

DRAFT MINUTES

September 17, 2020

University of North Carolina

Via Videoconference and UNC-TV Live Stream

Call to Order

The Board of Governors met on September 17, 2020, in-person and by videoconference. Chair Ramsey called the meeting to order at 9:00 a.m. He announced that the day's meeting would be conducted pursuant to the amendments to the Open Meetings Act, which apply during states of emergency. All votes are required to be taken by roll call. He reminded the members that all chats, instant messages, texts, or other written communications between members of the Board regarding the transaction of the public business during the remote meeting are deemed a public record.

Invocation

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

Roll Call

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

Darrell Allison	Terry Hutchens
W. Louis Bissette, Jr.	W. Marty Kotis, III
Kellie Hunt Blue	Steven B. Long
Pearl Burris-Floyd	J. Alex Mitchell
C. Philip Byers	Wendy Floyd Murphy
Jimmy D. Clark	Anna Spangler Nelson
Carolyn Coward	R. Doyle Parrish
N. Leo Daughtry	Art Pope
Thomas C. Goolsby	David Powers
Isaiah Green	Randy Ramsey
Reginald Ronald Holley	Temple Sloan
James L. Holmes, Jr.	Dwight D. Stone
Mark Holton	Michael Williford

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

In his first official address to the Board, President Hans stated that despite the challenges of the global pandemic, overall student enrollment had increased across the UNC System this fall. He referred to UNC System's Fall 2020 Record Enrollment Summary (see Appendix A) and was encouraged by the enrollment increases. He spoke about the importance of students continuing their educational even in challenging circumstances. He commended the faculty, staff, and the students for their continued hard work and determination in the face of these obstacles. For President Hans' complete report, please see Appendix B.

Consent Agenda Items

Chair Ramsey referred to the consent agenda items listed as Item 4 on the day's agenda. Mr. Parrish requested that Item 4h. – Section 200.8, Policy on Chancellor Searches and Elections, be removed for discussion. Chair Ramsey stated that Item 4h. would be discussed during the Report of the Committee on Personnel and Tenure.

Minutes

- a. Minutes of July 23, 2020

Committee on Budget and Finance

- b. Capital Improvement Projects Appendix C
- c. Sale of Special Obligation Bonds – East Carolina University Appendix D

Committee on Educational Planning, Policies, and Programs

- d. Early College High School Graduates Report Appendix E
- e. Licensure Program Approvals Appendix F
- f. UNC System Degree Program Discontinuation and Consolidation Appendix G

Committee on Personnel and Tenure

- g. Chapter VI of *The Code*, Section 603, Due Process Before Discharge or the Imposition of Serious Sanctions; Section 610. Rights of Special Member Members (Amended) Appendix H
- h. UNC Policy Manual, Section 200.8 – Policy on Chancellor Searches and Elections (**REMOVED**)

Committee on University Governance

- i. Resolution on Clearance Requirements Appendix I
- j. Section 700.3.2 of the UNC Policy Manual – Policy on Student Government Elections (Adopted) Appendix J

Motion: Resolved, that the Board of Governors approve the consent agenda items listed on the day's meeting agenda, excluding Item 4h. as described above.

Motion: Pearl Burris-Floyd

Motion carried (Roll Call vote taken; see Appendix R)

Report of the Committee on Budget and Finance

Mr. Holmes, chair of the committee, reported that the committee received the following reports: State General Fund Update for FY 2019-20; the Committee on Budget and Finance Annual Report for July 1, 2019 through June 30, 2020; and the 2020-21 NC Promise Tuition Plan Annual Report. Next, the committee discussed the process for establishing the 2021-22 Tuition and Fees. The committee approved a recommendation for no increases to resident tuition and no increases to most fees for 2020-21. Mr. Holmes announced that a meeting to review tuition and fees was scheduled for Thursday, November 12, 2020.

The committee reviewed and approved additional 2020 COVID-19 Funding Allocations (see Appendix K). Mr. Holmes remarked that during a special legislative session earlier in the month, the General Assembly appropriated funds in response to the COVID-19 crisis. House Bill 1105, known as the Coronavirus Relief Act, directs the Board to allocate funds to cover increased costs related to the mitigation efforts to prevent the spread of the disease on the campuses. The UNC System also received funds, which will be held in reserve and distributed to campuses to support COVID-19 needs.

Motion: Resolved, that on behalf of the Committee on Budget and Finance, the Board of Governors approve the proposed 2020 COVID-19 Funding Allocations.

Motion: James L. Holmes, Jr.

