

DRAFT MINUTES

July 24, 2024

Via Videoconference and PBS North Carolina Livestream

The UNC System Office

223 S. West Street, Board Room (17th Floor)

Raleigh, North Carolina

Call to Order

The University of North Carolina Board of Governors met on July 24, 2024, at the UNC System Office in Raleigh, North Carolina. Chair Wendy Murphy called the meeting to order at 1:15 p.m. She welcomed everyone to the meeting, noting the addition of Mrs. Kathryn C. Greeley to the Board. She also welcomed Senator Amy Galey to the meeting, thanking her for joining and for her support. Chair Murphy stated that the meeting is denoted as a special meeting of the Board, meaning those members who have joined by electronic means will count toward quorum and may vote in today's meeting.

Invocation

Chair Murphy called on Mr. Chatterjee to give the invocation.

Roll Call

Secretary Pearl Burris-Floyd called the roll. The following members were present:

Lee Barnes	Mark Holton
Kellie Hunt Blue	Terry Hutchens
Kirk Bradley	Alex Mitchell
Cameron Brown	Wendy Floyd Murphy
Harry Brown	Sonja Nichols
Pearl Burris-Floyd	Art Pope
C. Philip Byers	Randy Ramsey
Swadesh Chatterjee	Temple Sloan
Jimmy D. Clark	Woody White
Carolyn Coward	Michael Williford
Gene Davis	
Joel Ford	
John Fraley	
Kathryn Greeley	
Reginald Holley	

State Ethics Act

Chair Murphy 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. There were none.

Chair's Report

Chair Murphy said it was a privilege to speak as the new chair of the Board, and she is humbled and honored to lead alongside Vice Chair Kellie Blue and Secretary Burris-Floyd. She stated it is important that the mission is connected to the heart, that is, the ideas of education, research, and public service. She hopes that in the coming days the Board will talk about the people who live out the mission through their work. She shared various examples of people across the state working toward the mission. These included Professor Devon Eulie, Dr. Rukiyah Van Dross-Anderson, Nicole Youngblood, Sam McLean, and Mikayla Wright. She closed her remarks by reminding everyone of the University's mission and to be inspired by the people who live it through their work, not only as an economic engine, but by a "heartbeat for our state." She then called on President Peter Hans for his report.

President's Report

President Hans spoke on the topic of the goals and strategic plan, now in its seventh year. He stated the plan prizes affordability, cost efficiency, economic impact, and student success. He noted the tangible improvements in the core mission. The focus on fundamentals has paid off for students and taxpayers. He pointed out that North Carolina's public universities are more affordable today than they were eight years ago, student debt among the graduates is lower, and the research enterprise is more productive. He congratulated all who have worked to make it happen. He said that public confidence is won in the "relentless drive" to keep our promise of an affordable, valuable education. Every student deserves high expectations and support to meet them. For President Hans' complete report, please see APPENDIX A.

President Hans then asked for a moment of personal privilege, acknowledging Dr. Harold Martin and his wife, Davida Martin, who were in attendance. President Hans noted it was an honor to speak to his many accomplishments during his career tenure at Winston-Salem State University, North Carolina Agricultural & Technical State University, and the UNC System Office. He then asked Dr. Martin and his wife to say a few words to the Board. Dr. Martin thanked President Hans for his support and thanked the Board and staff for their support. For 45 years he has held a deep passion for higher education. He and his wife grew up in Winston-Salem, and he thanked her for her support and strong partnership, noting how education transformed their lives. Chair Murphy thanked Dr. Martin for his 45 years of service.

Consent Agenda Items

Chair Murphy referred to the consent agenda items listed as Item 5 on the day's agenda. Chair Murphy entertained a motion to approve the consent agenda items. The motion was properly seconded, and the motion passed.

Minutes

a. Minutes (Open) of May 23, May 29, June 6, June 19, 2024

Committee on Budget and Finance

- | | |
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| b. Capital Improvement Projects | APPENDIX B |
| c. Disposition of Property by Ground Lease – North Carolina State University | APPENDIX C |
| d. Disposition of Property by Deed – Winston Salem State University | APPENDIX D |

Committee on Educational Planning, Policies, and Programs

- | | |
|---|------------|
| e. UNC System Academic Degree Program Discontinuations – University of North Carolina Asheville | APPENDIX E |
| f. Authorization for Academic Degree Program Curtailment – University of North Carolina Asheville | APPENDIX F |

g. UNC System Academic Program Discontinuations – University of North Carolina at Greensboro

APPENDIX G

h. Authorization for Academic Degree Program Curtailment – University of North Carolina at Greensboro

APPENDIX H

Report of the Committee on Budget and Finance

Mr. Bradley, chair of the committee, stated the committee received an informational update and presentation on the State Budget. The issue of greatest concern is that neither the House nor Senate proposal included the full amount of performance funding requested by the Board. At future meetings, the committee will discuss a plan to adapt an approach based on legislative feedback.

