

MINUTES

July 20, 2022

University of North Carolina System Office

The Spangler Center, Board Room

Via Videoconference and PBS North Carolina Livestream

Call to Order

The Board of Governors of the University of North Carolina System met on July 20, 2022, at the Spangler Center (formerly the Center for School Leadership Development) in Chapel Hill. Chair Randy Ramsey called the meeting to order at 2:00 p.m. He announced that the day's meeting was noticed as a special meeting to allow members to participate by videoconference. Members participating in this manner would count for purposes of determining a quorum and to vote. Chair Ramsey reminded the members to complete the FCC reporting form, which was distributed to each member. The form is required in connection with the operation of PBS North Carolina's statewide educational network. Chair Ramsey also reminded the members of Chancellor Darrell Allison's installation ceremony scheduled for September 23, 2022.

Invocation

Chair Ramsey called on Secretary Pearl Burris-Floyd to give the invocation.

Roll Call

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

M. Lee Barnes	Mark Holton
Kellie Hunt Blue	Terry Hutchens
Kirk J. Bradley	J. Alex Mitchell (<i>by videoconference</i>)
Pearl Burris-Floyd	Wendy Floyd Murphy (<i>by videoconference</i>)
C. Philip Byers	Anna Spangler Nelson
Jimmy D. Clark	Sonja Phillips Nichols
Carolyn Coward	Raymond Palma
Joel Ford	Art Pope (<i>by videoconference</i>)
John Fraley	David M. Powers
Thomas C. Goolsby (<i>by videoconference</i>)	Randy Ramsey
Reginald Ronald Holley	Temple Sloan
James L. Holmes, Jr. (<i>by videoconference</i>)	Michael Williford

The following member was absent:

Lee Roberts

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.

Expectations of Conduct

Chair Ramsey reminded everyone of the Expectations of Conduct during meetings of the UNC Board of Governors.

Chair's Report

Chair Ramsey thanked the members of the Board and System Office staff for working together to condense this month's meetings into a single day. Chair Ramsey explained that President Peter Hans was unable to attend the day's meeting as he was travelling out of the country on behalf of the University. Chair Ramsey shared the following remarks from President Hans, who wrote: "I'm joining a delegation of higher education system presidents from across the United States, and I hope to return with a number of good ideas to share. In the meantime, I'm very pleased with our success in the legislative session, excited about Board members participating in key initiatives, and energized for the future. As always, I'm grateful to work alongside you in leading the UNC System to greater heights in the years ahead."

Next, Chair Ramsey welcomed Chancellor Aswani Volety, who began his term at the University of North Carolina Wilmington on June 30, 2022. Chair Ramsey reported that Governor Leo Daughtry and Governor Emeritus Lou Bissette recently resigned from the Board to take appointments elsewhere. He thanked them for their service. Chair Ramsey welcomed Dr. Lee Barnes, who was appointed to the Board of Governors on July 1, 2022.

Chair Ramsey spoke about the legislative short session, which ended on a very positive note for the UNC System. The System's budget priorities were funded including, salary increases for faculty and staff, enrollment funding, building reserves, support for our high school programs and lab schools, and additional security funding for our Historically Minority-Serving Institutions. He thanked the Board members, President Hans, and the senior leadership team for their hard work. He also thanked and recognized Representative Jon Hardister and Mr. Stephen Bailey, a fiscal analyst with the North Carolina General Assembly and other legislative staff, who joined the day's meeting.

Next, Chair Ramsey reflected on the mission of the University. He commented that we are grateful to live in a state where we enjoy overwhelming support for higher education from our state leaders. He cited recent publications that ranked North Carolina number one in the nation for business and another publication recognized our universities and community colleges for their outstanding contributions to our state's economy. Chair Ramsey thanked the faculty and staff "who help bring our mission to life on campuses all around the state."

Before calling on Mr. Bradley for brief remarks, Chair Ramsey asked we keep the Pope and Woodson families in our thoughts and prayers.

Mr. Bradley provided an update on the UNC System Staff Assembly's Janet B. Royster Scholarship Fund. He thanked the members who have contributed to the fund and challenged the Board to have a 100 percent participation rate. He reminded the Board of the Chancellors' Cup Golf Tournament scheduled for September 27, 2022, at Finley Golf Course, Chapel Hill.

Consent Agenda Items

Chair Ramsey referred to the consent agenda items listed as Item 4 on the day's agenda. Chair Ramsey entertained a motion to approve the consent agenda items. The motion was properly seconded, and the motion carried.

Minutes

a. Minutes of May 26, 2022

Committee on Budget and Finance

- | | |
|---|------------|
| b. Authorization of Innovation District P3 Project – Appalachian State University | Appendix A |
| c. Capital Improvement Projects | Appendix B |
| d. Disposition of Property by Demolition – Elizabeth City State University | Appendix C |
| e. Acquisition of Property by Reallocation – NC State University | Appendix D |
| f. Acquisition of Property by Lease – NC School of Science and Mathematics | Appendix E |

- | | |
|--|------------|
| g. Disposition of Property by Demolition – UNC Pembroke | Appendix F |
| h. Sale of Special Obligation Bonds – Appalachian State University | Appendix G |

Committee on Educational Planning, Policies, and Programs

- | | |
|--|------------|
| a. Faculty Teaching Workload Report | Appendix H |
| b. UNC System Institutional Mission Statement Review | Appendix I |
| c. UNC System Academic Degree Program Actions | Appendix J |

Report of the Committee on Budget and Finance

Mr. Clark, secretary of the committee, reported that the committee held a joint meeting with the Committee on Military and Public Affairs. The committees heard an update on the General Assembly's 2022 short session. He reported that the Board of Governors 2021-23 Budget Priorities were all fully funded.

