



MEETING OF THE BOARD OF GOVERNORS
Committee on Budget and Finance
Committee on Military and Public Affairs

April 6, 2022 at 10:00 a.m.
Via Videoconference and PBS North Carolina Live Stream
A.K. Hinds University Center, Grand Room (3rd Floor)
Western Carolina University
Cullowhee, North Carolina

AGENDA

- A-1. 2022-23 Short Session PrioritiesJennifer Haygood and Bart Goodson
- A-2. Adjourn



AGENDA ITEM

A-1. 2022-23 Short Session Budget Priorities Jennifer Haygood and Bart Goodson

- Situation:** One of the principal responsibilities of the Board of Governors is to “develop, prepare, and present to the Governor and the General Assembly a single, unified recommended budget for the constituent institutions of the University of North Carolina” [G.S. 116-11(9)a]. In odd numbered years, the governor recommends, and the General Assembly enacts a biennial (two-year) budget. In even-numbered years, adjustments are made to the budget for the second fiscal year of the biennium.
- Background:** During the upcoming Short Session, the General Assembly will consider adjustments to the 2021-23 budget already enacted through the 2021 Appropriations Act (S.L. 2021-180).
- Assessment:** The 2021 Appropriations Act (S.L. 2021-180) included significant investments in the UNC System. Delivery and execution on each of these investments will be the primary focus for the immediate future. Our systemwide priorities focus on budget adjustments critical to our core operations: funding for enrollment change and building reserves. Additional funds are also requested to support UNC K-12 programs and for HMSI security. Campuses-specific requests will also be made available in the event the state has excess revenue.
- Action:** This item requires a vote by both committees and a vote by the full Board of Governors.



THE
**UNIVERSITY OF
NORTH CAROLINA
SYSTEM**

***BOARD OF GOVERNORS
2022-23 BUDGET PRIORITIES***

April 6, 2022

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The University of North Carolina System

2022-23 Operating Budget Priorities

| UNC System Budget Priorities | FY 2022-23 |
|---|-----------------------|
| Enrollment Funding (Allocated from Existing Reserve) | \$38,146,796 |
| Building Reserves | \$8,249,114 |
| | \$1,334,979 NR |
| UNC K-12 Programs | |
| NCSSM - Morganton Campus | \$1,638,794 |
| UNC School of the Arts High School Program | \$1,000,000 |
| Laboratory School Support | \$1,500,000 |
| HMSI Cybersecurity and Bomb Threat Preparedness | \$5,000,000 NR |
| Total Requested Expansion For Systemwide Priorities | \$50,534,704 |
| | \$6,334,979 NR |
| | \$56,869,683 |
| <i>Percent Increase above 2021-23 enacted budget</i> | <i>1.7%</i> |

Inflationary Pressure is a Top Concern

- As of February 2022, the Consumer Price Index has increased 7.9% over the last 12 months. Since July 2015, inflation has increased 18.9%.
- Campuses are struggling with increased construction, labor, energy, and material costs.
- While the 5% legislative salary increase incorporated in the 2021-23 biennial budget is much appreciated, employees and their families are struggling to manage increasing prices.
- The recent spike in inflation exacerbates the long-term erosion of institutions' non-personnel operating funds, which have not been adjusted for inflationary increases in many years.

UNC System Policy Priorities

- **Increase dollar threshold for capital projects required to be informally bid from \$30,000 to \$100,000.**
- **Increase dollar threshold for Board of Governors approved projects for the design, construction, or renovation of capital projects from \$2M to \$4m.**
- **Expansion of NCSSM Board of Trustees from 13 to 14 members, per GS 116-233(a)(1) congressional district representation requirement.**

The University of North Carolina System

2022-23 Institution-Specific Requests

If the General Assembly has available resources beyond what is necessary to fund our systemwide priorities, below is a vetted list of investments addressing institution-specific needs.

