

DRAFT MINUTES

February 27, 2025
UNC System Office
223 S. West Street, Board Room (17th Floor)
Raleigh, North Carolina
Via Videoconference and PBS North Carolina Livestream

Call to Order

The University of North Carolina Board of Governors met on February 27, 2025, at the UNC System Office, Raleigh, North Carolina. Chair Wendy Murphy called the meeting to order at 10 a.m. She welcomed Representative David Willis to the meeting, thanking him for his service.

Invocation

Chair Murphy called on Ms. Jaci Cameron, a student from North Carolina Agricultural and Technical State University, and the first-ever Miss Historically Black Colleges and Universities, to give the invocation.

Roll Call

Secretary Pearl Burris-Floyd, secretary of the Board, called the roll. The following members were present:

Lee Barnes	Kathy C. Greeley
Kellie Hunt Blue	Reginald Ronald Holley
Kirk J. Bradley	Mark Holton
Cameron Brown	Terry Hutchens
Harry Brown	J. Alex Mitchell
Pearl Burris-Floyd	Wendy Floyd Murphy
C. Philip Byers	Sonja Phillips Nichols
Swadesh Chatterjee	Art Pope
Jimmy D. Clark	Randy Ramsey
Carolyn Coward	Woody White
Gene Davis	Michael Williford
Joel Ford	
John Fraley	

The following members were absent:

Temple Sloan

State Ethics Act

Chair Murphy 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.

Presentation of the 2024 Governor James E. Holshouser, Jr. Award for Excellence in Public Service

Chair Murphy provided an overview of the Governor James E. Holshouser, Jr. Award for Excellence in Public Service. In 2007, the Board established the award specifically to encourage, identify, recognize, and reward public service by faculty of the UNC System. Now in its 17th year, this award recognizes a faculty member for their contribution to advancing public service and outreach throughout their communities and beyond. She noted that this award is a way of showing our appreciation to our faculty and our respect for what they do.

Chair Murphy thanked the Committee on Educational Planning, Policies, and Programs, chaired by Mr. Hutchens, who oversaw the award process. Mr. Hutchens appointed a subcommittee comprising Ms. Blue, Mr. Holton, Mrs. Nichols, and himself to identify recipients who best personify what the award represents. Chair Murphy thanked the Board members for their service and called on Mr. Hutchens to introduce this year’s recipient.

Mr. Hutchens stated it was a privilege to introduce the recipient of the 2024 Governor James E. Holshouser, Jr. Award for Excellence in Public Service. After consideration of many qualified nominees, the committee unanimously agreed one applicant was the perfect choice for this year’s award. The Board recognized Dr. Angela Lamson, the Nancy W. Darden Distinguished Professor in the Department of Human Development and Family Science at East Carolina University. Mr. Hutchens recognized Dr. Lamson’s distinguished guests and family members in attendance. Following a video presentation highlighting the scope of her work and achievements, President Peter Hans presented her with an engraved bronze medallion. For a profile of the recipient’s achievements, please see APPENDIX A.

Chair’s Report

Chair Murphy spoke of the importance of the University’s governance structure of strong central authority over policy and budgets. This governance structure has served the University well since its consolidation in 1971. She spoke of the many accomplishments of the Board since she joined in 2017. These items include enacting plans to help adult and military students enroll, improving strategies around student admissions and transfers, and placing college affordability at the center of our work, as well as prioritizing the repair of old buildings over the construction of new ones. She is very proud of the investment in the future of our children by instructing our schools to update reading methods and include the science of reading in all courses for future teachers. She stated the System’s governance structure is very clear, and going forward, all Board policies must be executed “thoroughly, efficiently, and effectively — and not require repeated interventions by the Board and the System Office.” She then called on President Hans for his report. President Hans indicated he would report during the Committee on University Personnel’s time slot.

Consent Agenda Items

Chair Murphy referred to the consent agenda items listed as Item 6 on the day’s agenda and asked if any items should be removed for discussion. There were none. Chair Murphy entertained a motion to approve the consent agenda items. The motion was properly seconded, and the motion passed.