Motion carried (Roll Call vote taken; see Appendix R)

Next, the committee reviewed and approved the Repair and Renovations Carryforward Resolution (see Appendix L). Mr. Holmes explained that this will allow for each of the constituent institutions to retain the full amount of carryforward savings that generates up to five percent of its own use and is permitted by law.

Motion: Resolved, that on behalf of the Committee on Budget and Finance, the Board of Governors approve the proposed Repair and Renovation Carryforward Resolution.

Motion: James L. Holmes, Jr.

Motion carried (Roll Call vote taken; see Appendix R)

Mr. Holmes reported that the committee considered and approved routine administrative and transactional items including NC State University's Capital Improvement Project for the Lake Wheeler Main Distribution Frame (see Appendix C) and East Carolina University's request for the issuance of Special Obligation Bonds (see Appendix D). The committee voted to approve these items and place them on the day's agenda, which the Board approved earlier today.

The committee heard an update on the Capital Construction Task Force. In July 2020, the task force, chaired by Mr. Parrish, recommended changes to the capital project design and construction policies, procedures, and processes. The task force identified specific action items for each recommendation, which included six focus areas. Mr. Holmes thanked Mr. Parrish for his work on the task force and reported that Mr. Kotis will oversee and implement the recommendations as set forth by the task force.

Finally, Mr. Holmes reported that Mr. Mitchell gave an update related to the Board of Governors Task Force on Pricing, Flexibility, and Affordability. The task force held its initial meeting the previous week. It heard an overview of the UNC System's current tuition and fee structure.

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

Mr. Sloan, chair of the committee, reported that the committee reviewed the following three items: the discontinuation and consolidation of two academic degree programs at UNC Pembroke (see Appendix G); three licensure program approvals, along with one limited license (see Appendix F); and a presentation on the 2020 Early College High School Graduates Report (see Appendix E), which is required by the Joint Legislative Education Oversight Committee. These items were all approved by the committee and placed on the day's consent agenda.

Next, the committee heard an update on the UNC System's continued response to the impact of COVID-19, including a summary of the UNC System's 2020 Fall Enrollment. Fall enrollment and retention across the UNC System has proven to be strong with some institutions experiencing record enrollment. Enrollment details will be provided to the Board at its next meeting.

In closing, Mr. Sloan called on Dr. Timothy Ives, chair of the UNC Faculty Assembly, for a brief report. Dr. Ives, a professor at the UNC Eshelman School of Pharmacy and the School of Medicine, spoke about the role of the faculty. He noted that faculty are here to improve the lives of all North Carolinians and the core principles of faculty are to provide opportunity and position students to succeed. This year, the faculty assembly anticipates working on several items, which include strengthening the relationship between institution administration and faculty governance; continuing its work on the equity task force; and recognizing the great work of faculty, staff, and

students in their teaching, research, and service. He emphasized that the faculty will continue to adapt and innovate during these challenging times.

Report of the Committee on University Governance

Mr. Powers, chair of the committee, reported that the committee discussed board vacancies on the UNC Press Board of Governors and the Vidant Medical Center Board of Trustees.

The UNC Press has one vacancy on its Board of Governors for a five-year term beginning July 1, 2020, through June 30, 2024. Mr. Powers explained that the UNC Press Board presented its nominee to the UNC-Chapel Hill chancellor, who transmitted the nomination to President Hans. Following the recommendation of the UNC Press Board and Chancellor Guskiewicz, President Hans nominated Dr. Kim Smith for appointment.

Motion: Resolved, that on behalf of the Committee on University Governance, the Board of Governors vote to approve the recommendation of Dr. Kim Smith to serve on the UNC Press Board of Governors.

Motion: David Powers

Motion carried (Roll call vote taken; see Appendix R)

Mr. Powers reported that there are two vacancies on the Vidant Medical Center Board of Trustees, Seat 1 and Seat 10. He explained that the UNC Board of Governors is responsible for appointing nine seats on Vidant Medical Center's Board of Trustees. The nominating committee recommended the appointment of Mr. Donald Thompson to Seat 1 for a five-year term beginning March 1, 2020, through February 28, 2025. The committee also recommended the appointment of Mr. Anthony "Tony" Cannon to Seat 10 beginning on March 1, 2020, through March 2024.

Motion: Resolved, that on behalf of the Committee on University Governance, the Board of Governors vote to approve the appointments of Mr. Donald Thompson to Seat 1 and Mr. Anthony "Tony" Cannon to Seat 10 on the Vidant Medical Center Board of Trustees.

Motion: David Powers

Motion carried (Roll call vote taken; see Appendix R)

Next, Mr. Powers reported on the recent amendments to Chapter 116 of the General Statutes, which permit the president to designate legal counsel for the University with appropriate authorization from the Board of Governors. Mr. Powers presented the proposed resolution and offered the following motion.

