

MINUTES

February 18, 2021
University of North Carolina
Center for School Leadership Development, Room 128
Via Videoconference and UNC-TV Live Stream

Call to Order

The Board of Governors met on February 18, 2021, in-person and by videoconference. Chair Ramsey called the meeting to order at 9:00 a.m. Chair Ramsey announced that the Board will continue to hold its regular meetings in a hybrid format and will postpone meeting at the University of North Carolina at Pembroke's campus until the spring of 2023. He reminded the members that the day's meeting would be conducted pursuant to the provisions of the Open Meetings Act that apply during states of emergency and that allow for public bodies to meet via electronic means. The law requires, however, that all votes are to be taken by roll call. He reminded the members that all chats, instant messages, texts, or other written communications between members of the Board regarding the transaction of public business during the remote meeting are deemed a public record.

Invocation

Chair Ramsey called on Mr. Holton to give the invocation.

Roll Call

Secretary McCullen called the roll. The following members were present:

W. Louis Bissette, Jr.	W. Marty Kotis, III
Kellie Hunt Blue	Steven B. Long
Pearl Burris-Floyd	J. Alex Mitchell
C. Philip Byers	Wendy Floyd Murphy
Jimmy D. Clark	Anna Spangler Nelson
Carolyn Coward	R. Doyle Parrish
N. Leo Daughtry	Art Pope
Thomas C. Goolsby	David Powers
Isaiah Green	Randy Ramsey
Reginald Ronald Holley	Temple Sloan
James L. Holmes, Jr.	Dwight D. Stone
Mark Holton	Michael Williford
Terry Hutchens	

State Ethics Act

Chair Ramsey stated that, under the State Ethics Act, members have a duty to avoid conflicts of interest and appearances of conflicts and asked if anyone had a potential conflict. Mr. Holley indicated that he would recuse himself from Item 19., (see Appendix L) as reflected on the day's agenda.

Presentation of the 2020 Governor James E. Holshouser, Jr. Award for Excellence in Public Service

Chair Ramsey stated that the Board was excited to present the 2020 Governor James E. Holshouser, Jr., Award for Excellence in Public Service. He thanked the members of the Committee on Educational Planning, Policies, and Programs for overseeing the award process. Mrs. Nelson, vice chair of the committee, oversaw the award process

and other members of the subcommittee included Mr. Clark and Mr. Goolsby. Chair Ramsey called on Mrs. Nelson to begin the presentation.

Mrs. Nelson stated that, on behalf of the Board of Governors and this year's subcommittee, it was a privilege to introduce the recipient of the 2020 Governor James E. Holshouser, Jr. Award for Excellence in Public Service. After consideration of many excellent nominees, the subcommittee selected Dr. Billy T. Ogletree, the Catherine Brewer Smith Distinguished Professor of Communication Sciences & Disorders from Western Carolina University. A video presentation highlighting Dr. Ogletree's impressive work and achievements was viewed. Following the video presentation, President Hans congratulated Dr. Ogletree on his distinguished record of public service and stated that "Western Carolina University and all of North Carolina owes you a debt of gratitude for your meaningful contributions to your students, your field, your community, and society at large." He called on Dr. Ogletree for his brief remarks. For a profile of Dr. Ogletree's distinguished work, please see Appendix A.

In closing, Chair Ramsey thanked Dr. Ogletree's family and colleagues, who joined the presentation by video. He congratulated Dr. Ogletree and noted that Dr. Ogletree and faculty across our great University strive on a regular basis to serve in a way that enhances the quality of life for North Carolinians.

President's Report

President Hans reflected on the challenges caused by last year's COVID-19 pandemic. He spoke about the "hands-on-deck" approach that the entire system has undertaken in response to the pandemic. He commented that despite the pandemic, the core work of this System has continued with a focus on achieving its strategic goals – improving student success, increasing graduation rates, supporting key growth areas for the state's workforce, and welcoming more first-time generation students from our rural communities. For President Hans' complete report, please see Appendix B.

