

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

The Board of Trustees met in regular session in the Faculty Lounge of The Morehead Building on September 28, 2000 at 8:30 a.m. Chairman Cates presided.

The Academic Affairs Committee, Student Affairs Committee, Finance and Business Committee, and Development Committee all met as a Committee of the Whole.

ROLL CALL

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

Anne W. Cates, Chairman
Dr. William R. Jordan, Vice Chairman
David E. Pardue, Jr., Secretary
William J. Armfield, IV
Timothy B. Burnett
Walter R. Davis
James E. S. Hynes
Jean Almand Kitchin
Robert B. Matthews
Dr. Charles A. Sanders
Richard Y. Stevens
Cressie H. Thigpen, Jr.
Richard T. Williams

CONSENT AGENDA

Approval of Minutes

On motion of Mr. Stevens, seconded by Dr. Sanders, the minutes of the regular meeting of July 27, 2000 and the minutes of the emergency meeting of August 16, 2000 were approved as distributed.

Approval of Personnel Items

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

- Personnel Changes for Information (ATTACHMENT A)
- Personnel Changes in Academic Affairs (ATTACHMENT B)
- Personnel Changes in Health Affairs (ATTACHMENT C)
- Recommendations for Exceptions to (ATTACHMENT D)
Employment Policies Annual Leave Provisions

Ratification of Mail Ballot

On motion of Mr. Stevens, seconded by Dr. Sanders, the following mail ballot was approved as distributed:

- Mail Ballot Dated August 16, 2000 (ATTACHMENT E)

CHAIRMAN'S REMARKS

Chairman Cates welcomed the ninth Chancellor of the University, James Moeser, and his wife, Dr. Susan Moeser, to the Board meeting and announced that the Moesers will represent the University at the Association of American Universities (AAU) meeting in Chicago, October 16-18.

Chairman Cates commented on the following items:

- Article in the *U.S. News and World Report* magazine ranking UNC-CH third among public universities, along with the University of Michigan at Ann Arbor and the University of California at Los Angeles
- Article in *Kiplinger's Personal Finance* magazine ranking UNC-CH as a top value among 580 public campuses
- Article in the October 2 edition of *Business Week* magazine ranking Kenan-Flagler Business School's MBA Program No. 15 in its 2000 rankings of the "Best Business Schools"
- Dedication of the Paul J. Rizzo Conference Center at Meadowmont on September 22
- The September 11 launch of the World Wide Web site called *ibiblio* dubbed "The Public's Library", which is a collaborative project between Red Hat Center, a private foundation established to champion the free exchange of ideas, and UNC-CH
- A U.S. postage stamp will be issued on October 3 featuring Thomas Wolfe, a UNC-CH alumnus

Chairman Cates requested Secretary Pardue read the following resolution.

**RESOLUTION OF APPRECIATION
FOR
RON BINDER
DIRECTOR OF GREEK AFFAIRS**

WHEREAS, Director of Greek Affairs Ron Binder will leave The University of North Carolina at Chapel Hill next month after six-and-a-half years of outstanding service to the campus and Greek communities;

WHEREAS, Dr. Binder has left a tremendous legacy at Carolina based on the principles of scholarship, community service, campus involvement and sisterhood/brotherhood;

WHEREAS, the promotion of learning and self-knowledge has been a hallmark of his years as director of Greek Affairs--demonstrated by his expansion of mandatory educational programs for new pledges;

WHEREAS, Dr. Binder's job rarely began at 8 a.m., nor ended at 5 p.m., but instead often stretched into the evening with student meetings, special events and personal checks on Greek activities;

WHEREAS, in the wake of the tragic 1996 Phi Gamma Delta Fraternity fire, he has worked relentlessly to raise awareness of fire safety in the Greek houses and to help sororities and fraternities in their efforts to comply with new sprinkler regulations;

WHEREAS, Dr. Binder was instrumental in diversifying Carolina's Greek community as he helped with the formation and promotion of several specialty Greek organizations, such as the University's first Native American sorority and its first multicultural sorority;

WHEREAS, he worked hard to bring recognition to the many academic and public service success stories within the Greek system;

WHEREAS, Dr. Binder was a friend, mentor and excellent role model for not only our fraternity and sorority members, but to all students he encountered;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees of The University of North Carolina at Chapel Hill offers Ron Binder its sincerest appreciation for his outstanding leadership, his tireless efforts to improve Greek life at Carolina, and his unparalleled work to create a Greek community that we can all take pride in.

