

COMMITTEE ON BUDGET AND FINANCE

Draft Minutes: September 11, 2014 at 8:30 a.m.
Grand Room, A.K. Hinds University Center
Western Carolina University, Cullowhee, North Carolina

OPEN SESSION

The following members were present: Chair Harry L. Smith, Jr., Roger Aiken, W. Louis Bisette, Jr., Scott Lampe, and Raiford Trask III. Necessarily absent were Hannah D. Gage, Peter D. Hans, and W.G. Champion Mitchell. Other Board members in attendance were Chair John C. Fennebresque, G. Leroy Lail, Joan G. MacNeill, W. Edwin McMahan, Hari H. Nath, Anna S. Nelson, R. Doyle Parrish, Joan T. Perry, David M. Powers, Robert S. Rippy, and J. Craig Souza.

Mr. F. Edward Broadwell, Jr., former member of the Board of Governors, was in attendance.

The following staff were present: Chief of Staff Kevin FitzGerald, Chief Operating Officer Charles E. Perusse, Vice Presidents Leslie Boney, Tom Shanahan, Andrew Moretz, and Joni Worthington, Senior Associate Vice President Jonathan Pruitt, Associate Vice President for Finance and Capital Planning William Johnson, Assistant Vice Presidents Andrea Poole, Michael Vollmer, and Jonathan Womer, other General Administration staff, Chancellors and other faculty/staff from the universities, and members of the press.

1. The Open Minutes of July 31 and August 20, 2014 were properly approved, and seconded.
2. Sale of Special Obligation Bonds – UNC-CH: The University of North Carolina at Chapel Hill had requested that the Board issue special obligation bonds in an amount not to exceed \$270 million for the purposes of (1) refunding of prior revenue bonds or special obligation bonds, and (2) costs incurred in connection with the issuance of the 2014 Bonds. This was a refinancing of bonds currently outstanding for projects that had been previously approved by the Board of Governors and the General Assembly. This refinancing would result in interest savings to the University.

It was recommended that the President of the University, or his designee, be authorized to sell the special obligation bonds.

A vote was taken by the committee on the recommendation, which did pass. Mr. Aiken recused from the vote.

3. Authorization of New Capital Improvements Projects – ECU, NCSU, UNC-CH, UNCC, and UNCP: East Carolina University, North Carolina State University, the University of North Carolina at Chapel Hill, the University of North Carolina at Charlotte, and the University of North Carolina at Pembroke had requested authority to proceed with non-appropriated capital improvements projects using available funds derived from receipts, student fees, foundation funds, trust funds, research facilities and administrative funds, and carry-forward operating funds.

ECU – Aycock Basement and Exterior Accessibility Improvements - \$1,705,000

ECU – Transit Facility Site Improvements - \$450,000

NCSU – Research III HVAC Renovations - \$500,000

NCSU – Lee Hall Stair Enclosure Upgrade - \$500,000

NCSU – Millstone 4-H History and Learning Center - \$1,500,000

UNC-Chapel Hill – Biomedical Engineering Renovations in Phillips Hall - \$1,699,000

UNC-Chapel Hill – Murray Hall Laboratory Up-Fits, Rooms 1101 and 3401 - \$3,923,000

UNC-Chapel Hill – Improvements to Athletic Facilities - \$3,198,000

UNC-Chapel Hill – Faculty Office Renovations Lineberger Cancer Center - \$488,000

UNC-Charlotte – Campus Storm Water Improvements - \$450,000

UNC-Pembroke – Grace Johnson Stadium Expansion Phase I - \$905,250

NCSU – Cox Hall Scale-Up Classrooms – advance planning authorization - \$25,000

A vote was taken by the committee on the recommendation, which did pass. [unanimous vote]

- 4: Update of Millennial Campus - UNCC: The Board of Trustees of The University of North Carolina at Charlotte requested Board of Governors’ approval to expand and revise the Millennial/CRI Campus boundary. UNCC had grown significantly to meet the needs of a rapidly expanding city. Growth, along with the expansion of the light rail system, had led to strategic restructuring on campus. There were seven proposed boundary changes. The boundary changes were not reflected in the campus Master Plan. It was also recommended that the Master Plan be updated within one year.

A vote was taken by the committee on the recommendation, which did pass. [unanimous vote]

5. Property Actions Approved Under Delegated Authority:

- ECU – Acquisition of Real Property by Deed for the future site of proposed academic buildings housing the Colleges of Education and Business

- UNC TV – Disposition of Real Property by Lease for installing equipment to support a microwave data connection to a communications site being installed for emergency responder communications in the Brier Creek area in the City of Raleigh -- The microwave data connection would allow the site to be tied into the rest of the City's communications network.
6. Discussion – 2015-17 Budget Planning: Mr. Perusse led a discussion concerning planning for the 2015-17 Budget.

Harry L. Smith, Jr., Chair
Committee on Budget and Finance

Roger Aiken, Secretary
Committee on Budget and Finance