

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

The Board of Trustees met in regular session at The Carolina Inn, Hill North/Central Ballroom on May 23, 2002 at 9:30 a.m. Chairman Burnett presided.

The Audit, Business and Finance Committee, the Buildings and Grounds Committee, the Academic Affairs and Personnel Committee, the Student Affairs Committee, and the Development Committee met as a Committee of the Whole.

ADMINISTRATION OF OATH OF OFFICE

The Honorable James Stanford, Orange County Clerk of Superior Court, administered the Oath of Office to Student Body President Jennifer Ann Daum.

ROLL CALL

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

Timothy B. Burnett, Chairman
Richard T. Williams, Vice Chairman
Jean Almand Kitchin, Secretary
Russell M. Carter
Jennifer A. Daum
Paul Fulton, Jr.
James E. S. Hynes
Karol V. Mason
David E. Pardue, Jr.
Nelson Schwab III
A. Donald Stallings
Richard Y. Stevens

CONSENT AGENDA

Approval of Minutes

On motion of Mr. Stevens, seconded by Mr. Hynes, the minutes of the regular meeting of March 28, 2002 were approved as distributed.

Approval of Personnel Items

On motion of Mr. Stevens, seconded by Mr. Hynes, the following personnel items were approved as distributed:

- Personnel Items for Information
(ATTACHMENT A)
- Personnel Items in Academic Affairs
(ATTACHMENT B)
- Personnel Items in Health Affairs
(ATTACHMENT C)

Ratification of Mail Ballots

On motion of Mr. Stevens, seconded by Mr. Hynes, the following mail ballots were approved as distributed:

- Mail Ballot Dated April 17, 2002 (Personnel items for information, Personnel items for action in Academic Affairs, Personnel items for action in Health Affairs, and Personnel items for consultation)
(ATTACHMENT D)
- Mail Ballot Dated April 22, 2002 (Distinguished Professorship in the School of Journalism and Mass Communication)
(ATTACHMENT E)
- Mail Ballot Dated April 26, 2002 (Approval of adoption of The Ordinance Regulating Traffic and Parking effective August 15, 2002)
(ATTACHMENT F)
- Mail Ballot Dated April 29, 2002 (Personnel items conferring tenure)
(ATTACHMENT G)

MOTION TO CONVENE IN CLOSED SESSION

On motion of Ms. Kitchin, 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), (6), and (7).

CLOSED SESSION

CONSENT AGENDA/PERSONNEL ITEMS FOR CONSULTATION

Mr. Stevens moved approval to authorize the Chancellor to forward to the President and the Board of Governors the personnel report and recommendation presented for consultation. Mr. Hynes seconded the motion and it carried.

(ATTACHMENT H)

DEVELOPMENT COMMITTEE

Nominations for the William Richardson Davie Award

Mr. Williams moved approval of five nominees for the William Richardson Davie Award, which will be presented on November 20, 2002. Mr. Fulton seconded the motion and it carried. [A copy of the Davie Award information is filed in the Office of the Assistant Secretary.]

Report of the Naming Committee

Mr. Kupec presented the Report of the Naming Committee. Mr. Fulton moved approval of the naming recommendations. Mr. Hynes seconded the motion and it carried. [A copy of the Report of the Naming Committee is filed in the Office of the Assistant Secretary.]

Report of the Honorary Degrees and Special Awards Committee

Mr. Williams moved approval of an honorary degree to be presented at Commencement 2003. Mr. Schwab seconded the motion and it carried. [A copy of the information is filed in the Office of the Assistant Secretary.]

LEGAL ADVICE

Ms. Ehringhaus advised the Board regarding several legal matters.

EXECUTIVE CLOSED SESSION

Chairman Burnett convened the Board in executive closed session to discuss a personnel matter.

MOTION TO RECONVENE IN OPEN SESSION

Mr. Stallings moved that the Board reconvene in open session. Mr. Schwab seconded the motion and it carried.

OPEN SESSION

CHAIRMAN'S REMARKS

Chairman Burnett began his remarks by welcoming Student Body President Jennifer Daum as a member of the Board of Trustees.

Chairman Burnett commented on the Commencement Ceremony, which was held on Sunday, May 19. He applauded the Chancellor and others involved in making it a dignified ceremony.