Consent Agenda Items

Chair Ramsey referred to the consent agenda items listed as Item 5 on the day's consent agenda.

Minutes

- a. Minutes of January 21, 2021

Committee on Budget and Finance

- b. Capital Improvement Project Appendix C

Committee on University Governance

- c. Section 300.1.3, Attorney Licensing (*Repealed*) Appendix D

Motion: Resolved, that the Board of Governors approve the consent agenda items listed on the day's meeting as described above.

Motion: Wendy Floyd Murphy

Motion carried (Roll Call vote taken; see Appendix K)

Report of the Committee on Budget and Finance

Mr. Holmes, chair of the committee, reported that the committee received the state's General Fund update. The update included information on the state's revised consensus revenue forecast. He reported that fiscal year 2020 General Fund Revenues showed an increase over the previous year and the current fiscal year revenues are projected to be higher than previously forecasted.

Next, the committee considered the 2021-22 tuition and fee authorization. The Board recommended an increase for nonresident student rates and no tuition increase for resident students.

Motion: Resolved, that on behalf of the Committee on Budget and Finance, the Board approve the proposed Authorization of Tuition for 2021-22 (see Appendix E).

Motion: James L. Holmes, Jr.

Motion carried (Roll Call vote taken; see Appendix K)

The committee also considered and approved fee increases, including a three percent cap on mandatory student fee increases enacted by the 2016 General Assembly.

Motion: Resolved, that on behalf of the Committee on Budget and Finance, the Board approve the proposed Authorization of Fees for 2021-22 (see Appendix F).

Motion: James L. Holmes, Jr.

Motion carried (Roll Call vote taken; see Appendix K)

Mr. Holmes reported that the committee considered and approved a motion offered by Mr. Mitchell, who proposed that the campus security fee include suicide counseling and prevention to the list of authorized uses of the campus security fee.

Chair Ramsey opened the floor for discussion. Mr. Kotis suggested that language be inserted to include “suicide intervention and crisis response teams.” Without objection, the Board voted to accept Mr. Mitchell’s proposal including the additional language.

Motion: Resolved, that on behalf of the Committee on Budget and Finance, the Board approve the additional use of campus fees to include suicide counseling, prevention, intervention, and crisis response teams.

Motion: James L. Holmes, Jr.

Motion carried (Roll Call vote taken; see Appendix K).

Next, the committee received an update on the 2021-23 base budget request, which the committee approved. The base budget reflects limited adjustments to the current year authorized budget. The current base budget is \$2.96 billion and reflects the expansion budget priorities previously approved by the Board (see Appendix G).

Motion: Resolved, that the Board of Governors approve the proposed 2021-23 Base Budget Request.

Motion: James L. Holmes, Jr.

Motion carried (Roll Call vote taken; see Appendix K)

Mr. Holmes explained that every biennium, the University reviews its capital improvement projects and prepares a six-year capital improvement plan. The campuses were directed to focus their 2021-27 six-year capital improvement plans on extending the use of existing buildings rather than proposals for new construction or expansion (see Appendix H). The plans were used to develop recommended priorities for the 2021-23 biennium budget.

Motion: Resolved, that the Board of Governors approve the proposed 2021-23 Capital Improvement Priorities.

Motion: James L. Holmes, Jr.

Motion carried (Roll Call vote taken; see Appendix K)

Next, the committee considered and approved routine administrative and transactional items. It approved an increased authorization for a capital improvement project requested by East Carolina University and voted to place this item on the day's consent agenda, which was approved by the Board (see Appendix C).

