

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

The Board of Trustees met in regular session on Thursday, September 22, 2011, at The Carolina Inn, Chancellor's Ballroom, at 9:00 a.m. Chair Hargrove presided.

Chair Hargrove read 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.”

**ROLL CALL**

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

Wade H. Hargrove, Chair	J. Alston Gardner
Barbara R. Hyde, Vice Chair	Steven J. Lerner
Phillip L. Clay, Secretary	Sallie Shuping-Russell
W. Lowry Caudill	Edward C. Smith
Donald Williams Curtis	John L. Townsend III
John G. B. Ellison, Jr.	Mary Cooper

Felicia A. Washington joined part of the meeting via teleconference.

**CONSENT AGENDA**

**Approval of Minutes**

On motion of Mr. Townsend seconded by Ms. Hyde, the minutes of the regular meeting of July 27, 2011, were approved as distributed.

(ATTACHMENT A)

**CHAIR'S REMARKS**

Chair Hargrove reported on:

- **Dinner at the Ackland Art Museum-** Chair Hargrove thanked the Ackland for hosting the trustee dinner the night before. He spoke about the “Carolina Collects 150 Years of Modern and Contemporary Art” exhibit. It features works from the collections of 60 Carolina alumni, including about 90 works by some of the most renowned artists of the modern era. The exhibit includes works from the collections of trustees Ellison, Hyde, and Townsend.
- **Changes in Committees-** We've restructured the University Affairs Committee. We now have the Student Affairs Committee, chaired by Barbara Hyde, and the Academic Affairs Committee, chaired by Alston Gardner. With both committees, the intent is to increase the number of informational agenda items so committee members will have more opportunities to meet and hear presentations from key members of the campus community and to learn about how the University operates. The Student Affairs Committee will focus on areas including student activities, student conduct, student services and student government. The Academic Affairs Committee's areas will include admissions, student financial aid, intercollegiate athletics, and personnel and salary administration. The committee meetings will be scheduled consecutively, which will give all of our trustees the opportunity to attend all of the committees. We'll schedule Buildings and Grounds for Thursday morning as part of the full board meeting.

- **U.S. News and World Report rankings-** We'll get a report from Chancellor Thorp in a few minutes about the impact of the budget cuts on campus. We're encouraged that the University is maintaining its standing among the other great public research universities, but we're carefully watching the impact these budget cuts are having on our ability to retain our faculty.
- **NCAA/Football** - I wish to assure everybody that the Board of Trustees and this chancellor are fully committed to having a highly competitive football program. There is no plan, no talk, no designs of any kind whatsoever of de-emphasizing football at Carolina. Those overseeing the football program made mistakes, and the university, its faculty, alumni and the taxpayers of North Carolina deserve better. The school's review of academic issues related to the NCAA probe will be deliberate, thorough and fair. UNC recently concluded a study of its Academic Support Program for Student-Athletes and made a number of recommendations for improvement, including increasing staff and expanding faculty oversight. Trustee Lowry Caudill is leading the AD search. I cannot imagine a better person to lead that effort. There's been tremendous interest in the AD position, and we will attract the best in the nation.

### **CHANCELLOR'S REMARKS**

Chancellor Thorp spoke about the following:

