

BOARD OF TRUSTEES MEETING
The University of North Carolina at Chapel Hill

The Board of Trustees met in regular session on Thursday, November 21, 2013, at The Carolina Inn, Hill Ballroom, North & Central, at 8:03 a.m. Chair Caudill presided.

ROLL CALL

Assistant Secretary Erin Schuettepelz called the roll and the following members were present:

W. Lowry Caudill, Chair	Donald Williams Curtis
J. Alston Gardner, Vice Chair	Charles G. Duckett
Sallie Shuping-Russell, Secretary	Kelly Matthews Hopkins
Jefferson W. Brown	Steven J. Lerner
Phillip L. Clay	Dwight D. Stone
W. Lowry Caudill	Christopher David McCartney Lambden
Haywood D. Cochrane	

Chair Caudill read the following statement regarding the State Government Ethics Act:
"As Chair of the Board of Trustees, it is my responsibility to remind all members of the Board of their duty under the State Government Ethics Act to avoid conflicts of interest and appearances of conflict of interest as required by this Act. Each member has received the agenda and related information for this Board of Trustees' meeting. If any Board member knows of any conflict of interest or appearance of conflict with respect to any matter coming before the Board of Trustees at this meeting, the conflict or appearance of conflict should be identified at this time."

CONSENT AGENDA

Approval of Minutes and Mail Ballots

On motion of Mr. Stone and duly seconded, the minutes of the meeting of September 23, 2013, were approved as distributed; as was the ratification of mail ballots dated October 17 and November 4, 2013.

(ATTACHMENT A)

CHAIR'S REMARKS

Chair Caudill then commented on the following:

- **William Richardson Davie Awards Dinner.** The trustees attended the William Richardson Davie Award Dinner last evening. This award is the highest honor the Board of Trustees can bestow for extraordinary service to the University or to society. The honorees included David Frey of Grand Rapids, Michigan; Karol Mason of Washington, DC; Dr. Hugh "Chip" McAllister Jr. of Houston, Texas; and Roger Perry of Chapel Hill, NC. Special acknowledgements were made to Trustees Curtis, Gardner, Shuping Russell and Clay for their help in introducing these honorees.
- **UNC System Board of Trustees Orientation and Training.** Recently, UNC President Tom Ross and Board of Governors' Chair Peter Hans convened the trustees from all 17 system campuses at the Hunt Library at NCSU for a day of orientation and training. The day provided a wonderful opportunity to network with our colleagues and to see first-hand what the leadership at other institutions are doing to advance public higher education.

- **Vice Chancellor Search Committees.** Chair Caudill expressed the board's appreciation to Trustee Steve Lerner for serving as co-chair of the committee that successfully complete the search that selected Joel Curran as the new vice chancellor for communications and public affairs. The board looks forward to welcoming Mr. Curran during the January 2014 meeting.
- **Chancellor Folt's Leadership Transition.** Chair Caudill praised Chancellor Folt's ongoing progress with the leadership transition, noting the recent appointments of Vice Chancellor Curran, Vice Chancellor Routh and Provost Dean. He went on to congratulate her on the historic University Day weekend which feature Chancellor Folt's inauguration.

[A copy of Chair Caudill's remarks is located in the Office of the Assistant Secretary.]

Sallie Shuping-Russell presents a resolution acknowledging Vice Chancellor Brenda Malone's service to UNC. Ms. Malone is resigning from her position as vice chancellor for human resources in December 2013.

**RESOLUTION OF APPRECIATION FOR
VICE CHANCELLOR FOR HUMAN RESOURCES
BRENDA RICHARDSON MALONE**

WHEREAS, Brenda Richardson Malone has served as vice chancellor for human resources since 2007, bringing a wealth of experience in that field and labor relations to her responsibilities at the University of North Carolina;

WHEREAS, Vice Chancellor Malone addressed a variety of workforce-related issues in her tenure, including multiple-year state budget cuts, the Bain & Company operational efficiency study, and a new organizational structure for the delivery of human resource services across campus;

WHEREAS, Vice Chancellor Malone led the effort to make major improvements in Housekeeping Services; and re-designed supervisory and leadership development programs, including the University Leadership Education and Development Program (ULEAD) for emerging leaders and a new supervisory development program;

WHEREAS, Vice Chancellor Malone recently assumed additional duties as interim director of the Equal Opportunity/ADA Office; and then led the University's efforts to hire a new Title IX Compliance Coordinator and helped develop plans to create two positions in this key area;

WHEREAS, Vice Chancellor Malone helped the Trustees to be more effective by her thorough explanation of critical issues, creative approaches to new challenges and invaluable historical memory;

NOW THEREFORE BE IT RESOLVED that members of the Board of Trustees of the University of North Carolina at Chapel Hill express their great appreciation for Vice Chancellor Malone's outstanding service and wish her the very best in her new endeavors at Georgetown University.