UNC Institution-Specific Requests

FY 2022-23

| | | |
|--|--|-----------------|
| Appalachian State University | Hickory Campus (Phase 1) | \$15,000,000 NR |
| East Carolina University | Telehealth/Healthcare Digital Transformation | \$3,000,000 NR |
| Elizabeth City State University | Aviation Program | \$1,700,000 |
| Fayetteville State University | Military Affairs/Veteran's Academic Center | \$8,000,000 NR |
| NC Agricultural & Technical University | Agriculture Research and Extension Match | \$1,600,000 |
| NC Central University | Electrical and Steam Distribution - Phase 1 | \$8,000,000 NR |
| NC State University | NIMBL Match | \$2,000,000 NR |
| UNC Asheville | Lipinsky Renovation | \$19,400,000 NR |
| UNC Chapel Hill | School of Data Science | \$20,000,000 NR |
| UNC Charlotte | Surveillance Sequencing Hub | \$8,000,000 NR |
| UNC Greensboro | Roof Replacements (various buildings) | \$20,000,000 NR |
| UNC Pembroke | Education Building Renovation - Phase 1 | \$10,000,000 NR |
| UNC Wilmington | Research Lab Equipment | \$7,500,000 NR |
| Western Carolina University | Engineering Program Enhancements | \$6,000,000 NR |
| Winston-Salem State University | Steam and Electrical Infrastructure Repairs | \$6,000,000 NR |
| NC Arboretum | Visitor Entrance and Parking Renovations | \$2,000,000 NR |
| PBS NC | Audio/Video Production Systems | \$2,200,000 NR |

*See System Priorities for NC School of Science and Math and UNC School of the Arts

Additional information on each item can be found in Appendix A.

The University of North Carolina System 2022-23 Operating Budget Priorities

The University of North Carolina System continues to make progress on our five-year Strategic Plan that began in 2017 and extends through 2022. We have surpassed our benchmarks for five-year graduation rates and undergraduate degree efficiency, graduated more low-income students and students from rural counties than ever before, and produced a record number of degrees in critical workforce fields. Sponsored research and licensing income totaled \$1.75 billion in FY21. Together these accomplishments demonstrate how the University is having a real impact on the students and state we serve.

In recognition of the historic 2021-23 biennial budget, the UNC System short session priorities have been focused on only the items of highest importance.

1. **Enrollment funding** based on a simplified model that focuses on graduating more North Carolina undergraduates on time and with less debt.
2. **Building reserves** to support the maintenance and operation needs for the appropriated capital projects funded through the Connect NC bond and other State funds that will be completed by FY 2022-23.
3. **UNC K-12 programs** that play an important role in education in the state and serve unique populations of students.
4. **HMSI security** funding to address immediate concerns around cybersecurity and bomb threat preparedness.

Additional detail on institution-specific funding requests and the UNC System policy priorities can be found in Appendix A and Appendix B, respectively.

1. Enrollment Change Funding

Over the last several months the UNC System has worked to revise the UNC enrollment funding model at the direction of the Board of Governors. Changes have been made to simplify the model and to align funding with the strategic priorities of the System and the state. The FY 2022-23 enrollment funding request represents phase one of the implementation of the new model, which include changes such as simplifying the calculation to be based on an appropriation per credit hour, consistency in the treatment of funding for courses taught in the summer, and excluding nonresidents from the model entirely unless they are statutorily directed to be treated as in-state for tuition purposes, such as qualifying veterans or full-scholarship students.

Phase two of the new model implementation, which will dictate the FY 2023-25 long session request, will include the addition of performance weighting to further align funding with strategic goals.

In the 2021-23 biennial budget priorities, the UNC System included a request for \$40 million to be appropriated to a reserve for enrollment funding in the second year of the biennium. The UNC System requests that \$38,397,449 be appropriated from the reserve to fund enrollment change between 2020 and 2021, to fund instruction for undergraduate summer courses that have previously not received appropriation but will be included as fundable in the new model, and to ease the transition by funding campuses at the higher of the new model and the old model for this first year of implementation. The

UNC System also plans to repurpose \$9,300,762 of funding previously appropriated for reimbursement of nonresident veteran tuition waivers as an offset to funding being requested from the enrollment reserve, as these students are incorporated as residents in the new funding model.