Minutes

- a. Minutes (Open) of January 30, 2025

Committee on Budget and Finance

- b. Remarketing of Special Obligation Bonds — University of North Carolina at Chapel Hill APPENDIX B
- c. Capital Improvement Projects APPENDIX C
- d. Expansion of Millennial Campus — ECU APPENDIX D

Committee on Educational Planning, Policies, and Programs

- e. UNC System Academic Degree Program Actions APPENDIX E

Committee on University Personnel

- f. Section 200.4 of the UNC Policy Manual, *Assessment Process for the Chief Executive and Governing Boards of The University of North Carolina* (amend) (approved January 29, 2025) APPENDIX F
- g. Section 200.6 of the UNC Policy Manual, *Policy on Delegation of Authority to the President* (amend) (approved January 29, 2025) APPENDIX G

Committee on University Governance

- h. Section 700.4.4 of the UNC Policy Manual, *Policy on Campus Gatherings & Related Student Conduct Matters* (adopt) (approved January 29, 2025) APPENDIX H

Committee on Audit, Risk Management, and Compliance

- i. CARMC Charter and Internal Audit Committee Charter Updates APPENDIX I

Report of the Committee on Budget and Finance

Mr. Bradley, chair of the committee, reported the committee received information on the final 2025-26 tuition proposals submitted by the institutions. The committee recommended no tuition increase for resident undergraduate students. Several institutions requested nonresident undergraduate tuition increases as well as graduate and professional school tuition increases.

Motion: Resolved, that on behalf of the Committee on Budget and Finance, I move that the Board of Governors approve the proposed 2025-26 Tuition Resolution (see APPENDIX J).

Motion: Mr. Bradley

Motion carried

Next, the committee reviewed revised 2025-26 fee proposals. All increase proposals were accompanied by an expenditure plan showing how the additional revenues are critically important for the fee-supported activity, including a description of why alternative sources or expenditure reductions are insufficient for addressing the needs of the fee-supported activity. Decrease proposals described the impacts of the reduced revenues.

Motion: Resolved, that on behalf of the Committee on Budget and Finance, I move that the Board of Governors approve the proposed 2025-26 Fee Resolution (see APPENDIX K).

Motion: Mr. Bradley

Motion carried

The committee received a presentation by Ms. Jennifer Haygood, senior vice president and chief financial officer, and Mr. J.J. Brown, Appalachian State University's vice chancellor of student affairs, on its proposed App 105 student housing project. This item was for information only.

The committee also reviewed and approved three transactional items that were included on the consent agenda that the Board just approved:

- Authorization for remarketing of special obligation bonds for UNC-Chapel Hill;
- Authorization of nine new capital projects at five institutions and one increased authorization at one institution; and
- Authorization for the expansion of ECU's Millennial Campus.

Immediately following, the committee met jointly with the Committee on Military and Public Affairs to consider and approve the 2025-27 operating and capital budget priorities, non-budget priorities, the 2025-26 self-liquidating capital improvement projects for the UNC System, and the federal policy priorities.

Motion: Resolved, that on behalf of both Committees on Budget and Finance and Military and Public Affairs, I move that the Board of Governors approve the proposed 2025-27 Operating Budget Priorities. (see APPENDIX L).

Motion: Mr. Bradley

Motion carried

Motion: Resolved, that on behalf of both Committees on Budget and Finance and Military and Public Affairs, I move that the Board of Governors approve the proposed 2025-27 Capital Budget Priorities. (see APPENDIX M).

Motion: Mr. Bradley

Motion carried

The committees also recommend for approval the 2025-26 Self-Liquidating Capital Improvement Projects requesting four projects requiring total debt authority of \$187.6 million.

Motion: Resolved, that on behalf of both Committees on Budget and Finance and Military and Public Affairs, I move that the Board of Governors approve the proposed 2025-26 Self-Liquidating Capital Improvement Projects. (see APPENDIX N).

