

Board of Governors Meeting

February 21, 2014

Cary, North Carolina

The Board of Governors met in regular session on February 21, 2014, in the Marketplace Café on the SAS Institute campus in Cary. Chairman Hans called the meeting to order at 9:00 a.m. He thanked Secretary Goodnight and the SAS staff for hosting today's meeting. We are very appreciative of all that SAS Institute does for the University and their continued support of higher education.

INVOCATION

Chairman Hans called on Mr. Kotis to give the invocation.

ROLL CALL

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

Roger H. Aiken	Mary Ann Maxwell
W. Louis Bissette, Jr.	W. Edwin McMahan
Fred Eshelman	W. G. Champion Mitchell
John C. Fennebresque	Hari H. Nath
Hannah D. Gage	Robert J. Nunnery
Ann B. Goodnight	R. Doyle Parrish
H. Frank Grainger	Joan Templeton Perry
Peter D. Hans	Therence O. Pickett
Thomas J. Harrelson	David M. Powers
Henry W. Hinton	Robert S. Rippy
James L. Holmes, Jr.	Harry Leo Smith, Jr.
Rodney E. Hood	J. Craig Souza
William (Marty) Kotis III	G.A. Sywassink
G. Leroy Lail	Richard (Dick) Taylor
Scott K. Lampe	Raiford G. Trask III
Steven B. Long	Phillip D. Walker
Joan G. MacNeill	Laura I. Wiley

STATE ETHICS ACT

Chairman Hans stated that under the State Ethics Act, members have a duty to avoid conflicts of interest and appearances of conflicts. Looking at the agenda for the meeting, Chairman Hans asked if any member had a conflict of interest or an interest that would give rise to the appearance of a conflict of interest. There were none.

MINUTES

Mr. Grainger moved, seconded by Mr. Taylor, that the minutes from the meeting of January 10, 2014 be approved. The motion carried.

PRESIDENT'S REPORT

President Ross echoed Chairman Hans thanks to Dr. and Mrs. Goodnight and the marvelous staff of SAS for hosting the Board meeting as well as the joint meeting with the State Board of Community Colleges that will follow. President Ross extended his thanks, in particular, to Chancellor Anderson at Fayetteville State University and to Chancellor Carter at UNC Pembroke, who hosted the members of the Board of Governors and him on the campus orientation tours earlier this week. President Ross noted that every time he visits one of our campuses, he continues to be amazed at the talents and commitments of our students and faculty. He thanked the entire Board for the good, healthy discussions from the previous day's policy discussion sessions and committee meetings. For President Ross' complete report, please see Appendix A.

ADMINISTRATIVE ACTION ITEMS

Chairman Hans called attention to the Administrative Action Items listed on the agenda. Mr. Hinton moved, seconded by Mr. Holmes that the Administrative Action Items be approved by consent. Mr. Kotis requested that Administrative Action Item 6f be removed. The item was moved to the Report of the Committee on Budget and Finance. The remaining items were approved.

- a. (B&F) Establishment of an Associated Entity – UNCW
- b. (B&F) Establishment of an Associated Entity – UNC-CH

- c. (B&F) Authorization of New Capital Improvements Project – NCA&TSU
- d. (B&F) Authorization of New Capital Improvements Projects – ASU, NCSU, UNC-CH, and UNCG
- e. (B&F) Acquisition of Space by Lease – ECU
- f. (EPPP) Request for Approval of Licensure for the following degree programs at South College – Asheville to offer the following degree programs in Asheville, NC
 - Bachelor of Business Administration (B.B.A.)
 - Bachelor of Science (B.S.) in Criminal Justice

REPORT OF THE COMMITTEE ON BUDGET AND FINANCE

Mr. Bissette, Chair of the Committee on Budget and Finance, reported the Committee met to consider and act on the Authorization of Tuition for 2014-15 (see Appendix I) and the Authorization of Fee for 2014-15 (see Appendix J) effective for the fall semester of 2014. At its January meeting, the Committee discussed the tuition and fee process and the request for increases submitted by the Chancellors were reviewed. Detailed campus tuition and fee information was provided to the Board on January 28.