FY 2022-23 Enrollment Funding Request

| Institution | 2022-23 Recurring |
|---|------------------------------|
| Appalachian State University | \$ 7,250,127 |
| East Carolina University | 2,773,318 |
| Elizabeth City State University | 894,938 |
| Fayetteville State University | 190,781 |
| North Carolina A & T State University | 4,376,596 |
| North Carolina Central University | (400,153) |
| North Carolina State University | 10,806,785 |
| University of North Carolina at Asheville | (655,397) |
| University of North Carolina at Chapel Hill | 11,455,366 |
| University of North Carolina at Charlotte | 5,531,213 |
| University of North Carolina at Greensboro | (2,225,326) |
| University of North Carolina at Pembroke | 2,128,141 |
| University of North Carolina at Wilmington | 4,334,992 |
| University of North Carolina School of the Arts | (187,660) |
| Western Carolina University | 180,272 |
| Winston-Salem State University | 696,496 |
| NC School of Science and Mathematics | 297,069 |
| Veterans Waiver Offset | (9,300,762) |
| Total | \$ 38,146,796 |

This request represents funding for 124,561 credit hours, which is approximately 2% of total credit hours.

2. Building Reserves

The revised definition of the Continuation Budget provided for additional changes including the requirement that operating building reserves be considered as part of an agency’s expansion request. Primarily a result of the NC Connect bond, the UNC System has a number of projects that were completed in FY 2021-22 that received partial funding and additional projects scheduled to be completed by FY 2022-23.

FY 2022-23 Building Reserves Funding Request

| Institution | Building | 2022-23 | | Project Status |
|--------------|---------------------------------|---------------------|---------------------|--------------------|
| | | Nonrecurring | Recurring | |
| UNCA | Carmichael Hall Renovation* | | \$ 174,704 | Completed |
| UNCA | Owen Hall Renovation* | | 174,849 | Completed |
| UNCG | South Chiller Plant* | | 505,973 | Completed |
| UNCP | West Hall Renovations | | 76,747 | Completed |
| UNCW | Allied Health (Veteran's Hall)* | | 53,200 | Completed |
| WSSU | 1602 Lowery Street Renovations | | 79,248 | Completed |
| NC State | Plant Sciences Building* | | 2,528,441 | Under Construction |
| NCSSM | NCSSM Morganton* | | 2,233,102 | Under Construction |
| NCSSM | NCSSM Morganton – Barn* | 39,131 | 130,014 | Under Construction |
| NCCU | Business School* | 355,862 | \$1,138,767 | Under Construction |
| UNC-CH | Medical Education Building* | 886,368 | 921,004 | Under Construction |
| WCU | Steam Plant | 53,618 | 188,065 | Under Construction |
| TOTAL | | \$ 1,334,979 | \$ 8,249,114 | |

*NC Connect Bond Project

3. UNC K-12 Programs

Funding for the North Carolina School of Science and Mathematics Morganton Campus

The Morganton campus is scheduled to begin instructing residential students in the fall of 2022. Funding has already been provided to hire faculty and staff and to prepare for the first cohort. This is the final portion of the recurring funding needed to fully support both cohorts of students. Since additional faculty will need to be hired in advance of the second cohort entering in fall of 2023, these funds are being requested for the upcoming fiscal year.

NCSSM Morganton Operational Funding

| | 2022-23 Recurring |
|--------------------|----------------------|
| Personnel | \$ 1,413,794 |
| Purchased Services | 225,000 |
| Total | \$ 1,638,794 |

UNC School of the Arts High School Program

In 2001, the Legislature created a grant program intended to cover the full cost of attendance for UNCSA in-state high school students. Originally, the appropriation was included as part of the continuation budget and received regular increases as costs increased. Once the continuation budget process was

replaced by the base budget, future increases to adjust for additional costs became part of the expansion budget process. By spring 2013, the appropriation had fallen behind and UNCSA high school costs were being supported by funding intended for the post-secondary programs. This request would support an increase in the high school appropriation grant to cover the funding gap and to align high school faculty with the pay scale used by NCSSM.