Finally, the committee received an update from Mrs. Murphy, chair of the Task Force on Pricing, Flexibility, and Affordability. The task force finalized a recommendation to define distance education programs for fee-charging purposes. The recommendation was considered and approved by the task force and will be discussed with the Committee on Budget and Finance at its next meeting

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

Mr. Sloan, chair of the committee, reported that the committee considered and approved an amendment to Section 700.1.3 of the UNC Policy Manual – *Out-of-State Undergraduate Enrollment*. The amendment would raise the cap on nonresident first-time freshmen students from 18 to 25 percent for the UNC System's HBCUs. This item will be brought before the full Board for approval at its next meeting.

The committee heard an update on the spring 2021 enrollment and the System's progress on the Strategic Plan goals and metrics.

In closing, Mr. Sloan reported that the committee received the annual report on Career and College Promise and Cooperative Innovation High School Programs.

Report of the Committee on Personnel and Tenure

Mrs. Blue, chair of the committee, called on Mr. Garrett Killian, chair of the UNC Staff Assembly, for his report on behalf of the staff assembly. Mr. Killian spoke about how the System employees were adapting to remote working arrangements since the COVID-19 pandemic began. The staff assembly was encouraged that the UNC System's Human Resources office is developing a policy for more teleworking options.

Mr. Killian also reported that the 2021 Chancellors' Cup Tournament, which raises money to support the Janet B. Royster Memorial Staff Scholarship Fund, is scheduled for Wednesday, September 29, 2021. Next, he commented on the impressive work of the UNC Racial Equity Task Force. The staff assembly will continue to follow the recommendations that were identified in the report.

In closing, Mr. Killian thanked the Board for including staff salary increases in the recent UNC Legislative Priorities.

Report of the Committee on University Governance

Mr. Powers, chair of the committee, reported that the committee continued its series of presentations on free expression and free speech. He recalled that in November 2020, the committee heard a presentation by three faculty members from UNC-Chapel Hill, which provided an informative look at the "state of things" on UNC-Chapel Hill's campus. At its meeting the previous day, the committee hosted its second presentation, which included Chancellor Dixon, Chancellor Sartarelli, and two current students – Dalton George from Appalachian State University and John Waugh from UNC Charlotte. The panelists shared viewpoints on the topic and described what the campuses are doing to protect free speech and expression. Mr. Powers thanked the participants and noted that the committee will continue discussion on this topic.

Next, the committee discussed the Board of Governors process for nominating candidates to the boards of trustees. Members of the committee have been working diligently with the chancellors and boards of trustees' chairs on the

process. The committee will consider the entire list of trustee nominations and bring the list of nominees to the full Board for approval at its next meeting.

Finally, Mr. Powers reminded the Board of the following upcoming appointments: the North Carolina Teaching Fellows Commission has two vacancies, which will be brought before the committee at its April meeting; and UNC Press has three vacancies, which will be brought before the committee in May for approval.

Report of the Committee on Public Affairs

Mr. Byers, chair of the committee, reported that the committee reviewed activities that had taken place since its meeting. The committee heard a state relations update on activities in the North Carolina General Assembly related to the UNC System's effort to promote its 2020-21 budget proposal and legislative agenda.

The committee also heard an update on federal relations, which included the latest information on the COVID-19 stimulus package. The federal relations staff highlighted the funding relief that was included in the legislation for higher education as well as funds designated for the UNC System's institutions. Mr. Byers recalled that at its meeting last month, the committee reviewed the UNC System's Federal Priorities for the 117th Congress. The committee approved the item and presented it to the full Board for approval (see Appendix I).

Motion: Resolved, that on behalf of the Committee on Public Affairs, the Board vote to approve the UNC System's Federal Priorities as described above.

Motion: Mr. C. Philip Byers

Motion carried (Roll Call vote taken; see Appendix K)

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

Mr. Holton, chair of the committee, reported that the committee heard a summary of the 2020 Fiscal Year Financial Statement Audit Reports issued by the Office of the State Auditor. The reports contained no audit findings. Next, the committee received an overview by Mr. Bryan Heckle, NC Department of Insurance, regarding the UNC System's property insurance coverage and exclusions. Effective January 1, 2021, all institutions have a broad scope of property insurance coverage at "all risk special form."