Trustee Clay made the motion to approve the resolution; Trustee Lambden seconded, and all present rose to applaud Ms. Malone.

STUDENT BODY PRESIDENT'S REMARKS

Mr. Lambden spoke about:

- Update on the Title IX Task Force
- Proposed tuition and fee increases, including an urging of the Board of Trustees to work to repeal the legislatively mandated 12.3% tuition increase for non-resident students in 2014-2015.
- Continued disappointment in the drop/add policy from the UNC Board of Governors
[A copy of Mr. Lambden's remarks is located in the Office of the Assistant Secretary.]

CHANCELLOR'S REMARKS

Chancellor Folt spoke about the following:

- Thanked everyone for a wonderful University Day installation weekend.
- Acknowledged the trustees for their continued support.
- Thanked Student Body President Christy Lambden and Vice Chancellor for Student Affairs Winston Crisp for the many student introductions they have arranged; the General Alumni Association for the great outreach events she has attended; and the senior leadership and faculty advisory groups for their advice and commitment.
- Acknowledged that Coach Dean Smith was being presented the Presidential Medal of Honor this very day and thanked him for his exceptional leadership at Carolina over the last 50 years.
- Welcomed new vice chancellors David Routh and Joel Curran.
- Expressed her gratitude to Brenda Malone.
- Acknowledged the work of the development and communications staff for maintaining such excellence through the transition.
- Mentioned her participation at the recent meetings of the APLU and AAU.
- Acknowledged Vice Chancellor for Research Barbara Entwisle for the quality of research being performed here at Carolina and helping to address funding issues that are at the forefront of our successes.
- Access and affordability are also important issues for our campus. High school advisors are encouraging their student's interest in college in many of North Carolina's rural communities. Steve Farmer and Shirley Ort are working very hard to support those advisors and assist interested students in achieving the goal of a college education.
- Carolina has a 3-prong commitment to the campus community and the state: excellence, public service, and access/affordability.
- Encouraged everyone to read the highlights on the UNC webpage daily; there are amazing things happening here. She mentioned that she wanted to know how many research papers and books had been published since July 1, 2013 by members of our students, staff or faculty.

TUITION AND FEES PROPOSALS

Trustee Shuping-Russell called upon Jim Dean, Executive Vice Chancellor and Provost, to present recommendations from the tuition and fees advisory task force. Based on the deliberations of the Task Force, the proposed 2014-2015 tuition increase is as follows:

- Resident Undergraduate- \$0 under the guidance from UNC General Administration
- Non-Resident Undergraduate- \$3,469, a statutory increase equaling 12.3%
- Resident Graduate- \$350, a 4.2% increase
- Non-Resident Graduate- \$350, a 1.4% increase

School-based tuition increases will be implemented in a number of schools and there are no prohibitions imposed by the Board of Governors. Provost Dean concluded his remarks by explaining the decision to add a night-time parking fee to all students (except freshman) of \$10.40. This fee assessment was approved by the student government, as opposed to charging only those who parked \$277 a year in fees.

Recent discussions have included the possibility of retaining part of our tuition. At the present time, all the tuition funds go directly to the NC Treasurer for disbursement by the state legislature. We must work diligently to have undergraduate tuition regulations changed to ensure faculty retention and to supplement the \$4.6 million dollars it will take to balance the 12.3% non-resident undergraduate tuition increase for those receiving student aid. Currently the tuition at Carolina is in the 25 percentile range of our peer institutions and we would like for it to stay there.

Trustee Shuping-Russell was a member of the committee that reviewed and designed the 5-year tuition plan. It is clear to her that the plan is in need of revisions.

Shuping-Russell moved to approve the tuition and fees proposal as set forth by the Tuition Task Force Advisory. The motion was duly seconded and it carried.

A copy of the PowerPoint presentation is located at: www.unc.edu/depts/trustees/
A copy of the presentation is also filed in the Office of the Assistant Secretary.

CAROLINA BEATS

As part of Chancellor Folt's plan to highlight the amazing innovations that are impacting our campus and the state, she introduces Mark Katz, professor and chair of the department of music as well as adjunct professor in the Department of Communication Studies in the College of Arts and Sciences. In 2011 he received an Innovation Grant from our Institute for the Arts and Humanities to expand the scope and reach of how we teach music on our campus. One result of this grant was the creation of a new course, "Beat Making Lab," which is the focus of his presentation.

