

Board of Governors Meeting

April 9, 2010

Durham, North Carolina

The Board of Governors met in regular session on April 9, 2010, at the L.T. Walker Physical Education Complex at North Carolina Central University. Chairman Gage called the meeting to order at 9:00 a.m. She welcomed everyone and mentioned that special guests were present from the University of North Carolina at Pembroke, North Carolina A&T State University, and from U.S. Congressman David Price's office. She exclaimed that the Board was thrilled to be on the beautiful campus of North Carolina Central University as the campus celebrated its 100th anniversary.

INVOCATION

Chairman Gage called on Dr. Locklear to give the invocation.

ROLL CALL

Secretary Sanders called the roll. The following members were present:

Brent D. Barringer
John M. Blackburn
Peaches G. Blank
R. Steve Bowden
Laura W. Buffaloe
Frank Daniels, Jr.
Bill Daughtridge, Jr.
Walter C. Davenport
John W. Davis III
James M. Deal, Jr.
Phillip R. Dixon
T. Greg Doucette
Dudley E. Flood
Paul Fulton
Hannah D. Gage
Ann B. Goodnight
Clarice Cato Goodyear

Peter D. Hans
Charles A. Hayes
James E. Holshouser, Jr.
Adelaide D. Key
G. Leroy Lail
Cheryl M. Locklear
Franklin E. McCain
Charles H. Mercer, Jr.
Fred G. Mills
Burley B. Mitchell, Jr.
Marshall B. Pitts, Jr.
Gladys Ashe Robinson
Irvin A. Roseman
Estelle 'Bunny' Sanders
Priscilla P. Taylor
David W. Young

The following members were absent:

Ronald C. Leatherwood

J. Bradley Wilson

STATE ETHICS ACT

Chairman Gage stated that under the State Ethics Act, members have a duty to avoid conflicts of interest and appearances of conflicts. Looking at the agenda for the meeting, Chairman Gage asked if any member had a conflict of interest or an interest that would give rise to the appearance of a conflict of interest. Mr. Deal stated that he would abstain from a closed session item listed on the agenda.

MINUTES

Mr. Doucette moved, seconded by Mr. Young, that the minutes from the open session of February 12, 2010, and March 4, 2010, meetings be approved. The motion carried.

WELCOME REMARKS BY CHANCELLOR NELMS

Chairman Gage called on Chancellor Nelms for his remarks. Chancellor Nelms said that he was delighted to welcome Chairman Gage and the members of the Board of Governors to North Carolina Central University on behalf of the more than 8,500 students, faculty, and staff of this wonderful campus. He thanked President Bowles for the opportunity to serve North Carolina Central University. He recognized the Board of Trustees from North Carolina Central University and the other visitors.

Chancellor Nelms gave a presentation that highlighted some of the key successes and objectives of North Carolina Central University. He provided an overview of North Carolina Central University's strategic plan. Key initiatives of the plan included increases in retention and graduation rates, improvements in the quality of service and student life, internal controls, qualitative and strategic growth, and the establishment of a Comprehensive Care System that sets and communicates high expectations for students in order for them to achieve success. Chancellor Nelms said that for the institution to continue its growth congruent and consistent with the community, funding was imperative. In addition, improvements must be made to K-12

outreach so students are better prepared for college. Chancellor Nelms said that having access to modern facilities was important to support the students at North Carolina Central University. In closing, Chancellor Nelms thanked the members of the Board of Governors for their continued support and said that he looks forward to working with the members of the Board, the members of the Board of Trustees, the General Administration staff, and the community to make Dr. Shepard's dream become an even greater reality!

PRESENTATION OF THE OLIVER MAX GARDNER AWARD

Chairman Gage noted that the Oliver Max Gardner Award is one of the highlights of the University's calendar. Each year, the Board of Governors has the honor of selecting a recipient for the Oliver Max Gardner Award established by the will of the late Governor O. Max Gardner. The prestigious award recognizes a faculty member whose work has greatly contributed to the welfare of the human race. This marked the 62nd year in the history of the award. Chairman Gage called on President Bowles for his remarks.

