

February 28, 2024 at 12:15 p.m.
Via Videoconference and PBS North Carolina Livestream
UNC System Office
223 S. West Street, Room 1809
Raleigh, NC 27603

AGENDA

OPEN SESSION

A-1. Approval of the Open Session Minutes of January 24, 2024 Kellie Blue

A-2. Understanding the UNC System Affiliated EntitiesAndrew Tripp

CLOSED SESSION

A-3. Approval of the Closed Session Minutes of January 24, 2024 Kellie Blue

A-4. Legal Affairs ReportAndrew Tripp

OPEN SESSION

A-5. Adjourn

Additional Information Available:

Spring 2024 Commencement Schedule
February 2024 Technical Corrections Chart

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 MINUTES

January 24, 2024, at 12:45 p.m.
Via Videoconference and PBS North Carolina Livestream
UNC System Office
223 S. West Street, Room 1809
Raleigh, 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 also present in person or by phone: Pearl Burris-Floyd, Alex Mitchell, Michael Williford, and Philip Byers.

Also participating were Chancellor Darrell Allison, Chancellor Harold Martin, and Dr. Wesley Burks.

Staff members present included Andrew Tripp, Meredith McCullen, and others from the UNC System Office.

1. Call to Order and Approval of OPEN Session Minutes (Item A-1)

The chair called the meeting to order at 12:45 p.m. on Wednesday, January 24, 2024. The open session minutes from the November 15, 2023, meeting were approved by unanimous consent.

2. Project Kitty Hawk Board of Directors Appointments (Item A-2)

Chair Blue reviewed three reappointments and one new appointment to the Project Kitty Hawk Board of Directors. The chair then asked for a motion to approve the appointments.

MOTION: Resolved, that the Committee on University Governance approve the reappointment of Chancellor Philip Rogers, John Comly, and Susan Cates, and the appointment of Chancellor Karrie Dixon to the Project Kitty Hawk Board of Directors for two-year terms beginning February 1, 2024, and ending January 31, 2026, and recommend it to the full Board of Governors for a vote.

Motion: Pearl Burris-Floyd

Motion carried

3. UNC Health Board of Directors Appointments (Item A-3)

Chair Blue called on President Peter Hans to present his nominees for the UNC Health Board of Directors. Chair Blue then asked the committee for a motion to approve the slate of nominees.

MOTION: Resolved, that the Committee on University Governance approve the nomination of Doyle Parrish and William Keyes to the UNC Health Care System Board of Directors to fill the balance of four-year terms that began November 1, 2022, and will end on October 31, 2026, and recommend it to the full Board of Governors for a vote.

Motion: Michael Williford

Motion carried

4. ECU Health Medical Center Board of Trustees Appointment (Item A-4).

Chair Blue introduced a nominee for reappointment to the ECU Health Medical Center Board of Trustees. The chair then called for a motion to approve the nomination.

MOTION: Resolved, that the Committee on University Governance approve the reappointment of Tony Cannon to the ECU Health Medical Center Board of Trustees for a five-year term beginning March 1, 2024, and ending February 28, 2029, and recommend it to the full Board of Governors for a vote.

Motion: Alex Mitchell

Motion carried

5. Consideration of Proposed Revisions to Section 1100.1 of the UNC Policy Manual, *Policy on Intercollegiate Athletics* (Item A-5).

Chair Blue called on Senior Vice President and General Counsel Andrew Tripp to review potential changes to Section 1100.1 of the UNC Policy Manual, *Policy on Intercollegiate Athletics*. Mr. Tripp said that the proposed changes are designed to enhance oversight of the intercollegiate athletics programs of the constituent institutions by requiring the respective chancellors to make available certain proposed athletics-related agreements to the Board of Governors and provide the UNC president notice of, and a financial plan for, any agreement that would result in the constituent institution transferring, leaving, or joining an athletic conference association. After discussion by the committee, the chair asked for a motion to approve the proposed revisions.

MOTION: Resolved, that the Committee on University Governance approve proposed amendments to Section 1100.1 of the UNC Policy Manual, *Policy on Intercollegiate Athletics*, and recommend it to the full Board of Governors for a vote on the consent agenda at their next meeting.

