



MEETING OF THE BOARD OF GOVERNORS  
Committee on Budget and Finance

November 8, 2018 at 12:30 p.m.  
University of North Carolina System Office  
Center for School Leadership Development, Board Room  
Chapel Hill, North Carolina

## AGENDA

- A-1. [Approval of the October 9, 2018 Open and Closed Session Minutes](#)..... Temple Sloan
- A-2. [2018 Hurricane Florence Recovery Funding Allocations](#) ..... Clinton Carter and Kimberly van Noort
- A-3. [DRAFT 2019-21 Budget Priorities](#) ..... Clinton Carter and Andrew Kelly
- A-4. [2018-19 Enrollment Funding Allocation](#) ..... Clinton Carter
- A-5. [Authorization of Millennial SubGround Lease – WCU](#)..... Mike Byers
- A-6. [Acquisition of Property by Deed/Disposition of Property by Demolition – N.C. A&T](#) ..... Clinton Carter
- A-7. [Disposition of Property by Demolition – N.C. A&T](#) ..... Clinton Carter
- A-8. [Disposition of Property by Demolition – WCU](#) ..... Clinton Carter
- A-9. [Capital Improvement Projects – Appalachian, ECU, NC State, UNCA, UNC-Chapel Hill, UNC Greensboro, WCU, and NC Arboretum](#)..... Clinton Carter
- A-10. [Sale of Millennial Campus Revenue Bonds – Appalachian](#) ..... Clinton Carter
- A-11. [Sale of Special Obligation Bonds – UNC-Chapel Hill](#) ..... Clinton Carter
- A-12. [Sale of Special Obligation Bonds – WCU](#)..... Clinton Carter
- A-13. [Duties & Authorities of the Board of Trustees](#) ..... Temple Sloan
- A-14. Adjourn

## DRAFT MINUTES

October 9, 2018  
University of North Carolina System Office  
Center for School Leadership and Development, Board Room  
Chapel Hill, North Carolina

This meeting of the Committee on Budget and Finance was presided over by Chair Temple Sloan. The following committee members, constituting a quorum, were also present in person or by phone: Darrell Allison, Carolyn Coward, Thomas H. Fetzer, James L. Holmes, Jr., and Robert Rucho. The following committee member was absent: Marty Kotis.

Chancellor participating was Philip Dubois. Chancellors Harold Martin and Randy Woodson were absent.

Staff members present included Clinton Carter and others from the UNC System Office.

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### 1. Call to Order and Approval of OPEN Session Minutes (Item A-3)

The chair reconvened the committee to order at 1:05 p.m. on Tuesday, October 9, 2018, and called for a motion to approve the open session minutes of July 26, 2018.

**MOTION:** Resolved, that the Committee on Budget and Finance approve the open session minutes of July 26, 2018, as distributed.

**Motion:** Robert Rucho

**Motion carried**

Chair Sloan adjusted the order of the agenda items to allow time for other UNC Board of Governors members attending prior committee meetings to join.

### 2. 2017-18 Annual Report of the Committee on Budget and Finance (Item A-4)

Clinton Carter presented the 2017-18 Annual Report of the committee, consistent with the UNC Policy. The report summarized all of the actions of the Committee on Budget and Finance from July 1, 2017 through June 30, 2018 that were approved.

**MOTION:** Resolved, that the Committee on Budget and Finance adopt the report for submission to the full Board of Governors.

**Motion:** James L. Holmes, Jr.

**Motion carried**

### **3. Capital Improvement Projects – Appalachian, NC State, UNC-Chapel Hill, and UNC Charlotte (Item A-5)**

Mr. Carter introduced a total of 12 capital improvement projects from Appalachian, NC State, UNC-Chapel Hill, and UNC Charlotte, including one project for advance planning, eight new projects for authority, and three projects for increased authorization.

Upon approval, these projects will be reported to the NC Office of State Budget and Management as non-appropriated projects that do not require any additional debt or burden on state appropriations.

**MOTION:** Resolved, that the Committee on Budget and Finance approve the capital improvement projects at Appalachian, NC State, UNC-Chapel Hill, and UNC Charlotte and recommend them to the full Board of Governors for a vote through the consent agenda.

**Motion:** James L. Holmes, Jr.

**Motion carried**

### **4. Acquisition of Property by Lease – NC State University (Item A-6)**

Mr. Carter presented NC State University's request to acquire property by lease at University Towers Residence Hall, 111 Friendly Drive, Raleigh, NC. The lease will be for 10 months during the 2018-19 academic year.

**MOTION:** Resolved, that the Committee on Budget and Finance approve NC State University's acquisition of property by lease request and recommend it to the full Board of Governors for a vote through the consent agenda.

**Motion:** James L. Holmes, Jr.

**Motion carried**

### **5. Acquisition of Property by Lease and Disposition of Property by Sublease – UNC Chapel Hill (Item A-7)**

Mr. Carter presented UNC-Chapel Hill's request to acquire property by lease at 123 W. Franklin Street, Chapel Hill, NC and dispose of the same property by sublease. The leased space will support a new wet-lab accelerator facility.

**MOTION:** Resolved, that the Committee on Budget and Finance approve UNC-Chapel Hill's acquisition of property by lease and disposition of property by sublease and recommend them to the full Board of Governors for a vote.

**Motion:** Carolyn Coward

**Motion carried**

### **6. Millennial Campus Expansion Request – Appalachian State University (Item A-9)**

Appalachian State University's Vice Chancellor for Business Affairs and CFO Paul Forte presented Appalachian's request for expansion of its Millennial Campus to include five additional areas totaling approximately 90 acres.

**MOTION:** Resolved, that the Committee on Budget and Finance approve Appalachian State University's request for expansion of its Millennial Campus and recommend it to the full Board of Governors for a vote.

**Motion:** Darrell Allison

**Motion carried**

#### **7. Millennial Campus Designation – North Carolina Central University (Item A-11)**

North Carolina Central University's Associate Vice Chancellor for Administration & Finance and Budget Director Akua Matherson presented NCCU's request for designation of just over 32 acres on its campus as a Millennial Campus.

**MOTION:** Resolved, that the Committee on Budget and Finance approve North Carolina Central University's request for designation as a Millennial Campus and recommend it to the full Board of Governors for a vote.

**Motion:** Darrell Allison

**Motion carried**

#### **8. Authorization of Predevelopment Agreement – North Carolina Central University (Item A-10)**

Ms. Matherson presented North Carolina Central University's request to enter into a predevelopment agreement with Corvais in connection with a project to develop student housing facilities. The project will include approximately 1,275 beds and related infrastructures on three sites on campus.

**MOTION:** Resolved, that the Committee on Budget and Finance authorize North Carolina Central University's request to enter into a predevelopment agreement and recommend it to the full Board of Governors for a vote.

Mr. Holmes recused himself from voting on this item due to a conflict of interest.

**Motion:** Thomas H. Fetzer

**Motion carried**

#### **9. Approval of Establishment of For-Profit Associate Entity – UNC-Chapel Hill (Item A-12)**

Mr. Carter presented UNC-Chapel Hill's request to establish a for-profit associated entity ("KFBSF Private Equity Fund IV") to manage private investment funds as an educational program at the Kenan-Flagler School of Business.

**MOTION:** Resolved, that the Committee on Budget and Finance approve UNC-Chapel Hill's request to establish a for-profit associated entity and recommend it to the full Board of Governors for a vote through the consent agenda.

**Motion:** James L. Holmes, Jr.

**Motion carried**



#### **10. Discussion of 2018-19 Plan of Work (Item A-13)**

Mr. Carter briefly reviewed potential topics for consideration of the committee over the course of the 2018-19 fiscal year.

There being no further business, the meeting adjourned at 2:06 p.m.

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Carolyn Coward, Secretary

**AGENDA ITEM**

A-2. 2018 Hurricane Florence Recovery Funding Allocations.....Clinton Carter and Kimberly van Noort

**Situation:** Early on September 14, 2018, Hurricane Florence made landfall near Wilmington, N.C., causing disruption to campuses in the eastern half of the state. There was substantial damage to Fayetteville State University, UNC Pembroke, and UNC Wilmington. Heavy rain resulted in widespread flooding and prevented land access to Wilmington for several days.

**Background:** Wind and water caused substantial damage to campus buildings, roads, and infrastructure. While insurance, federal funding, and other sources will ultimately address some of these hurricane recovery needs, the three most hard-hit institutions need capital funding immediately in order to repair facilities and return to normal campus operations as soon as possible. In a special, called legislative session, the 2018 General Assembly appropriated \$30M to the Board of Governors for allocation to address these needed repairs and renovations. In addition, the General Assembly appropriated \$2M to the Board of Governors for allocation to assist students attending affected institutions or with a permanent residence in an affected area.

**Assessment:** It is recommended that funds be allocated as proposed.

**Action:** This item requires a vote by the committee and a vote by the full Board of Governors.

## 2018 Hurricane Florence Recovery Funding Allocations

### ISSUE OVERVIEW

In an October special legislative session, the 2018 General Assembly appropriated \$30,000,000 from the statewide Hurricane Florence Disaster Recovery Fund to the Board of Governors for repair and renovation of capital facilities at three campuses that sustained the heaviest damage from Hurricane Florence. Allocations are to be made to Fayetteville State University, UNC Pembroke, and UNC Wilmington, as described in the committee report referenced in the resulting S.L. 2018-136, 2018 Hurricane Florence Disaster Recovery Act (S.B. 3).

Under the provisions of the law, institutions will diligently seek alternative funds to cover the needs for which state funds are being provided and, if funds are provided from these alternative sources, return the state funds. Each institution will identify specific projects and funding sources as work unfolds to assure compliance with these provisions.

Based on preliminary estimates, the total cost of the storm's impact exceeds \$154M:

Institution	Storm Preparations	Storm Clean-up	Capital Property Damage	Business Interruption	Future Mitigation	Total
ECU	\$ 16,106	\$ 719,625	\$ 0	\$ 740,116	\$ 0	\$ 1,475,847
ECSU	22,317	0	0	0	2,300,000	2,322,317
FSU	26,250	170,200	455,000	0	0	651,450
NC State	130,443	394,241	323,500	45,477	0	893,661
UNCA	3,113	0	0	742	0	3,855
UNC-CH	33,465	260,828	697,300	798,009	0	1,789,602
UNCC	103,864	15,114	0	0	0	118,978
UNCG	5,698	5,203	12,110	0	0	23,011
UNCP	6,000	750,236	829,499	97,101	5,592,000	7,274,836
UNCW	0	33,512,768	102,800,000	3,287,232	0	139,600,000
WSSU	3,706	206	45,000	0	0	48,912
NCSSM	1,531	0	0	0	0	1,531
<b>Total</b>	<b>\$352,493</b>	<b>\$35,828,421</b>	<b>\$105,162,409</b>	<b>\$4,968,677</b>	<b>\$7,892,000</b>	<b>\$154,204,000</b>

Recommended capital allocations include:

Institution	Capital Property Damage – Selected Campuses	% of UNC System	\$30M Allocation	% of Allocation
FSU	\$ 455,000	.4%	\$ 455,000	1.5%
UNCP	829,499	.8%	829,499	2.8%
UNCW	102,800,000	97.4%	27,215,501	90.7%
UNC System Reserve	1,500,000	1.4%	1,500,000	5.0%
<b>TOTAL</b>	<b>\$105,584,499</b>	<b>100.0%</b>	<b>\$30,000,000</b>	<b>100.0%</b>

## 2018 Emergency Scholarship Grants for Postsecondary Students

### ISSUE OVERVIEW

In an October special legislative session, the 2018 General Assembly appropriated \$2,000,000 from the statewide Hurricane Florence Disaster Recovery Fund to the Board of Governors to establish the Hurricane Florence Emergency Grant Program for Postsecondary Students. Funding from this program will provide emergency scholarship grants in an amount up to one thousand two hundred fifty dollars (\$1,250) for each eligible UNC System student who has suffered financial hardship due to the damage and destruction from Hurricane Florence. These funds may be used to cover any expenses that support a student's continued enrollment, including costs related to transportation, textbooks, tuition, fees, and living expenses.

East Carolina University, Fayetteville State University, UNC Pembroke, and UNC Wilmington will each be awarded \$250,000 as these four universities suffered the greatest impact from Hurricane Florence and were closed the longest. The remaining 12 UNC institutions will receive a base allocation of \$25,000, plus an additional percentage of funding based on the number of students from affected counties. Any unallocated funds must be returned to the UNC System Office by January 15, 2019 for reallocation to campuses with unmet need.

Recommended emergency scholarship grant allocations are shown in the table below:

<b>Institution</b>	<b>Funding Amount</b>
ASU	\$ 86,697.17
ECU	250,000.00
ECSU	32,406.62
FSU	250,000.00
N.C. A&T	103,176.91
NCCU	69,884.14
NC State	194,537.62
UNCA	34,591.58
UNC-CH	128,211.30
UNCC	105,028.57
UNCG	103,102.85
UNCP	250,000.00
UNCW	250,000.00
UNCSA	30,369.80
WCU	60,477.73
WSSU	51,515.71
<b>TOTAL</b>	<b>\$2,000,000.00</b>

## **Hurricane Florence Recovery Funding Appendix A – Special Provision**

### ***Special Provision Guiding Allocation of Grants (S.L. 2018-136)***

#### **EMERGENCY SCHOLARSHIP GRANTS FOR POSTSECONDARY STUDENTS**

SECTION 5.3.(a) Program Established; Purpose. – There is established the Hurricane Florence Emergency Grant Program for Postsecondary Students (Program) to provide emergency scholarship grants in an amount up to one thousand two hundred fifty dollars (\$1,250) per student to eligible postsecondary students who have suffered financial hardship due to the damage and destruction from Hurricane Florence. An emergency scholarship grant shall be used to mitigate the impact of Hurricane Florence on a student so that his or her postsecondary education in a North Carolina institution of higher education continues uninterrupted. These funds may be used to cover any expenses that support a student's continued enrollment, including costs related to transportation, textbooks, tuition, fees, and living expenses.