President Bowles reiterated that this was indeed one of the highlights of the University's calendar and that he was honored to have the great grandson of Governor Gardner, Mr. Ralph Webb Gardner II, to represent the Gardner family. Mr. Gardner was accompanied by Ms. Courtney Holden. President Bowles called on Mr. Mills, Chair of the 2010 O. Max Gardner Award Committee, to present the award.

Mr. Mills recognized the other members of the 2010 O. Max Gardner Award Committee. They were Mr. Blackburn, Dr. Buffaloe, Dr. McCain, and Mr. Mitchell. Mr. Mills reported that after careful consideration of many qualified nominees, the Board of Governors selected Dr. Jagannathan Sankar, Distinguished University Professor of Mechanical and Chemical Engineering and White House Millennium Researcher at North Carolina A&T State University, as the recipient of the 2010 O. Max Gardner Award. Mr. Mills recognized Dr. Sankar's guests who had accompanied him – his wife, Nalini; his son, Vilas; his brother and sister-in-law, Seshadri and Lakshmi Sankar; and several of Dr. Sankar's distinguished colleagues.

Next, Mr. Mills called on Dr. Buffaloe, member of the 2010 O. Max Gardner Award Committee, who read a citation recognizing Dr. Sankar's remarkable contributions. Following a short video highlighting his many contributions, Chairman Gage presented Dr. Sankar with a stipend and a framed copy of the citation. For Dr. Sankar's citation and response, please see Appendix A. The video that profiled Dr. Sankar was produced by Mr. Jeff Smith of UNC Television and the background music was provided by the School of Music at Western Carolina University.

On motion by Secretary Sanders and duly seconded, the Board voted to convene in closed session to consult with its attorney to consider and to give instructions concerning judicial action titled Jane Helm v. Appalachian State University and Chancellor Peacock; to establish or instruct the staff or agent considering the negotiations of the amount of compensation or other terms of employment contract; to consider the qualifications, competence, performance, condition of appointment of a public officer or employee or prospective public officer or employee; to hear or investigate a complaint, charge, or grievance by or against a public officer or employee, pursuant to North Carolina G.S. Sections 143-318.11(a)(3), (a)(5), and (a)(6).

The Board went into closed session at 9:50 a.m. and returned to open session at 10:15 a.m.

ADMINISTRATIVE ACTION ITEMS

Chairman Gage called attention to the Administrative Action Items listed on the agenda. Mr. Deal moved, seconded by Mr. Fulton, that the following Administrative Action Items be approved by consent. Mr. Mills abstained from Administrative Action Item 10e. Mr. Mitchell abstained from Administrative Action Items 10a. and 10b. Mr. Mercer abstained from Administrative Action Items 10a., 10b., and 10e. The motion carried.

- a. (B&F) Authorization to Sell Special Obligation Bonds, ECU
- b. (B&F) Authorization to Sell Special Obligation Bonds, NCSU
- c. (B&F) Authorization of New Capital Improvements Projects, ASU, UNCC
- d. (B&F) Approval to Dispose of Property and Lease of Housing, ASU
- e. (B&F) Approval of Lease of Housing Space and Parking, UNCP

- f. (EPPP) Approval of Licensure for the Associate of Applied Science in Network Administration and Security at Miller-Motte College in Wilmington
- g. (EPPP) Approval of Licensure for the Bachelor of Arts in Management and Business Ethics at John Wesley College in High Point
- h. (EPPP) Approval of Licensure for the Master of Business Administration (online) at John Wesley College in High Point
- i. (EPPP) Approval of Licensure for the Master of Science in Education (online) at Capella University in North Carolina
- j. (EPPP) Approval of Licensure for the Master of Science in Human Services (online) at Capella University in North Carolina
- k. (EPPP) Approval of Licensure for the Master of Science in Psychology (online) at Capella University of North Carolina
- l. (P&T) Adoption of Policy 1000.2.3, *Waiver of Tuition and Fees for General Administration Employees*
- m. (GOV) Approval of the Resolution Honoring Dr. James H. Woodward