On motion of Mr. Hynes, seconded by Mr. Stevens, the Board approved adoption of the resolution and applauded Dr. Binder.

CHANCELLOR'S REMARKS

Chancellor Moeser began by thanking the Board members for their support in naming him the ninth Chancellor of UNC-CH. He expressed his appreciation and excitement in being here at a pivotal time in the distinguished history of the University.

The Chancellor commented that his initial attraction to UNC-CH was its reputation as a world-class research university. He has studied and known about the University since his early days as a faculty member and as a dean at the University of Kansas. UNC-CH was one of the aspirant peer institutions used by the University of Kansas, then and now, one of those institutions against which an aspirant institution pegs its own progress. He also watched UNC-CH from his position as provost at the University of South Carolina, as well as when he was at Nebraska. It has always been abundantly clear to him that UNC-CH is a distinguished, leading, pacesetting American university. The State of North Carolina has done a lot of things really well to build the University, and the people of North Carolina have invested in education at a higher level than many of its neighboring states. The University has been fortunate to have good leadership over a long period of time and incredible support from alumni, which have come together to build a 207-year tradition of excellence.

Chancellor Moeser commented on how impressed he has become with the spirit of the campus. He referred to the numerous occasions during his walks around campus when students come up and introduce themselves and strike up a conversation with him.

He acknowledged Sue Estroff, the newly elected faculty chair, and commented that the quality of the faculty and the quality of the students ultimately define the greatness of an institution. UNC-CH is proof of that. He added that UNC-CH is better even than he thought it was prior to arriving on campus.

Chancellor Moeser commented on the Higher Education Bond Referendum and said that he senses that support around the state is mobilizing. He referred to upcoming television commercials about the bond referendum. The campus will be increasingly mobilized--signs will be erected in front of every building on campus so that people will begin to see, building by building, the impact of the bond issue on the Chapel Hill campus. It is important that we win

the bond issue decisively. His goal is to send a strong message to the elected officials of North Carolina that the people of North Carolina value higher education, which in turn will resound to ensuing sessions of the legislature.

He commented on the Carolina First Campaign's inaugural steering committee meeting that was held on September 23. This campaign is expected to raise \$1 billion or more during the next seven years. A sound foundation has already been built with 57,000 donors contributing \$165 million to the University in the past fiscal year. Even without a campaign, annual giving has been doubled at UNC-CH.

Chancellor Moeser referred to the Campus Master Plan, which will be brought before the Board at the meeting in January 2001. He commented that a feature of the plan that is pleasing to him is that of reducing approximately 20 acres of asphalt and adding approximately 10 acres of green space. It not only has an aesthetic value, but is also beneficial for the University's neighbors in that there will be less storm water draining off the campus in to both the town and the county. The pastoral ambience of the north campus will also be created on the south campus, where some of the asphalt will begin to disappear. The plan maintains core academic functions on the main campus, integrates student living and learning, and integrates teaching and research thereby creating a coherent and cohesive learning environment on campus. This is one of the dimensions of being a great university.

Chancellor Moeser commented on enrollment saying that even without enrollment increases, if enrollment was frozen today, it would be a terrible mistake to imagine that we could freeze in time the University in its present condition. One of the things known with certainty is that UNC-CH will continue to be a great research university. Research will drive the growth of the University's physical infrastructure; otherwise, the University will shrivel and die.

The Chancellor commented on the Tar Heels who are competing at the 2000 Summer Olympics in Sydney, Australia. UNC-CH has more former athletes there than any other school in the Atlantic Coast Conference. Nineteen former Tar Heels are on U.S. Olympics teams, including some of the biggest names competing at the games--soccer star Mia Hamm, gold-medallist and track star Marion Jones, and men's basketball standout Vince Carter.

The Chancellor commented that he is looking forward to University Day on October 12 and mentioned some of the events taking place during the day.

Chancellor Moeser ended his remarks by thanking the Board for giving him and Mrs. Moeser the great opportunity of becoming Tar Heels. He commented as follows "I'm not a Tar Heel born, I'm not a Tar Heel bred, but when I die I'll be a Tar Heel dead".

STUDENT BODY PRESIDENT'S REMARKS

Mr. Matthews introduced the following student guests:

- John Gardner, current president of the Inter-Fraternity Council
- Tony Arcese, president of the Carolina Union Activities Board

Mr. Matthews commented on the upcoming bond referendum election. The Morehead voting site will open on October 16 at 9:30 a.m. and will be the first voting site of its kind in North Carolina.