For the purposes of this section, an "institution of higher education" is defined as a constituent institution of The University of North Carolina, a community college under the jurisdiction of the State Board of Community Colleges, or an eligible private postsecondary institution, as defined in G.S. 116-280(3).

SECTION 5.3.(b) Applications; Eligibility. – By November 1, 2018, each institution of higher education that is eligible for an allocation of funds pursuant to this section shall begin accepting applications from eligible postsecondary students. An application for an emergency scholarship grant must demonstrate that the student is an eligible postsecondary student by including documentation that the student meets the following criteria:

- (1) The student is enrolled in the institution of higher education at the time of application.
- (2) The student has a financial need related to the impact of Hurricane Florence.
- (3) The student meets at least one of the following criteria:
  - a. The institution of higher education in which the student was enrolled as of September 10, 2018, is located in a county designated under a major disaster declaration by the President of the United States under the Stafford Act (P.L. 93-288) as a result of Hurricane Florence.
  - b. The student resided, as of September 10, 2018, temporarily or permanently, in a county designated under a major disaster declaration by the President of the United States under the Stafford Act (P.L. 93-288) as a result of Hurricane Florence.

SECTION 5.3.(c) Award of Grants. – Within the funds available to an institution of higher education in accordance with this section, an institution shall award an emergency scholarship grant to an eligible postsecondary student within two weeks of the receipt of the application, or as soon as otherwise practicable, in an amount of up to one thousand two hundred fifty dollars (\$1,250) based on the information provided in the student's application. An institution of higher education may establish priority in the award of emergency scholarship grants to eligible postsecondary students based on the funds available and the pool of applicants, including giving priority to students who have demonstrated the greatest financial need. If no priority in the award of funds is established, the emergency scholarship grants shall be awarded in the order in which applications are received. If the institution of higher education has unexpended funds remaining after the award of the initial emergency scholarship grants, the institution may increase the award to an eligible postsecondary student who previously received funds or solicit additional applications from eligible postsecondary students, provided that the award to an individual student does not exceed one thousand two hundred fifty dollars (\$1,250) for each academic semester in which funds are awarded.

## **Hurricane Florence Recovery Funding Appendix A – Special Provision**

SECTION 5.3.(d) Reimbursement for Losses Covered by Other Funds. – An eligible postsecondary student who receives an emergency scholarship grant under the Program shall use best efforts and take all reasonable steps to obtain alternative funds that cover the losses or needs for which the emergency scholarship grant funds are provided, including funds from insurance policies in effect and available federal aid. If the student obtains alternative funds, the student shall remit the amount of the emergency scholarship grant covered by the alternative funds to the institution of higher education. A student is not required to remit any amount in excess of the funds provided to the student.

SECTION 5.3.(e) Funds for UNC Constituent Institutions. – Of the funds allocated to the Board of Governors of The University of North Carolina from the Hurricane Florence Disaster Recovery Fund for the 2018-2019 fiscal year, the sum of two million dollars (\$2,000,000) in nonrecurring funds shall be allocated by the Board of Governors to constituent institutions of The University of North Carolina for the purpose of providing emergency scholarship grants to eligible postsecondary students in accordance with the Program. The Board of Governors shall prioritize the allocation of funds based on the impact of Hurricane Florence on enrolled students to the following constituent institutions:

(1) A constituent institution located in a county designated under a major disaster declaration by the President of the United States under the Stafford Act (P.L. 93-288) as a result of Hurricane Florence.

(2) A constituent institution that is not located a county designated under a major disaster declaration by the President of the United States under the Stafford Act (P.L. 93-288) as a result of Hurricane Florence but has an eligible postsecondary student enrolled at the institution who (i) resides, temporarily or permanently, in a county designated under a major disaster declaration by the President of the United States under the Stafford Act (P.L. 93-288) as a result of Hurricane Florence or (ii) has transferred to the institution due to the damage and destruction caused by Hurricane Florence.

Constituent institutions allocated funds under this subsection shall have discretion to establish criteria for the eligibility of postsecondary students in addition to the criteria required by this section. However, the Board of Governors shall not establish additional eligibility requirements for the administration of the Program to those set forth in this section.

**AGENDA ITEM**

A-3. DRAFT 2019-21 Budget Priorities..... Clinton Carter and Andrew Kelly

- Situation:** One of the principal responsibilities of the Board of Governors is to “develop, prepare, and present to the Governor and the General Assembly a single, unified recommended budget for the constituent institutions of the University of North Carolina” [G.S. 116-11(9)a]. In odd numbered years, the governor recommends and the General Assembly enacts a biennial (two-year) budget. In even numbered years, adjustments are made to the budget for the second fiscal year of the biennium.
- Background:** Since the preliminary revenue forecast indicates that recurring revenue availability will be limited, the Office of State Budget and Management (OSBM) is encouraging state agencies to look for opportunities to improve program delivery and agency operational efficiency. State agencies were instructed to limit General Fund appropriation expansion requests to no more than two percent of the agency’s 2018-19 certified recurring appropriation.
- Assessment:** The 2019-21 budget priorities and the legislative agenda lay the foundation for a more productive, data driven, and accountable system of higher education and are directly tied to the goals in the Strategic Plan.
- Action:** This item is for discussion only. Final recommendations will be made at the December 2018 Board of Governors meeting.

# University of North Carolina

## FY 2019-21 Operating Budget Priorities

	FY 2019-20		FY 2020-21	
<b>2018-19 Enacted Budget</b> <i>(Excludes Aid to Private Institutions)</i>	<b>\$2,894,709,796</b>		<b>\$2,894,709,796</b>	
<b>Increasing On-time Graduation Rates:</b>				
Finish in Four Grants	10,000,000	R	10,000,000	R
Innovations in Student Advising (FSU, NCCU, UNCA, UNCW, and WSSU)	1,569,000	R	1,569,000	R
	13,000	NR		
Leveraging Summer Courses for On-time Completion (NC 365)	see enrollment request			
<b>Building Seamless, Affordable Transfer Pathways With NCCCS:</b>				
Tackling Credit Transfer	150,000	R	150,000	R
Credit for Military Experience	200,000	NR		
Affordable Textbooks through Open Educational Resources	600,000	R	600,000	R
NC State Student Transfer, Enrollment, Advising, and Mentoring (STEAM) Program	2,000,000	R	2,000,000	R
<b>Creating New Routes to Degree Completion through Technology:</b>				
UNC System Digital Learning Initiative	3,500,000	R	7,000,000	R
Campus-based Online Education and Part-way Home Initiatives (ASU and UNCC)	1,300,000	R	1,300,000	R
	265,000	NR	292,500	NR
<b>Data Modernization:</b>				
UNC System Data Modernization Initiative	1,000,000	R	2,000,000	R
	2,000,000	NR	3,000,000	NR
Constituent Relationship Management Shared Service	1,000,000	NR	4,000,000	NR
Campus Technology Upgrades (UNCSA)	142,000	R	142,000	R
	100,000	NR		
<b>Campus Safety and Security:</b>				
UNC Police Academy	400,000	R	550,000	R
Improvements in Information Security and Campus Law Enforcement (ECSU and UNCG)	1,200,000	R	1,200,000	R
<b>Recruiting and Retaining the Best and the Brightest:</b>				
Faculty and Staff Salary Adjustments	equity with state agencies			
Faculty Recruitment and Retention Fund	2,000,000	R	2,000,000	R
Leadership/Talent Retention and Succession Planning	250,000	R	250,000	R
Distinguished Professors	1,000,000	NR		



	FY 2019-20		FY 2020-21	
<b>Other Targeted Priorities</b>				
NCSSM Western Campus Operations	1,408,632	R	1,981,188	R
	25,928	NR	795,376	NR
Veterans Legal Clinic & Career Advancement Program	600,000	R	600,000	R
Brody School of Medicine	15,000,000	R	15,000,000	R
Doctoral Research Funding for N. C. A&T	1,000,000	R	1,000,000	R
Innovation in Manufacturing Biopharmaceuticals at NC State	2,000,000	NR	2,000,000	NR
Data Science Program at UNC-CH	1,000,000	R	1,000,000	R
College of Health Sciences at UNCP	650,000	R	650,000	R
WCU and NC Arboretum Facilities and Programming	179,746	R	183,000	R
UNC-TV Satellite Uplink Truck	350,000	NR		
<b>Requested Increase to FY 2019-21 Operating Budget</b>	<b>\$43,949,378</b>	<b>R</b>	<b>\$49,175,188</b>	<b>R</b>
	<b>\$6,953,928</b>	<b>NR</b>	<b>\$10,087,876</b>	<b>NR</b>
<b>Total Requested Increase to FY 2019-21 Operating Budget</b>	<b>\$50,903,306</b>		<b>\$59,263,064</b>	
<b>Percent Change in Recurring Funding</b>	<b>1.52%</b>		<b>1.70%</b>	
<b>Total Percent Change</b>	<b>1.76%</b>		<b>2.05%</b>	
<b>Enrollment Changes</b>	<b>\$53,500,000</b>	<b>R</b>	<b>\$109,000,000</b>	<b>R</b>
Enrollment Funding	42,000,000	R	86,000,000	R
NC Promise	11,500,000	R	23,000,000	R
<b>Building Reserves</b>	<b>\$6,145,919</b>	<b>R</b>	<b>\$22,751,300</b>	<b>R</b>
<b>Requested Increase Including Enrollment Funding and Building Reserves</b>	<b>\$103,595,297</b>	<b>R</b>	<b>\$180,926,488</b>	<b>R</b>
	<b>\$6,953,928</b>	<b>NR</b>	<b>\$10,087,876</b>	<b>NR</b>
<b>Total Revised FY 2019-21 Operating Budget</b>	<b>\$3,005,259,021</b>		<b>\$3,085,724,160</b>	
<b>Total Percent Change Including Enrollment Funding</b>	<b>3.82%</b>		<b>6.60%</b>	



## 2019-21 UNC OPERATING BUDGET PRIORITIES DISCUSSION

*Committee on Budget and Finance*

**November 8, 2018**

### ***Budget Process***

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- Governor's 2019-21 budget instructions distributed in September.
  - Instructions allowed for expansion requests of up to 2% of the FY 2018-19 certified recurring appropriation, excluding enrollment funding.
  - Due date per instructions is November 30, 2018.
- OSBM has been flexible with UNC System.

## ***Budget Timeline***

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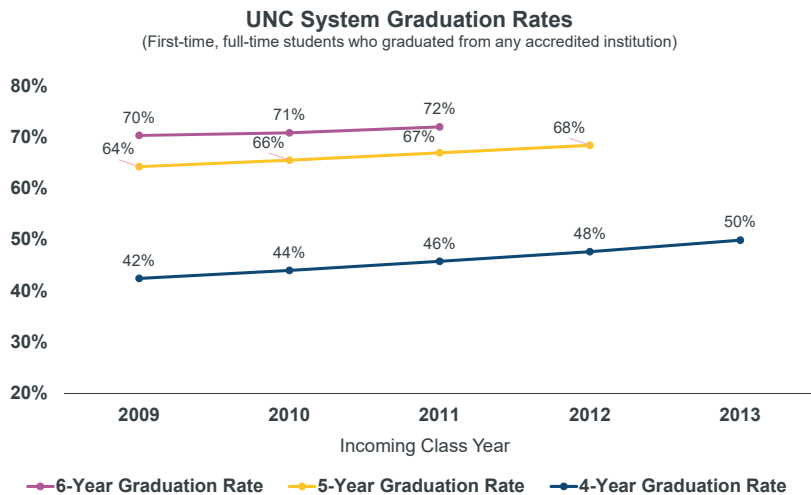
- Institutions were asked to submit up to three expansion requests by October 5, not to exceed 2% of their certified recurring appropriation.
- Board task forces and working groups are finalizing recommended items for inclusion.
- Enrollment funding and other targeted priorities are being finalized by the System Office.
- Final priorities will be presented for approval at the December Board meeting.