REPORT OF THE AUDIT COMMITTEE

Mr. Young, Chair of the Audit Committee, reported on three items. First, the Committee received an update on the UNC FIT (Finance Improvement & Transformation) project. The campus monitoring visits were completed last month. Mr. Young said that staff from the Office of the State Controller participated in several of these visits. The University of North Carolina at Asheville and Western Carolina University were processing their biweekly payrolls on the UNC Shared Services Payroll Center and monthly payrolls were scheduled to be processed on the new Shared Services Center this month. The completion date for the remaining campuses moving from the Central Payroll system to the UNC Shared Service Center was slated for January 2011.

Next, Mr. Young reported that the Committee received nine external audit reports. Financial audit reports from the University of North Carolina at Chapel Hill and the University of North Carolina at Wilmington were received with no audit findings. Financial audit reports from the University of North Carolina at Pembroke and North Carolina A&T State University were released with one audit finding each and corrective action had been taken. Audit reports from Appalachian State University and Winston-Salem State University were released with two audit findings each and corrective action had been taken. Mr. Young reported that federal compliance audit reports from Elizabeth City State University and Winston-Salem State University were released with two and four audit findings, respectively. An investigative audit

report from Elizabeth City State University was released with one audit finding. The institutions had resolved or were in the process of resolving all audit findings.

Lastly, Mr. Young said that the Committee received an update from Chancellor Nelms regarding the internal audit at North Carolina Central University, which had been suspended. The Office of the State Auditor and the State Bureau of Investigation were contacted. Those agencies would continue to investigate concerns noted by the internal auditor.

REPORT OF THE COMMITTEE ON BUDGET AND FINANCE

Mr. Davis, Chair of the Committee on Budget and Finance, introduced the new Vice President for Finance, Ernie Murphrey. Mr. Davis said that Vice President Murphrey earned his undergraduate and graduate degrees from the University of North Carolina at Chapel Hill. Since 2001, Vice President Murphrey had served as Associate Vice Chancellor for Financial Services at North Carolina State University. From 1997 – 2001, Mr. Murphrey had served as Chief Financial Officer at Elizabeth City State University. Mr. Murphrey also worked with the Board of Regents at the University of Georgia.

Mr. Davis reported on the 2010-11 non-appropriated capital improvements projects. He said that each project in this year's package was evaluated by President Bowles, the staff at General Administration, and the Committee on Budget and Finance. Mr. Davis stated that each capital improvements project was considered on the basis of its need, its benefit to the University, and its alignment with the initiatives of UNC Tomorrow. A detailed financial plan would be reviewed for each capital improvements project before bonds were awarded. (see Appendix O).

On behalf of the Committee, Mr. Davis moved the approval of 21 new or supplemental capital improvements projects at nine institutions at a cost of \$479,448,900, of which \$458,038,300 was projected to be indebtedness. Mr. Davis also moved the approval of three capital improvements projects for advanced planning at UNC Hospitals, three projects at the University of North Carolina at Charlotte, and one project at the University of North Carolina at Pembroke. These projects would be forwarded to the General Assembly for authorization during the 2010 legislative session. The President or his designee was authorized to make refinements

to the requests, if required, in the interest of completeness and accuracy. Mr. Bowden stated that it was important that minority contractors had a fair opportunity to participate in the projects as they were developed. The motion carried.

Lastly, Mr. Davis said that the Board of Governors had an existing biennial budget priority list before the Governor and the General Assembly for 2009-11. In preparation for the second year of the biennium, the President and Chancellors revisited the priority list. (see Appendix P).

On behalf of the Committee, Mr. Davis moved to adopt the revised 2010-11 Budget Priorities and Legislative Session Update for submission to the Governor and General Assembly. Mr. Davis moved that the Vice President for Finance be authorized to make refinements to the request, if required, in the interest of accuracy and completeness. Mr. Barringer inquired about the reprioritization of the capital improvements projects at the University of North Carolina at Chapel Hill. Chancellor Thorp replied that the Morehead Planetarium project and the School of Law were ranked the top two priorities and that the School of Law had become their first priority. The motion carried.