Motion: Mr. Bradley

Motion carried

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

Mr. Hutchens, chair of the committee, stated the Committee on Educational Planning, Policies, and Programs approved seven new academic degree program establishments and three academic degree program discontinuations that were submitted to the Board through the consent agenda. Dr. David English, senior vice president, provided an update on academic affairs across the UNC System including continued efforts to support our institutions and their communities post-Hurricane Helene. The General Assembly generously allocated \$5 million to the UNC Board of Governors to provide financial assistance to students affected by Hurricane Helene. Over 4,100 scholarships were awarded, providing grants of up to \$2,500 per eligible student, with the majority being used to cover living expenses and tuition assistance. He also reported that University of North Carolina at Charlotte recently hosted the third annual financial literacy symposium, as well as the UNC System Transfer Convening. The committee also heard updates on FAFSA and the Next NC Scholarship. Mr. Hutchens also stated Ms. Michelle Bolas, executive vice president and chief innovation officer from NCInnovation, joined the committee to discuss the aims and successes of NCInnovation. He then introduced Mr. Wade Maki, Faculty Assembly chair, for his report.

Mr. Maki spoke on the core principle of work, academic freedom, and how to protect it. He talked about the “elephant in the room” — diversity, equity, and inclusion — and how his team is prepared to discuss these issues. He said that clarity and consistency are needed to help students survive the shifting political winds. He invited all Board members to visit classes at institutions and thanked them for all they are doing. Chair Murphy thanked Mr. Maki for his report.

Chair Murphy then called on Mr. Fraley, who serves on the myFutureNC board of directors. He gave a brief update on the project and pointed out the 2025 North Carolina’s State of Educational Attainment Report that was included in the Board’s materials. He asked that all Board members please read the annual report that was provided to the legislature.

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

Mr. Holton, chair of the committee, reported that the committee received informational updates regarding ongoing audit, risk management, and compliance activities. Topics covered included purchase card regulations, updated committee and internal audit charters, audit reports issued by the Office of the State Auditor, summary of the UNC System FY25 annual audit activities, and cybersecurity partnerships. Mr. Holton said President Hans provided an update on the regulation regarding purchase card usage. Ms. Jennifer Myers, chief audit officer, presented the revised and updated charters for internal audit and CARMC. She also presented on the audit reports issued by the Office of the State Auditor. The Office of the State Auditor has released 13 financial statement audit reports related to the UNC System for the period that ended on June 30, 2024. No audit issues were found for the 13 institutions that have completed their reports. Mr. Chris Beal, chief information security officer at the Microelectronics Center of North Carolina (MCNC), presented on the cybersecurity partnership between MCNC and UNC System institutions. The System is far more resilient on cybersecurity because of this partnership. Chair Murphy called on Mr. Clark for the report from the Committee on Military and Public Affairs.

Report of the Committee on Military and Public Affairs

Mr. Clark, chair of the committee, stated that the Committee on Budget and Finance and the Committee on Military and Public Affairs held a joint committee meeting the day before to discuss the state and federal budgets and legislative priorities for the 2025 long session at the North Carolina General Assembly and the 119th Congress. Mr. Bart Goodson, senior vice president for government relations, provided a recap to the committees on the 2025 long session non-budget legislative proposal. A vote was taken and the proposal was unanimously approved by the committee.

Motion: Resolved, that on behalf of both Committees on Budget and Finance and Military and Public Affairs, I move that the Board of Governors approve the 2025 Legislative Long Session Non-Budget Legislative Proposal. (APPENDIX O)

Motion: Mr. Clark

Motion carried

Mr. Goodson also provided a recap to the committees on the University of North Carolina System Federal Policy Priorities for the 119th Congress. A vote was taken and the committee unanimously approved the policy priorities.

Motion: Resolved, that on behalf of both Committees on Budget and Finance and Military and Public Affairs, I move that the Board of Governors approve the UNC Federal Policy Priorities for the 119th Congress. (APPENDIX P)

Motion: Mr. Clark

Motion carried

Report of the Committee on Strategic Initiatives

Mr. Ford, chair of the committee, reported that the committee received its annual update on Project Kitty Hawk (PKH). Dr. Andrew Kelly, chief executive officer of the organization, provided several updates. This past December, the first graduates of their programs completed their degrees at North Carolina Central University and ECU. Dr. Kelly also reported on the reenrollment program, stating that the program has brought over 3,500 students back to the UNC System resulting in an estimated \$22.9 million in tuition and appropriation revenue to the institutions. Ms. Raé Williams, chief financial officer of PKH, provided a financial update including their plan for self-sustainability. The committee also heard from the chancellors of each of the three inaugural partners: Chancellor Karrie Dixon, Chancellor Philip Rogers, and Interim Chancellor Heather Norris. An update was also provided about the recent launch of the Customized Education Services and new partnership with UNC-

Chapel Hill. Mr. Ford stated he looks forward to the continued success of PKH and supporting the adult learners across the state.

