

## MINUTES

November 16, 2023

Via Videoconference and PBS North Carolina Livestream

University of North Carolina at Greensboro

Alumni House, Oakley Family Reception Room

Greensboro, North Carolina

### Call to Order

The University of North Carolina Board of Governors met on November 16, 2023, at the University of North Carolina at Greensboro in Greensboro, North Carolina. Chair Randy Ramsey called the meeting to order at 10 a.m. He thanked UNC Greensboro for their hospitality and stated the student presentations given the day before were great. He recognized Representatives Ray Pickett and Jon Hardister, stating they were champions for the university. He reminded Board members to sign and return the FCC statement found in their folders. He recognized Interim Chancellor Kimberly van Noort's birthday.

### Invocation

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

### Roll Call

Secretary Burris-Floyd thanked everyone for their support during her recent health scare. She called the roll.

The following members were present:

Lee Barnes  
Kellie Hunt Blue  
Kirk J. Bradley  
Harry Brown  
Pearl Burris-Floyd  
C. Philip Byers  
Swadesh Chatterjee  
Jimmy D. Clark  
Carolyn Coward  
Gene Davis  
Joel Ford  
John Fraley  
Estefany Gordillo-Rivas

Reginald R. Holley  
Mark Holton  
Terry Hutchens  
J. Alex Mitchell  
Wendy Floyd Murphy  
Art Pope  
Randy Ramsey  
Lee Roberts  
Temple Sloan  
Woody White  
Michael Williford

The following members were absent:

Sonja P. Nichols (joined by videoconference)

## **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.

## **Chair's Report**

Chair Ramsey stated he received wonderful feedback from trustees and others on the UNC System Board of Trustees Workshop held on Tuesday, November 14. He asked for a round of applause for Chancellor Franklin Gilliam, the faculty, and staff for hosting the Board during the week's activities. He also thanked Chancellor Gilliam for his leadership and vision. He reiterated to the Board the importance of staying focused on strategic goals. He mentioned how Board members were brought to tears by the remarkable stories told by the students at Wednesday's luncheon. He stated that teamwork is the key to success and how grateful he is to the trustees for their commitment to serve and support their institutions. He then called on President Peter Hans for his report.

## **President's Report**

President Hans thanked Chancellor Gilliam and his team for hosting the Board and trustees this week. He stated that UNCG is delivering on the promise of higher education. UNCG is meeting the mission as a best performer in the state in terms of social mobility and vaulting low-income students into better jobs and careers. He sees the best of public education at this university because of its ability to meet changing public needs. He said he is proud of the "pragmatic spirit" UNCG displays for answering the call to meet the critical priorities of higher education. As technology accelerates, as careers change, as the state welcomes more people from all over the country and world, it is exciting to see our mission "come alive" at UNCG. For President Hans' complete report, please see APPENDIX A.

Chair Ramsey called on Mr. Hutchens for the recognition of the 2023 UNC System Campus Police Awards. Mr. Hutchens recognized the officers in attendance, thanking them for their valiant service. Those who received honorable mentions were Capt. Steve DeDona of UNC Greensboro, Lt. Mikaleen Chivers of Elizabeth City State University, Lt. Ted Johnson of UNC School of the Arts, Lt. Derrick Locklear and Sgt. Reggle Strickland of UNC Pembroke, Sgt. Brent Lawton of Fayetteville State University, Sgt. Mark Litjes of UNC Charlotte, and Investigator Nick Lynch of UNC-Chapel Hill. He gave special recognition to Officer Jonathan Hill of UNC Wilmington as Officer of the Year for Acts of Valor. Chair Ramsey thanked all the officers for their service and for attending the meeting.

## **Consent Agenda Items**

Chair Ramsey referred to the consent agenda items listed as Item 6 on the day's agenda. Mr. Ford asked that Item 6b be removed from the agenda for further discussion. Chair Ramsey entertained a motion to approve the remaining consent agenda items. The motion was properly seconded, and the motion passed.