REPORT OF THE COMMITTEE ON EDUCATIONAL PLANNING, POLICIES, AND PROGRAMS

Mr. Pitts, Chair of the Committee on Educational Planning, Policies, and Programs, reported on several items. First, the Committee heard an update from Dr. Rebecca Garland, Chief Academic Officer at the Department of Instruction, regarding the ‘Race to the Top’ – an incentive program designed by the United States Department of Education to improve K-12 schools.

Next, Mr. Pitts reported that the Committee heard a presentation by Dr. Warren Newton, Associate Dean for Medicine Administration at UNC Chapel Hill, and Dr. Nicholas Benson, Senior Associate Dean for Operations at the Brody School of Medicine at East Carolina University. They provided an overview of the Plan for Medicine for North Carolina which the Board had approved in 2008. The plan had not been implemented due to the state’s budgetary situation.

Next, Mr. Pitts reported that Dr. Warwick Arden, Interim Provost and Executive Vice Chancellor, and Mr. Charles Leffler, Chief Financial Officer from North Carolina State University, provided the Committee with an update on North Carolina State University's Academic/Research Initiative with South Korea. They reported that the plan to offer undergraduate degrees would be reduced while the plan to offer graduate degrees would continue to be reviewed.

Next, the Committee reviewed a proposal from the University of North Carolina at Chapel Hill to establish a satellite pharmacy-education program in Asheville and a proposal from the University of North Carolina at Greensboro to establish a new pharmacy school. Mr. Pitts reported that a team of consultants – all distinguished pharmacy deans – visited North Carolina to review the proposals.

Based on the visiting deans' report, President Bowles made a recommendation that the satellite pharmacy program be approved contingent upon several factors – there was no significant cost to the taxpayers; Buncombe County Commission would meet its commitment of \$600,000; the Asheville Area Chamber of Commerce would raise \$2.5 million for start-up costs of the program; Mission Hospital would provide a 1:1 match for the cost of faculty and residents; and tuition would have to cover the cost of everything else. Further recommendations were made that UNC Chapel Hill would develop with UNCG and NCA&T, a research plan for drug discovery and development and that UNC Chapel Hill is encouraged to expand its satellite program with Elizabeth City State University. The Committee also agreed that the Board of Governors would reexamine the compelling need for either a satellite campus or separate pharmacy school in Greensboro in two years. (see Appendix Q)

On behalf the Committee, Mr. Pitts moved approval of the President's recommendations on pharmacy. The motion carried.

Next, Mr. Pitts reported that the Committee reviewed proposals for discontinuation of degree programs. Appalachian State University requested discontinuation of its Master of Arts in Romance Languages in French, Spanish, French (Teaching), and Spanish (Teaching) and to consolidate them into one degree program (see Appendix R). On behalf of the Committee, Mr. Pitts moved the approval of the request for discontinuation of the degree programs and the

consolidation of these programs into a Masters of Arts in Romance Languages. The motion carried.

Next, the Committee reviewed requests for authorization to establish baccalaureate degree programs in a Bachelor of Science in Soil and Land Development at North Carolina State University (see Appendix S); a Bachelor of Arts in International Studies at the University of North Carolina at Wilmington (see Appendix T); a Bachelor of Arts in International Studies at Western Carolina University (see Appendix U); and a Bachelor of Arts in Japanese Studies at the University of North Carolina at Charlotte (see Appendix V). On behalf of the Committee, Mr. Pitts moved approval of the baccalaureate degree programs subject to the availability of funding. The motion carried.

Next, the Committee reviewed requests for authorization to establish master's degree programs in a Master of Science in Environmental Engineering and a Master of Environmental Engineering at North Carolina State University (see Appendix W); a Master of Science in Radiologic Science at the University of North Carolina at Chapel Hill (see Appendix X); a Master of Arts in Technology and Communication at the University of North Carolina at Chapel Hill (see Appendix Y); and a Master of Science in Clinical Research and Product Development (PSM program) at the University of North Carolina at Wilmington (see Appendix Z). On behalf of the Committee, Mr. Pitts moved approval of the authorization to establish these master's degree programs subject to the availability of funding. The motion carried.

