

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

The Board of Trustees met in regular session on Wednesday, March 23, 2011, at The Carolina Inn, Chancellor Ballroom West, at 5:00 p.m. Chair Winston presided.

The Buildings and Grounds Committee met as a Committee of the Whole.

ROLL CALL

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

Robert W. Winston III, Chair	Roger L. Perry, Sr.
Barbara R. Hyde, Vice Chair	Sallie Shuping-Russell
Donald Williams Curtis	John L. Townsend III
John G. B. Ellison, Jr.	Felicia A. Washington
J. Alston Gardner	Hogan Medlin
Wade H. Hargrove	

Phillip L. Clay, Secretary, and Edward C. Smith were absent.

Chair Winston 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. Curtis, Committee Vice Chair, called on Bruce Runberg, Associate Vice Chancellor for Facilities Planning and Construction, to present the following action items to the committee:

• **Designer Selection— Kenan Laboratory- Renovation to 4th and 5th Floors.** Ms. Shuping-Russell moved approval to replace casework and equipment in four laboratories on the fourth and fifth floors. The project budget is \$1.99M with funding from a grant from NSF. The committee recommended the selection of the three firms in the following priority order:

1. Wilson Architects/Obsidian Group, Boston, MA
2. Swanson + Stewart Architects, Raleigh, NC
3. Wagner Architecture, New Hill, NC

The firm in the number one position, Willard Ferm+Tipton Associates, was recommended because of the strength of its team and its recent and relevant experience.

Ms. Hyde seconded the motion and it carried.

(ATTACHMENT A)

• **Disposition by Severance- Demolition of ACC Express.** Mr. Townsend moved approval to remove by demolition the ACC Express food service facility located at 106 Mason Farm Road. The cost to renovate the existing structure exceeds the value of the building in its current condition. Demolition is recommended to allow replacement with a new modular building to provide improved food service to the Ambulatory Care Center. Funding for this project is from the UNC Health Care System.

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Mr. Gardner seconded the motion and it carried.
(ATTACHMENT B)

• **Disposition by Easement for Expansion of Public Right of Way at 330 West Rosemary Street.** Mr. Townsend moved approval of disposition of property by easement to the North Carolina Department of Transportation is for the expansion of the public right of way in order that the Town of Chapel Hill may make streetscape improvements on West Rosemary Street. The 884 SF of property is located along the southern edge of the University parking lot at 330 West Rosemary Street. These streetscape improvements, funded by the Town of Chapel Hill, include a brick amenity strip in the existing right of way between the curb and sidewalk with lights, street trees and trash receptacles and construction of a new concrete sidewalk in this expanded public right of way.

Ms. Shuping-Russell seconded the motion and it carried.
(ATTACHMENT C)

• **Property Disposition by Ground Lease to the Morehead-Cain Foundation.** Mr. Medlin moved approval to authorize a ground lease to the Morehead-Cain Foundation for the interior renovation of portions (approximately 13,955 SF) of the ground and first floors of the east wing of the Morehead Planetarium building and approximately 2,200 SF of the site for staging area in order to expand the activities and services provided by the Morehead-Cain Scholars Program. At the request of the Morehead-Cain Foundation, some Morehead Planetarium Science Center functions will be relocated from the first floor to the second floor. Improvements would include converting office space to meeting/interview rooms, expansion of bathroom facilities, and accessibility improvements. The project, to be completed spring 2012, is estimated to cost \$1,950,000, and would be funded entirely by the Morehead-Cain Foundation.

The following steps describe the process of construction:

- The site is leased by the State of North Carolina on behalf of the University to the Morehead-Cain Foundation (the Foundation) for a term lasting through the construction period but no later than the date the University accepts the completed improvements.
- The Foundation contracts with the developer for the design and construction of the Project according to the plans and specifications approved by the Foundation and the University.
- The Foundation constructs the Project using its own resources.
- Upon completion of the construction of the Project in accordance with the plans and specifications, the Foundation conveys by way of a gift the Project to the University.

Ms. Hyde seconded the motion and it carried.
(ATTACHMENT D)

RECESS

Chair Winston recessed the Board meeting at 5:09 p.m.

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RECONVENE

Chair Winston reconvened the Board meeting at 8:02 a.m. on Thursday, March 24, 2011, at The Carolina Inn, Chancellor Ballroom East and West.

ROLL CALL

Assistant Secretary Brenda Kirby called the roll and Phillip L. Clay, Secretary, and Edward C. Smith were absent.

CONSENT AGENDA

Approval of Minutes

On motion of Mr. Townsend, and seconded by Mr. Curtis, the minutes of the regular meeting of January 26-27, 2011, were approved as distributed.

