

MINUTES

March 23, 2018

University of North Carolina Wilmington

Burney Center, Ballroom C

Wilmington, North Carolina

Call to Order

The Board of Governors met in regular session on March 23, 2018, in the Burney Center, Ballroom C at the University of North Carolina Wilmington. Chair Bisette called the meeting to order at 9:00 a.m. He recognized Chancellor Sartarelli and his staff and thanked them for hosting the meetings this week.

Invocation

Chair Bisette called on Mrs. Murphy, who gave the Invocation.

Roll Call

Secretary Burris-Floyd called the roll. The following members were present:

Darrell T. Allison	Steven B. Long
W. Louis Bisette, Jr.	Ann Maxwell
Kellie Hunt Blue	J. Alex Mitchell
Robert P. Bryan III	Wendy F. Murphy
Pearl Burris-Floyd	Anna S. Nelson
C. Philip Byers	R. Doyle Parrish
N. Leo Daughtry	David M. Powers
Thomas H. Fetzer	Randall C. Ramsey
Thomas C. Goolsby	Robert A. Rucho
H. Frank Grainger	O. Temple Sloan III
Tyler D. Hardin	Harry L. Smith
James L. Holmes, Jr.	Michael L. Williford
Joe T. Knott	

The following members were absent:

Carolyn L. Coward	W. Marty Kotis III
Walter C. Davenport	William A. Webb

State Ethics Act

Chair Bisette stated that under the State Ethics Act, members have a duty to avoid conflicts of interest and appearances of conflicts and asked if anyone had a potential conflict. There were none.

Expectations of Conduct

Chair Bisette read the Expectations of Conduct during meetings of the Board of Governors as set forth by the Board at its meeting in March 2016.

Minutes

Chair Bissette entertained a motion to approve the minutes from the open session of the Board of Governors meeting on January 26, 2018. The motion was made by Mr. Powers and properly seconded. The motion carried. Chair Bissette noted that a summary of comments made during the public comment session on January 26, 2018, was appended to the minutes.

President's Report

President Spellings recognized Chancellor Sartarelli and his team and thanked them for their hospitality. She also recognized two UNC Wilmington "Seahawks" who are leaders in the University of North Carolina System: Dr. Gabriel Lugo, chair of the UNC Faculty Assembly and Ms. Dawn Brown, chair of the UNC Staff Assembly. She recognized Mr. Tyler Hardin, outgoing president of the UNC Association of Student Governments, and thanked him for his leadership and service to the Board of Governors and the students of the UNC System. President Spellings spoke about the "2018 State of the University Address" tours. For President Spellings' complete report, please see Appendix A.

Administrative Action Items

Chair Bissette entertained a motion to approve the items by consent. Mr. Byers moved and the motion was properly seconded. The motion carried.

- a. (B&F) Capital Improvement Projects – ASU, ECU, NCCU, NCSU, UNC-CH, UNCW, UNCSA Appendix B
- b. (B&F) Disposition of Property by Easement – UNC System Office and NCSEAA Appendix C
- c. (B&F) Sale of Special Obligation Bonds – ECU Appendix D
- d. (B&F) Sale of Special Obligation Bonds – UNCG Appendix E
- e. (B&F) Authorization of Predevelopment Agreement – UNCW Appendix F
- f. (EPPP) Authorization to Establish the Following UNC Degree Programs:
 - i. Master of Arts in Hispanic Studies – ECU Appendix G
 - ii. Bachelor of Science in Neuroscience – UNC-CH Appendix H
 - iii. Master of Arts in Film Studies – UNCW Appendix I
- j. (EPPP) Authorization to Consolidate the Following UNC Degree Program:
 - i. Master of Public Health – UNC-CH Appendix J
- k. (EPPP) Authorization to Discontinue and Consolidate the Following Programs: Appendix K
 - i. Master of Public Health in Biostatistics – UNC-CH
 - ii. Master of Public Health in Environmental Sciences and Engineering – UNC-CH
 - iii. Master of Public Health in Epidemiology – UNC-CH
 - iv. Master of Public Health in Health Behavior – UNC-CH
 - v. Master of Public Health Policy and Management – UNC-CH
 - vi. Master of Public Health in Health in Maternal and Child Health – UNC-CH
 - vii. Master of Public Health in Nutrition – UNC-CH
 - viii. Bachelor of Science in Athletic Training – UNCC
- l. (EPPP) Authorization to Establish the Following Licensure Programs:
 - i. Mount Eagle University Appendix L
 - ii. South College Appendix M
 - iii. Lesley University Appendix N
- m. (EPPP) Uniform Articulation Agreement in Birth-Kindergarten and Early Childhood Related Programs Appendix O
- n. (EPPP) Early College High School Application Renewals – Wake STEM ECHS, JD Clement ECHS, Isaac Bear ECHS, Cumberland International ECHS, Cross Creek ECHS, Middle College at UNCG, Middle College at N.C. A&T, and the STEM ECHS at N.C. A&T Appendix P