Next, the Committee discussed the request for authorization to plan a doctoral degree program in a Doctor of Philosophy in Applied and Experimental Psychological Science at the University of North Carolina at Wilmington (see Appendix AA). On behalf of the Committee, Mr. Pitts moved approval of the authorization to plan this doctoral degree. The motion carried.

Next, the Committee discussed the request for authorization to establish doctoral degree programs in a Doctor of Physical Therapy (DPT) at Western Carolina University (see Appendix BB); and a Doctor of Physical Therapy (DPT) at Winston-Salem State University (see Appendix CC). On behalf of the Committee, Mr. Pitts moved the approval of the authorization to establish these doctoral degree programs subject to the availability of funding. The motion carried.

Lastly, Mr. Pitts reported on the Masters of School Administration Programs. The programs were undergoing coordinated reviews by the State Board of Education and by General Administration. Each program was required to produce revised plans to meet the new State Board of Education standards and standards established by General Administration. A panel comprised of national and state experts in school administration evaluated each program. The panel made recommendations for improvements. Programs from East Carolina University, Fayetteville State University, North Carolina A&T State University, North Carolina Central University, North Carolina State University, the University of North Carolina at Chapel Hill, the University of North Carolina at Charlotte, the University of North Carolina at Greensboro, the University of North Carolina at Pembroke, and Western Carolina University, had all met the recommendations and the revised standards set forth by the panel and were brought to the Committee for reauthorization. (see Appendix DD)

On behalf of the Committee, Mr. Pitts moved approval of the recommendations for reauthorization of the existing Masters of School Administration Programs at the individual campuses named above. The motion carried. General Administration was awaiting additional information from the other programs, which may be ready for approval prior to the next Board meeting. Mr. Pitts made a request that the President be authorized to approve the reauthorization of the remaining programs contingent upon them meeting the revised standards. The request was approved.

REPORT OF THE COMMITTEE ON PUBLIC AFFAIRS

Mrs. Goodnight, Vice Chair of the Committee on Public Affairs, reported that the Committee had heard an update from Vice President Rhinehardt on federal government activities related to higher education. The U.S. Congress was scheduled to begin work on Appropriation Bills. Several changes were made to student financial aid as a part of the Health Care Reconciliation process. Vice President Rhinehardt would keep the Committee informed of developments during this process.

Mrs. Goodnight reported that the Committee heard an update from Vice President Watkins regarding the state legislative agenda. The General Assembly was scheduled to

convene on May 12, 2010. The House and Senate Appropriations Committees had begun work on the budget. Budget shortfalls were estimated to range between \$800 million and \$1.2 billion. The budget reductions for the University had not yet been determined. Mrs. Goodnight said that President Bowles had addressed the Joint Education Appropriation Subcommittee earlier in the week. Vice President Watkins would keep the Committee informed of developments during the budget process. Mr. Davis said that Vice President Watkins urged him and the other members of the Board to talk to their legislators about the devastating impact further budget reductions would have on the University, especially to the quality of instruction provided to our students.

REPORT OF THE COMMITTEE ON UNIVERSITY GOVERNANCE

Ms. Blank, Chair of the Committee on University Governance, reported that the Committee continued its discussion regarding Trustee Selection Protocol and the Trustee Nomination Form. The Committee approved both documents.

Ms. Blank reported that there was a term ending June 30, 2013, on the North Carolina School of Science and Mathematics Board of Trustees representing Congressional District 2. On behalf of the Committee, Ms. Blank moved the appointment of Ms. Thomasine E. Moore of Jacksonville to serve. The motion carried.

Next, Ms. Blank announced that there were vacancies on the Boards at the University of North Carolina at Greensboro, the University of North Carolina School of the Arts, Winston-Salem State University, the UNC Center for Public Television, UNC Press, the State Advisory Council on Indian Education, and the UNC Umstead Review Panel. Nominations for these vacancies would be discussed at the next meeting.