Chairman Burnett commented on the breakfast, which was held before the Board meeting. Members of the Chapel Hill Town Council, University Administrators, and the Board of Trustees attended the breakfast.

Chairman Burnett also commented on the following:

- The University dropping its binding early decision of admissions. The University has been cited as a national leader in this area.
- Potential changes in the meeting schedule of the Board related to closed sessions and executive closed sessions, etc. Public notification of these sessions will be made prior to each Board meeting.
- The upcoming departure of Vice Chancellor for Information Technology Marian Moore.

REPORT OF THE NOMINATING COMMITTEE

Mr. Stevens, chairman of the Nominating Committee, presented the following proposed slate of officers for the term July 2002 to July 2003:

Timothy B. Burnett, Chairman
Richard T. Williams, Vice Chairman
Jean Almand Kitchin, Secretary
Brenda W. Kirby, Assistant Secretary

Action on these nominations will take place at the July meeting.

CHANCELLOR'S REMARKS

Chancellor Moeser commented on the following:

- The State budget situation.
- The departure of Marian Moore, vice chancellor for Information Technology.
- Competitive issues related to maintaining faculty and administrators at the University.
- Cancellation of the Tar Heel Bus Tour for new faculty members due to the current budget situation.
- Postponement of the video scoreboard at Kenan Stadium due to the current budget situation.
- The Carolina First Campaign has surpassed \$800 million in commitments to the campaign.
- The goal of 200 endowed professorships is now at 80+. Twenty-six of those are fully funded.
- The University is well into its goal of 1,000 new scholarships.
- Faculty diversification. *The Journal of Blacks in Higher Education* recently completed a survey indicating that UNC-Chapel Hill has the most tenured African-American professors among the nation's most highly ranked universities. UNC-Chapel Hill was one of four universities identified with more than 100 African-American faculty members--51 are tenured faculty members.
- The Carolina Summer Reading Program's book selection, *Approaching the Qur'ân: The Early Revelations*. All incoming First Year and Transfer Students are required to participate in the program this year by reading the book.
- The groundbreaking ceremony at 3:00 p.m. at the School of Public Health for its new research center.

FACULTY CHAIR'S REMARKS

Professor Sue Estroff, faculty chair of the Faculty Council, began her remarks by commenting on the importance of consultative partnerships between the faculty, Chancellor Moeser, Provost Shelton, and the Board of Trustees in the spirit of Carolina.

Professor Estroff also expressed a sense of regret on the departure of Vice Chancellor Marian Moore.

Professor Estroff commented on the following:

- The heartbeat of the University is composed of sometimes very quiet scholars and teachers who may not make the headlines or have big lines of zeros after their names in terms of support that they bring in to the University.
- Protecting the classroom. The Faculty Council passed a resolution requesting Governor Easley and the University's Board of Governors to consider slowing, or postponing, enrollment increases until there are adequate budget resources. The Governor responded that his main goal was to protect the classroom. She expressed an interest in knowing where these classrooms are located--they are not on this campus. The faculty is doing its best, but is being put in a situation where they simply cannot meet the mandate. Teaching assistants and adjunct faculty will be lost. She asked the Board to consider drawing lines where they need to be drawn to protect the University in its broadest sense.
- Management and allocation of State funds. No matter what happens this year, the compensation on campus will decrease; parking fees and health insurance costs will increase.

STUDENT BODY PRESIDENT'S REMARKS

Ms. Daum thanked the Board members for the opportunity to work with them in the coming year, and commented on the following:

- The concern of students regarding short-term decisions being made at the University, specifically parking.
- The concern of students regarding long-term issues--what their degree will mean in ten years, how can UNC-Chapel Hill be the best public University possible, and ways in which students serve the State of North Carolina. She stated that students want to engage in dialogue about character and service, learning and acceptance. How these issues are treated will shape the vision of the University in years to follow.
- Ms. Daum commended Dr. Lynn Blanchard, director of the Carolina Center for Public Service, who has been an active ally for student involvement in public service.
- There are over 150 opportunities for student voices on campus. Students serve on each and every committee assembled by the Chancellor or the Provost, thereby continuing the commitment to actively be engaged in the decision-making processes that occur at the University.
- Students are gearing up to ensure that the State is committed to higher education in these budget times. In early spring, a Lobbying for Higher Education Class was held, and knowledge from the class will be taken to the Legislature this summer.
- New students are being recruited from the orientation sessions to work in Student Government in the fall.
- Student Government will move in to the new student union during the summer.