Following the joint meeting, the committee met independently. The committee reviewed and approved the 2022-23 Operating Budget Allocations which included, enrollment funding, UNC System building reserves, HMSI security and bomb threat preparedness funds, and actions related to compensation and salary increases (see Appendix K). Mr. Clark offered the following motion.

Motion: Resolved, that on behalf of the Committee on Budget and Finance, the Board approve the 2022-23 Operating Budget Allocations

Motion: Jimmy D. Clark

Motion carried

The committee heard an update on the Need-Based Aid from Tuition 2022-23. All institutions complied with the freeze-cap policy. The committee reviewed eight requests related to capital improvement projects at six institutions (see Appendix B). The committee also reviewed the Acquisition of Property by Reallocation at North Carolina State University (see Appendix D), the Acquisition of Property by Lease at North Carolina School of Science and Mathematics (see Appendix E), the Disposition of Property by Demolition at Elizabeth City State University (see Appendix C), and the Disposition of Property by Demolition at UNC Pembroke (see Appendix F). The committee also reviewed and approved the Sale of Special Obligation Bonds at Appalachian State University (see Appendix G). The committee voted to approve these items and place them on the day's consent agenda, which was approved by the full Board.

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

Mr. Sloan, chair of the committee, reported that during its meeting the committee reviewed and approved six academic degree programs and the discontinuation of two academic degree programs (see Appendix J). The committee also reviewed and approved the Faculty Teaching Workload Report (see Appendix H) and the UNC System Institutional Mission Statements (see Appendix I). These items were submitted to the full Board through the day's consent agenda.

Next, the committee heard a report on the Return on Investment (ROI) study, which is being conducted by the UNC System Office and Deloitte Consulting. The legislature and the Board directed the System Office to conduct an evaluation of academic programs at each institution within the UNC System. The study is ongoing and the committee will continue to provide updates.

In closing, Mr. Sloan thanked former UNC Faculty Assembly chair, Dr. Timothy Ives, for his service to the Board, the UNC System, and the state of North Carolina. Mr. Sloan introduced the incoming chair, Mr. Wade Maki, professor at the University of North Carolina at Greensboro.

Report of the Committee on University Personnel

Mrs. Coward, chair of the committee, recognized Crystal Woods, chair, UNC Staff Assembly, for an update on behalf of the Staff Assembly. Mrs. Coward would continue her report following closed session.

Ms. Woods reported that the UNC Staff Assembly greatly appreciated the support of the Board of Governors and the System Office in advocating and achieving many of the UNC Staff Assembly's goals this past year. Those goals included the addition of staff resource centers, employee raises, cost-of-living increases, removing the 20 percent threshold on salaries, support of staff scholarships and professional development, and addressing staff retention. Ms. Woods reported that staff retention will be a primary focus for the UNC Staff Assembly this year.

In closing, Ms. Woods commented that the UNC Staff Assembly was excited to host this year's annual Chancellors' Cup Golf Tournament on September 27, 2022, and she thanked the Board and the chancellors for their tremendous support.

Report of the Committee on University Governance

Mrs. Blue, chair of the committee, reported the committee considered the partial-term vacancy on the University of North Carolina Pembroke Board of Trustees, with a term beginning July 1, 2022, and ending on June 30, 2023. The committee considered the nomination of Chief Judge James E. Lockemy to fill this vacancy. Mrs. Blue offered the following motion.

Motion: Resolved, that on behalf of the Committee on University Governance, the Board of Governors accepts the nomination of Chief Judge James E. Lockemy to fill the partial-term vacancy on the University of North Carolina at Pembroke Board of Trustees as described above.

Motion: Kellie Hunt Blue

Motion carried

Next, Mrs. Blue reported that the PBS North Carolina Board of Trustees has seven vacancies, with terms beginning on July 1, 2022, and ending on June 30, 2026. She recalled that at the Board's meeting on May 26, 2022, it approved the reappointment of Anne Mayo Evans to fill one of the seven vacancies. The committee recommended Culley C. Carson, IV, and Bill West for reappointment. Further, the committee recommended the nomination of the following individuals for new appointments, James (Jimmy) Broughton, James (Jim) P. Cain, and Brenda C. Gibson, to serve. Mrs. Blue noted that additional time was needed to fill the remaining vacancy.

Motion: Resolved, that on behalf of the Committee on University Governance, the Board of Governors accepts the nomination for reappointment of Culley C. Carson, IV and Bill West, and the new appointments of James (Jimmy) Broughton, James (Jim) P. Cain, and Brenda C. Gibson, to serve on PBS North Carolina Board of Trustees beginning July 1, 2022, and ending June 30, 2026.

