

## **BOARD OF TRUSTEES MEETING**

The University of North Carolina at Chapel Hill

The Board of Trustees met in regular session at the George Watts Hill Alumni Center, Alumni Hall III, on March 26, 1998 at 2:00 p.m. Chairman Stevens presided.

### **ROLL CALL**

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

Richard Y. Stevens, Chairman	William R. Jordan
Anne W. Cates, Vice Chair	Mohan Nathan
William J. Armfield, IV	David E. Pardue, Jr.
Walter R. Davis	Charles A. Sanders
James E. S. Hynes	Cressie H. Thigpen, Jr.

The following members were absent: Angela R. Bryant, Secretary  
David J. Whichard II  
Annette F. Wood

### **MINUTES**

On motion of Mr. Pardue, seconded by Mr. Hynes, the minutes of the meeting of January 22, 1998 were approved as distributed.

### **RESOLUTION**

At the Chairman's request, Vice Chair Cates presented a resolution honoring Mohan Nathan and moved approval of the resolution.

#### **RESOLUTION FOR MOHAN NATHAN**

WHEREAS, throughout the past year, Mohan Nathan has fulfilled his responsibilities as President of the Student Body with vision, energy, and spirit; and,

WHEREAS, he has served with distinction as an ex officio member of this, the University's Board of Trustees, approaching his work with maturity beyond his years, with a deep respect for Carolina's traditions and strengths, and with a bold determination to move the University to new heights of excellence; and,

WHEREAS, he has exercised forceful leadership on behalf of the student body as a guiding participant in University-wide projects such as the University Planning and Budget Committee, the Intellectual Climate Task Force, and the Carolina Computing Initiative; and,

WHEREAS, he has proven himself an especially effective change agent by tackling such perennially challenging issues as the improvement of undergraduate advising, by spearheading the successful referendum to renovate the Student Union, and by providing unwavering support for the Sonja Haynes Stone Black Cultural Center; and,

WHEREAS, he has sought, throughout his term, to shift attention away from himself to other members of what he has christened our "Community of Learners", enhancing, in particular, the sense of community between undergraduates, graduate students, and faculty;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of The University of North Carolina at Chapel Hill, wishes to turn its "spotlight on excellence" on Mohan Nathan, extending its sincere appreciation for his exemplary service, saluting him for his many accomplishments, and wishing him good fortune as he completes his undergraduate career and embarks upon the next phase of his very promising life.

The motion was duly seconded and it carried.

### **CHAIRMAN'S REMARKS**

Chairman Stevens began by reiterating that Mr. Nathan has been a tremendous member of the Board of Trustees and the General Alumni Association Board, as well as an outstanding student body president acting as an advocate for student body concerns.

Chairman Stevens introduced Mr. Ned Hardison, the current chairman of the General Alumni Association, and Mr. Doug Dibbert, the president of the General Alumni Association. Chairman Stevens commented that the General Alumni Association is one of the University's greatest assets. It has been an independent association for 155 years and does tremendous things on behalf of the University. It is the University's only permanent constituency.

### **REMARKS BY GENERAL ALUMNI ASSOCIATION CHAIRMAN**

Mr. Hardison thanked Chairman Stevens and the Board of Trustees on behalf of the Executive Committee of the General Alumni Association for the wonderful dinner on Wednesday evening. He then introduced Mr. Dibbert for his presentation on the General Alumni Association.

### **PRESENTATION BY GENERAL ALUMNI ASSOCIATION PRESIDENT**

Mr. Dibbert gave a very informative overhead presentation of background information on the General Alumni Association. The presentation comprised the following: history; membership; alumni records; alumni profile; alumni by school/college; Carolina Alumni Review; program highlights—Career Services, Alumni Travel, Reunions, Other Activities, Lifelong Learning, Internet, New Student Programs, Admissions, Athletics; new programs; program activity; internet programming; legislative advocacy; University community; investment cycle; future goals. He distributed a packet of information concerning the General Alumni Association. [A copy of this information is filed in the Office of the Assistant Secretary.]

