

Board of Governors Meeting
April 12, 2013
Pembroke, North Carolina

The Board of Governors met in regular session on April 12, 2013, at the University Center Annex located on the campus of the University of North Carolina at Pembroke. Chairman Hans called the meeting to order at 8:30 a.m. He thanked Chancellor and First Lady Sarah Carter and the entire campus community for their gracious hospitality in hosting this month's Board activities. The Board was delighted to be on the beautiful campus of the University of North Carolina at Pembroke in celebration of its 125th anniversary celebration.

INVOCATION

Chairman Hans called on Mr. Grainger to give the invocation.

ROLL CALL

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

W. Louis Bissette, Jr.
John M. Blackburn
Peaches G. Blank
Laura W. Buffaloe
Cameron E. Carswell
Walter C. Davenport
James M. Deal, Jr.
Fred Eshleman
John C. Fennebresque
Dudley E. Flood
Paul Fulton
Hannah D. Gage
Ann B. Goodnight
H. Frank Grainger
Peter D. Hans
Thomas J. Harrelson

James L. Holmes, Jr.
G. Leroy Lail
Mary Ann Maxwell
Franklin E. McCain
W. Edwin McMahan
Fred G. Mills
Burley B. Mitchell, Jr.
Hari H. Nath
David M. Powers
Irvin (Al) Roseman
Richard (Dick) Taylor
Raiford G. Trask III
Phillip D. Walker
J. Bradley Wilson
David W. Young

The following members were absent:

James E. Holshouser, Jr. (excused)

Charles H. Mercer, Jr.

STATE ETHICS ACT

Chairman Hans 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 Hans 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. Fennebresque indicated that he would abstain from voting on the slate of nominees for the Boards of Trustees, 2013.

MINUTES

Mr. Grainger moved, seconded by Ms. Blank, that the minutes from the open session of the February 8, 2013, meeting be approved. The motion carried.

REMARKS BY CHANCELLOR CARTER ON THE STATE OF THE UNIVERISTY OF NORTH CAROLINA AT PEMBROKE

Chairman Hans called on Chancellor Carter who brought greetings and provided a broad overview on the noteworthy achievements and current activities at the University of North Carolina at Pembroke. Chancellor Carter shared an impressive video which highlighted the institution's history, rich heritage, educational access and academic excellence, and the important role that the institution plays in the community and the University of North Carolina. Chancellor Carter recognized Secretary Corgnati for his outstanding work and attention to detail in coordinating all aspects of the Board meetings. He thanked Chairman Hans and President Ross for accepting his invitation to hold this month's meetings at UNC Pembroke in recognition of the institution's 125th anniversary. He thanked all of his staff.

PRESENTATION OF THE OLIVER MAX GARDNER AWARD

Chairman Hans noted that the Oliver Max Gardner Award is truly one of the highlights of the University's calendar. Each year, the Board of Governors has the honor of selecting a recipient to receive this prestigious award that was established by the will of the late Governor O. Max Gardner. The Oliver Max Gardner Award recognizes a faculty member whose work has greatly contributed to the welfare of the human race. This marked the 65th year in the history of the award. Chairman Hans stated that we were grateful to the Gardner Family and the Gardner

Foundation for their continuing support of the Gardner Award and of the University. Chairman Hans called on Dr. Flood, who served as a member on this year's O. Max Gardner Award Committee. Dr. Flood recognized the other members who had served with him, consisting of Mr. Harrelson, Mr. Powers, Mr. Walker, and Mr. Dixon. Dr. Flood remarked that it was a privilege to introduce the recipient of the 2013 Oliver Max Gardner Award. After careful consideration of many qualified nominees, the Board of Governors selected Dr. Samuel F. Sears, Jr., Director of Health Psychology at East Carolina University and Director of the Cardiac Psychology Services at East Carolina Heart Institute. Dr. Sears' many guests were recognized – his wife, Staci; his sons Jackson and Brandon; his parents, Sam and Becky Sears; and colleagues, Dr. Kathleen Row, *Emeritus* member of the East Carolina University Faculty and former Chair of the Department of Psychology, Dr. Susan McCammon, current Chair of the Department of Psychology, and Chancellor Ballard.