Ratification of Mail Ballot

On motion of Mr. Townsend, and seconded by Mr. Curtis, the following mail ballot dated February 14, 2011, was approved as distributed:

- Personnel actions and actions conferring tenure, compensation actions, and personnel changes for information.

(ATTACHMENT E)

CHAIR'S REMARKS

Chairman Winston mentioned how fun and nice Hogan's farewell dinner was. He also mentioned:

- **Lunch with Dean Jean Folkerts**, School of Journalism and Mass Communication. Jean announced last fall that she was stepping down in July after five years of outstanding service. She will remain on the faculty to teach, conduct research and mentor students. Journalism is one of our most popular and highly regarded programs. For example, the school finished 1st in the last Hearst Journalism Awards, often called the Pulitzers of college journalism. That's just one more sign of the quality of the students and faculty – a tribute to Jean's leadership. Jim Dean is chairing the search committee for a new dean.
- **UNC is Hosting the NACIE Forum**. Chancellor Thorp and the University have been asked to host the first public forum of the President's National Advisory Council on Innovation and Entrepreneurship. Holden serves on the council, which is advising President Obama on how to find better ways to spin the bright ideas that emerge on campuses like ours into practice– creating jobs and expanding the economy. Commerce Secretary Gary Locke, the newly nominated ambassador to China; council members, including Steve Case and Desh Deshpande; and Governor Perdue were all in attendance. This is another great example of Carolina leading on an important national – and international – issue.

He then requested Vice Chair Hyde read the following resolution.

**RESOLUTION OF APPRECIATION
HOGAN MEDLIN
THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL
March 24, 2011**

WHEREAS, Hogan Medlin as student body president brought energy, an intense focus

and an innovative spirit to his responsibilities as trustee and student body president, advocating for students and fostering stronger relations between students and trustees;

WHEREAS, Hogan brought his passion for the arts and humanities to his job, participating in the Chancellor's Innovation Circle, and forming an arts innovation steering committee to engage students, staff and alumni in strengthening the arts at Carolina;

WHEREAS, Hogan pursued his responsibility to represent Carolina students by co-chairing the Tuition and Fee Advisory Task Force, and participating widely in campus life including Greek affairs, campus health, CTOPS and other issues; bringing a thoughtful and mature perspective to discussions and a true focus on student interests;

WHEREAS, Hogan demonstrated political savvy and effectiveness by engaging the leadership of the North Carolina State Legislature in unique and memorable ways;

WHEREAS, Hogan in his time as student body president displayed a sense of balance between academics, sports, arts and leisure in a distinctly Carolina way;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of the University of North Carolina at Chapel Hill thanks Hogan Medlin for his service, and expresses its deepest appreciation for his outstanding dedication to the University and its students.

On motion of Mr. Ellison, and duly seconded, the Board approved adoption of the resolution and applauded Student Body President Medlin.

CHANCELLOR'S REMARKS

Chancellor Thorp commended SBP Hogan Medlin on his service to the university. He then spoke on the following:

- **Vice Chancellor for Research.** Later, in closed session, the full board will consider an important personnel recommendation for a new vice chancellor for research that Provost Carney and I have made for your consideration. We have recommended removing the interim title before Barbara Entwisle's name and making her the new vice chancellor for research, pending your final approval. Barbara has been a great addition to our administrative team and already has effectively championed the University's research enterprise in her interim role. She brings extensive experience in leading the Carolina Population Center, one of our most distinguished research units. The proposed start date is Friday, March 25.

- **Admissions Highlights for Next Year's Class.** Last Friday, we sent out the final round of decisions to 23,726 applicants for first-year admission. We made a lot of people happy but disappointed many more. The competition was especially tough for out-of-state students, only 17 percent of whom have been admitted. Half of them rank within the top 10 students in their class; 86 percent rank in the top 10 percent. They averaged 1346 on the SAT. They've taken an average of between 7 and 8 AP or other college-level classes. If these students commit to Carolina as we expect for the yield rate, next year's entering class will include more students of color than last year's and just as many students who'll be the first in their families to go to college. Tomorrow, 105 of these students will come to campus to interview for merit-based scholarships. These students can go anywhere; we're fortunate that they're considering Carolina. We're especially pleased that we'll be interviewing

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students for three Innovation Scholarships. This full scholarship is designed to bring the most promising young innovators in the world to Chapel Hill. The recipients will receive special mentoring through the Innovate@Carolina initiative and access to the entrepreneurship minor.