He commented that the voter registration drive continues. A number of student leaders across campus have come together to form Students for the Bond Steering Committee and are working diligently to make sure that every student on campus is not only registered but also informed about the bond and can be effective advocates for it. Letters will be written to hometown newspapers and tour guides are talking about the bond referendum on their tours.

Mr. Matthews reported that the October Report would be mailed to the Board during the first week in October.

ACADEMIC AFFAIRS COMMITTEE

Dr. Sanders, chairman of the Academic Affairs Committee, introduced the agenda to the Board.

Update on the School of Medicine with a Focus on Genomics

Dr. Jeffrey Houpt, vice chancellor for Medical Affairs and dean, School of Medicine, identified the new department chairs in the School of Medicine in 2000, as well as during 1997-1999, and also the new center directors who have come from 1997-2000.

Dr. Houpt gave a brief presentation on genomics and then introduced Dr. Terry Magnuson, chair of Genetics.

Dr. Magnuson updated the Board on recent activities in the area of genetics and genome sciences at the School of Medicine.

Admissions Update

Jerry Lucido, associate vice provost and director of Undergraduate Admissions, updated the Board on undergraduate admissions. Mr. Lucido reported that the Class of 2004 is the University's most complete class, as well as the best academically prepared class.

The presentation included data from 1996 to 2000 regarding historical enrollment, historical enrollment - SAT summary, freshman class by ethnicity percentage, National Merit Scholars, historical enrollment - SAT ranges, AP exam trends, course difficulty ratings, class rank of Fall 2000 class, and Class of 2004 freshman facts.

Mr. Lucido reported that the University was able to meet 100% student aid, and Shirley Ort, associate vice provost and director of Scholarships and Student Aid, commented that every needy student was held harmless from tuition increases. They thanked the Board for its leadership in this regard.

Enrollment Projections

Interim Provost Dick Edwards presented information concerning estimated enrollment trends at the University as of September 2000. Dr. Edwards commented that the last enrollment report projected a growth of approximately 6,000 students. He reported that the latest projection results in

less than half that growth. Growth will occur primarily in the undergraduate population and will be done in a way that will allow slow growth in the freshman class and will allow some room for growth in the professional and graduate student bodies as warranted by the programs and by the job market. The targeted freshman class for next year will be 3,500 students, a growth of approximately 100 students from the targeted projection for this year of 3,400 students. However, the actual number of freshmen this year was 3,420 students. The projected freshman class for Fall 2002 is 3,600 students and 3,700 for Fall 2003.

Dr. Edwards commented that this growth could be handled in terms of the dormitories that are under construction and should be on line in the next two years and in terms of the allocation of faculty. It provides additional access to the University for well prepared high school graduates from throughout North Carolina and elsewhere.

The plan carefully considers both the demographics of North Carolina and the quality of the student experience that the University wants to be able to provide to its students.

Carolina Computing Initiative (CCI) Update

Marian Moore, vice chancellor for Information Technology, updated the Board on the Carolina Computing Initiative (CCI). In the first year of the CCI, over 95% of the freshman class purchased a laptop.

Vice Chancellor Moore also reported on Red Hat Center and UNC-CH's \$4 million gift to launch the new World Wide Web site: www.ibiblio.org.

STUDENT AFFAIRS COMMITTEE

Mr. Stevens, chairman of the Student Affairs Committee, introduced Sue Kitchen, vice chancellor for Student Affairs, for the student life update presentation.

STUDENT LIFE UPDATE

Vice Chancellor Kitchen asked the following directors in Student Affairs to introduce themselves to the Board:

- Marcia Harris, University Career Services
- Bob Wirag, Student Health Service
- Jim Kessler, Student Disability Services
- Bob Locke, International Center
- Brent Engel, Technology and Systems Support
- Don Luse, Carolina Union
- Virginia Carson, Campus Y

Vice Chancellor Kitchen introduced Cynthia Wolf-Johnson, associate vice chancellor for Student Learning, who updated the Board concerning the Greek community. She commented on the tremendous job done by Dr. Ron Binder in transforming the Greek community during his tenure as director of Greek Affairs.

Dr. Wolf-Johnson introduced the following student leaders of the Greek community:

- John Gardner, president of the Inter-Fraternity Council
- Megan Means, vice president of the Panhellenic Council
- Treyana Futrell, president of the National Pan-Hellenic Council
- Mimi Patel, co-coordinator of the Specialty Greek Organizations

Dr. Binder presented a brief history of the Greek community, as well as a current overview of the Greek community and the Office of Greek Affairs.

