

April 20, 2023, at 10 a.m.
Via Videoconference and PBS North Carolina Livestream
The University of North Carolina at Pembroke
University Center Annex
Pembroke, North Carolina

AGENDA

OPEN SESSION

1. Presentation of the Colors.....UNC Pembroke ROTC
2. Invocation Mr. Hutchens
3. Roll Call..... Secretary Burris-Floyd
4. Presentation of the 2022 Governor James E. Holshouser, Jr.
Award for Public Excellence..... Mrs. Murphy
5. Chair's Report Chair Ramsey
6. President's Report President Hans
7. Consent Agenda Chair Ramsey

Minutes

- a. Minutes (Open) of February 23, 2023

Committee on Budget and Finance

- b. Authorization of Special Tuition Rate for 2023-24 – UNC Pembroke
- c. Maximum Project Kitty Hawk Per Credit Hour Tuition Rates
- d. Refinance Limited Obligation Bond – Western Carolina University
- e. Capital Improvement Projects
- f. Disposition of Property by Demolition – UNC System Office

Committee on Educational Planning, Policies, and Programs

- g. North Carolina Area Health Care Centers Annual Report
- h. Section 700.1.1 of the UNC Policy Manual, *Policy on Minimum Eligibility Requirements for Undergraduate Admission for the University of North Carolina System* (amend) (approved February 22, 2023)
- i. UNC System Academic Degree Program Actions

Committee on University Governance

j. Section 200.1 of the UNC Policy Manual, *Policy on Dual Memberships and Conflicts of Interest* (amend) (approved March 21, 2023)

8. Report of the Association of Student Governments.....Mr. Palma
9. Report of the Committee on Budget and Finance.....Mr. Roberts
10. Report of the Committee on Educational Planning, Policies, and Programs Mr. Bradley
11. Report of the Committee on University Personnel.....Mrs. Coward
 - a. Report from the Staff Assembly.....Ms. Woods
12. Report of the Committee on University GovernanceMrs. Blue
 - a. PBS NC Board of Trustees Appointments
 - b. April 2023 Board of Trustees Appointments
 - c. UNC Health Care System Board of Directors Appointments
13. Report of the Committee on Military and Public Affairs.....Mr. Williford
14. Report of the Committee on Strategic Initiatives.....Mr. Powers
15. Report of the Sub Committee on Lab Schools.....Mr. Byers

CLOSED SESSION

16. Approval of Minutes (Closed) of February 23, 2023..... Chair Ramsey
17. Legal Affairs Report..... Mr. Tripp
18. President's ReportPresident Hans
19. Report of the Committee on University Personnel Ms. Coward

OPEN SESSION

20. Report of the Committee on University PersonnelMs. Coward
21. Adjourn

The next regularly scheduled meeting of the Board of Governors is Thursday, May 25, 2023, at the University of North Carolina System Office, Raleigh, NC.

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 and § 143-748 of the North Carolina General Statutes, or not considered a public record within the meaning of Chapter 132 of the General Statutes.
- Prevent the premature disclosure of an honorary award or scholarship.
- Consult with our attorney to protect attorney-client privilege.
- Consider the qualifications, competence, performance, or condition of appointment of a public officer or employee or prospective public officer or employee.

Pursuant to: G.S. 143-318.11(a)(1), (2), (3), and (6).



The following policy changes to the UNC Policy Manual were recommended at prior committee meetings to be considered by the full Board of Governors on April 20, 2023:

1. Approval of Proposed Amendments to Section 700.1.1, *Policy on Minimum Eligibility Requirements for Undergraduate Admission for the University of North Carolina System* (Educational Planning, Policies, and Programs)
2. Approval of Proposed Amendments to section 200.1, *Policy on Dual Memberships and Conflicts of Interest* (University Governance)

