

Board of Governors Meeting

May 27, 2016

Chapel Hill, NC

The Board of Governors met in regular session on May 27, 2016 in the Board Room at the Center for Leadership Development, Chapel Hill. Chairman Bissette called the meeting to order 9:00 a.m.

INVOCATION

Chairman Bissette called on Mr. Webb to give the invocation.

ROLL CALL

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

Roger H. Aiken	Joan G. MacNeill
W. Louis Bissette, Jr.	Ann Maxwell
Walter C. Davenport	J. Alex Mitchell
Madeline Finnegan	Anna S. Nelson
Hannah D. Gage	Therence O. Pickett
Thomas C. Goolsby	Joan Templeton Perry
H. Frank Grainger	David M. Powers
Henry W. Hinton	Robert S. Rippy
James L. Holmes, Jr.	Harry L. Smith, Jr.
Rodney E. Hood	J. Craig Souza
Joe T. Knott	William A. Webb
W. Marty Kotis III	Laura I. Wiley
Steven B. Long	Michael L. Williford

The following members were absent:

Pearl Burris-Floyd	R. Doyle Parrish
C. Philip Byers	G.A. Sywassink
Scott K. Lampe	O. Temple Sloan III
W.G. Champion Mitchell	

STATE ETHICS ACT

Chairman Bissette stated that under the State Ethics Act, members have a duty to avoid conflicts of interest and appearances of conflicts. Looking at the agenda, he asked if anyone had a potential conflict. Mr. Aiken abstained from consent agenda Item 8a – *Refinancing of Housing Foundation Indebtedness – UNCW* and Item 8b – *Sale of Special Obligation Bond Anticipation Note – UNCC*.

Chairman Bissette reminded everyone of the Expectations of Conduct during Meetings of the UNC Board of Governors that the Board set forth at its previous meeting. He asked those attending the meeting to be respectful of fellow attendees and the Board. If any individual disrupts the meeting, the person will be asked to leave the room.

Next, Chairman Bissette called on Mr. Zack King, the outgoing President of the Association of Student Governments, for his remarks. Mr. King remarked that he was humbled to have served on the Board of Governors this past academic year. He was confident that the voices of the students were heard and respected. He expressed his deep appreciation to all the members of the Board. He thanked President Spellings for her leadership. Mr. King recalled that shortly after President Spellings was elected, he had an extensive conversation with her about student issues, concerns, and other matters. He realized the true heart, humility, and graciousness behind our new leader. Mr. King was confident that President Spellings has the ability to become one of the great leaders of this University.

ADMINISTRATION OF THE OATH OF OFFICE

Chairman Bissette welcomed Ms. Madeline Finnegan to the Board of Governors. Ms. Finnegan, a full-time undergraduate student at North Carolina State University, was recently elected as President of the UNC Association of Student Governments (ASG). In this capacity, Ms. Finnegan will become an *ex officio* member of the Board of Governors. Chairman Bissette introduced The Honorable Justice Robert Edmunds from the North Carolina Supreme Court, who administered the oath of office.

MINUTES

Chairman Bissette entertained a motion to approve the minutes for the open session of the April 15, 2016, Board of Governors meeting. The motion was made by Mr. Davenport and properly seconded. The motion carried. Chairman Bissette entertained a motion to approve the minutes for the open session of the April 27, 2016, Board of Governors special meeting. The motion was made by Mr. Alex Mitchell and properly seconded. The motion carried. Chairman Bissette entertained a motion to approve the minutes for the open session of the May 10, 2016, Board of Governors special meeting. The motion was made by Mr. Hood and properly seconded. The motion carried.

PRESENTATION OF THE OLIVER MAX GARDNER AWARD

Chairman Bissette introduced the Oliver Max Gardner Award as one of the highlights of the University's calendar. Each year, the Board of Governors has the honor of selecting a recipient to

receive this prestigious award that was established by the will of the late Governor O. Max Gardner. Chairman Bissette welcomed two members of the Gardner Family – Mrs. Sarah Gardner Naftolin, the great granddaughter of Governor Gardner along with her husband, Josh Noftolin.