Next, Dr. Flood read a citation profiling Dr. Sears' research and contributions in the field of cardiovascular psychology. Following a video highlighting his many significant achievements, Chairman Hans presented Dr. Sears with a stipend and a framed copy of the citation. For Dr. Sears' citation and response, please see Appendix A. The video of Dr. Sears was produced by Ms. Erica Starke-Knight of the UNC Center for Public Television and the piece would be broadcast on *North Carolina Now* on Monday, April 15, 2013. The original music in the profile was created by the faculty and students from Western Carolina University School of Music. Chairman Hans thanked the members of this year's committee for their outstanding work.

PRESIDENT'S REPORT

President Ross thanked Chancellor Carter and his staff for hosting the Board of Governors meetings this week and allowing all of us to be a part of UNC Pembroke's 125th anniversary celebration. Having had the opportunity to tour the campus and hear more about its various academic activities, research, and outreach initiatives was an eye-opening experience and underscores how integral each of our campuses, particularly UNC Pembroke, has been and continues to be to the economy and civic life of this community. President Ross remarked that the University was truly blessed to have some of the best faculty in the world teaching and conducting life-changing, transformative research on our campuses as evidenced by this year's

Oliver Max Gardner recipient, Dr. Sears. For President Ross' complete report, please see Appendix B.

ADMINISTRATIVE ACTION ITEMS

Chairman Hans called attention to the Administrative Action Items listed on the agenda. Ms. Blank moved, seconded by Mr. Powers, that the Administrative Action Items be approved by consent. The motion carried.

- a. (B&F) Authorization to Sell Special Obligation Bonds, ASU
- b. (B&F) Authorization to Sell Special Obligation Bonds, UNCA
- c. (B&F) Authorization of New Capital Improvements Projects, ECU, NCSU and UNC-CH
- d. (B&F) Authorization of New Capital Improvements Projects, ASU and UNC-TV
- e. (B&F) Approval of the Delegation of Authority for the Acquisition and Disposition of Real Property by Lease to ECU and the Amendment of Previous Delegations to NCSU and UNC-CH
- f. (EPPP) Approval of Licensure for Northeastern University for a regular license to offer the following degree programs in Charlotte, NC
 - Master of Public Administration (M.P.A)
 - Master of Science (M.S.) in Computer Science
 - Master of Science (M.S.) in Criminal Justice Leadership
 - Master of Science (M.S.) in Energy Systems
 - Master of Science (M.S.) in Engineering Management
 - Master of Science (M.S.) in Information Assurance
 - Master of Science (M.S.) in Physician Assistant Studies
 - Master of Science (M.S.) in Regulatory Affairs
 - Transitional Doctor of Physical Therapy (tD.P.T.)
 - Doctor of Nursing Practice (D.N.P.)
- g. (EPPP) Approval of Licensure for the Charlotte School of Law for a regular license to offer the following degree program in Charlotte, NC
 - Master of Laws (LL.M.) in American Legal Studies

REPORT OF THE AUDIT COMMITTEE

Mr. Davenport, Chair of the Audit Committee, reported that the Committee had discussed the recent release of six Statewide Federal Compliance Audit Reports by the Office of the State Auditor. Three of the six reports contained audit findings related to student financial aid. Two of the reports contained audit findings related to the Higher Education–Institutional Aid program. One report contained no findings. Corrective action had been taken.

REPORT OF THE COMMITTEE ON BUDGET AND FINANCE

Mr. Fulton, Chair of the Committee on Budget and Finance, reported on four items. First, the Committee had considered the request from North Carolina State University's (NCSU) College of Engineering and College of Management to establish school-based tuition for 2013-14 for students enrolled in the Master of Supply Chain Engineering and Management Program (see Appendix J) pending the program's approval by the Board of Governors. This tuition was in addition to the tuition rates approved for resident graduate students and nonresident graduate students. Mr. Fulton remarked that at yesterday's Committee on Educational Planning, Policies, and Programs meeting, the Committee had recommended approval of a Master of Supply Chain Engineering and Management Program at NCSU (see Appendix R). The rates for this program would be consistent with the NCSU College of Management's Business Administration Program.