Chair Ramsey asked for a motion for Item 6b. The motion was properly seconded. Chair Ramsey asked if there was any discussion.

Mr. Ford asked that the appropriate committee conduct a formal review of this policy. Mr. White concurred and stated the Board should use current data to see if this is an appropriate policy. Chair Ramsey said this item will be high on the committee's list for further review.

## Minutes

- a. Minutes (Open) of October 19, 2023

## Committee on Budget and Finance

- b. Exceeding the Policy Limit Non-resident Freshman Enrollment – UNC Wilmington
- c. Expansion of Millennial Campus Designation – UNC Asheville

APPENDIX B

APPENDIX C

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|------------------------------------------------------------------------------------------------------------------|------------|
| d. Authorized Use of Special Obligation Bonds “Commercial Paper” – NC State University                           | APPENDIX D |
| e. Capital Improvement Projects                                                                                  | APPENDIX E |
| f. Disposition of Property by Demolition – East Carolina University                                              | APPENDIX F |
| g. Section 1000.1.1 of the UNC Policy Manual, <i>Policy on Tuition Rates</i> (amend) (approved October 19, 2023) | APPENDIX G |
| h. Section 1100.1 of the UNC Policy Manual, <i>Intercollegiate Athletics</i> (amend) (approved October 19, 2023) | APPENDIX H |

Committee on Educational Planning, Policies, and Programs

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| i. UNC System Academic Degree Program Actions                                                                                                  | APPENDIX I |
| j. Section 600.2.3 of the UNC Policy Manual, <i>Policy on the Distinguished Professors Endowment Trust</i> (amend) (approved October 19, 2023) | APPENDIX J |

**Report of the Committee on Budget and Finance**

Mr. Roberts, chair of the committee, reported that the Committee on Budget and Finance received a report from the Task Force on Pricing, Flexibility, and Affordability. Representatives from Gallagher Student Health presented findings of the potential benefits and risks of the UNC System moving to a self-funded student health insurance plan. The full report is available on BoardEffect. The committee took no action. When the committee reconvenes in January, the committee will take a vote on whether to instruct the System to proceed with implementing a self-funded student health insurance plan. The University of North Carolina Wilmington’s out-of-state first-year enrollment exceeded the limits established by the UNC Policy Manual for the second consecutive year. The committee approved the reallocation of the penalty funds to the North Carolina Need-Based Scholarship for Public Colleges and Universities for the benefit of UNC System students. The committee heard a presentation from Senior Vice President Jennifer Haygood and UNC Asheville’s Chief Financial Officer John Liposchak and approved the expansion of UNC Asheville’s Millennial Campus by 4.45 acres to increase opportunities for performance-based ventures and revenue potential.

The committee also reviewed and approved several routine and transaction items:

- Authorization for NC State University to use its commercial paper program to provide interim financing of up to \$52 million for the purpose of acquiring and renovating University Towers.
- Authorization of \$7.25 million for three new capital projects at Appalachian State University and \$29.15 million in three increased authorizations at three institutions; and
- Authorization for East Carolina University to dispose of property by demolition of the Medical Pavilion Complex.

Chair Ramsey thanked the committee for their work, and asked if there were any questions. There were none and he called on Mr. Bradley.

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

Mr. Bradley, the chair of the committee, reported the committee reviewed requests for five academic degree program establishments. The requests were approved by the Board through the consent agenda. The fall 2023 enrollment was discussed. While 2022 enrollment saw a decrease for the first time in nine years, fall 2023 total enrollment increased by just over one percent and enrollment with high new first-time first-year enrollment increasing by six percent. Out-of-state undergraduate enrollment caps were reviewed. UNC Wilmington exceeded the cap for the second consecutive year and will be subject to a financial penalty; the University of North Carolina at Chapel Hill has been warned. An update on Systemwide student behavioral health initiatives was presented including the extension of after-hours telephonic behavioral health service and its cathartic effect on student well-being. Dr. David English and Dr. Andrew Kelly provided the committee information on the steps taken in response to the committee’s resolutions on teacher preparation put forth at the September meeting.

