

DRAFT MINUTES

February 21, 2020
University of North Carolina
Center for School Leadership and Development, Board Room
Chapel Hill, North Carolina

Call to Order

The Board of Governors met in regular session on February 21, 2020, in the Board Room, at the UNC Center for School Leadership Development in Chapel Hill. Chair Ramsey called the meeting to order at 10:30 a.m. Pursuant to Board policy, only board members who are physically present at the meeting are able to vote. Members participating by phone would count toward a quorum. He also announced that the presentation of the Governor James E. Holshouser, Jr. Award for Excellence in Public Service, scheduled for the day, would be postponed until the March 20, 2020, Board meeting.

Invocation

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

Roll Call

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

Darrell Allison	Steven B. Long
Kellie Hunt Blue	J. Alex Mitchell
Pearl Burris-Floyd	Wendy Floyd Murphy
C. Philip Byers	Anna Spangler Nelson
Carolyn Coward	R. Doyle Parrish
N. Leo Daughtry	David Powers
Thomas H. Fetzer	Randy Ramsey
Thomas C. Goolsby	Robert Rucho
Reginald Ronald Holley	Adam Schmidt
Mark Holton	Temple Sloan
Terry Hutchens	Dwight D. Stone
W. Marty Kotis, III	Michael Williford

The following members were absent:

W. Louis Bissette, Jr.	James L. Holmes, Jr.
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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 asked if anyone had a potential conflict. There were none.

President's Report

Interim President Roper spoke about the important work of the University. He provided a vivid reminder of the value of the University's work as evidenced by former student Christina Koch. Ms. Koch is a NASA astronaut and an alumna of NC State University and North Carolina School of Science and Mathematics. Ms. Koch recently completed a historic 328-day mission aboard the International Space Station. Her success embodies so much of what this University strives for every day. Next, Interim President Roper spoke about the ongoing work of the UNC System Office and his concerns regarding the state budget impasse. He provided an update on the chancellors' searches at East Carolina University, Fayetteville State University, UNC Charlotte, and UNC School of the Arts. For Interim President Roper's complete report, please see Appendix A.

Consent Agenda Items

Chair Ramsey referred to the items listed as Item 4 on the day's consent agenda:

Minutes

- a. Minutes of January 17, 2020
- b. Minutes of February 7, 2020

Committee on Budget and Finance

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| c. Capital Improvement Projects | Appendix B |
| d. Sale of Special Obligation Bonds – Appalachian State University | Appendix C |
| e. Sale of Millennial Campus Revenue Bond – Appalachian State University | Appendix D |

Motion: Resolved, that the Board of Governors approve the consent agenda items listed on the day's meeting agenda.

Motion: David Powers

Motion carried

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 an update from Mr. Parrish, chair of the Task Force on Capital Construction. The task force is scheduled to meet on February 26, 2020. Next, Mr. Sloan reported that the committee heard a presentation on the 2020-21 Budget Priorities. The proposed budget priorities include funding in the 2019 Appropriations Act and Strengthening Educator's Pay Act. The 2020-21 Budget Priorities along with the University's Legislative Priorities will be considered for a vote during a joint committee meeting with the Committee on Public Affairs at the March, 2020, meeting.

The committee also approved routine administrative and transactional items, including two finance bonds for Appalachian State University (see Appendix C and D), which were placed on the day's agenda. The committee heard a presentation related to five capital improvement projects requested by three UNC System institutions: NC State, UNC Charlotte, and North Carolina School of Science and Mathematics. The committee voted on four capital improvement projects and placed them on the day's consent agenda (see Appendix B).

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

Mrs. Nelson, chair of the committee, reported that, at its meeting the previous day, the committee heard a presentation on the UNC System's Digital Learning proposal. The proposal creates shared services to support the growth of online learning across the UNC System and the creation of new programs that target the state's pressing economic needs. The proposal received the committee's strong support. The committee discussed

reinstating the UNC System's long-range plan. The plan will serve to support and reinforce the strategic goals and objectives identified in the current UNC System's Strategic Plan.

Next, the committee discussed proposed revisions to Section 700.1.1 of the UNC Policy Manual – Minimum Requirements for First-time Undergraduate Admissions Minimum Course Requirements. The committee approved the proposed revisions and will bring the policy to the full Board for a vote at a future meeting. At the conclusion of the Chair Nelson's report, Mr. Long requested that the full Board hear an overview of the proposed revisions to Section 700.1.1 prior to the vote.

Report of the Committee on Personnel and Tenure

Mrs. Blue, chair of the committee, reported that, at its meeting the previous day, the committee received an informational report from the senior vice president of Human Resources on the new UNC System's Office appointments under delegated authority to the president. In addition, the senior vice president of Academic Affairs shared an informational report on the Faculty Recruitment and Retention Fund.