- **NCAA/Football-** Responding to the NCAA on Monday was an important step in our moving forward. We have acknowledged our violations, and we've responded in the way you would expect of this University. We think that the sanctions we have proposed accept responsibility and, at the same time, give our current and future student-athletes and coaches every opportunity for success. We go before the NCAA Committee on Infractions on October 28, and that will be another important milestone. I really appreciate the board's support throughout this. I know this has been tough on everybody. We've been in this for more than a year now. Carolina football is moving forward. We are regaining our momentum, and we will be nationally competitive. We will be successful in academics and in athletics. Coach Withers sent an email to Carolina faculty last week, and he emphasized that we want our student-athletes to win championships and graduate from Carolina. As Chair Hargrove said, the search for a new athletic director is well under way, and we owe a great deal of thanks to Lowry Caudill for leading that effort. I know we'll identify the right person for the job. That's enormously important because the AD will select our next permanent coach. Success in football and basketball is important to the financial model that supports our entire 28-sport program. So is the Blue Zone, which is why I've supported it so strongly. We continue to look into some of the academic issues raised by the NCAA investigation, and the board has my pledge that we will do what it takes to correct any problems.
- **New Academic Year/Farmer-Ort Report Mention** - Our students got off to a great start for the new academic year. The kickoff events in August were as energetic as I've ever seen, and that's a great tribute to Vice Chancellor Winston Crisp, our student affairs staff and the faculty. Later you'll hear from Steve Farmer about the great work of the admissions office in bringing us another outstanding incoming class. You'll also hear from Shirley Ort about how the Office of Scholarships and Student Aid has made it possible for us to remain both accessible and affordable for academically qualified students. The joint report from Steve and Shirley is one of the highlights of the year at trustee meetings.
- **Kevin Guskievicz Genius Award-** This week, we were thrilled with the announcement that Professor Kevin Guskievicz has been selected to receive a MacArthur Fellowship from the John and Catherine T. MacArthur Foundation. Better known as the "genius award," the fellowship goes to talented people who have shown extraordinary originality, creativity and the potential to make important future contributions. Fellows are nominated anonymously by their field's leaders and receive a \$500,000 over 5 years. Kevin is a Kenan Professor and chairs our Department of Exercise and Sport Science. He is a wonderful example of how a

professor's innovative research – both in the lab and in the field – advances knowledge that saves lives. He has become one of the go-to experts in America when it comes to concussions. His rise in the national spotlight on this issue is directly tied to the University's ability to support great faculty with interdisciplinary research interests. There's hardly a major national news report that comes out that doesn't either mention Kevin or quote him talking about the research he conducts here on campus.

- **Wizdom Powell Hammond White House Fellows Honor-** Assistant Professor Wizdom Powell Hammond from health behavior and health education has been elected for the next class of White House Fellows. The program provides promising American leaders with first-hand, high-level experience in how the federal government work. It's a unique opportunity to work within government and encourages active citizenship and a lifelong commitment to service. Dr. Powell studies the impact of neighborhood, health care and socioeconomic resources on racial health disparities, with an emphasis on vulnerable black males.
- **Budget Update-** Chair Hargrove has mentioned faculty retention and the U.S. News & World Report rankings relative to faculty resources. We shared the details of those rankings with you last week. We're especially worried about the University's vulnerability on that issue in another challenging budget year. Our final permanent cut this fiscal year was \$100.7 M, or 17.9 %. That reduction was offset by an additional \$20M transfer of funds from UNC Health Care to help the campus and the medical school take this year's cuts and delay that reduction until next year. It took most of August to sort through what the final cut numbers would look like in the schools and units. Provost Carney and Vice Chancellor Mann lead our efforts, and we were fortunate to have Erin Schuettpelz in Raleigh during the session as our legislative liaison, working closely with General Administration. There is no question we are now seeing measurable damage – more layoffs and position cuts, fewer courses, larger class sections, and program cuts. We compiled a summary of the impact of budget reductions that provides a compelling snapshot of what the cuts mean this year. As a campus, we've absorbed more than \$231M in total cuts since 2008. Until this year, we've tried to protect academics by focusing on administrative units. But we could not keep doing that this year because there was nowhere else left to cut. We project eliminating 493 positions – 128 filled, 190 vacant and 175 part-time, including adjunct faculty. That's part of the 3,000 positions mentioned earlier this month for the UNC system at the Board of Governors meeting. Centers and institutes have absorbed 31% in cuts overall. The University Library has sliced its acquisitions budget and cancelled subscriptions and journals. We've lost 556 course sections, making 16,000 fewer classroom seats available to students. But our #1 concern is retaining and attracting faculty. As you heard from Provost Carney last month, until this year, we had been successfully kept about two-thirds of the faculty involved in retention cases. That trend reversed last year. Over the past 2 years, 110 of the 201 faculty how have received external offers have left. We're very concerned about the implications of falling 12 spots in faculty resources, as measured by U.S. News & World Report. Faculty resources is a calculation based on undergraduate class size, 2 years of average total faculty compensation, student-faculty ratio, and the percentage of full-time faculty who hold their terminal degree. Now we rank 59th overall in a tie with Michigan – still 4<sup>th</sup> among the public campuses. Last year, we were 47th, 2 years ago, we were 35th. We appreciate the concern expressed by trustees on this issue. We will be closely monitoring the trends to track our competitive position as part of our response to this issue and keep you all informed. Despite our budget challenges, we are still a great university providing a high-quality education to students. Our student retention and graduation rates are outstanding. But we are worried about those accomplishments beginning to deteriorate.
- **Dick Mann/Karol Gray appointment-** In your closed session today, you'll consider my recommendation to appoint Karol Gray as Dick's successor. We'll have a chance to honor Dick before he leaves in December. Karol is currently vice president for finance and

