

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

The Board of Trustees met in regular session on Wednesday, January 23, 2008, at The Carolina Inn, Chancellor Ballroom West, at 5:03 p.m. Chair Perry presided.

**ROLL CALL**

Assistant Secretary Brenda Kirby called the roll and the following members were present:

Roger L. Perry, Sr., Chair	J. Alston Gardner
Karol V. Mason, Vice Chair	Barbara R. Hyde
Russell M. Carter, Secretary	Sallie Shuping Russell
Eve M. Carson	Nelson Schwab III
John G. B. Ellison, Jr.	A. Donald Stallings
Paul Fulton	Robert W. Winston

Phillip L. Clay was absent.

Chair Perry opened the meeting by reading 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.”

**REPORT OF THE BUILDINGS AND GROUNDS COMMITTEE**

Mr. Winston, Committee Chair, reported that the Buildings and Grounds Committee had not heard the following item in committee. He requested the committee to vote on the item followed by a Full Board vote.

• **Design Approval- UNC Health Care System and School of Medicine Master Facility Plan.** The 2006 General Assembly appropriated \$3 M to the UNC Health Care System to fund a master facility plan for its and the School of Medicine’s future clinical, research, and educational needs.

The master facility plan outlines a concept to address the needs of the UNC Health Care System and School of Medicine through new construction and redevelopment of existing facilities in a phased approach over the next 10 years. The plan incorporates concepts consistent with the Campus Master Plan, such as a new bed tower between the hospital and the parking decks, and expansion research and educational facilities for the School of Medicine. It also includes some new concepts, such as a new Patient Access Center located in front of the hospital.

**Committee Action-** Mr. Schwab moved approval of the item. Mr. Stallings seconded the motion and it carried.

**Full Board Action-** Mr. Winston moved ratification by the Board of the item. The motion was duly seconded and it carried.

(ATTACHMENT A)

A copy of the PowerPoint presentation is located at: [www.unc.edu/depts/trustees/](http://www.unc.edu/depts/trustees/)

A copy of the presentation is also filed in the Office of the Assistant Secretary.

Ms. Wu presented the following items for information only (no formal action was requested at this time).

• **Preliminary Design Review- Innovation Center.** This project consists of an 85,000 SF building to house wet and dry laboratory space, office space, amenities, and technical and business development resources needed to successfully identify, evaluate, launch, capitalize, and manage new companies across many different areas of technology represented within the University's research programs. It will include space for the University's Office of Technology Development. The building will be constructed and operated by Alexandria Real Estate Equities pursuant to a lease arrangement previously approved by the Board of Trustees. The project budget is \$20 M with funding from Alexandria Real Estate Equities. The design has been reviewed by the Design Review Committee.

This item generated quite a bit of discussion. Mr. Winston told the Board that the committee liked the initial concept for the landscaping and overall site plan however; they felt that the building needs a more dramatic look. The Board agreed with the committee, and decided that coming up with design guidelines for Carolina North would be a great idea.

(ATTACHMENT B)

A copy of the PowerPoint presentation is located at: [www.unc.edu/depts/trustees/](http://www.unc.edu/depts/trustees/)

A copy of the presentation is also filed in the Office of the Assistant Secretary.

• **Preliminary Design Review- Bell Tower Parking Deck.** This project constructs a 710 car parking deck in the Bell Tower area and provides pedestrian connections from the parking deck to the new central park and Medical Drive. The project budget is \$28.4 M with funding from Parking receipts. The design has been reviewed by the Design Review Committee.

(ATTACHMENT C)

A copy of the PowerPoint presentation is located at: [www.unc.edu/depts/trustees/](http://www.unc.edu/depts/trustees/)

A copy of the presentation is also filed in the Office of the Assistant Secretary.

• **Preliminary Design Review- Carrboro Fire Station No. 2.** This project provides the design and construction of a new Fire Station No. 2 for the Town of Carrboro on Homestead Road on property leased from the University. The 9,000 SF building will house equipment, four fire fighters and satellite work space for Carrboro police. The project budget is \$2.8 M with funding from the Town of Carrboro.

(ATTACHMENT D)

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A copy of the presentation is also filed in the Office of the Assistant Secretary.

