be the last meeting for Interim Chancellor Harvey R. Durham and that the University was extremely fortunate that he was willing to defer his retirement plans in order to help lead Appalachian State University through a critical period of transition. She also expressed her personal appreciation for his leadership, his wise counsel, and his demonstrated devotion to the campus and surrounding community. She added that this also marks Interim Chancellor William E. Shelton's last board meeting as interim chancellor. She offered her personal thanks and gratitude for his willingness to accept this critical interim assignment, and acknowledged the tremendous contributions that he has made to East Carolina University and to all of eastern North Carolina over the past nine months. President Broad noted that North Carolina State University's chancellor, Dr. Marye Anne Fox, has accepted a remarkable opportunity to lead the University of California at San Diego, one of the nation's premier public research universities. This is a professional advancement for Chancellor Fox and a nod to the quality of North Carolina State University and the entire University of North Carolina.

In addition, the president acknowledged that last week Betsy Bunting, Associate Vice President for Legal Affairs, was presented the 2004 Distinguished Service Award by the North Carolina Bar Association's Education Law Section. The award recognizes professional, community and personal achievement in the representation of educational institutions.

President Broad also reported on legislative and budget developments, grant activity within the Office of the President, national trends in the supply and demand of

University faculty, and the 2004 Awards for Excellence in Teaching. For the President's full report, see Appendix C.

### **ADMINISTRATIVE ACTION ITEMS**

Chairman Wilson called attention to the Administrative Action Items listed on the agenda. Mr. Cecil moved, seconded by Dr. Gilchrist, that the following Administrative Action Items be approved by consent:

- |           |   |            |
|-----------|---|------------|
| a. (B&F)  | Authorization of New Capital Improvements Project, UNCG   | Appendix D |
| b. (B&F)  | Approval of Changes to the Centennial Campus Boundary, NCSU                                       | Appendix E |
| c. (B&F)  | Approval of Out-Lease of Land, NCA&T  | Appendix F |
| d. (B&F)  | Approval of Out-Lease of Space, NCSU  | Appendix G |
| e. (EPPP) | Authorization to Discontinue the following Post Baccalaureate Professional Degree Programs, NCSU: |            |
|           | Aerospace Engineering   |            |
|           | Chemical Engineering  |            |
|           | Civil Engineering   |            |
|           | Electrical Engineering  |            |
|           | Industrial Engineering  |            |
|           | Materials Science and Engineering   |            |
|           | Mechanical Engineering  |            |
|           | Nuclear Engineering   | Appendix H |
| f. (EPPP) | Authorization to Discontinue the Master of Immunology, NCSU                                       | Appendix I |
| g. (EPPP) | Authorization to Discontinue the Bachelor of Science in Clinical Laboratory Science, UNCW         | Appendix J |
| h. (EPPP) | Authorization to Establish the Bachelor of Science in Nursing, FSU                                | Appendix K |
| i. (EPPP) | Authorization to Establish the Bachelor of Arts in Contemporary European Studies, UNCCH           | Appendix L |
| j. (EPPP) | Authorization to Establish the Master of Arts in Birth through Kindergarten Education, ECU        | Appendix M |
| k. (EPPP) | Authorization to Establish the Master of Arts in Teaching, UNCP                                   | Appendix N |
| l. (EPPP) | Authorization to Establish the Master of Social Work, UNCW  | Appendix O |
| m. (EPPP) | Authorization to Plan the Doctor of Philosophy in Health Services Research, UNCC                  | Appendix P |

- n. (GOV) Approval of the proposed changes to Policy 200.5, *Initiating and Settling Lawsuits*, Policy 1200.4, *Policy Authorizing The University of North Carolina Hospitals at Chapel Hill to Initiate Lawsuits*, and Policy 1200.5, *Policy Authorizing the Initiation of Lawsuits on Behalf of The University of North Carolina at Chapel Hill for the Benefit of UNC Physicians and Associates*

Appendix Q

The motion carried.