Motion: Kellie Hunt Blue

Motion carried

Mrs. Blue reported that North Carolina Central University Board of Trustees has one partial-term vacancy, with a term beginning July 1, 2022, and ending June 30, 2025. The committee considered and approved the nomination of Ms. Alexandra Valladares to fill the partial-term vacancy on the North Carolina Central University Board of Trustees.

Motion: Resolved, that on behalf of the Committee on University Governance, the Board of Governors accepts the nomination of Ms. Alexandra Valladares to fill the partial-term vacancy on the North Carolina Central University Board of Trustees as described above.

Motion: Kellie Hunt Blue
Motion carried

Finally, Mrs. Blue reported that the committee received an overview of the 2022-23 Boards of Trustees selection process along with a calendar of events and the current list of UNC Boards of Trustees' members. She explained that every two years, the Board of Governors appoints one-half of the board of trustee positions at each of the campuses and the process requires either new elections or reelections. The committee will work with each of the institutions and the members of the Board of Governors to identify candidates. The committee will review the candidates and make recommendations to the full Board for election or reelection, which will come before the Board in the Spring 2023.

Report of the Committee on Military and Public Affairs

The committee met jointly with the Committee on Budget and Finance earlier in the day as referred to per the Report of the Committee on Budget and Finance.

Prior to moving into closed session, Chair Ramsey called on Senior Vice President Kimberly van Noort. Senior Vice President van Noort announced that last year, 57 percent of the graduating class at the North Carolina School of Science and Mathematics (NCSSM) attended a UNC System institution. This fall, 73 percent of the graduating class at NCSSM will be attending a UNC System institution. She remarked that the change made by the Board of Governors to the UNC System's policy for guaranteed offer of admission for graduates of NCSSM along with the generous support of the General Assembly for tuition waivers has made a significant difference in helping to retain the best and brightest students attend a UNC institution and remain in North Carolina.

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 Statutes §143-748 and §143-318.11(a)(1), (2), (3), and (6), for the purposes stated in the written motion that was included in the meeting materials, which have been publicly noticed. The complete details are included in the Board's meeting materials (see Appendix L). The motion was properly seconded.

Motion: Pearl Burris-Floyd
Motion carried

The Board went into closed session at 2:35 p.m. and returned to open session at 3:30 p.m.

Report of the Committee on University Personnel

Mrs. Coward, chair of the committee, reported that the committee received an update on the work being done at the UNC System Office and across our campuses to implement the combined 3.5 percent legislative salary increases for state employees. The committee also heard an update on the one percent payroll appropriation, which was passed to address labor market issues. Lastly, the committee reviewed and approved several routine informational reports, which were available in the Board members' meeting materials.

Report of the Presidential Assessment Committee

Chair Ramsey provided a summary of President Hans' annual appraisal and performance evaluation. He recalled that President Hans was elected in June 2020 at a salary significantly below his predecessors. At that time, the

Board put in place an incentive compensation program for the president based on specific performance goals set by the Board. The Board met on June 8, 2022, to assess President Hans' performance during his second year in office. Chair Ramsey highlighted the president's key accomplishments and his progress on the quantitative and qualitative goals that were established. Chair Ramsey also cited examples of President Hans' effective leadership including his ability to keep the UNC System focused on its educational mission during COVID-19, his advocacy at the North Carolina General Assembly, his establishment of a strong and talented leadership team, and his aggressive movement on several major policy changes and initiatives. The committee unanimously agreed that President Hans continues to do an exceptional job leading the UNC System. Chair Ramsey introduced a resolution outlining President Hans' performance-based bonus. He offered the following resolution.

Motion: Resolved, that the Board of Governors accept the "Resolution of The Board of Governors of the University of North Carolina Incentive Compensation Contribution Participation in the Senior Administration Officer Retirement Program" (see Appendix M).

Motion: Randy Ramsey

Motion carried

There being no further business and without objection, the meeting adjourned at 3:26 p.m. The next meeting of the Board of Governors is scheduled for Thursday, September 22, 2022, at the UNC System Office in Chapel Hill.

Pearl Burris-Floyd, *Secretary*

APPENDICIES

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	Authorization of Innovation District P3 Project – Appalachian State University
Appendix B	Capital Improvement Projects
Appendix C	Disposition of Property by Demolition – Elizabeth City State University
Appendix D	Acquisition of Property by Reallocation – NC State University
Appendix E	Acquisition of Property by Lease – NC School of Science and Mathematics
Appendix F	Disposition of Property by Demolition – UNC Pembroke
Appendix G	Sale of Special Obligation Bonds – Appalachian State University
Appendix H	Faculty Teaching Workload Report
Appendix I	UNC System Institutional Mission Statement Review
Appendix J	UNC System Academic Degree Program Actions
Appendix K	2022-23 Operating Budget Allocations
Appendix L	Closed Session Motion
Appendix M	Resolution of The Board of Governors of the University of North Carolina Incentive Compensation Contribution Participation in the Senior Administration Officer Retirement Program