

BOARD OF GOVERNORS MEETING

The University of North Carolina

April 21, 2005

The Board of Governors met in special session on April 21, 2005, in the Broyhill Ballroom of the Broyhill Inn and Conference Center, on the campus of Appalachian State University, Boone. Mr. Wilson, the chairman, called the meeting to order at 11:00 a.m.

INVOCATION

Mr. Aldridge gave the invocation:

Lord, for the beauty of spring from these mountains when flowers are blooming, and trees are growing new leaves after a long cold winter, we give Thee thanks. Lord, we ask Thy guidance to bless students of future generations. For this Board of Governors, our president, chancellors, staff, faculty, grounds keepers and housekeepers, we give Thee thanks. It takes all of us working together to make our University one of the best universities in this nation. Give us wisdom and courage to make decisions which are necessary to make our University even better. As we prepare to meet the challenges and changes in the economy in our state, give us the wisdom to make decisions and institute programs which will help our state make the transition. We give Thee thanks for President Broad who has led our University with vision and courage. Because of her vision, we have developed new programs which have and will make this University and its people even greater, in spite of the shortage of financial resources. Be with her as she continues to serve our University, completes her duty, and moves into retirement. We ask thy blessing upon our Presidential Search Committee as they seek to find our next president who will lead our University. Give them the wisdom to find and recommend the right person to lead our University. The challenges that our University will face in the next few years require the best leadership available in this country. For our Governor and General Assembly, we give Thee thanks. Help them to understand that we can not be the best university in the country without adequate funding. Give them the courage to provide the resources which are necessary to retain and attract the best leaders and faculty in this country and the world. We must have the best in order to make our state a better place to live, work, and play. Never let us forget our students, they are our future leaders and we must give them the educational opportunities which are essential to our present economy. We must provide them the education which is necessary to develop the leadership skills that are essential if our state is going to make the transition to a new economy. Be with us this morning and today as we discuss

issues and make decisions which are important to this University and this state.
In Thy name we pray. Amen.

ROLL CALL

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

J. Bradley Wilson	H. Frank Grainger (by telephone)
Bradley T. Adcock	Peter D. Hans
G. Irvin Aldridge	Peter Keber
James G. Babb	Adelaide D. Key
Brent D. Barringer	G. Leroy Lail
J. Addison Bell	Charles H. Mercer, Jr.
R. Steve Bowden	Charles S. Norwood, Jr.
F. Edward Broadwell, Jr.	Patsy B. Perry
William L. Burns, Jr.	Jim W. Phillips, Jr.
John F.A.V. Cecil	Gladys Ashe Robinson
John W. Davis III	Benjamin S. Ruffin
Amanda M. Devore	Estelle W. Sanders
Ray S. Farris	J. Craig Souza
Dudley E. Flood	Priscilla P. Taylor
Hannah D. Gage	Robert F. Warwick
Willie J. Gilchrist	

The following members were absent:

Anne W. Cates	James E. Holshouser, Jr.
Bert Collins	Cary C. Owen

REPORT OF THE COMMITTEE ON BUDGET AND FINANCE

Mr. Phillips, chair of the Committee on Budget and Finance, presented the committee's report. He reported that in March, the board approved fees for all of the campuses, except the University of North Carolina at Pembroke.

At the March meeting of the committee, Chairman Phillips appointed a subcommittee that was tasked to review the proposal for a \$140 increase in the athletics fee at UNC Pembroke to provide funds for the establishment of a football team. Sub-committee

members, chaired by Mr. Souza, reported that they visited the campus, met with numerous constituencies, and were satisfied that the campus had thoroughly examined and planned for all issues surrounding the establishment of a football team. Mrs. Gage and Mr. Broadwell, also members of the sub-committee, further reported that they concurred that the campus had engaged in a thoughtful process. The sub-committee agreed that the decision to establish a team was delegated to the Board of Trustees at UNC Pembroke, and that the purpose of their visit was to ensure that appropriate planning had taken place and that the proposed fee increase would not be followed by other significant increases to accommodate the football program.

On behalf of the committee, Mr. Phillips moved that a fee increase of \$140 at the University of North Carolina at Pembroke be approved. The motion carried.

Mr. Phillips reported that the committee seeks delegation of authority to act on behalf of the Board or Governors between the April and May meetings for the purpose of reviewing a proposal from East Carolina University to include an additional project in the board's nonappropriated capital improvements bill. The Board of Trustees of East Carolina University has not yet acted on the proposed project, and the bill needs to be filed prior to the May meeting.

On behalf of the committee, Mr. Phillips moved that the Committee on Budget and Finance be granted delegation of authority in this matter. The motion carried.

PRESIDENT'S REPORT

President Broad reported on action being taken related to budget deliberations in the General Assembly. She noted that if the budget released by the Joint Appropriations Subcommittee on Education were implemented, there would be very serious consequences for

the University. President Broad stated that she and her staff have been in communication with the chancellors and have asked them to engage in direct communication with their trustees, foundation boards, and boards of visitors on these budget issues.

President Broad and members of the board engaged in important discussions related to the budget situation. Chairman Wilson commented on the importance of this issue and reminded the members to engage their legislators and let them know of these budgetary concerns.

CHAIRMAN'S REMARKS

Chairman Wilson called the board's attention to the proposed resolution establishing a presidential search committee. He spoke to the board regarding his thoughts and suggestions for this search committee. Following discussion, Mr. Aldridge moved approval, duly seconded, of the Resolution of the Board of Governors of the University of North Carolina Establishing a Presidential Search Committee. The motion passed. (Appendix A)

Chairman Wilson stated that the Presidential Search Committee would convene its first meeting immediately following the completion of the board meeting.

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There being no further business, the meeting adjourned at 12:00 p.m.

Secretary

APPENDICES

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

Appendix A Resolution of the Board of Governors of the University of North
Carolina Establishing a Presidential Search Committee

Attached