

COMMITTEE ON UNIVERSITY GOVERNANCE

Thursday, October 10, 2012

Draft Minutes

The Committee on University Governance met Wednesday, October 10, 2012, at 12:30 p.m. in Conference Room C of the Spangler Center.

Committee members present included Chairman Daughtridge, Mr. Blackburn, Ms. Blank, Mr. Grainger, Mr. Harrelson, Mr. McMahan, Mr. Powers, Dr. Roseman, Chancellor Becton, Chancellor Carter, and Chancellor Miller. President Ross, General Counsel Fjeld, and Secretary Corgnati attended as staff.

Approval of Minutes

Upon motion of Mr. Grainger, and seconded by Ms. Blank, the committee voted to approve the minutes of the September 13, 2012, meeting of the committee.

2011-2012 Annual Report

Upon motion of Mr. McMahan, and seconded by Ms. Blank, the committee voted to approve its 2011-2012 Annual Report, presented as Appendix A.

2013 Trustee Selection Process

The Committee continued its discussion of the 2013 trustee selection process and received a document prepared by General Counsel Fjeld summarizing trustee responsibilities and eligibility criteria. See Appendix B.

Campus Liaison Assignments

General Counsel Fjeld briefed the Committee on closed session protocol when attending meetings of the campus Boards of Trustees.

Discussion of Vacancies on Boards and Councils

The committee discussed vacancies on councils and boards of trustees.

There is a partial term ending June 30, 2013, on the North Carolina School of Science and Mathematics Board of Trustees, representing Congressional District 11. Action was deferred.

Committee on University Governance
October 10, 2012
Minutes

The Committee acknowledged that the Board of Governors now has appointing authority to the UNC Health Care System Board of Directors. Upon motion of Mr. Grainger and seconded by Mr. Powers, the Committee voted to recommend the reappointment of Tim Burnett of Greensboro to serve a second term on the Board of Directors ending October 31, 2016, and the appointment of Anne Bernhardt of Lenoir and Susan Culp of High Point, to first terms ending October 31, 2016, and the appointment of Gregory Wessling of Cornelius to a partial term ending October 31, 2013. A short biography of each nominee is presented as Appendix C, D, E, and F.

Other Business

The Committee received the 2012 Winter Commencement schedule and the updated Board of Trustees meeting schedule.

Upon motion of Mr. Grainger, and duly seconded, the committee voted to adjourn.

ANNUAL REPORT for 2011-2012

COMMITTEE ON UNIVERSITY GOVERNANCE

The Committee on University Governance is responsible for reviewing and making recommendations with respect to proposed changes in *The Code* and the Delegations of Duty and Authority, for nominating individuals for election to the seventeen institutional boards of trustees and other University related boards, and for appellate review of certain campus actions and decisions. This report summarizes the work of the Committee from November 2011 through September 2012.

The list below shows the membership of the committee at the beginning of this period.

November 2011

Bill Daughtridge, Jr., Chairman
Franklin E. McCain, Vice Chairman
Irvin A. Roseman, Secretary
H. Frank Grainger
Thomas J. Harrelson
William Edwin McMahan
David M. Powers
Chancellor John F. Mauceri, *Ex Officio*

Effective August 9, 2012, the committee is now composed of the following members:

Bill Daughtridge, Jr., Chairman
David M. Powers, Vice Chairman
Thomas J. Harrelson, Secretary
John M. Blackburn
Peaches G. Blank
H. Frank Grainger
William Edwin McMahan
Irvin A. Roseman
J. Bradley Wilson
Chancellor Charles L. Becton, *Ex Officio*
Chancellor Kyle R. Carter, *Ex Officio*
Chancellor Gary L. Miller, *Ex Officio*

Appointments to Institutional Boards of Trustees

During 2011-2012, the committee considered a number of nominations for election to the boards of trustees at the seventeen constituent campuses.