On behalf of the Committee, Mr. Bissette moved the recommendation to approve the tuition and fees item as presented except for the health services fee at UNC-Chapel Hill. The health services fee would be considered at its next meeting. The motion carried.

Next, the Committee discussed the 2014-15 Short Session Budget Priorities (see Appendix K). The priorities included investments in 2013-18 Strategic Plan, funding to retain the system's talented workforce, elimination of additional management flexibility reduction, the non-resident undergraduate tuition increase budgeted for 204-15, and other critical campus and system needs.

On behalf of the Committee, Mr. Bissette moved the approval of the 2014-15 Short Session Budget Priorities and further moved that the President or his designee be authorized to make refinements to the request in the interest of accuracy and completeness. The motion passed. Those opposed were Mr. Kotis, Mr. Long, and Mr. Mitchell.

On an annual basis, the Board considers campus proposals for non-appropriated projects that require the issuance of long term debt. If approved by the Board, the projects are forwarded to the General Assembly for authorization. The Committee considered 12 capital improvements projects (see Appendix L). The Committee had in depth discussions related to the proposed

Student Union at East Carolina University. Some members inquired about the approval process involved with reviewing capital construction projects. Chairman Hans noted that the Boards of Trustees were expected to become more involved at the campus-level.

The Board had two votes: First, on behalf of the Committee, the Mr. Bisette moved that the Board recommend approval of the Student Union at East Carolina University. The motion passed. Second, on behalf of the Committee, Mr. Bisette moved that the Board recommend approval of the remaining self-liquidating projects. The motion passed.

Finally, Mr. Bisette reported on Policy 700.1.3 – *Out-of-State Undergraduate Enrollment* (see Appendix M) had been removed from the consent agenda. On behalf of the Committee, Mr. Bisette moved that the Board approve Policy 700.1.3 – *Out-of-State Undergraduate Enrollment*, as amended in January 2014. The motion passed.

REPORT OF THE COMMITTEE ON EDUCATIONAL PLANNING, POLICIES, AND PROGRAMS

Mr. Souza, Chair of the Committee on Educational Planning, Policies, and Programs, reported on several items. The Committee heard presentations by two students from UNC Greensboro – Cathy Sink and Leon White. Both students had transferred from a community college and discussed their journey from a NC Community College to UNC Greensboro. Mr. Steve Moore, Director of Transfer and Adult Academic Success at UNC Greensboro, discussed an initiative in Greater Greensboro – Degrees Matter Program – which is designed to increase the number of degree holders throughout Guilford County and to support community college transfer students during their transition.

Mr. Souza spoke about the campus mission statements. In March 2013, the President established guidelines and a timeline for the mission review statements. A complete review of all campus mission statements was conducted, including a review by an external consultant. Last month, the Committee approved the consultant's report and President Ross' recommendations. Seven campuses – ECU, NCA&TSU, NCSU, UNC-CH, UNCC, UNCG and UNCSA requested no changes to the mission statements (see Appendix N). The consultant recommended that the mission statements of six other universities – ASU, NCCU, UNCA, UNCP, WCU and WSSU – be amended to more clearly delineate the mix of currently approved graduate programs. The Committee voted to recommend approval of these thirteen revised mission statements. Action

was postponed on the revised mission statements of ECSU, FSU, and UNCW. The Board would be requested to approve changes to those institutions' mission statements at a subsequent meeting.

On behalf of the Committee, Mr. Souza recommended that the Board approve the mission statement of these thirteen institutions. The motion passed.

Associate Vice President Thornton presented brief overviews of two proposed new master's degree programs – Request for Authorization to Establish a Master of Science in Data Science and Business Analytics at UNC Charlotte (see Appendix O) and a Request for Authorization to Establish a Master of Professional Science and Biomedical and Health Informatics at UNC-Chapel Hill (see Appendix P). The Committee voted to approve the programs.

On behalf of the Committee, Mr. Souza moved the approval of the above master's degree programs. The motion passed.

