



MEETING OF THE BOARD OF GOVERNORS  
Committee on University Governance

November 16, 2022 at 10:45 a.m.  
Via Videoconference and PBS North Carolina Livestream  
East Carolina University  
Main Campus Student Center, Ballroom A  
Greenville, North Carolina

## AGENDA

### OPEN SESSION

- A-1. Approval of the Open Session Minutes of September 21, 2022 ..... Kellie Blue
- A-2. Liability Insurance Trust Fund Council Appointments ..... Kellie Blue
- A-3. North Carolina Teaching Fellows Appointment ..... Kellie Blue
- A-4. Updates on UNC Policy Manual Feedback & Annual Certifications ..... Andrew Tripp

### CLOSED SESSION

- A-5. Approval of the Closed Session Minutes of September 21, 2022 ..... Kellie Blue
- A-6. Legal Affairs Report ..... Andrew Tripp

### OPEN SESSION

- A-7. Adjourn



MEETING OF THE BOARD OF GOVERNORS  
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## **Closed Session Motion**

### **Motion to go into closed session to:**

- Prevent the disclosure of information that is privileged or confidential under Article 7 of Chapter 126 of the North Carolina General Statutes, or not considered a public record within the meaning of Chapter 132 of the General Statutes.
- Consult with our attorney to protect attorney-client privilege.

**Pursuant to:** G.S. 143-318.11(a)(1) and (3).

**DRAFT OPEN MINUTES**

September 21, 2022  
Via Videoconference and PBS North Carolina Livestream  
UNC System Office  
140 Friday Center Drive, Board Room  
Chapel Hill, North Carolina

This meeting of the Committee on University Governance was presided over by Chair Kellie Blue. The following committee members, constituting a quorum, were present either in person or via videoconference: C. Philip Byers, Joel Ford, J. Alexander Mitchell, David Powers, and Michael Williford.

Chancellors present were Dr. Wesley Burks, Chancellor Karrie Dixon, and Chancellor Philip Rogers.

Staff members present included Meredith McCullen, Andrew Tripp, and others from the University of North Carolina System Office.

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**1. Call to Order**

Chair Kelli Blue called the meeting to order at 12 p.m., on Wednesday, September 21, 2022.

The chair reminded all members of the committee of their duty under the State Government Ethics Act to avoid conflicts of interest and the appearances of a conflict of interest. The chair asked if there were any conflicts or appearances of conflict with respect to any matter coming before the committee. No members identified any conflicts at the time.

The chair next called for a motion to approve the open session minutes of July 20, 2022.

**MOTION:** Resolved, that the Committee on University Governance approve the open session minutes of July 20, 2022 as distributed.

**Motion:** Alex Mitchell

**Motion carried**

**2. Committee on University Governance 2021-22 Annual Report (Item A-2)**

Chair Blue reviewed the 2021-22 Annual Report for the Committee on University Governance which is required pursuant to Section 302 E of *The Code*.

The chair then called for a motion to accept the report for submission to the full Board of Governors of the University of North Carolina System.

**MOTION:** Resolved, that the Committee on University Governance approve the 2021-22 Annual Report for submission to the full Board.

**Motion:** David Powers

**Motion Carried**

### **3. Resolution on Security Clearance Requirements (Item A-3)**

Chair Blue gave an overview of the purpose of the resolution on security clearance requirements. Following the overview, Chair Blue asked for a motion to vote on the approval of the security clearance resolution.

**MOTION:** Resolved, that the Committee on University Governance approve the Resolution of the Board of Governors of the University of North Carolina Authorizing Security Clearance.

**Motion:** Joel Ford

**Motion Carried**

### **4. Report on Free Speech and Free Expression within the University of North Carolina System (Item A-4)**

Chair Blue called on UNC System Office General Counsel Andrew Tripp to present the findings of the Free Speech and Free Expression report.

Following the presentation, Chair Blue asked the committee for a motion to approve the report.