Mr. Aiken recognized the other members of the Committee who consisted of Ms. Pearl Burris-Floyd, Mr. Alex Mitchell and Mr. Michael Williford. Mr. Aiken recognized Dr. Shapiro's, the 2016 Oliver Max Gardner Award recipient, guests including Dr. Shapiro's family members, friends, staff members from Western Carolina University, WCU's Board of Trustee Chairman, Mr. Ed Broadwell, and Chancellor Belcher.

Next, Mr. Aiken read a citation profiling Dr. Shapiro's extraordinary contributions in the field of speech and fluency disorders. Following a video highlighting Dr. Shapiro's many significant accomplishments and extraordinary achievements in his field of work, Chairman Bissette and President Spellings presented Dr. Shapiro with a stipend and a framed copy of the citation (see Appendix A). The video profiling Dr. Shapiro was produced by Mr. Jeff Smith of the UNC Center for Public Television and the piece will be broadcast on *North Carolina Now* on Thursday, June 2, 2016.

In closing, Chairman Bissette remarked that the Committee also selected Dr. Aziz Sancar, the Sarah Graham Kenan Professor of Biochemistry and Biophysics in the School of Medicine at the University of North Carolina at Chapel Hill and the winner of the 2015 Alfred Nobel Prize in Chemistry. Professor Sancar will be recognized at the Board's meeting in July.

ADMINISTRATIVE ACTION ITEMS

Chairman Bissette called attention to the Administrative Action Items listed as Item 9 on the agenda. Mr. Kotis requested removal of Item 9d - *Authorization of Capital Improvements Projects – ECU, NCSU, UNC-CH, UNCC, UNCG and WSSU* and Item 9e – *Authorization of Property Acquisitions and Disposition – ASU and ECU*. Chairman Bissette entertained a motion to approve the remaining administrative action items. Mr. Webb moved and the motion was seconded. The motion carried. The Board continued its discussion regarding Item 9d. Upon a proper motion and second, Mr. Smith moved to approve Item 9d. The motion carried. The Board continued its discussion regarding Item 9e. Upon a proper motion and second, Mr. Powers moved to approve the Item 9e. The motion carried. Mr. Kotis and Mr. Goolsby voted against Item 9e.

- a. (B&F) Refinancing of Housing Foundation Indebtedness – UNCW
- b. (B&F) Sale of Special Obligation Bond Anticipation Note – UNCC
- c. (B&F) Sale of Special Obligation Bonds Commercial Paper – NCSU
- d. (B&F) Authorization of Capital Improvements Projects – ECU, NCSU, UNC-CH, UNCC, UNCG and WSSU
- e. (B&F) Authorization of Property Acquisitions and Disposition – ASU and ECU

- f. (EPPP) UNC Policy 400.1.4 – *The University of North Carolina Exchange Program*
- g. (EPPP) UNC Policy 400.4.1 – *Policy on Licensing Nonpublic Institutions to Conduct Post-Secondary Degree Activity in North Carolina*
- h. (EPPP) Rename Kimmel School of Construction Management and Technology – WCU College of Engineering and Technology
- i. (EPPP) UNC Degree Program Authorization to Establish
 - i. Bachelor of Science (BSEE) in Electrical Engineering – WCU (CIP 14.1001)
 - ii. Doctor of Philosophy (PhD) in Research, Measurement, and Evaluation – UNCC (CIP 13.0601)
- j. (EPPP) UNC Degree Program Consolidation
 - i. East Carolina University
Request for authorization to discontinue the following degree programs:
 - a. Bachelor of Fine Arts (BF) in Dance Education (CIP 13.1324)
 - b. Bachelor of Fine Arts (BFA) in Dance Performance (CIP 50.0301)Request to establish the following degree program:
 - c. Bachelor of Fine Arts (BFA) in Dance (CIP 16.0104)
- k. (EPPP) UNC Degree Program authorization to discontinue
 - i. Master of Arts (MA) in Comparative Literature – UNC-CH (CIP 16.0104)
 - ii. Doctor of Philosophy (PhD) in Comparative Literature – UNC-CH (CIP 16.0104)
 - iii. Joint Bachelor of Science in Electrical Engineering (BSEE) – UNCC and WCU (CIP 14.1001)
- l. (EPPP) Request for approval of licensure to offer programs online to students in North Carolina:
 - i. George Washington University
 - a. Master of Public Health
 - b. Master of Science in Nursing – Nursing Leadership and Management
 - c. Master of Science in Nursing – Adult-Gerontology Primary Care Nurse Practitioner
 - d. Master of Science in Nursing – Family Nurse Practitioner
 - e. Post-Graduate APRN Certificate – Adult-Gerontology Primary Care Nurse Practitioner
 - f. Post-Graduate APRN Certificate – Family Nurse Practitioner
 - g. Post-Graduate APRN Certificate – Family Specialty for Nurse Practitioner
 - h. Post-Graduate APRN Certificate – Palliative Care Nurse Practitioner
 - ii. Saint Joseph's College of Maine
 - a. Master of Science in Education (MSEd) with specializations in Adult Education and Training; Catholic School Leadership; Health Care Educator; School Educator; and School Leadership
 - b. Master of Science in Nursing (MSN) with specialization in: Family Nurse Practitioner; Nursing Administration; Nursing Education
 - iii. Capella University of Minnesota
 - a. Doctor of Education (Ed.D.) with a specialization in Reading and Literacy