administration at Stony Brook University. She has distinguished herself as an exceptionally qualified administrator and chief financial officer at Stony Brook over more than three decades of experience on that campus. We're very fortunate to have attracted a candidate of her quality to Carolina.

- **Susan King-** Also during your closed session, you'll be considering our recommendation that Susan King, vice president for external affairs for Carnegie Corporation of New York, become the next dean of the School of Journalism and Mass Communication. As you all know, the journalism school is one of our most highly regarded schools nationally. We believe Susan King's work in helping create the Carnegie-Knight Initiative on the Future of Journalism Education has prepared her exceptionally well to maintain that reputation while also leading the school to prepare the next generation of students for the rapid changes in the digital media landscape. We're excited about what Susan will bring to Carroll Hall.
- **University Day-** Tuesday, October 12. Convocation in Memorial Hall at 11 a.m. Our speaker is UNC President Tom Ross, who will be officially installed the week before at NC A&T. We'll also present the first Edward Kidder Graham Faculty Service Award. Later in the day, we'll dedicate a Speaker Ban marker at the Franklin Street edge of McCorkle Place which will commemorate the role of student activism. We hope you all can join us on October 12.
- **A Way Forward: Building a Globally Competitive South-** Board members should have received a hold-the-date for an event on November 17, "A Way Forward: Building a Globally Competitive South" is a joint event that we're hosting with N.C. State University, and both boards of trustees will be included. It's from 3 to 6:30 p.m. at SAS's world headquarters in Cary. We'll open with a conversation between Bill Harrison and Jim Owens. Bill is our alum, former CEO and board chair of JP Morgan Chase, and chair of our Global Research Institute board. And Jim Owens is former CEO and board chair of Caterpillar and member of N.C. State's trustees. They'll set the stage for a panel discussion that will follow. The event is being held in conjunction with the release of a new report by the Global Research Institute. "A Way Forward" is an update of two reports that were issued 25 years ago – "Halfway Home and a Long Way to Go" by the Southern Growth Policies Board and "Shadows on the sunbelt" by MDC. This is a great opportunity for Carolina and N.C. State to collaborate, and we hope our trustees will join us.

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

Ms. Cooper gave an update on the following items:

- **Student Government Updates:**
  - **Executive Branch Challenge-** to train everyone in One Act, Safe Zone, and HAVEN trainings, as well as encourage everyone to register to vote, and to become a member of the General Alumni Association.
  - **9/11 Vigil-** Worked with Carolina Union Board of Directors, Black Student Movement and others to coordinate.
  - **Alert Carolina**
  - **Green Revolving Loan Fund**
- **Other Organizational Updates- Campus Y:**
  - **Bonner Scholars:** This is the pilot year of the Bonner Scholars Program - a program designed to allow students to fulfill their work-study hours by performing community service.
  - **Social Innovation Incubator-** As a part of the Chancellor's plan on Innovation, the Campus Y is developing a Social Innovation Incubator. The incubator will be on the third floor of the Campus Y building, which we just obtained this past Wednesday, and will be a place where several organizations can develop their group.



A copy of the PowerPoint presentation is also filed in the Office of the Assistant Secretary.

• **Site Approval- Paul J. Rizzo Center Phase III.** Ms. Shuping-Russell moved to approve the site for a new 81,000 SF addition to McLean Hall with parking to increase classroom and residential space at the Paul J. Rizzo Conference Center for the Kenan-Flagler Executive Development program. The project budget is \$31M and is being developed by the Kenan-Flagler Business School Foundation. The Chancellor's Buildings and Grounds Committee approved the site at its September, 2011 meeting.