## ***Operating Budget Priority Areas – Overview***

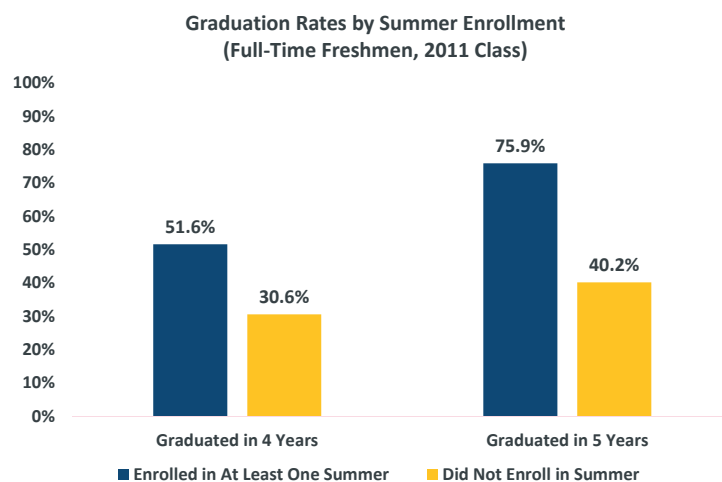
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- Dramatically increase on-time graduation
- Build seamless, affordable transfer pathways with NC Community Colleges
- Create new routes to degree completion through technology
- Continue efforts to modernize data
- Ensure campus safety and security
- Recruit and retain the best and the brightest

## Room to Improve On-time Graduation Rates



## We know that students who enroll in summer are more likely to graduate on time.



## ***Increasing On-Time Graduation Rates***

- Focus on summer enrollment as a faster path to graduation:
  - Enrollment funding request
  - Finish in four grants
  - Extension of NC Promise buy down to summer courses
- Innovations in student advising:
  - Campus requests from FSU, NCCU, UNCA, UNCW, and WSSU

## ***Building Transfer Pathways with NCCCS***

- Transfer Advisory Committee
- Affordable textbooks
- Credit for military experience (Committee on Military and Veterans Affairs)
- Student transfer, enrollment, advising, and mentoring (STEAM) program – campus request from NC State

## ***New Routes to Completion through Technology***

- UNC System Digital Learning Initiative
- Online Education and Part-way Home campus requests from Appalachian and UNCC

## ***Data Modernization***

- UNC System Data Modernization Initiative
- Constituent Relationship Management Shared Service – request from the Committee on Historically Minority Serving Institutions (HMSI)
- Technology upgrades – campus request from UNCSA

## ***Campus Safety and Security***

- UNC Police Academy
- Campus law enforcement (ECSU) and information security (UNCG)

## ***Recruiting and Retaining the Best and Brightest***

- Faculty and staff salary adjustments
- Faculty Recruitment and Retention Fund
- Leadership retention and succession planning
- Distinguished Professors

## *Other Targeted Priorities*

- NCSSM Western Campus operating funds
- Veterans legal clinic and career advancement program – requested by the Committee on Military and Veterans Affairs
- Brody School of Medicine operating funds
- Additional NC Promise buy down
- Institution-specific requests:
  - Doctoral research funding (N.C. A&T)
  - Innovation in Manufacturing Biopharmaceuticals (NC State)
  - Data Science program (UNC-Chapel Hill)
  - College of Health Sciences (UNCP)
  - WCU and NC Arboretum Facilities and Programming
  - UNC-TV Satellite Uplink Truck

## *Building Reserves for New Construction*





Institution	Building	FY 2019-20	FY 2020-21
ECSU	GR Little Library* (reduction due to scheduling change)	(\$ 203,339)	(\$ 27,205)
ECSU	Moore*	69,257	392,637
FSU	Lyons Science Renovation*	337,730	455,472
NC State	Utility Infrastructure (Fitts-Woolard and Plant Sciences)*	434,085	585,615
NC State	Fitts-Woolard Hall*	–	4,219,070
UNCA	Carmichael Hall Renovation*	–	325,718
UNCA	Owen Hall Renovation*	–	464,267
UNCC	Science Building*	–	1,758,799
UNCG	Nursing & Instructional Building*	1,061,499	981,693
UNCG	South Chiller Plant*	692,789	725,973
UNCP	West Hall Renovation	279,633	306,995
UNCW	Allied Health (Veteran's Hall)*	1,457,674	2,883,488
UNCSA	Performance Place Renovation*	99,993	171,603
UNCSA	Old Library Renovation*	339,313	377,078
WCU	STEM Building*	–	3,490,619
WSSU	Science and General Office Building*	1,577,285	1,624,438
WSSU	1602 Lowery Street Renovations	–	2,178,333
NCSSM	NCSSM Morganton*	–	1,836,707
<b>TOTAL</b>		<b>6,145,919</b>	<b>22,751,300</b>



THANK YOU

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QUESTIONS?

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**AGENDA ITEM**

A-4. 2018-19 Enrollment Funding Allocation.....Clinton Carter

**Situation:** While most of the funding for the current operations budget of each institution is allocated in the base budgets as approved by the General Assembly, some funds for expansions and improvements are appropriated to the Board of Governors for allocation to the institutions. Funding for enrollment is typically allocated directly by the General Assembly to the institutions based on projected enrollment. However, a special provision in S.L. 2017-57, Appropriations Act of 2017 (S.B. 257), directs the Board to allocate the enrollment funding based on actual enrollment.

The General Assembly also authorized the director of the budget, on recommendation of the Board, to allow for transfer of funds to provide additional adjustments for over- or under-enrollment and to provide for the orderly and efficient operation of institutions.

**Background:** The special provision guiding the enrollment funding allocation requires that fall enrollment be verified at census, which does not occur until ten days into the academic semester. This process was completed for the first time last fall and has been repeated for students enrolled for fall of 2018.

**Assessment:** It is recommended that the 2018-19 enrollment funding allocation, detailed in the attached report, be approved and that the president be authorized to make refinements in the interest of accuracy and completeness. It is further recommended that the president be authorized to seek such concurrence as may be required of the director of the budget in the allocation of the foregoing allocation.

**Action:** This item requires a vote by the committee, with a vote by the full Board of Governors through the consent agenda.

## 2018-19 Enrollment Funding Allocation

This document includes the recommended allocation of enrollment funding as well as detail on student credit-hour enrollment for FY 2018-19. The allocation is based on a special provision, approved by the General Assembly in 2017, and has been discussed with the UNC institutions and the Office of State Budget and Management.

*It is recommended that the 2018-19 enrollment funding allocation, detailed in the table below, be approved and that the president be authorized to make refinements in the interest of accuracy and completeness. It is further recommended that the president be authorized to seek such concurrence as may be required of the director of the budget in the allocation.*

### Enrollment Change Funding

The General Assembly fully funded the Board's enrollment change funding request by appropriating \$48,163,406 for 2018-19. In previous years, enrollment appropriations were either allocated directly to the campuses through the continuation budget or to a Board of Governors reserve account. In 2017, the General Assembly made the appropriation to an OSBM reserve account. A special provision in the 2017 Appropriations Act (Sec. 10.10), included in Appendix A, required that actual enrollment be verified following fall semester census and spring semester funding be based on a three-year average fall-to-spring retention of fundable credit hours. The Board is directed to allocate funds for the fiscal year, subject to the approval of the Director of the Budget. Funds remaining in the reserve following the allocation will be reverted. Systemwide, enrollment is calculated to increase by 3,069 FTE students as shown on the following page.

### Recommended Enrollment Funding Allocation

The enrollment change request and allocations are based on the University's student-credit-hour funding model, except for the components that remain on the FTE funding model. As required by the special provision, the enrollment numbers applied to the model were based on fall semester census and an estimate of spring semester credit hours calculated using a three-year average fall-to-spring retention of fundable credit hours. It is recommended that reductions to appropriation be limited to 40% of the calculated amount. The recommended allocation is shown in the table below.

#### FY 2018-19 Recommended Enrollment Funding Allocation

	Requirements (Fall Act. & Spring Est.)	Receipts (Fall Act. & Spring Est.)	Appropriation (Fall Act. & Spring Est.)	Recommended Allocation
ASU	\$ 3,731,776	\$ 1,578,316	\$ 2,153,460	\$2,153,460
ECU	(5,486,640)	(3,455,700)	(2,030,940)	(812,376)
ECSU	2,212,886	2,827,775	(614,889)	(245,956)
FSU	402,315	(210,820)	613,135	613,135
N.C. A&T	4,103,717	6,123,667	(2,019,950)	(807,980)
NCCU	(221,434)	1,725,594	(1,947,028)	(778,811)
NC State	6,684,626	4,226,572	2,458,054	2,458,054
UNCA	(969,100)	(249,872)	(719,228)	(287,691)
UNC-CH	12,241,933	6,816,549	5,425,384	5,425,384
UNCC	1,459,495	(1,522,471)	2,981,966	2,981,966
UNCG	8,253,335	1,538,390	6,714,945	6,714,945
UNCP	10,013,969	4,288,688	5,725,281	5,725,281
UNCW	7,851,579	(108,367)	7,959,946	7,959,946
UNCSA	1,202,576	392,052	810,524	810,524
WCU	6,577,985	4,978,144	1,599,841	1,599,841
WSSU	(5,704,512)	40,223	(5,744,735)	(2,297,894)
NCSSM	162,359	0	162,359	162,359
<b>TOTALS</b>	<b>\$52,516,865</b>	<b>\$28,988,740</b>	<b>\$23,528,125</b>	<b>\$31,374,187</b>

## 2018-19 Enrollment Funding Allocation

The General Assembly authorized the director of the budget, on recommendation of the Board, to allow for transfer of funds to provide additional adjustments for over or under enrollment and to provide for the orderly and efficient operation of institutions. Accordingly, the recommended allocation considers endeavors to hold campuses accountable for the actual enrollment realized, while preventing extreme financial detriment.

The enrollment allocations are based on the University's student-credit-hour funding model, except for the components that remain on the FTE funding model. State-funded enrollments (SCH and FTE models) are shown in the table below.

<b>Institution</b>	<b>Student Credit Hours</b>	<b>FTE Funding Model</b>
ASU	515,829	
ECU	714,220	530
ECSU	45,241	
FSU	145,005	
N.C. A&T	321,575	
NCCU	194,242	357
NC State	829,212	451
UNCA	96,431	
UNC-CH	648,819	2,420
UNCC	738,699	
UNCG	518,123	
UNCP	178,641	
UNCW	425,787	
UNCSA	—	1,273
WCU	293,162	
WSSU	138,784	
NCSSM	—	217
<b>Total</b>	<b>5,803,770</b>	<b>5,248</b>

*\* FTE Model programs include: ECU Medical and Dental Schools, NCCU School of Law, NCSU School of Veterinary Medicine, UNC-CH Schools of Dentistry, Law, Medicine, and Pharmacy, UNCSA, and NCSSM.*

## **2018-19 Enrollment Funding Appendix A – Special Provision**

### ***Special Provision Guiding Enrollment Change Funding***

#### **UNC ENROLLMENT FUNDING/OSBM RESERVE ACCOUNT**

SECTION 10.10. Funds appropriated by this act for enrollment adjustments, including funds for the NC Promise Tuition Plan, shall be certified to a reserve account in the Office of State Budget and Management. The appropriation is made on an annual basis and shall be held in reserve until actual enrollment can be verified following the fall semester census. Funds for the spring semester shall be allocated using the actual enrollment from the fall semester and applying the three-year average fall-to-spring retention of fundable credit hours. After verification, the Board of Governors, subject to the approval of the Director of the Budget, shall allocate the funds for the fiscal year to the constituent institutions based on the criteria set out in this section.

Upon authorization by the Director of the Budget, funds may be advanced to constituent institutions whose tuition receipts are insufficient to maintain operations until enrollment is verified. Any institutions receiving funds in advance shall report to the Office of State Budget and Management at the close of the semester to reconcile any differences between funding received for enrollment and actual enrollment. An allocation made pursuant to this section may result in an allocation to a constituent institution that is greater than or less than the amount originally requested for enrollment change funding at that institution. Pursuant to G.S. 116-11(9)c., the Director of the Budget may, on recommendation of the Board, authorize transfer of appropriated funds from one institution to another to provide additional adjustments for over or under enrollment or may make any other adjustments among institutions that would provide for the orderly and efficient operation of institutions.

**AGENDA ITEM**

A-5. Authorization of Millennial Campus Subground Lease – Western Carolina University ..... Mike Byers

**Situation:** Western Carolina University requests that the Board of Governors authorize a subground lease and related agreements in connection with the development of student housing facilities consisting of roughly 500 beds and related surface parking facilities (collectively, the “Project”).

**Background:** The Board previously designated a portion of WCU’s campus on which the Project will be located as a Millennial Campus and ground-leased the property to the WCU Endowment Fund for 99 years. That ground lease specifies that any subground lease that exceeds a term of 10 years shall be approved by the Board of Governors.

WCU now seeks the Board’s authorization to sub-ground lease the Project site to Zimmer Development Company, LLC, and (“Zimmer”). The subground lease will contain the material terms provided to the Board in the term sheet.

**Assessment:** Under the subground lease, Zimmer will lease the Project site for a term of 40 years with an option to renew for 10 additional years. Zimmer will own any improvements to the Project site and will grant a lien on its leasehold interest in the Project site to secure financing for the Project. WCU will have no financial obligation or liability with respect to the financing. At the termination date of the subground lease, title and ownership of the improvements will automatically vest in the Board of Trustees for the Endowment Fund of WCU.

Once completed, Zimmer will operate and manage the Project.

**Action:** This item requires a vote by the committee, with a vote by the full Board of Governors through the consent agenda.

Western Carolina University  
Subground Lease Term Sheet

November 8, 2018

Western Carolina University (WCU) is requesting authority to negotiate and enter into a subground lease for development of the “Project” as described below, on substantially the terms set forth in this Term Sheet.

