

DRAFT MINUTES

November 15, 2019
Elizabeth City State University
K.E. White Graduate Center, Room 124
Elizabeth City, North Carolina

Call to Order

The Board of Governors met in regular session on November 15, 2019, in Room 124 at the K.E. White Graduate Center at Elizabeth City State University. Chair Ramsey called the meeting to order at 9:00 a.m. He thanked Chancellor Dixon, ECSU Board of Trustees Chair Jan King Robinson, and all the dedicated staff, faculty, and students for their wonderful hospitality with hosting the week’s Board of Governors meeting and other activities.

Invocation

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

Roll Call

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

Darrell T. Allison	W. Marty Kotis III
Kellie Hunt Blue	Steven B. Long
Pearl Burris-Floyd	Wendy F. Murphy
C. Philip Byers	Anna S. Nelson
Carolyn L. Coward	R. Doyle Parrish
N. Leo Daughtry	David M. Powers
Thomas H. Fetzer	Randy C. Ramsey
Thomas C. Goolsby	Robert A. Rucho
Reginald R. Holley	Adam J. Schmidt
James L. Holmes, Jr.	O. Temple Sloan III
Martin L. “Mark” Holton III	Harry L. Smith, Jr.
H. Terry Hutchens	Michael L. Williford

The following members were absent:

W. Louis Bissette, Jr.	J. Alex Mitchell
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State Ethics Act

Chair Ramsey stated that, under the State Ethics Act, members have a duty to avoid conflicts of interest and appearances of conflicts, and he asked if anyone had a potential conflict. There were none.

President’s Report

Interim President Roper spoke about how he was inspired being on the campus of Elizabeth City State University (ECSU). It served as a powerful reminder of the value of a great university, its rich history, and the spectacular turnaround that ECSU is experiencing under the leadership of Chancellor Dixon and her team. Next, Interim President Roper acknowledged the work and dedication of the members of the Board of Governors. He recounted

that, in the previous week, he had a meeting with the new Board officers, Chair Ramsey and Vice Chair Murphy, along with his senior leadership team. They discussed the University's core mission, which he quoted as "to discover, create, transmit, and apply knowledge to address the needs of individuals and society," and how the leadership should stay focused on how the University serves students and all North Carolinians. For Interim President Roper's complete report and a summary of "Notable News from the UNC System," please see Appendix A.

Consent Agenda Items

Chair Ramsey referred to the consent agenda items listed as Item 4 on the day's consent agenda. Mr. Kotis asked that Item 4g. – *Capital Improvements Projects*, be removed for discussion. Chair Ramsey stated that Item 4g. would be voted on separately.

Minutes

- a. Minutes of September 20, 2019
- b. Minutes of October 1, 2019
- c. Minutes of October 29, 2019

Committee on Budget and Finance

- d. Acquisition of Property by Deed (Central Crops Research Station) – NC State University Appendix B
- e. Acquisition of Property by Deed (Lake Wheeler Field Lab) – NC State University Appendix C
- f. Disposition of Property by Demolition – Western Carolina University Appendix D
- g. Capital Improvement Projects Appendix E
- h. Sale of Special Obligation Bonds – UNC Charlotte Appendix F

Committee on Educational Planning, Policies, and Programs

- i. AHEC Annual Report on Primary Care Physicians Appendix G
- j. Louisburg College Comprehensive Articulation Agreement Appendix H
- k. UNC Policy 700.10.1 – Policy on Awarding Undergraduate Credit on the Basis of Advanced Placement Exam Scores (Amended) Appendix I

Committee on Audit, Compliance, and Risk Management

- s. Approval of the Annual Internal Audit Plans for 2019-2020 Appendix J

Motion: Resolved, that the Board of Governors approve the consent agenda Items listed on the day's meeting agenda excluding Item 4g. – *Capital Improvement Projects*.