**Policy on Minimum Eligibility Requirements for Undergraduate Admission for the
University of North Carolina System**

- I. Purpose. The University of North Carolina (UNC) Board of Governors has, since 1988, established minimum requirements for undergraduate admission to any constituent institution. These requirements serve to provide a common set of minimum standards to be considered for admission as an undergraduate student. Exceptions and special considerations to these minimum eligibility requirements are provided in Sections 700.1.1.1[R], 700.1.1.2[R], 700.7.1, and 700.7.1[R] of the UNC Policy Manual. Any constituent institution may set admissions requirements that exceed the minimums established in this policy upon the approval of their board of trustees.
- II. High School Diploma. All students should hold a high school diploma or its equivalent.
- III. Minimum Course Requirements. The following courses must be completed at the high school level, although those courses may be completed at an earlier time (e.g., middle school).
- A. English: four course units emphasizing grammar, composition, and literature.
- B. Mathematics: four course units in any of the following combinations:¹
1. Algebra I, algebra II, geometry, and one unit beyond algebra II; or
 2. Algebra I, algebra II, and two units beyond algebra II; or
 3. Common core math I, II, and III, and one unit beyond common core math III; or
 4. Integrated math I, II, III, and one unit beyond integrated math III; or
 5. NC Math 1, 2, 3, and one unit beyond NC Math 3 identified as meeting the 4th level mathematics requirement for admission to UNC System institutions.

¹Students applying to the University of North Carolina School of the Arts must only complete three mathematics courses in order to be eligible for admission.

C. Science: three course units, including at least:

1. One life ~~or biological~~ science unit (e.g., biology, ecology, zoology); and
2. One non-life science unit ~~Physical Science~~ (e.g., astronomy, chemistry, earth science, environmental science, physical science, physics); and
3. One laboratory science unit~~course~~.

~~Second Language: two course units of a language other than English.~~

D. Social Studies: two course units, including one unit in U.S. history.²

[For students applying for first-time (freshman) admission to constituent institutions through the 2024 spring semester:]

E. Two course units of a language other than English.

[For students applying for first-time (freshman) admission to constituent institutions after the 2024 spring semester:]

E. Two additional academic courses from English, mathematics, science, social studies, world languages, or computer science. *(Note: these courses should be selected in alignment with a student's academic and career objectives. Completion of two sequential world language courses is recommended.)*

F. Applicants who require special consideration: Constituent institutions shall develop a policy for evaluating applications from students who have not completed all minimum course requirements and shall at least include provisions addressing students with a documented Individualized Education Plan (IEP) or 504 plan. The institutional policy shall be approved by the board of trustees in accordance with regulations promulgated by the president.

IV. Recommended Courses. While the minimum course requirements serve as the cornerstone of the UNC System admissions policy, students are encouraged to pursue a challenging and rigorous high school curriculum aligned with their academic and career objectives. Completion of the minimum course requirements does not guarantee admission to any individual UNC System institution. As such, students should consult with their high school counselor regarding additional courses recommended by individual UNC System institutions. Additionally, students should:

A. Consider taking the most rigorous courses available at their high school that they can successfully complete

B. Ensure to complete an academically challenging course load in their senior year, even if they have completed the minimum course requirements

IV. High School Grade Point Average and Standardized Test Scores. Students must meet either the minimum high school grade point average (GPA) or standardized test score in order to be considered for admission. All

²An applicant who does not have the unit in U.S. history may be admitted on the condition that at least three semester hours in that subject be passed by the end of the sophomore (second) year.

applicants for admission, except those exempted by current UNC policy or regulation, must submit a standardized test score, even if they satisfy the minimum eligibility requirement through the high school GPA.

- A. High School GPA: A minimum weighted GPA of 2.5; or
- B. Standardized Test Scores: A composite ACT score of 19, or combined SAT (mathematics and evidence-based reading and writing) of 1010.
- C. Chancellor's Exceptions: The maximum number of chancellor's exceptions is limited to one percent of the total number of applicants accepted as first-time undergraduates each year. A chancellor's exception may be applied to the SAT/ACT minimum requirement or the high school GPA minimum requirement.

V. Graduates of Cooperative Innovative High Schools (Early College). Each UNC constituent institution must offer to any student who graduated from a cooperative innovative high school program with an associate degree and who applies for admission to a constituent institution the option of being considered for admission as a first-time (freshman) or as a transfer student.

- A. The constituent institution shall also provide written information to the student regarding the consequences that accompany each option and any other relevant information that may be helpful to the student when considering which option to select.
- B. Beginning March 1, 2017, the Board of Governors shall report annually regarding the number of students who graduated from a cooperative innovative high school program with an associate degree and which option was chosen by those students when applying for admission to a constituent institution.