Next, the committee heard a presentation related to efforts that would address key enterprise risks in campus safety and security. Mr. Holton recalled that at its last meeting, the committee requested staff and campus police chiefs to bring forth strategies for recruiting campus law enforcement officers. The committee considered four recommendations. The first recommendation was to eliminate the cap on tuition waivers and fees for full time campus law enforcement officers. The committee approved this recommendation, which would require proposing an amendment to G.S. 116-143(d). Mr. Holton offered the following motion.

Motion: Resolved, that per the 2021 UNC Legislative Policy Priorities, the Board of Governors approve the inclusion of legislation amending G.S. Chapter 116-143(d) to eliminate the cap on tuition and fee waivers for the UNC System's campuses' law enforcement officers.

Motion: Mr. Mark Holton

Motion carried (Roll Call vote taken; see Appendix K)

The committee considered and approved three other recommendations for recruiting law enforcement officers, including: enhancing the salary structure, career ladder, and organizational structure of campus law enforcement; developing plans to launch training programs at Samarcand Training Facility as well as identify equipment needs; and developing a system for dual employment to fill critical vacancies.

Report of the Committee on Strategic Initiatives

Mrs. Coward, chair of the committee, reported that the committee continued its discussion of innovation in higher education. The committee explored demographic projections, which predict that colleges will see a slowdown of traditional college-aged students. These new projections could have a significant implication for the System, which relies heavily on traditional-aged students. The committee will continue to explore strategies and tactics designed to attract and retain students that include offering online programs in high-demand fields, flexible schedules with multiple start dates, employer partnerships, and stackable credentials.

Report of the Committee on Military and Veterans Affairs

Mr. Daughtry chair of the committee, reported that the committee heard an update from Ms. Lauren Augustine, vice president of government affairs for Student Veterans of America. She spoke about a bill that Congress passed last year – Isakson and Roe Veterans Health Care and Benefits Improvement Act of 2020 – which requires all institutions of higher education to provide in-state tuition to students using federal veterans’ education benefits, who are living within the state, regardless of formal residency status.

The committee heard an update on the UNC System’s new partnership with the U.S. Army 82nd Airborne Division at Fort Bragg on important research initiatives designed to advance the national security mission. Mr. Daughtry also reported on the U.S. Department of Defense appropriation bill that will support academic partnerships with Army operational units. The partnership will strengthen the System’s existing relationship with the military and allow for opportunities to enhance education, research, and innovation in STEM-related disciplines. The committee was also briefed on a presentation given to White House officials last summer that raises awareness of the current veterans’ suicide rate.

Chair’s Report

Chair Ramsey spoke about the UNC System’s efforts and response to the COVID-19 pandemic. Since the onset, the UNC System has worked together in a very collaborative manner with our state and emergency management departments. As an example, North Carolina A&T State University opened a COVID-19 vaccination clinic on its campus and offered vaccinations to the community. Several other constituent institutions have followed suit and UNC Health Care System has administered 160,000 vaccinations to residents across our state.

Next, Chair Ramsey noted that the UNC System is working diligently to have students return to campus. The campuses have been able to open for some form of in-person classes and continue to make every effort to protect their community while educating the workforce that will help rebuild our state’s economy.

Chair Ramsey referred to the System’s five-year strategic plan that was developed in 2016. He was pleased that several of the plan’s goals – student success and access, affordability, efficiency, economic impact, community engagement, and excellent and diverse institutions – have exceeded on many fronts. He noted that graduation rates have increased and many of our students are finishing degrees more efficiently. The System will continue efforts to help increase accessibility for low-income and rural students. The System also reached record enrollment numbers last year. He was pleased that the Board voted to keep in-state tuition flat for the fifth consecutive year. He thanked the Committee on Budget and Finance for its diligent work.