Professor Katz stated that most musicians cannot read music, although classical notation is required in Carolina's music program. The Carolina Beats Academy was designed to bring music education to ALL students. The lab for Carolina Beats is located in the basement of the US Post Office on Franklin Street. He then played a video highlighting the growth of this idea. The innovation has expanded internationally to include Congo Beats and Carolina Beats programming is being supported by Public Broadcasting Systems (PBS). The program teaches the students innovation through what the program has brought to the students and uses music to teach entrepreneurship and conflict resolution with emphasis on professionalism and resourcefulness. It also provides social engagement, collaborations, and connections to local and international communities while encouraging peaceful self-expression. Dr. Katz was awarded a \$1 million grant for the advancement of his music research. For more information on Carolina Beats go to www.beatmakinglab.com.

[A copy of Professor Katz's presentation is available at www.unc.edu/trustees/]

Chairman Caudill asked that the committee take a 15-minute break before hearing from the next guests. At this time, the Chancellor and Chairman of the Board were available to the media for comment.

CAMPUS Y AND TEDxUNC

Vice Chancellor Winston Crisp introduced Cora Went and Natalie Borrego, co-chairs of the Campus Y who provided a brief overview of the activities supported by the Campus Y Center for Social Justice. The Campus Y is one of over 700 student organizations on our campus and has achieved 150 years of service. The organization has 30 student-led local and global committees, 14 of which are anchored in the Chapel Hill/Carrboro area; as well as 12 community partners for the Bonner Leaders Program. The primary objectives of the organization:

- Serving the State of North Carolina
- Developing Student Capacity
- Converging Approaches and Disciplines

They are committed to upholding the university's legacy as the first public institution, complementing breadth and depth with practice, and taking interdisciplinary approaches to the world's greatest challenges.

[A copy of the presentation is available at www.unc.edu/trustees]

Vice Chancellor Winston Crisp then introduced the student representatives from TEDxUNC. Chex Yu, Julia Ramos and Cameron Kneib provided the committee with an introduction to TEDxUNC, a student-organized TED event. The annual conference brings innovative speakers from across the University and larger community to explore ideas for the future. Next semester will mark the third year of the conference. TED events seek to spread innovative ideas in technology, entertainment and design "from music to science, from art to activism." Recently, 1400 tickets to the event sold out in 17 minutes.

[A copy of the presentation is available at www.unc.edu/trustees]

The trustees expressed their appreciation for the great work being done by other these student organizations.

INNOVATION IN THE SCHOOL OF NURSING

Dr. Cheryl Jones introduces Dr. Cheryl Giscombe from the School of Nursing who has been studying the impact of "superwoman schema" and how incredible stress leads to declining health and increased risks like obesity and diabetes, especially among black women. Dr. Giscombe is a graduate of the NC School of Science and Math with a BA from NC Central University and her masters from Carolina. She also received her BSN at Stony Brook University as well as her MA and PhD degrees in social and health psychology. She has successfully bridged the disciplines of psychology and nursing. Among her many awards, Dr. Giscombe was among 12 faculty nationwide selected as Robert Wood Johnson Foundation Nurse Faculty Scholars.

Dr. Giscombe grew up in Roxboro, NC where her father worked as a dentist with under-served populations. Public service has always been important to her and something she has participated in throughout her education. Her research began with health disparities and stress effects on low birth weights. She soon discovered that low birth weights among black women are related more to stress as opposed to race. The superwoman schema involves commitment to succeed, be undaunted, put others needs ahead of our own, and suppress emotions. Her research is helping to develop culturally relevant interventions to reduce the health risks among these women.

Chairman Caudill thanked both Professor Katz and Dr. Giscombe for their impressive innovative research.

REPORT OF THE FINANCE AND INFRASTRUCTURE COMMITTEE

Trustee Shuping-Russell presented the report from the Finance and Infrastructure Committee. The items requiring action by the board on property acquisitions and dispositions, and the annual endowment fund report were reviewed. A motion to approve these items was made by Trustee Russell, seconded by Trustee Clay, and the action carried. Ms. Russell then briefly reviewed the information only items presented at the committee meeting (please refer to the Finance & Infrastructure Committee minutes dated November 20, 2013).