**MOTION:** Resolved, that the Committee on University Governance approve the 2021-22 Free Speech and Free Expression report within the University of North Carolina System for submission to the North Carolina General Assembly.

**Motion:** David Powers

**Motion Carried**

### **5. Closed Session**

Chair Blue called on Mr. Williford for the closed session motion. Mr. Williford moved that the committee go into closed session to prevent the disclosure of information that is privileged or confidential under Article 7 of Chapter 126 of the North Carolina General Statutes, or not considered a public record within the meaning of Chapter 132 of the General Statutes; to consult with our attorney to protect attorney-client privilege; and to consider and give instructions concerning a potential or actual claim, administrative procedure, or judicial action for the following cases: *UNC-Chapel Hill Residential Landlord Tenant Matter*. Pursuant to G.S. 143-318.11(a)(1) and (3).

**Motion:** Michael Williford

**Motion carried**

**THE MEETING MOVED INTO CLOSED SESSION AT 12:09 P.M.**  
(The complete minutes of the closed session are recorded separately.)

**THE MEETING RESUMED IN OPEN SESSION AT 12:19 P.M.**

**6. Adjourn**

There being no further business and without objection, the meeting adjourned at 12:19 p.m.

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Michael Williford, Secretary

## AGENDA ITEM

A-2. Appointments to the Liability Insurance Trust Fund Council ..... Kellie Blue

**Situation:** The Board of Governors of the University of North Carolina System is responsible for the creation of the Liability Insurance Trust Fund (Trust Fund) and the Liability Insurance Trust Fund Council (LITFC) that administers the fund. Two of the positions on the council are filled by the chief legal officer of UNC Health and the UNC Health corporate treasurer. Because the employees in each of those positions have retired, this item seeks the appointment of their successors.

**Background:** Chapter 116, Article 26, of the North Carolina General Statutes empowers the Board of Governors to authorize the purchase of insurance contracts and the creation of self-insurance trusts to provide individual health care practitioners with coverage against claims of personal tort liability based on conduct within the course and scope of healthcare functions undertaken by such individuals as employees, agents, or officers of the University of North Carolina System, any constituent institution of the University, and any health care institution affiliated with the University. The Board of Governors established the Trust Fund as an unincorporated entity through a resolution adopted on June 9, 1978. The Trust Fund is a self-insurance program established to provide professional medical malpractice liability insurance covering the University of North Carolina Hospitals at Chapel Hill (the Hospitals) and the University of North Carolina at Chapel Hill Faculty Physicians (the faculty practice plan for the School of Medicine). The Trust Fund provides coverage for program participants and individual health care practitioners working as employees, agents, or officers of program participants. The Trust Fund is exempt from federal and state income taxes and is not subject to regulation by the North Carolina Department of Insurance. Coverage is self-funded by contributions from participating entities and investment income. Contributions are based on the actuarially determined funding level for a given plan year. The Trust Fund is administered by the LITFC, which is composed of not more than 13 members. The attorney general, the insurance commissioner, the director of the Office of State Budget and Management, and the state treasurer appoint one member each. The remaining nine members are appointed by the Board of Governors.

**Assessment:** Two of the positions on the LITFC are occupied by UNC Health's chief legal officer and corporate treasurer. The employees in each of those positions have retired and their successors have been appointed. Therefore, UNC Health seeks the appointment of UNC Health Interim Chief Legal Officer Tom Shanahan and UNC Health Controller Paul Grosswald to the vacant LITFC positions.