Motion: Mr. Williford

Motion carried

Mr. Kotis expressed his concerns about Item 4g. and asked the Board to consider reforming the approval process. Mr. Sloan stated that the process was antiquated and that the committee would appoint a task force to review the current process. The members of the task force will include Mr. Kotis, Mr. Parrish, Dr. Rucho, Chancellor Everts (Appalachian), Chancellor Woodson (NC State), Vice Chancellor Pruitt (UNC-Chapel Hill), and Vice Chancellor Byers (Western Carolina University). Mr. Allison requested that a representative from one of the smaller constituent institutions be included on the task force. Mr. Sloan concurred and asked him for a recommendation.

Motion: Wendy Murphy

Motion carried

Report on the Association of Student Governments

Mr. Schmidt provided an update on the Association of Student Governments. The association meets on a monthly basis at one of the constituent institutions. The meetings prove to be valuable as the group shares ideas on how student governments can be successful in their initiatives and identify System-wide issues that affect students. The student government representatives have been busy with civic engagement efforts, which include guiding students to register to vote in elections. It also has shared concerns with the tuition and fees process.

Regarding the Presidential Search Committee, several student body presidents attended a listening session that was held in Chapel Hill the previous week. He thanked Chair Ramsey and Ms. Kimberly Strach for providing them the opportunity to share their thoughts and impressions in electing the next president.

Lastly, he spoke about the students' health insurance plan and his desire to include a student representative in the decision-making process for the health plan and learning more about the student housing policy.

Report of the Committee on Budget and Finance

Mr. Sloan, chair of the committee, reported that at its meeting the previous day, the committee heard a presentation on routine administrative and transaction items, including property matters and financing bonds. The committee considered acquisition of property items – two items from NC State (see Appendix B and C), one item from Western Carolina University (see Appendix D), and UNC Charlotte's special obligation bonds (see Appendix F). The committee considered 17 capital improvement projects requested by five of the constituent institutions: Appalachian, NC State, UNC-Chapel Hill, UNC Charlotte, and Western Carolina University (see Appendix E). The committee approved these items and placed them on the day's consent agenda.

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

Mrs. Nelson, chair of the committee, reported that at its meeting the previous day, it heard a report on the research campus located in Kannapolis. The committee voted to accept the AHEC Annual Report on Primary Care Physicians (see Appendix G). The committee approved the adoption of the Louisburg College Comprehensive Articulation Agreement (see Appendix H). The committee voted to place these items on the day's consent agenda.

Next, the committee received the Report on the Future Teachers of North Carolina as well as an update on the Minimum Admission Requirements (MAR) Working Group. Last year, the MAR Working Group met to review and explore possible revisions to the University's policy on Minimum Requirements.

Report of the Committee on Personnel and Tenure

Mrs. Blue, chair of the committee, called on Mr. Gillian Killian, chair of the UNC Staff Assembly, for his report. This marked Mr. Killian's first meeting as chair. He has been involved with the UNC Staff Assembly for many years and also served as staff senate chair at ECU.

He spoke of the ongoing work of staff assembly and the success of the Janet B. Royster Memorial Staff Scholarship Fund, which provides staff development for full-time, non-faculty employees. Mr. Killian announced that the staff assembly would present the Erskine B. Bowles Staff Service Award during the academic year. The award recognizes a staff member whose accomplishments are consistent with the goals of the University and the University's public service mission. Next, he thanked the Board for approving the parental leave policy. Staff was pleased with this added benefit, and Killian noted that policy will keep the University competitive in its quest to recruit and retain quality staff.

Lastly, Mr. Killian explained that the staff assembly was concerned with salary increases. He believed that the General Assembly has allocated less increases for UNC System employees as compared to other state agencies. Mr. Kotis suggested that the staff assembly representatives would benefit from attending the Committee on Public Affairs meetings moving forward to obtain the latest updates.

Chair Ramsey announced that Ms. Meredith Steadman was promoted to Secretary of the University. He congratulated Ms. Steadman and noted that she has served as the Acting Secretary since earlier this year and has done an outstanding job.