UNCSA High School Program

| | 2022-23 Recurring |
|--------------------|----------------------|
| Personnel | \$ 350,000 |
| Purchased Services | 650,000 |
| Total | \$ 1,000,000 |

Laboratory Schools Support

The Lab Schools program will add three new schools in Fall 2022, bringing the total nine schools in line with the legislative requirement. The UNC Board of Governors requests an incremental increase in the funding that is allocated to campuses via a formula that includes a base amount for each school and a per-pupil allotment for every student over 75, exceptional children (EC) funding to ensure the needs of all students are met, as well as an additional supplement to cover expanded administrative and transportation costs associated with operating multiple schools at Appalachian State University.

Lab Schools face additional costs due to the unique population they serve. Per the statute, university-affiliated Laboratory Schools are required to enroll students attending low-performing schools or who are themselves low-performing based on an assessment of student learning. This population brings unique academic challenges to the Lab Schools program, including a higher rate of identification for exceptional child services and support. Public school units receive state and federal funds for EC students, but the per-pupil funding is capped at 12.75 percent of the total student body. In contrast, the Lab Schools have EC population percentages that range from 15 percent to 28 percent.

Appalachian State University is the first university to open two lab schools, and both schools operate at a considerable distance from the campus (more than 90 miles to App Academy at Middle Fork in Walkertown, and approximately 60 miles to Elkin). Each UNC System Lab School operates as both a school and a school district, which entails administrative costs that are normally covered by a central office in the district where a public school is located. These administrative functions include support for HR and finance, federal programs oversight, compliance with K-12 state and federal requirements, as well as other administrative functions.

UNC Laboratory School Funding

| | 2022-23 Recurring |
|--|----------------------|
| New School Operations and Increase to Base and Per-Pupil Funding | \$ 526,000 |
| Exceptional Children Supplement | 614,000 |
| Administrative Cost of Operating Two Schools | 360,000 |
| Total | \$ 1,500,000 |

4. HMSI Cybersecurity and Bomb Threat Preparedness

Recent threats targeting our Historically Minority Service Institutions (HMSIs) have reinforced the need to invest in improved preparedness. Priority uses of the funds include enhancing the following areas:

- **Security camera and communication systems** to support improved threat detection, assessment, and information dissemination.
- **Access control and lockdown capabilities** to more swiftly contain threats.
- **Integrated security systems** to combine all emergency systems (cameras, panic buttons, emergency phones, etc.) into one platform that can be managed in real time.
- **Cybersecurity** to address vulnerabilities and better protect sensitive information.

| Institution | 2022-23 Recurring |
|--|----------------------|
| Elizabeth City State University | \$ 595,204 |
| Fayetteville State University | 785,868 |
| North Carolina A & T State University | 1,135,393 |
| North Carolina Central University | 869,736 |
| University of North Carolina at Pembroke | 866,915 |
| Winston-Salem State University | 746,884 |
| Total | \$ 5,000,000 |