VI. Graduates of North Carolina School of Science and Mathematics (NCSSM). Each UNC constituent institution must offer first-time (freshman) admission to any applicant attending the residential program at NCSSM. Such offer of admission shall be contingent upon the applicant:

- A. Successfully completing all NCSSM graduation requirements and remaining enrolled and in good standing at NCSSM through the time of the student's graduation. For the purposes of this policy, "in good standing" shall mean with no pending disciplinary charges or pending academic violations that could lead to dismissal as of the date of graduation;
- B. Meeting the academic program requirements as outlined in Section 700.1.1.3[R] of the UNC Policy Manual;
- C. Completing all application requirements established by the constituent institution by a standard public deadline; and
- D. Satisfying the provisions of Section 700.5.1[R] of the UNC Policy Manual.

This guaranteed offer of admission shall apply only to acceptance to the respective constituent institutions, and shall not apply to any specific school, major, or program of study within the constituent institutions.

This section VI., shall be effective for all NCSSM students applying for first-time (freshman) admission to

constituent institutions beginning with the 2022 fall semester.

VII. Notification of Stakeholders and Educational Policymakers. The president is directed to develop plans and further recommendations to inform key stakeholders and education policymakers of the changes in requirements.

VIII. Other Matters

A. Effective Date. With the exception of section VI., above, the requirements of this policy shall be effective for all first-time students applying for admission at a constituent institution for any semester beginning with the 2024⁴⁹ fall semester through the 2025 fall semester (including students who attended the institution for the first time in the prior summer term).

B. Relation to Federal and State Laws. The foregoing policy as adopted by the Board of Governors is meant to supplement, and does not purport to supplant or modify, those statutory enactments which may govern or relate to the subject matter of this policy.

C. Regulations and Guidelines. This policy shall be implemented and applied in accordance with such regulations and guidelines as may be adopted from time to time by the president.

Dual Memberships and Conflicts of Interest

The Board of Governors seeks at all times to be fair and impartial in carrying out its responsibilities and tries to avoid even the appearance of partiality or undue influence. To promote this objective the following guidelines are adopted as board policy and recommended to the members for their guidance:

1. Service on Foundation Boards or Boards of Visitors of Constituent Institutions

Members of the Board of Governors may, from time to time, be asked to serve simultaneously on a foundation board or a board of visitors or some similar board for one of the 16 constituent institutions. No matter how conscientious or successful a member may be in maintaining impartiality among constituent institutions, service on such a board will undoubtedly be construed by some as showing favoritism. It is also felt that some institutions will feel pressure to name members of the Board of Governors to such boards if service on them becomes commonplace. For these reasons members of the Board of Governors are encouraged to decline any such service.

2. Service on Boards of Private Colleges and Universities

Members of the Board of Governors may be asked to serve simultaneously on the board of a private college or university in North Carolina. While such an invitation is always an honor, there are potential areas of conflict in such dual memberships. A member should satisfy himself or herself that dual service will not interfere with his or her obligations either to the University of North Carolina or to the private institution.

3. Inquiries Concerning Admissions and Job Openings

From time to time a member of the Board of Governors may wish to inquire, either directly or through an officer of the University, about a job opening in the University or about the admission of an individual to an institution or to a program. Sometimes a Board member is asked to write a letter of recommendation on behalf of a candidate for a job or for admission. It is highly inappropriate to use one's position on the Board of Governors in an attempt to influence employment or admissions. It is not inappropriate, however, for a member to make inquiries or to write letters of recommendation on the member's personal or business stationery. It should always be clear that the Board member is not seeking a favor and understands that the decision in all cases will be made strictly on the merits.

4. Appointments by the Board of Governors

In order to avoid any appearance of undue influence, the Board of Governors will not consider for

membership on any board to which it makes appointments any person who is a spouse of a Board of Governors member, a brother or a sister or a lineal ancestor or descendant of a member, or the spouse of any such person. This policy shall not apply, however, to any person who may have been elected or appointed to any such board prior to the time the related person became a member of the Board of Governors. Nor shall the policy apply to any person who may already be serving on any such board at the time of the adoption of the policy. The boards to which this policy shall apply include the boards of trustees of the constituent institutions and all boards to which the Board of Governors make appointments.