<b>I. Project Overview</b>	
1. Project	Approximately 500 student housing beds in apartment-style units across nine residential buildings, and approximately 500 surface parking spaces. The number of beds and parking spaces may change slightly as project details are finalized.
2. Project Participants	Lessor – WCU  Lessee – The Board of Trustees for the Endowment Fund of WCU  Sub-Lessee – Zimmer Development Company (“Zimmer”)

<b>II. Subground Lease</b>	
3. Subground Lease Term	The subground lease term will be 40 years with an option to renew for 10 additional years.
4. Financing	100% of project costs are to be financed with the proceeds of a traditional construction loan obtained by Zimmer, with no recourse to WCU. Upon completion and stabilization of occupancy, the construction loan will either be converted to or replaced with a new permanent loan. WCU will have no recourse on any Zimmer loan during the term of the subground lease. WCU will have no financial responsibility or liability for any Zimmer loan.
5. Ownership of Improvements during the Term of the Subground Lease	Zimmer will own the improvements comprising the Project for the duration of the subground lease agreement.  ·
6. Ownership of Improvements Upon Expiration of the Subground Lease	At the expiration of the subground lease, ownership reverts to the Board of Trustees for the Endowment Fund of Western Carolina University, free and clear of all liens and encumbrances, without any contribution or compensation.
7. Subground Lease Rent to WCU	The subground lease agreement will provide that WCU be paid \$82,500 per year in land rent, with 5% escalation every 5 years.
8. Operating Budget	Zimmer will manage the property without any involvement from WCU.
9. Common Area Maintenance	Zimmer will pay a proportionate share of the cost for Millennial Campus maintenance (“CAM”), the annual charge for which will be determined based on a calculation of the estimated land value for the subground leased

	area at the Jackson County property tax rate. The rate may be adjusted to account for future development of the Millennial Campus.
10. Student Rental Fees	Student rental rates will be aligned with rates in the surrounding market. An appraisal report has been the basis for the subground lease negotiations.
11. University Review of Final Design and Construction Documents	WCU will have final review and approval of building design in order to ensure safety and aesthetic consistency with campus.
12. Student Housing Delivery Schedule	Substantial completion shall occur no later than August 1, 2021, unless otherwise agreed to in writing.
13. Mortgages and Other Liens	No liens will encumber the State of North Carolina's fee interest in the subground leased property. Zimmer may place liens against its leasehold interest solely to secure financing.



**AGENDA ITEM**

A-6. Acquisition of Property by Deed/Disposition of Property by Demolition – N.C. A&T ..... Clinton Carter

- Situation:** The Board of Trustees of North Carolina Agricultural and Technical State University requests authorization to acquire property by way of transfer of deed from the N.C. A&T Real Estate Foundation to the university. At the same time, permission is requested to dispose of property by demolition of seven single-family residences on those properties in Greensboro, NC.
- Background:** N.C. A&T needs to acquire the sites and demolish these residential structures consistent with their master plan for development and, for some specific sites, to clear the path for development of a new student housing apartment building. A privatized housing development under a ground lease to the institution's foundation is anticipated.
- Assessment:** Construction of the new apartment building is expected to meet growing student demand for apartment-style housing, conveniently located on and/or adjacent to the existing campus. The acquisition of these properties and demolition of structures will prepare the institution for a future consistent with its master plan.
- Action:** This item requires a vote by the committee, with a vote by the full Board of Governors through the consent agenda.

## **Acquisition of Property by Deed/Disposition of Property by Demolition – N.C. A&T**

### **ISSUE OVERVIEW**

UNC System institutions are required to request authority from the Board of Governors to proceed with certain acquisitions and dispositions of real property.

The North Carolina Agricultural and Technical State University Board of Trustees is requesting authorization to acquire by deed seven properties with single-family residential structures in Greensboro, NC and authorization to demolish those structures. Demolition is needed to clear the site for a student apartment building and support the campus development master plan.

GRANTOR: N.C. A&T Real Estate Foundation  
GRANTEE: State of North Carolina, North Carolina Agricultural and Technical State University  
LOCATIONS: 411 Banks St., 401, 404, 406, 407 Boyd Street, 921 and 1013 Bluford<sup>1</sup> Street, Greensboro, NC  
PURCHASE AMOUNT: \$407,868.10  
SOURCE OF FUNDS:

The properties on Boyd St. are part of the footprint for the apartment building to be constructed for student housing and include parking areas. A ground lease for development under the institution's foundation will be submitted for consideration at a future Board meeting.

The N.C. A&T Board of Trustees voted to acquire and demolish these properties at its November 22, 2013 meeting.

### **RECOMMENDATION**

It is recommended that the Board of Governors approve this request. Following Board approval, final action will be required by the Council of State.

<sup>1</sup> \*Corrected to 1013 Bluford Street, as amended by the Committee on Budget & Finance on November 8, 2018.

Form PO-1  
Original to  
State Property Office

STATE OF NORTH CAROLINA  
DEPARTMENT OF ADMINISTRATION  
RALEIGH  
\* ACQUISITION OF REAL PROPERTY

Institution or Agency: **North Carolina Agricultural and Technical State University**  
Date: **09/04/2018**

The Department of Administration is requested, as provided by G.S. 146-22 et seq. to acquire the real property herein described, by **Purchase**

Name and Address of Owner:  
**North Carolina A&T Real Estate Foundation**  
**200 North Benbow Road**  
**Greensboro, North Carolina 27411**

Description of Property:

<b>921 Bluford Street=</b>	<b>\$33,126.70</b>	<b>407 Boyd Street =</b>	<b>\$55,645.03</b>
<b>411 Banks Street =</b>	<b>\$46,989.95</b>	<b>404 Boyd Street =</b>	<b>\$57,747.98</b>
<b>406 Boyd Street=</b>	<b>\$57,756.02</b>	<b>1013 <del>Boyd</del> Street =</b>	<b>\$102,321.73</b>
<b>401 Boyd Street=</b>	<b>\$54,280.69</b>		

The above prices represent what the Foundation paid for the properties on behalf of the University.

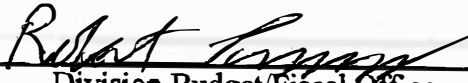
Office space consisting of   N/A   square feet of office space, located at  
**Greensboro,, North Carolina.**  
**Guilford County**

Estimated Value: **\$407,868.10** (Rental Price if applicable annual, % annual increase

Only fill out what applies:

Inc. Janitorial, Utilities and parking  
\$ Per square foot

Funds for the acquisition of this property are available in our budget under code: **University Operating Funds**

Company: \_\_\_\_\_ Account: \_\_\_\_\_ Center: \_\_\_\_\_  
\_\_\_\_\_ % State  
100 % Federal  
\_\_\_\_\_ % other (explain \_\_\_\_\_  
Approved:   
Division Budget/Fiscal Officer

In the event the above described real property is not acquired, is there other real property available, owned by the State or otherwise, that you believe would, if acquired, fulfill the requirements of your agency? If so, give details.

(Fill in if Agency has a Governing Board) Action, recommending the above request, was taken by the Governing Board on (date) **November 22<sup>nd</sup>, 2013** and is recorded in the minutes thereof.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

\* The term "real property" includes timber rights, mineral rights, etc. (G.S. 146-64)

\* Corrected to 1013 Bluford Street, as amended by the Committee on Budget & Finance on November 8, 2018.

Approved as amended by the UNC Board of Governors on November 9, 2018

of

**NORTH CAROLINA AGRICULTURAL AND TECHNICAL STATE UNIVERSITY  
GREENSBORO, N.C.**



COPY

**RESOLUTION  
FOR  
ACQUISITION AND DEMOLITION**

**WHEREAS**, pursuant to Appendix I, Section VI of the Code of the Board of Governors, the Board of Trustees of North Carolina Agricultural and Technical State University has been delegated authority to approve building sites, plans and specifications, and to adopt policies applicable to the control and supervision of all property matters; and

**WHEREAS**, North Carolina Agricultural and Technical State University Master Plan (completed in 2000) identifies real property adjacent to the University that if acquired would provide the University the means to continue expanding its educational mission; and

**WHEREAS**, North Carolina Agricultural and Technical State University has identified adjacent properties as areas A, B, C, D, E and F; and

**WHEREAS**, The majority of properties located in areas A, B, C, D and have been acquired and demolished; and

**WHEREAS**, North Carolina Agricultural and Technical State University now seeks to purchase and demolish additional properties in the F area (bounded by Bluford Street, Lindsay Street and the university), as well as remaining properties in section A, B, C, and D in accordance with the rules and regulations of the State of North Carolina and in furtherance of its mission; and

**THEREFORE, BE IT RESOLVED** that the Board of Trustees of North Carolina Agricultural and Technical State University supports the purchase and demolition of properties in the F area of our Master Plan as well as the remaining properties in sections A, B, C, and D.

This 22<sup>nd</sup> day of November 2013.

A handwritten signature in cursive script, reading "Patricia Miller Zollar".

Patricia Miller Zollar, Board Chairman

A handwritten signature in cursive script, reading "Karen J. Collins".

Karen J. Collins, Secretary



New Campus Housing Site

UNIVERSITY OWNED  
PRIVATE OWNER  
FOUNDATION NEGOTIATION  
FOUNDATION CLOSED 45d  
FOUNDATION/A&T PROCESS

Approved as amended by the UNC Board of Governors on November 9, 2018

C D

- Univeristy Owned
- Private Owner
- Foundation Negotiation
- Foundation Closed 45d
- Foundation/A&T Process



**STATE OF NORTH CAROLINA  
DEPARTMENT OF ADMINISTRATION  
DISPOSITION OF REAL PROPERTY**

Institution or Agency: North Carolina A&T State University

Date: 10/19/2018

The Department of Administration is requested, as provided by GS §146-28 et seq., to dispose of the real property herein described by *purchase, lease, rental, or other (specify)*. Demolition

This disposition is recommended for the following reasons:

**North Carolina A&T State University seeks to demolish the houses located at  
1208 Salem Street-\$50,000.00  
1210 Salem Street- \$50,000.00**

**These homes purchased previously were not included in original PO-2. These properties were not listed as demolition when they went to Council of State.**

**The University is currently in the process of purchasing the following houses from the Foundation that also need to be demolished once purchased**

<b>921 Bluford Street-</b>	<b>\$33,126.70</b>		
<b>411 Banks Street-</b>	<b>\$46,989.95</b>	<b>407 Boyd Street-</b>	<b>\$55,645.03</b>
<b>406 Boyd Street-</b>	<b>\$57,756.02</b>	<b>404 Boyd Street-</b>	<b>\$57,747.98</b>
<b>401 Boyd Street-</b>	<b>\$54,280.69</b>	<b>1013 Boyd* Street-</b>	<b>\$102,321.73</b>

**We are seeking permission to raze these properties in anticipation of creating new student housing and parking space. These houses are located within our master plan.**

Description of Property: *(Attach additional pages if needed.)*

**Single Family residences located within the University masterplan.**

Estimated value: **\$507,868.10**

Where deed is filed, if known: Guilford County Courthouse

If deed is in the name of agency other than applicant, state the name:

**State of North Carolina**

Rental income, if applicable, and suggested terms:

**N/A**

Funds from the disposal of this property are recommended for the following use:

**N/A**

*(Complete if Agency has a Governing Board.)*

Action recommending the above request was taken by the Governing Board of NCA&T and is recorded in the minutes thereof on November 22nd, 2013 (date).

\*Corrected to 1013 Bluford Street, as amended by the Committee on Budget & Finance on November 8, 2018.

Approved as amended by the UNC Board of Governors on November 9, 2018



## AGENDA ITEM

A-7. Disposition of Property by Demolition – N.C. A&T State University ..... Clinton Carter

<b>Situation:</b>	The North Carolina Agricultural and Technical State University Board of Trustees requests authorization to dispose of property by demolition of thirteen single-family residences in Greensboro, NC.
<b>Background:</b>	N.C. A&T needs to demolish these residential structures consistent with the campus development master plan and, for some specific sites, to clear the path for construction of a new student housing apartment building. A privatized housing development under a ground lease to the institution's foundation is anticipated.
<b>Assessment:</b>	Construction of the new apartment building is expected to meet growing student demand for apartment-style housing, conveniently located on and/or adjacent to the existing campus. The demolition of these structures will prepare the institution for a future consistent with its master plan.
<b>Action:</b>	This item requires a vote by the committee, with a vote by the full Board of Governors through the consent agenda.

## **Disposition of Property by Demolition – N.C. A&T State University**

### **ISSUE OVERVIEW**

UNC System institutions are required to request authority from the Board of Governors to proceed with certain acquisitions and dispositions of real property.

The N.C. A&T Board of Trustees has requested authorization to demolish 13 single-family residential structures in Greensboro, NC to clear the site for a student apartment building and support the campus development master plan. Houses will be razed at the following locations:

400 Banks St.  
400 Boyd St.  
1009, 1108, 1110, 1200, 1208, 1210 Salem St.  
401, 402, 403, 404, 405 Stedman St.

Those homes at 1108, 1110, and 1200 Salem St. are currently on the site where the new apartment building is to be located. Approximately 450 student beds will be constructed in a four-story building with retail on the ground level. A ground lease for development under the institution's foundation will be submitted for consideration at a future Board meeting.

The N.C. A&T Board of Trustees voted to approve these demolitions at its November 20, 2009 meeting, approving both acquisition and demolition in the same action.

### **RECOMMENDATION**

It is recommended that the Board of Governors approve this request. Following Board approval, final action will be required by the Council of State.