Pursuant to the committee's recommendation, the Board of Governors made the following appointments:

Institution	Trustee	Term Ending
ECSU	Jimmy Teriell Tate	6/30/2015
NCSSM	Jim Barber	6/30/2013
NCSSM	Nivedia Varma Mittal	6/30/2013
NCSU	Gayle S. Lanier	6/30/2015
UNCC	Michael L. Wilson	6/30/2013
UNCP	Wiley G. Barrett	6/30/2013
UNCSA	Noel L. Dunn	6/30/2015
UNCSA	Michael Tiemann	6/30/2013
WSSU	Steve A. Martin	6/30/2013

Appointments to Other Boards

Pursuant to the committee's recommendations for affiliated entities to the University, the Board of Governors made the following appointments or confirmations:

Institution	Name of Board	Member	Term Ending
LITFC	Liability Insurance Trust Fund Council	B. Glenn George	N/A
LITFC	Liability Insurance Trust Fund Council	Alan D. Stiles	N/A
PCMH	Board of Trustees	Robert J. Greczyn, Jr.	2/29/2016
PCMH	Board of Trustees	Thomasine S. Kennedy	2/28/2017
PCMH	Board of Trustees	Mary J. Raab	2/28/2017
PCMH	Board of Trustees	A. Ray Rogers	2/28/2017
SACIE	State Advisory Council on Indian Education	Bill James Brewington	6/30/2012

SACIE	State Advisory Council on Indian Education	Bill James Brewington	6/30/2016
UNC CPTV	Board of Trustees	J. Donald Coleman	6/30/2016
UNC CPTV	Board of Trustees	William W. Mance, Jr.	6/30/2016
UNC CPTV	Board of Trustees	Assad Meymandi	6/30/2016
UNC CPTV	Board of Trustees	Robert D. Teer, Jr.	6/30/2016
UNC CPTV	Board of Trustees	Carl V. Venters, Jr.	6/30/2016
UNC Press	Board of Governors	Inger S. B. Brody	6/30/2017
UNC Press	Board of Governors	Lee A. Craig	6/30/2017
UNC Press	Board of Governors	Irene Owens	6/30/2017
UNC Press	Board of Governors	Marcie Ferris	6/30/2016

2013 Trustee Selection Process

In September 2012, the Committee formally began the 2013 trustee selection process when correspondence was sent to each chancellor and chairman of the institutional boards of trustees seeking nominations for trustees with terms beginning July 1, 2013.

Campus Liaison Assignments / Responsibilities

The Committee continued its focus on defining campus liaison responsibilities and the importance of using the amended trustee nomination form in the trustee selection process. The committee underscored the requirement that the form is to be officially signed by the chancellor/board chairman. The form can also be used for others who wish to make a nomination.

Student Discipline Policy

In January 2012, the Committee received an update from General Counsel Laura Fjeld on the review of student discipline policies. In April, the Committee approved proposed amendments to Policy 1300.1, *Illegal Drugs*, and the Board of Governors approved the amended policy at its June meeting.

Litigation Requests / Settlements

The Committee considered a range of requests to initiate or settle litigation and heard updates on pending disputes from its counsel.

Department of Defense Classified Research

The accreditation process for the University of North Carolina at Charlotte Closed Facility to meet the requirements of the National Industrial Security Program Operations Manual under which the campus will be conducting research involving Department of Defense classified information requires the Board of Governors to pass a resolution naming those members of the Board who will not have access to the information and therefore not be required to have personal security clearances. The Board of Governors approved the required resolution in August 2012.

UNC Health Care System

In November 2011, the Committee received President Ross' appointment of William G. Lapsley of Hendersonville and Roger L. Perry of Chapel Hill to serve as members of the UNC Health Care System Board of Directors. The Board of Governors approved the Committee's recommendation to ratify these appointments.

In June 2012, the Committee received President Ross' appointment of John W. Lassiter of Charlotte to serve as a member of the UNC Health Care System Board of Directors. The Board of Governors approved the Committee's recommendation to ratify this appointment.

Update on UNC-Chapel Hill Matters

In June, President Ross provided a summary of recent steps taken to understand the details of academic irregularities at the University of North Carolina at Chapel Hill. President Ross and Chairman Gage announced the appointment of the Academic Review Panel to assess the investigative efforts to date. Mr. Bissette will serve as the chairman, along with Mr. Davenport, Mr. Deal, Mrs. Goodnight, and Mr. Nath.