In closing, Chair Ramsey thanked the General Assembly for its continued support of the UNC System and looks forward to continuing to work with the legislature to ensure that the N.C. Promise Program continues. Chair Ramsey recognized President Hans for doing an amazing job in a difficult role and thanked him for his outstanding leadership.

Chair Ramsey called on Secretary Burris-Floyd for a motion to go into closed session.

Motion: Resolved, that the Board go into closed session to prevent the disclosure of information that is privileged or confidential under Article 7 of Chapter 126 and § 143-748 of the North Carolina General Statutes, or not considered a public record within the meaning of Chapter 132 of the General Statutes; consult with its attorney to protect attorney-client privilege; and to consider the qualifications, competence, performance, or condition of appointment of a public officer or employee or prospective public officer or employee pursuant to N.C. General Statute 143-318.11(a)(1), (2), (3), and (6) (see Appendix J).

Motion: Pearl Burris-Floyd

Motion seconded: Kellie Hunt Blue

Motion carried (Roll Call vote taken; see Appendix K)

The Board went into closed session at 10:37 a.m. and returned to open session at 10:57 a.m.

Report of the Committee on Personnel and Tenure

Mrs. Blue, chair of the committee, reported that the committee heard an update on various human resources-related topics including COVID-19 work/leave provisions and the work that is underway on the EHRA non-faculty salary ranges. The committee reviewed an informational report on recent salary increase request activity. The report illustrated a substantive decrease in salary activity approved by the president as compared to the equivalent period from a year ago. The committee also reviewed a routine informational report.

Next, the committee received a report on the use of a System-wide model, known as JCATs (Job Categories Analysis), that categorizes a broad range of positions across the System. The report analyzes the composition of the University's workforce, which is the basis for a study that is underway to examine the University's administrative positions.

Lastly, President Hans presented his nominee for the next chancellor of Fayetteville State University. The committee voted to accept the president's recommendation and submit the nominee and the proposed terms of the nominee's employment to the full Board. Mrs. Blue called on President Hans to present his candidate.

President Hans remarked that Dr. Peggy Valentine has served as the interim chancellor of Fayetteville State University since August 2019. He thanked Dr. Valentine for her leadership. Next, President Hans recommended the appointment of Mr. Darrell Allison as the next chancellor at Fayetteville State University, effective March 15, 2021. President Hans provided a summary of Mr. Allison's background and experience. In recommending him, President Hans stated that Mr. Allison is a creative leader, who understands the value of Fayetteville State University to the community, the region, and the state, and that his expansive career in education and service to the UNC System has been important to this state, and especially our HBCUs.

Motion: Resolved, that on behalf of the Committee on Personnel and Tenure, the Board of Governors vote to accept the appointment of Mr. Darrell Allison as the next chancellor of Fayetteville State University.

Motion: Kellie Hunt Blue

Motion carried (Roll Call vote taken; see Appendix K)

There being no further business, the meeting adjourned at 10:52 a.m. The next meeting of the Board of Governors is scheduled for Thursday, April 22, 2021, at the UNC Center for School Leadership Development in Chapel Hill.

Pearl Burris-Floyd, Secretary

APPENDICES

The Appendices are part of the official record of the meeting and are posted on the UNC System website at:
<http://www.northcarolina.edu/apps/bog/index.php>

Appendix A	2020 Governor James E. Holshouser, Jr., Award for Excellence in Public Service Recipient's Profile
Appendix B	President Han's Report
Appendix C	Capital Improvement Project – East Carolina University
Appendix D	UNC Policy Manual Section 300.1.3 – Attorney Licensing (<i>Repealed</i>)
Appendix E	Authorization of Tuition for 2021-22
Appendix F	Authorization of Fees for 2021-22
Appendix G	2021-23 Base Budget Request
Appendix H	2021-23 Capital Improvement Priorities
Appendix I	UNC System's Federal Priorities for the 117 th Congress
Appendix J	Closed Session Motion
Appendix K	Roll Call Vote
Appendix L	Reginald R. Holley's Recusal letter