• **Budget Update.** There is not a lot of new information to report right now. It's too soon to speculate about what might or might not happen in Raleigh. We expect to know more after the April tax revenue reports are in – that's expected in mid-May. As you know, there is activity in the schools and units, where difficult decisions are being made and implemented, such as enrollment reductions in nursing, education, social work (online). One-time reversions for this FY: \$17 million. Permanent reductions for next FY: \$25 million so far. We continue working closely with President Ross and General Administration. And we are represented exceptionally well in Raleigh by Erin Schuettpelz, our state relations director.

STUDENT BODY PRESIDENT'S REMARKS

Mr. Medlin, Student Body President, gave his final report. Mr. Medlin thanked:

- The Trustees for their valuable input and friendship.
- The Chancellor for his support, friendship and mentorship.
- His executive branch family. Mr. Medlin recognized his Vice President and others in his team.

Mr. Medlin concluded his remarks by introducing the new Student Body President, Mary Cooper.

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

ACADEMIC PLAN UPDATE

Chancellor Thorp thanked Sue Estroff, Bill Andrews and the committees they put together to produce the document. The academic plan is a strategic statement of our objectives and priorities. It's the roadmap for the future. More than eight years ago, we produced the previous academic plan. From that process grew our global initiatives, particularly our health-care initiatives; the Center for Faculty Excellence; revamping the process and criteria for faculty promotion and tenure; an engaged scholar initiative; leadership programs in the Institute for the Arts and Humanities; the new undergraduate curriculum and first-year seminars; growth in the Honors Program and the expansion of undergraduate research opportunities; and enhanced student advising.

Bill Andrews, Senior Associate Dean within the College of Arts and Sciences and Sue Estroff, Professor of Social Medicine within the School of Medicine -- Co-Chairs of the Academic Plan Steering Committee, recognized the steering committee members. Each member introduced themselves and then Professor Estroff and Dean Andrews reported:

- The plan has been titled "Reach Carolina." The following goals are central to the plan:
 - Transformative educational experiences
 - Faculty prominence, composition, recruitment, development, retention and scholarship
 - Interdisciplinary collaboration and course offerings
 - Equity and inclusion
 - Engaged scholars and scholarship addressing state, local, and national challenges
 - Global presence in teaching, research, and public service

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The challenges the University faces are many – budget reductions, enrollment increases, increased reliance on external funding sources, increase in fixed-term faculty, competitive faculty recruitment and retention, and growing class sizes. However, we have an abundance of intellectual resources and commitment to face those challenges. Professor Estroff concluded her report by addressing next steps and opening up for questions.

Trustee Hyde thanked Dean Andrews, Professor Estroff, and the committee for their work; she then mentioned the importance of meshing the academic plan with the financial plan. Dean Andrews and Chancellor Thorp commented that meshing the two plans is the University's current practice, and will continue to be so for a long time to come.

Other trustees thanked the committee for their hard work, and commended them for their stellar collaboration.

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.

REPORT OF THE AUDIT AND FINANCE COMMITTEE

Ms. Shuping-Russell, Committee Chair, moved for approval by the Board of the following items which were brought forth as a motion formerly approved by the committee. The motion carried. Trustee Medlin voted against the motion.

- **Revision to Ordinance Regulating Traffic and Parking.** Jeff McCracken, Director of Public Safety and Chief of Police, presented the 5-Year Transportation Plan and the Ordinance Regulating Traffic and Parking which would take effect August 15, 2011. Changes from the existing Ordinance are:
 1. Parking Zone/Lot Name Changes
 2. Permit Fee Schedules for 2011-12 through 2015-16
 3. Night Parking Permit Added to Special Parking Permits Section
 4. Change in Park and Ride Permit Cost in 2013-14 – A permit fee will apply to all users and not just second mode choice.

Mr. Medlin expressed his concerns regarding the plan, on behalf of the students. [A copy of Mr. Medlin's concerns is located in the Office of the Assistant Secretary.]
(ATTACHMENT F)

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.

Ms. Shuping-Russell 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).

- **Remarks from Employee Forum Chair.** Jackie Overton spoke about the NCSSM food drive, partnerships for a better Carolina, the transportation and parking 5-year plan, and current challenges facing the staff.

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- **Legislative Budget.** Erin Schuettpelz, Director of State Relations & Communication, provided an update on the legislative budget. The current Education target is \$1.4 billion below FY 09-10 spending and, if allocated proportionally across the three education sectors, would mean a 12% reduction to Carolina’s state budget.