Next, the committee considered an exception to Section C. of UNC Policy 300.2.14 – Non-salary and Deferred Compensation. The revision would allow a greater number of the constituent institutions to utilize the plan as a mechanism to help recruit and retain of highly qualified chancellors.

Motion: Resolved, that on behalf of the Committee on Personnel and Tenure, the Board of Governors approve the recommended revision to UNC Policy 300.2.14 – Non-Salary and Deferred Compensation – to allow for non-funded state sources for funding Senior Administrative Officers Retirement Plan (SAORP).

Motion: Kellie Hunt Blue

Motion carried

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 the UNC Policy Manual for the 2019-2020 academic year. The committee reviewed Section 200.7 of the UNC Policy Manual – Duties, Responsibilities, and Expectations of Board Members. Mr. Powers noted that the review was timely, given the Board's recent consideration of complaints. The committee recognized the need to improve and clarify procedures. Based on results of the committee's discussion, the committee asked the staff to produce a set of revisions to the policy. The committee also discussed the role of students serving on University boards of trustees. A working group will be formed to review student election procedures and the group will be comprised of student body presidents, chancellors, faculty, and members of the boards of trustees, and the Board of Governors. The working group will be formally announced at the next Board meeting.

Next, the committee approved UNC Charlotte's waiver request to Section 200.4 of UNC Policy Manual – Assessment Process for the Chief Executive and Governing Boards of the University of North Carolina. The policy requires that the board of trustees conduct a self-assessment every four years. UNC Charlotte's assessment is scheduled for 2020 and has requested an extension until the fall of 2021. The committee will bring this item for a full vote through consent agenda at the Board's next meeting.

Lastly, Mr. Powers referred to the 2020 Spring Commencement schedule. He encouraged the Board members' to participate at one of the commencements. He asked the members to inform Secretary Steadman of their availability.

Report of the Committee on Public Affairs

Mr. Byers, chair of the committee, reported that, at its meeting the previous day, the committee reviewed a draft of the 2020 University of North Carolina Policy Agenda. The policy agenda is comprised of items submitted from the constituent institutions and internal divisions from the UNC System Office. The committee moved to approve the policy agenda and will bring it to the full Board for approval at its next meeting.

The committee also received a federal relations update on President Trump's proposed federal budget for the 2020 fiscal year. The president's budget had been released the previous week, and the committee discussed how the proposed budget will affect higher education and its potential impact on key education initiatives and research programs that our institutions monitor.

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

Dr. Rucho, member of the committee, reported that, at its meeting the previous day, the committee heard a presentation on University Advancement in the UNC System. Data around System-wide fundraising was presented along with a discussion of the UNC System Office Shared Services work. The committee also discussed efforts to work with the UNC System Office staff to assess the University's insurance risks and identify any System-level recommendations to address potential gaps. The committee will work with the constituent institutions to develop a set of guiding principles and standards for the institutions to follow. Further information on this topic will be forthcoming.

Report of the Committee on Strategic Initiatives

Mrs. Coward, chair of the committee, reported that, at its meeting the previous day, the committee discussed the teacher preparation programs within the UNC System. Mrs. Coward stated that there are 15 teacher preparation programs across the UNC System – the largest single source of teachers in North Carolina's public schools.

The committee heard presentations by Dr. Anthony Graham, provost at Winston-Salem State University; Dr. Kim Winter, dean of the College of Education at Western Carolina University; and Dr. Ann Clark, former superintendent of Charlotte-Mecklenburg school district. The presentations showed the latest data on reading proficiency rates, the research on effective teachers and teacher preparation, and the work that North Carolina and other states are doing to improve teacher preparation. Dean Winter reviewed the goals, metrics, and strategies for teacher preparation identified by the advisory group and recommendations for improving early literacy preparation.

In closing, Mrs. Coward stated that the committee will propose a resolution that outlines a plan to improve teacher preparation within the UNC System.

Report of the Committee on Historically Minority-Serving Institutions (HMSI)

Mr. Allison, chair of the committee, reported that, at its meeting the previous day, the committee reviewed its work within the System Office over the past several months. The committee reviewed its charge and heard a presentation on the implementation of Constituent Relationship Management (CRM) Data Modernization software. Mr. Allison stated that the modernized CRM software will support long-term progress in fundraising and alumni engagement. Along with benefiting the System's historically minority-serving institutions, this effort also benefits UNC School of the Arts, NC School of Science and Mathematics, and UNC Asheville. He noted that three HMSIs reported on how the CRM software is critical to their advancement programs and how shared services can improve data analytics and management overall.

Next, the committee heard an update on the next phase of the HMSI marketing plan. A video vignette was being produced at each HMSI institutions. The final videos will be aired on the UNC Center for Public Television and shared on social media channels this spring. The committee also heard an update on the UNC System Executive Leadership Institute (ELI) program. The program is designed to strengthen executive leadership across the UNC System. A pilot offering of select key leaders will begin soon.