Mr. Winston, Committee Chair, moved ratification by the Board of the following Level 1 items, which were previously approved by the committee. Ms. Shuping Russell seconded the motion and it carried.

• **Acquisition by Purchase: Property located at 130 Merritt Mill Road, Carrboro and Chapel Hill, NC.** Request to purchase a parcel of land containing approximately 8.44 acres located off of Merritt Mill Road which is strategically located adjacent to the University's railroad corridor. The majority of the property (7.55 acres) is located within the Town of Carrboro limits and approximately 1 acre is located within the Town of Chapel Hill limits.

The University has had a long held interest in acquiring this parcel for the purpose of locating additional spur lines which are necessary for the staging of rail cars that supply coal and materials to the University's Cogeneration Facility on Cameron Avenue. This acquisition will also enhance opportunities for alternate fuel delivery in the future. Acquisition of property along the railroad corridor has also been a goal in order to facilitate future long range plans for the addition of a passenger rail line and possibly a transit station in this area. The purchase price of \$3,500,000 is supported by the State Property Office through appraisal.

(ATTACHMENT E)

• **Designer Selection- Campus Historic Landscape Master Plan** for the historic quadrangles, McCorkle Place and Polk Place that will preserve, rediscover, and reaffirm the historic and botanical beauty of one of the most beautiful aspects of the University's landmark campus. The project budget is \$200K with funding from a Getty Campus Heritage Grant and the University. The interview committee recommended the selection of the three firms in the following priority order:

- Peter Lindsey Schaudt Chicago, IL
- Olin Partnership Philadelphia, PA
- Carol R. Johnson & Assoc. Boston, MA

The firm in the number one position, Peter Lindsey Schaudt, was selected because of the strength of its team and experience working on similar projects.

(ATTACHMENT F)

• **Designer Selection- Campus Health Services.** This project provides advance planning for a new expanded Campus Health Services Center to replace the existing James A. Taylor Building. Campus Health Services is a comprehensive ambulatory care center serving undergraduate and graduate/professional students, post-doctoral students and eligible spouses. The estimated project budget is \$40 M. The planning budget is \$2 M with funding from the Campus Health Services receipts. The interview committee recommended the selection of the three firms in the following priority order:

- Perkins Eastman Architects, PC Charlotte, NC
- Stanley Beaman & Sears Atlanta, GA
- BBH Design, PLLC Raleigh, NC

The firm in the number one position, Perkins Eastman Architects, PC, was recommended because of the strength of its team and its recent and relevant experience.

(ATTACHMENT G)

• **Designer Selection- Electrical Infrastructure Additions.** This project provides engineering services to design the medium voltage electrical infrastructure to support the Facilities Service's complex and the first phase of Carolina North development. The project budget is \$15 M with funding from Energy Services receipts. The interview committee recommended the selection of the three firms in the following priority order:

- RMF Engineering Durham, NC
- Affiliated Engineers East Chapel Hill, NC
- Wiley & Wilson Lynchburg, VA

The firm in the number one position, RMF Engineering, was selected because of the strength of its team and its experience working on similar projects.

(ATTACHMENT H)

• **Designer Selection- Strategic Demand Side Energy Plan.** This project provides engineering services to assess the potential for energy savings and conservation in campus buildings and develops a comprehensive Strategic Demand Side Energy Plan that will

include an energy efficiency business plan. The planning budget is \$200 K with funding from the University. The interview committee recommended the selection of the three firms in the following priority order:

- Affiliated Engineers, Inc. Madison, WI
- EMC Engineers, Inc. Raleigh, NC
- Sud Associates, P.A. Durham, NC

The firm in the number one position, Affiliated Engineers, Inc., was selected because of the strength of its team and its experience working on similar projects.

(ATTACHMENT I)

• **Acquisition by Lease: Odum Institute, Citizen Soldier Support Program** to lease approximately 2,100 SF of office space at a location to be determined. The proposed lease term is a two-year period commencing on April 1, 2008, or as soon thereafter as possible with a one one-year renewal option desired. The annual rental cost should not exceed \$49,950 per year or \$19.50 per SF in the initial year not including utilities and janitorial services. Annual increases in the initial lease and renewal option should not exceed 3%.