### **REPORT OF COMMITTEE ON BUDGET AND FINANCE**

Mr. Phillips, chair of the Committee on Budget and Finance, presented the committee's report. He reported that in the supplemental budget request for North Carolina Central University, the University requested that it be reimbursed by the General Assembly for costs incurred in the housing of students off campus. The requested amount was \$1.1 million. The campus has now adjusted that request to include the actual costs that have been incurred for the spring semester as well as the cost of storing furniture, which was not previously included in the calculation. The University is now requesting that the amount be adjusted to a total of \$1,432,327.

On behalf of the committee, Mr. Phillips moved that the Board of Governors' Supplemental Budget Request be amended to reflect the request of North Carolina Central University. The motion carried. (Appendix R)

### **REPORT OF SPECIAL COMMITTEE REVIEWING THE FUNDING MODEL FOR ENROLLMENT GROWTH**

Mr. Phillips, chair of the Special Committee Reviewing the Funding Model for Enrollment Growth, presented the committee's report. He stated that the committee was coming

to the end of its work and that it will meet in July and possibly in September. Mr. Phillips invited anyone who has interest in this work to attend these meetings.

## **REPORT OF COMMITTEE ON EDUCATIONAL PLANNING, POLICIES, AND PROGRAMS**

Dr. Gilchrist, chair of the Committee on Educational Planning, Policies, and Programs, presented the committee's report.

### **Report on Expanding Access to Higher Education Through State-Funded Distance Education Programs**

Dr. Gilchrist reported that the University is continuing to experience double-digit growth in distance learning. Student credit hours in distance learning grew to 126,539 hours for fiscal year 2003. He added that the Office of the President, with the help of East Carolina University, produced a CD that shows the impact on students' lives because of the availability of distance learning. This CD was distributed to the board members and he asked the board to please review it to discover the wealth of information about all our campuses' distance learning activities.

Dr. Gilchrist, on behalf of the committee, moved that the Report on Expanding Access to Higher Education Through State-Funded Distance Education Programs be approved and transmitted to the Joint Legislative Education Oversight Committee. The motion carried. (Appendix S)

### **2004 Update: Primary Care Medical Education Plans**

Dr. Gilchrist stated that this report, which is prepared by Dr. Thomas Bacon with the assistance of AHEC, is a biennial review of the plans of medical schools in North Carolina to prepare their graduates for careers in primary care. He added that there appears to be a national

trend away from primary care, even a suggestion in some quarters that there may be shortages in some specialties. He stated that the board may want to focus on this issue more closely in the future.

On behalf of the committee, Dr. Gilchrist moved that the 2004 Update: Report on Primary Care Medical Education Plans be approved and transmitted to the Joint Legislative Education Oversight Committee. The motion carried. (Appendix T)

Plans to Increase Mid-Level Primary Health Care Providers Including Nurse Practitioners, Nurse Midwives, and Physician Assistants

Dr. Gilchrist stated that this is a parallel report to the previous report that looks at nurse practitioners, nurse midwives, and physician assistants. He reported that our campuses have met and exceeded the goals set for these programs, and they have been successful in increasing the presence of all three groups in rural areas and areas that are medically underserved.

On behalf of the committee, Dr. Gilchrist moved that the Report on Plans to Increase Mid-Level Primary Health Care Providers Including Nurse Practitioners, Nurse Midwives, and Physician Assistants be approved and transmitted to the Joint Legislative Education Oversight Committee. The motion carried. (Appendix U)

**REPORT OF COMMITTEE ON UNIVERSITY GOVERNANCE**

Mr. Adcock, chair of the Committee on University Governance, presented the committee's report.

Appointment to Board of Governors – University of North Carolina Press

On behalf of the committee, Mr. Adcock moved that Jonathan B. Oberlander be appointed and that William Andrews and James L. Peacock III be reappointed to the Board of



Governors of the University of North Carolina Press for terms ending June 30, 2009. The motion carried.