Motion: Resolved, that on behalf of the Committee on University Governance, the Board of Governors accept the proposed resolution:

- a. Consistent with G.S. 116-11(13b), the Board hereby delegates to the president the authority to approve the designation of lead legal counsel and the engagement and expenditure of funds for legal counsel, including private counsel, as needed to represent the interests of the University of North Carolina, the constituent institutions, affiliated educational, research, and public service organizations, and any officer or employee in any legal matter, case, or proceeding;
- b. The president shall present a proposed amendment to the UNC Policy Manual formalizing this delegation; and
- c. The president or his designee shall establish such procedures as he may deem necessary to implement this authority.

Motion: David Powers

Motion carried (Roll call vote taken; see Appendix R)

Mr. Powers reported that the committee considered the annual Resolution on Security Clearance. The U.S. Department of Defense requires that the Board of Governors and the UNC System maintain a Facility Security Clearance in the performance of classified contracts. The committee approved the resolution and placed the item on the day's agenda, which the full Board approved (see Appendix I). In July, the committee considered Section 700.3.2 – Policy on Student Government Elections. The policy prohibits University Board members and employees from contributing to or influencing student government elections. The committee approved the policy and voted to place it on the day's consent agenda, which was approved by the full Board (see Appendix J).

The committee continued its review of the UNC Policy Manual. The committee reviewed amendments to policy Section 200.7 – Duties, Responsibilities, and Expectations of Board Members. The committee recommended further changes to the policy. The committee will bring the updated policy to the Board for approval at its next meeting in October. The committee reviewed policy Section 200.5 – Initiating and Settling Potential and Pending Litigation. No changes were required.

Finally, Mr. Powers reported that the committee reviewed the 2019-20 Report on Free Speech and Free Expression Within the University, which is an annual report that is required by state law. The report addresses free speech and free expression across the constituent institutions from July 1, 2019 through June 30, 2020.

Report of the Committee on Public Affairs

Mr. Byers, chair of the committee, reported that the committee reviewed the activities that have taken place since its last meeting. The committee received updates on state and federal relations.

Regarding federal relations, Mr. Byers reported that Congress continues to work on several economic stimulus packages, but negotiations have stalled. The UNC System's federal relations team has been advocating for the University's priorities in the stimulus packages, which include flexible funding, University research relief, limited and temporary liability protections, and state and local government assistance. He stated that Congress will need to pass a continuing resolution to keep government open past the end of the fiscal year. Regarding state relations, the committee heard an update on the General Assembly's Special Legislative Session, which occurred earlier this month. Several UNC System's priorities were funded in H.B. 1105, which included funding for PPE and testing and tracing. It also included funding for research projects at both Fayetteville State University and UNC Charlotte.

The committee reviewed a presentation from Dr. Jeff Warren, executive director of the NC Policy Collaboratory, on its research work with the UNC System's institutions, including the various COVID-19 projects. The committee also reviewed information on proposed statutory changes to state HR policies seeking to prepare for potential budget cuts to the UNC System due to the COVID-19 pandemic. The committee will discuss this matter in more detail at its next meeting.

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

Mr. Holton, chair of the committee, reported that North Carolina State Auditor Beth Wood joined the meeting. State Auditor Wood presented the results of a recent Information Systems Audit conducted at the UNC System Office. The audit reported one recommendation for improvement and corrective action has been taken.

Next, Mr. Holton reported that the committee received the annual report of the Committee on Audit, Risk Management, and Compliance from July 1, 2019 through June 30, 2020 (see Appendix M) and submission to the full Board. The committee received an annual summary of major associate entities for the University and the results

of their respective audits. The committee also received an update on the status of the implementation of the UNC Policy for Insurance.

Mr. Holton reported that the committee heard an update on the status of the federal compliance audit findings reported by the Office of the State Auditor. Three campuses had reports containing audit findings and each campus has taken corrective action.

In closing, Mr. Holton reported that the committee heard an update from Associate Vice President for Safety Brent Herron on the UNC System's Public Safety Training Center. Mr. Herron discussed the in-service training for the campus police departments across the UNC System's 17 constituent institutions and highlighted plans for future training programs. The committee welcomed Senior Associate Vice President for Safety & Emergency Operations, Fred Sellers, who recently joined the UNC System.

Report of the Committee on Strategic Initiatives

Mrs. Coward, chair of the committee, reported that the committee heard an update on student mental health during the COVID-19 pandemic and examined data related to on-campus counseling centers capacity across the UNC System.