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

A copy of the PowerPoint presentation is located at: [www.unc.edu/depts/trustees/](http://www.unc.edu/depts/trustees/)  
A copy of the PowerPoint presentation is also filed in the Office of the Assistant Secretary.

• **Site Approval- UNC Hospital Parking Services Building.** Ms. Shuping-Russell moved to approve the site for a 2,700 SF building across from the entrance to the UNC Children's Hospital to serve as a parking services center for UNC Hospitals parking lots and valet parking staff. The building will contain offices, a public service counter and support spaces. The project budget is \$750K and is funded as part of the UNC Cancer Hospital project. The Chancellor's Buildings and Grounds Committee approved the site at its September, 2011 meeting.

Dr. Lerner seconded the motion and it carried.  
(ATTACHMENT F)

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A copy of the PowerPoint presentation is also filed in the Office of the Assistant Secretary.

Anna Wu, Director of Facilities Planning, presented the following items for information only (no formal action was requested at this time).

• **Preliminary Design Review- Paul J. Rizzo Center Addition.** This project provides a new 81,000 SF addition to McLean Hall with parking to increase classroom and residential space at the Paul J. Rizzo Conference Center for the Kenan-Flagler Executive Development program. The project budget is \$31M and is being developed by the Kenan-Flagler Business School Foundation.

Although the item came for information, Mr. Curtis moved to approve the design. Ms. Hyde seconded the motion and it carried.

(ATTACHMENT G)

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• **Preliminary Design Review- UNC Hospitals Parking Services Building.** This project provides a 2,700 SF building across from the entrance to the UNC Children's Hospital to serve as a parking services center for UNC Hospitals parking lots and valet parking staff. The building will contain offices, a public service counter, support spaces and open space improvements. The project budget is \$750 K and is funded as part of the UNC Cancer Hospital project.

Although the item came for information, Mr. Curtis moved to approve the design. The motion was duly seconded and it carried.

(ATTACHMENT H)

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A copy of the PowerPoint presentation is also filed in the Office of the Assistant Secretary.

• **Carolina North Update.** Anna Wu, Director of Facilities Planning, updated the Committee on the status of Carolina North.

- **Annual Report-** The 2<sup>nd</sup> Annual Report has been distributed. Diane Gillis, Susan Hudson, and Will Tricomi are responsible for this effort. It was given to the Town of Chapel Hill on September 1, 2011. An open information meeting with Roger Stancil, Town Manager, was held on September 13, 2011. The Manager's report to Town Council will be on October 26, 2011.
- **Army Corps of Engineers— Individual Permit Application for Carolina North-** The application is complete and we anticipate that permit will be issued by the end of 2011.
- **Conservation Easements-** We have completed fieldwork to identify attributes worthy of conservation in each area. Because we are a state agency, we must obtain state approval before establishing the conservation areas. We have met with State Property Office and they have determined that a restrictive covenant is the method required by the state for this type of conservation protection. It will prohibit and allow the same activities as those described in the Development Agreement within the conservation areas. A third-party monitor, not yet selected, will oversee adherence to the restrictive covenants. The university is obligated to complete this conservation protection process before construction on site begins.
- **Research Building-** We have begun planning for the infrastructure to support the Research Building. That includes ductbank work on Homestead Road. It has received a great deal of media coverage.

A copy of the report is located at: [www.unc.edu/depts/trustees/](http://www.unc.edu/depts/trustees/)

A copy of the report is also filed in the Office of the Assistant Secretary.

### **ANNUAL UPDATE: UNDERGRADUATE ADMISSIONS AND SCHOLARSHIPS & STUDENT AID**

Interim Provost Carney spoke about Student Enrollment and introduced the speakers for each portion of the presentation.

- **Undergraduate Admissions 2011-2012 by Stephen Farmer, Assistant Provost and Director of Undergraduate Admissions.** He reported on the Class of 2015—23,753 applications were received; 7,469 (31.4%) were admitted; and 4,026 (53.95%) were enrolled at the University. The class average SAT is 1300. He also spoke about the demographics of the class, engagement, the transfer class, competition, a new initiative called Great Care, and summer fellowships.
- **Financial Aid 2011-2012 by Shirley A. Ort, Associate Provost and Director of Scholarships and Student Aid.** The Office of Scholarships and Student Aid supports the instructional mission of the University by recognizing and rewarding academic talent, removing financial barriers for students, and furthering mutual goals of excellence and equity. Ms. Ort stated that maintaining Carolina's favorable need-based aid patterns of the past, within this period of economic downturn, will remain an enormous challenge. About forty-six percent of undergraduate students and fifty-four percent of graduate and professional students received some type of financial aid for 2010-2011, totaling approximately \$325M. Ms. Ort also spoke

about policies and practices, recent trends in need, eligibility, and disbursement, and challenges moving forward.