REPORT OF THE COMMITTEE ON AUDIT, RISK MANAGEMENT, AND COMPLIANCE (CARMC)

Mr. Davenport, Chair of the Committee, reported the Committee received an annual update from State Auditor Beth Wood on audits released by the Office of the State Auditor for the 2015 fiscal year. In the financial and compliance audits, two institutions had audit findings. Four findings were

reported across the University system, which is a significant improvement from past years. Mr. Davenport introduced State Auditor Wood, who presented her annual update to the full Board.

State Auditor Wood reported that the Office of State Auditor completed its audits for the fiscal year 2015. All the financial statement audits for the constituent institutions (with the exception of one) were completed by December 31, 2015. The audit reports contained clean opinions on all the constituent institutions. There was only one financial audit finding for one of the institutions. In addition, the Office of the State Auditor completed the federal compliance audits for the University. The federal compliance audits covered three programs – Higher Education Institutional Aid grants, Student Financial Aid, and Research and Development. The federal compliance audits yielded two audit findings in the area of financial aid and one finding in the area of research and development. Auditor Wood explained that her auditors look at several aspects including the computer systems that process the federal grant monies and the financial information for the universities. This year the Office of State Auditor also performed two information technology general control audits at two institutions. The findings were presented to the Committee at its January meeting. These audits cover security issues for data other than financial information or federal grant information; the auditors looked at change management controls, computer systems, and other quality control elements. No investigative reports were released. She mentioned that her office assisted UNC General Administration on an investigation at one of the constituent institutions.

In closing, Auditor Wood noted that the state auditors are committed to performing quality audits, which are expected by this Board and the University.

REPORT OF THE COMMITTEE ON BUDGET AND FINANCE

Mr. Smith, Chair of the Committee, reported that the Committee received an update on the 2016-17 Budget by Associate Vice President Poole (see Appendix O). Ms. Poole also provided an update on the Need-Based Aid from Tuition and Tuition Bill Statements and the latest versions of campus Tuition Bill Statements (see Appendix P). A summary sheet of need-based aid funded from set aside tuition and the institutions' tuition bill statements were reviewed. Associate Vice President Vollmer presented the 2014-15 University of North Carolina Consolidated Financial Report (see Appendix Q). The report included a consolidation of the financial information of the University of North Carolina as a whole, a side-by-side comparison of institutional financial statements, selected disclosures, and other financially related information. The Committee received an informational report on the Policy Review Project. This Committee will be responsible for policy deregulation in the areas of capital construction, real property, and contracting. The Committee will consider revisions to be presented by the

President's staff and make appropriate recommendations to the Board of Governors. The Policy Review Project is expected to be completed by December 2016.

In an effort to improve efficiency of the Committee meetings, Mr. Smith explained that the Committee held a conference call meeting earlier in the week to consider and address routine transactional items as outlined per Appendices B, C, D, E and F and it voted to place those items on today's consent agenda.