### **CHANCELLOR'S REMARKS**

Chancellor Hooker began his remarks by extending birthday wishes to the George Watts Hill Alumni Center and expressed sentiments concerning the value of the General Alumni Association to the University. He remarked that this is the first time he has worked with an independent association and he has become a convert to the concept of having an independent alumni association. It is very valuable and this University's alumni association is simply astounding in the level of commitment it has to the wellbeing of the University. The Chancellor remarked that the University is blessed to have such a strong alumni association and such strong leadership in the General Alumni Association of both Mr. Dibbert and Mr. Hardison.

Chancellor Hooker remarked on the importance of hiring the right people and then getting out of their way. Over the last two and one-half years, a significant number of hires have been made at the University and he cited the people who have been hired since the beginning of his administration.

The Chancellor commented on the current search for a vice chancellor for Administration and said that a candidate was on campus at the present time. He complimented Ms. Susan Ehringhaus on her excellent work in chairing the search committee and said that the challenge in this search is that our salary schedule is significantly below the salaries of most of the people we would like to attract to the position. Thus, her challenge is to find someone of the quality we want, but who can come for the salary we can offer.

He also commented on the search under way for a dean of the School of Information and Library Science, in addition to the search for a police chief.

Chancellor Hooker commented on athletics at the University. Very often, newspaper reporters or alumni ask him what the value is of athletics to the University. He cites the obvious—that it elevates our public image, nationally and internationally, because of the visibility of Michael Jordan. A lot of people don't understand that athletics is some times the cement that binds alumni to the institution, which alumni very often benefit other aspects of the institution far beyond athletics. He added that this is an especially poignant date to make note of that because Wade Cavin, who gave a \$4.4 million bequest to the University, probably didn't miss a football or basketball game between the time that he graduated and just a couple of years ago when he was in declining health. Mr. Cavin left the \$4.4 million to benefit students, who otherwise would not be able to attend Carolina, by giving them student scholarships.

The Chancellor reported that the second largest scholarship program at the University, second only to the Morehead Program and very close to the Morehead Program in size, is the James M. Johnston Scholarship Program. The Johnston Fellowships, which come from the Johnston Trust, amount to approximately \$1.5 million a year. The Chancellor said that he is told by people who knew Mr. Johnston that throughout his career, from the time of his graduation until his death, he showed no interest whatsoever in anything at Carolina except athletics—he never missed a football game. Thus, there was surprise when the bequest was revealed that all of his philanthropy went not to athletics, but to scholarships for students.

Chancellor Hooker praised Provost Richardson in his chairmanship of the University Priorities and Budget Committee and Professor Pete Andrews for his role in creating this committee and on its ongoing deliberations. The committee has devised a list of University priorities, a copy of which was distributed to the Board. The Chancellor said that these priorities will guide the reallocation of resources going forward and will be the priorities guiding the University's planning for the \$1+ billion capital campaign. He commented on his indebtedness to the committee for working to develop these priorities and how pleased he is to associate himself with them. The priorities are an excellent conceptual road map for where to put energies and how to reallocate resources. He is pleased that the process of resource reallocation has reached the point where the University is about to really do it. He

has been using the Academic Enhancement Funds to fund those projects he has felt expressed the highest priorities of the University and which, otherwise, would not have been funded. These projects include graduate student health insurance, faculty pay raises, outreach to the public schools—particularly the LEARN NC Program, and technology initiative (the program for computers). A lot of technology efforts have been funded by the Academic Enhancement Funds, as well as the First Year Seminar Program. There are no longer funds available; they have all been committed to ongoing obligations so they will not be recurring. For that reason, it is important that the University Priorities and Budget Committee (UPBC) has established its priorities and is ready to begin the *difficult* process of reallocating resources.

The Chancellor announced that the William R. Kenan Jr. Charitable Trust had pledged \$100,000 to the campaign to build a new home for The Sonja Haynes Stone Black Cultural Center. He distributed a pamphlet and a program guide from the Black Cultural Center. [A copy of each item is filed in the Office of the Assistant Secretary.] He praised Dr. Gerald Horne, director of the Black Cultural Center, for putting together a set of programs which has accomplished what was unable to be accomplished with rhetoric—that is, to convince people that the Black Cultural Center is a very serious and very worthy academic enterprise and one that is appropriate to be housed in the facility that funds are being raised to build. For the first time, the Chancellor feels a sense of optimism that we are actually in sight of accomplishing the fund raising. We are over half way there and that has given him a sense of momentum and conviction that we will succeed, and it is his hope that we will succeed relatively soon.

