

BOARD OF TRUSTEES MEETING

The University of North Carolina at Chapel Hill

The Board of Trustees met in regular session at The Carolina Inn in the John Sprunt Hill Central Ballroom on November 19, 1998 at 1:15 p.m. Chairman Stevens presided.

ROLL CALL

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

Richard Y. Stevens, Chairman	David E. Pardue, Jr.
Anne W. Cates, Vice Chairman	Charles A. Sanders
Angela R. Bryant, Secretary	Cressie H. Thigpen, Jr.
William J. Armfield, IV	Reyna Walters
Walter R. Davis	David J. Whichard, II
James E. S. Hynes	Annette F. Wood
William R. Jordan	

MINUTES

On motion of Mr. Whichard, seconded by Mrs. Cates, the minutes of the meeting of September 24, 1998 were approved as distributed.

CHAIRMAN'S REMARKS

Chairman Stevens commented on the William Richardson Davie Award Dinner that was held on Wednesday, November 18. The Davie Award was presented to Dr. Raymond H. Dawson of Chapel Hill, former vice president of academic affairs for the University system; Mr. Paul Fulton of Winston-Salem, past dean of the Kenan-Flagler Business School; Mr. James H. Millis, Sr. of High Point, former chairman and chief executive officer of Adams-Millis Corporation; and Ms. Ann Lewallen Spencer of Winston-Salem, past chief executive officer of Goody's Manufacturing Company.

Chairman Stevens commented on two previous dinners where the Board of Trustees hosted the members of the Executive Committee of the Faculty Council and the members of the Student Advisory Committee to the Board of Trustees.

Chairman Stevens also commented on funding and other recent legislative approvals. He thanked the members of the General Assembly and the members and leadership of the North Carolina Senate who led the way for many significant issues for the campus, as well as the entire University system.

CHANCELLOR'S REMARKS

Chancellor Hooker expressed his gratitude to the legislature for the budget that the University received this year. He acknowledged the assistance of Senator Marc Basnight and Trustee Davis. Some of the highlights mentioned by Chancellor Hooker were \$9.3M for the House Undergraduate Library renovations; \$6M for the Medical Biomolecular Research Complex; \$6.57M for the Institute of Government/Knapp Building renovations; and \$1M for planning funds in renovating Memorial Hall.

Chancellor Hooker commented on the superb work done by Provost Richardson and The University Task Force on Enrollment in preparation of the presentation to the Academic Affairs and Personnel Committee. The Chancellor remarked that he had been in close conversation with the mayor and they recognize the impact that any enrollment growth at the University will have on the town. The University plans to build residence halls to accommodate the undergraduate students, but recognizes that graduate student enrollment growth will impose a burden on the town. He remarked that the creation of Meadowmont could accommodate this additional need of housing for faculty and staff. These two projects are coming together at a propitious moment.

Chancellor Hooker commented on an editorial from the November 18, 1998 edition of The Daily Tar Heel, titled "Supply of Demands". He offered his praise of the article concerning the demands of the Black Student Movement. . [A copy of the article is filed in the Office of the Assistant Secretary.]

Chancellor Hooker commented on information from the Office of Technology Development on "Comparison of Results", which showed a comparison of Fiscal Years 1995 and 1998 for invention disclosures, U.S. patent applications, U.S. patents issued, inventions licensed, license income, sponsored research funding from industry in conjunction with licenses, sponsored research funding from industry, and new companies formed based on UNC-CH inventions. The Chancellor discussed each of these items and acknowledged Dr. Fran Meyer, associate vice provost and director of the Office of Technology Development, and Dr. Tom Meyer, vice provost, Graduate Studies and Research. [A copy of the comparison is filed in the Office of the Assistant Secretary.]

Chancellor Hooker commented on the approval of Dr. Joanne Gard Marshall as the new dean of the School of Information and Library Science. Dr. Marshall will begin her duties as dean effective January 1, 1999.

The Chancellor also reported on the hiring of Mr. Michael O'Brien as director of the Department of Housekeeping Services. Mr. O'Brien will begin his duties on January 4, 1999.

Chancellor Hooker concluded his remarks by inviting everyone to attend the December Commencement on Sunday, December 20, at 2 p.m. in the Smith Center. The speaker will be Jim Peacock, former faculty chairman and director of the University Center for International Studies.

STUDENT BODY PRESIDENT'S REMARKS

Ms. Walters thanked the Board members who participated in the dinner with the members of the Student Advisory Committee to the Board of Trustees. The students felt that the time was well spent and the interaction with the Board members was very useful to them. They look forward to further collaboration in the future.

Ms. Walters introduced Ms. Lacey Hawthorne, the new chair of the Student Advisory Committee to the Board of Trustees. Ms. Hawthorne replaced Ms. Angela Merritt as chair of the committee.

Ms. Walters commented on the following: student involvement this year in the legislature, Local Relations Day held on October 29, a student petition to the Board of Elections to redraw precinct lines, and the Special Olympics.