For the Committee on University Governance:

Bill Daughtridge, Jr., Chairman

October 8, 2012

UNC CAMPUS TRUSTEE SELECTION

Generally, in selecting candidates for service on constituent institution boards of trustees, it is important to consider carefully each individual's qualifications to perform the many key responsibilities entrusted to campus trustees. The Board of Governors delegates all of the trustees' original duties and powers to them in Appendix 1 to The Code of the University of North Carolina.

1. What are a trustee's responsibilities?

A trustee shall:

- Work to promote the sound development of the campus within the functions prescribed for it, helping to serve the people of the state in a way that will complement the activities of other institutions and aiding the campus to perform at a high level of excellence in every area of endeavor.
- Serve as advisor to the Board of Governors (BOG) on matters pertaining to the institution and serve as advisor to the chancellor concerning management and development of the institution.
- Exercise authority over academic and administrative personnel on campus (subject to state law, BOG policy and presidential guidelines), including over appointment, promotion and setting of compensation for certain employees, establishing policies on discharge and suspension, adoption of personnel policies, engagement in the search for chancellor and recommendation of chancellor candidates to the president.
- Ensure institutional compliance with educational, research and public service roles assigned to it by the BOG, either by express directive or by promulgated long-range plans of the BOG.
- Exercise institutional control of student grades and student qualification to receive a particular degree.
- Approve the granting of honorary degrees or other honorary or memorial distinctions to be conferred by the institution.
- Advise the chancellor with respect to the development of budget estimates for the institution and with respect to the execution and administration of the budget of the campus, as approved by the General Assembly and the BOG.
- Exercise certain specific duties in regard to capital improvements, such as the selection of architects or engineers, the approval of building sites, the approval of plans and specifications, and the final acceptance of all completed buildings and projects.

- Prepare and maintain a master plan for the physical development of the campus, consistent with the total academic and service mission of the campus.
- Recommend real property transactions to the BOG.
- Preserve, maintain and manage all properties, funds and other things of value, which constitute all or any part of the authorized endowment or trust funds, either currently in existence or to be established in the future, for the benefit of the campus.
- Exercise delegated authority in regard to admissions policies and resolve admissions questions.
- Oversee the collection of tuition, fees and other amounts necessary to pay other expenses for the terms, as have been approved by the BOG.
- Exercise delegated responsibility for student financial aid, student services, student activities and government, and intercollegiate activities.

2. Who can serve as a campus trustee?

There are some limitations on who may serve as a campus trustee. For example, a trustee:

- Cannot be a member of the Board of Governors, the General Assembly, an officer or employee of the State, The University of North Carolina, or of any constituent institution
- Whose spouse is elected or appointed to the General Assembly or becomes an officer or employee of the constituent institution where they are currently serving as a trustee is thereupon deemed to have resigned from his/her membership on the board of trustees
- Must submit for review and approval prior to commencing service a Statement of Economic Interest to the State Ethics Commission
- Must complete ethics training in order to serve as a trustee
- Is ineligible for reappointment to the same campus board of trustees for a period of one year after serving two full four-year terms in succession [such a person may be elected or appointed to the board of another institution during the one year period]
- Must regularly attend regular meetings of the board of trustees (after failure, for reasons other than ill health or service in the interest of the state or the nation, to be present for three successive regular meetings of a board of trustees, the person's place as a member shall be deemed vacant)

Tim Burnett, Greensboro

TIM BURNETT, current chairman of the UNC Health Care System Board of Directors, is president of family-owned Bessemer Improvement Company, a commercial and industrial real estate firm based in Greensboro, North Carolina. He was also awarded an honorary Doctor of Laws degree from the UNC-Chapel Hill.

A Morehead Scholar, he received his A.B. in mathematics in 1962 and was inducted into the Order of the Golden Fleece, the Order of the Grail-Valkyries and the Order of the Old Well, all honorary societies that recognize students of exemplary character and accomplishment. He went on to earn an M.B.A. with distinction from Harvard University in 1965.

Burnett has a long, broad and distinguished record of service to and support for the University. His leadership roles include eight years of service on Carolina's Board of Trustees, with two years as its chair. He also served on the Board of Visitors for two terms, twice as its chair; the steering committees for the Bicentennial Campaign and the Carolina First Campaign. He served on the search committees that chose Chancellors Hooker and Moeser, and on the Rhodes Scholars Nominating Committee for the UNC campus. He is also currently vice-chair of the Morehead-Cain Foundation Board of Trustees and on the board of the University of North Carolina at Chapel Hill Foundation, Inc.