The National Demonstration Program for Citizen Soldier Support is a community-based effort designed to strengthen support for National Guard and Reserve families by building and reinforcing the capacity of civilian agencies, systems and resources to better serve them. The Citizen Soldier Support Program will be coordinated closely with existing military programs and officials.

(ATTACHMENT J)

• **Acquisition by Lease of Office Space for UNC-CH, Career Services** to continue to lease approximately 7,589 SF of office space at Granville Towers South, 2<sup>nd</sup> floor, University Square, Chapel Hill, Orange County, North Carolina, from US/GT, LLC for UNC-CH and Career Services during the renovation of Hanes Hall. The lease term is for a six month period commencing January 16, 2008, at a rental cost not to exceed \$73,992.75 per term or \$19.50 per SF including utilities, janitorial, local telephone service, internet and six parking spaces.

(ATTACHMENT K)

The following items were presented for information only (no formal action was requested at this time).

• **Semi-Annual Report on Capital Improvement Projects.**

(ATTACHMENT L)

• **Semi-Annual Report on Leases.**

(ATTACHMENT M)

• **Capital Program Update.**

A copy of the PowerPoint presentation is located at: [www.unc.edu/depts/trustees/](http://www.unc.edu/depts/trustees/)

A copy of the presentation is also filed in the Office of the Assistant Secretary.

• **Carolina North Update.** Mr. Winston updated the Board on the status of Carolina North. On Sunday, January 13, Dr. Evans, Chancellor Moeser, Trustee Perry, and others from the community met with the Town of Chapel Hill to discuss thoughts and ideas about Carolina North. Tonight, the staff will present more information about Carolina North and introduce the Innovation Center concept plan at the Chapel Hill Town Council Meeting.

**RECESS**

Chair Perry moved to recess the Board meeting at 6:11 p.m. The motion was duly seconded and carried.

### RECONVENE

Chair Perry reconvened the Board meeting at 8:05 a.m. on Thursday, January 24, 2008, at The Carolina Inn, Chancellor Ballroom East and West.

### ROLL CALL

Assistant Secretary Brenda Kirby called the roll. The roll was the same as on Wednesday, January 23, 2008.

### CONSENT AGENDA

#### Approval of Minutes

On motion of Ms. Mason, seconded by Mr. Ellison, the minutes of the regular meeting of November 14-15, 2007, were approved as distributed.

#### Ratification of Mail Ballot

On motion of Ms. Mason, seconded by Mr. Ellison, the following mail ballot dated November 26, 2007, was approved as distributed:

- Contract with Paul H. Davis, Jr.

(ATTACHMENT N)

On motion of Ms. Mason, seconded by Mr. Ellison, the following mail ballot dated December 10, 2007, was approved as distributed:

- Personnel changes for information, personnel changes in Academic Affairs, personnel changes in Health Affairs, tenured personnel actions, appointment of a Vice Chancellor, and deferred compensation form.

(ATTACHMENT O)

### CHAIR'S REMARKS

Chairman Perry began his remarks by recognizing the following people:

- **Charles Mercer**, the Board of Governors' new liaison to the University, succeeding Fred Mills. He is a partner of Nelson Mullins Riley & Scarborough in Raleigh and a Carolina alumnus.
- **Trustee Paul Fulton, Matt Kupec, and the Development Team** for their efforts with the Carolina First Campaign. With this campaign, UNC-Chapel Hill achieved the largest campaign of the South and the fifth largest in the history of higher education.
- **Chancellor Moeser for receiving the Martin Luther King Jr. Citizenship Award from the ML King University/Community Planning Corp.** The award, presented at the group's annual banquet on Sunday on campus, recognizes "enduring service to humanity by word and deed." The chancellor was cited for his contributions to North Carolina and Orange County in promoting diversity and increasing access for students to higher education. Among the achievements mentioned were the Carolina Covenant and the University's own diversity plan, developed and launched during the chancellor's tenure.

### CHANCELLOR'S REMARKS

Chancellor Moeser recognized the following individuals and their accomplishments:

- **Steve Zeisel**, Kenan Distinguished University Professor, in the Department of Nutrition. Steve was recently selected to receive the Osborne and Mendel Award from the American Society for Nutrition, this field's premier academic society. This award recognizes outstanding basic research in nutrition. He was also recognized last year by the American College of Nutrition with its lifetime achievement award.