REPORT OF THE UNIVERSITY AFFAIRS COMMITTEE

Trustee Gardner, committee chair, presented the report from the University Affairs Committee that included remarks from the vice chancellor for student affairs, faculty chair, Employee Forum chair, GPSF president, and the provost. Steve Farmer, Vice Provost for Enrollment and Undergraduate Admissions made a presentation to the committee covering the Price Study on tuition. Mr. Gardner stated that the study analysis included tuition cost impact on enrollment decisions. UNC wants the best North Carolina has to offer to both resident and non-resident students, as well as the availability of financial aid. Tuition costs impacts the quality of our students our faculty. Price provided great research with which we can ground our tuition decisions moving forward.

Matt Brody, Associate Vice Chancellor for Human Resources and Dwayne Pinkney, Vice Provost for Finance and Academic Planning also appeared before the University Affairs Committee to review the UNC-Chapel Hill Annual Management Flexibility Survey/Report which is presented to UNC System General Administration. The report consists of 235 pages of summary regarding personnel actions in response to the Board of Governors' agreement with UNC on "management flexibility to appoint and fix compensation."

REPORT OF THE EXTERNAL RELATIONS COMMITTEE

Committee Chair Donald Curtis presented the report from the External Relations Committee. Mr. Todd Boyette, Director of the Morehead Planetarium and Science Center provided highlights on the goals and achievements of the Center which was very impressive. A copy of the presentation is available at www.unc.edu/trustees.

The fundraising report was presented by David Routh, Vice Chancellor for Development. Details of that report are available in the committee minutes of November 20, 2013 and at www.unc.edu/trustees.

The action items regarding Distinguished Alumni Awards and Honorary Degrees will be reviewed during the board's closed session.

REPORT FROM THE COMMITTEE ON INNOVATION AND IMPACT

The agenda for this committee was centered on commercialization at UNC-Chapel Hill. Chair Phil Clay briefed the board with the following highlights:

- Commercialization Task Force Survey Results
 - Faculty is deeply committed to using their research to solve problems.
 - Major concerns are time constraints and the lack of resources for making the leap to commercializing.
 - Realizing rewards for their work.

Rather than there being a lack of resources, it was determined that faculty members are unaware of campus resources and how to access them. The benefit to society and personal financial conditions are clear motivators for the commercialization of campus research and innovations. More detail may be found in the committee minutes dated November 20, 2013.

In January, the committee will focus on industrial relations. There were no action items to be reviewed by the board.

MOTION TO CONVENE IN CLOSED SESSION

On motion of Secretary Shuping-Russell, and duly seconded, the Board voted to convene in closed session pursuant to North Carolina General Statutes Section 143-318.11 (a) (1) (to prevent the disclosure of privileged information under Section 126-22 and the following); and also pursuant to Section 143-318.11 (a) (2), (3), (5), and (6).

CLOSED SESSION

REPORT OF THE EXTERNAL RELATIONS COMMITTEE

Report of the Committee on Honorary Degrees & Special Awards

Committee Chair Donald Curtis moved approval of the nominees for Distinguished Alumna/Alumnus Awards to be presented on University Day, October 12, 2014. All nominees were previously presented and approved by the committee. The motion was seconded and it carried. [A copy of the Report of the Committee on Honorary Degrees & Special Awards is filed in the Office of the Assistant Secretary.]

Curtis moved approval of the nominees for Honorary Degrees presented by the Faculty Council which included the May 2014 commencement speaker. These awards will all be made during commencement. The motion was seconded and it carried. [A copy of the nomination letter is filed with the Office of the Assistant Secretary.]

Honorary Degree Candidate Selection

David Routh discussed the call for an Honorary Degree to be conferred at May Commencement 2015. In consideration of the recent transitions, the board agreed to allow consideration of this item at the January 2014 meeting.

LEGAL ADVICE

Vice Chancellor and General Counsel Leslie Strohm advised the Board on several legal matters.

DEEP CLOSED SESSION

Chair Caudill convened the Board in Executive Closed Session to discuss legal and personnel matters.

RECONVENE MEETING IN OPEN SESSION

Chair Caudill reconvened the meeting in open session.

OPEN SESSION

REPORT OF THE UNIVERSITY AFFAIRS COMMITTEE

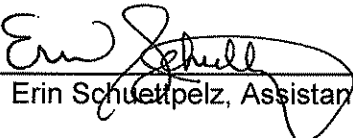
Committee Chair Alston Gardner referred the members to the personnel matters submitted for review. A motion to approve the actions came from Trustee Stone, was seconded by Trustee Lerner, and passed.

(ATTACHMENT B)

Chair Caudill stated that the personnel and salary actions voted on in open session have been distributed.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 2:02 p.m.


Erin Schuettpelz, Assistant Secretary