o. (EPPP)	Studies to Establish School of Health Sciences and Health Care – UNCP	Appendix Q
p. (EPPP)	Studies to Establish the following Programs – WSSU	
	i. Physician Assistant Program	Appendix R
	ii. Chiropractic Medicine Program	Appendix S
	iii. Pilot Program for Basic Law Enforcement Training	Appendix T
q. (EPPP)	Innovation Early College High School – ECU	Appendix U
r. (EPPP)	UTeach Feasibility Study	Appendix V
s. (EPPP)	UNC Policy 400.4.1 – <i>Policy on Standards for Licensure of Nonpublic Degree Granting Postsecondary Activity</i> (Adopted)	Appendix W
t. (EPPP)	UNC Policy 400.4.2 – <i>Establishing Fees for Licensing Nonpublic Institutions to Conduct Postsecondary Degree Activity</i> (Repealed)	Appendix X
u. (EPPP)	UNC Policy 400.4.2 – <i>Policy of the Board of Governors of the University of North Carolina with Respect to Exemption from Licensure under N.C. Statute § 116-15 of Religious Education</i> (Renumbered and Amended)	Appendix Y
v. (GOV)	<i>The Code</i> , Section 502 B and Section 502 C (Approved by the Committee on University Governance at its September 2017 meeting)	Appendix Z
w. (GOV)	UNC Policy 1300.6 – <i>Policy on Efficiency and Effectiveness</i> (Approved by the Committee on University Governance at its September 2017 meeting)	Appendix AA
x. (P&T)	UNC Policy 600.3.4 – <i>Granting of Management Flexibility to Appoint and Fix Compensation</i> (Approved by the Committee on Personnel and Tenure at its September 2017 meeting)	Appendix BB

Report from the Association of Student Governments

Mr. Hardin provided a brief summary of the initiatives and accomplishments from the 46th session of the UNC Association of Student Governments. He stated that it was an honor to have led the organization and to have represented the more than 225,000 students across our campuses. He appreciated the opportunity to have worked with the members of the Board, President Spellings, the chancellors, and other leaders affiliated with the UNC System.

Report of the Committee on Audit, Risk Management, and Compliance

Mr. Holmes, chair of the committee, reported that the committee met on March 8, 2018. It heard an update on the activities of the Information Technology Security Working Group. The committee also met on March 20, 2018 and reviewed and approved the draft policies related to Information Technology Governance and User Identity and Access Control. These policies will be brought to the full Board for approval at its next meeting. The committee also received an update on changes proposed to the internal audit charter and the committee's charter.

Report of the Committee on Budget and Finance

Mr. Sloan, chair of the committee, reported that the committee held a joint meeting with the Committee on Public Affairs the previous day. The committees received an update on the data modernization initiative – a top legislative priority for the UNC System. Next, the Committee on Budget and Finance considered the University of North Carolina FY 2018-19 Budget Priorities (see Appendix CC).

On behalf of the committee, Mr. Sloan moved that the Board of Governors approve the proposed University of North Carolina FY 2018-19 Budget Priorities. The motion carried.

Next, Mr. Sloan reported that the committee heard a presentation on the UNC System's 2018-2019 Tuition and Fee proposals. On behalf of the committee Mr. Sloan moved that the Board approve the proposed Authorization

of Tuition for 2018-19 (see Appendix DD). The motion carried. Chair Bissette requested that the minutes reflect that Mr. Goolsby voted no.

On behalf of the committee, Mr. Sloan moved that the Board approve the proposed Authorization of Fees for 2018-2019 (see Appendix EE). The motion carried. Chair Bissette requested that the minutes reflect that Ms. Burris-Floyd, Mr. Fetzer, Mr. Goolsby, Mr. Long, and Mrs. Murphy voted no.

At its meeting on March 20, 2018, the committee met by teleconference and considered the 2018 Non-Appropriated Capital Improvement Projects (see Appendix FF). On behalf of the committee, Mr. Sloan moved that the Board approve the 2018 Non-Appropriated Capital Improvement Projects. The motion carried.

Lastly, the committee considered and approved routine administrative and transactional items and voted to place those items on today's consent agenda.

