

**PRESIDENT BOWLES' REPORT
BOARD OF GOVERNORS MEETING**

February 12, 2010

President Bowles referred to the previous day's policy discussion session where members of the staff had offered a status report on the core elements of the President's Action Plan. He said that the University was serious in executing the commitments of UNC Tomorrow in the coming months. He said that the senior staff and the Chancellors were fully focused on this endeavor.

Next, President Bowles paid tribute to Dr. McCain. In 1960, Franklin McCain was a freshman at North Carolina A&T State University. He and three other African-American college students courageously sat down at the segregated lunch counter at the F.W. Woolworth store in Greensboro. President Bowles said that Dr. McCain's courageous act of civil defiance changed the face of America. On February 1, 2010, Dr. McCain returned to the F.W. Woolworth store in Greensboro to take part in the grand opening ceremony of the International Civil Rights Center & Museum. Recently, Dr. McCain and the other members of the lunch counter sit-in were presented with the James Smithson Bicentennial Medals by the Smithsonian National Museum of American History in Washington, D.C. The four-stool, eight-foot portion of the original lunch counter is on display at the Smithsonian Institute. President Bowles thanked Dr. McCain for his past contributions to history and said that Dr. McCain's current service on the Board of Governors brings great honor to the University.

Next, President Bowles recognized Mrs. Kelley Eaves-Boykin, Chair of the UNC Staff Assembly. He reported that the Staff Assembly sponsored a University-wide effort to collect canned goods and toiletries for local food banks and charities. Each campus, as well as the affiliated entities, collected donations and delivered them to a designated charity in the community. President Bowles said that this act was a wonderful example of public service, which was exactly in alignment with the commitments of UNC Tomorrow.

President Bowles announced some recent campus accomplishments. Western Carolina University students ranked second in the nation in the number of research projects accepted for presentation at the National Conference on Undergraduate Research. In a report by the

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Education Trust, North Carolina State University ranked in the 'Top 25' among all public research universities for boosting graduation and retention rates for underrepresented minorities over the past five years. The University of North Carolina at Asheville received a \$1 million donation from the Janirve Foundation to create an endowment that will support the operations of the North Carolina Center for Creative Retirement.

The University of North Carolina at Greensboro announced the creation of the UNCG Guarantee Program. The Program is designed to promote academic access and financial aid to the neediest students. Students accepted into the Program would have an opportunity to graduate from UNCG with little or no debt. The Program will begin in the Fall 2010. At the University of North Carolina at Wilmington, the Wells Fargo Foundation gave a \$100,000 gift to the Entrepreneurship Center. The gift will fund new initiatives including Camp Entrepreneur, an intensive summer camp for high school students in the southeastern part of our State. Also, UNC Wilmington is partnering with Barnes & Nobles in a pilot program aimed to reduce the cost of textbooks through a rental program. Students at UNC Wilmington will choose to purchase new or used textbooks or rent selected books.

Next, President Bowles spoke about the internal audit of a program at North Carolina Central University. The State Auditor's Office and the Attorney General's Office were immediately notified. President Bowles said that he has complete confidence that Chancellor Nelms will handle the matter quickly and appropriately.

President Bowles reported that Chancellor Boarman would retire from the North Carolina School of Science and Mathematics at the end of the academic year to return to his home state of Maryland. President Bowles said that he was particularly grateful for all Chancellor Boarman had done to advance opportunities for students in the rural parts of North Carolina by improving their access to the great teachers from the School of Science and Mathematics through distance-learning programs. President Bowles said he would be working with Board of Trustee Chair, Shirley Frye, to launch a search for the next chancellor. Next, President Bowles announced the retirement of Vice President Nelson. After 30 years of service to the State, Vice President Nelson will step down next month. Prior to his appointment at the University, Vice President Nelson worked for the State Budget Office in Raleigh for over two decades. He came to General Administration in 2000 and he was named Vice President for Finance in 2006. President

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Bowles remarked that Rob will be sorely missed by all those who depend on him for his financial expertise. President Bowles said that in addition to Rob's financial expertise, he is an extraordinary man of great integrity and that he has been an invaluable member of our leadership team.

In closing, President Bowles officially announced his plans to retire as President of the University of North Carolina by the end of 2010, or whenever a successor could be in place. He spoke of the goals and objectives that he laid out four years ago – improving efficiency; strengthening K-12; ensuring access and accountability; fostering a seamless relationship with the community colleges; improving retention and graduation rates; and expanding research and outreach – all a part of the President's Action Plan. President Bowles said that together, as one team, the Plan is progressing even in a period of dwindling financial resources. He said that the University was well equipped for this transition by having had assembled a strong leadership team at General Administration and by having great Chancellors positioned to lead our universities. President Bowles told the Board that serving the people of North Carolina as President of the University would always be the greatest privilege of his professional life.