REPORT OF THE COMMITTEE ON EDUCATIONAL PLANNING, POLICIES AND PROGRAMS

Mrs. Nelson, Chair of Committee, reported the Committee heard an update from Vice President Boney on the UNC Global Certificate Initiative (see Appendix R). Last year, a subcommittee was formed to discuss the University's international activities and explore strategies and make recommendations to increase the number of students graduating with a set of courses and experiences resulting in students being more globally-ready upon graduation. In response to the recommendation, UNC General Administration convened a conference on global incentives. As a result, 14 UNC institutions will either start or expand global certificate programs.

Next, the Committee heard a proposed revision to UNC Policy 700.1.1 – *Minimum Course Requirements for Undergraduate Admissions*. The College Board deployed a revised version of the SAT resulting in a scoring shift. In order to maintain the equivalent minimum SAT score, a technical correction is required to the policy, which will clarify that the minimum required score is 800 on the old version of the test or the equivalent on the new version. The Committee recommended this revision and will place the item on the consent agenda at the Board meeting in July.

Vice President Chapman presented an update on the Implementation of the UNC Board of Governors Recommendations on Teacher and School Leader Quality (see Appendix S). The University meets approximately 40 percent of the state's need for 10,000 new K-12 teachers per year. Despite the state's population growth, our Schools of Education have experienced a 30 percent decline in enrollment since 2010. In collaboration with UNC's 15 Schools of Education, the Academic and University Programs Division is emphasizing greater public accountability, research-based approaches, increased collaboration, expanded clinical practice, strengthened recruitment efforts, and improved support for early career educators.

Finally, Mrs. Nelson stated that the Committee met by conference call earlier in the week. It discussed licensure and degree programs and voted to place the following items on today's consent agenda. At Western Carolina University, the Committee approved authorization to establish a Bachelor of Science in Electrical Engineering (see Appendix J). At UNC Charlotte, the Committee approved

authorization to establish a Doctor of Philosophy in Educational Research, Measurement, and Evaluation (see Appendix K). At East Carolina University, the Committee approved the following – authorization to discontinue two degree programs – the Bachelor of Fine Arts in Dance Education and the Bachelor of Fine Arts in Dance Performance, and authorized the establishment of the Bachelor of Fine Arts in Dance (see Appendix L). The Committee approved authorization to discontinue the Master of Arts in Comparative Literature and the Doctor of Philosophy in Comparative Literature at UNC-Chapel Hill; students can still pursue studies in comparative literature through the English degree programs. The Committee approved the request of UNC Charlotte and Western Carolina University to discontinue the Joint Bachelor of Science degree in Electrical Engineering (see Appendix M). The Committee approved the request for licensure to offer programs online to students at North Carolina as outlined per Appendix N.

REPORT OF THE COMMITTEE ON UNIVERSITY GOVERNANCE

Mrs. MacNeill, Chair of the Committee, reported on the Policy Review Project. The Committee will act as the steering committee for this project. It will coordinate technical changes and updates to the *UNC Policy Manual* involving other standing committees as appropriate based on the subject content. The Committee voted to recommend revisions to *UNC Policy 100.2 – Adoption of the Policy Manual, Rescission of Prior Policies, and Promulgation of Policies*. The revised policy will be placed on the Board's consent agenda in July.

Regarding vacancies on Councils and Boards of Trustees, Mrs. MacNeill reported on three vacancies on UNC Press Board of Governors for terms ending June 30, 2021. The Committee recommended the appointment of Dr. Elizabeth Englehardt at UNC-Chapel Hill and the reappointments of Dr. Eric L. Muller at UNC-Chapel Hill School of Law and Dr. Linda Kay Hanley-Bowdoin at North Carolina State University. All three appointments are effective July 1, 2016 for a five-year term.

On behalf of the Committee, Mrs. MacNeill moved the appointment of Dr. Englehardt and the reappointments of Dr. Muller and Dr. Hanley-Bowdoin. The motion carried.

Next, the UNC Center for Public Television has five vacant positions on its Board of Trustees. Mrs. MacNeill recommended the reappointments of Mr. J. Donald Coleman and Mr. William W. Mance, Jr. and the new appointments of Mr. Joel Kenneth Butler and Mr. Cullie M. Tarleton. The appointments are effective July 1, 2016 for a four-year term.