**STATE OF NORTH CAROLINA  
DEPARTMENT OF ADMINISTRATION  
DISPOSITION OF REAL PROPERTY**

Institution or Agency: North Carolina A&T State University

Date: 08/15/2018

The Department of Administration is requested, as provided by GS §146-28 et seq., to dispose of the real property herein described by *purchase, lease, rental, or other (specify)* **Demolition**

This disposition is recommended for the following reasons:

**North Carolina A&T State University seeks to demolish the houses located at  
1009, 1108, 1110, 1200, Salem Street,  
400 Boyd Street,  
400 Banks Street**

**402 Stedman, 404 Stedman, 401 Stedman, 403 Stedman and 405 Stedman. Street.  
These properties were not listed as demolition when they went to Council of State. We are seek permission to  
raze these properties in anticipation of creating new student housing and parking spaces. These houses are  
located within our master plan.**

Description of Property: *(Attach additional pages if needed.)*

**Single family residences located along Salem, Stedman a d Boyd Streets.**

Estimated value: \$550,000.00

Where deed is filed, if known: Guilford County Courthouse

If deed is in the name of agency other than applicant, state the name:

State of North Carolina

Rental income, if applicable, and suggested terms:

**N/A**

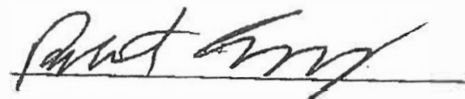
Funds from the disposal of this property are recommended for the following use:

**N/A**

*(Complete if Agency has a Governing Board.)*

Action recommending the above request was taken by the Governing Board of NCA&T and is recorded in the minutes thereof on November 20<sup>th</sup>, 2009

Signature:  
Title:



**STATE OF NORTH CAROLINA  
DEPARTMENT OF ADMINISTRATION  
DISPOSITION OF REAL PROPERTY**

Institution or Agency: North Carolina A&T State University

Date: 10/19/2018

The Department of Administration is requested, as provided by GS §146-28 et seq., to dispose of the real property herein described by *purchase, lease, rental, or other (specify)*. Demolition

This disposition is recommended for the following reasons:

**North Carolina A&T State University seeks to demolish the houses located at**  
**1208 Salem Street-\$50,000.00**  
**1210 Salem Street- \$50,000.00**

**These homes purchased previously were not included in original PO-2. These properties were not listed as demolition when they went to Council of State.**

**The University is currently in the process of purchasing the following houses from the Foundation that also need to be demolished once purchased**

<b>921 Bluford Street-</b>	<b>\$33,126.70</b>		
<b>411 Banks Street-</b>	<b>\$46,989.95</b>	<b>407 Boyd Street-</b>	<b>\$55,645.03</b>
<b>406 Boyd Street-</b>	<b>\$57,756.02</b>	<b>404 Boyd Street-</b>	<b>\$57,747.98</b>
<b>401 Boyd Street-</b>	<b>\$54,280.69</b>	<b>1013 Boyd* Street-</b>	<b>\$102,321.73</b>

**We are seeking permission to raze these properties in anticipation of creating new student housing and parking space. These houses are located within our master plan.**

Description of Property: *(Attach additional pages if needed.)*

**Single Family residences located within the University masterplan.**

Estimated value: **\$507,868.10**

Where deed is filed, if known: Guilford County Courthouse

If deed is in the name of agency other than applicant, state the name:

State of North Carolina

Rental income, if applicable, and suggested terms:

**N/A**

Funds from the disposal of this property are recommended for the following use:

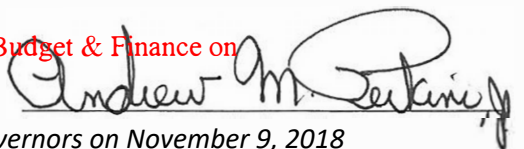
**N/A**

*(Complete if Agency has a Governing Board.)*

Action recommending the above request was taken by the Governing Board of NCA&T and is recorded in the minutes thereof on November 22nd, 2013 (date).

**\*Corrected to 1013 Bluford Street, as amended by the Committee on Budget & Finance on November 8, 2018.**

Signed: 38/69



Approved as amended by the UNC Board of Governors on November 9, 2018

of

**NORTH CAROLINA AGRICULTURAL AND TECHNICAL STATE UNIVERSITY  
GREENSBORO, N.C.**



COPY

**RESOLUTION  
FOR  
ACQUISITION AND DEMOLITION**

**WHEREAS**, pursuant to Appendix I, Section VI of the Code of the Board of Governors, the Board of Trustees of North Carolina Agricultural and Technical State University has been delegated authority to approve building sites, plans and specifications, and to adopt policies applicable to the control and supervision of all property matters; and

**WHEREAS**, North Carolina Agricultural and Technical State University Master Plan (completed in 2000) identifies real property adjacent to the University that if acquired would provide the University the means to continue expanding its educational mission; and

**WHEREAS**, North Carolina Agricultural and Technical State University has identified adjacent properties as areas A, B, C, D, E and F; and

**WHEREAS**, The majority of properties located in areas A, B, C, D and have been acquired and demolished; and

**WHEREAS**, North Carolina Agricultural and Technical State University now seeks to purchase and demolish additional properties in the F area (bounded by Bluford Street, Lindsay Street and the university), as well as remaining properties in section A, B, C, and D in accordance with the rules and regulations of the State of North Carolina and in furtherance of its mission; and

**THEREFORE, BE IT RESOLVED** that the Board of Trustees of North Carolina Agricultural and Technical State University supports the purchase and demolition of properties in the F area of our Master Plan as well as the remaining properties in sections A, B, C, and D.

This 22<sup>nd</sup> day of November 2013.

A handwritten signature in cursive script, reading "Patricia Miller Zollar".

Patricia Miller Zollar, Board Chairman

A handwritten signature in cursive script, reading "Karen J. Collins".

Karen J. Collins, Secretary



**New Campus Housing Site**

Legend:

- University Owned (Green)
- Private Owner (Yellow)
- Foundation Negotiation (Light Blue)
- Foundation Closed 45d (Red)
- Foundation/A&T Process (Purple)

Streets: N DUDLEY ST, NOCHO ST, BLUFORD ST, SALEM ST, BANKS ST, STEWART ST, BOYD ST, STEDMAN ST, W L KENNEDY DR, LAUREL ST, ARLEE ST, E LINDSAY ST, YANCEYVILLE ST.

40/69

Approved as amended by the UNC Board of Governors on November 9, 2018

C D

- Univeristy Owned
- Private Owner
- Foundation Negotiation
- Foundation Closed 45d
- Foundation/A&T Process



**AGENDA ITEM**

A-8. Disposition of Property by Demolition – Western Carolina University..... Clinton Carter

**Situation:** The Board of Trustees for Western Carolina University requests that the Board of Governors authorize disposition of property by demolition to raze two aged dormitories.

**Background:** WCU has a long-range plan to renew its aging student housing inventory. The university places a priority on housing underclassmen (freshmen and sophomores) as a component of student retention and success. On-campus housing facilities are dormitory and suite-style facilities, many of which are in need of renovation or replacement. Most, including Scott and Walker, are not air conditioned.

The next phase of WCU's housing renewal plan is to retire Scott and Walker dormitories. These two high-rise buildings occupy a central location on campus and the site represents an important component of the campus layout. These two existing structures will be razed and site work completed to allow the site to be incorporated into the plan to build four new residence halls.

**Assessment:** Scott and Walker Halls are nine-story buildings, originally constructed in 1969 and 1972. These buildings are in very poor condition and currently reflect a comprehensive list of deferred maintenance needs. WCU's prescription to demolish these buildings, as a component of a larger site for new residence halls, accomplishes the need to renew their inventory, while simultaneously enhancing campus layout and aesthetics. The site will host the development of the Lower Campus Residence Halls project scheduled to begin construction in summer 2020 (advance planning was previously authorized by the Board of Governors).

**Action:** This item requires a vote by the committee, with a vote by the full Board of Governors through the consent agenda.

## **Disposition of Property by Demolition – Western Carolina University**

### **ISSUE OVERVIEW**

UNC System institutions are required to request authority from the Board of Governors to proceed with certain acquisitions and dispositions of real property.

The WCU Board of Trustees has requested authorization to demolish two high-rise residence halls, Scott and Walker, in order to include the property in a larger site for the development of new student housing. The condition of these two buildings is very poor. The rough estimate of the cost of the demolition is \$2.8 million.

The WCU Board of Trustees approved this demolition on September 7, 2018.

### **RECOMMENDATION**

It is recommended that the Board of Governors approve this request.

**AGENDA ITEM**

- A-9. Capital Improvement Projects – Appalachian, ECU, NC State, UNC Asheville, UNC-Chapel Hill, UNC Greensboro, and NC Arboretum ..... Clinton Carter

<b>Situation:</b>	Seven UNC System institutions have requested a total of 28 capital improvement projects: one project for advance planning, 18 new projects for authority, and nine projects for increased authorization.
<b>Background:</b>	The Board of Governors may authorize capital construction projects and advance planning projects at UNC System institutions using available funds.
<b>Assessment:</b>	Appalachian, ECU, NC State, UNC Asheville, UNC-Chapel Hill, UNC Greensboro, and NC Arboretum have requested projects that meet the statutory requirements, and it is recommended that the Board of Governors approve the projects and their methods of funding. It is further recommended that these projects be reported to the NC Office of State Budget and Management as non-appropriated projects that do not require any additional debt or burden on state appropriations.
<b>Action:</b>	This item requires a vote by the committee, with a vote by the full Board of Governors through the consent agenda.

## Capital Improvement Projects – Appalachian, ECU, NC State, UNC Asheville, UNC-Chapel Hill, UNC Greensboro, and NC Arboretum

### ISSUE OVERVIEW

UNC System institutions are required to request authority from the Board of Governors to proceed with non-appropriated capital projects using available funds (non-general funds). Non-appropriated capital projects are funded by the institution and include the construction, repair, or renovation of facilities such as residence halls, dining facilities, research buildings, athletic facilities, and student health buildings.

Seven UNC System institutions have requested a total of 28 capital improvement projects: one project for advance planning, 18 new projects for authority, and nine projects for increased authorization.

#### I. ADVANCE PLANNING

Institution/Project Title	Total Project Cost (\$)	Previous Authorization (\$)	Requested Authorization (\$)	Funding Source
<b>East Carolina University</b>				
1. Renovation for the ECU Police Department, Phase 1	\$2,500,000	-	\$2,500,000	Carry-forward
<i>ECU Subtotal</i>	<i>\$2,500,000</i>	<i>\$0</i>	<i>\$2,500,000</i>	

#### II. NEW PROJECTS

Institution/Project Title	Total Project Cost (\$)	Previous Authorization (\$)	Requested Authorization (\$)	Funding Source
<b>Appalachian State University</b>				
2. Greek Plots	\$375,000	-	\$375,000	Trust Funds /Gifts
<i>ASU Subtotal</i>	<i>\$375,000</i>	<i>\$0</i>	<i>\$375,000</i>	
<b>East Carolina University</b>				
3. Science & Technology Laboratory Building - Roof Replacement	\$909,000	-	\$909,000	Carry-forward
4. Steam Decentralization – Minges, Ward and Murphy Buildings	\$1,619,620	-	\$1,619,620	Carry-forward
5. Warren Life Sciences Building – Roof Replacement- Sections C, D and E	\$815,000	-	\$815,000	Carry-forward
<i>ECU Subtotal</i>	<i>\$3,343,620</i>	<i>\$0</i>	<i>\$3,343,620</i>	



NEW PROJECTS (continued)

<b>North Carolina State University</b>					
6.	Murphy Sports Medicine Renovation	\$1,900,000	\$120,000	\$1,780,000	Athletic Receipts
7.	Rigging Replacement Stewart Theatre	\$1,950,000	\$75,000	\$1,875,000	Trust Funds
8.	Suite 528 Renovations – Poe Hall	\$450,000	-	\$450,000	F&A
9.	HVAC Renovations Price Music Hall	\$1,200,000	\$97,500	\$1,102,500	Student Fees
10.	CVM Main Building B104 Lab Renovation	\$2,500,000	\$200,000	\$2,300,000	Gifts (30%)/ Trust Funds (70%)
<i>NC State Subtotal</i>		<i>\$8,000,000</i>	<i>\$492,500</i>	<i>\$7,507,500</i>	
<b>University of North Carolina at Chapel Hill</b>					
11.	Morehead Chemistry Teaching Labs	\$1,000,000	-	\$1,000,000	Student Fees
12.	National Pan-Hellenic Council Garden	\$750,000	-	\$750,000	Gifts
13.	School of Dentistry New Programs	\$15,000,000	-	\$15,000,000	Clinical Receipts (77%)/Gifts (20%)/ Student Fees (3%)
14.	Classroom Renewal	\$5,000,000	-	\$5,000,000	Trust Funds
<i>UNC-CH Subtotal</i>		<i>\$21,750,000</i>	<i>\$0</i>	<i>\$21,750,000</i>	
<b>The University of North Carolina at Greensboro</b>					
15.	Sullivan Science LED Conversion Project	\$340,000	-	\$340,000	Carry-forward
16.	Classroom Enhancements	\$600,000	-	\$600,000	Grant
17.	Coleman Athletics Weight Room Alterations (Room 123)	\$1,000,000	-	\$1,000,000	Gifts
18.	Coleman Building Academic Success Center	\$550,000	-	\$550,000	Education & Technology Fees
<i>UNCG Subtotal</i>		<i>\$2,490,000</i>	<i>\$0</i>	<i>\$2,490,000</i>	
<b>NC Arboretum</b>					
19.	STEM and Stormwater Education and Training Center	\$508,448	-	\$508,448	Private (14%)/ Grant (51%)/ Gifts (35%)
<i>NC Arb Subtotal</i>		<i>\$508,448</i>	<i>\$0</i>	<i>\$508,448</i>	