As required by state statute, Early College High Schools are required to be located on the campus of its partner institution of higher education unless waived by the Board of Governors. NC State University is requesting such a waiver (see Appendix Q). The Bertie County Early College High School is located in eastern North Carolina about 120 miles from NC State University. As a proposed University partner, NC State will provide college courses through distance education which is a proven method of delivering higher education to place-bound students. NC State was seeking a waiver to the location requirement prior to entering into a Memorandum of Understanding.

On behalf of the Committee, Mr. Souza moved approval of NC State's request for this Bertie County Early College High School waiver. The motion passed.

Mr. Souza reported on the General Education Council (GEC). A report was submitted that reviews the work of the GEC and its recommendations (see Appendix R). The GEC was charged with completing a comprehensive review of existing general education architecture and developing a recommended set of learning outcomes that are appropriate for all of the UNC institutions. Associate Vice President Stewart reviewed the work of the 29-member Council and its recommendations that included the following: selection of critical thinking and written communication as a core competencies that are most important to both faculty and employers; the need to address concerns about existing instruments and their administration in any assessment to be deployed systemwide; and the emerging opportunity to develop a systemwide

assessment instrument that will be sufficiently granular to help faculty improve their teaching and that student performance improves as a result of time spent doing university-level academic work.

The Committee heard from Senior Director Henz on the University of North Carolina Retention & Graduation Report 2012-2013 (see Appendix S). The report discusses important measures of student success including – First-time Full-time freshmen’s second year retention; four and six-year graduation rates; and the graduation rates of transfer students from the North Carolina Community College System with an associate’s degree. All three measures increased over the 2011-12 academic year. The Committee heard the University of North Carolina Remedial/Developmental Activities Report 2012-13 (see Appendix T) presented by Senior Director Henz regarding the remedial and development activities across the UNC system. Total enrollment in remedial courses decreased over the previous year as did total expenditures.

Finally, Mr. Souza reported that Vice President Boney presented an update on his recent visit to India. He and Dr. Scott Simkins from NCA&TSU traveled to India in early January 2014 to pursue initiatives specifically recommended in the India strategic plan. Currently, only 1.7% of students studying abroad go to India and the percentage of Indian international students at UNC was declining. The visit raised awareness of the UNC system, including the upcoming UNC MOOC (Massive Open Online Course) on “Transforming Asian Economies.”

REPORT OF THE COMMITTEE ON PUBLIC AFFAIRS

Mr. McMahan, Chair of the Committee on Public Affairs, reported the Committee discussed the Proposed 2014 Policy Agenda. The Committee made revisions to the Agenda (see Appendix H) and would consider including an additional item that related to the need to provide University research from disclosure, which would encourage more private sector partnerships with the University. Vice President Moretz would bring a revised proposal before the Committee at its April meeting.

On behalf of the Committee, Mr. McMahan recommended that the Committee approve the University of North Carolina 2014 Policy Agenda. The motion carried.

Mr. McMahan referred to the UNC Joint Force Initiative – this is the new initiative to support North Carolina’s Military. Each member of the Board would be contacted about the marketing plan for this initiative. Next, he announced that Mr. Hood would be hosting a

reception for the Federal Relations Council in Washington, D.C. on March 5. Associate Vice President Dickens would provide details to any members interested in attending the reception.

Finally, Mr. McMahan noted that the UNC General Administration staff was planning to make several presentations before the General Assembly Joint Legislative Oversight Committees over the next few weeks on a wide range of topics.

REPORT OF THE COMMITTEE ON UNIVERSITY GOVERNANCE

Mr. Powers, Chair of the Committee on University Governance, reported on several items. He announced a number of vacancies on Councils and Boards. There are three positions on the Umstead Review Panel for the 2014-18 term. The Committee sought recommendations from the Board to fill these vacancies. There are three vacancies on the University of North Carolina Press Board of Governors beginning July 1, 2014. According to its bylaws, the UNC Press Board of Governors creates a nominating committee and then submits a slate to the chancellor at UNC Chapel Hill. The slate is transmitted to the president who presents it to the Board of Governors. Ms. Maxwell, the Governance Committee Campus Liaison, was working with UNC Press to identify candidates to serve. The Committee sought recommendations from the Board to fill these vacancies. There was a partial term ending June 30, 2015, on the University of North Carolina at Greensboro Board of Trustees as a result of the resignation of Mr. Martin Weissburg. The Committee sought recommendations from the Board to fill this vacancy.