In closing, Mr. Allison stated that, while there is much work to be done and challenges ahead, he is proud of the work that the committee has accomplished to date. He thanked the Board officers, Interim President Roper, the HMSI staff, and the presidential scholars for their support and hard work.

Report of the Committee on Military Veterans Affairs

Mr. Powers, secretary of the committee, reported that, at its meeting the previous day, the committee heard from presenters on ways that the UNC System can support post-graduate employment for military students. The committee heard a presentation on a proposed concept plan for an online bachelor's degree program in cybersecurity targeted to military veterans and rural students. The demand for professionals in this field is growing rapidly. Mr. Powers noted that the UNC System Digital Learning Accelerator created a platform for shared services to support the growth of online learning across the system and will help develop programs that target the state's top workforce needs.

The committee heard from three guest speakers from organizations that support veteran and military spouses. Mona Dexter, senior director of operations at the U.S. Chamber of Commerce, spoke about its Hiring Our Heroes initiative. She noted that the UNC System is the first in the nation to partner with Hiring Our Heroes. Next, Calvin Jensen, a representative with Student Veterans of America, spoke about the organizations joint partnership with LinkedIn. Lastly, Dale Robbins, founder and executive director of Whole Vet, spoke about services it provides. Whole Vet is a nonprofit organization that provides the tools and resources military service members, veterans, and their families need to transition to civilian careers. Furthermore, Whole Vet has strong partnerships with many North Carolina employers and with many UNC institutions.

Presidential Search Committee

Mrs. Murphy, co-chair of the committee, reported that the position profile has been completed and is now posted online with five national education publications. The committee has compiled an impressive list of candidates from across the country. Its next meeting is scheduled for February 27, 2020, to review candidates and plan the next steps of the process, which will include interviews.

Chair's Report

Chair Ramsey recognized the members of the Board. He thanked them for their service and dedication to the University. He stated that each Board member brings a level of expertise and a passion for ensuring that our campuses thrive and that every student is successful. Chair Ramsey commented on the recent passing of Lt. Governor Bob Jordan, who is remembered for his passion and support of higher education. Mr. Jordan participated in the creation of the UNC Board of Governors and served as a member of the Board. He also served on NC State's and UNC Charlotte's boards of trustees.

Next, Chair Ramsey reminded the Board of its responsibility to effective governance. He urged the members to avoid distractions and stay focused on key areas within its purview including: improving access to our institutions; making sure students can succeed and graduate on time; and ensuring that higher education remains affordable. He expressed disappointment in the court's recent decision to overturn a settlement agreement reached between the University and outside parties in November, 2019, related to UNC-Chapel Hill's Confederate monument (Silent Sam).

Next, he reported that the Board would be addressing tuition and fee matters and would stay focused on the many promising opportunities before it to advance and develop our University. The faculty and staff continue to do remarkable work and the University remains productive, vibrant, and strong as evident by its student success rates. He cited a statistic that indicated more than 71 percent of our students earn their degree in five years or less, which exceeds the University's Strategic Plan goal and is near the top among state public higher education systems. The Board will continue to work to lift graduation rates even higher.

Chair Ramsey commented that several chancellors searches were underway. There are outstanding candidates for the positions. The presidential search was underway, and it has attracted great interest. As Chair Ramsey explained, leaders from across the country recognize the commitment North Carolinians have made and continue to make to this System, and many individuals are interested in being a part of it.

In closing, he stated "while we have challenges ahead, we will need to find strategies for coping with the financial challenges facing us working under an old budget, but rest assured, we will work through these issues carefully and strategically. Our students depend on it and North Carolina's future depends on it."

Vice Chair Murphy moved that the Board go into closed session pursuant to N.C. General Statute 143-318.11(a)(1), (3), and (6), for the purposes stated in the written motion that was included in the meeting materials, which have been publicly made available (see Appendix E).

The Board went into closed session at 11:28 a.m. and returned to open session at 12:14 p.m.

In closing, Chair Ramsey announced that the Installation Ceremony for Western Carolina University Chancellor Kellie Brown is scheduled for March 27, 2020, and invitations have been distributed. The next meeting of the Board of Governors is scheduled for Friday, March 20, 2020, at the UNC Center for School Leadership Development in Chapel Hill. There being no further business, the meeting adjourned at 12:20 p.m.

Wendy Murphy, Vice Chair

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" February 2020
- Appendix B Capital Improvement Projects
- Appendix C Sale of Special Obligation Bonds – Appalachian State University
- Appendix D Sale of Millennial Campus Revenue Bond – Appalachian State University
- Appendix E Closed session motion