Burnett has been a generous supporter of endeavors ranging from Carolina Performing Arts and the North Carolina Botanical Garden, to distinguished professorships and student success programs in the College of Arts and Sciences, whose foundation he chaired twice. He is a member of the Lux Libertas Society, an organization through which Carolina recognizes its most devoted supporters, and which takes its name from the University's motto etched in its official seal-Lux Libertas, Latin for "light and liberty."

Burnett's honors include the William Richard Davie Award, the highest recognition given by the Board of Trustees, and the General Alumni Association's Distinguished Service Medal.

Anne Bernhardt, Lenoir

ANNE BERNHARDT is Vice-Chairman of Bernhardt Furniture and President of Bernhardt Design. Anne has been actively involved in business and policy issues as a four-term member of the BIFMA Board (the industry trade association), former eight-year member of the Lenoir City Council, Mayor Pro-Tem in 1976-78, and member of the State Regional Forum. She has also been an active member of her community as President of the Lenoir Service League, President of the Women of Church at First Presbyterian Church in Lenoir and a trustee of the NC School of the Arts.

Currently, she serves on the Board of Directors of Helping Hands Clinic, a free health clinic for the uninsured in Caldwell County, and on the Board of Directors of RSVP (Retired Service Volunteers). She is the 2011 winner of the Dysart Award for community service. Her husband, Alex Sr., Chairman of Bernhardt Furniture, has served on the Duke Energy Board of Directors since 1991.

Anne was raised in Hickory, North Carolina, graduated from Duke University and has a masters' degree from Appalachian State University. She and her husband have three adult children, who have attended various institutions in North Carolina: Alex Jr. received both his undergraduate and MBA degrees from UNC-Chapel Hill, Lillian received her undergraduate degree from Duke University, and Mary earned her undergraduate degree from Davidson College and her MBA from UNC-Chapel Hill.

Susan Culp, High Point

SUSAN CULP, from High Point, is immediate past chair of the High Point Regional Health System, where she served for 14 years. Susan graduated from UNC-Chapel Hill in 1968 with a degree in nursing, and has served on the UNC Board of Visitors, where she was the first female chairman, and on the School of Nursing Foundation board of directors.

Susan has been president or chairman of the board of the High Point Junior League, Family Services, Hospice of the Piedmont, High Point YMCA, and The Piedmont School.

She currently serves on the local Wells Fargo board, High Point University Board of Visitors, Guilford Education Alliance board, High Point Community Foundation Board, YMCA Trustees, and the Piedmont School Trustees.

Susan is married to Robert George Culp, III, who also graduated from Carolina in 1968. He serves on the Kenan-Flagler Business School board of Visitors and co-chaired their 25th reunion campaign. They also co-chaired the Chancellors' Club from 1995-1997.

They have two sons and a daughter. Robert George Culp IV and Graham Barber Culp both graduated from UNC-CH, and their daughter, Lee Culp Henry, graduated from Princeton.

Gregory J. Wessling

GREG WESSLING, of Cornelius, was a founding member of the Lowes Companies, Inc., where he worked for 33 years. Upon retiring, he founded his own consulting firm, A&G Associates and Partners, with his wife. He has an extensive business background with expertise in marketing, merchandizing, and strategic planning. He has continued his executive experience in recent years as Chairman of the Strategic Planning Process for Wake Forest University and as CEO and COO of various companies on an interim, advisory basis.

Greg currently serves on the Wake Forest University Board of Visitors and on the Wake Forest University School of Business Alumni Council. In addition he is Council President and District Chairman of the Boy Scouts of America. He is also campaign chairman for Jeff Tarte for NC Senate.

Mr. Wessling is very active in his local community through civic and business organizations. He is on the Charlotte area Board of Realtors. He also teaches business ethics classes at Wake Forest.

Greg graduated from UNC-Chapel Hill in 1974 and from Wake Forest School of Business in 1987. He is married and has three adult children, two of whom attended UNC-Chapel Hill.