REPORT OF INVESTMENT FUNDS

Chief Investment Officer Mark Yusko presented the Report of Investment Funds. He began his report by describing the mission and the fundamental investment beliefs of the UNC-CH Investment Office. At the present time, investment funds amount to approximately \$678.5 Million. [A copy of the report is filed in the Office of the Assistant Secretary.]

In response to an inquiry from Mr. Davis, Mr. Yusko distributed a sheet titled "FY 1998 Analysis of Tiger Management Performance" and described this analysis to the members of the Board. [A copy of the handout is filed in the Office of the Assistant Secretary.]

ANNUAL REPORT OF THE ENDOWMENT FUND

Chairman Stevens reported that the Board of Trustees of the UNC-CH Endowment Fund approved the Annual Report of the Endowment Fund on November 18, 1998, for submission to the Board of Trustees of UNC-CH.

Dr. Sanders moved, seconded by Mr. Thigpen, to recommend submittal of the 1997-1998 Annual Report of the Endowment Fund to the Board of Governors. The motion carried.

(ATTACHMENT A)

APPROVAL OF SPENDING LEVELS FROM THE ENDOWMENT FUND

Chairman Stevens reported that the Board of Trustees of the UNC-CH Endowment Fund approved spending levels for the Endowment Fund on November 18, 1998, for submission to the Board of Trustees of UNC-CH.

Mrs. Cates moved, seconded by Dr. Sanders, to approve an increase in the spending levels of the Endowment Fund by the amount of any increased distribution approved by the Investment Fund. The motion carried.

(ATTACHMENT B)

Mr. Hynes stated that his understanding from legal counsel was that the Board of Trustees of UNC-CH has no fiduciary responsibility for these funds. Chairman Stevens replied that was a correct statement. The Board of Trustees of UNC-CH had requested to receive an annual report from the Endowment Fund prior to reporting to the Board of Governors.

There was considerable discussion concerning the fiduciary responsibility by the UNC-CH Board of Trustees of the spending levels from the Endowment Fund.

MOTION TO CONVENE IN CLOSED SESSION

On motion of Ms. Bryant, seconded by Mr. Whichard, the Board voted to convene in closed session pursuant to North Carolina General Statutes Section 143-318.11(a) (1) (2) (3) (5) and (6).

CLOSED SESSION

REPORT OF THE TRUSTEE COMMITTEE ON ATHLETICS

Jim Ramsey, vice chancellor for Finance and Administration, and Dick Baddour, director of Athletics, reported on personnel issues in the Department of Athletics.

REPORT OF THE ACADEMIC AFFAIRS AND PERSONNEL COMMITTEE

PERSONNEL ACTIONS

Dr. Sanders, chairman of the Academic Affairs and Personnel Committee, presented the following personnel actions.

Personnel Changes for Information

These changes did not require action by the Board.
(ATTACHMENT C)

Personnel Changes in Health Affairs

Appointments, Reappointment at the Same Rank, Designation to Named Professorship, and Salary Increase
(ATTACHMENT D)

Recommendations for Exceptions to Employment Policies Annual Leave Provisions

(ATTACHMENT E)

MOTION TO RECONVENE IN OPEN SESSION

On motion of Mr. Whichard, seconded by Ms. Wood, the Board reconvened in open session.

OPEN SESSION

REPORT OF THE FINANCE AND BUSINESS COMMITTEE

Mr. Pardue, chairman of the Finance and Business Committee, presented the committee's report on the following items, which were previously approved by the committee:

1. Approval of a reimbursement resolution declaring the intent of The University of North Carolina at Chapel Hill to reimburse itself for capital expenditures incurred in connection with the acquisition of an office and research building from the proceeds of certain tax-exempt obligations to be issued during the calendar year ending December 31, 1999

(ATTACHMENT F)

2. Approval to withdraw up to \$105,000 annually from the Julian Robertson/Tiger Fellowship Fund upon written request of the Dean of the Kenan-Flagler Business School

(ATTACHMENT G)

3. Approval to ratify the October 23, 1998 mail ballot regarding the sale of 215 West University Drive to The University of North Carolina at Chapel Hill Foundation, Inc. in consideration of the transfer to the University of 1506 Mason Farm
(ATTACHMENT H)
4. Approval of the design of the Commons Building for the Carolina Living and Learning Center
(ATTACHMENT I)
5. Approval to demolish six buildings at CHYDARU (Chapel Hill Youth Detention and Rehabilitation Unit)
(ATTACHMENT J)

Mr. Pardue moved approval of the above items. Mr. Armfield seconded the motion and it carried.

6. Approval to allow the members of the steering committee of the Y Court renovation to proceed with development and renovation plans and the fundraising plan and to go along with the renovation subject to two items:

- (1) all of the funds will be raised from private sources
- (2) the eventual plans and specifications will be developed in line with approval by the Board of Trustees and with some oversight from the Ayers Saint Gross firm, and will include adequate space for the Y Court, a snack bar, and a faculty lounge

Mr. Pardue moved approval of the above item. Mr. Armfield seconded the motion and it carried.