Dr. English discussed the effects of the \$15 million infusion to the Faculty Retention and Recruitment Fund, its potential transformative effects, and opportunities to leverage the recruitment of teacher preparation faculty. Dr. Kelly reviewed the active, customized steps to assist our universities in addressing the shortages in science of reading expertise. Plans include mapping directions, an extensive resource list, individualized meetings, and continuous feedback to chancellors on deliverables and expectations. Updates to the committee will continue throughout 2024. Chair Bradley indicated there would be one additional item discussed in closed session. He invited Mr. Wade Maki to deliver a report on the Faculty Assembly.

Mr. Maki stated he hoped the Board had a great visit on campus. He introduced Toby King from UNC Asheville, who will succeed him as Faculty Assembly liaison. He reiterated several ideas of Spartan philosophy: always add value, better to win without a fight, and make and keep allies. He stated the Faculty Assembly moved forward with six major policies within the year. He said there is still work to be done and he appreciates the support of the Board.

Chair Ramsey called on Mrs. Blue for the report from the Committee on University Governance.

#### **Report of the Committee on University Governance**

Mrs. Blue, chair of the committee, reported the committee heard from Associate General Counsel Mary Griffin Inscoe on proposed policy revisions to Section 200 of the UNC Policy Manual. The proposed revisions clarify delegations of authority related to initiating and settling potential and pending litigation, as well as delegation for campus safety and security. The proposed amendments also define reporting requirements to the Committee on University Governance and the full Board of Governors related to initiating and settling litigation. Additionally, these proposed amendments incorporate statutory updates as they relate to dual memberships and conflicts of interest. The policy amendments were approved and will be on the consent agenda at the next meeting of the full Board. Chair Ramsey asked if there were any questions. There were none and he called on Mr. Hutchens.

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

Mr. Hutchens, chair of the committee, stated the Committee on Audit, Risk Management, and Compliance meeting included multiple informational items on topics including the Campus Safety-Behavioral Threat Assessment Readiness, UNC Systemwide Internal Audit Plans for 2023-24, UNC Systemwide Internal Audit Activities, UNC Major Associated Entities, and the Joint Cybersecurity Task Force (JCTF). Vice President for Safety and Emergency Operations Fred Sellers led off with an update on an ongoing campus training initiative for strengthening campus safety. The training focused on skill-building, developing competence, developing confidence, and building trust and relationships among multidisciplinary team members. Over the past 12 months, all campuses at all constituent institutions have participated in the behavioral threat assessment readiness training. Next, Chief Audit Officer Michael Ptasienski, presented a review of the Systemwide Internal Audit Plans for 2023-24, which included a summary and the individual audit plans for each university. Mr. Ptasienski then presented a summary of UNC Systemwide internal audit activities including a summary of constituent institution Summary of Reports as well as the Audit Finding for Fiscal Year 2023. The internal audit activities produced 213 recommendations for improvements to internal controls. Corresponding management corrective actions were identified and implemented by university leadership. The committee business ended with an interesting presentation from Special Agent Jessica Nye, supervisor of the FBI Cyber Squad in Raleigh and a partner of the N.C. Joint Cybersecurity Task Force (NCJCTF). Mr. Hutchens stated training is available and he hopes the constituent institutions get the attention and resources to respond to these critical issues. He encouraged all Board members to attend the next committee meeting to learn about this important topic. Chair Ramsey thanked him for the work, stating that all had learned from it. He then called on Mr. Holton.