Report of the Committee on Educational Planning, Policies, and Programs

Mrs. Nelson, chair of the committee, reported that the committee met by teleconference on Tuesday, March 20, 2018. It approved three new degree programs (see Appendices G, H, and I), the consolidation of one program (see Appendix J), the discontinuation of nine programs (see Appendix K), and the licensure of three programs (see Appendices L, M, and N). The committee also approved a multi-lateral articulation agreement between the University of North Carolina System and North Carolina Community College System for Birth-Kindergarten and Early Childhood Education Programs (see Appendix O) and the renewals of eight Early College High Schools (see Appendix P). The committee approved UNC Policy 1000.4.1 – *Policy on Auditing Courses for Persons Who are At Least 65 Years Old*. The policy will be brought to the full Board for approval at its next meeting. The committee received an update on North Carolina Central University's Nursing Program.

At its meeting the previous day, the committee voted to accept a study to establish a School of Health Sciences and Health Care at UNC Pembroke (Appendix Q) and three programs at Winston-Salem State University – a Physician Assistant Program (see Appendix R), a Chiropractic Medicine Program (see Appendix S), and a Basic Law Enforcement Training Pilot Program (see Appendix T). It also approved an Innovation Early College High School Program at East Carolina University (see Appendix S) and a feasibility study of the UTeach Program (Appendix V). The committee approved revisions to North Carolina Agricultural and State University's mission statement (see Appendix GG).

On behalf of the committee, Mrs. Nelson moved that the Board approve the revision to North Carolina Agricultural and State University's Mission Statement. The motion carried.

Report of the Committee on University Governance

Mr. Long, chair of the committee, reported that the committee reviewed changes to the UNC Policy Manual related to the elections procedures for Board of Governors officers at its meeting the previous day. The committee recommended changes to UNC Policy 200.2 – *Election Procedures*. The committee recommended changes to *The Code* Section 302 B related to Officers of Standing Committees. These proposed changes will be brought to the full Board at its next meeting for approval.

Regarding vacancies on boards and councils, the committee voted to recommend the appointment of Acting Chancellor Alison Morrison-Shetlar to fill a vacancy at the North Carolina Arboretum Board of Directors for a partial term ending on June 30, 2019. The committee voted to recommend the reappointment of Ms. Mary Pauline Johnson to serve on the Vidant Medical Center Board of Trustees.

On behalf of the committee, Mr. Long moved that the Board approve the appointment of Acting Chancellor Morrison-Shetlar and the reappointment of Ms. Johnson. The motion carried.

The committee discussed a timeline of appointments for the members of the board of trustees. Last year, the Board considered appointing trustees during even-numbered years so that the schedule is separate from the appointment of members of the Board of Governors, whose appointments are made in odd-numbered years. After further consideration, the committee concluded that this change is not worth pursuing at this time.

Report of the Committee on Public Affairs

Mr. Daughtry, chair of the committee, reported that the committee held a joint meeting with the Committee on Budget and Finance the previous day. The Committee on Public Affairs considered the UNC System's 2018 Legislative Policy Agenda items for this year's short session of the General Assembly (see Appendix HH). On behalf of the committee, Mr. Daughtry moved that the Board approve the 2018 Legislative Policy Agenda. The motion carried.

Chair's Report

Chair Bissette recognized Ms. Hannah Gage, former chair of the Board of Governors, in attendance at the meeting. Next, he commented that the University continued making progress on the goals and initiatives identified in the University's Strategic Plan. The Board will continue its work with the budget recommendations and other legislative priorities approved for the short session when the General Assembly convenes next month. He thanked Mr. Sloan and the members of the Committee on Budget and Finance for the thorough work they did on this year's 2018-19 tuition and fees and for keeping tuition as affordable as possible for our students.

Chair Bissette announced that the Committee on Personnel and Tenure would form a Subcommittee on Equal Opportunity, Diversity, and Inclusion and appointed Mrs. Murphy to chair the subcommittee. The other members will consist of Mr. Bryan, Mrs. Blue, Mr. Long, and Mr. Webb. The subcommittee is tasked with following up with a report to the General Assembly on the University's commitment to equal opportunity policies and develop recommendations for the full Board's consideration at a future meeting.

In closing, he thanked the new members for their extraordinary effort and time they have committed in visiting the constituent institutions, and he thanked outgoing member Mr. Tyler Hardin, whose term was expiring the following month, for his commitment to the Board and the UNC System. He noted that the March 2019 Board of Governors meeting would be hosted by Appalachian State University.

Secretary Burris-Floyd stated that the printed motion to go into closed session was in the Board members' folders. She moved that the Board go into closed session as described in the written motion, pursuant to Sections 143-318.11(a)(1), (a)(2), (a)(3), (a)(4), and (a)(6) of the North Carolina General Statutes. The motion was properly seconded and carried.

The Board went into closed session at 10:00 a.m. and returned to open session at 11:40 a.m.

Report from the Presidential Assessment Committee

Chair Bissette provided an update on the Presidential Assessment Committee, which conducted the president's annual review and performance. As provided in the president's employment contract and the University's Executive Performance Program, the president is eligible for an annual incentive compensation based on her performance review for 2017-2018.