Appendix A: UNC System Institution-Specific Requests



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| <p>Appalachian State University Hickory Campus (Phase 1) Fund Phase 1 renovations of the 225,800-square-foot former Corning Optical Communications building to establish the App State Hickory Campus. The Hickory-Lenoir-Morganton Metro Area — with a population of more than 370,000 — is the largest metro area in North Carolina without a state university presence.</p> | <p>\$15 million NR</p> |
| <p>East Carolina University Telehealth/Healthcare Digital Transformation Consolidate ECU’s many telehealth programs into one integrated effort to provide telehealth services to North Carolinians. Funds will support establishing the space, equipment, and technology necessary to support this interdisciplinary approach to innovating healthcare delivery. Funds will also expand ECU’s NC Statewide Telepsychiatry Program (NC STeP) to four additional UNC institutions.</p> | <p>\$3 million NR</p> |
| <p>Elizabeth City State University Aviation Science Program Support costs associated with providing hands-on flight instruction (aircraft operating and maintenance costs, flight instructors, insurance, etc.). Without additional support, flight lab fees charged to students will have to be increased significantly to sustain and grow the program.</p> | <p>\$1.7 million</p> |
| <p>Fayetteville State University Military Affairs/Veteran's Academic Center (Cook Building Renovation) The 18,300 square foot H.L. Cook building will be renovated and enlarged by 3,000 SF to accommodate FSU's two ROTC detachments (Army and Air Force), a consolidation of the enlarged Military Affairs department staff, and a full-service support center for military-connected students.</p> | <p>\$8 million NR</p> |
| <p>NC Agricultural & Technical University Agriculture Research and Extension Provide the full federally mandated match for NCA&T’s Agricultural Research and Cooperative Extension programs. When the full match is not provided, the university must seek a special waiver from the USDA, jeopardizing federal funding. Funds support interdisciplinary research advancing agricultural sciences and services focused on small-scale farmers and limited resource families, youth, and communities.</p> | <p>\$1.6 million</p> |
| <p>NC Central University Electrical and Steam Distribution - Phase 1 Immediate repairs to the electrical and steam distribution systems to maintain campus operations, including the repair or replacement of failing electrical switches, outdated electrical equipment, and damaged electrical and steam distribution lines.</p> | <p>\$8 million</p> |
| <p>NC State University NIMBL (National Institute for Innovation in Manufacturing Biopharmaceuticals) Final installment of funding to support the State of North Carolina’s five-year, \$10 million commitment to provide matching funds for a federal grant from the National Institute of Standards and Technology.</p> | <p>\$2 million NR</p> |
| <p>UNC Asheville Lipinsky Renovation: Comprehensive modernization of an outdated and deteriorated facility on UNCA’s academic quadrangle to support modern learning spaces for relocated academic programs.</p> | <p>\$19.4 million NR</p> |

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| <p>UNC Chapel Hill School of Data Science and Society The University has identified one-time funds of \$20M and seeks matching funds of \$20M from the state to successfully launch the School of Data Science and Society at UNC-CH. Funding will support faculty, staff, curriculum development, equipment, facility improvements, and other resources required to support the launch of the new school.</p> | <p>\$20 million NR</p> |
| <p>UNC Charlotte Surveillance Sequencing Hub This investment would increase UNC Charlotte’s clinical and wastewater sequencing surveillance capacity to serve more areas of Piedmont and western NC, increasing its ability to provide rapid detection of emerging viral and pathogen threats.</p> | <p>\$8 million NR</p> |
| <p>UNC Greensboro Roof Replacements: Provide additional R&R funds to support replacing over 1.3 million square feet of roof that is beyond useful service life.</p> | <p>\$20 million NR</p> |
| <p>UNC Pembroke Education Building Renovation – Phase 1: The Education Building, built in 1976, had not had any significant renovations and is functionally challenged. The Phase I renovation will address a partial renovation of approximately 22,700 GSF to maximize classroom and learning spaces by reconfiguring interior spaces, improving accessibility, addressing the building envelope, and providing mechanical, electrical, and IT/AV upgrades.</p> | <p>\$10 million NR</p> |
| <p>UNC Wilmington Research Labs: Funds to purchase lab equipment and instrumentation to support increased sponsored research activity focused on the region’s most challenging issues.</p> | <p>\$7.5 million NR</p> |
| <p>Western Carolina University Engineering Funds to enhance WCU’s engineering programs to meet the workforce needs of engineering, manufacturing, and research-focused businesses and industries relocating to the region. Non-recurring funds would support renovation and expansion of laboratory facilities and the acquisition of lab equipment.</p> | <p>\$6 million NR</p> |
| <p>Winston-Salem State University Steam and Electrical Infrastructure Repairs Repair and replacement of damaged and leaking steam lines/distribution and repair and replacement of electrical infrastructure, including switches and transformers.</p> | <p>\$6 million NR</p> |
| <p>NC Arboretum Visitor Entrance and Parking Renovations The Arboretum has an urgent need to improve parking, restroom, and other visitor amenities to respond to multimodal, greenway, and pedestrian use volume. Improved visitor ingress will help alleviate traffic backups and long waits at the gates, which are expected to worsen as traffic increases in the area due to growth associated with the new Pratt & Whitney facility and a new I-26 interchange.</p> | <p>\$2 million NR</p> |
| <p>PBS NC Audio/Video Production Systems: Funds to replace outdated audio and video systems that are up to standard and can interface easily. Over the last 12 months, the existing systems have failed several times, causing costly delays. The systems are beyond their useful life and are no longer supported by their manufacturers.</p> | <p>\$2.2 million NR</p> |