The committee heard a presentation by Dr. Jane Cooley-Fruehwirth, professor in the Department of Economics at UNC-Chapel Hill. She shared data from her study of how the pandemic has affected the mental health of students, who had returned to campus for the fall semester.

Next, the committee heard a virtual presentation by Dr. Benjamin Locke, senior director for counseling and psychological services at Penn State University. He spoke about the concept of Clinical Load Index (CLI), which measures universities' counseling capacities. Dr. Locke examined the range of CLIs across the UNC System's constituent institutions compared to other colleges and universities.

Following Dr. Locke's presentation, the committee developed a resolution related to the pressing issue of student mental health. The committee received and approved the resolution, which requires President Hans and his staff to consult with experts within the UNC System and address questions as stated in the resolution (see Appendix N)

Motion: Resolved, that on behalf of the Committee on Strategic Initiatives, the Board of Governors moves the adoption of the student health resolution.

Motion: Carolyn Coward

Motion carried (Roll call vote taken; see Appendix R)

In closing, Mrs. Coward reported that the committee discussed its work plan for the academic year. The work will include strategies to promote transfer student success, develop industry-recognized certificate programs, and improve digital learning.

Report of the Committee on Historically Minority-Serving Institutions

Mr. Allison, chair of the committee, reported that the committee discussed a summary of its work since its last meeting in June 2020. The committee received an update on the COVID-19 Collaborative project and heard updates from representatives of the six HMSI institutions on their ongoing COVID-19 research projects.

Next, Mr. Allison reported that the committee received an update on the implementation and progress of constituent relationship management (CRM) software. Four institutions have recently gone live with the new database software and the experience has shown positive results. Elizabeth City State University, Fayetteville State

University, N.C. A&T State, UNC Pembroke, and Winston-Salem State University, plan to go live in early 2021 upon completion of their current fundraising campaigns.

The committee also heard an update on the Data Mart project. The UNC System's Advancement Office has hired a consulting firm to assist with developing a project plan for data mart and shared services, which is expected to be concluded by November 2020. The committee received positive comments from three vice chancellors for advancement – Anita Walton of ECSU, LaTanya Afolayan of WSSU, and Steve Varley of UNC Pembroke – who have all successfully implemented CRM software at their institutions.

Chairman's Report

Chair Ramsey reported that, with the official start of the academic year, he remained optimistic about the important work that lies ahead for this University. He thanked the members of the Board, the chancellors, and the UNC System Office team for all their efforts put forth to get us to this point. He spoke about the challenges our students are facing with online education, returning to the classrooms, their coursework, and other facets of the university experience impacted by COVID-19. He spoke of the importance of supporting vulnerable student populations on the campuses, given that disruptions to college life have more of an impact on low-income, first generation, and minority students. Chair Ramsey extended his gratitude to all the faculty, staff, and students for their hard work and dedication and their collaborative spirit during these challenging times. He also recognized the continued support and leadership that the University continues to receive from our elected officials.

Next, Chair Ramsey mentioned the UNC System's 2020 Record Enrollment summary. The increase in enrollment reflects that the demand for an educational experience at our institutions has not diminished during the pandemic. While we face the many challenges of the pandemic, we will continue to work together.

Chair Ramsey commented that President Hans, who began on August 1, continues to work exceptionally hard and has pulled together a phenomenal team. The president is focused on pushing the Board to do even more to make our institutions more accessible and more affordable for North Carolinians. The System Office staff continues to work on COVID-19 and other critical business every day. To avoid overtaxing the staff, Chair Ramsey requested that Board members direct any requests or concerns that a member may have to the committee chair or the Board officers. He encouraged all the members to continue their work for positive change.

In closing, Chair Ramsey called on Mr. Kotis for his brief remarks. Mr. Kotis addressed his concern related to the misleading claims made by the media regarding actions the Board has taken in the reopening of campuses. He spoke about the various reopening plans among the campuses: 13 campuses were providing some level of in-person instruction, three campuses had to close, and one campus planned a delayed opening. He referred to a statement that was issued by the dean at UNC-Chapel Hill's Gillings School of Global Public Health, which was misleading, and implored the media to correct the record.

Chair Ramsey called on Secretary Burris-Floyd for a motion to go into closed session.

Motion: Resolved, 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 O).

Motion: Pearl Burris-Floyd

Motion seconded: Leo Daughtry

Motion carried (Roll Call vote taken; see Appendix R)

The Board went into closed session at 10:10 a.m. and returned to open session at 11:00 a.m.