### III. INCREASED AUTHORIZATION

Institution/Project Title		Total Project Cost (\$)	Previous Authorization (\$)	Requested Authorization (\$)	Funding Source
<b>Appalachian State University</b>					
20.	Campus Road Repairs	\$695,000	\$675,000	\$20,000	Carry-forward
<i>ASU Subtotal</i>		<i>\$695,000</i>	<i>\$675,000</i>	<i>\$20,000</i>	
<b>East Carolina University</b>					
21.	Install Fuel Oil Containment Facilities – Main Campus Steam Plant	\$1,960,000	\$1,360,000	\$600,000	Carry-forward
22.	Ragsdale Building – Renovate Clay Tile Roof	\$1,342,000	422,000	\$920,000	Carry-forward
23.	Reline Storm Sewer – 5th Street to Greenmill Run	\$750,000	\$490,000	\$260,000	Carry-forward
<i>ECU Subtotal</i>		<i>\$4,052,000</i>	<i>\$2,272,000</i>	<i>\$1,780,000</i>	
<b>University of North Carolina at Asheville</b>					
24.	Student Housing Project	\$34,545,000	\$33,795,000	\$750,000	Housing Reserves
<i>UNCA Subtotal</i>		<i>\$34,545,000</i>	<i>\$33,795,000</i>	<i>\$750,000</i>	
<b>University of North Carolina at Chapel Hill</b>					
25.	Outdoor Education Center Pond Retrofit	\$475,000	\$387,355	\$87,645	Trust Funds
26.	UNC Parking Decks- LED Lighting Safety Upgrades	\$1,100,000	\$896,000	\$204,000	Parking Receipts
27.	Chase Dining Hall Second Floor Renovation	\$5,900,000	\$4,440,674	\$1,459,326	Trust Funds
28.	Media and Communications Studios	\$15,000,000	\$10,000,000	\$5,000,000	Athletic Receipts (80%) /Gifts (20%)
<i>UNC-CH Subtotal</i>		<i>\$22,475,000</i>	<i>\$15,724,029</i>	<i>\$6,750,971</i>	
<b>Grand Total</b>		<b>\$100,734,068</b>	<b>\$52,958,529</b>	<b>\$47,775,539</b>	

### RECOMMENDATION

All projects and associated funding sources are in compliance with G.S. 143C-8-12 (State Budget Act).

It is recommended that these projects be authorized and reported to the NC Office of State Budget and Management as non-appropriated projects that do not require any additional debt or burden on state appropriations.

**AGENDA ITEM**

A-10. Sale of Millennial Campus Revenue Bonds – Appalachian State University ..... Clinton Carter

- Situation:** Appalachian State University (“Appalachian”) requests that the Board of Governors issue Millennial Campus revenue bonds (the “2018C Bonds”) in an amount not to exceed \$46,500,000 for the purpose of (1) constructing and equipping of a mixed use project at the north end zone of the Kidd Brewer Stadium (the “Stadium”) to replace the former Owens Field House; this project will include campus dining and catering facilities, stadium club seats, an orthopedic health and training facility, and related steam system improvements (collectively, the “End Zone Project”); and (2) paying the costs incurred in connection with the issuance of the 2018C Bonds.
- Background:** The Board of Governors, pursuant to the Millennial Campuses Financing Act, Article 21B of Chapter 116 of the General Statutes (the “Act”), by resolution adopted on September 9, 2016, designated an 87.96-acre area of Appalachian that includes the Stadium and a number of west campus residence halls as a Millennial Campus (the “Millennial Campus”). The Board of Governors is authorized to issue Millennial Campus revenue bonds payable from any leases, rentals, charges, fees, and other revenues of a “project” (as defined in the Act) located on a Millennial Campus, and the End Zone Project constitutes a “project” under the Act.
- Assessment:** Appalachian currently has an issuer credit rating of “Aa3” with a stable outlook from Moody’s Investor Service. This transaction is not expected to have any impact on Appalachian’s credit rating.
- Action:** This item requires a vote by the committee, with a vote by the full Board of Governors through the consent agenda.

## **Sale of Millennial Campus Revenue Bonds – Appalachian State University**

### **ISSUE OVERVIEW**

The Board of Governors, pursuant to the Millennial Campuses Financing Act, Article 21B of Chapter 116 of the General Statutes (the “Act”), by resolution adopted on September 9, 2016, designated an 87.96-acre area of Appalachian State University (“Appalachian”) that includes Kidd Brewer Stadium (the “Stadium”) and a number of west campus residence halls as a Millennial Campus (the “Millennial Campus”). The Board of Governors is authorized to issue Millennial Campus revenue bonds payable from any leases, rentals, charges, fees, and other revenues of a “project” (as defined in the Act) located on a Millennial Campus, and the End Zone Project constitutes a “project” under the Act.

The Board of Governors is authorized to issue Millennial Campus revenue bonds and bond anticipation notes for projects under the Act.

Appalachian requests that the Board issue Millennial Campus revenue bonds (the “2018C Bonds”) in an amount not to exceed \$46,500,000 for the purpose of (1) constructing and equipping of a mixed use project at the north end zone of the Stadium to replace the former Owens Field House, including campus dining and catering facilities, stadium club seats, an orthopedic health and training facility, and related steam system improvements (collectively, the “End Zone Project”); and (2) paying the costs incurred in connection with the issuance of the 2018C Bonds. Leases, rentals, charges, fees, and other revenues of the End Zone Project will be used by Appalachian to retire the 2018C Bonds. The 2018C Bonds will be sold on a negotiated basis with an underwriter to be selected through a competitive RFP process.

Appalachian currently has an issuer credit rating of “Aa3” with a stable outlook from Moody’s Investor Service. This transaction is not expected to have any impact on Appalachian’s credit rating.

McGuireWoods LLP is bond counsel, and First Tryon Advisors is the financial advisor.

It is recommended that the president of the University, or her designee, be authorized to sell the special obligation bonds through the attached resolution.

**RESOLUTION OF THE BOARD OF GOVERNORS OF THE UNIVERSITY OF  
NORTH CAROLINA SYSTEM AUTHORIZING THE ISSUANCE OF  
MILLENNIAL CAMPUS REVENUE BONDS TO FUND THE END ZONE  
PROJECT FOR APPALACHIAN STATE UNIVERSITY**

WHEREAS, by Chapter 116 of the General Statutes of North Carolina, the Board of Governors (the "Board") of the University of North Carolina System (the "UNC System") is vested with general control and supervision of the constituent institutions of the UNC System; and

WHEREAS, the Board, pursuant to the Millennial Campuses Financing Act, Article 21B of Chapter 116 of the General Statutes (the "Act"), by resolution adopted on September 9, 2016, designated an 87.96-acre area of Appalachian State University ("Appalachian") that includes Kidd Brewer Stadium (the "Stadium") and a number of west campus residence halls as a Millennial Campus (the "Millennial Campus"); and

WHEREAS, the Board is authorized by the Act to issue revenue bonds of the Board, payable from any leases, rentals, charges, fees, and other revenues of a "project" (as defined in the Act) on a Millennial Campus; and

WHEREAS, the Board has determined to issue not to exceed \$46,500,000 aggregate principal amount of Appalachian State University Millennial Campus Revenue Bonds, Series 2018 (with appropriate designations and series designations) in one or more series (the "2018 Millennial Campus Bonds"), to (a) pay all or a portion of the costs of the acquisition, constructing and equipping of a mixed use project at the north end zone of the Stadium to replace the former Owens Field House, including campus dining and catering facilities, stadium club seats, an orthopedic health and training facility and related steam system improvements (collectively, the "End Zone Project"), and (b) pay the costs of issuing the 2018 Millennial Campus Bonds; and

WHEREAS, the Board has determined that the End Zone Project constitutes a "Special Facility" under the Board's General Trust Indenture dated as of May 1, 2003, between the Board and The Bank of New York Mellon Trust Company, N.A., as trustee, as amended and supplemented, pursuant to which the Board issues its Appalachian State University General Revenue Bonds (the "General Revenue Bond Indenture"); and

WHEREAS, the Board has determined to issue the 2018 Millennial Campus Bonds under a Master Trust Indenture, dated as of December 1, 2018 (the "Master Indenture"), between the Board and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), and Series Indenture, Number 1 between the Board and the Trustee dated as of December 1, 2018 (the "First Series Indenture," and together with the Master Indenture, the "Indenture"); and

WHEREAS, the 2018 Millennial Campus Bonds are payable solely from leases, rentals, charges, fees, and other revenues of the End Zone Project (the "Revenues"), as further specified in the Indenture, and in the Indenture the Board agrees to fix, revise, charge and collect fees, rents, and charges for the lease, use, occupancy, or operation of the End Zone Project to provide funds (i) to pay the cost of maintaining, repairing, and operating the End Zone Project, (ii) to pay the principal of and the interest on the 2018 Millennial Campus Bonds as the same shall become due and payable, and (iii) to create and maintain reserves for such purposes; and

WHEREAS, the portion of the End Zone Project consisting of the orthopedic health and training facility (the "Clinic Portion") is expected to be leased to a nonprofit entity who will provide medical services, and, as a result, the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), require a public hearing and approval from the highest elected official of the State of North Carolina in order for the interest on the 2018 Millennial Campus Bonds relating to the Clinic Portion be tax exempt; and

WHEREAS, Wells Fargo Securities has been selected as the lead underwriter for the 2018 Millennial Campus Bonds (the "Underwriter"), and is expected to purchase all of the 2018 Millennial Campus Bonds pursuant to the terms of a bond purchase agreement (the "Purchase Agreement") between the Board and the Underwriter; and

WHEREAS, there have been made available to the Board forms of the following documents (hereinafter collectively referred to as the "Board Documents"), which the Board proposes to approve, execute and deliver, as applicable, to effectuate the financing:

1. the Master Indenture;
2. the First Series Indenture;
3. the form of the 2018 Millennial Campus Bonds, as set forth in the Indenture;
4. the Purchase Agreement; and
5. the Preliminary Official Statement (the "Preliminary Official Statement") relating to the 2018 Millennial Campus Bonds, which after the inclusion of certain pricing and other information will become the final Official Statement (the "Official Statement"), relating to the 2018 Millennial Campus Bonds.

WHEREAS, the 2018 Millennial Campus Bonds shall not be deemed to constitute a debt or liability of the State of North Carolina or any political subdivision thereof or a pledge of the faith and credit of the State of North Carolina or of any such political subdivision, but shall be payable solely from the funds herein provided therefor from the Revenues in compliance with Section 116-198.32 of the Act;

NOW, THEREFORE, BE IT RESOLVED by the Board of Governors of the University of North Carolina System as follows:

Section 1. Authorization of Bonds. The Board hereby authorizes and approves the issuance of the 2018 Millennial Campus Bonds in an aggregate principal amount not to exceed \$46,500,000, subject to the terms and conditions of this Resolution. The 2018 Millennial Campus Bonds may be issued in one or more series of bonds, including any combination of tax-exempt bonds and taxable bonds, as the Senior Vice President for Finance and Administration and CFO of the UNC System, or his designee, in consultation with the appropriate officers at Appalachian, determine to be in the best interest of the UNC System and Appalachian.

Section 2. Designation of Special Facility. The Board hereby designates the End Zone Project (and any additional Millennial Campus Project designated in the future pursuant to the Master Indenture) as a "Special Facility" under the General Revenue Bond Trust Indenture.

Section 3. Authorization of Board Documents. The form and content of the Board Documents are hereby in all respects authorized, approved and confirmed, and the Chairman of the Board, the President of the UNC System, the Senior Vice President for Finance and Administration and CFO of the UNC System,

the Secretary and the Assistant Secretary of the Board and the Senior Associate Vice President and Secretary of the UNC System (collectively, the “Authorized Officers”) are hereby authorized, empowered and directed, individually and collectively, to execute and deliver the Board Documents for and on behalf of the Board, including necessary counterparts, in substantially the form and content presented to the Board, but with such changes, modifications, additions or deletions therein as any Authorized Officer may deem necessary, desirable or appropriate, including such changes as may be necessary to reflect the terms of the 2018 Millennial Campus Bonds (including, but not limited to, the setting of interest rates, whether fixed rate to one or more terms or to maturity, or variable rates, and the amortization of principal). The execution of the Board Documents shall constitute conclusive evidence of the Board’s approval of any and all such changes, modifications, additions or deletions therein. From and after the execution and delivery of the Board Documents, the Authorized Officers are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Master Indenture and the Board Documents as executed.

Section 4. Authorization of Preliminary Official Statement and Official Statement. The form, terms and content of the Preliminary Official Statement be and the same hereby are in all respects authorized, approved and confirmed, and the use of the Preliminary Official Statement and the Official Statement by the Underwriter in connection with the sale of the 2018 Millennial Campus Bonds is hereby in all respects authorized, approved, ratified and confirmed. The President of the UNC System and the Senior Vice President for Finance and Administration and CFO of the UNC System are hereby authorized, empowered and directed to approve, execute and deliver the Preliminary Official Statement and the Official Statement for and on behalf of the Board, in connection with the sale of the 2018 Millennial Campus Bonds in substantially the form and content of the Preliminary Official Statement presented to the Board, but with such changes, modifications, additions or deletions therein as the President of the UNC System and the Senior Vice President for Finance and Administration and CFO of the UNC System may deem necessary, desirable or appropriate. The execution of the Purchase Agreement by any of the officers listed above shall constitute conclusive evidence of the Board’s approval of such documents, and any and all such changes, modifications, additions or deletions therein. The use of such Preliminary Official Statement and Official Statement by the Underwriter in connection with the sale of the 2018 Millennial Campus Bonds to investors is hereby authorized, approved and confirmed.