A copy of the PowerPoint presentation is located at: [www.unc.edu/depts/trustees/](http://www.unc.edu/depts/trustees/)

A copy of the presentation is also filed in the Office of the Assistant Secretary.

#### **2011-2012 ACC GOVERNING BOARD CERTIFICATION FORM**

Leslie Strohm, Vice Chancellor and General Counsel, presented information concerning the 2011-2012 Atlantic Coast Conference Governing Board Certification Form, which is required to be completed annually by the Chair of the Governing Board in order for a member institution to enter a team or individual competitors in an ACC Championship as indicated in Article XIII-2 of the ACC Bylaws.

Mr. Ellison moved approval of the ACC Form. Dr. Clay seconded the motion and it carried. In signing the form, Chair Hargrove attested the following:

1. Responsibility for the administration of the athletics program has been delegated to the Chief Executive Officer of the Institution.
2. The Chief Executive Officer has the mandate and support of the Board to operate a program of integrity in full compliance with NCAA, ACC and all other relevant rules and regulations.
3. The Chief Executive Officer, in consultation with the Faculty Representative and the Director of Athletics, determines how the institutional vote shall be cast on issues of athletic policy presented to the NCAA and the ACC.

(ATTACHMENT I)

#### **ELECTION OF MEMBERS TO THE BOARD OF TRUSTEES OF THE ENDOWMENT FUND**

North Carolina General Statute 116-36 and Board of Governors' regulations require that the Board of Trustees elect the membership of the Endowment Board of Trustees. There are two (2) vacancies.

Ms. Shuping-Russell moved approval to elect to the Board of Trustees of the Endowment Fund, Nelson Schwab and Max Chapman each for a three (3) year term ending in 2014. Dr. Clay seconded the motion and it carried.

(ATTACHMENT J)

#### **ELECTION OF MEMBERS TO THE BOARD OF DIRECTORS OF THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL FOUNDATION, INC.**

The Bylaws of the Foundation provide that the Board of Trustees shall elect two directors from the membership of the Board of Trustees and three directors from the membership of the Endowment Trustees. There is one (1) vacancy in the Endowment category of directors. The election of the director in category I.C. is subject to the election of the Endowment Trustees.

Mr. Ellison moved approval to elect Nelson Schwab to the Board of Directors of the University of North Carolina at Chapel Hill Foundation, Inc. for a term concurrent with his term as an Endowment Trustee. Ms. Hyde seconded the motion and it carried.

(ATTACHMENT K)

#### **REPORT OF THE BUDGET, FINANCE & AUDIT COMMITTEE**

Ms. Shuping-Russell, Committee Chair, moved ratification by the Board of the following items which were previously approved by the committee.

- **Self-Liquidating Debt Resolution-** Brian Smith, Director of Treasury and Risk Management Services, presented for action a resolution authorizing the issuance of special obligation bonds for self-liquidating (i.e., self-supporting) capital projects recently approved by the North Carolina General Assembly. Moody's upgraded the University to Aaa (from Aa1) in Spring 2010; Fitch upgraded the University to AAA (from AA+) this summer; and S&P changed the outlook on its AA+ rating to "positive" from "stable".

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

A copy of the PowerPoint presentation is located at: [www.unc.edu/depts/trustees/](http://www.unc.edu/depts/trustees/)  
A copy of the presentation is also filed in the Office of the Assistant Secretary.

- **2011-2012 Audit Plan Presentation and Approval.** Phyllis Petree, Director of Internal Audit, presented for approval the audit plan and work schedule for fiscal year 2011/12. This plan is based on a university-wide risk assessment done in 2008 which is updated annually based on changes in relative risk.