On behalf of the committee, Chair Bissette recommended that the Board of Governors approve an incentive award in the amount of \$95,000 as determined by the Committee on Personnel and Tenure. An amount of \$50,000 will be paid in cash and \$45,000 to the president's retirement account. The motion carried. Chair Bissette asked that the minutes reflect that Mr. Fetzer, Mr. Goolsby, and Dr. Rucho voted no.

Report of the Committee on Personnel and Tenure

Mr. Parrish, chair of the committee, reported that the committee reviewed routine informational reports. President Spellings commented on the Faculty Recruitment and Retention Fund and affirmed that the replenishment of the Faculty Recruitment and Retention Fund remains a high priority for the upcoming legislative session at its meeting the previous day.

Mr. Parrish reported that at its next meeting, the committee will hear the results of the UNC System's Human Resources review of policies and process related to chancellor searches and any recommendations for changes to the policies. The UNC System Office will hire an outside firm to assist in conducting a comprehensive background investigation for finalists for key executive positions.

Lastly, Mr. Parrish commented on the Appropriation Bill of 2017. This legislative mandate, adopted last year, has created potential delays in time-sensitive retention and internal promotions. The committee supports seeking legislative relief from this requirement.

Report of Candidates for Board Offices

Secretary Burris-Floyd announced that the Board officers will be elected at the May meeting. The candidates for office are Mr. Harry Smith, Chair; Mr. Randy Ramsey, Vice Chair; and Ms. Burris-Floyd, Secretary.

In closing, Chair Bissette reminded Board members that the public comment session would be held immediately following today's meeting with Secretary Burris-Floyd presiding.

The next meeting of the Board of Governors was scheduled for May 24, 2018, at the Center for School Leadership Development in Chapel Hill. There being no further business, Chair Bissette requested a motion to adjourn. Mr. Holmes moved and the motion was properly seconded. The meeting adjourned at 12:05 p.m.

Pearl Burris-Floyd, Secretary

APPENDICES

The Appendices are part of the official record of the meeting and are posted on the UNC System website at:

<http://www.northcarolina.edu/apps/bog/index.php>

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Appendix I	Authorization to Establish of Arts in Film Studies – UNCW
Appendix J	Authorization to Consolidate the Master of Public Health – UNC-CH
Appendix K	Authorization to Discontinue and Consolidate the Following Programs: <ul style="list-style-type: none">i. Master of Public Health in Biostatistics – UNC-CHii. Master of Public Health in Environmental Sciences and Engineering – UNC-CHiii. Master of Public Health in Epidemiology – UNC-CHiv. Master of Public Health in Health Behavior – UNC-CHv. Master of Public Health Policy and Management – UNC-CHvi. Mater of Public Health in Maternal and Child Health – UNC-CHvii. Master of Public Health in Nutrition – UNC-CHviii. Bachelor of Science in Athletic Training – UNCC
Appendix L	Authorization to Establish the Licensure Program at Mount Eagle University
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Appendix P	Approval of Early College High School Application Renewals – Wake STEM ECHS, JD Clement ECHS, Isaac Bear ECHS, Cumberland International ECHS, Cross Creek ECHS, Middle College at UNCG, Middle College at N.C. A&T, and the STEM ECHS at N.C. A&T
Appendix Q	Approval of Studies to Establish a School of Health Sciences and Health Care – UNCP
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Appendix U	Approval of Innovation Early College High School – ECU
Appendix V	Approval of the UTeach Feasibility Study
Appendix W	Approval of UNC Policy 400.4.1 – <i>Policy on Standards for Licensure of Nonpublic Degree Granting Postsecondary Degree Activity</i> (Adopted)
Appendix X	UNC Policy 400.4.2 – <i>Establishing Fees for Licensing Nonpublic Institutions to Conduct Postsecondary Degree Activity</i> (Repealed)
Appendix Y	Approval of UNC Policy 400.4.2 – <i>Policy of the Board of Governors of the University of North Carolina with Respect to Exemption from Licensure Under N.C. § Statute 116.15 of Religious Education</i> (Renumbered and Amended)
Appendix Z	Approval of <i>The Code</i> Sections 502 B and Section 502 C (Approved by the Committee on University Governance at its September 2017 meeting)
Appendix AA	Approval of UNC Policy 1300.6 – <i>Policy on Efficiency and Effectiveness</i> (Approved by the Committee on University Governance at its September 2017 meeting)

Appendix BB	Approval of UNC Policy 600.3.4 – <i>Granting of Management Flexibility to Appoint and Fix Compensation</i> (Approved by the Committee on Personnel and Tenure at its September 2017 meeting)
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