• **Kate Torrey, director of the UNC Press; Jacquelyn Hall, director of the Southern Oral History Program; Richard Szary, associate University librarian for special collections; and Julius Chambers, director for the Center for Civil Rights in the law school** (who could not attend), are the principals in an exciting new project just funded with a nearly \$1 million grant from the Mellon Foundation. The three-year grant will support “Publishing the Long Civil Rights Movement,” a project that, through print and digital publications, will highlight a longstanding strength at this University: interdisciplinary civil rights scholarship. The foundation of the project was laid with Professor Hall’s essay, “The Long Civil Rights Movement and the Political Uses of the Past,” delivered as her presidential address to the National Organization of American Historians. That led to an eight-month collaboration resulting in the successful grant. This is a wonderful example of the kind of collaboration that makes this University so great.

• **Andy Johns**, Assistant Vice Chancellor for Research. Over the last three years, Andy has led efforts to develop new information systems designed to manage the University’s growing research enterprise, including grants, compliance, clinical trials and intellectual property. We have licensed these systems to four other UNC system campuses- Greensboro, Charlotte, A&T and Western Carolina- and are near completing agreements with Wilmington, Appalachian and East Carolina. General Administration will formally adopt our tools as the system’s standard. And we have licensed these systems to Ohio State and are nearing completion of a deal with the University of Tennessee system. We are in discussions or negotiations with at least three other major universities. The push to develop these innovative technology tools was driven by the growing success of our faculty’s research. We needed better information systems to remain competitive. Andy’s efforts have helped position us very well in this regard as a national leader.

• **Coach Karen Shelton**, coach of the women’s field hockey team. Coach Shelton just received two major honors earlier this month, recognizing her team’s recent national championship season as well as her remarkable career. At the National Field Hockey Coaches Association conference, Coach Shelton was named the 2007 Division I National Coach of the Year. On the same weekend, she was inducted into the association’s Hall of Fame for her career achievements. This is the fourth time that Karen has been the national coach of the year. Her 2007 team went 24-0 for the second undefeated season in program history, winning our fifth national championship.

Chancellor Moeser then reported on the following:

• **The Water Conservation Challenge.** Students living in campus housing are continuing to conserve, engaging in some friendly competition with their peers at N.C. State. Our two universities are competing in three categories. N.C. State is ahead in two of them, and we’re tied in the third. The goal is to lead in at least two of the three categories. The contest ends February 20<sup>th</sup> so we need our students to keep their focus on water conservation.

• **Peace Corps Rankings.** Carolina has moved up to 4<sup>th</sup> – up four spots – among major campuses producing the most Peace Corps volunteers. We follow Washington, Wisconsin and Colorado. And we are ahead of Michigan State and Michigan, tied for 5<sup>th</sup>, as well as Texas, Berkeley and Minnesota. Eighty-one of our undergraduate alumni are now serving our country through volunteer service in the Peace Corps.

• **Churchill Scholars.** Two of our students have been selected as Churchill scholars this year. This is the highest undergraduate award in science, given for study at Churchill College at Cambridge University. Thirteen students were selected in the United States. We are not aware of any other university with more than one winner.

• **Funding Methodology/Professional Schools.** I have asked Provost Gray-Little and Vice Chancellor Mann to conduct a study of the funding methodology that we use for the professional schools. The purpose is to create a more rational and understandable method

of allocating our internal funds for these schools. As this work progresses, we'll keep the board informed.

• **Carolina First Update.** Pharmacy Dean Bob Blouin announced the Eshelman capstone gift which provides a \$10 million gift with a \$10 million match. Chancellor Moeser announced that The Carolina First Campaign raised \$2.38 billion. The success of this campaign will be felt on this campus for years to come, and we owe a great deal of gratitude to Paul Fulton, Charlie Shaffer, Mike Overlock, and our outstanding volunteers and staff. Not only did we surpass our overall goal, but every professional school and unit exceeded individual goals as well. The \$2.38 billion raised included:

- \$419.5 million for faculty, including 208 new endowed professorships;
- \$345.2 million for students, including 577 new scholarships and 196 new fellowships;
- \$579.7 million for research;
- \$654.7 million for strategic initiatives; and
- \$184.2 million for facilities.