On behalf of the Committee, Mrs. MacNeill moved the reappointments of Mr. Coleman and Mr. Mance as well as the new appointments of Mr. Butler and Mr. Tarleton. The motion carried.

In closing, Mrs. MacNeill thanked the members who participated in this year's spring commencement ceremonies, who brought greetings on behalf of the Board of Governors, and presented the Board of Governors Award for Excellence in Teaching to this year's faculty members.

REPORT OF THE COMMITTEE ON PUBLIC AFFAIRS

Mr. Powers, Chair of the Committee, reported the Committee received updates on the status of the state and federal legislative sessions. Vice President Moretz provided an update on the status of the state budget. Last week, the NC House of Representatives passed a budget that included positive outcomes for the University including a two percent raise for state employees and faculty plus a merit-based bonus; retaining 50 percent share of the University's repair and renovation (R&R) monies; and two of the University's Policy Priorities were included –the NC Guaranteed Admission Program (NC GAP) and the requested permanent fix for the qualified excel benefit arrangements (QEBA). Mr. Powers mentioned the Committee received additional information regarding a bill introduced by Sen. Apodaca, the Affordable and Accessible Quality Education Act, which has the potential to impact the University. President Spellings and the Chancellors continue to engage with Senate leadership to ensure the best outcome. He reminded the members that University Day at the Legislature is scheduled for June 14. He encouraged the members to attend. This will provide us an opportunity to share our appreciation for the work the legislature does and continues to do on behalf of the University.

Vice President Rhinehardt provided an update on federal issues. North Carolina's congressional primary election will be held on June 7. The U.S. Congress continues to work on pertinent legislation until both chambers adjourn in mid-July.

REPORT OF THE STRATEGIC PLANNING COMMITTEE

Mr. Grainger, Chair of the Committee, reported the Committee met earlier this week. It reviewed a work plan and calendar, which is designed to guide the strategic priorities process. President Spellings discussed several system-level activities and events for the plan. The highlights of the work plan include reinforcing the five fundamental themes (access, student success, affordability and efficiency, economic impact, and excellent and diverse institutions); engaging our Chancellors and other university stakeholders; using Board of Governors standing committees as the vehicle for generating goals, actions and metrics related to the theme; and using consistent templates to build our theme. Recommendations provide a timeline of major activities and deliverables for the 2016-17 Board of Governors meetings. UNC General Administration staff will hold a workshop for the committee chairs and Chancellors next month to discuss the particulars of the plan.

REPORT OF THE SPECIAL COMMITTEE ON MILITARY AFFAIRS

Mr. Long, Chair of the Committee, reported the Committee reviewed the actions it has taken since its formation in June 2013. Mr. Long explained as a special committee its term was for one-year, but was extended twice. The Committee would submit the results of its work in a final report.

Next, the Committee reviewed the implementation of UNC Policy 700.7.1 – *Military Student Success*, which the Board adopted in 2013. It heard from the Chancellors on the efforts undertaken on the campus level to implement that policy. The Committee heard an informational report by Chancellor Gilliam on the efforts taking place at UNC Greensboro including the award of academic credit for military training such as credit for training in their nursing program. UNC Wilmington has designated space on its campus for a Military Resource Lounge for military-affiliated students as well as the implementation of academic programs for soldiers at Camp Lejeune. UNC-Chapel Hill has identified space for a Veterans Center.

Mr. Long reported that President Spellings intends to hold an annual conference of military-affairs representatives from each campus and that support for our military students will be included in the Strategic Plan that is being developed.

Finally, the Committee asked General Administration staff to prepare a summary activity report on the Committee's work for presentation to the Committee on Educational Planning, Policies and Programs. The report is expected to be presented at the next meeting.

CHAIRMAN'S REPORT

Chairman Bissette recognized the extraordinary work of the Special Committee on Military Affairs and noted that the University will continue to prioritize and serve our veterans. He thanked Vice President Rhinehardt and Vice President Dixon, who supported the Special Committee.

Next, he recognized Representative Fraley. He thanked Rep. Fraley for attending today's meeting and appreciated all he does to support the University. Regarding the meeting process, this month's meetings were very productive, particularly the policy discussion session. This format will be continued. The Board's first Public Comment Session will be held immediately following today's meeting. He thanked Mrs. Wiley, who will lead today's session. Regarding the Standing Committees, new assignments will be made next month in accordance with *The Code*.