THE UNIVERSITY OF NORTH CAROLINA SYSTEM

Appendix B: 2022-23 Legislative Priorities

Increase dollar threshold for capital projects required to be informally bid

North Carolina law requires any construction or repair work of \$30,000 or more to be informally bid. The dollar threshold was last adjusted in 2005, when it was increased from \$5,000 to \$30,000.

The low dollar threshold triggers an informal bid process which causes unnecessary delays in performing small repair and maintenance projects, especially in the current highly competitive bid environment. Raising the dollar threshold to \$100,000 would streamline the process and allow owners to address small repairs and minor maintenance projects in a more timely manner.

Increase dollar threshold for Board of Governors to match State Board of Community

Colleges North Carolina law currently provides certain powers to the Board of Governors with respect to the design, construction, or renovation of capital projects of \$2M or less. The State Board of Community Colleges authority for capital projects is \$4M or less.

Projects over \$2M are required to be reviewed, approved, and negotiated by the State Construction Office. Increasing the authority level will streamline the award of design contracts and allow design and construction to begin sooner for projects under \$4M.

Expansion of NCSSM Board of Trustees

The NCSSM Board of Trustees has been expanded each time North Carolina has gained an additional Congressional seat as a result of the decennial census. The membership of the NCSSM BOT was expanded in 1991 when NC gained a 12th Congressional seat ([S.L. 1991-879](#)), and again in 2003 when NC gained a 13th Congressional seat ([S.L. 2003-57](#)).

Since NC has now gained a 14th Congressional seat, an amendment to GS 116-233(a)(1) would be appropriate to expand from 13 to 14 the number of NCSSM BOT members appointed by the UNC Board of Governors.

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|----------------------------|---|
| Area: | Increase dollar threshold for capital projects required to be informally bid |
| Topic: | Dollar threshold for informal projects |
| Governance: | G.S. 143-131 |
| Current Status: | North Carolina law currently requires any construction or repair work of \$30,000 or more to be informally bid. The dollar threshold was last adjusted in 2005, when it was increased from \$5,000 to \$30,000. |
| Current Challenges: | The low dollar threshold triggers an informal bid process which causes unnecessary delays in performing small repair and maintenance projects, especially in the current highly competitive bid environment. Raising the dollar threshold to \$100,000 would streamline the process and allow owners to address small repairs and minor maintenance projects in a more timely manner. |
| Proposed Action: | <p>Amend Chapter 143-131 of the General Statutes to change the dollar threshold required for informally bidding construction or repair work from \$30,000 to \$100,000.</p> <p>G.S. 143-131.(a) is amended to read:</p> <p>"§ 143-131. When counties, cities, towns, and other subdivision may let contracts on informal bid.</p> <p>...</p> <p>(a) All contracts for construction or repair work or for the purchase of apparatus, supplies, materials, or equipment, involving the expenditure of public money in the amount of thirty thousand dollars (\$30,000) one hundred thousand dollars (\$100,000) or more, but less than the limits prescribed in G.S. 143-129, made by any officer, department, board, local school administrative unit, or commission of any county, city, town, or other subdivision of this State shall be made after informal bids have been secured. All such contracts shall be awarded to the lowest responsible, responsive bidder, taking into consideration quality, performance, and the time specified in the bids for the performance of the contract. It shall be the duty of any officer, department, board, local school administrative unit, or commission entering into such contract to keep a record of all bids submitted, and such record shall not be subject to public inspection until the contract has been awarded.</p> |