The following items were presented to the committee for information only (no formal action was required):

1. Update on the proposed renovation to Memorial Hall
2. Preliminary design review of the proposed maintenance building on Finley Golf Course
(ATTACHMENT K)
3. Presentation by Mr. Roger Waldon, town planning director, on the Meadowmont Development. A handout was distributed showing the site plan and key facts related thereto. [A copy of the handout is filed in the Office of the Assistant Secretary.]

REPORT OF THE STUDENT AFFAIRS COMMITTEE

Mr. Whichard, chairman of the Student Affairs Committee, presented the committee's report.

Student Affairs Organizational Update

Vice Chancellor Kitchen introduced Dr. Dean Bresciani, associate vice chancellor for Student Services, who updated the committee on Student Services matters. She also introduced Dr. Melissa Exum, the new dean of students.

Greek Life

Associate Vice Chancellor Cynthia Wolf Johnson updated the committee on student learning and Greek life at the University.

Student Advisory Committee to the Board of Trustees (SACBOT)

Mr. Whichard distributed a listing of the pairings of the members of the Board of Trustees and the members of the SACBOT. He encouraged Board members to contact their partner from the SACBOT prior to the January Board meeting. [A copy of the listing is filed in the Office of the Assistant Secretary.]

REPORT OF THE ACADEMIC AFFAIRS AND PERSONNEL COMMITTEE

Dr. Sanders, chairman of the Academic Affairs and Personnel Committee, presented the committee's report.

Enrollment Report

Provost Richardson presented the report of The University Task Force on Enrollment's Institutional Enrollment Plans for the period 1998 to 2008 to the committee. Enrollment is planned to be increased from 23,827 to a projected figure of 30,175. The increase will be done in an incremental fashion with the guiding principles that first, and foremost, will be to sustain the quality of the formal education and the aesthetic quality of the campus—at the same time maintaining the same ratio between the in-state and out-of-state enrollment and no enrollment growth provided in advance. The work is to be maximized in terms of providing space and maintaining the same faculty ratio of 15 to 1, enhancing diversity, etc. It's a process that will be very deliberate. If the facilities and resources are not available to sustain the growth, it will not be implemented.

Dr. Sanders moved that the Board approve the 1998-2008 Institutional Enrollment Plans as presented to the Board by The University Task Force on Enrollment. Mrs. Cates seconded the motion and it carried. [A copy of the 1998-2008 Institutional Enrollment Plans is filed in the Office of the Assistant Secretary.]

Admissions Update/Early Decision

Mr. Jerry Lucido, director of Undergraduate Admissions, updated the committee on admissions and a plan to implement an early decision process at the University.

Dr. Sanders moved that the Board approve the early decision application process. Mr. Thigpen seconded the motion and it carried.

Personnel Actions

Mrs. Cates moved approval of the following:

- Personnel Changes in Health Affairs (ATTACHMENT D)
- Recommendations for Exceptions to (ATTACHMENT E)
- Employment Policies Annual Leave Provisions

Mr. Thigpen seconded the motion and it carried.

Mail Ballot

Ms. Bryant moved approval of the ratification of mail ballot dated October 14, 1998. Mr. Thigpen seconded the motion and it carried.

(ATTACHMENT L)

REPORT OF THE TRUSTEE COMMITTEE ON ATHLETICS

Ms. Bryant, chairman of the Trustee Committee on Athletics, presented the committee's report.

Support Services

Dick Baddour, director of Athletics; Matt Sullivan, coordinator, Substance Abuse Program; John Blanchard, assistant athletic director and athletics academic counselor; and Jack Evans, chairman of the Faculty Athletic Committee, presented a comprehensive review of the support services provided by the Department of Athletics. Included was information concerning substance abuse, life skills, health and nutrition counseling, career support, etc.

The Department of Athletics provides at least four contacts with every athletic team per year, in a team setting, to discuss some of the key issues in those areas. The committee observed that perhaps a more frequent or smaller group contact might be helpful.

The committee suggested that more emphasis be placed on a strategic plan to meet with and assess recruits coming in, as well as having some way of assessing what the needs are of athletes in the program. Also, there may be ways to track incidents that are problematic with athletes academically, athletically, community wise, behavioral wise, and somehow monitor the effectiveness of the program by tracking those—vis-a-vis how they implement the program.

DEVELOPMENT

Development Update

Mrs. Cates presented a report regarding the level of activity and current contributions in the Office of University Advancement. [A copy of the report is filed in the Office of the Assistant Secretary.]

CHANGE IN MEETING DATE

Ms. Bryant moved, seconded by Ms. Walters, that the meeting date of Thursday, January 28, 1999 be changed to Friday, January 29, 1999. The motion carried.

ADJOURNMENT

There being no further business, the meeting adjourned at 3:50 p.m.


Assistant Secretary