Mr. Adcock also reported that there is a partial term ending June 30, 2008, on the Board of Governors of the University of North Carolina Press.

### **REPORT OF COMMITTEE ON THE FUTURE OF INFORMATION TECHNOLOGY**

Mr. Cecil, chair of the Committee on the Future of Information Technology, presented the committee's report. He stated that the committee has been slightly derailed by a report that was released by the Office of State Budget and Management examining requests for information technology throughout the state system. The committee is preparing to respond to that report within the next week and will then be able to return to the tasks of the committee. He stated that he expects to submit the committee's final report to the board at the July meeting.

### **REPORT OF COMMITTEE ON PUBLIC AFFAIRS**

Mr. Babb, chair of the Committee on Public Affairs, presented the committee's report. He stated that during its meeting, the committee heard several reports and considered proposals to be added to the 2004 Board of Governors Non-Budget Legislative Initiatives.

The committee heard a state legislative update from Associate Vice President Mark Fleming, a report on Repair and Renovations Funding from Vice President Jeff Davies, and an update on the North Carolina General Assembly's Joint Select Committee on the UNC Board of Governors. The committee also heard from Laura Foxx, Director of Advancement, concerning the June 3-4, 2004, University of North Carolina Advancement Conference to be held at the Governor's Inn and from Associate Vice President Joni Worthington concerning the

excellent mid-term progress report on the 2000 Higher Education Bond Program. A copy of this report has been distributed to the board members.

2004 Board of Governors Non-Budget Legislative Initiatives

Mr. Babb stated that the committee previously approved modifications to several UNC Bond Projects and that two campuses have continued to review the best use of their bond funds and have requested changes. These changes will have to be approved by the General Assembly.

North Carolina A & T State University is requesting that the funds from their New Student Housing project, with a budget of \$1,897,900, and their Curtis Residence Hall renovation project, with a budget of \$3,723,500, be transferred to the Scott Residence Hall project. The beds needed in the New Student Housing project will be provided by the private sector and the renovations to Curtis Residence Hall will be funded from the university's housing receipts. The university is also requesting that \$856,800 budgeted for the renovation of Holland Residence Hall be transferred to the Zoe Barbee Residence Hall renovation project. The campus will use its own housing receipts to renovate Holland Residence Hall.

East Carolina University has asked that it be allowed to reduce the scope of the Old Nursing Building Expansion and Renovation project by \$3,000,000 and apply the reduced funds to the *Old Cafeteria* Office Building Comprehensive Renovation for Student Services/Academic Use project. The transferred funds will be used to provide additional faculty offices needed due to enrollment growth.

The Board of Trustees of East Carolina University has asked that the Board consider the addition of two items to our non-budget legislative agenda. First, the University receives funds for reimbursement of services to Medicare patients that are used for nonrecurring

expenditures. These funds can only be used after Medicare auditors have completed their audits and the auditors are currently seven years behind. The University would like access to the funds in the future, prior to the completion of the audit with the agreement that it would be responsible for any audit findings that require the repayment of funds. In addition, ECU pays rent to the State for the use of clinical facilities built with State funds and would like to end this practice. We ask that the Office of the President's staff research these requests from ECU, and, if appropriate, seek to make these funds available to the medical school when the State's budget will permit.

On behalf of the committee, Mr. Babb moved approval of these additions to the 2004 Non-Budget Legislative Initiatives. The motion carried. (Appendix V)

## **REPORT OF THE TASK FORCE ON THE UNC – COMMUNITY COLLEGE SYSTEM PARTNERSHIPS**

Mr. Hans, chair of the Task Force on the UNC – Community College System Partnerships, presented the committee's report. He reported that the task force held its second meeting on April 12, 2004, at the Community Colleges Headquarters. During this meeting, the committee decided to focus on four areas of additional collaboration: teaching, nursing, on line studies and degrees, and possibly joint legislative initiatives. He stated that the task force will draw heavily on the efforts of the teacher training and nursing task forces and that they are also waiting for the results of the legislative study of the articulation agreement to be completed before considering any action on that subject. The committee will meet again June 29, 2004, and welcomes any thoughts and ideas from members of the board.

