

MINUTES

January 26, 2018
University of North Carolina
Center for School Leadership Development, Board Room
Chapel Hill, North Carolina

Call to Order

The Board of Governors met in regular session on January 26, 2018, in the Board Room at the Center for School Leadership Development, Chapel Hill. Chairman Bisette called the meeting to order at 9:00 a.m. and welcomed the guests. A video was previewed unveiling the UNC System's new branding campaign and logo.

Invocation

Chairman Bisette called on Mrs. Coward, who gave the invocation.

Roll Call

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

W. Louis Bisette, Jr.	Steven B. Long
Kellie Hunt Blue	J. Alex Mitchell
Robert P. Bryan III	Wendy F. Murphy
Pearl Burris-Floyd	Anna S. Nelson
C. Philip Byers	R. Doyle Parrish
Carolyn L. Coward	David M. Powers
N. Leo Daughtry	Randall C. Ramsey
Thomas C. Goolsby	Robert A. Rucho
Tyler D. Hardin	O. Temple Sloan III
James L. Holmes, Jr.	Harry L. Smith, Jr.
Joe T. Knott	William A. Webb
W. Marty Kotis III	Michael L. Williford

The following members were absent:

Darrell T. Allison	H. Frank Grainger
Walter C. Davenport	Ann Maxwell
Thomas Fetzer	

State Ethics Act

Chairman Bisette stated that under the State Ethics Act, members have a duty to avoid conflicts of interest and appearances of conflicts. The following members indicated that they had a conflict pertaining to Item #19 – *Report of the Special Committee to Review UNC Health Care/Carolinas Healthcare Systems Proposal* – Mr. Bryan, Ms. Burris-Floyd, Mr. Goolsby, Mrs. Nelson, Mr. Powers, and Mr. Webb.

Minutes

Chairman Bisette entertained a motion to approve the minutes from the open sessions of the Board of Governors meetings on December 15, 2017. The motion was made by Mr. Mitchell and properly seconded. The motion carried.

President's Report

President Spellings commented on the brand for the UNC System. The brand redesign represents a modern look for a new era of higher expectations as defined by the University's Strategic Plan. President Spellings recognized Chief of Staff Meredith Beaton Didier, Associate Vice President Camille Barkley, and the communications team for leading the effort in the development of the new brand. For President Spellings' complete report, please see Appendix A.

Administrative Action Items

Chairman Bissette called attention to the administrative action Items listed as Item 6 on the consent agenda. He entertained a motion to approve the items by consent. Mr. Kotis asked that Item 6c – *Capital Improvement Projects – ECU, NCSU, UNC-CH, and UNCP* be removed. Chairman Bissette entertained a motion to approve the remaining administrative action items by consent. Mr. Byers moved and the motion was properly seconded. The motion carried.

The Board discussed Item 6c – *Capital Improvement Projects – ECU, NCSU, UNC-CH, and UNCP*. Mr. Kotis moved to amend the item to require that the funding source for the parking deck be the UNC Health Care System and that the reimbursement to UNC Health Care System for the incremental parking spaces required be settled at a later date. Mr. Williford seconded the motion. The motion to amend the item carried. PERSON made a motion to approve the Item 6c – *Capital Improvement Projects – ECU, NCSU, UNC-CH, and UNCP* as amended. The motion carried.

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|------------|---|------------|
| a. (Audit) | UNC Policy 1400.2 – <i>Information Security</i> (Adopted) | Appendix B |
| b. (B&F) | Acquisition of Property by Deed – ECU | Appendix C |
| c. (B&F) | Capital Improvements Projects – ECU, NCSU, UNC-CH, and UNCP | Appendix D |
| d. (B&F) | Disposition of Property by Demolition – UNCC | Appendix E |
| e. (B&F) | Disposition of Property by Easement – UNCP | Appendix F |
| f. (B&F) | Exchange of Property – NCSU | Appendix G |
| g. (B&F) | Sale of Obligation Bonds – WCU | Appendix H |
| h. (B&F) | Millennial Campus Designation – UNCW | Appendix I |
| i. (EPPP) | Authorization to Establish the following UNC Degree Programs: | |
| | i. Bachelor of Art in Digital Media Arts – ECSU | Appendix J |
| | ii. Doctor of Psychology in Health Service Psychology: Combined Clinical/School – WCU | Appendix K |
| | iii. Doctor of Psychology – ASU | Appendix L |
| j. (EPPP) | Authorization to Discontinue the following UNC Degree Programs: | Appendix M |
| | i. Bachelor of Science in Criminology – NCSU | |
| | ii. Bachelor of Arts in English – NCSU | |
| | iii. Bachelor of Arts in Geology – NCSU | |
| | iv. Master of Science in Human Resource Development – NCSU | |
| | v. Bachelor of Arts in Biology, Medical Technology – UNCC | |
| | vi. Master of Business Administration in Sport Marketing and Management – UNCC | |
| k. (EPPP) | Licensure Program Approval | Appendix N |
| | i. The University of Southern California | |
| l. (EPPP) | Articulation Agreement between UNC and the NCCCS for Fine Arts Theatre Programs | Appendix O |
| m. (EPPP) | UNC Policy 400.1.5 – <i>Fostering Undergraduate Student Success</i> (Amended) | Appendix P |