- **Development Report.** Matt Kupec, Vice Chancellor for University Advancement, provided an update on Development. His report included the following highlights:
FY11 Progress Report

	<u>3/21/11</u>	<u>3/21/10</u>	<u>% change</u>
Gifts Received	\$185,878,410	\$185,655,987	0%
Donors	56,010	55,517	1%
New commitments (new cash & pledges)	\$212,116,078	\$194,568,174	9%

NOTES:

\$274,784,401 proposals in the pipeline.
Averaging \$23.6 Million in new commitments per month.

REPORT OF THE UNIVERSITY AFFAIRS COMMITTEE

Mr. Gardner, 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).

- **Provost Remarks by Bruce Carney.** He reported on searches and the budget.
- **Faculty Chair Remarks by McKay Coble.** She reported on a number of issues regarding the faculty.
- **Academic Plan Update.** This presentation was given to the board moments ago.

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.

- **Arts Innovation Steering Committee Update.** Hogan Medlin reported on the arts at Carolina. This initiative, under Hogan’s leadership and the engagement of a broad and representative committee of Carolina’s faculty, staff and students, seeks to create and advance a vision for the future of the arts at Carolina. Hogan reported on four main areas which center on art and the student experience:

- Art’s presence across campus
- Art’s isolation in the curriculum
- Funding for student art groups and individual artists; and
- Defining and ensuring artistic impact

- **Update on Greek Affairs.** Vice Chancellor for Student Affairs Winston Crisp addressed the Board on matters related to Greek Affairs. He outlined an ambitious agenda for the Office of Fraternity and Sorority Life, including doubling the staff and moving to a new space (Granville Towers, south wing). He then outlined a plan which would redefine the “standards of excellence” for Greek life at Carolina, including the following components:

- Strengthening the code of conduct
- Strengthening the standard review board

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- Removing the adjudication function from the office and turning it over to the Honor Court
- Shifting the focus to one of support by enhancing the academic service and social life of the students
- Structuring greater continuity from one year to the next in leadership, and
- Strengthening GPA requirements within the chapters

Committee Chair Gardner moved ratification by the board of the following resolution which came out of committee: **“Effective fall 2012, fraternities and sororities who recruit freshman during fall semester will maintain a GP average equivalent for the overall undergraduate GPA”.**

The motion carried.

Chair Winston advised the Board on his appointment of the Nominating Committee to nominate officers for the 2011-2012 year. Trustee Hyde will Chair the committee and Trustees Ellison and Perry will serve with her. The Nominating Committee will present the proposed slate of nominees at the Board’s May meeting and officers will be appointed at the Board’s July meeting.

MOTION TO CONVENE IN CLOSED SESSION

On motion of Vice Chair Hyde, and seconded by Mr. Ellison, 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 Committee on Honorary Degrees & Special Awards

Joseph Ferrell, Secretary of the Faculty, presented the names to the Board. Ms. Shuping-Russell moved approval for ratification by the Board of the nominees for an Honorary Degree to be conferred at May Commencement 2012. The motion carried.

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. Shuping-Russell moved ratification by the Board of the naming recommendations. The motion carried.

Board of Visitors Nominations

Ms. Shuping-Russell presented the slate and information concerning nominations for the class of 2015. Ms. Shuping-Russell moved approval for ratification by the Board of the nominees for serving on the Board of Visitors. The motion carried. [A copy of the Board of Visitors nomination information is filed in the Office of the Assistant Secretary.]

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REPORT OF THE UNIVERSITY AFFAIRS COMMITTEE

Mr. Gardner, Committee Chair, presented the personnel and salary approvals dated March 14, 2011, for the Board's consideration. The actions will be voted on in open session.
(ATTACHMENTS G-H-I-J)

LEGAL ADVICE

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

EXECUTIVE CLOSED SESSION

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

RECONVENE MEETING IN OPEN SESSION

Chair Winston reconvened the meeting in open session.

OPEN SESSION

REPORT OF THE UNIVERSITY AFFAIRS COMMITTEE

Mr. Gardner, Committee Chair, moved approval by the Board of the following personnel actions dated March 14, 2011, which were discussed earlier in closed session. The motion carried.

- Personnel actions and actions conferring tenure.
(ATTACHMENT G)

- Compensation Actions.
(ATTACHMENT H)

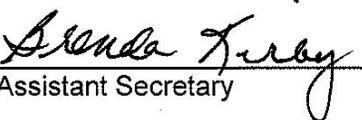
- Personnel changes for information. (No items).
(ATTACHMENT I)

- Walk-on item.
(ATTACHMENT J)

Chair Winston 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 Winston adjourned the meeting at 12:20 p.m.


Assistant Secretary