Ms. Blank then referred to the list with the dates of the 2010 Spring Commencements. She said that a member of the Board had been scheduled for each event. The member would present the Board of Governors Award for Excellence in Teaching at the commencements.

Next, Ms. Blank reported that the Committee had approved the settlement in the case of former Chancellor T.J. Bryan at its February meeting. Ms. Blank noted that the report would satisfy the requirement to disclose the case in open session.

THE REPORT OF THE COMMITTEE ON THE UNIVERSITY AWARD

Ms. Blank, Chair of the Committee on the University Award, reminded the Board that the Committee would soon begin solicitation of nominees. The Committee would meet in the coming months and a recommendation would be brought to the Board at its August meeting. The University Award Dinner was scheduled for November 4, 2010.

REPORT OF THE COMMITTEE ON PERSONNEL AND TENURE

Dr. Robinson, Chair of the Committee on Personnel and Tenure, thanked Chancellor Nelms for his hospitality as the University celebrated its 100th anniversary. Dr. Robinson recognized Ms. Avon Ruffin, who had attended the meeting. Ms. Ruffin is a member of the Board of Trustees at North Carolina Central University and the wife of the late Chairman Benjamin Ruffin. Dr. Robinson reported that the Committee discussed and approved the revised draft of the proposed amendments to Regulation 300.1.6[R], *Administrative Separation and Return to a Tenured Faculty Position*. Dr. Robinson noted that Regulation 300.1.6[R] was a regulation, which did not require Board approval. (see Appendix EE)

Next, Dr. Robinson said that the Committee received the President's Summary Personnel Report listing all personnel action items delegated to the President since its last meeting.

PRESIDENT'S REPORT

President Bowles referred to the previous day's presentation on Teaching Quality Research. President Bowles stated that the top priority of the University was to prepare more quality teachers and school leaders in North Carolina Public Schools. For President Bowles' report, please see Appendix FF.

ELECTION OF A CHANCELLOR

President Bowles said that he took great pleasure in recommending a strong, effective, and experienced leader for the University of North Carolina at Pembroke. First, he thanked

Chancellor Jenkins for serving as interim chancellor. President Bowles said that Chancellor Jenkins had provided extraordinary leadership and owed him a great debt of gratitude for his outstanding service. Next, President Bowles called on Dr. Freda Porter, Chair of the Board of Trustees from the University of North Carolina at Pembroke, who had served as Chair of the Search Committee, for a brief summary of the search process.

Dr. Porter reported that today marked the beginning of a new era for the University of North Carolina at Pembroke. Dr. Porter spoke of the rich history of the University noting that UNC Pembroke recently celebrated its 123rd anniversary. She said that the Search Committee was formed in July 2009. The 16-member Committee consisted of students, faculty, staff, alumni, trustees, and community leaders. Dr. Porter recognized and thanked the members of the Search Committee who had attended today's meeting. Each group brought a unique perspective to the process. In September 2009, President Bowles charged the Committee with finding an extraordinary leader with bold passion for UNC Pembroke and someone that the entire University could support. Mr. Howard Jessamy and Ms. Lucy Leske of Witt/Kieffer – a national search consultant firm – were retained to help the Committee recruit and evaluate candidates. Public forums were held to gather input from students, faculty, staff, alumni, and the community. A web site was established to solicit input from the public, which received numerous responses. Dr. Porter said that the Committee conducted initial interviews with eleven candidates. Four were invited to tour the campus and speak to the members of the Board of Trustees and selected staff members. Three candidates accepted the invitation. The Search Committee recommended two candidates to the members of the Board of Trustees. The candidates' names were approved by the Board of Trustees and those names were forwarded to President Bowles. Dr. Porter then turned to the President for introduction of the new chancellor.

President Bowles announced the nomination of Dr. Kyle R. Carter, provost and senior vice chancellor at Western Carolina University, as the next chancellor at the University of North Carolina at Pembroke. President Bowles remarked that Dr. Carter was a proven leader. He brings more than three decades of academic experience and leadership.