Next, Ms. Jennifer Haygood, senior vice president, explained that even though the House and Senate have not agreed on revisions to the FY25 State Budget, the UNC System will continue to operate under the biennial budget enacted during the long session. Additionally, the committee reviewed the FY25 Enrollment Change Budget Adjustments that can be effectuated under current funding levels. The committee recommended that the Board of Governors should (1) adjust budgets for enrollment changes as proposed in Table 1 on BoardEffect and (2) approve the allocation of the additional amounts contingent on legislation being enacted to appropriate the additional \$574,578 needed. (APPENDIX I)

Motion: Resolved, that on behalf of the Committee on Budget and Finance, I move that the Board of Governors approves the FY25 Enrollment Change Budget Adjustments, as presented.

Motion: Mr. Bradley

Motion carried

The committee also reviewed and approved several transactional items via the consent agenda. They included:

- Authorization of five new capital projects at three institutions for a total amount of \$35.54 million, seven increased authorizations at five institutions for a total amount of \$19.88 million, and the reporting of three chancellors' R&R projects less than \$600,000 in compliance with statute;
- Authorization for NC State University to dispose of property by lease of approximately 40 acres on the Centennial Campus, Hillsborough Street, Raleigh, North Carolina; and
- Authorization for Winston-Salem State University to dispose of the chancellor's residence by deed, 5005 Marble Arch Road, Winston-Salem, North Carolina.

Chair Murphy then called on Mr. Hutchens for the report of the Committee on Educational Planning, Policies, and Programs.

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

Mr. Hutchens, chair of the committee, reported that the committee heard a preview from Dr. David English, senior vice president, regarding targeted pilot programs developed in partnership with the North Carolina Department of Public Instruction, the North Carolina State Education Assistance Authority, the North Carolina Community College System, and several UNC System institutions, to strengthen enrollment within the UNC System. Additional information on these pilot programs will be provided at the September meeting.

The committee also reviewed requests for four academic degree program discontinuations at the University of North Carolina Asheville and 14 academic degree program discontinuations at the University of North Carolina at Greensboro. The requests for discontinuation were approved by the Board through the consent agenda.

The chancellors at UNC Asheville and UNC Greensboro, having consulted with academic administrative officers and faculty, determined that certain academic programs should be curtailed. These requests for curtailment were deliberate, inclusive, extensive, and difficult institution-wide examinations. The president concurred with

the recommendations of each chancellor, and authorization for the identified program curtailments were approved by the Board through the consent agenda.

Proposed revisions to Sections 700.1.3, 400.3.6, and 400.1.7 of the UNC Policy Manual were approved. Section 700.1.3 of the UNC Policy, *Policy on Non-Resident Undergraduate Enrollment*, addresses the ramifications of demographic shifts of undergraduate applicants and the continued growth of nonresident applicants, particularly impacting specific institutions.

Revisions to Section 400.3.6 of the UNC Policy Manual, *Policy on University Teaching Awards*, reflects the collective UNC System work of the comprehensive Faculty Policies Initiative. The revisions improve the clarity of the text and broaden eligibility to any full-time faculty member, regardless of tenure status. A supersede of Section 400.1.7 of the UNC Policy Manual, *Performance of Nursing Education and Preparation Programs*, establishes passing rates for the licensure examination consistent with, but higher than, the NC Board of Nursing cutoff scores. The update puts UNC System institutions in-line with national practices and codifies procedures. The three proposed policy revisions will be submitted to the full Board through the consent agenda at the next meeting.

Chair Murphy thanked the chancellors for their thorough reports and hard work, as well as their leadership. She then called on Mr. Mitchell for the report from the Committee on University Governance.

Report of the Committee on University Governance

Mr. Mitchell reported the committee on University Governance met and discussed nominations to the North Carolina Teaching Fellows Commission. There are seven nominees recommended, five for reappointment, and two for appointment. The candidates for reappointment are Matthew Price, Debora Powell, Taleek Harlee, Patrick Brennan, and Joy Smith. The candidates for appointment are Malcolm Butler and Amanda Lee. All seven are for terms that began July 1, 2024, and end June 30, 2026. Biographical information is in BoardEffect. (APPENDIX J)

Motion: Resolved, that on behalf of the Committee on University Governance, I move that the Board of Governors approves the nominations of Patrick Brennan, Taleek Harlee, Deborah Powell, Matthew Price, and Joy Smith for reappointment, and Malcolm Butler and Amanda Lee for appointment to the North Carolina Teaching Fellows Commission for terms that began July 1, 2024, and end June 30, 2026.