AUDIT, BUSINESS AND FINANCE COMMITTEE

Mr. Hynes, chair of the Audit, Business and Finance Committee, introduced the agenda to the Board. The following three items were presented to the Board for information only and no action was required on the items.

Internal Audit Review and Staffing Update

Ms. Phyllis Petree, director of Internal Audit, introduced the following members of her staff:

- Bill Blinson, Internal Auditor II
- Lori Church, Internal Auditor II
- Chris Garriss, Information Technology Auditor
- Gladys Jeffreys, Audit Assistant

She stated that there are two vacant/frozen positions open in Internal Audit: Internal Auditor II and Management Engineer 1.

Ms. Petree reviewed the use of resources in the Internal Audit Department for 2001-2002.

(ATTACHMENT I)

Managing Budget Cuts Responsibly

Executive Vice Chancellor and Provost Robert Shelton presented information concerning "The Carolina Budget Process". [A copy of the presentation is filed in the Office of the Assistant Secretary.]

Dr. Shelton stated that the University "is engaged in a process that is deliberate, that is inclusive, and is preparing our campus leadership to make difficult and differential decisions".

A budget will be presented to the Chancellor by June 30, 2002.

Five-Year Planning Process

Vice Chancellor Nancy Suttentfield, Finance and Administration, presented the five-year financial plan to the Board.

(ATTACHMENT J)

BUILDINGS AND GROUNDS COMMITTEE

Mr. Pardue, chair of the Buildings and Grounds Committee, introduced the agenda to the Board.

Mr. Bruce Runberg, associate vice chancellor for Facilities Planning and Construction, introduced Mr. Garland Burton, who is the new HUB (Historically Underutilized Business) coordinator. The HUB Office is located in the front area of the Giles Horney Building. Mr. Williams requested that a summary of the new HUB Office be sent to the Board members.

Site Selection for the Global Education Center

Mr. Pardue moved approval of the site for the Global Education Center. The site is located on the western edge of the central campus at the corner of Pittsboro and McCauley Streets and is currently occupied by a surface parking lot. The project will replace part of this parking in a two-story deck with the three-story facility above the deck. Ms. Mason and Ms. Daum seconded the motion and it carried.

(ATTACHMENT K)

Site Selection for the Information Technology Systems Building

Mr. Pardue moved approval of the site for the Information Technology Systems Building. The site is the existing Bennett Building site on Manning Drive. Ms. Mason and Mr. Stallings seconded the motion and it carried.

(ATTACHMENT L)

Site Selection for the Facilities Services Buildings

Mr. Pardue moved approval of the site for the Facilities Services Buildings (Grounds Services, Printing Services, Environmental Health & Safety, Construction Shops, and Energy Services). The sites are as follows:

- Grounds Services: Vacant triangular lot south of Estes Drive
- Printing Services: Same as Grounds Services
- Environmental Health & Safety: Giles Horney property
- Construction Shops: Giles Horney property
- Energy Services: North side of existing building

Mr. Stevens seconded the motion and it carried.

(ATTACHMENT M)

Designer Selection for the Global Education Center

Mr. Carter moved approval of Leers Weinzapfel Associates, Boston, Massachusetts for design of the Global Education Center. Mr. Pardue seconded the motion and it carried.

(ATTACHMENT N)

Designer Selection for Information Technology Systems Building

Mr. Pardue moved approval of Hartman-Cox Architects, Washington, D.C., for design of the Information Technology Systems Building. Ms. Kitchin and Mr. Stallings seconded the motion and it carried.

(ATTACHMENT O)

Designer Selection for Renovations to Cobb Residence Hall

Mr. Pardue moved approval of Mitchell/Matthews, Charlottesville, Virginia for design of the renovations to Cobb Residence Hall. Ms. Kitchin seconded the motion and it carried.

(ATTACHMENT P)

Designer Selection for Renovations to Brauer Hall

Mr. Pardue moved approval of Michael Hining Architects, Chapel Hill, North Carolina for design of the renovations to Brauer Hall. Mr. Williams and Mr. Stallings seconded the motion and it carried.