5. Inappropriate Advantage Derived from Board Membership

a. Purpose. It is of critical importance that decisions made on behalf of the University by its governors, trustees, chief executive officers, and chief finance officers be in the best interest of the University and not be influenced by any potential financial gain to the decision-makers. Furthermore, to assure public confidence in the integrity of the University, it is important that the University not appear to be influenced by the personal financial interests of those in decision-making positions. The purpose of this policy is assure public confidence in the integrity of the University by preventing members of the governing boards and chief executive and finance officers of the University from using their positions, or appearing to use their positions, to influence the decisions of the University for their personal financial gain while at the same time allowing the University to take advantage of contracts that are advantageous to the citizens of North Carolina and to the University and also avoiding having service to the University be so restrictive that persons with substantial financial interests will be reluctant to serve.

b. Definitions

As used in this policy, the following terms have the following meanings:

i. "Business entity" means a "business" as defined in G.S. 163A-152(5)¹ or a not for profit corporation.

ii. "Person" means a member of the Board of Governors or of a board of trustees of a constituent institution, the vice president for finance, a chancellor, or the chief finance officer of a constituent institution.

iii. "Substantial interest" means any of the following:

1. A "business with which associated" as that term is defined in G.S. 163A-152(7),² except that ownership of more than \$10,000 in a publicly traded corporation by itself is not a substantial interest; or

2. A "nonprofit corporation or organization with which associated" as that term is defined in G.S. 163A-152(54),³ except that uncompensated service as a director, officer, or trustee of a not for profit corporation is not a substantial interest.

iv. "The University" as applied to members of the Board of Governors, the president, and the vice president for finance means the University of North Carolina System Office (UNC System Office) or any of the constituent institutions. The University as applied to members of the boards of trustees, a chancellor, or a chief finance officer of a constituent institution means the constituent institution on whose board of trustees the member serves or at which the chancellor or chief finance officer is employed.

c. Requirements

i. Each person must contemporaneously submit to the vice president of finance, each Statement of Economic Interests that the person files with the State Ethics Commission pursuant to G.S. 163A-187. These disclosure statements are public records.

ii. Whenever a person has actual knowledge that a business entity in which the person has a substantial interest is attempting or planning to enter, is entering, or has entered into a contract with the University, the person must report the nature of the person's substantial interest and the nature of the contract to the chief finance officer of the institution that is or would be a party to the contract. If the person is a chief finance officer, then the chief finance officer must make this report to the chancellor or to the president of the institution that is or would be a party to the contract. Reports required by this paragraph shall be in writing and will be public records retained by the respective chief finance officers.

iii. The University will not enter into a contract with a value of \$10,000 or more, or with expected payments of \$10,000 or more per year, with a business entity in which a person has a substantial interest, unless one of the exceptions in paragraph c.iv., applies. A person will not in any way:

1. Participate in making a contract;
2. Attempt to cause or influence the University to make a contract; or
3. Attempt to influence the contract specifications or contracting process concerning a contract between a business entity in which the person has a substantial interest and the University.

The vice president for finance and the respective chief finance officers of the constituent institutions are responsible for determining whether the University is entering into a contract with a value of \$10,000 or more with a business entity in which a person has a substantial interest.

iv. The restrictions on entering into a contract in paragraph c.iii., do not apply if the person with the substantial interest does not participate in making or administering the contract and:

1. The contract results from a competitive sealed bid or a competitive request for proposals with specifications and criteria;
2. The contract is for goods or services sold or provided to the general public at a uniform price or is for goods on state contract sold to state agencies at a uniform price, unless the contract is prohibited by state law;
3. The contract is an employment contract with the dependent child or spouse of the president, the vice president for finance, a chancellor, or chief finance officer, or the dependent child of a member of the Board of Governors or a board of trustees and the employment is allowed under Section 300.4.2 of the UNC Policy Manual;