Motion: Mr. Mitchell

Motion carried

The committee reviewed the 2024-25 Board of Trustees appointment process. Every two years, one-half of the Board of Governors-elected board of trustee positions require either new elections or reelection. The Committee on University Governance, working with the institutions and other members of the Board of Governors, identifies candidates, reviews candidates, and makes recommendations to the full Board.

Lastly, the committee voted to approve new guidelines for campus commencement ceremonies. The change made would require Board members' participation only at the spring commencement ceremony where the UNC Board of Governors Award for Excellence in Teaching is being presented.

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

Secretary Burris-Floyd offered the following motion:

Motion: Resolved, that the Board go into closed session pursuant to N.C. General Statutes Chapter 143 for the purposes stated in the written motion that was included in the meeting materials, which have been publicly noticed. The motion was properly seconded. (APPENDIX K)

Motion: Dr. Burris-Floyd

Motion carried

The Board went into closed session at 1:47 p.m. and returned to open session at 2:55 p.m.

Chair Murphy called on Mrs. Coward to deliver the report on behalf of the Committee on University Personnel.

Report of the Committee on University Personnel

Mrs. Coward stated that her report covered items discussed earlier in the day. The committee reviewed an overview of the employee engagement survey, which demonstrated a continued rise in overall positive response rates, both for our institutions individually and Systemwide.

Report of the Presidential Assessment Committee

Mrs. Murphy, chair of the Board, stated that the Board evaluates the president's performance based on specific goals and metrics outlined in his performance-based compensation plan. Chair Murphy said the president of the UNC System oversees a \$20 billion enterprise that includes 16 universities, a specialized high school, two major health care systems, a statewide television network, and six affiliate organizations. She proceeded to list several other accomplishments. They include: his advocating for several policy reforms designed to strengthen public confidence in higher education, prioritizing the university's role in community health across North Carolina, securing \$420 million in state funding to strengthen rural health care, \$40 million to address the state's nursing shortage, and \$23.5 million to place medical residents in high-need areas. She reported he has invested in campus infrastructure and worked to retain faculty and staff, securing billions of dollars for capital projects and building repairs and renovations and successfully advocating for 14 percent cumulative pay raises for UNC System faculty and staff over the past four years. The president has also installed new leadership at several of our universities, concluding four chancellor searches and successfully recommending the hiring of four university leaders. Chair Murphy encouraged the Board to read and reflect on all that has been accomplished together over the past year. She concluded by stating that President Hans has shown himself to be "exactly the type of leader we need," tirelessly dedicated to getting results that serve the people at the heart of the mission. Based on the review of President Hans' performance on the quantitative metrics set by the Board last year, along with its assessment of his leadership and management of the UNC System, the Presidential Assessment Committee unanimously recommended the Board approve the resolution for the incentive compensation contribution in the Senior Administrative Officer Retirement Program. (APPENDIX L)

Motion: Resolved, that on behalf of the Presidential Assessment Committee, I move that the Board of Governors vote to approve the resolution calling for a one-time incentive compensation payment for the president in the amount of \$453,720 to be made as a contribution to the president's Senior Administrative Officer Retirement Program.

Motion: Chair Murphy

Motion carried

Chair Murphy then reviewed a few items for housekeeping. They include the decision to pause all off-site Board meetings through December 2025. Also, the May Board meeting will be moved to May 14-15, 2025. Finally, each Board committee now has the option to conduct transactional business by way of virtual meetings each month.

These meetings are not required, but they are a tool to be used to take up routine, administrative business. She stated to contact Secretary McCullen if there are any additional questions regarding these virtual meetings.

Chair Murphy asked if there were any additional items. Mr. Bradley reminded the Board of the golf tournament being held in September. He encouraged all Board members to donate or enter a team to get 100 percent participation.

There being no further business and without objection, the meeting was adjourned at 3:03 p.m. The next meeting of the Board of Governors is scheduled for Thursday, September 12, 2024, at the UNC System Office in Raleigh, North Carolina.

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	President Hans' Report
Appendix B	Capital Improvement Projects
Appendix C	Disposition of Property by Ground Lease – North Carolina State University
Appendix D	Disposition of Property by Deed – Winston Salem State University
Appendix E	UNC System Academic Degree Program Discontinuations – University of North Carolina Asheville
Appendix F	Authorization for Academic Degree Program Curtailment – University of North Carolina Asheville
Appendix G	UNC System Academic Program Discontinuations – University of North Carolina at Greensboro
Appendix H	Authorization for Academic Degree Program Curtailment – University of North Carolina at Greensboro
Appendix I	FY25 Enrollment Change Budget Adjustments
Appendix J	NC Teaching Fellows Commission Appointments
Appendix K	Closed Motion Full Board
Appendix L	Resolution for Incentive Compensation Contribution for President Hans