On motion of Dr. Perry, seconded by Dr. Gilchrist, the Board voted to convene in closed session pursuant to North Carolina General Statutes 143-318.11(a)(3), 143-318.11(a)(5), and 143-318.11(a)(6). The motion carried.

The Board of Governors went into closed session at 11:00 a.m. and returned to open session at 11:55 a.m.

\* \* \*

### **REPORT OF COMMITTEE ON PERSONNEL AND TENURE**

Mr. Davis, chair of the Committee on Personnel and Tenure, presented the committee's report.

#### **Summary Personnel Report**

On behalf of the committee, Mr. Davis moved approval of the committee's summary personnel report as presented in closed session. The motion carried. (Appendix W)

#### **Resolution on Faculty and Non-Faculty EPA Salary Increases 2004-2005**

On behalf of the committee, Mr. Davis moved approval of the salary ranges for selected senior academic and administrative officers as listed in the *Draft Resolution on Faculty and Non-faculty EPA Salary Increases 2004-2005*. This study, conducted each year, provides the committee and the campuses with salary ranges for certain key positions. The motion carried. (Appendix X)

#### **Resolution Honoring Retiring Faculty**

On behalf of the committee, Mr. Davis moved approval of the *Resolution Honoring Retiring Faculty*, which has been modified to include the name of the honoree. A revised version of the resolution was distributed to the board members. The motion carried. (Appendix Y)

Mr. Davis asked that the committee be delegated the authority to approve appointments and set the compensation of EPA non-faculty and faculty whose appointments are to take effect before the next scheduled meeting of the board. Such appointments would be approved at a special meeting of the Committee on Personnel and Tenure. The motion carried.

Mr. Davis reported that the committee will hold a special meeting in June to examine compensation for chancellors, vice chancellors, and the Office of the President. He added that the board will be notified of the date of this meeting and each member is welcome to attend. He also encouraged the board members to attend the luncheon honoring the recipients of the 2004 Awards for Excellence in Teaching following the board meeting.

### **ELECTION OF OFFICERS**

Chairman Wilson relinquished the gavel to Vice Chairman Aldridge to oversee the Election of Officers.

Vice Chairman Aldridge reviewed the election procedures in each member's folder. He stated that there are no known contested races for these elections and that J. Bradley Wilson is the sole candidate for chairman, J. Craig Souza is the sole candidate for vice chairman, and Patsy B. Perry is the sole candidate for secretary. On motion of Mrs. Sanders, seconded by Dr. Gilchrist, the Board of Governors suspended its policy on election procedures and declared that this slate of officers be elected by acclamation to serve a two-year term beginning July 1, 2004. The motion carried. Mr. Aldridge congratulated the newly elected and re-elected officers and relinquished the gavel to Chairman Wilson.

At Chairman Wilson's invitation, Secretary Perry made the following remarks:

I would simply like to say thank you, colleagues, for the confidence you have shown in me. I will try to do a very good job.

At Chairman Wilson's invitation, Vice Chairman-elect Souza made the following remarks:

I would like to as well, thank the board for their support. It is an honor to serve and I look forward to serving with Chairman Wilson and the other members of the board. I will accept any role you assign me, Mr. Chairman.

Chairman Wilson also thanked the board for re-electing him as their chair. He stated that he has enjoyed the honor and privilege of serving as chairman for the last two years and he looks forward to the next two years. He added that he welcomes the board's continued support, advice, guidance, and help.

#### **RESOLUTION HONORING JONATHAN L. DUCOTÉ**

Chairman Wilson stated that this would be the last board meeting for Mr. Jonathan L. Ducoté and that he will be missed as a member of the board, but will forever remain a colleague of the board. Chairman Wilson introduced Mr. Ducoté's father, Dennis, mother, Rebecca, and sisters, Allison and Kristen Ducoté, who were in attendance. Chairman Wilson presented for the board's approval a resolution honoring Jonathan L. Ducoté. The motion passed. See Appendix Z for the resolution and Mr. Ducoté's remarks.