#### **Report of the Committee on Strategic Initiatives**

Mr. Holton, chair of the committee, reported that the Committee on Strategic Initiatives and the Committee on Educational Planning, Policies, and Programs met jointly to review and approve the Systemwide return on

investment (ROI) report and an associated transmittal letter from the Board of Governors. The committee heard the results of the two-year study of the ROI associated with almost every undergraduate and graduate degree program in the System. The study, conducted by Deloitte and partner organizations, was commissioned by the North Carolina General Assembly in the 2021 state budget. Deloitte representatives Peter Fritz and Lynnette McLaughlin joined the committee to share a summary of the findings. The full report and associated dashboards have been made available to members of the Board. Mr. Fritz and Ms. McLaughlin highlighted how 94 percent of the 724 undergraduate degree programs studied show a positive ROI. At the graduate level, 91 percent of the 575 programs studied showed a positive ROI. Nearly 90 percent of students who were from the lowest income bracket at enrollment experience economic mobility across the course of their career. The researchers also shared a list of undergraduate and graduate programs that boast an ROI of \$1 million or more. That list included many programs one might expect in engineering, computer science, and biotechnology, as well as some that may be more surprising—nursing, agricultural teacher education, and poultry science. The researchers also showed how programs with varying subject matters often result in comparable rates of economic mobility for low-income students. The committees voted to approve the report and associated data dashboards to present to the General Assembly. The committees moved on to discuss how the Board of Governors, the System, and institutional leaders can use this new tool to improve student outcomes and inform decision-making regarding academic strategy and programming. That discussion is reflected in a draft transmittal letter from the Board that will accompany the full report when it is delivered to the General Assembly. The next steps outlined in the transmittal letter include:

- charging chancellors and their leadership teams to review the data, identify low-ROI programs, and develop plans to improve those programs,
- revisiting policies on academic program approval and review to ensure that they include ROI considerations; and,
- developing System Office capacity and necessary data-sharing agreements to enable consistent analysis and reporting on ROI-related metrics.

The committees voted unanimously to approve the transmittal letter for consideration by the full Board. Mr. Holton thanked Chair Bradley for his leadership on this issue as well as members of the Board and the president, and thanked System Office staff who provided meaningful input on the response letter.

**Motion:** Resolved, on behalf of the Committees on Strategic Initiatives and Educational Planning, Policies, and Programs, I move that the Board approve the ROI report and the transmittal letter for submission to the General Assembly.

**Motion: Mr. Holton**

**Motion carried**

Mr. Holton emphasized this report is the beginning on the work of this issue, not the end. Chair Ramsey stated the data is fascinating and this study can be a vigorous tool for students and their families. Chair Ramsey recognized Chancellor Gilliam's words made at the Board of Trustees meeting on the report. He thanked the committees for their work. He then called on Mr. Byers for the report of the Subcommittee on Laboratory Schools.

### **Report of the Committee on Laboratory Schools**

Mr. Byers reported that on November 6, 2023, the Subcommittee on Laboratory Schools approved the 2022-23 Lab School Evaluation Report. The approval of this report fulfills a statutory obligation to provide the General Assembly with information about laboratory schools' demographics, admissions processes, student achievement data, educator preparation program student outcomes, and best practices. The subcommittee heard a presentation from researchers at UNC-Chapel Hill and Public Impact, a nonprofit research organization. The report showed that at most laboratory schools, students met academic growth expectations, with some schools coming close to exceeding those growth expectations. These growth scores are particularly encouraging as lab

schools are statutorily required to serve students who were assigned to a low-performing school or were classified as low-performing themselves. Mr. Byers stated that growth is key to moving more of those students toward proficiency. However, seven years into the program, we must raise our expectations to focus not only on meeting growth, but on increasing proficiency. Therefore, the subcommittee has tasked the UNC System Office with developing improvement plans for each lab school that identify the steps each can take to increase proficiency rates over the course of this school year and the next. The committee will review those plans in early 2024 and will hold chancellors accountable for implementing those strategies and meeting those goals. Mr. Byers thanked those who put in the work and promised that the committee will do better and excuses will not be accepted. He stated he looks forward to having a better report in the future. Chair Ramsey encouraged Board members to read the lab schools report if they had not already done so.