4. The contract is with a bank or a public utility; or

5. The committee of the Board of Governors or of the relevant board of trustees designated pursuant to paragraph d.i., below, finds that the contract is in the best interest of the University. Examples of when a contract might be in the best interest of the University include, but are not limited to, when it has financially advantageous terms, when the goods or services to be provided are demonstrated to be unique, or when the contract is a continuation of a contract that was in effect before the person with the substantial interest became affiliated with the University.

v. If a person is an employee or agent of a business entity, the person shall not attempt to influence the University to enter into a contract with the business entity that employs or retains the person.

vi. A person shall not attempt to influence the administration of or payments under a contract between the University and a business entity in which the person has a substantial interest or between the University and the person's employer.

vii. No person shall disclose or use confidential information or information concerning economic development or technology research or development which the person received in his capacity as a board member or employee of the University for the person's financial gain.

viii. No person shall accept a gift or favor from a business entity, or the principal in a business entity, which has entered into a contract with the University within the past year, who currently has a contract with the University, or who intends to attempt to enter into a contract with the University if the person:

1. Has or will prepare plans, specifications, criteria or estimates for the contract;
2. Awards, approves, negotiates, or administers the contract; or
3. Inspects or supervises the contract.

This paragraph does not prohibit the receipt of advertising items of nominal value, awards such as plaques or trophies, food served at professional meetings or banquets, or gifts from family members or personal friends when it is clear that the friendship extends beyond the business relationship.

ix. A person shall not represent, as attorney, agent, or trustee, a third party who has an adverse relationship with the University. A person shall attempt to dissuade a firm or business entity in which the person has a substantial interest from engaging in representation adverse to the University.

d. Procedures

i. The chair of the Board of Governors and each chair of a board of trustees shall designate a standing committee to determine whether a potential conflict is a permissible

or impermissible activity and to make recommended findings as to whether this policy has been violated.

ii. Potential conflicts:

1. Any person who receives a report of a potential conflict shall forward that report to the chief finance officer of the institution that is or would be a party to the contract.
2. If the person with the substantial interest claims or the chief finance officer believes that the contract is permissible pursuant to paragraph c.iv.1., 2., 3., or 4., above, the determination of whether the contract is permissible or impermissible may be made by the respective president or chancellor, or the president or chancellor may request that the designated committee make the determination. Any determination by the president or a chancellor shall be in writing and shall be a public record.
3. If the person claims that the contract is permissible pursuant to paragraph c.iv.5., above, because the contract is in the best interest of the University, or if a chancellor or the president refers a conflict question to the committee, then the designated committee shall determine whether the proposed contract is a permissible or impermissible activity under this policy and shall enter its determination in the minutes of its proceedings.
4. If the person who has the potential conflict is a member of the designated committee, the person shall not participate in the deliberations of the committee, other than to present the relevant facts to the committee, and shall abstain from voting.

iii. Allegations of conflict

1. If any person or any senior academic or administrative officer (SAAO) becomes aware or alleges that a person covered by this policy has violated this policy, the person shall report the alleged violation to the chancellor or President of the institution that is or would be a party to the contract.
2. The person who receives the allegation shall forward the allegation:
 - a. To the designated committee of the board of trustees or of the Board of Governors if the person alleged to have violated this policy is a member of that board;
 - b. To the designated committee of the Board of Governors if the president is alleged to have violated this policy;
 - c. To the president if the person alleged to have violated this policy is a chancellor or the vice president for finance; or
 - d. To the respective chancellor if the person is a chief finance officer of that constituent institution.

3. If the person alleged to have violated the policy is the President or a member of a Board of Governors or of the board of trustees, then the designated committee will determine whether or not the policy has been violated. The chairperson of the designated committee will designate an individual to investigate the allegations and to make a report to the committee. After considering the report of the investigation and any response by the person alleged to have violated the policy, the committee shall make a determination as to whether the policy has been violated and, if so, a recommendation as to the appropriate sanction to the respective board of trustees or Board of Governors. The board of trustees or Board of Governors shall vote to affirm, reject, or modify the recommendation.

4. If the person who has the potential conflict is a member of the designated committee, the person shall not participate in the deliberations of the committee, other than to present the relevant facts and arguments to the committee on his own behalf, and shall abstain from voting.