On behalf of the Committee, Mr. Fulton moved the approval of the school-based tuition for the Master of Supply Chain Engineering and Management Program, effective 2013-14 at the rates quoted in the narrative. The motion carried.

Next, for the fall semester 2012, North Carolina A&T State University (NCA&TSU) had exceeded the 18 percent limit on out-of-state enrollment set by the Board of Governors. This situation was the result of several recent adjustments to the campus's recruitment and application process. The adjustments, designed to create a stronger out-of-state applicant pool, rendered historical projections of out-of-state enrollment invalid. While out-of-state students chose to enroll in greater numbers than expected, in-state students pursued opportunities at campuses other than NCA&TSU in greater numbers than expected.

On behalf of the Committee, Mr. Fulton recommended the following: (1) NCA&TSU would forfeit \$250,000 as a penalty for violating the Board's policy; (2) the campus would commit to investing \$1,350,000 of the \$2.5 million in excess revenue in efforts to enhance recruitment and financial aid packages for in-state students; in strengthening the campus's in-state applicant pool; and in support of existing and/or new student success initiatives. In addition, General Administration agreed to study and propose alternative approaches for out-of-state limits that might be tested on selective campuses. Mr. Young voiced concern about the penalty and would not support it. The motion carried. Mr. Young, Mr. Mitchell, and Ms. Blank voted against the recommendation.

Next, the Committee had reviewed modifications to the University's policies for Capital Improvements and Sustainability in order to make the policies consistent with current law, regulations and/ or recognized best practices. The affected policies were 600.1.1 – *Design, Construction and Financing of Capital Improvement Projects* (see Appendix K), 600.3.1 – *Selection Criteria and Operating Instructions for Special Responsibility Constituent Institutions* (see Appendix L), and 600.6.1 – *The University of North Carolina Sustainability Policy* (see Appendix M). The Committee had approved the proposed changes to these policies.

The Committee on Budget and Finance approved the proposed changes to the three policies. Pursuant to the Board of Governors' guidelines, the policies would be presented to the Board at its next meeting for final consideration.

Lastly, the Committee had approved the updated affiliation agreement between the Vidant Medical Center and the Brody School of Medicine at East Carolina University (see Appendix N).

On behalf of the Committee, Mr. Fulton moved approval of the updated affiliation agreement between East Carolina University's Brody School of Medicine and Vidant Medical Center. The motion carried.

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

Mrs. Gage, Chair of the Committee on Educational Planning, Policies, and Programs, reminded the Board that the Committee had the statutory responsibility to review academic programs every two years and identify programs that were redundant, low-priority, or not producing majors. As a result of its recent review, the Committee had requested authorization to discontinue 29 baccalaureate degree programs and 15 master's degree programs across the campuses as itemized per the Committee's agenda (see Appendix O).

On behalf of the Committee, Mrs. Gage moved for approval to discontinue the 29 baccalaureate and 15 master's degree programs. The motion carried.

Next, the Committee had considered the request for authorization to establish two baccalaureate degree programs – Bachelor of Arts in Art History, Criticism and Conservation

(see Appendix P) and the Bachelor of Fine Arts in Jazz and Contemporary Music (see Appendix Q) both at UNC Asheville.

On behalf of the Committee, Mrs. Gage moved approval of the request for authorization to establish the above two baccalaureate degree programs at UNC Asheville. The motion carried.

The Committee had considered the request for authorization to establish three master's degree programs – Master of Supply Chain Engineering and Management at North Carolina State University (see Appendix R), Master of Arts in Global Studies at the University of North Carolina at Chapel Hill (see Appendix S), and the Master of Science in Agricultural and Environmental Systems at North Carolina A&T State University (see Appendix T).

On behalf of the Committee, Mrs. Gage moved approval of the request for authorization to establish the above three master's degree programs. The motion carried.