Next, Mr. Powers reported the Committee continued reviewing the University policies related to political activities and officeholding by University employees. Political activities are covered not only by UNC policies but also by state and federal laws. The Committee reviewed UNC Policies 300.5.1, 300.5.2, 300.5.4, and 300.5.5 in the *UNC Policy Manual*. The Committee determined that it would propose revisions to policies governing political activity and officeholding in order to provide additional clarity, bring the policies up to date, and eliminate confusion caused by an accumulation of policies. The Committee specifically reviewed and approved amendments to Policy 300.5.1 – *Political Activities of Employees* (see Appendix U) and Policy 300.5.2 – *Policy on Political Candidacy and Officeholding* (see Appendix V). Those policies will be brought to the Board for approval at its next meeting in April.

Mr. Powers referred to the proposed change to the Board's meeting schedule for the current set month schedule to an every 6 week schedule. The new schedule would be effective beginning July 2014-15. This action would require modification to Section 202A "Meetings and Bylaws" of *The Code*. The Committee approved the change to the Board of Governors Meeting Schedule and this item would be part of the consent agenda in April (see Appendix W). Chairman Hans recommended that the Committee consider revising Section 500B (1) "Chancellors and Staffs" of *The Code*. This section requires the campus Boards of Trustees to submit two names to the president whereas the longtime practice is that the president requests three names. Chairman Hans suggested that the Committee bring the policy in alignment with practice. These proposed changes would be reviewed at its next meeting.

Mr. Powers reported that the Staff Assembly chair, Ms. Susan Colby, suggested that the Governance Committee Campus Liaisons may enjoy the opportunity to attend employee appreciation events on their assigned campuses. A schedule of campus events would be made available to all Board members if any members are interested.

There was a partial term ending February 28, 2017, on the Vidant Medical Center Board of Trustees due to the vacancy of Mr. A. Ray Rogers. On behalf of the Committee, Mr. Powers moved the appointment of Carlester T. Crumpler to serve. The motion passed. There was a full term beginning on March 1, 2014, on the Vidant Medical Center Board of Trustees. The vacancy results from the decision of Mr. David Harrison not to seek reappointment. On behalf of the Committee, Mr. Powers moved the appointment of Mr. William Phillip Hodges to serve. The motion carried.

Mr. Powers reminded the Board that its election season was beginning. Any member interested in being nominated for an officer position should inform the Board's Secretary of their intention prior to the April meeting of the Board of Governors.

In closing, Mr. Power thanked Vice President Shanahan and Secretary Lemmon for their hard work and time commitment in the policy revisions on the political activities. The language of the policies, which will be presented next month, is much clearer and will be a very positive step forward.

SPECIAL COMMITTEE ON MILITARY AFFAIRS

Mr. Trask, Chair of the Special Committee on Military Affairs, reported the Committee continued its focus on the three basic phases of the education process and the correlations to the military-affiliated students – direct education, distribution, and marketing. The core priorities are in-state tuition resolution, fundraising for marketing, 8-week delivery of courses and transfer of credit hours in a seamless matter. The Committee voted to support these proposals. This initiative requires consistent communications with the General Assembly as they draft their short list of priorities for the short session.

Provost and Vice Chancellor Young of Fayetteville State University gave a presentation about FSU's evolution to offering 8-week courses and the importance of a campus culture that embraces students of all ages and life experiences. President Ross and Mr. McMahan would be involved with the marketing efforts.