The campaign received contributions from more than 193,000 donors, ranging from current students to Dennis and Joan Gillings, who pledged \$50 million to support the School of Public Health. The campaign's single largest donor was the William R. Kenan Jr. Charitable Trust and related Kenan entities and family members. They combined to commit \$69.9 million.

Chancellor Moeser concluded his remarks by thanking the trustees for their support of the campaign.

### **STUDENT BODY PRESIDENT'S REMARKS**

Ms. Carson spoke about:

- Carolina Research Scholars Program
- Water conservation efforts
- Sustainability issues for Carolina North
- Carolina Dining services initiative to serve locally grown foods
- Homelessness Task Force
- Access Carolina- the face of Carolina

(A copy of Ms. Carson's remarks is filed in the Office of the Assistant Secretary)

### **GRADUATE STUDENT FUNDING**

Executive Vice Chancellor and Provost, Bernadette Gray-Little gave an overview about graduate student funding which included topics such as distribution of graduate students, types of financial support available to graduate students, financial support categories, criteria for stipend awards, and research assistantships. She went discussed the sources of revenue for graduate student funding, which includes "in-state" tuition awards, TA stipends, RA/Fellowship stipends, health insurance, loans and works study, grant support, and tuition remissions.

Holden Thorp, Dean of the School of Arts and Sciences, spoke about teaching assistantships. He reported on how we compare to our peers and relayed the concerns related to these teaching assistantships.

Linda Dykstra, Dean of the Graduate School, spoke about fellowships and traineeships. They are awarded by The Graduate School, academic departments, and outside agencies on a competitive basis which means there are typically no service expectations. She reported on the budget for these fellowships and traineeships, as well as how important private funding is for full fellowships. She also announced the creation of thirty new science and technology fellowships

that are being funded by the General Assembly with a match from The Graduate School and the Provost's Office.

Provost Gray-Little then spoke about support packages and tuition remissions for graduate students.

Shirley Ort, Associate Provost and Director, Office of Scholarships and Student Aid spoke about Financial Aid. She reported that thirty-eight percent of graduate students receive some type of financial aid and that loans account for seventy-six percent of aid for these students. A total of \$60.3 million was disbursed to graduate students by the Office of Scholarships and Student Aid in 2006-07.

Chair Perry summarized the discussion and challenged the Chancellor and the Provost to consider an annualized, recurring shift of resource allocation and priority to the Graduate School and graduate student support to make us more competitive from a resource availability standpoint. He also challenged them to raise the priority of private funding for graduate student funding and support. Chair Perry concluded his remarks by suggesting that we need to do independent and/or in-house studies of how competitive we are department by department.

(ATTACHMENT P)

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

#### **LEGISLATIVE UPDATE**

Chancellor Moeser presented the University's proposed strategic budget priorities for the 2008 General Assembly Session:

- **Faculty-** Academic salary increases (\$16.6 million recurring), President Bowles' retention fund (\$1 million recurring), and distinguished professorships (\$2 million recurring; \$4 million non-recurring) will ensure ongoing competitiveness. Our goal is to reach and maintain the 80<sup>th</sup> percentile with our peers.
- **Research-** Commercialization gap funding (\$10 million recurring), graduate student recruitment and retention (\$3 million recurring), and North Carolina Research Campus (Kannapolis) (\$9.5 million recurring; \$4.5 non-recurring) will also ensure ongoing competitiveness.
- **Engagement with the State-** Support initiatives in education (\$2.5 million recurring), health care (\$15 million recurring), economic transformation (\$2 million recurring), and campus safety planning (\$727,000 recurring; \$1,230,000 non-recurring).
- **Capital-** Fund repair and renovation; meet anticipated capital needs (Dentistry Building, School of Law/Carolina North Phase I, Research Imaging Facility, and Morehead Planetarium Renovation and Expansion).

These priorities have been submitted to President Bowles.