Chancellor Hooker concluded his remarks by commenting on the second faculty Tar Heel Bus Tour that will start the day after commencement (May 18). He will report on the tour at the Board meeting on May 28. There will be 35 participants in the tour. He acknowledged Public Relations Director Nancy Davis for her effort in putting together the program last year. The tour received much recognition and praise from the citizens of the State of North Carolina. He still receives favorable comments from faculty who went on last year's tour.

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

Mr. Nathan began by thanking the Board for the resolution and remarked on the following issues: graduate students; advising; faculty salaries; and technology. He also commented that the caliber of the freshman class gets better with each incoming class.

Mr. Nathan introduced Ms. Reyna Walters, the incoming student body president, who will receive the Oath to become a new Board member at the May meeting.

Mr. Nathan thanked the Board for their love of the University and those at the University.

## **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 recommended by the committee:

1. Adoption of a revised master plan for the North Carolina Botanical Garden as a guide for future development of the Garden, and selection of a site for the Botanical Garden Herbarium/Research Building  
(ATTACHMENT A)
2. Approval to demolish a grounds storage building  
(ATTACHMENT B)
3. Renewal of a lease for The Carolina Inn for a period of five (5) years commencing July 1, 1998 upon terms that include the changes described in the "Carolina Inn Lease Renewal Summary of Changes"  
(ATTACHMENT C)

Mrs. Cates moved approval of the above items. Dr. Sanders seconded the motion and it carried.

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

1. Lease Report  
(ATTACHMENT D)
2. Status of Ayers Saint Gross Contract and procedure to coordinate the new master plan.

### Legislative Priorities

Mr. Pardue requested that Executive Vice Chancellor Elson Floyd update the Board concerning legislative priorities. Dr. Floyd referred to the legislative agenda information, which had been previously sent to the Board. He reported that the capital priorities budget is very, very good for the University. The highest priority in Academic Affairs is the renovation of the R. B. House Undergraduate Library, and in Health Affairs the highest priority is the Medical Biomolecular Research Building, Phase I. The Board of Governors also authorized proceeding with additions and renovations to Memorial Hall.

### Management Flexibility

Ms. Susan Ehringhaus, assistant to the chancellor and senior University counsel, presented information concerning management flexibility. A lot of focus has been made on getting rid of our own bureaucracy—imposed on ourselves by ourselves out of the best of intentions. There are many, many things being done to increase our own efficiencies and to minimize our own bureaucracies. In addition, General Administration has been a true partner to this and is now even more of a partner since President Broad came to the University. We have been fortunate enough to work with Bill McCoy and President Broad in putting forward our ideas about management flexibility initiatives. We have been very gratified to discover an extremely receptive audience there and they will put forward for the short session

this year a couple of key items for this institution. The most significant is increasing the carry forward from 2.5 percent to 5 percent. Special responsibility institutions in North Carolina are entitled to carry forward general fund appropriations from one year to the next; however, there is a cap on that now at 2.5 percent. That has been a significant incentive for us to manage effectively and efficiently on this campus. General Administration is going forward and asking the legislature to increase the carry forward limit, it is hoped, up to 5 percent; but any increase is heading in the right direction.

The other significant area is reducing the reversion from 1 percent to zero. We are very pleased with the legislature's response to our pleas in the past, and we continue to advocate for this because it helps us manage ourselves most effectively.

Ms. Ehringhaus referred to the flexibility increase in the area of purchasing. We want to use the next year to demonstrate to the legislature our ability to be accountable under these circumstances so that at that point we can go back to the legislature and say we have demonstrated you can trust us and we're going to go forward with more.

Mr. Pardue referred to a concern expressed during the committee meeting regarding continuing expansion. As long as the continuing expansion is research based, particularly if the University is receiving grants for it, then that is fine. We want to make certain that it is not a continuing expansion of unneeded space. This is part of what the master plan, hopefully, will address—looking very hard at our space needs, both now and in the future, and how to most efficiently accomplish that.

He reported that the Student Union project and the delays associated with it had been discussed.