**Action:** This item requires a vote by the committee and a vote by the full Board of Governors.

**Thomas Shanahan**

Tom Shanahan is the interim chief legal officer for UNC Health, responsible for oversight and direction of UNC Health's legal affairs. He also served as acting chief administrative officer for the University of North Carolina at Chapel Hill during 2021-22. Mr. Shanahan previously served as general counsel and senior vice president for Legal, Risk, and Compliance for the 17 campus University of North Carolina System, where he provided legal advice and counsel to the president and the Board of Governors and oversaw all System-level functions in the areas of audit, risk management, compliance, and campus safety and emergency operations. Mr. Shanahan's practice at the UNC System included work on health affairs matters involving UNC Health and the UNC School of Medicine, as well as matters involving the Brody School of Medicine at East Carolina University and its clinical partner, Vidant Health, now known as ECU Health. Mr. Shanahan joined the UNC System from the U.S. Department of Labor where his practice included trial litigation and advice concerning employee health benefit and pension plan regulation, immigration, ethics, and administrative law. Mr. Shanahan served in various Labor Department leadership positions including deputy regional director in the Employee Benefits Security Administration. Mr. Shanahan is an adjunct professor at the UNC School of Law where he teaches Higher Education Law. He received his law degree from the University of Georgia and his undergraduate degree from Cornell University.

**Paul Grosswald**

Paul Grosswald is the vice president of finance and corporate controller at UNC Health, where he has worked since 2017. Prior to working at UNC Health, Mr. Grosswald held various strategic positions at Novant Health and Fortune 500 companies including Verizon, GE Capital, and Time Warner. Mr. Grosswald currently serves on the board of Bookmarks and has served as a cottage sponsor for Crossnore School and Children's Home since 2019. Mr. Grosswald has also served on the boards of Imprints Cares, Health Care Access, and Temple Emanuel. After graduating from the University of Georgia in 1992, Mr. Grosswald earned his master's degree in Business Administration from Georgia State University in 1998.

**AGENDA ITEM**

A-3. NC Teaching Fellows Commission Appointment..... Kellie Hunt Blue

**Situation:** The Board of Governors of the University of North Carolina System has seven appointments to the North Carolina Teaching Fellows Commission for two-year terms. An acting school principal is required to serve on the commission. The current appointee has left the principalship and a replacement is required to serve the remainder of the two-year term through June 30, 2023.

**Background:** Section 10A.3 of the Appropriations Act of 2017 re-established the North Carolina Teaching Fellows Program and established the North Carolina Teaching Fellows Commission. The 14-member commission is charged with determining the program and forgivable loan recipient selection criteria and selection procedures, and with selecting the recipients to receive forgivable loans under the program.

The Board of Governors has seven appointments to the commission:

1. Two deans of approved schools of education at postsecondary constituent institutions of the University of North Carolina System;
2. The president of a North Carolina community college;
3. A teacher who graduated from an approved educator preparation program located in the state within three years of appointment to serve on the commission;
4. A principal who graduated from an approved educator preparation program located in the state;
5. A local board of education member; and
6. A member to represent business and industry in North Carolina.

**Assessment:** The following nominee is recommended to replace a departing member of the commission:

Principal.....Matthew G. Price

**Action:** This item requires a vote by the committee and a vote by the full Board of Governors.



**Matthew Price**

Matthew Price is a graduate of East Carolina University where he earned his Bachelor of Science in Secondary Science Education followed by his Master of School Administration. He has over 15 years of education experience. Mr. Price proudly serves as a principal for Wake County Public Schools.

## AGENDA ITEM

A-4. Updates on UNC Policy Manual Feedback & Annual Certifications.....Andrew Tripp

<b>Situation:</b>	The committee will hear updates on recent efforts by the Division of Legal Affairs to obtain suggestions on ways to modernize our University Policy and to raise awareness on enterprise risk in Legal Affairs.
<b>Background:</b>	The Division of Legal Affairs works with University of North Carolina System leadership to ensure that strategies and operations are legally compliant and aligned with the UNC System's mission. Its work focuses on the areas of legal advice and counsel to the Board of Governors of the University of North Carolina System, the System Office, its 17 constituent institutions, and its affiliated entities.
<b>Assessment:</b>	The Division of Legal Affairs performs its duties by undertaking both reactive and proactive projects. Periodically, the committee will receive formal updates on these projects.
<b>Action:</b>	This item is for information only.