Report of the Committee on University Governance

Mr. Powers, chair of the committee, reported that, at its meeting the previous day, the committee continued its discussion on policy review. The purpose of the review is to determine if the policy is still warranted and if its purpose is being achieved or if changes need to be made. The committee reviewed UNC Policy 200.2 – Election Procedures. No changes were recommended. The committee also reviewed and approved proposed revisions to UNC Policy 900.1 – Student Residence Classification for Tuition Purposes. The committee voted to amend the policy. It also approved to repeal UNC Policy 900.2 – State Residence Committee. These policies will be brought to the full Board for approval at its next meeting.

In closing, Mr. Powers referred to the list of the 2019 Fall Commencements. He urged the members to participate in one of the commencements in order to bring greetings on behalf of the Board.

Report of the Committee on Public Affairs

Mr. Byers, chair of the committee, reported that, at its meeting the previous day, the committee reviewed the activities that have transpired since its last meeting. The committee heard updates on both state and federal relations. The committee received an overview on the legislation that was passed by the General Assembly since the previous Board meeting. He noted that the legislature adjourned on October 31, 2019, but reconvened the week prior to the November Board meeting to consider other matters, and they planned to meet again in January 2020 if an override to the state budget veto is needed. Prior to the legislative session that adjourned on October 31, several bills impacting the University System were passed. The University's focus was on S.B. 354 – Strengthening Educators' Pay Act, which was contingent on a budget override, but it was vetoed by the Governor the previous week.

Next, the committee heard an overview on the federal budget process, the impact on research funding on the University, and the latest on the bill to reauthorize the Higher Education Act (HEA). The committee was also briefed on a UNC System luncheon briefing that was held in September on Capitol Hill with the North Carolina Congressional Delegation and key staff members. The briefing highlighted the latest findings and efforts resulting from the Special Committee on Historically Minority-Serving Institutions. Finally, the committee received an update on how the UNC System Advancement Office interacts with the constituent institutions on shared services.

Report of the Subcommittee on Lab Schools

Mr. Byers, chair of the committee, reported that, since August, the subcommittee had met twice. At its meeting in September, the subcommittee discussed the compliance challenges facing lab schools and the University staff members that oversee them. He explained that lab schools combine K-12 rules and regulations with those that govern universities, resulting in a complex regulatory environment. The subcommittee considered and accepted a resolution that calls for institutions to work with the UNC System Office to adopt a compliance program (see Appendix K). The subcommittee also received a presentation on the allocation of state appropriations for lab schools, including an effort to shift the formula that better reflects school size and expenses. At its November

meeting, the subcommittee met to review and approve the annual Lab Schools Evaluation Report prior to its submission to the Joint Legislative Education Oversight Committee. The subcommittee will continue to monitor the achievement data and identify other measures that will help identify areas of improvement.

Report of the Committee on Audit, Risk Management and Compliance

Mr. Holmes, chair of the committee, reported that, at its meeting the previous day, the committee received an informational report that summarized the UNC System-wide Internal Audit Activities for the 2018-2019 fiscal year. The committee also received the UNC System-wide Audit Plan for 2019-20 and voted to place it on the day's consent agenda (see Appendix J). Next, the committee tasked Dr. Rucho with leading the "Public Safety Initiative" that the committee is undertaking. The committee also tasked Mr. Holton with leading an effort to evaluate insurance practices across the system.

Report of the Committee on Strategic Initiatives

Mrs. Coward, chair of the committee, reported that, at its meeting the previous day, the committee considered three priorities for the 2019-20. The first priority would focus on student mental health and direct the committee to learn more about mental health services offered on the campuses, including how the services are funded, delivered, and governed. The committee will gather this information and provide a recommendation to the Board about opportunities for improvement. The second priority would continue the Board's work to secure summer school funding.

Lastly, as a short term priority, the committee identified the opportunity to align and simplify the UNC Need-Based Grant, which is a \$120 million grant program that provides scholarships to more than 40,000 UNC System students each year. Staff explained the complexity of the application process, which makes it difficult for students and families to learn about their eligibility early on in their college choice process. The committee examined how other states are making their scholarship programs more predictable and better aligned for four year graduation. The goal is to work with financial aid officers from across the system to put together a proposal to simplify this program.