President Bowles said that when he met with the Search Committee last summer, he stressed upon them that the next leader of UNC Pembroke must understand the institution's strengths and weaknesses; articulate a vision of taking the institution to the next level; set high

standards for staff, students, and faculty; work effectively with the community and the other UNC campuses; and raise external funds that are important to provide students with the margin of excellence we must have in higher education. President Bowles said that he and members of the Search Committee found all those qualities and more in the selection of Dr. Carter.

Dr. Carter had earned the reputation of an administrator who has great integrity, sound judgment, and an unwavering commitment to community engagement and outreach. President Bowles said that Dr. Carter understands, appreciates, and values UNC Pembroke's rich Native American heritage and was committed to honoring and promoting it.

President Bowles provided a summary of Dr. Carter's academic experiences and achievements. A native of Atlanta, Dr. Carter graduated from Mercer University with a degree in psychology; he earned his master's and doctorate degrees in educational psychology from the University of Georgia. In 1974, Dr. Carter began his academic career at Valdosta State College as an assistant professor. Over the next 22 years, Dr. Carter worked at the University of Northern Colorado where he rose steadily through the academic and administrative ranks. In 1994, Dr. Carter was appointed provost and vice president for academic affairs at the University of Central Missouri until he joined Western Carolina University as the Chief Academic Officer. in 2004.

Mr. Bowden moved, seconded by Mr. Davis, that President Bowles' recommendation of Dr. Kyle R. Carter to serve as the next chancellor of the University of North Carolina at Pembroke be approved. The motion carried. For Dr. Carter's remarks, please see Appendix GG.

CHAIRMAN'S REPORT

Chairman Gage thanked Dr. Porter and the members of the Search Committee for their commitment throughout the search process. Chairman Gage said that the members of the Board of Governors look forward to working with the new Chancellor. Next, she thanked Chancellor Nelms for his hospitality. The meetings were very productive and the members of the Board enjoyed the campus bus tour and the performance by the school's jazz band the previous evening. She said the school had extraordinary leadership, committed faculty, and great students.

Next, Chairman Gage made brief remarks about the previous day's workshop on Teacher Quality Research. She said that the presentation on Teacher Quality Research provided a clear understanding of what it takes to make great teachers. She said that the next step for the Board was to utilize the data and to modify existing programs so that we are preparing those *great* teachers. She said that the Board must fulfill its commitment to improving K-12 education – the top priority of the University.

Chairman Gage personally thanked the outgoing Chair of the Faculty Assembly, Dr. Judith Wegner, for her outstanding service and unwavering dedication to the University. Chairman Gage said she was grateful to be able to continue working with Dr. Wegner on the presidential search process.

Next, Chairman Gage recognized Mr. Doucette, who was attending his last meeting as a member of the Board of Governors and President of the Association of Student Governments (ASG). Last year, Mr. Doucette graduated from North Carolina State University and was a current student at North Carolina Central University School of Law. Chairman Gage remarked that Mr. Doucette had worked tirelessly in his efforts to revitalize ASG and that he had worked hard to protect students from the rising costs of higher education. Mr. Doucette was a great advocate of the tuition policy; he worked hard to help us bring down the cost of textbooks including the examination of digital textbooks; and he was very instrumental on the student health insurance initiative.

Chairman Gage called on Mr. Doucette for his remarks. Mr. Doucette recognized many of the student body presidents who had attended the meeting – Student Body President R.J. Quizon and Jeremy Macklin from UNC Pembroke; Mark Blackwell from UNC Wilmington; and Student Body President Jim Ceresnek and Student Body President-Elect Kelly Hook from North Carolina State University. Mr. Doucette remarked that the state of the Association of Student Governments (ASG) was strong. Members of ASG continued to work together and they remained fully engaged in important issues facing students such as the policy on setting tuition and fee rates, the discussion on the rising cost of textbooks, and student health insurance. Mr. Doucette said that during his two-year tenure as the President of ASG, he had visited all the campuses and had met with many students. Lastly, Mr. Doucette thanked the members of the

Board, the staff at General Administration, and the 220,000 students of the University of North Carolina that he had represented.