The Committee had considered the request for authorization to establish one doctoral degree program – Doctor of Philosophy in Rehabilitation Counseling and Rehabilitation Counselor Education at North Carolina A&T State University (see Appendix U).

On behalf of the Committee, Mrs. Gage moved approval of the request for authorization to establish the above doctoral degree program. The motion carried.

The Committee had discussed the proposed policy for “Military Student Success” (see Appendix V) which would enable the University to better serve its military students. The proposed policy would be brought to the Board for consideration at its June meeting.

Next, Mrs. Gage reported that North Carolina A&T State University requested authorization to change the name of its School of Graduate Studies to the Graduate School. This name was consistent with its peer institutions within the University.

On behalf of the Committee, Mrs. Gage moved the approval to grant the authorization to change the name of the School of Graduate Studies to the Graduate School at North Carolina A&T State University. The motion carried.

Mrs. Gage remarked that the Committee had reviewed the 2013 University of North Carolina Intercollegiate Athletics Report (see Appendix W) on the academic progress of athletes. The Committee heard a report by President Ross on Academic Integrity Regulations (see Appendix X) that would enhance the University's ability to monitor and protect academic

integrity on each campus. The Committee had received a preliminary report on shortages in allied health. The Committee would examine this topic in more depth at its next meeting.

Lastly, Mrs. Gage reported that the Committee had heard an overview on general education requirements across the University of North Carolina by Senior Vice President Ortega. The Committee would continue further discussion on this topic at its next meeting.

REPORT OF THE COMMITTEE ON PUBLIC AFFAIRS

Mr. McMahan, Chair of the Committee on Public Affairs, reported that the Committee had heard a presentation by Colonel Paul A. Ott, Commander, Special Warfare Medical Group (Airborne) on the Army Special Operations Active Duty Soldier Education Program. Dr. Larry Keen, President of Fayetteville Technical Community College, and Lt. Colonel David Walton, Education Director at Ft. Bragg, joined the presentation. Colonel Ott spoke about the transfer articulation agreements that existed between the University of North Carolina and the North Carolina Community College System as well as other transfer degree programs for the Army Special Operations soldiers. Lt. Colonel Walton stressed how important it was for institutions of higher education to assign a dedicated and available staff counselor to assist military students in the college admission process as they pursue their educational goals. It was critical that campuses have solid marketing and recruitment plans in place. Vice President Rhinehardt reminded the Committee that the University had a dedicated staff member available on post at Ft. Bragg to provide information and assist with admissions, financial aid, and program selection on behalf of all 16 UNC's constituent institutions.

In closing, Mr. McMahan thanked all those who attended University Day in Raleigh last month. Many members of the Board, our Chancellors, and staff attended the event. He thanked Vice President Moretz and his staff for organizing the event. As the legislative process remains underway in Raleigh, Mr. McMahan asked the members to keep in contact with their assigned legislator throughout the session.

REPORT OF THE COMMITTEE ON UNIVERSITY GOVERNANCE

Mr. Powers, Chair of the Committee on University Governance, thanked the members of UNC Pembroke's Board of Trustees who attended the meeting. The Committee had reviewed

the nominations brought forward for consideration for election or reelection to server on the 16 constituent Boards of trustees for four-year terms beginning July 1, 2013 (see Appendix Y). Mr. Powers explained that the Committee began the trustee selection process in October 2012 and concluded deliberations at its previous day's meeting. He thanked the members for their diligent work throughout the process.

On behalf of the Committee, Mr. Powers moved the election of those trustees eligible for reelection and the provisional election of those who would serve an initial term on the Boards of Trustees, pending submission of the Statement of Economic Interest Form. The Committee would bring to the Board the provisional slate of nominees for confirmation at its June meeting. The motion carried.