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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 (APPENDIX K). The motion was properly seconded.

**Motion: Secretary Burris-Floyd**  
**Motion carried**

The Board went into closed session at 11:06 a.m. and returned to open session at 11:40 a.m.

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#### **Report of the Committee on University Personnel**

Mrs. Coward, committee chair, shared that the committee received an update from Chief Operating Officer Michael Vollmer on the implementation of the four percent across-the-board legislative salary increases and retroactive pay for employees across the UNC System as part of the 2023 Appropriations Act. The committee voted to approve and present to the full Board a series of changes to Chapter 300 of the Policy Manual as part of a Systemwide policy review effort. She stated the proposed revisions to the Policy Manual will be voted on through the January consent agenda. The committee also voted to approve and present to the full Board a policy supersede of both Section 400.3.1, *Teaching Effectiveness in the University of North Carolina*, and Section 400.3.3, *Performance Review of Tenured Faculty (Post Tenure Review)*, of the UNC Policy Manual to implement the recommendations presented to the Committee on University Personnel during the September meeting. The proposed supersedes to the UNC Policy Manual will be voted on through the January consent agenda. The committee voted on a resolution approving technical changes to the Optional Retirement Program plan document to ensure it is consistent with relevant North Carolina statutes and IRS regulations.

**Motion:** Resolved, on behalf of the Committee on University Personnel, I move that the Board of Governors vote to approve the resolution amending the Optional Retirement Program plan document to ensure it is consistent with House Bill 259 State Budget Appropriations for fiscal year 2023-24 and the SECURE 2.0 Act of 2023.

**Motion: Mrs. Coward**  
**Motion carried**

Mrs. Coward stated the committee also heard a presentation about the history of the Faculty Recruitment and Retention Fund and how it will continue to be a key tool in helping institutions attract and retain top faculty

talent with the addition of the transformational \$15 million increase to the fund provided by the North Carolina General Assembly in the recently adopted biennial budget.

She noted in closed session, the committee voted to approve an addendum to Dr. Wesley Burks' current employment agreement as chief executive officer of the University of North Carolina Health Care System. This addendum is in BoardEffect.

Chair Ramsey asked if there were any questions for discussion or any debate. There were none.

**Motion:** Resolved, on behalf of the Committee on University Personnel, I move that the Board of Governors vote to approve the addendum to Dr. Burks' current employment agreement as chief executive officer of the University of North Carolina Health Care System.

**Motion: Mrs. Coward**

**Motion carried**

There being no further business and without objection, the meeting was adjourned at 11:47 a.m. The next meeting of the Board of Governors is a special meeting scheduled for Wednesday, November 29, 2023, via Zoom Videoconference.

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Pearl Burris-Floyd, *Secretary*

## APPENDICES

The Appendices are part of the official record of the meeting and are posted on the UNC System website at:  
<http://www.northcarolina.edu/apps/bog/index.php>

APPENDIX A	President Hans' Report
APPENDIX B	Exceeding the Policy Limit Non-resident Freshman Enrollment – UNC Wilmington
APPENDIX C	Expansion of Millennial Campus Designation – UNC Asheville
APPENDIX D	Authorized Use of Special Obligation Bonds “Commercial Paper” – NC State University
APPENDIX E	Capital Improvement Projects
APPENDIX F	Disposition of Property by Demolition – East Carolina University
APPENDIX G	Section 1000.1.1 of the UNC Policy Manual, <i>Policy on Tuition Rates</i> (amend) (approved October 19, 2023)
APPENDIX H	Section 1100.1 of the UNC Policy Manual, <i>Intercollegiate Athletics</i> (amend) (approved October 19, 2023)
APPENDIX I	UNC System Academic Degree Program Actions
APPENDIX J	Section 600.2.3 of the UNC Policy Manual, <i>Policy on the Distinguished Professors Endowment Trust</i> (amend) (approved October 19, 2023)
APPENDIX K	Closed Session Motion