Report of the Committee on Personnel and Tenure

Mrs. Blue, chair of the committee, reported that the committee heard an update from the senior vice president for Academic Affairs on the faculty recruitment and retention fund. The committee also heard an update from the senior vice president for Human Resources on human resource matters related to COVID-19, including furloughs and recent changes to employee leave provisions.

Next, the committee reviewed and voted to approve proposed UNC Policy 1300.11 – Policy on Title IX Sexual Harassment. The policy requires institutions to investigate and adjudicate claims of sexual harassment in compliance with applicable Title IX authority. The committee also voted to accept the annual report of the Committee on Personnel and Tenure from July 1, 2019 through June 30, 2020 (see Appendix P) and submit it to the full Board.

Next, the committee reviewed and approved routine informational reports. The committee also discussed the growth of administrative positions and compensation within the University.

Mrs. Blue recalled that, at its meeting on July 22, 2020, the committee voted to approve the amendments to UNC Policy 200.8 – Policy on Chancellor Searches and Elections. Mrs. Blue made the following motion:

Motion: Resolved, that on behalf of the Committee on Personnel and Tenure, the Board of Governors move the adoption of the amended UNC Policy 200.8 – Policy on Chancellor Searches and Elections.

Motion: Kellie Blue

Chair Ramsey commented that the item was removed from the consent agenda so it could be discussed during this portion of the meeting. Chair Ramsey opened the floor for discussion.

Mr. Daughtry expressed concern that the amended policy, as written, could take away the duties and responsibilities of the boards of trustees during the search process. He offered a substitute motion:

Substitute Motion: Resolved, that UNC Policy 200.8 – Policy on Chancellor Searches and Elections, be returned to the Committee on Personnel and Tenure for further deliberation.

Motion: Leo Daughtry

Motion Seconded: Steve Long

Mrs. Nelson asked that the section of UNC Policy 200.8 containing the substantive changes to the originally proposed amendment be re-read.

Mr. Holmes called the question to the motion on the floor.

Motion: Resolved, that the Board of Governors vote on Mr. Holmes' call to question

Motion: James L. Holmes, Jr.

Motion carried (Roll call vote taken; see Appendix R)

Next, the Board voted on Mr. Daughtry's substitute motion.

Substitute Motion failed (Roll call vote taken; see Appendix R)

Chair Ramsey stated that since the substitute motion failed, the Board would consider the committee's primary motion offered by Mrs. Blue, chair of the Committee on Personnel and Tenure.

Mr. Parrish expressed his concerns regarding the section of the policy that allows the president to be able to designate two individuals to the chancellor search committee to become candidates for chancellorship and that both candidates would be part of the slate. Mr. Parrish suggested that the policy be amended to include language that the chancellor search committee be required to return only one candidate recommended by the president. The Board voted on the policy with the incorporation of the amendment (see Appendix Q).

Motion: Resolved, that the Board of Governors adopt proposed UNC Policy 200.8 – Policy on Chancellor Searches and Elections, with the change that at least one candidate, recommended by the president, be a part of the slate referred by the board of trustees for the president's consideration.

Motion: R. Doyle Parrish

Motion Seconded: Terry Hutchens

Motion carried (Roll call vote taken; see Appendix R)

There being no further business, the meeting adjourned at 11:50 a.m. The next meeting of the Board of Governors is scheduled for Thursday, October 22, 2020, at the UNC Center for School Leadership Development in Chapel Hill.

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	UNC System's 2020 Record Enrollment Summary
Appendix B	President Hans' Report
Appendix C	Capital Improvement Project
Appendix D	Sale of Special Obligation Bond – East Carolina University
Appendix E	Early High School Graduates Report
Appendix F	Licensure Program Approvals
Appendix G	UNC System Degree Program Discontinuation and Consolidation
Appendix H	Chapter VI of <i>The Code</i> , Section 603, Due Process Before Discharge or the Imposition of Serious Sanctions; Section 610. Rights of Special Member Members (Amended)
Appendix I	Resolution on Security Clearance Requirements
Appendix J	Section 700.3.2 of the UNC Policy Manual – Policy on Student Government Elections (Adopted)
Appendix K	2020 COVID-19 Allocations
Appendix L	Repairs and Renovations Carryforward Resolution
Appendix M	Annual Report of the Committee on Audit, Risk Management, and Compliance from July 1, 2019 through June 30, 2020
Appendix N	Resolution on Student Mental Health
Appendix O	Closed Session Motion
Appendix P	Annual Report of the Committee on Personnel and Tenure from July 1, 2019 through June 30, 2020
Appendix Q	Section 200.8 – Policy on Chancellor Searches and Elections (Amended)
Appendix R	Roll Call Votes