He reported that at the January meeting there was discussion concerning having a group of two, three, four, or however many Trustees want to be on the committee, to review with Ayers Saint Gross and the others involved the architectural plans for the Student Union. Nothing has been done regarding these appointments. Mr. Pardue stated that he is not sure if it is up to him as chair of the Finance and Business Committee to make these appointments. He asked for volunteers to be on the committee and to let him know after the Board meeting or within the new few days. He would be happy to be on the committee, and Mr. Armfield had previously indicated a desire to be on the committee. The committee will meet as soon as Ayers Saint Gross is on board, probably in about two weeks, and proceed on the Student Union.

#### **REPORT OF THE STUDENT AFFAIRS COMMITTEE**

Dr. Jordan presented the committee's report in the absence of Mr. Whichard, chairman of the Student Affairs Committee.

Student Life Update

Dr. Dean Bresciani, associate vice chancellor for Student Services, introduced Marcia Harris, director of University Career Services. Ms. Harris updated the Board on the technology available regarding electronic registration via the Web, Internet exchanges, virtual reality interviews, PowerPoint workshops, and computerized guidance systems and databases.

First Year Initiative

Members of the Student Advisory Committee to the Board of Trustees (SACBOT) presented information to the Board concerning personal relationships with faculty, the freshman experience, and the importance of the freshman year. A handout was distributed concerning The Freshman Year Experience. The handout described six elements of a successful freshman experience. [A copy of the handout 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.

Technology Update

Marian Moore, chief information officer, reported that extraordinary progress has been made at the University in the past couple of years with regard to our technological introduction into everything that we do. Ms. Moore presented information on The Carolina Computing Initiative.

Mr. Stephen Jarrell, executive director of Administrative Information Services, and Mr. Dan O'Neal, associate director for student information, Administrative Information Services, presented information on student services available on the Web.

LEARN NC

Chancellor Hooker introduced Mr. Robert Berlam, director of the LEARN NC Program, who presented information on the program. LEARN NC is a new program mandated by the General Assembly. No money was provided for the program; however, the Chancellor did provide money for it from the Academic Enhancement Funds. LEARN NC (North Carolina's Learners' and Educators' Assistance and Resource Network) is a statewide network of educators using Internet technologies to deliver professional development opportunities and learning resources that increase student achievement, enhance teacher proficiencies, and foster community participation in the educational process.

Research Overview

Vice Provost Thomas J. Meyer, Graduate Studies and Research, updated the Board on research at Carolina. The following information was covered in Dr. Meyer's presentation: Science & Technology Centers (National Science Foundation Competition); Center for Inflammatory Disorders and Gender Equity Values in Education Policy; Proposal Development Initiative; Office of Research Services;

Graduate School Review; Office of Technology Development; Institute for Research in Social Science (75<sup>th</sup> Anniversary in 1999); Center for Carbon Nanotube Materials; Welfare Reform; Jazz Festival; and various news items of interest.

Professor Richard Boucher, Medicine, reported on his efforts in investigating the treatment of cystic fibrosis. His work has resulted in the establishment of a company called Inspire Pharmaceutical whose purpose is to commercialize this particular technology.

### **DEVELOPMENT**

#### **Development Update**

Mr. Kupec 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.]

Mr. Kupec introduced Mr. Scott Ragland, the new director of Internal Communications and editor of The University Gazette.

### **AMENDMENT TO TRUSTEES POLICIES AND REGULATIONS GOVERNING ACADEMIC TENURE IN THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL**

Ms. Ehringhaus presented a proposed amendment to the Trustee Policies and Regulations Governing Academic Tenure in The University of North Carolina at Chapel Hill. This amendment renumbers Section 2(c)(8) to Section 2(c)(9), and adds a new Section 2(c)(8) concerning post-tenure review.

(ATTACHMENT E)

Mr. Hynes moved to approve the amendment as presented by Ms. Ehringhaus. Mr. Armfield seconded the motion and it carried.

Provost Richardson distributed a revised 3/2/98 draft of "Framework for Implementation of The Trustee Policy for Review of Tenured Faculty at The University of North Carolina at Chapel Hill Office of the Provost". This framework describes the purpose, policy, procedures and records regarding post-tenure review.