CHAIRMAN'S REPORT

Chairman Hans announced several very important upcoming events. Along with President Ross, he would be welcoming participants at the 2014 Social Entrepreneurship Conference next Friday, February 28. The event will be held at NCA&T State University. Campus visits to UNC-Chapel Hill and UNC Health Care System would be conducted on Wednesday, March 5 for the new members of the Board and others. Chancellor Saunders-White will be formally installed at North Carolina Central University on Friday, April 4. More details about the event would be forthcoming. Chairman Hans encouraged all the members to attend.

The next meeting of the Board of Governors was scheduled for Friday, April 11, 2014. The University Award Dinner was scheduled for Thursday evening, April 10. Ms. Maxwell, Chair of the University Award Committee, asked all the members to plan on attending.

REPORT OF THE COMMITTEE ON PERSONNEL AND TENURE

Mr. Fennebresque, Chair of the Committee on Personnel and Tenure, reported the Committee heard an update on a Post-Tenure Review (PTR) working group. The group is chaired by Mr. Sywassink and comprised of two chancellors, one provost, one dean, the Chair of the Faculty Assembly, and two members of the Board of Governors. The PTR working group is examining the University's guidelines and policies. Changes to UNC Policy 400.3.3.1[G] –

Guidelines on Performance Review of Tenure and Teaching would be presented at the next meeting.

The Committee reviewed and approved nominations for the 2014 Board of Governors Awards for Excellence in Teaching (see Appendix X). Mr. Fennebresque noted that the Board increased the stipend associated with the award from \$7,500 to \$12,500 last year. The recipients will be honored with a stipend and engraved medallion at their campus' spring commencement ceremonies.

On behalf of the Committee, Mr. Fennebresque moved the approval of the proposed 2014 Board of Governors Awards for Excellence in Teaching nominations. The motion carried.

There being no further business, the meeting adjourned at 11:10 a.m. The Board of Governors reconvened for the joint meeting with the North Carolina State Board of Community Colleges immediately following.

Secretary

Appendix A	President Ross' Report	Posted Online
Appendix B	Establishment of an Associated Entity, UNCW	Posted Online
Appendix C	Establishment of an Associated Entity, UNC-CH	Posted Online
Appendix D	Authorization of New Capital Improvements Project, NCA&TSU	Posted Online
Appendix E	Authorization of New Capital Improvements Projects, ASU NCSU, UNC-CH and UNCG	Posted Online
Appendix F	Acquisition of Space by Lease, ECU	Posted Online
Appendix G	Approval of Licensure for the following degree programs, South College - Asheville <ul style="list-style-type: none">• Bachelor of Business Administration (B.B.A)• Bachelor of Science (B.S.) in Criminal Justice	Posted Online
Appendix H	The University of North Carolina Proposed 2014 Policy Agenda	Posted Online
Appendix I	Authorization of Tuition for 2014-15	Posted Online
Appendix J	Authorization of Fees for 2014-15	Posted Online
Appendix K	2014-15 Short Session Budget Priorities	Posted Online
Appendix L	Authorization of Non-Appropriated Capital Improvements Projects	Posted Online
Appendix M	UNC Policy 700.1.3 – <i>Out-of-State Undergraduate Enrollment</i>	Posted Online
Appendix N	Campus Mission Review Statements	Posted Online
Appendix O	Authorization to Establish a Master of Science in Data Science and Business Analytics, UNCC	Posted Online
Appendix P	Authorization to Establish a Master of Professional Science and Biomedical and Health Informatics, UNC-CH	Posted Online
Appendix Q	Bertie County Early College High School	Posted Online
Appendix R	Report of the UNC General Education Council	Posted Online
Appendix S	University of North Carolina Retention & Graduation Report 2012-2013	Posted Online
Appendix T	University of North Carolina Remedial/Developmental Activities Report 2012-13	Posted Online
Appendix U	Policy 300.5.1 – <i>Political Activities of Employees</i>	Posted Online
Appendix V	Policy 300.5.2 – <i>Policy on Political Candidacy and Officeholding</i>	Posted Online
Appendix W	Board of Governors Proposed Meeting Schedule	Posted Online