Section 5. Designation of Hearing Officer. The Board hereby designates the Senior Vice President for Finance and Administration and CFO of the UNC System and the Assistant Vice President for Finance and Capital Planning (including any designee of either of them), either of whom can act as a hearing officer for the Board for purposes of holding any public hearing required by the Code.

Section 6. General Authority. From and after the execution and delivery of the documents hereinabove authorized, the Authorized Officers are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of such documents as executed, and are further authorized to take any and all further actions to execute and deliver any and all other documents as may be necessary for the issuance and sale of the 2018 Millennial Campus Bonds. The Authorized Officers are further authorized to take any and all further actions to execute and deliver any and all other documents as may be necessary to the issuance and on-going administration of the 2018 Millennial Campus Bonds. Any provision in this Resolution that authorizes more than one officer to take certain actions will be read to permit such officers to take the authorized actions either individually or collectively.

Section 7. Conflicting Provisions. All resolutions or parts thereof of the Board in conflict with the

provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 8. Effective Date. This Resolution is effective immediately on the date of its adoption.



**SECRETARY'S CERTIFICATE  
OF AUTHENTICATION**

STATE OF NORTH CAROLINA  
COUNTY OF ORANGE

I, Andrea Poole, Senior Associate Vice President and Secretary of the University of North Carolina System, DO HEREBY CERTIFY that (1) the foregoing is a full, true and correct copy of the approving resolution adopted by the Board of Governors of the University of North Carolina System at its meeting on November 9, 2018, and appearing in the minutes of such meeting, (2) notice of the meeting of the Board of Governors of the University of North Carolina System held on November 9, 2018 was sent to each member of the Board, and (3) a quorum was present at the meeting on November 9, 2018, at which time the foregoing Resolution was adopted.

WITNESS, my hand and the seal of the University of North Carolina System this \_\_\_\_ day of \_\_\_\_\_, 2018.

[SEAL]

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Andrea Poole, Senior Associate Vice President and  
Secretary of the University of North Carolina System

**AGENDA ITEM**

A-11. Sale of Special Obligation Bonds – University of North Carolina at Chapel Hill..... Clinton Carter

**Situation:** The University of North Carolina at Chapel Hill (“UNC-Chapel Hill”) requests that the Board authorize UNC-Chapel Hill to finance, under its existing commercial paper program, all or a portion of the costs of the capital improvement projects previously approved by the Board and authorized by the General Assembly under S.L. 2018-35, (H.B. 1054).

**Background:** The Board of Governors is authorized to issue special obligation bonds and bond anticipation notes for capital improvements projects that have been approved by the General Assembly. All projects in this request have been previously approved by the Board of Governors and were approved by the General Assembly under S.L. 2018-35.

**Assessment:** The Board previously issued the University of North Carolina at Chapel Hill General Revenue Bond, Series 2002A, to establish a commercial paper program to provide interim financing for certain projects for UNC-Chapel Hill. Amounts outstanding under the commercial paper program are repaid from time to time from fundraising receipts or from proceeds of long-term financings. This request would authorize UNC-Chapel Hill to finance the projects approved under S.L. 2018-35 under its existing commercial paper program.

UNC-Chapel Hill currently has an issuer credit rating of “Aaa” with a stable outlook by Moody’s Investor Service, an issuer credit rating of “AAA” with a stable outlook by Standard & Poor’s Global Ratings, and an issuer credit rating of “AAA” with a stable outlook by Fitch Ratings. The transaction is expected to have no impact on UNC-Chapel Hill’s credit ratings.

**Action:** This item requires a vote by the committee, with a vote by the full Board of Governors through the consent agenda.

## **Sale of Special Obligation Bonds – University of North Carolina at Chapel Hill**

### **ISSUE OVERVIEW**

The Board of Governors is authorized to issue special obligation bonds for capital improvements projects that have been approved by the General Assembly. Although a specific source of funding is used by an institution when retiring these bonds, special obligation bonds are generally payable from all campus revenues excluding tuition, state appropriations, and restricted reserves.

The Board previously issued the University of North Carolina at Chapel Hill General Revenue Bond, Series 2002A (the “Commercial Paper”) to establish a commercial paper program to provide interim financing for certain projects for the University of North Carolina at Chapel Hill (“UNC-Chapel Hill”) that have been previously approved by the Board and the General Assembly. Amounts outstanding under the Commercial Paper program are repaid from time to time from fundraising receipts or from proceeds of long-term financings.

UNC-Chapel Hill requests that the Board permit UNC-Chapel Hill to finance, under its Commercial Paper program, all or a portion of the costs of the capital improvement projects previously approved by the Board and authorized by the General Assembly under S.L. 2018-35 (H.B. 1054).

UNC-Chapel Hill currently has an issuer credit rating of “Aaa” with a stable outlook by Moody’s Investor Service, an issuer credit rating of “AAA” with a stable outlook by Standard & Poor’s Global Ratings, and an issuer credit rating of “AAA” with a stable outlook by Fitch Ratings. The transaction is not expected to have any impact on the UNC-Chapel Hill’s credit ratings.

Parker Poe is bond counsel, and Prager & Co. is the financial advisor.

It is recommended that the president of the University, or her designee, be authorized to sell the special obligation bonds through the attached resolution.

**RESOLUTION OF THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH  
CAROLINA SYSTEM AUTHORIZING SPECIAL OBLIGATION BOND PROJECTS FOR THE  
UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL**

**WHEREAS**, by Chapter 116 of the General Statutes of North Carolina, the Board of Governors (the “Board”) of the University of North Carolina System (the “UNC System”) is vested with general control and supervision of the constituent institutions of the UNC System; and

**WHEREAS**, the Board is authorized by Chapter 116D of the General Statutes of North Carolina to issue, subject to the approval of the Director of the Budget, at one time or from time to time, special obligation bonds of the Board for the purpose of paying all or any part of the cost of acquiring, constructing, or providing a special obligation project and refunding bonds for the purpose of refunding any bonds by the Board under the Article or under any Article of Chapter 116 of the General Statutes, including the payment of any redemption premium on them and any interest accrued or to accrue to the date of redemption of the bonds refunded; and

**WHEREAS**; the Board has previously issued the University of North Carolina System Commercial Paper Bonds (UNC-Chapel Hill/NC State) (the “Commercial Paper”), proceeds of which are available to the University of North Carolina at Chapel Hill (“UNC-Chapel Hill”) in order to finance the costs of certain projects on the campus of UNC-Chapel Hill;

**WHEREAS**; the Board has determined to add to the list of projects eligible to be financed with the proceeds of the Commercial Paper and any other special obligation bonds (collectively, the “Bonds”) issued by the Board on behalf of UNC-Chapel Hill, the projects approved by the North Carolina General Assembly in S.L. 2018-35 (H.B. 1054) and listed in Exhibit A to this resolution (the “Special Obligation Bond Projects”); and

**WHEREAS**, under the General Trust Indenture dated as of January 15, 2001 (the “UNC-Chapel Hill General Indenture”) between the Board and The Bank of New York Mellon Trust Company, N.A., as trustee (“BNY”), special obligation bonds issued under the UNC-Chapel Hill General Indenture are payable solely from any funds of UNC-Chapel Hill or the Board in each Fiscal Year remaining after satisfying obligations of UNC-Chapel Hill or the Board under a trust indenture, trust agreement or bond resolution providing for the issuance of debt as of the date of the UNC-Chapel Hill General Indenture with respect to UNC-Chapel Hill, including Unrestricted General Fund balances and Unrestricted Quasi-Endowment Fund balances shown as such on UNC-Chapel Hill’s financial statements, but excluding (1) appropriations by the General Assembly of the State from the State General Fund, (2) tuition payments by UNC-Chapel Hill students, (3) funds whose purpose has been restricted by the gift, grant or payee thereof and (4) revenues generated by Special Facilities, as defined in the UNC-Chapel Hill General Indenture (the “UNC-Chapel Hill Available Funds”);

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Governors of the University of North Carolina System as follows:

Section 1. **Authorization of Special Obligation Bonds Projects.** That the Board hereby approves and ratifies the use of the proceeds of the Bonds for the Special Obligation Bonds Projects listed in Exhibit A to this resolution and the costs of issuance related to the Bonds.

Section 2. ***Sufficiency of Available Funds.*** That the Board hereby finds that sufficient UNC-Chapel Hill Available Funds are available to pay the principal of and interest on the Bonds attributable to UNC-Chapel Hill.

Section 3. ***Conflicting Provisions.*** All resolutions or parts thereof of the Board in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 4. ***Effective Date.*** This Resolution is effective immediately on the date of its adoption.

*PASSED, ADOPTED, AND APPROVED* this 9<sup>th</sup> day of November, 2018.

STATE OF NORTH CAROLINA

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SECRETARY'S CERTIFICATE

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SS:

OF AUTHENTICATION

COUNTY OF ORANGE

)

I, Andrea Poole, Senior Associate Vice President and Secretary of the University of North Carolina System, *DO HEREBY CERTIFY* that (1) the foregoing is a full, true and correct copy of the approving resolution adopted by the Board of Governors of the University of North Carolina System at its regular meeting on November 9, 2018, (2) notice of the meeting of the Board of Governors of the University of North Carolina System held on November 9, 2018 was sent to each member of the Board, and (3) a quorum was present at the meeting on November 9, 2018 at which time the foregoing Resolution was adopted.

**WITNESS**, my hand and the seal of the University of North Carolina this \_\_\_\_ day of \_\_\_\_\_, 2018.

[SEAL]

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Andrea Poole, Senior Associate Vice President and Secretary  
The University of North Carolina

## **EXHIBIT A**

### **UNC-CHAPEL HILL PROJECTS**

The following projects on the campus of UNC-Chapel Hill approved by the North Carolina General Assembly in S.L. 2018-35, Appropriations Act of 2018 (H.B. 1054) are added to the list of projects eligible to be financed with proceeds of special obligation bonds issued by the Board of Governors on behalf of UNC-Chapel Hill:

Translational Research Building (\$23,000,000)

Parking Deck at S1 Lot (South Parking Deck) (\$6,782,516)

**AGENDA ITEM**

A-12. Sale of Special Obligation Bonds – Western Carolina University.....Clinton Carter

- Situation:** Western Carolina University requests that the Board of Governors issue special obligation bonds (the “2018 Bonds”) in an amount not to exceed \$23,615,185 for the purpose of (1) the construction of a new parking deck facility; and (2) paying the costs incurred in connection with the issuance of the 2018 Bonds.
- Background:** The Board of Governors is authorized to issue special obligation bonds for capital improvement projects that have been approved by the General Assembly. The General Assembly authorized the parking deck facility project under S.L. 2017-141, (H.B. 620).
- Assessment:** WCU currently has an issuer credit rating of “Aa3” with a stable outlook from Moody’s Investor Service. This transaction is not expected to have any impact on WCU’s credit rating.
- Action:** This item requires a vote by the committee, with a vote by the full Board of Governors through the consent agenda.



## **Sale of Special Obligation Bonds – Western Carolina University**

### **ISSUE OVERVIEW**

The Board of Governors is authorized to issue special obligation bonds and bond anticipation notes for capital improvements projects that have been approved by the General Assembly. Although a specific source of funding is used by an institution when retiring these bonds, special obligation bonds are generally payable from all campus revenues excluding tuition, state appropriations, and restricted reserves. Specific funding sources for the current capital project include parking receipts and reserves (self-liquidating).

Western Carolina University (“WCU”) requests that the Board issue special obligation bonds in an amount not to exceed \$23,615,185 to finance the construction of a new parking deck facility. The bonds will be sold on a negotiated basis with an underwriter to be selected through a competitive RFP process. The General Assembly authorized the parking deck project under S.L. 2017-141 (H.B. 620).

WCU currently has an issuer credit rating of “Aa3” with a stable outlook from Moody’s Investor Service. This transaction is not expected to have any impact on WCU’s credit rating.

Parker Poe Adams & Bernstein LLP is bond counsel, and First Tryon Advisors is the financial advisor.

It is recommended that the president of the University, or her designee, be authorized to sell the special obligation bonds through the attached resolution.