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

On motion of Mrs. Cates, seconded by Mr. Hynes, 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 FINANCE AND BUSINESS COMMITTEE**

#### **Acquisition of Properties**

Chairman Stevens reported on two property acquisition items. Mr. Armfield moved approval of each property purchase. Mrs. Cates seconded the motion and it carried.

## **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 F)

#### **Personnel Changes for Consultation**

Mrs. Cates moved approval to authorize the Chancellor to forward to the President and the Board of Governors the personnel report and recommendations presented for consultation. Mr. Nathan seconded the motion and it carried.

(ATTACHMENT G)

#### **Personnel Changes in Academic Affairs**

Promotion, Addition of joint appointment, and Salary increase  
(ATTACHMENT H)

#### **Personnel Changes in Health Affairs**

Addition of a joint appointment, Reappointments at same rank, and Salary increase

(ATTACHMENT I)

#### **Recommendations for Exceptions to Employment Policies Annual Leave Provisions**

(ATTACHMENT J)

## **DEVELOPMENT**

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

Mr. Kupec presented the report of the Naming Committee. [A copy of the report is filed in the Office of the Assistant Secretary.]

Mrs. Cates moved approval of the following naming opportunities:

1. To name the UNC Crew Club Boathouse *The Michael Nicholls Crew Club Boathouse*
2. To name the electro-optics laboratory for the SOAR Telescope in Chile *The Dr. Abraham Goodman Laboratory*
3. To name the SOAR Telescope instrument *The Dr. Abraham Goodman Telescope* (This naming is subject to the approval of the SOAR Telescope Board of Directors.)
4. To name an office in the Lineberger Cancer Center *The William Sullivan Lineberger Office*
5. To name interview room 2412 in the McColl Building *The Steven D. and Jonathan D. Bell Interview Room*
6. To name a residence hall seminar room at Meadowmont *The James H. Maynard and Golden Corral Corporation Seminar Room*
7. To name a residence hall seminar room at Meadowmont *The Ruddick Corporation Seminar Room*
8. To name a meeting room and outdoor terrace at Meadowmont *The Oscar Ripley Rand Meeting Room*

9. Procurement of a new cornerstone for South Building by John L. and Ann Sanders
10. Various levels for naming/recognition opportunities in the redesigned Health Sciences Library (Formal names for recognition opportunities will be submitted for approval as they are used.)
11. To name the library reading room in the School of Law *The Sherwood Hubbard Smith, Jr., JD'60 Library Reading Room*
12. To name the board room in the School of Law *The Marion Aubrey Cowell, Jr., LLB'64 Board Room*
13. To name the director's office in the research and writing suite in the School of Law *The Frederick K. Gillam Director's Office*

Mr. Nathan seconded the motion and it carried.

Board of Visitors Nominations

Mr. Kupec presented the slate and information concerning nominations for the Board of Visitors Class of 2002.

There was discussion regarding increasing the class size from 30 to 40 which would require an amendment to the Board of Visitors Bylaws. The amendment will be presented to the Board for approval at the May meeting.

**LEGAL ADVICE**

Ms. Ehringhaus advised the Board regarding legal matters.

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Chairman Stevens requested that everyone be excused except the members of the Board, Chancellor Hooker, and Brenda Kirby to discuss a personnel matter.

**MOTION TO RECONVENE IN OPEN SESSION**

Mr. Pardue moved that the Board reconvene in open session. Dr. Jordan seconded the motion and it carried.

**REPORT OF THE ACADEMIC AFFAIRS AND PERSONNEL COMMITTEE**

Mrs. Cates moved approval of the following:

- |   |                |
|---|----------------|
| Personnel Changes in Academic Affairs   | (ATTACHMENT H) |
| Personnel Changes in Health Affairs   | (ATTACHMENT I) |
| Recommendations for Exceptions to Employment Policies Annual Leave Provisions | (ATTACHMENT J) |
| Ratification of Mail Ballot Dated February 12, 1998                           | (ATTACHMENT K) |
| Ratification of Mail Ballot Dated February 18, 1998                           | (ATTACHMENT L) |

Mr. Nathan seconded the motion and it carried.

**ADJOURNMENT**

There being no further business, the meeting adjourned at 4:20 p.m.

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Assistant Secretary