#### **CHAIRMAN'S REMARKS**

- Chairman Wilson introduced and welcomed Ms. Amanda M. Devore, the newly elected Association of Student Government Presidents, who will be sworn in at the July meeting of the board.
- He noted that there is a copy of the AGB Statement on Board Responsibilities for Intercollegiate Athletics in the board folders. This statement was approved by the AGB

Board of Directors on March 28, 2004, and referred to the board by Mr. Cecil. He encouraged the board members to read this very important statement.

- Chairman Wilson extended congratulations to Mr. Bob Warwick on being awarded the Star News Lifetime Achievement Award recognizing his long-standing service to Wilmington, the region, and the state.
- The Chairman announced the establishment of a Special Committee on Economic Development and the University to provide the Board of Governors leadership and involvement in the important efforts to understand and appropriately appropriate activities of the University and the economic priorities of the state. He reported that the committee will be chaired by Mr. Cecil. Mr. Lail will serve as Vice Chair, and committee members will be, Mr. Broadwell, Mr. Burns, Mr. Cameron, Mr. Collins, Gov. Holshouser, Mr. Mercer, Mrs. Owen, Mrs. Sanders, Dr. Taylor, and Mr. Warwick. Senior Vice President J. B. Milliken will serve as principal staff to the committee.
- Chairman Wilson stated that he expects to have the standing committee assignments available prior to the July meeting.
- The next meeting of the Board of Governors will be July 9, 2004, here in the General Administration Building.

\* \* \*

There being no further business, the meeting adjourned at 12:15 p.m.

---

Secretary

## APPENDICES

(All appendices are a part of the official record of the meeting.)

Appendix A	Citation and Response of Dr. W. Randolph Chitwood, Jr.	Attached
Appendix B	Citation and Response of Dr. Branislav Vlahovic	Attached
Appendix C	President's Report	Attached
Appendix D	Authorization of New Capital Improvements Project, UNCG	Attached
Appendix E	Approval of Changes to the Centennial Campus Boundary, NCSU	Attached
Appendix F	Approval of Out-Lease of Land, NCA&T	Attached
Appendix G	Approval of Out-Lease of Space, NCSU	Attached
Appendix H	Authorization to Discontinue the following Post Baccalaureate Professional Degree Programs, NCSU:	
	Aerospace Engineering	
	Chemical Engineering	
	Civil Engineering	
	Electrical Engineering	
	Industrial Engineering	
	Materials Science and Engineering	
	Mechanical Engineering	
	Nuclear Engineering	Attached
Appendix I	Authorization to Discontinue the Master of Immunology, NCSU	Attached
Appendix J	Authorization to Discontinue the Bachelor of Science in Clinical Laboratory Science, UNCW	Attached
Appendix K	Authorization to Establish the Bachelor of Science in Nursing, FSU	Attached
Appendix L	Authorization to Establish the Bachelor of Arts in Contemporary European Studies, UNCC	Attached
Appendix M	Authorization to Establish the Master of Arts in Birth through Kindergarten Education, ECU	Attached
Appendix N	Authorization to Establish the Master of Arts in Teaching, UNCP	Attached
Appendix O	Authorization to Establish the Master of Social Work, UNCW	Attached
Appendix P	Authorization to Plan the Doctor of Philosophy in Health Services Research, UNCC	Attached
Appendix Q	Approval of the proposed changes to Policy 200.5, <i>Initiating and Settling Lawsuits</i> , Policy 1200.4, <i>Policy Authorizing The University of North Carolina Hospitals at Chapel Hill to Initiate Lawsuits</i> , and Policy 1200.5, <i>Policy Authorizing the Initiation of Lawsuits on Behalf of The University of North Carolina at Chapel Hill for the Benefit of UNC Physicians and Associates</i>	Attached
Appendix R	Amendment to the Board of Governors' Supplemental Budget Request	Attached
Appendix S	Report on Expanding Access to Higher Education Through State-Funded Distance Education Programs	Attached
Appendix T	2004 Update: Report on Primary Care Medical Education Plans	Attached
Appendix U	Report on Plans to Increase Mid-Level Primary Health Care Providers Including Nurse Practitioners, Nurse Midwives, and Physician Assistants	Attached