Next, Mr. Powers reported that there was a partial term ending June 30, 2013, on the University of North Carolina at Pembroke Board of Trustees. The seat would be filled by Admiral Michael L. Holmes of Orange Park, Florida. Mr. Holmes was part of the provisional slate. There were nine terms ending June 30, 2013, on the North Carolina School of Science and Mathematics Board of Trustees, representing two non-resident appointments and Congressional Districts 1, 2, 3, 5, 6, 7, and 11. There were four terms ending June 30, 2013, on the North Carolina Arboretum Board of Directors. On behalf of the Committee, Mr. Powers recommended the appointments of Dr. Jack Haiden Britt of Etowah, Ms. Mary Ann Rice of Asheville, Dr. Mark A. Schmidt of Cary, and Mr. Michael D. Tanner of Asheville. The motion carried.

There were three terms ending June 30, 2013, on the University of North Carolina Press Board of Governors. On behalf of the Committee, Mr. Powers recommended the reappointments of Dr. W. Fitzhugh Brundage of UNC-Chapel Hill, Dr. Sherman A. James of Duke University, and the appointment of Dr. Lisa A. Levenstein of UNC-Greensboro. The motion carried.

For information purposes, Mr. Powers announced that there was a partial term ending February 28, 2015, on the Vidant Medical Center Board of Trustees. The vacancy resulted from the resignation of Mr. Bruce N. Austin of Manteo. There was a partial term ending June 30, 2015, on the Appalachian State University Board of Trustees. The seat was vacated by Mr. G.A. Sywassink of Hilton Head, SC. The Committee sought recommendations to fill these vacancies.

Next, Mr. Powers reported that Chairman Hans made a request for the Committee to examine the Board's election procedures. Mr. Powers assigned a subcommittee for this task that

included Ms. Blank, Mr. McMahan and Dr. Roseman. Ms. Blank would report on the subcommittee's work at the June meeting.

Lastly, Mr. Powers referred to the 2013 Spring Commencement schedule. A member from the Board of Governors would attend each commencement ceremony to bring greetings and present the annual Board of Governors Awards for Excellence in Teaching.

CHAIRMAN'S REPORT

Chairman Hans thanked everyone for their participation in the previous day's policy discussion on military education and our sit-down conversation with Governor McCrory. Both sessions were very informative and productive. Chairman Hans reminded the members to submit their Statement of Economic Interest form by April 15. He announced that Mrs. Norma Houston of the UNC-Chapel Hill School of Government, would conduct a consolidated ethics training session in-person and via videoconference on Wednesday, May 22, 2013, beginning at 9:30 a.m. at the Spangler Center. Lastly, Chairman Hans confirmed with Secretary Corgnati that a quorum would be expected for the special meeting to be held later this afternoon in Chapel Hill.

On motion by Secretary Goodnight and duly seconded, the Board voted to convene in closed session.

The Board went into closed session at 10:05 a.m. and returned to open session at 11:05 a.m.

REPORT OF THE COMMITTEE ON PERSONNEL AND TENURE

Mr. Fennebresque, Chair of the Committee on Personnel and Tenure, reported that the Committee had heard a presentation on the process of Post Tenure Review. The presenters included Provost Warwick Arden of North Carolina State University, Dr. Catherine Rigbsy, Chair of the UNC Faculty Assembly, Vice Provost Alan Boyette of UNC Greensboro, and Professor Bill Miller of Environmental Studies at UNC Asheville. Next, the Committee

reviewed and approved the proposed amendments to UNC Policy 300.7. 1 – *Optional Retirement Program* (see Appendix Z). The Optional Retirement Program was available to all employees due to statutory changes.

On behalf of the Committee, Mr. Fennebresque moved approval of the amendments to UNC Policy 300.7.1 – *Optional Retirement Program*. The motion carried.

Next, the Committee had reviewed and approved the proposed changes to UNC Policy 400.3.6 – *University Teaching Awards* (see Appendix AA) and UNC Policy 700.3.1 – *Policy on the University of North Carolina Association of Student Governments* (see Appendix BB). These amended policies would be brought to the Board for its consideration at the June meeting.

Lastly, the Committee had reviewed and approved a report on personnel actions delegated to the President and the Committee had appointed three Subcommittees on Appeals.

The next meeting of the Board of Governors was scheduled for Friday, June 14, 2013, at the Spangler Center. There being no further business, the meeting adjourned at 11:10 p.m.