Each of the Greek community student leaders addressed the Board on their experiences in the Greek Community and how their lives have been impacted by these experiences.

FINANCE AND BUSINESS COMMITTEE

Mr. Burnett, chairman of the Finance and Business Committee, introduced Dr. Jack Evans, interim vice chancellor for Finance and Administration, to present the agenda items.

Lease of Land to the Endowment Fund

Mr. Stevens moved approval of the structure to construct an Administrative Office Building to be located on Airport Drive; subject to approval by The University of North Carolina at Chapel Hill Foundation, Inc. and The Board of Trustees of the Endowment Fund. Mr. Hynes seconded the motion and it carried.

(ATTACHMENT F)

Ratification of Mail Ballot

Mr. Thigpen moved approval to ratify the mail ballot dated August 25, 2000 concerning two lease approvals:

- Approximately 2800 square feet of office space at 108-D Firetower Road, Greenville, NC from LSR Associates, LLC for the School of Medicine, Department of Psychiatry, Greenville TEACCH Office. This is a renewal lease for an existing occupancy. The lease term is five years commencing upon completion of the current lease term (October 1, 2000) at an annual rent not to exceed \$29,400 or \$10.50 per square foot, not including utilities and janitorial services. There are two three-year renewal options. The rent escalates 4% annually during the renewal periods.
- Approximately 16,695 square feet of office space at 520 South Greensboro Street, Carrboro, NC from James L. Hodgkin for the Frank Porter Graham Child Development Center. This is a new lease for new space. The lease term is five years commencing October 1, 2001 or as soon thereafter as possible at an annual rent not to exceed \$291,661.65 or \$17.47 per square foot, not including utilities and janitorial services. In years four and five, the rent increases to \$296,336.25 or \$17.75 per square foot. There are two three-year renewal options. The rent escalates 2.5% annually during the renewal periods.

Mr. Hynes seconded the motion and it carried.

(ATTACHMENT G)

Trademark Licensing Report for Fiscal Year Ending June 30, 2000

This report was presented for information only and no formal action was required.

(ATTACHMENT H)

DEVELOPMENT COMMITTEE

Development Update

Mr. Hynes, chairman of the Development Committee, 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.]

THE BOARD OF TRUSTEES OF THE ENDOWMENT FUND OF THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL MEMBER ELECTION

Mr. Burnett moved, seconded by Mr. Stevens, to reappoint Mr. Earl N. Phillips as a member of the Board of Trustees of the Endowment Fund of The University of North Carolina at Chapel Hill. Mr. Phillips's term will end on June 30, 2003. The motion carried.

ACC GOVERNING BOARD CERTIFICATION FORM

Mr. Hynes moved that the 2000-2001 ACC Governing Board Certification Form be adopted as presented by Ms. Ehringhaus, vice chancellor and general counsel. Dr. Sanders seconded the motion and it carried.

(ATTACHMENT I)

COMMUNITY SERVICE LEAVE FOR EMPLOYEES EXEMPT FROM THE STATE PERSONNEL ACT

Mr. Matthews moved approval to adopt the Community Service Leave Policy as presented by Ms. Ehringhaus. Dr. Sanders seconded the motion and it carried.

(ATTACHMENT J)

MOTION TO CONVENE IN CLOSED SESSION

On motion of Mr. Pardue, seconded by Mr. Stevens, 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) (3) (5) and (6).

CLOSED SESSION

DEVELOPMENT COMMITTEE

Mr. Armfield moved approval of the Report of the Naming Committee. Dr. Sanders seconded the motion and it carried. [A copy of the report is filed in the Office of the Assistant Secretary.]

CONSENT AGENDA/PERSONNEL CHANGES FOR CONSULTATION

Dr. Sanders 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. Thigpen seconded the motion and it carried.

(ATTACHMENT K)

REPORT OF FACULTY APPEAL HEARING

Dr. Sanders moved that the decision of the Interim Chancellor be upheld in a faculty appeal hearing. Mr. Thigpen seconded the motion and it carried.

LEGAL ADVICE

Ms. Ehringhaus advised the Board regarding several legal matters.

MOTION TO RECONVENE IN OPEN SESSION

Mr. Burnett moved, seconded by Dr. Sanders, that the Board reconvene in open session. The motion carried.

OPEN SESSION

ADJOURNMENT

There being no further business, Chairman Cates declared the meeting adjourned at 12:30 p.m.

Assistant Secretary