Report of the Committee on Historically Minority-Serving Institutions

Mr. Allison, chair of the committee, reported that, at its meeting the previous day, the committee discussed the work of the committee over the past year. The committee also heard an update on the luncheon that was held on September 10, 2019 with Congressional aids and staff from both the U.S. Senate and U.S. House of Representatives. Mr. Allison, Chancellor Dixon (ECSU), along with other staff members from the UNC System Office all participated in the event.

Next, the committee heard an update on the UNC System Executive Leadership Institute. Mr. Allison noted that one-third of the spaces will be open to historically minority-serving institutions. The committee expects to begin receiving nominations later this month and plans to begin the program in May 2020.

Mr. Allison spoke about the implementation of the Constituent Relationship Management (CRM) software and the shared services that can support the modernization of the Data Mart. It received an update concerning the planning for a comprehensive data mart and shared services that can support the HMSIs and their ability to raise funds.

The committee heard an update on the HMSI Leadership Roundtable. The UNC Center for Television broadcast the program on October 22, 2019, which was watched by more than 10,000 viewers. Each member received a DVD of the program. The next phase of the project, which will feature each of the HMSI institutions, has begun and will be broadcast through the springtime.

Finally, Mr. Allison commented on the Repair & Renovation Funding Formula related to option five and its importance to HMSIs. He thanked, Mr. Sloan, Dr. Rucho, and Mr. Holmes, and others for leading this effort.

Report of the Committee on Military and Veterans Affairs

Mr. Daughtry, chair of committee, reported that, at its meeting the previous day, it heard from representatives of the U.S. Coast Guard – Rear Admiral Smith and Comm. Warren Judge – who spoke about the strong partnership between ECSU and the U.S. Coast Guard. ECSU and the U.S. Coast Guard recently signed a Memorandum of Understanding, which will strengthen its relationship and continue to assist ECSU with offering educational opportunities for service members.

Next, Mr. Daughtry commented that a number of ECSU students participate in the Coast Guards' College Student Pre-Commissioning Initiative, known as C-SPI. This initiative is a scholarship program designed for college juniors and seniors attending an HMSI and who demonstrate a high caliber of academic and leadership excellence.

The committee heard a presentation by ECSU's vice chancellor for student affairs and the director of military affairs, who shared many notable rankings the institution has received for its service to military students. The rankings include ECSU's position in the top five for military-friendly schools for small public universities and its designation as a military-spouse friendly institution.

Lastly, the committee received a summary from the UNC System Office of current initiatives and partnerships, which all support military student success, engage with defense industry, and support the mission of North Carolina Military commands. Chair Ramsey recognized Emmanuel Butts, ECSU student body president, who will graduate this spring and join the U.S. Army.

Report of the Presidential Search Committee

Mrs. Murphy, co-chair of the search committee, provided an update on the search committee. To date, eleven listening sessions had been conducted across the state. The next listening session was to be held at UNC Pembroke on November 26, 2019. Mrs. Murphy commented on the listening session that was held in Elizabeth City earlier in the week. She stated that the committee received great input and comments from the community, faculty, and staff, and she thanked them for their participation.

She recognized Ms. Kimberly Strach, executive director of the search committee. Ms. Strach has developed a robust process that fully represents the varied sectors and stakeholders comprising the University. The website that was created for the search has received over 2,700 submissions and notes with feedback. This response rate indicates a broad interest in the search.

The committee will meet on December 4, 2019, to review the feedback it has collected in every form and begin the work of finalizing the position profile.

Chair's Report

Chair Ramsey stated that much had transpired since its last meeting in September, including changes in the Board, its leadership, and changes in leadership at our institutions. He recognized former Chair Smith and thanked him for his many contributions, his service, and praised his strong leadership. Chair Ramsey welcomed the newest member, Mr. Reginald Holley, who was elected to serve the unexpired term of Senator Bryan.