Recognition of Norma Houston

Chair Murphy reported that this Board meeting serves as the last one for Mrs. Norma Houston, outgoing chief of staff. She stated that Mrs. Houston has been a dedicated leader, colleague, and friend to all of us. She called on members of the senior leadership team to read the resolution honoring Mrs. Houston for her exemplary career and service.

Motion: Resolved, that on behalf of the Board of Governors, I move that the Board of Governors approve the resolution honoring Mrs. Norma Reid Houston. (APPENDIX Q)

Motion: Mrs. Murphy

Motion carried

Mrs. Nichols also recognized the support of Mr. John Houston, Mrs. Houston's husband, also in attendance. Mrs. Houston stated that no one does the job alone, and the role requires strong leadership. The decisions made impact real people, and she thanked President Hans for the opportunity to serve under his leadership.

Chair Murphy called on Secretary Burris-Floyd for a motion to go into closed session.

Secretary Burris-Floyd offered the following motion.

Motion: Resolved, that the Board go into closed session pursuant to N.C. General Statutes §143-318.11(a)(1), (2), (3), for the purposes stated in the written motion that was included in the meeting materials, which have been publicly noticed (see APPENDIX R). The motion was properly seconded.

Motion: Pearl Burris-Floyd

Motion carried

The Board went into closed session at 11:11 a.m. and returned to open session at 12:03 p.m.

Chair Murphy called on Mrs. Coward for the open chair report of the Committee on University Personnel.

Report of the Committee on University Personnel

Mrs. Coward stated that in closed session earlier that day, President Hans presented his nominee for the next chancellor of Appalachian State University. The Committee on University Personnel voted to accept President Hans' recommendation and submit his nominee and proposed terms of appointment to the full Board. She invited President Hans to give his remarks.

President's Report

President Hans stated it is his pleasure to nominate Dr. Heather Norris as the next chancellor of Appalachian State University. He said she knows the university from top to bottom, and her service as interim chancellor was nothing short of exemplary. He noted her steady and healing presence during the aftermath of Hurricane Helene, by witnessing her heart and strength from the shared ordeal. He mentioned her confident approach to leadership, saying she is open to all and willing to serve all. He recognized her financial expertise, stating her dedication to unity, rigor, and shared purpose of excellence will serve the campus well. She is the perfect leader

to serve the unique and special mountain community that is App State. He thanked the search advisory committee for its work, noting Mrs. Deanna Ballard, chair of the committee, for her leadership. (APPENDIX S)

Motion: Resolved, that on behalf of the Board of Governors, I move that the Board of Governors vote to elect Dr. Heather Norris as chancellor of Appalachian State University.

Motion: Mrs. Coward

Motion carried

There being no further business and without objection, the meeting adjourned at 12:13 p.m. The next meeting of the Board of Governors is scheduled for Thursday, April 10, 2025, at the System Office in Raleigh, NC.

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	2024 Holshouser Award Winner Recipient
Appendix B	Remarketing of Special Obligation Bonds-UNC-Chapel Hill
Appendix C	Capital Improvement Projects
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Appendix E	UNC System Academic Degree Program Actions
Appendix F	Section 200.4 of the UNC Policy Manual
Appendix G	Section 200.6 of the UNC Policy Manual
Appendix H	Section 700.4.4 of the UNC Policy Manual
Appendix I	CARMC Charter and Internal Audit Updates
Appendix J	Authorization of 2025-26 Tuition
Appendix K	Authorization of 2025-26 Fees
Appendix L	2025-27 Operation Budget Priorities
Appendix M	2025-27 Capital Budget Priorities
Appendix N	2025-26 Self-Liquidating CI Priorities
Appendix O	Approval of Non-Budget Legislative Priorities
Appendix P	Approval of Federal Policy Priorities
Appendix Q	Norma Houston Resolution
Appendix R	Full Board Closed Motion
Appendix S	President Hans' Report