Motion: Alex Mitchell

Motion carried

6. Informational Report on Delegation of Authority Project (Item A-6).

Chair Blue called on Mr. Tripp to give an update on the UNC System's Delegation of Authority Project. Mr. Tripp reported that two years after implementation, each campus has amended and restated their delegations of authority among the boards of trustees and their respective campus administrations. These restated delegations were submitted to the UNC System Office and are published online. The committee may consider when and if to prompt institutions' boards of trustees to assess and update their delegation resolutions. This report was for information only.

7. Closed Session

The chair asked for a motion to move into closed session.

MOTION: Resolved, that the Committee on University Governance move 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 is not considered a public record within the meaning of Chapter 132 of the General Statutes; and to consult with our attorney to protect attorney-client privilege; Pursuant to G.S. 143-318.11(a)(1) and (3).

Motion: Michael Williford

Motion carried

THE MEETING MOVED INTO CLOSED SESSION AT 1:08 p.m.

(The complete minutes of the closed session are recorded separately.)

THE MEETING RESUMED IN OPEN SESSION AT 1:27 p.m.

8. Adjourn

There being no further business and without objection, the meeting adjourned at 1:27 p.m.

Michael Williford, Secretary

AGENDA ITEM

A-2. Understanding the UNC System Affiliated Entities..... Andrew Tripp

Situation: There are five separate legal entities to which the committee will make recommendations for board appointments. These entities often appear before the committee only in the context of evaluating individuals for appointment to their boards.

Background: The Office of the Secretary and the Division of Legal Affairs determined that the committee could benefit from a survey of these affiliated entities outside of the traditional board appointment process.

Assessment: The five separate legal entities each have unique characteristics but can be identified and understood as having three key components that set them apart from other entities within the University of North Carolina System. This presentation will detail the entities and their characteristics. The entities are:

1. UNC Health Care
2. UNC Press
3. North Carolina State Education Assistance Authority
4. NC Arboretum
5. PBS North Carolina

Action: This item is for information only.



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AFFILIATED ENTITIES

The UNC Family Tree



**THE UNIVERSITY OF
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WHAT ARE AFFILIATED ENTITIES?



**THE UNIVERSITY OF
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FIRST...WHAT ARE THEY NOT?



THE UNIVERSITY OF
NORTH CAROLINA SYSTEM

AFFILIATED ENTITIES ARE NOT ASSOCIATED
ENTITIES.

ASSOCIATED ENTITIES ARE PRIVATE NON-PROFIT
ENTITIES THAT CONTRACT WITH THE UNIVERSITY.

Affiliated Entities are Special...

- 3 Key Characteristics:
- Affiliated Entities are created by or under statute.
- Affiliated Entities are largely independent but related to the University
- Affiliated Entities have their own governing boards.

UNC Health Care

- Statutory Basis?
 - Yes. Newly-recodified G.S. 116-350, et seq.
- University Relationship?
 - UNC Health Care System is its own “State agency...administered as an affiliated enterprise of the University...”
- Has its own Board?
 - Yes. BOG Appoints in part.

PBS North Carolina

- Statutory Basis?
- University Relationship?
- Has its own Board?
- Yes. G.S. 116-37.1.
- PBS as delegated authority from the University.
- Yes. BOG Appoints in part.

NC Arboretum

- Statutory Basis?
 - Yes. G.S. 116-240, et. seq.
- University Relationship?
 - Created by statute and tasked to the University and is supported by the University through MOUs.
- Has its own Board?
 - Yes. BOG appoints in part.

UNC Press

- Statutory Basis?
 - Yes. It is a private non-profit corporation.
- University Relationship?
 - Created in the 1920s as its own entity.
University relationship is defined by the UNC Press Bylaws.
- Has its own Board?
 - Yes. BOG appoints in part.

NC State Education Assistance Authority (“SEAA”)

- Statutory Basis?
 - Yes. It is its own “political subdivision”.
- University Relationship?
 - University provides support to SEAA through a series of MOUs
- Has its own Board?
 - Yes. BOG appoints in part.



Key Takeaways on Affiliated Entities:

1. Usually a specific mission tasked to by state law.
2. In all instances, there is another Board that is operationally responsible for the Entity.
3. At least two key levers of influence by BOG: appointments and oversight.

THANK YOU

QUESTIONS?