(ATTACHMENT Q)

Selection of an Architect for Design of Alumni Hall and Woollen Gymnasium Classroom Renovations

Mr. Pardue moved approval of Davis Kane Architects, P.A., Raleigh, North Carolina for design of Alumni Hall and Woollen Gymnasium classroom renovations. Ms. Kitchin seconded the motion and it carried.

(ATTACHMENT R)

Designer Selection for the South Chiller Plant Expansion, Phase IV, Thermal Storage Facility

Mr. Pardue moved approval of Affiliated Engineers East, Chapel Hill, North Carolina, with Ayers Saint Gross, for design of the South Chiller Plant Expansion, Phase IV, Thermal Storage Facility. Ms. Kitchin and Mr. Carter seconded the motion and it carried.

(ATTACHMENT S)

Demolition of the Bennett Building

Mr. Pardue moved approval of demolition of the Bennett Building, which is necessary for the construction of the Information Technology Systems Building. Ms. Kitchin and Mr. Stallings seconded the motion and it carried.

(ATTACHMENT T)

ACADEMIC AFFAIRS AND PERSONNEL COMMITTEE

Mr. Stevens, chair of the Academic Affairs and Personnel Committee, introduced the agenda to the Board.

Graduation Rates: Trends and Impact Factors

Executive Vice Chancellor and Provost Robert Shelton presented this report to the Board. [A copy of the presentation is filed in the Office of the Assistant Secretary.]

Chairman Burnett requested that Dr. Shelton bring information back to the Board concerning first-time full-time freshmen graduation rates, taking the numbers from the chart used in this report and moving them up 5% or 10%. He would like to know what impact this might have on the budget for the University.

STUDENT AFFAIRS COMMITTEE

Ms. Kitchin, chair of the Student Affairs Committee, reported on the committee's meeting that was held on May 22.

Vice Chancellor Sue Kitchen, Student Affairs, reported on the adult Greek Affairs Advisory Committee. She stated that the Greek Alumni group has written a charter and has established a series of committees, including one that is working with fire safety. The group is continuing to be very active and was instrumental in having the Interfraternity rush start date changed in the fall so that rush would start in a manner that would protect the integrity of the Fallfest events.

DEVELOPMENT COMMITTEE

Development Update

Mr. Fulton, chair of the Development Committee, presented a report regarding the level of activity and current contributions in the Office of University Advancement.

Board of Visitors Elections

Mr. Matt Kupec, vice chancellor for University Advancement, presented the members of the Class of 2006. Mr. Hynes moved approval of the following 40 people for the Board of Visitors Class of 2006. Mr. Stevens seconded the motion and it carried.

J. Steele Alphin
Patrick James Ballantine
William James Blair III
Peter Boneparth
Amy Woods Brinkley
Harry Miller Bryant, Jr.
Linda Lynch Butler
Rebecca Todd Cobey
Jim Congleton III
Sue Fagen Cooper
Wilson Reid Cooper, Jr.
H. Allen Corey
James Keen Cornell
Torin Damon Dorn
Steven Sheppard Dunlevie
Steven Michael Durham
H. Alexander Easley III
Frank Hooker Edwards
Deborah Hicks Ellis
Nancy Jane Farmer

Edward Smoot Finley, Jr.
Margaret S. Hamner
Kelvin Crews Harris
Sallie Lee Krawcheck
H. Kelly Landis III
Cheryl Ransom Locklear
Algenon Lamont Marbley
Andrew McNally
George Martin Miller II
Josephine Nelson Osborn
Charles Dexter Owen III
William Robert Purcell II
Margaret Ferguson Raynor
Michael Bickett Shivar
Edward L. Smithwick, Jr.
Liang Yee Soo
Helen W. Umphlet
George Walter Weaver
Laura Anderson Wright
Carol Payne Young

Mr. Hynes moved approval of John Turner as chair and Stewart Parker as vice chair of the Board of Visitors. Mr. Stevens seconded the motion and it carried.

DEEP EXECUTIVE CLOSED SESSION

Chairman Burnett convened the Board in deep executive closed session.

OPEN SESSION

Chairman Burnett reconvened the meeting in open session.

ADJOURNMENT

There being no further business to come before the Board, Chairman Burnett adjourned the meeting at 2:50 p.m.

Assistant Secretary