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

#### **REPORT OF THE AUDIT AND FINANCE COMMITTEE**

Mr. Fulton, Committee Chair, presented the committee's report on the following items, which were presented previously to the committee for information only (no formal action was requested at that time).

• **Review of First Half FY 06-07 Budget Status.** Richard Mann, Vice Chancellor for Finance and Administration, reported on the status of the budget for the first half of the fiscal year. Revenues have increased by 10% over the same period a year ago, while expenses have increased by 8.6%. All variances are adequately explained and they generally have to do with the timing of revenues and the payment of expenses in accordance with the academic cycle.

Vice Chancellor Mann also presented information on the State budget. State revenues for the first half of the fiscal year were \$126 million (1.4 percent) ahead of the \$9.1 billion target for the period. State revenue forecast assumptions anticipated the slowdown in the economy and revenue growth in the second half of the year is expected to slow dramatically.

• **Comprehensive Annual Financial Report for FY 2006-07 and Report on Metrics of Financial Performance.** University Controller, Dennis Press, presented an overview of the Comprehensive Annual Financial Report for FY 2006-07. His report included the following highlights:

- Unqualified (“clean”) audit opinion issued by State Auditor.
- Total assets increased 18.3% to \$5.3 billion.
- Net assets increased 16.7% to \$3.4 billion.
- Return on long-term investment fund of 23.4%.
- State appropriations increased 11.9%.
- Operating revenues increased 5.1% and operating expenses increased 8.1%
- Private gifts and grants, with state matching funds, exceeded \$250 million.

Dennis also provided us with certain key metrics of financial performance. They include four core ratios – Primary Reserve Ratio, Net Operating Revenues Ratio, Return on Net Assets Ratio, and Viability Ratio. These metrics are used by institutions and bond rating agencies to help determine the financial health of higher education institutions. The four ratios are integrated to calculate a Composite Financial Index (CFI), which is a single measure of the financial health of an institution. A baseline ratio value of 3 indicates relative financial health, and Carolina’s CFI ratio is 7.19.

(ATTACHMENT Q)

• **Benchmarking Discussion.** The benchmark schools are University of California-Berkeley, UCLA, Penn State, Duke, University of Texas, John Hopkins, University of Illinois, University of Wisconsin, University of Washington, University of Michigan, Southern Cal State, Emory, University of Florida, UVA and University of Pittsburgh. With this combination of public and private universities, we hope to understand trends as they relate to: cost per student, faculty/non-faculty ratios, classroom and lab utilization, faculty salaries, faculty benefits compensation, research dollars, and repair and renovation funds. [A copy of the report is filed in the Office of the Assistant Secretary.]

• **Graduate Tuition Presentation** was presented by Provost Gray-Little to the committee. It was a preview to the presentation we had earlier today.

• **Internal Audit Report.** Phyllis Petree, Director of Internal Audit, presented information on the use of audit resources through the first half of the 2007-08 fiscal year, showing budgeted hours available for projects and the hours charged as of the end of December 2007. The report also provided summaries of audit projects completed and in process from August to December.

(ATTACHMENT R)

- **Update on Capital Improvement Plan.** Dwayne Pinkney, Assistant Vice Chancellor for Finance and Administration reported that of the \$2.1 billion, 165-project program, 76 projects (valued \$856 million) have been completed. Another 43 projects (valued at \$511 million) are in construction, and 46 projects (valued at \$733 million) are in design. The current scheduled completion of the Higher Education Bond Program is January 2009. Of the 49 projects funded by higher-education bond funds, 20 projects are closed out, another 20 projects have been completed, eight projects are under construction, and one project remains in design.

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

- **Five Year Plan Revenue Analysis.** Roger Patterson was scheduled to present trend data and projections for our revenue sources as part of our effort to rethink the five-year planning process. The committee did not hear this report due to time constraints.

- **The committee heard a report on the Employee Forum from Chair Ernie Patterson.** He spoke about the importance of partnering with local developers to provide workforce housing. (A copy of Mr. Patterson's remarks is filed in the Office of the Assistant Secretary).

#### **REPORT OF THE UNIVERSITY AFFAIRS COMMITTEE**

Mr. Carter, Committee Chair, presented the committee's report on the following items, which were presented previously to the committee for information only (no formal action was requested at that time).