The motion was duly seconded and it carried.  
(ATTACHMENT M)

Ms. Shuping-Russell also 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 Vice Chair.** Marc ter Horst spoke about compassionate exemption in the leave policy, the 20<sup>th</sup> Anniversary of the Employee Forum in March 2012, and the NCAA investigation. Patti Thorp presented the Board of Trustees with a special hammer for their partnership with the Employee Forum to build ten homes in ten months for ten Carolina families. This was done in conjunction with Habitat for Humanity.

- **Internal Audit Report.** Phyllis Petree presented a summary of internal audit activities for fiscal year 2011 and of projects completed or in progress between April 11 and August 28, 2011.

- **Development Update.** Matt Kupec, Vice Chancellor for University Advancement, provided an update on Development. FY12 Progress Report:

	<u>9/19/11</u>	<u>9/19/10</u>	<u>% change</u>
○ Gifts Received	\$45,945,855	\$46,255,741	0%
○ Donors	13,908	14,896	-6%
○ New commitments (new cash & pledges)	\$49,757,675	\$43,314,291	15%

- **NOTES**

- \$284,633,220 proposals in the pipeline.
- Averaging \$19.9 Million in new commitments per month.

- **Impacts of Multi-Year Budget Cuts.** Provost Carney and Vice Chancellor Mann discussed the impact of the budget cuts on the campus over the last several years. Risks include thinned financial controls, more audit findings, deteriorating campus maintenance and appearance. There is an inability to make major repairs. With this year's cuts academic programs have been severely affected. Academic cuts have resulted in 500 fewer sections

(16,000 seats lost). Class sizes increased, and numerous academic programs have been eliminated or downsized. Going into next year we face a \$20 million hole in our budget.

A copy of the PowerPoint presentation is located at: [www.unc.edu/depts/trustees/](http://www.unc.edu/depts/trustees/)

A copy of the presentation is also filed in the Office of the Assistant Secretary.

### **REPORT OF THE ACADEMIC 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).

• **Report on Quality Enhancement Program and SACS Mid-Term Review.** Bobbi Owen, Senior Associate Dean for Undergraduate Education & Chair, QEP Implementation Committee, highlighted two major things: 1) Internationalization has had a lot of success over the last ten years. 2) Undergraduate research has been a great way to recruit the best students.

A copy of the PowerPoint presentation is located at: [www.unc.edu/depts/trustees/](http://www.unc.edu/depts/trustees/)

A copy of the presentation is also filed in the Office of the Assistant Secretary.

• **Report on Academic Support for Student Athletes.** Bobbi Owen, Senior Associate Dean for Undergraduate Education & Chair, reported that during the 2010-2011 academic year, a strategic planning process for the Academic Support Program for Student-Athletes (ASPSA) was led by John Blanchard and Bobbi Owen. We provide tutoring and support to over 800 varsity athletes in over 3,000 courses.

A copy of the report presentation is located at: [www.unc.edu/depts/trustees/](http://www.unc.edu/depts/trustees/)

A copy of the report is also filed in the Office of the Assistant Secretary.

• **Independent Study Review.** Karen Gil, Dean of the College of Arts and Sciences, reported that weaknesses have been found as a result of the NCAA investigation. A full report is forthcoming.

• **Recommendation to UNC General Administration Regarding Peer Institutions.** Provost Carney reported on our current university peers, and selection criteria for determining new peers. Recommendations to General Administration are as follows:

- Replace Illinois with Minnesota
- Replace Emory with Northwestern
- Three "aspirational" peers: University of California at Berkeley, UCLA, and University of Michigan.

General Administration accepted the recommendation and now we are awaiting approval by the Board of Governors at their next meeting in October.

A copy of the PowerPoint presentation is located at: [www.unc.edu/depts/trustees/](http://www.unc.edu/depts/trustees/)

A copy of the presentation is also filed in the Office of the Assistant Secretary.

• **Faculty Workload.** Provost Carney reported that the Board of Governors has put a high priority on the issue of faculty workload. The issues surrounding faculty workload are how faculty spend their time, their productivity, research vs. teaching, and tenure. He highlighted two things:

- Over the last 7-8 years, we are teaching more students. In fact, from 1998-1999 to 2009-2010, the number of SCH per FTE has risen 7%.
- There is a dramatic increase in the research dollars per faculty member. Our faculty bring in 780 million dollars in research funding to NC. We educate 28,000 undergraduate, professional, and graduate students for well under market value. We are the best deal this state has going for it.