5. A Board of Governors member, board of trustees member, or president who is alleged to have violated this policy is entitled to receive notice of the allegation, to be present to hear the report presented to the designated committee, and to inform the committee of any facts or arguments that demonstrate that he or she did not violate the policy.

6. If the vice president for finance, a chief finance officer or a chancellor is alleged to have violated this policy, that allegation will be investigated and acted upon in accordance with the procedures for disciplining, demoting, dismissing, or terminating the contract of employees of that position.

iv. The president will present this policy annually to the Board of Governors and will present it to new members at the beginning of their service. The chancellors will present this policy annually to their respective Boards of Trustees and will present it to new members at the beginning of their service.

e. Sanctions

i. If the Board of Governors or a board of trustees finds that one of its members has violated this policy, the Board may take one or more of the following actions:

1. Reprimand or censure the member;
2. Remove the person from any board office the person holds or from any committee chairmanship or assignment; and
3. Report the violation to the entity that appointed the member.

ii. If the Board of Governors finds that the president has violated this policy, the Board of Governors may discipline, demote or dismiss the president, as it deems appropriate.

iii. If the president finds that the vice president for finance has violated this policy, the president may discipline, demote, or dismiss the vice president, and shall report the violation and the action taken by the president to the Board of Governors.

iv. If the president finds that a chancellor has violated this policy, the president may discipline the chancellor and report the action taken to the Board of Governors and the relevant board of trustees, or the president may recommend to the Board of Governors that the employment of the chancellor be terminated and that the chancellor be demoted or dismissed.

v. If a chancellor finds that a chief finance officer has violated this policy, the chancellor may discipline, demote or dismiss the chief finance officer and shall report the violation and the action taken to the president and the board of trustees.

vi. Pursuant to North Carolina law, any contract between the University and an entity in which a person has a substantial interest which was entered into in violation of state laws governing conflicts of interest is void.

The provisions of Section 5 are effective July 1, 2001. Initial disclosure forms will be filed on or before October 1, 2001. The provisions of paragraph c.iii., will apply to all contracts entered into after January 1, 2002. The Statement of Economic Interest replaces all disclosure forms due to be filed on or after July 1, 2007; the initial Statement of Economic Interest for people employed or in office on January 1, 2008, must be submitted to the vice president for finance by April 15, 2008.

¹ G.S. 163A-152(5) defines a "business" as, "Any of the following organized for profit:

- a. Association.
- b. Business trust.
- c. Corporation.
- d. Enterprise.
- e. Joint venture.
- f. Organization.
- g. Partnership.
- h. Proprietorship.
- i. Vested trust.
- j. Every other business interest, including ownership or use of land for income."

² G.S. 163A-152(7) Business with which associated. A business in which the covered person or filing person or any member of that covered person's or filing person's immediate family does any of the following:

- a. Is an employee.
- b. Holds a position as a director, officer, partner, proprietor, or member or manager of a limited liability company, irrespective of the amount of compensation received or the amount of the interest owned.
- c. Owns a legal, equitable, or beneficial interest of ten thousand dollars (\$10,000) or more in the business or five percent of the business, whichever is less, other than as a trustee on a deed of trust.
- d. Is a lobbyist registered under Article 8 of Chapter 163A of the General Statutes.

For purposes of this subdivision, the term "business" shall not include a widely held investment fund, including a mutual fund, regulated investment company, or pension or deferred compensation plan, if all of the following apply:

- 1. The covered person, filing person, or a member of the covered person's or filing person's immediate family neither exercises nor has the ability to exercise control over the financial interests held by the fund.
- 2. The fund is publicly traded, or the fund's assets are widely diversified.

³ G.S. 163A-152(54) Nonprofit corporation or organization with which associated. Any not for profit corporation, organization, or association, incorporated or otherwise, that is organized or operating in the state primarily for religious, charitable, scientific, literary, public health and safety, or educational purposes and of which the covered person, filing person, or any member of the covered person's or filing person's immediate family is a director, officer, governing board member, employee, lobbyist registered under Article 8 of Chapter 163A of the General Statutes or independent contractor. Nonprofit corporation or organization with which associated shall not include any board, entity, or other organization created by this State or by any political subdivision of this state.