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

Mr. Holmes, chair of the committee, reported that the committee received a presentation by Mr. Bryan Heckle of the NC Department of Insurance as well as a presentation by Interim Vice President Steven Hopper on information technology governance and the University's risk management as related to cyber security. The committee recommended that a special group be appointed to identify information technology related issues at the University. The committee also received an update from Chief Audit Officer Boni on the status of the approved 2017 Internal Audit Projects

Report of the Committee on Budget and Finance

Mr. Sloan, chair of the committee, reported that the committee held a teleconference call on Tuesday, January 23, 2018. It considered and approved capital improvement projects, real estate projects, and financing items that were placed on the consent agenda (see Appendices C, D, E, F, G, and H). At its meeting the previous day, the committee received a presentation from UNC Wilmington on its request to designate an area of the campus as the future site for a Millennial Campus. The committee approved the project and placed it on the consent agenda (see Appendix I).

The committee also heard an update on the student health insurance program and a presentation on the 2018-2019 Tuition and Fee proposals. Mr. Sloan noted that the tuition and fees item will be brought to the full Board for a vote at its next meeting.

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

Mrs. Nelson, chair of the committee, reported that the committee met by teleconference on Tuesday, January 23, 2018. It approved the establishment of three new degree programs (see Appendices J, K, and L), the discontinuation of five degree programs (see Appendix M), and the licensure of three degree programs (see Appendix N). It also reviewed and approved the Uniform Articulation Agreement between the University of North Carolina and the North Carolina Community College System related to the Baccalaureate of Arts and Fine Arts in Theatre Arts Programs (see Appendix O), which was on today's consent agenda.

At its meeting the previous day, the committee heard a preliminary report on a system wide review of Educated Preparation Programs and a report on the Health Professions Community Precepting Working Group.

Finally, related to licensure and state authorization of nonpublic and non-state degree programs, the committee considered a new policy and revisions to existing policies. The committee recommended that a new policy – *Regulations Governing Review of Changes-in-Ownership and Legal Reconstitutions of Out-of-State and Nonpublic Institutions* along with revisions to the existing policies be brought to the full board for approval at its next meeting.

Report of the Committee on University Governance

Mr. Long, chair of the committee, reported that at its meeting the previous day, the committee accepted a proposed Resolution to Establish the Procedures and Schedule for the Election of Board Officers for the 2018-2020 Term (see Appendix Q). The schedule aligned election-related activities with the Board's 2018 meeting schedule. On behalf of the committee, Mr. Long moved that the Board approve the resolution. The motion carried.

The committee further recommended that the elections policy be examined and an amended version be put in place in advance of the next election cycle of board officers. The committee formed a Subcommittee on New Elections Policy, to be chaired by Mr. Webb and include Mr. Byers, Mr. Powers, and Mr. Long. The subcommittee will report to the full Board at the next meeting.

The committee heard an update from Mr. Webb and Senior Vice President and General Counsel Shanahan on the Title IX Procedures Working Group. The committee will receive a final report at a future meeting.

Regarding vacancies on boards, there was a vacancy on the Vidant Medical Center Board of Directors. The vacancy will be considered at the next Board of Governors meeting. There is also a vacancy on the UNC Press Board of Directors and that vacancy will be considered at the May 2018 Board of Governors meeting.

Report of the Committee on Personnel and Tenure

Mr. Parrish, chair of the committee, reported that at its meeting the previous day the committee heard an overview on the Carnegie Classifications framework and will discuss the University's current peer groups in more detail in the coming months.

The committee also heard a report on the University of North Carolina Equal Opportunity and Diversity & Inclusion Study as required by the Appropriations Act of 2017. Mr. Parrish stated that the study presented the President and the Board of Governors many recommendations that require additional time to consider. On behalf of the Committee, Mr. Parrish moved that the final report be submitted to the General Assembly's Joint Legislative Education Oversight Committee and that the Committee on Personnel and Tenure be granted additional time to examine the report. A working group would be formed to accomplish this task. The motion carried.