Secretary

Appendix A	2013 O. Max Gardner Award Recipient's Citation and Response	Posted Online
Appendix B	President Ross' Report	Posted Online
Appendix C	Authorization to Sell Special Obligation Bonds, ASU	Posted Online
Appendix D	Authorization to Sell Special Obligation Bonds, UNCA	Posted Online
Appendix E	Authorization of New Capital Improvements Projects, ECU, NCSU and UNC-CH	Posted Online
Appendix F	Authorization of New Capital Improvements Projects, ASU and UNC-TV	Posted Online
Appendix G	Approval of the Delegation of Authority for the Acquisition and Disposition of Real Property by Lease to ECU and the Amendment of Previous Delegations to NCSU and UNC-CH	Posted Online
Appendix H	Approval of Licensure for Northeastern University for a Regular license to offer the following degree programs in Charlotte, NC <ul style="list-style-type: none"> • Master of Public Administration (M.P.A.) • Master of Science (M.S.) in Computer Science • Master of Science (M.S.) in Criminal Justice Leadership • Master of Science (M.S.) in Energy Systems • Master of Science (M.S.) in Engineering Management • Master of Science (M.S.) in Information Assurance • Master of Science (M.S.) in Physician Assistant Studies • Master of Science (M.S.) in Regulatory Affairs • Transitional Doctor of Physical Therapy (tD.P.T.) • Doctor of Nursing Practice (D.N.P.) 	Posted Online
Appendix I	Approval of Licensure for the Charlotte School of Law for a Regular license to offer the following degree program in Charlotte, NC <ul style="list-style-type: none"> • Master of Laws (LL.M.) in American Legal Studies 	Posted Online
Appendix J	Authorization of School-Based Tuition for Master of Supply Chain Engineering and Management at NCSU for 2013-14	Posted Online
Appendix K	UNC Policy 600.1.1 – <i>Design, Construction and Financing of Capital Improvement Projects</i>	Posted Online
Appendix L	UNC Policy 600.3.1 – <i>Selection Criteria and Operating Instructions for Special Responsibility Constituent Institutions</i>	Posted Online
Appendix M	UNC Policy 600.6.1 – <i>The University of North Carolina Sustainability Policy</i>	Posted Online
Appendix N	Affiliation agreement between East Carolina University's Brody School of Medicine and Vidant Medical Center	Posted Online

Appendix O	Authorization to Discontinue 29 Baccalaureate Degree Programs and 15 Master's Degree Programs as listed on the Committee on Education, Planning, and Policies Agenda	Posted Online
Appendix P	Authorization to Establish a Bachelor of Arts in Art History, Criticism and Conservation, UNCA	Posted Online
Appendix Q	Authorization to Establish a Bachelor of Fine Arts in Jazz and Contemporary Music (see Appendix Q), UNCA	Posted Online
Appendix R	Authorization to Establish a Master of Supply Chain Engineering and Management, NCSU	Posted Online
Appendix S	Authorization to Establish a Master of Arts in Global Studies, UNC-CH	Posted Online
Appendix T	Authorization to Establish a Master of Science in Agricultural and Environmental Systems, NCA&TSU	Posted Online
Appendix U	Authorization to Establish a Doctor of Philosophy in Rehabilitation Counseling and Rehabilitation Counselor Education, NCA&TSU	Posted Online
Appendix V	UNC Policy on <i>Military Student Success</i>	
Appendix W	2013 University of North Carolina Intercollegiate Athletics Report	Posted Online
Appendix X	UNC Policy 700.6.1[R] – <i>Academic Integrity Regulations</i>	Posted Online
Appendix Y	Nominees for the Boards of Trustees, 2013	
Appendix Z	UNC Policy 300.7. 1 – <i>Optional Retirement Program</i>	Posted Online
Appendix AA	UNC Policy 400.3.6 – <i>University Teaching Awards</i>	
Appendix BB	UNC Policy 700.3.1 – <i>Policy on the University of North Carolina Association of Student Governments</i>	Posted Online