Appendix V	Additions to the 2004 Non-Budget Legislative Initiatives	Attached
Appendix W	Summary Personnel Report	Attached
Appendix X	Draft Resolution on Faculty and Non-Faculty EPA Salary Increases 2004-2005	Attached
Appendix Y	Resolution Honoring Retiring Faculty	Attached
Appendix Z	Resolution Honoring and Remarks of Jonathan L. Ducoté	Attached

May 14, 2004

**CLOSED SESSION****APPROVAL OF MINUTES OF CLOSED SESSION**

In accordance with procedures established to comply with the Open Meetings Law, Mr. Grainger moved, seconded by Mr. Cameron, that the closed session minutes for March 19, 2004, be approved. The motion carried.

**REPORT OF COMMITTEE ON BUDGET AND FINANCE****Lease of Space – UNC Chapel Hill**

Mr. Phillips presented a request from UNC Chapel Hill for authorization to lease approximately 19,900 square feet of space in Carrboro for a three-year term with an option to renew for two additional one-year periods. He moved that the request be approved and transmitted to the Council of State for final action. The motion carried. (Exhibit A)

**Acquisition of Property – UNC Chapel Hill**

Mr. Phillips also presented a request from UNC Chapel Hill for authorization to acquire a 0.25-acre parcel adjacent to the Ambulatory Care Center. He moved that the request be approved and transmitted to the Council of State for final action. The motion carried. (Exhibit B)

**Acquisition of Property – UNC Greensboro**

Mr. Phillips also presented a request from UNC Greensboro for authorization to acquire a 2.46-acre parcel located at 1700 West Lee Street. He moved that the request be approved and transmitted to the Council of State for final action. The motion carried. (Exhibit C)

Mr. Phillips reported that the committee has met with the Attorney General's Office in reference to potential claims against the general contractors, sub contractors and the architect related to the mold situation in the two residence halls at North Carolina Central University. He also briefed the board on the status of legal questions concerning this situation.

## **REPORT OF COMMITTEE ON UNIVERSITY GOVERNANCE**

### **Request for Appeal**

Mr. Adcock presented and moved approval of the committee's report on the appeal of Jeanne W. Lin, a student at North Carolina State University. The motion carried.  
(Exhibit D)

### **Request from UNC Asheville to Initiate Litigation**

Mr. Adcock reported that the committee approved a request from UNC Asheville to initiate litigation, in the name of the Board of Governors, against Western Surety Company.

## **REPORT OF COMMITTEE ON PERSONNEL AND TENURE**

### **Summary Personnel Report**

Mr. Davis presented the committee's report, subject to approval in open session. He stated that the report included several recommendations for administrative appointments and appointments and promotions with conferrals of tenure.

### **Retreat Agreement for Chancellor James H. Woodward**

Mr. Davis stated that at the committee's meeting on the preceding day, President Broad reported that Dr. James H. Woodward, Chancellor of UNC Charlotte, has announced his plans to retire as of July 1, 2005. The committee recommends that President Broad be granted

the authority to negotiate a retreat agreement for Chancellor Woodward in accordance with the attached motion. The motion carried. (Exhibit E)

Retreat Rights for President Molly Corbett Broad

On behalf of the committee, Mr. Davis recommended that Chairman Wilson be granted the authority to negotiate retreat rights for the President in accordance with the attached motion. After considerable discussion, the board voted and the motion carried. (Exhibit F)

\* \* \*

On motion of Mr. Farris, and duly seconded, the board voted to reconvene in open session.