The committee reviewed routine informational reports, including an update on the chancellor searches at UNC Asheville (UNCA) and Western Carolina University.

Finally, Mr. Parrish introduced The Hon. Dale R. Folwell, State Treasurer of North Carolina. Treasurer Folwell spoke about the state's pension and health plans, including the challenges of how to preserve, strengthen, and sustain the state pension and health care plans.

Report of the Committee on Public Affairs

Mr. Daughtry, chair of the committee, reported that at its meeting the previous day, the committee received an update on the UNC System's rebranding. The purpose of the rebranding was to better identify, unite, and promote the 17 constituent institutions and its newest initiatives – NC Promise and UNC Lab Schools.

The committee also heard updates on the UNC System's budget and legislative priorities for the 2018 legislative session, a review of the January legislative session, a preview of the upcoming legislative session.

Report of the Committee on Strategic Initiatives

Mr. Mitchell, chair of the committee, reported that at its meeting the previous day, the committee previewed new data dashboards that are used to monitor the progress on the University's strategic planning goals. The committee explored opportunities to improve student success, focusing on the importance of summer school. The committee will continue discussion on summer school enrollment at its next meeting.

Chairman Bissette's Report

Chairman Bissette recognized Dr. Joe Urgo, Interim Chancellor at UNC Asheville, who was appointed to serve upon Chancellor Grant's departure last month. Chairman Bissette stated that there were several important initiatives for the Board to consider this year. Related to the campus visits for new members, he announced that the tours would resume next week and that the visits serve as an important component to understanding the breadth and depth of each campus.

Next, Chairman Bissette highlighted exciting news happening in and around the campuses.

Finally, Chairman Bissette recognized Dr. Rucho, who discussed concerns regarding the Op-ed piece by Chairman Bissette that recently appeared in the *News & Observer* and the *Charlotte Observer*. A copy of the Op-ed was distributed (see Appendix R).

Secretary Burris-Floyd stated that the printed motion to go into closed session was in the Board members' folders. She moved that the Board go into closed session as described in the written motion, pursuant to Sections 143-318.11(a)(1), (a)(3), (a)(4), and (a)(6) of the North Carolina General Statutes. The motion was properly seconded and carried.

The Board went into closed session at 10:50 a.m. and returned to open session at 1:00 p.m.

Report of the Committee on Personnel and Tenure

Mr. Parrish, chair of the committee, reported that during its meeting the previous day, the committee considered a proposed salary action for Mr. Sickora, the Executive Director and General Manager of UNC Center for Public Television. On behalf of the committee, Mr. Parrish moved that the Board of Governors approve a proposed 2.5 percent raise for Mr. Sickora as recommended by the President. The motion carried.

In closing, Chairman Bissette stated that the next meeting of the Board of Governors was scheduled for March 23, 2018. There being no further business, Chairman Bissette requested a motion to adjourn. Mr. Knott moved and the motion was properly seconded. The meeting adjourned at 1:05 p.m.

Pearl Burris-Floyd, *Secretary*

Following the meeting of the Board of Governors, a public comment session was held. Please see Attachment #1.

APPENDICES

(All appendices are a part of the official record of the meeting.)

Appendix A	President Spellings' Report	Posted Online
Appendix B	UNC Policy 1400.2 – <i>Information Security</i> (Adopted)	Posted Online
Appendix C	Acquisition of Property by Deed – ECU	Posted Online
Appendix D	Capital Improvements Projects – ECU, NCSU, UNC-CH, and UNCP	Posted Online
Appendix E	Disposition of Property by Demolition – UNCC	Posted Online
Appendix F	Disposition of Property by Easement – UNCP	Posted Online
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Appendix I	Millennial Campus Designation – UNCW	Posted Online
Appendix J	Authorization to Establish a Bachelor of Art in Digital Media Arts – ECSU	Posted Online
Appendix K	Authorization to Establish Doctor of Psychology in Health Service Psychology: Combined Clinical School – WCU	Posted Online Posted Online
Appendix L	Authorization to Establish Doctor of Psychology – ASU	Posted Online
Appendix M	Authorization to Discontinue the following UNC Degree Programs: i. Bachelor of Science in Criminology – NCSU ii. Bachelor of Arts in English – NCSU iii. Bachelor of Arts in Geology – NCSU iv. Master of Science in Human Resource Development – NCSU v. Bachelor of Arts in Biology, Medical Technology – UNCC vi. Master of Business Administration in Sport Marketing and Management – UNCC	Posted Online
Appendix N	Authorization for a Licensure Program Approval at The University of Southern California	Posted Online
Appendix O	Articulation Agreement between UNC and the NCCCS for Fine Arts in Theatre Arts Programs	Posted Online
Appendix P	UNC Policy 400.1.5 – <i>Fostering Undergraduate Student Success</i> (Amended)	Posted Online
Appendix Q	Resolution to Establish the Procedures and Schedule for the Election of Board Officers for the 2018-2020 Term	Posted Online
Appendix R	<i>Op-Ed</i> article – “UNC Board of Governors – Year in Review”	Posted Online