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| Area: | Increase dollar threshold for Board of Governors to match State Board of Community Colleges |
| Topic: | BOG authority for capital projects |
| Governance: | G.S. 116-31.11 |
| Current Status: | North Carolina law currently provides certain powers to the Board of Governors with respect to the design, construction, or renovation of capital projects of \$2M or less. The State Board of Community Colleges authority for capital projects is \$4M or less. |
| Current Challenges: | Projects over \$2M are required to be reviewed, approved, and negotiated by the State Construction Office. Increasing the authority level will streamline the award of design contracts and allow design and construction to begin sooner for projects under \$4M. |
| Proposed Action: | <p>Amend Chapter 116 of the General Statutes to allow the Board of Governors to authorize the projects using public money of \$4M or less to match the powers provided to the State Board of Community Colleges in G.S. 115D-9.(b).</p> <p>G.S. 116-31.11(a) is amended to read:</p> <p>"§ 116-31.11. Powers of Board regarding certain fee negotiations, contracts, and capital improvements.</p> <p>...</p> <p>(a) Notwithstanding G.S. 143.341(3) and G.S. 143-135.1, the Board shall, with respect to the design, construction, or renovation of buildings, utilities, and other property development of The University of North Carolina requiring the estimated expenditure of public money of two million dollars (\$2,000,000) four million dollars (\$4,000,000) or less:</p> <ol style="list-style-type: none"> (1) Conduct the fee negotiations for all design contracts and supervise the letting of all construction and design contracts. (2) Develop procedures governing the responsibility of the University of North Carolina and its affiliated and constituent institutions to perform the duties of the Department of Administration and the Director or Office of State Construction under G.S. 133-1.1(d) and G.S. 143-341(3). (3) Develop procedures and reasonable limitations governing the use of open-end design agreements, subject to G.S. 143-64.34 and the approval of the State Building Commission. (4) Use existing plans and specifications for construction projects, where feasible. Prior to designing a project, the Board shall consult with the Department of Administration on the availability of existing plans and specifications and the feasibility of using them for a project. |

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| Area: | Operational |
| Topic: | Expansion of NCSSM Board of Trustees |
| Governance: | Existing statute governing request, G.S. 116-233(a) |
| Current Status: | The NCSSM Board of Trustees has been expanded each time North Carolina has gained an additional Congressional seat as a result of the decennial census. The membership of the NCSSM BOT was expanded in 1991 when NC gained a 12 th Congressional seat (S.L. 1991-879), and again in 2003 when NC gained a 13 th Congressional seat (S.L. 2003-57). |
| Current Challenges: | Since NC has now gained a 14 th Congressional seat, an amendment to GS 116-233(a)(1) would be appropriate to expand from 13 to 14 the number of NCSSM BOT members appointed by the UNC Board of Governors. We seek authority for the 14 th member to be able to take office effective July 1, 2023. |
| Proposed Action: | <p>G.S. 116-233(a) reads as rewritten:</p> <p>G. S. 116-233. Board of Trustees; appointment; terms of office.</p> <p>(a) Notwithstanding the provisions of G.S. 116-31(d), there shall be a Board of Trustees of the School, which shall consist of up to 3031 members as follows:</p> <ol style="list-style-type: none"> (1) Thirteen Fourteen members who shall be appointed by the Board of Governors of The University of North Carolina, one from each congressional district. (2) Four members without regard to residency who shall be appointed by the Board of Governors of The University of North Carolina. (3) Three members, ex officio, who shall be the chief academic officers, respectively, of constituent institutions or the members' designees. The Board of Governors shall in 1985 and quadrennially thereafter designate the three constituent institutions whose chief academic officers or officers' designees shall so serve, such designations to expire on June 30, 1989, and quadrennially thereafter. (4) The chief academic officer of a college or university in North Carolina other than a constituent institution, ex officio, or the chief academic officer's designee. The Board of Governors shall designate in 1985 and quadrennially thereafter which college or university whose chief academic officer or officer's designee shall so serve, such designation to expire on June 30, 1989, and quadrennially thereafter. (5) Three members appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121. (6) Three members appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121. (7) Repealed by Session Laws 2016-126, 4th Ex. Sess., s. 36, effective December 19, 2016. See editor's note for applicability. (8) The president of the student government, ex officio, who shall be a nonvoting member. (9) Up to two additional nonvoting members selected at the discretion of the chancellor and the Board of Trustees, with terms expiring June 30 of each year. |