**RESOLUTION OF THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH  
CAROLINA SYSTEM AUTHORIZING THE ISSUANCE OF SPECIAL OBLIGATION BONDS  
TO FUND A SPECIAL OBLIGATION BOND PROJECT FOR  
WESTERN CAROLINA UNIVERSITY**

**WHEREAS**, by Chapter 116 of the General Statutes of North Carolina, the Board of Governors (the “Board”) of the University of North Carolina System (the “UNC System”) is vested with general control and supervision of the constituent institutions of the UNC System; and

**WHEREAS**, the Board is authorized by Chapter 116D of the General Statutes of North Carolina (the “Act”) to issue, subject to the approval of the Director of the Budget, at one time or from time to time, (1) special obligation bonds of the Board for the purpose of paying all or any part of the cost of acquiring, constructing, or providing special obligation projects and (2) refunding bonds for the purpose of refunding any bonds by the Board under the Act or under any Article of Chapter 116 of the General Statutes of North Carolina, including the payment of any redemption premium on them and any interest accrued or to accrue to the date of redemption of the bonds refunded; and

**WHEREAS**, Western Carolina University (“WCU”) has requested the Board to issue special obligation bonds, the proceeds of which are to be used by WCU for the acquisition, construction, equipping and furnishing of a parking deck facility on WCU’s campus as authorized by S.L. 2017-141 of the 2017 Session Laws of the North Carolina General Assembly (the “Special Obligation Project”);

**WHEREAS**; the Board has determined to issue Western Carolina University General Revenue Bonds (with appropriate descriptions and series designations) in one or more series (the “Bonds”) in an aggregate principal amount not to exceed \$23,615,185 to pay a portion of the costs of the Special Obligation Bond Project; and not to exceed an additional 5% of such principal amount to pay the costs incurred in connection with the issuance of the Bonds; and

**WHEREAS**, the Board has determined to issue the Bonds under the General Trust Indenture dated as of November 1, 2015 (the “General Indenture”) between the Board and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), and Series Indenture, Number 3 (the “Third Series Indenture”) between the Board and the Trustee; and

**WHEREAS**, the Bonds and other obligations issued under the General Indenture are payable solely from any funds of WCU or of the Board held for WCU in each Fiscal Year, but excluding (1) appropriations by the General Assembly of the State of North Carolina from the State General Fund, (2) tuition payments by WCU students, (3) funds whose purpose has been restricted by the gift, grant or payee thereof, (4) revenues generated by Special Facilities (as defined in the General Indenture) and (5) funds restricted by law (the “Available Funds”);

**WHEREAS**, an underwriter or underwriters (the “Underwriters”) selected by the Vice Chancellor for Administration and Finance of WCU and the Senior Vice President for Finance and Administration and CFO of the UNC System (the “SVP-Finance”) will agree to purchase all of the Bonds pursuant to the terms

of a bond purchase agreement (the “*Purchase Agreement*”) between the Board and the Underwriters; and

**WHEREAS**, there have been made available to the Board forms of the following documents (the “*Board Documents*”), which the Board proposes to approve, ratify, execute and deliver, as applicable, to effectuate the financing:

1. the General Indenture;
2. the Third Series Indenture;
3. the Purchase Agreement;
4. the Preliminary Official Statement (the “*Preliminary Official Statement*”) relating to the Bonds, which after the inclusion of certain pricing and other information will become the final Official Statement (the “*Official Statement*”) relating to the Bonds; and
5. the Bonds in the form set forth in the Third Series Indenture; and

**WHEREAS**, the issuance of the Bonds does not directly or indirectly or contingently obligate the State or any agency or political subdivision of the State to levy or to pledge any taxes to pay the cost, in whole or in part, of the Special Obligation Bond Project in compliance with Section 116D-23 of the Act;

**NOW, THEREFORE, BE IT RESOLVED** by the Board as follows:

Section 1. **Authorization of Bonds.** That the Board hereby authorizes the issuance of the Bonds in an aggregate principal amount not to exceed \$23,615,185 under the General Indenture and the Third Series Indenture, plus not to exceed an additional 5% of such principal amount to pay the costs incurred in connection with the issuance of the Bonds. The Bonds may be issued in one or more series of bonds, including any combination of tax-exempt bonds and taxable bonds as the SVP-Finance, or his designee, in consultation with the appropriate officers at WCU, determine to be in the best interest of the UNC System and WCU.

Section 2. **Sufficiency of Available Funds.** That the Board hereby finds that sufficient Available Funds are available to pay the principal of and interest on the Bonds.

Section 3. **Selection of Underwriters and other Financing Team Members.** That the Board authorizes the SVP-Finance, in consultation with the appropriate officers at WCU, to select Underwriters for the Bonds and any other professionals necessary to undertake the financing as contemplated in this Resolution.

Section 4. **Authorization of Board Documents.** That the form and content of the Board Documents be and the same hereby are in all respects authorized, approved and confirmed, and the Chairman of the Board, the President of the UNC System, the SVP-Finance, the Secretary and the Assistant Secretary of the Board and the Senior Associate Vice President and Secretary of the UNC System,

individually and collectively (the “*Authorized Officers*”), be and they hereby are each authorized, empowered and directed to execute and deliver the Board Documents for and on behalf of the Board, including necessary counterparts, in substantially the form and content presented to the Board, but with such changes, modifications, additions or deletions therein as to them seem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the Board’s approval of any and all such changes, modifications, additions or deletions therein, and that from and after the execution and delivery of the Board Documents the Authorized Officers are each hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Board Documents as executed.

Section 5. ***Authorization of Purchase Agreement.*** That the Chairman of the Board, the President of the UNC System and the SVP-Finance, individually or collectively, be and they hereby are each authorized, empowered and directed to execute and deliver the Purchase Agreement for and on behalf of the Board, including necessary counterparts, in a form and substance consistent with the terms of this Resolution and that from and after the execution and delivery of the Purchase Agreement the Authorized Officers are each hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Purchase Agreement as executed.

Section 6. ***Authorization of Preliminary Official Statement and Official Statement.*** That the form, terms and content of the Preliminary Official Statement be and the same hereby are in all respects authorized, approved and confirmed, and the use of the Preliminary Official Statement by the Underwriters in connection with the sale of the Bonds is hereby in all respects authorized, approved, ratified and confirmed. The President of the UNC System and the SVP-Finance, or their respective designees, individually or collectively, be and they hereby are each authorized, empowered and directed to deliver the Official Statement for and on behalf of the Board in substantially the form and content of the Preliminary Official Statement presented to the Board, but with such changes, modifications, additions or deletions therein as to them seem necessary, desirable or appropriate, their execution of the Purchase Agreement to constitute conclusive evidence of the Board’s approval of any and all such changes, modifications, additions or deletions therein, and the use of the Official Statement by the Underwriters in connection with the sale of the Bonds with investors is hereby authorized, approved and confirmed.

Section 7. ***General Authority.*** From and after the execution and delivery of the documents hereinabove authorized, the Authorized Officers are each hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of said documents as executed, and are further authorized to take any and all further actions to execute and deliver any and all other documents as may be necessary to the issuance and on-going administration of the Bonds.

Section 8. ***Conflicting Provisions.*** All resolutions or parts thereof of the Board in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 9. ***Effective Date.*** This Resolution is effective immediately on the date of its adoption.

*PASSED, ADOPTED, AND APPROVED* this 9<sup>th</sup> day of November, 2018.

STATE OF NORTH CAROLINA

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SECRETARY'S CERTIFICATE

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SS:

OF AUTHENTICATION

COUNTY OF ORANGE

)

I, ANDREA POOLE, Senior Associate Vice President and Secretary of the University of North Carolina System, *DO HEREBY CERTIFY* that (1) the foregoing is a full, true and correct copy of the approving resolution adopted by the Board of Governors of the University of North Carolina System at its meeting on November 9, 2018 and appearing in the minutes of such meeting, (2) notice of the meeting of the Board of Governors of the University of North Carolina System held on November 9, 2018 was sent to each member of the Board, and (3) a quorum was present at the meeting on November 9, 2018 at which time the foregoing Resolution was adopted.

**WITNESS**, my hand and the seal of the University of North Carolina System this \_\_\_\_ day of \_\_\_\_\_, 2018.

[SEAL]

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ANDREA POOLE, Senior Associate Vice President and  
Secretary of the University of North Carolina System

**AGENDA ITEM**

A-13. Duties and Authorities of the Boards of Trustees ..... Temple Sloan

**Situation:** As requested by the Committee on University Governance, the Committee on Budget and Finance will examine recommendations on the duties and authorities of boards of trustees.

**Background:** In November 2017, the Committee on University Governance began a discussion on the duties and authorities of the boards of trustees and the discussion continued through May 2018 when each board of trustees responded to a survey regarding which duties and authorities might be more appropriately exercised by the boards of trustees.

By statute, each constituent institution of the University has a board of trustees that serves both as an advisor to the Board of Governors on matters pertaining to its institution and as advisor to the chancellor concerning the management and development of the institution. The powers and duties of the boards of trustees are defined and delegated by the Board of Governors, consistent with state law. These delegations are codified in *The Code*, including Appendix I, and throughout the UNC Policy Manual.

**Assessment:** This item includes the survey results collected from the boards of trustees in the jurisdiction of the Committee on Budget and Finance.

**Action:** This item is for discussion only.

## Committee on Budget and Finance

Institution	Issue	Citation
<b>Increased authority on tuition and fees</b>		
NCSU	Delegate annual approval of tuition and fees to BOTs after providing overarching guidance	Policy 1000.1.1 GS 116-11(7)
UNCA	tuition and fees information earlier in the year	Policy 1000.1.1
UNCA	in-state residency for athletes	GS 116-143.6
UNCSA	Tuition and fees: BOG to provide BOT ranges within which to work when determining tuition and fees for subsequent academic years and the authority to set tuition and fees within the ranges	Policy 1000.1.1; GS 116-11(7)
UNCW	Provide authority for the boards of trustees, either as a whole or for those constituent institutions that apply for such authority, regarding the setting of tuition and fees, within guidelines and parameters established by the General Assembly and the Board of Governors	Policy 1000.1.1; GS 116-11(7)
<b>Increased authority (at different thresholds) for boards of trustees on capital improvement projects</b>		
NCSSM	Greater authority for approving capital and repair and renovation projects	Policy 600.1.1
NCSU	Increase BOT delegated authority to approve capital improvement projects	Policy 600.1.1
NCSU	Increase permissible carry forward of funds to a minimum of 5%	GS 116-30.3.
UNC-CH	Delegation of approval authority to the BOT or System Office to increase capital project authority by up to 10% on any non-general fund project that does not impose any additional financial responsibilities on the state	Policy 600.1.1
UNC-CH	Increase delegation of approval authority to the BOT for capital improvement projects from \$300K to \$2M	Policy 600.1.1; Regulation 600.1.4[R]; Appendix 1 (VI)
UNCC	Delegate authority to BOT or Chancellors to approve capital improvement projects funded from all sources for amounts up to \$1M	Policy 600.1.1
UNCC	Delegate authority to BOT to increase capital project authority by 10% on any project, provided that the campus has identified the necessary funding	Policy 600.1.1
UNCC	Allow general funds for capital improvement projects to carry over from one fiscal year to the next if the funds are obligated by an executed construction contract	GS 116-30.3.
UNCG	Approval of capital improvement projects with a scope of up to \$2M	Policy 600.1.1
UNCG	Conditional authority to increase capital project authority by 10% on any project	Policy 600.1.1
UNCP	Approval of capital projects up to \$500K	Policy 600.1.1
UNCW	Reinstate delegation of authority to the Chancellor to undertake repair and renovation projects under \$1,000,000, with funds available to the university, which do not revert at the end of the fiscal year	Policy 600.1.1
UNCW	Authorize the boards of trustees and chancellors of the constituent institutions to carry forward operating funds, up to 10% of their total general funds	GS 116-30.3.
WCU	BOT: approval of capital projects between \$500K and \$2M; Chancellor: approval of capital projects at \$500K or less	Policy 600.1.1
WSSU	Increased authority for allocation of certain capital and repair and renovation projects	Policy 600.1.1; Appendix 1 (VI)



# Committee on Budget and Finance

Institution	Issue	Citation
<b>Increased authority over leasing and acquisition/disposition of real property</b>		
UNC-CH	Delegation of authority to the BOT regarding advertising requirements for leases	Policy 600.1.3; Policy 600.1.3.1; Regulation 600.1.3.1[R]
UNC-CH	Delegation of authority to the BOT regarding acquisition or disposition of real property by lease transactions	Policy 600.1.3; Policy 600.1.3.1; Regulation 600.1.3.1[R]; Regulation 600.1.4[R]
UNC-CH	Delegation of approval authority to the BOT for acquisition or disposition of real property at certain thresholds	Regulation 600.1.4[R]
UNC-CH	Clarify UNC System policies governing real estate management	N/A
UNCA	Leasing and acquisition/disposition of real property from \$50,000 to \$100,000	Policy 600.1.3; Policy 600.1.3.1; Regulation 600.1.3.1[R]; Appendix 1 (VI)
UNCC	Increase BOT authority to approval a proposal to acquire or dispose of an interest in real estate up to \$500K	Policy 600.1.1;; Regulation 600.1.4[R]
UNCG	Acquire or dispose of real property at certain thresholds	Policy 400.1.2; Regulation 400.1.1[R]
UNCW	Delegate authority to the Board of Trustees for the acquisition or disposition of real property by lease, up to \$150,000, with authority delegated to the Chancellor, up to \$50,000	Policy 600.1.3; Policy 600.1.3.1; Regulation 600.1.3.1[R]; Regulation 600.1.4[R]
WCU	BOT: ability to lease transactions at \$250K and a maximum of lease term of ten years; Chancellor: ability to lease transactions at \$250K or less and a maximum lease term of three years	Policy 600.1.3; Policy 600.1.3.1; Regulation 600.1.3.1[R]
WCU	BOT: property transactions between \$250K and \$1M; Chancellor: property transactions at \$250K or less	Appendix 1 (VI)
<b>Single approval by BOG for self-liquidating projects</b>		
UNC-CH	Single approval by Board of Governors for self-liquidating projects	
UNCC	Single approval by Board of Governors for self-liquidating projects	
UNCG	Single approval for self-liquidated projects	
<b>Other Budget and Finance items</b>		
UNCC	Delegate authority to the Chancellors to approve amendments in plans to Distinguished Professorship plans.	Policy 600.2.3
UNCW	Authorize the Board of Trustees, through the Chancellor, to submit requests for approval by the Board of Governors to exceed the 18% cap on non-resident students in the freshman class, in advance of the recruitment and enrollment of that class	Policy 700.1.3