

COMMITTEE ON BUDGET AND FINANCE

Draft Minutes: September 17, 2015, at 9:30 a.m.
Semans Library, 4th Floor Special Event / Study Space
University of North Carolina School of the Arts
Winston-Salem, North Carolina

OPEN SESSION

The following members were present: Chair Harry L. Smith, Jr., Roger Aiken, W. Louis Bissette, Jr., Walter Davenport, Hannah D. Gage, James L. Holmes, Jr., Scott Lampe, and J. Alex Mitchell. Necessarily absent was W.G. Champion Mitchell. Other Board members in attendance were Chair John C. Fennebresque, Thom Goolsby, Henry W. Hinton, W. Marty Kotis III, Ann Maxwell, R. Doyle Parrish, Robert S. Rippy, and George A. Sywassink.

The following staff were present: Senior Vice President and Chief Operating Officer Charles E. Perusse, Senior Vice President and General Counsel Tom Shanahan, Vice Presidents Timothy Minor, Jonathan Pruitt, and Lynne Sanders, Associate Vice President for Finance and Capital Planning William Johnson, Associate Vice Presidents Andrea Poole and Michael Vollmer, other General Administration staff, Chancellors and other faculty/staff from the universities, staff from the Office of State Budget and Management, and members of the press.

1. The Open Minutes of August 6, 2015 were properly approved, and seconded.
2. Authorization of Delegated Authority – Allocation of Funds: It was recommended that the Committee on Budget and Finance be delegated the authority to allocate funds made available by the General Assembly, if the State budget was ratified prior to the next Board meeting. There would be a special meeting for this purpose and the entire Board would be invited to participate, either in person or via telephone.

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

3. Disposition of Real Property by Lease – WCU: Western Carolina University requested approval to amend the Millennial Campus' Ground Lease Agreement to the Endowment Fund from a term of 65 years to a term of 99 years, commencing on the 1st day of September, 2014, and expiring on the 31st day of August, 2113. All of the current terms and provisions of the ground lease would remain in full force and effect.

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

4. Update of Millennial Campus – ASU: The Board of Trustees of Appalachian State University requested expansion and revision of the Millennial Campus by approximately 58.9 acres on two separate sites based on their proximity to existing campus academic, student services and residence halls, athletic performance activities, and the Town of Boone’s Wellness District.

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

5. Disposition of Property by Demolition – ASU: The Board of Trustees of Appalachian State University requested authorization to demolish the Broyhill Inn located in the Town of Boone, Watauga County, North Carolina. Subject property was in extreme disrepair and had been deemed uninhabitable by the North Carolina Department of Insurance.

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

6. Authorization of Capital Improvements Projects – ASU, NCSU, and UNC-CH:

ASU – Panhellenic Hall Fermentation Sciences Renovation, \$350,000

NCSU – Toxicology Sea Grant Renovations, \$395,000

NCSU – Varsity Research Building Labs 1112, 1114, and 1116 Modifications, \$462,000

NCSU – Western Boulevard Business Services Renovation, \$311,200

NCSU – CFEP: Phytotron PTL Renovations, \$440,000

NCSU – Centennial Campus Tenant Space Renovations, \$4,000,000

NCSU – Varsity Research Building Renovations – Phase 1, advance planning
authorization of \$250,000

NCSU – Centennial Campus Substation Expansion, increase in authorization of \$2,600,000

UNC-CH – Murray Hall 1101/3401 Laboratory Up-Fit, increase in authorization of \$1,008,586

UNC-CH – Hill Hall Renovations, increase in authorization of \$2,615,410

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

7. Property Actions Approved Under Delegated Authority:

UNCP – acquisition of real property by lease for the Thomas Family Center for
Entrepreneurship

UNCP – acquisition of real property by lease for the UNCP Department of Information
Technology

8. Budget Update: The Committee heard an overview presentation on the 2015-17 budget. There would be a specially called Budget and Finance Committee meeting prior to the October meeting of the Board of Governors to allocate funds included in the budget. All members of the Board would be invited to attend.
9. UNC System SMART Initiatives: The Committee also heard about UNC System SMART, an initiative related to improving efficiency and transparency in the areas of Human Resources, Procurement, Capital Planning, and Financial Reporting.

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

Walter Davenport, Secretary
Committee on Budget and Finance