Next, he spoke about the progress of ECSU. ECSU is a proud NC Promise campus and is making great progress to improve the campus so that it reflects the exceptional teaching and talent it has to offer. Under Chancellor Dixon's leadership, the university has strategically highlighted its signature curriculum to better serve northeastern North Carolina.

Chair Ramsey reflected on last week's meeting that he and Vice Chair Murphy had with Interim President Roper and the senior leadership team. They discussed the structure of the standing and special committees and discussed ways to better support the membership and the chairs to accomplish their future goals.

In closing, he stated that "We are making tangible improvements in the lives of our students, and this is the story that we are going to be advancing across the UNC System. Because together, as a System of 17 institutions, we are stronger and more resilient than any singular leader or board. I look forward to serving you as chair and serving the great people of North Carolina."

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 stated in the written motion (see Appendix L). The Board went into closed session at 10:05 a.m. and returned to open session at 10:20 a.m.

Report of the Committee on Personnel and Tenure

Mrs. Blue, chair of the committee, reported that at its meeting the previous day, the committee heard updates from the senior vice president for human resources and senior vice president for academic affairs. The committee also heard a brief report on the chancellors' searches, which are in progress at UNC-Chapel Hill, UNC Charlotte, and UNC School of the Arts. Chancellor searches at East Carolina University and Fayetteville State University were expected to begin in December.

Next, she reported that the University was still awaiting a resolution on the state budget so it could finalize and implement the annual raise process for University employees. The UNC System was also working to finalize the regulations and implementing the parental leave process. The UNC System office would begin reviewing the promotion and tenure policy review process. Mrs. Blue also explained that the staff had already implemented some conservative limits to the Faculty Recruitment and Retention Fund requests. The committee voted to accept the annual report of the Committee on Personnel and Tenure from July 1, 2018 – June 30, 2019 (see Appendix M). The committee also received the annual Post-Tenure Review Report.

Mrs. Blue reported that the committee reviewed the plan document for Incentive Compensation Program for Chancellors (see Appendix N). The plan allows the president to set both individual and System-wide goals for eligible chancellors. These goals will be brought to the committee for consultation prior to implementation. The committee voted to recommend the Board's approval of the plan document only, which authorizes the president to proceed with implementation of the program.

Motion: Resolved, that on behalf of the Committee on Personnel and Tenure, the Board of Governors vote to accept the Plan Document for Incentive Compensation Program for Chancellors.

Motion: Kellie Hunt Blue

Motion carried

Lastly, the committee heard an update regarding the Faculty Salary Analysis project. The project is in the preliminary stage of development and will serve as a tool that will help illustrate competitiveness of the

University's faculty salaries in comparison to national benchmarks and the scope of equity challenges across the University. The committee also reviewed and approved routine transactional and informational items.

There being no further business, the meeting adjourned at 10:30 a.m. The next meeting of the Board of Governors is scheduled for Friday, December 13, 2019, via teleconference call.

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 Interim President Roper’s Report and “Notable News from the UNC System Office”
- Appendix B Acquisition of Property by Deed (Central Crops Research Station) – NC State
- Appendix C Acquisition of Property by Deed (Lake Wheeler Field Lab) – NC State
- Appendix D Disposition of Property by Demolition – Western Carolina University
- Appendix E Capital Improvement Projects
- Appendix F Sale of Special Obligation Bonds – UNC Charlotte
- Appendix G AHEC Annual Report on Primary Care Physicians
- Appendix H Louisburg College Comprehensive Articulation Agreement
- Appendix I UNC Policy 700.10.1 – Policy on Awarding Undergraduate Credit on the Basis of Advanced Placement Exam Scores
- Appendix J UNC System-wide Internal Audit Plans for 2019-20
- Appendix K Laboratory Schools Compliance Resolution
- Appendix L Closed session motion
- Appendix M 2018-2019 Annual Report of the Committee on Personnel and Tenure
- Appendix N Proposed Chancellors’ Competitive Compensation Plan