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- **Faculty Chair's Remarks.** Jan Boxhill highlighted the importance of faculty retention.

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

Ms. Hyde, 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).

- **Vice Chancellor's Remarks.** Winston Crisp gave an overview of who and what student affairs is. He drilled down and provided some areas of priorities.
- **Student Body President's Remarks.** Mary Cooper reported on the same issues as she did in her report earlier.
- **University Career Services.** Ray Angle, Director of University Career Services, reported on Careerolina website, and two students spoke about what Career Services has done to help and them.

A copy of the PowerPoint presentation is located at: [www.unc.edu/depts/trustees/](http://www.unc.edu/depts/trustees/)  
 A copy of the presentation is also filed in the Office of the Assistant Secretary.

- **Student Debt-to-Degree Ratio.** Bruce Carney, Executive Vice Chancellor and Provost, reported that Carolina students graduate with debt default on their loans at a rate of 0.5% which is much less than the national average.

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 A copy of the presentation is also filed in the Office of the Assistant Secretary.

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

On motion of Secretary Clay, and duly seconded, 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**

#### **LEGAL ADVICE**

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

**REPORT OF THE UNIVERSITY AFFAIRS COMMITTEE**

Mr. Gardner moved ratification by the Board of the following personnel mail ballot dated August 15, 2011- Personnel actions & actions conferring tenure, compensation actions, and items for information. The actions will be voted on in open session.

(ATTACHMENT N)

Mr. Gardner, Committee Chair, presented the personnel and salary approvals dated September 13, 2010, for the Board's consideration. The actions will be voted on in open session.

(ATTACHMENTS O-P-Q)

**REPORT OF THE AUDIT & FINANCE COMMITTEE**

**Report of the Naming Committee**

Matt Kupec presented naming recommendations which were previously presented to the Audit & Finance Committee and approved by the committee. Ms. Shuping-Russell moved ratification by the Board of the naming recommendations. The motion was duly seconded and it carried. [A copy of the Report of the Naming Committee is filed in the Office of the Assistant Secretary.]

Mr. Ellison moved to approve an amendment to a previously approved naming request. Mr. Townsend seconded the motion and it carried.

**Report of the Committee on Honorary Degrees & Special Awards**

Chancellor Thorp presented a nominee for Honorary Degrees to be conferred at May Commencement 2012. Mr. Ellison moved approval of the Report of the Committee on Honorary Degrees & Special Awards. Mr. Townsend seconded the motion and it carried. [A copy of the Report of the Committee on Honorary Degrees & Special Awards is filed in the Office of the Assistant Secretary.]

**EXECUTIVE CLOSED SESSION**

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

**DEEP EXECUTIVE CLOSED SESSION**

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

**RECONVENE MEETING IN OPEN SESSION**

Chair Hargrove reconvened the meeting in open session.

**OPEN SESSION**

**REPORT OF THE UNIVERSITY AFFAIRS COMMITTEE**

Mr. Gardner moved ratification by the Board of the following personnel mail ballot dated August 15, 2011- Personnel actions & actions conferring tenure, compensation actions, and items for information. The motion was duly seconded and the item carried.

(ATTACHMENT N)

Mr. Gardner moved approval by the Board of the following personnel actions dated September 12, 2011, which were discussed earlier in closed session. The motion was duly seconded and the item carried.

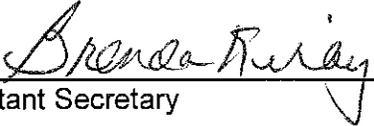
- Personnel Actions & Actions Conferring Tenure.  
(ATTACHMENT O)
- Compensation Actions.  
(ATTACHMENT P)
- For Information- no items.  
(ATTACHMENT Q)

Chair Hargrove stated that the personnel and salary actions voted on in open session have been distributed to the press.

He thanked Trustee Ellison for his service to the board.

**ADJOURNMENT**

There being no further business to come before the Board, the meeting adjourned at 2:12 p.m.

  
\_\_\_\_\_  
Assistant Secretary