- **Faculty Chair Remarks by Joe Templeton.** Mr. Templeton reported that private institutions continue to outpace public institutions in many areas.

- **Academic Responsibility Report.** Steve Allred, Executive Associate Provost, reported that political affiliation or identity is not a predictor of perceived bias.

(ATTACHMENT S)

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

- **School of Pharmacy Report on the Institute for Pharmacogenomics and Individualized Therapy.** Howard McLeod, Fred Eshelman Distinguished Professor in the School of Pharmacy, reported on his institute's groundbreaking work in gene therapy.

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

- **Update on Proposed Art & Science Study in Enrollment Growth.** Steve Farmer, Assistant Provost & Director of Undergraduate Admissions, described the study to be conducted over the next four months by the Art and Science Group. They will survey inquiring students and accepted students to help us determine what factors are important in attracting and yielding top North Carolina and out of state students, and what impact growth might have on our attractiveness as an institution.

- **Proposal to Establish Regional Medical Campuses in Asheville and Charlotte.** Dr. Etta Pisano, Vice Dean for Academic Affairs, made a presentation on the proposal to establish regional medical campuses in Asheville and Charlotte. The plans call for an

expansion of our MD class enrollment from its current level of 160 up to 230 first year students by 2011.

(ATTACHMENT T)

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### **MOTION TO CONVENE IN CLOSED SESSION**

On motion of Secretary Carter, and seconded by Mr. Schwab, 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 AUDIT & FINANCE COMMITTEE**

##### **Report of the Naming Committee**

Matt Kupec presented naming recommendations which were previously presented to the Audit & Finance Committee and approved by the committee. [A copy of the Report of the Naming Committee is filed in the Office of the Assistant Secretary.]

Ms. Mason moved ratification by the Board of the naming recommendations. The motion was duly seconded and carried.

##### **Report of the Committee on Honorary Degrees & Special Awards**

Mr. Fulton, Committee Chair, presented the names to the Board. Mr. Fulton moved approval for ratification by the Board of the nominee for an Honorary Degree to be conferred at the 2009 May Commencement. The motion was duly seconded and carried.

#### **REPORT OF THE UNIVERSITY AFFAIRS COMMITTEE**

Mr. Carter, Committee Chair, presented the personnel and salary approvals dated January 14, 2008 for the Board's consideration. The actions will be voted on in open session.

(ATTACHMENTS V-W-X-Y-Z-AA-BB-CC)

### **LEGAL ADVICE**

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

### **CONFIDENTIAL PERSONNEL MATTER**

Chair Perry moved ratification by the Board of the Personnel Matter. The motion was duly seconded and it carried.

### **EXECUTIVE CLOSED SESSION**

Chair Perry convened the Board in Deep Executive Closed Session to discuss a personnel matter.

### **RECONVENE MEETING IN OPEN SESSION**

Chair Perry reconvened the meeting in open session.

### **OPEN SESSION**

**REPORT OF THE UNIVERSITY AFFAIRS COMMITTEE**

Mr. Carter, Committee Chair, moved approval by the Board of the following personnel actions dated January 14, 2008, which were discussed earlier in closed session. Ms. Mason seconded the motion and it carried.

- The personnel changes for information did not require action by the Board.  
(ATTACHMENT U)
- Personnel changes in Academic Affairs.  
(ATTACHMENT V)
- Personnel changes in Health Affairs.  
(ATTACHMENT W)
- Tenured Personnel Actions.  
(ATTACHMENT X)
- Proposals for Salary Increases.  
(ATTACHMENT Y)
- Special Compensation Proposal.  
After discussion by the Board, the bonuses shown in this attachment were changed to salary increases for those over 15% or \$10,000.  
(ATTACHMENT Z)
- Proposed Out of Cycle Salary Increases.  
(ATTACHMENT AA)
- Out of Cycle Salary Increase.  
(ATTACHMENT BB)
- Out of Cycle Salary Increase.  
(ATTACHMENT CC)

Chair Perry stated that the personnel and salary actions voted on in open session had been distributed to the press.

**ADJOURNMENT**

There being no further business to come before the Board, Chair Perry adjourned the meeting at 11:50 p.m.

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Assistant Secretary