Chairman Bissette recognized the 2016 Class of the Marian Drane Graham Scholars, a scholars program founded by the Frank Porter Graham family. The Graham Scholars program is offered to rising junior and seniors on UNC campuses. In keeping with the values held dearly by the Graham family, the scholars will have the opportunity to work in a state government agency to further their knowledge of

how higher education impacts the state of North Carolina. They will learn about key issues in higher education by spending time in the UNC General Administration offices, visiting the constituent institutions, and interacting with key state policy leaders and elected officials. This year's scholars are Kelly Forbis of East Carolina University, who will intern at NC State University Institute for Emerging Leaders; Ashley Lawson of NC State University, who will intern at the NC Department of Public Instruction; Clifford Parker of Fayetteville State University, who will intern at NC Community College System office; Kiana Rivers of Elizabeth City State University, who will intern at the State's Education Assistant Authority; Farris Smith of UNC Wilmington, who will intern at Go Global NC (formerly NC Center for International Understanding); and Charlie White of UNC Asheville, who will intern at the NC Secretary of State's Office. Chairman Bissette remarked that he hopes that their experiences will inspire these scholars to become the next generation of leaders in higher education.

Chairman Bissette announced that the 2016 Gov. James E. Holshouser, Jr. Award for Excellence in Public Service will be chaired by Mrs. Nelson and the other members will include Mr. Davenport, Mr. Knott and Ms. Maxwell.

In closing, he commented that last evening's University Award Dinner honoring President Emeritus Thomas W. Ross was a fantastic event. He thanked the members of the Committee on the University Award – Mr. Hood, Ms. Maxwell, Mr. Sloan and Mrs. Wiley – for the incredible job they did in making event the event so special.

He called on President Spellings for some important announcements.

President Spellings recognized the outgoing Presidential Interns who served during the 2015-16 academic year – Brooks Artis, Paige Marley, South Moore, and James Whalen. She spoke about their accomplishments and post-college plans. She noted that each one has left a lasting impact on UNC General Administration and this University. She thanked them for their great work and congratulated them on their future endeavors.

President Spellings recognized Chancellor Steve Ballard, who is retiring next month. Chancellor Ballard served as the leader of East Carolina University for the past twelve years. He has been an amazing leader and we are all grateful for his outstanding leadership and service to East Carolina University and to our state.

Secretary Perry moved that the Board go into closed session to prevent the disclosure of information that is privileged or confidential pursuant to the law of this State or of the United States under Article VII of Chapter 126 of the North Carolina General Statutes and 20 U.S.C. §1232g and 34 CFR Part 99, or not considered a public record within the meaning of Chapter 132 of the General Statutes; to consult with our attorneys to protect the attorney-client privilege, and to consider and give instructions concerning a potential or actual claim, administrative procedure, or judicial action, including the following existing lawsuits: (1) Carcaño et al. v. McCrory, University of North Carolina and Board of Governors; (2) United States of America v. State of North Carolina, McCrory, North Carolina Department of Public Safety, University of North Carolina and Board of Governors of the University of North Carolina; and (3) AT, by his next friend and parent HT v. University of North Carolina; Board of Governors of the University of North Carolina; W. Louis Bissette, Jr.; North Carolina School of Science and Mathematics; Board of Trustees of the North Carolina School of Science and Mathematics; and Thomas J. Williams; and to establish or instruct the staff or agents concerning the negotiations of the amount of compensation or other terms of an employment contract; 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 Section 143-318.11 (a)(1), (3), and (5) of the North Carolina General Statutes.

The motion was duly seconded and the Board voted to convene in closed session. The Board went into closed session at 10:50 a.m. and returned to open session at 12:10 p.m.

REPORT OF THE COMMITTEE ON PERSONNEL AND TENURE

Mr. Pickett, Vice Chair of the Committee, reported the Committee received brief updates from Senior Vice President Gonzales and Vice President Brody regarding various developments in Academic Affairs and Human Resources. Dr. Gonzales introduced Dr. Kimberly van Noort, who recently joined UNC Administration as Vice President for Academic Programs, Faculty and Research.