Attachment #1: Public Comment Session Summary

January 26, 2018
University of North Carolina System
Center for School Leadership Development, Room 128
Chapel Hill, North Carolina

The Public Comment session was called to order following adjournment of the Board of Governors meeting. Secretary Burris-Floyd convened. The following Board members, were also present in person: Kellie Hunt Blue, Phil Byers, Tyler Hardin, Jim Holmes, Randy Ramsey, and Michael Williford. The speakers and topics are listed below.

1. Miriam Thompson
Affiliation: No affiliation
Topic: Silent Sam
Thompson expressed concern regarding the Silent Sam statue on UNC-Chapel Hill's (UNC-CH) campus and asked that the Board of Governors act to petition the North Carolina Historical Commission for its removal from campus. She stated that there should be no place for a symbol of racial intolerance on UNC-CH's campus.
2. Mario Benavente
Affiliation: Student
Topic: Silent Sam
Benavente reported instances of threats and harassment due to his involvement in Silent Sam protest efforts on the UNC-CH campus. Specifically, he noted: threats of gun violence, instances of racial and homophobic slurs, and being called "spoiled". Benavente asked that Silent Sam be removed.
3. Heather Ahn-Redding
Affiliation: No affiliation
Topic: Silent Sam
Ahn-Redding asked that the Board take steps towards relocating the Silent Sam statue. Specifically, she asked that the Board submit a petition to the North Carolina Historical Commission. Ahn-Redding expressed concern about the interpretation of the law restricting its removal.
4. Michelle Brown
Affiliation: Student
Topic: Silent Sam and Student Protest
Brown expressed concern about the UNC-CH Silent Sam statue and the Board's response to student protests. She stated that the statue's presence on campus sends the message that students of color are unwelcome at UNC-CH. Brown also expressed disappointment over an

email conversations between Board members. She urged the Board to release a new public statement against symbols of racism on UNC campuses.

5. Hillary MacKenzie

Affiliation: No affiliation

Topic: Silent Sam

MacKenzie expressed concern about the presence of the Silent Sam statue on the UNC-CH campus. She stated that by letting the statue stand, the Board has failed UNC. She asked that the Board submit a petition to the North Carolina Historical Commission for its removal and that Board members enroll in racial equity training.

6. Alyssa Bowen

Affiliation: Student

Topic: Benefits for graduate students and campus workers

Bowen, a graduate student and teaching assistant at UNC-CH, expressed concern about the funding for graduate assistants and campus workers. She noted that the \$15,000 UNC-CH awards some graduate students is \$3,000 less than the cost of living in Chapel Hill and that graduate funding does not cover student fees, dental insurance, or maternity leave. Bowen stated that compensation is worse for campus workers, and that 40% of campus workers don't speak English and although UNC translates some documents, it does not translate the grievance policy.

7. Brittany Shepherd

Affiliation: Student

Topic: Silent Sam

Shepherd asked that the Silent Sam statue be removed from the UNC-CH campus and that Silent Sam validates and invites contemporary racist sentiments on campus.

8. Altha Cravey

Affiliation: Faculty

Topic: Silent Sam

Cravey expressed her disappointment in UNC leadership and the Board's response to Silent Sam protests. She urged the Board to take action and remove the statue from the UNC-CH campus.

9. Michael Mole

Affiliation: Student

Topic: Silent Sam

Mole, a student that has been involved with Silent Sam protest on the UNC-CH campus, stated that he is embarrassed that school has not made more of an effort to remove the statue. He noted Duke's removal of a Confederate statue on their campus last year. He asked that UNC Leadership and the Board take the appropriate measures to remove the statue.

10. Mary Dooley

Affiliation: No affiliation

Topic: Silent Sam

Dooley stated that the Silent Sam statue is emblematic of racism and intolerance. Dooley stated that it is time that the statue be taken down and put in a museum, where it belongs. She asked that the Board take appropriate action to do so.