In closing, Chairman Gage reminded the Board that Chancellor Martin's installation was scheduled for April 23, 2010. The next meeting of the Board was scheduled for June 11, 2010, at the Spangler Center. Mrs. Goodyear reminded the members of the Board to return the form that she had sent to them related to the work of the Leadership Statement Committee.

The meeting adjourned at 12:00 p.m.

APPENDICES

Appendix A	2010 O. Max Gardner Award Citation and Response	Posted Online
Appendix B	Authorization to Sell Special Obligation Bonds, ECU	Posted Online
Appendix C	Authorization to Sell Special Obligation Bonds, NCSU	Posted Online
Appendix D	Authorization of New Capital Improvements Projects, ASU, UNCC	Posted Online
Appendix E	Approval to Dispose of Property and Lease of Housing, ASU	Posed Online
Appendix F	Approval of Lease of Housing Space and Parking, UNCP	Posted Online
Appendix G	Approval of Licensure for the Associate of Applied Science in Network Administrative and Security at Miller-Motte College in Wilmington	Posted Online
Appendix H	Approval of Licensure for the Bachelor of Arts in Management and Business Ethics at John Wesley College in High Point	Posted Online
Appendix I	Approval of Licensure for the Master of Business Administration (online) at John Wesley College in High Point	Posted Online
Appendix J	Approval of Licensure for the Master of Science in Education (online) at Capella University in North Carolina	Posted Online
Appendix K	Approval of Licensure for the Master of Science in Human Services (online) at Capella University in North Carolina	Posted Online
Appendix L	Approval of Licensure for the Master of Science in Psychology (online) at Capella University in North Carolina	Posted Online
Appendix M	Adoption of Policy 1000.2.3, <i>Waiver of Tuition and Fees for General Administration Employees</i>	Posted Online
Appendix N	Approval of the Resolution Honoring Chancellor Dr. James H. Woodward	Posted Online
Appendix O	Authorization of Non-Appropriated Capital Improvements Projects	Posted Online
Appendix P	2010-11 Budget Priorities & Legislative Session Update	Posted Online
Appendix Q	Request from UNCCCH to Establish a Satellite Pharmacy Program in Asheville	Posted Online
Appendix R	Authorization to Discontinue the Master's of Arts in Romance Languages, ASU	Posted Online
Appendix S	Authorization to Establish a Bachelor of Science in Soil and Land Development, NCSU	Posted Online

Appendix T	Authorization to Establish a Bachelor of Arts in International Studies, UNCW	Posted Online
Appendix U	Authorization to Establish a Bachelor of Arts in International Studies, WCU	Posted Online
Appendix V	Authorization to Establish a Bachelor of Arts in Japanese Studies, UNCC	Posted Online
Appendix W	Authorization to Establish a Master's of Science in Environmental Engineering, NCSU	Posted Online
Appendix X	Authorization to Establish a Master's of Science in Radiologic Science, UNCCH	Posted Online
Appendix Y	Authorization to Establish a Master of Arts in Technology and Communication, UNCCH	Posted Online
Appendix Z	Authorization to Establish a Master of Science in Clinical Research and Product Development, UNCW	Posted Online
Appendix AA	Authorization to Plan a Doctor of Philosophy in Applied and Experimental Psychological Science, UNCW	Posted Online
Appendix BB	Authorization to Establish a Doctor of Physical Therapy (DPT), WCU	Posted Online
Appendix CC	Authorization to Establish Doctor of Physical Therapy (DPT), WSSU	Posted Online
Appendix DD	Approval of the Master of School Administration Programs	Posted Online
Appendix EE	Regulation 300.1.6[R] <i>Administrative Separation and Return to a Tenured Faculty Position</i>	<i>Posted Online</i>
Appendix FF	President Bowles' Report	Posted Online
Appendix GG	Remarks by Chancellor-elect Kyle R. Carter	Posted Online