Vice President Brody mentioned that the working group on faculty salaries will make an initial report to the Committee in late summer or early fall. The working group is comprised of UNC General Administration staff from Human Resources, Finance, and Institutional Research. Mr. Brody also spoke about the recent federal regulatory changes affecting overtime pay for some employees exempt from

the Fair Labor Standards Act (FLSA). The regulatory change will become effective on December 1, 2016. UNC General Administration and the Human Resource Officers on the campuses will be meeting to discuss the impact that these new regulations will have on the University and UNC General Administration Human Resources will provide appropriate technical guidelines.

Finally, the Committee received an informational report on Personnel Actions Delegated to the President. The Committee also received an update on proposed policy changes that affect the President's delegation with respect to human resource matters for General Administration and the constituent institutions. These policy changes are part of a larger policy review initiative taking place among the Board's standing committees. The key areas that will be mostly impacted by the human resources-related policy changes include EHRA faculty and staff adjustments and the creation or modification of Tier I Senior Academic and Administrative Officer positions. The final policy changes will be placed on the Board's July consent agenda.

ELECTION OF OFFICERS

Chairman Bissette announced the election of officers for the positions of Chairman, Vice Chairman and Secretary. The term is for July 1, 2016 – June 30, 2018. He called on Mrs. MacNeill, Chair of the Committee on University Governance, to preside. Mrs. MacNeill reported the officers' positions were uncontested. The candidates are – Mr. Lou Bissette, candidate for the office of the Chair; Mr. Roger Aiken, candidate for the office of the Vice Chair; and Dr. Joan Perry, candidate for the office of Secretary. Mrs. MacNeill made a recommendation that the Board suspend the rules and elect the current officers by acclamation. Mr. Hinton moved to suspend the requirements of Part IV of UNC Policy 200.1 – *Election Procedures* and elect the current slate of officers. Mr. Webb seconded the motion. The motion carried.

Regarding the University's legal costs associated with defending HB2, Mr. Goolsby made a motion concerning the University's legal expenses. Chairman Bissette referred to a letter that he sent to Attorney General Cooper (see Appendix T).

Motion: That the Board of Governors supports the letter of May 27, 2016 from Chairman Bissette to Attorney General Cooper and within 60 days, if the Attorney General's office does not respond or responds with a negative, in that event the Board of Governors will ask the General Assembly to assess the Attorney General's Office all legal fees.

Motion: Mr. Thomas Goolsby. Motion was seconded by Mr. Kotis. The motion carried.

In closing, Chairman Bissette reminded the Board that the first Public Comment Session will begin at 1:10 p.m. in Room 128.

The next meeting of the Board of Governors is scheduled for Friday, July 29, 2016, at the Center for Leadership Development in Chapel Hill. There being no further business, Chairman Bissette made a motion to adjourn. Mr. Knott moved and Mr. Hood properly seconded the motion. The meeting adjourned at 12:40 p.m.

Secretary

APPENDICES

(All Appendices are a part of the official record of the meeting)

Appendix A	2016 O. Max Gardner Award Recipient – Dr. David Allen Shapiro Citation and Acceptance Remarks	Posted Online
Appendix B	Refinancing of Housing Foundation Indebtedness – UNCW	Posted Online
Appendix C	Sale of Special Obligation Bond Anticipation Note – UNCC	Posted Online
Appendix D	Sale of Special Obligation Bonds Commercial Paper – NCSU	Posted Online
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Appendix N	Request for approval of licensure to offer programs online to students in North Carolina-GW University, Saint Joseph's College of Maine and Capella University	Posted Online Posted Online
Appendix O	2016-17 Budget Update	Posted Online
Appendix P	Report on Need-Based Aid from Tuition and Tuition Bill Statements	Posted Online
Appendix Q	UNC Board of Governors Consolidated Financial Report	Posted Online
Appendix R	UNC Board of Governors Global Certificate Initiative	Posted Online
Appendix S	UNC Board of Governors Recommendations on Teacher and School Leadership Quality	Posted Online
Appendix T	Letter to the NC General Attorney's Office by Chairman Bissette	Posted Online