

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 23, 1999 at 9:00 a.m. Chairman Cates presided.

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

MOTION TO CONVENE IN CLOSED SESSION

On motion of Mr. Pardue, seconded by Mr. Burnett, 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) (6) (to consider the qualifications, competence, performance, conditions of appointment of a public officer or employee or prospective public officer or employee).

CLOSED SESSION

President Broad addressed the members of the Board of Trustees and the members of the Chancellor Search Committee.

MOTION TO RECONVENE IN OPEN SESSION

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

RESUMPTION OF OPEN SESSION

ROLL CALL

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

Anne W. Cates, Chairman
David E. Pardue, Jr., Secretary
William J. Armfield, IV
Timothy B. Burnett
Walter R. Davis
Nicholas P. Heinke
James E. S. Hynes
Dr. Charles A. Sanders
Cressie H. Thigpen, Jr.
Richard T. Williams

The following members were absent:

Dr. William R. Jordan, Vice Chairman
Jean R. Almand
Richard Y. Stevens

MINUTES

On motion of Mr. Thigpen, seconded by Mr. Burnett, the minutes of the meeting of July 22, 1999 were approved as distributed.

CHAIRMAN'S REMARKS

Chairman Cates commented on the following:

- Recent flooding in the state. Trustee Almand resides in one of the flooded areas; her automobile and home suffered flood damage.
- Opening of the University's Fall Semester. She thanked everyone for participating in the opening.
- Chancellor Search Committee.
- Upcoming visits to the University by Dr. Donna Shalala, Secretary of the U.S. Department of Health and Human Services, and Chief Justice Sandra Day O'Connor.
- Special meeting of the Board of Trustees to be held on Thursday, October 28, 1999 to address faculty compensation.
- Award presented this summer to Dr. Joseph DeSimone, William R. Kenan Jr. distinguished professor of chemistry at the University.
- She thanked the crisis team for their efforts related to the recent assaults on campus and the emergency management team for their efforts related to Hurricane Floyd.
- The pride of Chapel Hill residents in having Mia Hamm reside in the city and on Jerry Stackhouse's return to the University this summer to finish work towards his degree. He will attend the December 18 graduation ceremony.
- Phi Gamma Delta fraternity house opening.

CHANCELLOR'S REMARKS

Mr. McCoy commented on the following:

- Hurricane Floyd. He thanked the emergency management team for their efforts in preparing for the storm. Many efforts are underway on campus to assist the people in the eastern part of the state who were most affected by the storm. The director of the new Center for Public Service, Dr. Nick Didow of the Kenan-Flagler Business School, has been asked to go into action by becoming a focal point and a coordinator for the assistance that will be available from the campus. This is being done prior to the kickoff for the Center for Public Service, which will be held on September 24, 1999. The keynote speaker for the kickoff will be Dr. Donna Shalala, Secretary of the U.S. Department of Health and Human Services.
- Back-to-school efforts. He acknowledged the tremendous work done by Dr. Sue Kitchen and all of the teams associated in this effort: Student Affairs, Housing, Physical Plant, Registrar's Office, Department of Public Safety, Scholarships and Student Aid, Cashier's Office, many academic advisers and others.

- Traditional back-to-school events, such as Freshman Camp, New Student Convocation, and Fall Fest.
- First-Year Seminars. 37 are being offered this fall with a few more expected in the spring. By the end of the academic year, just less than half of the freshmen will have an opportunity to participate in these seminars.
- The *U.S. News & World Report* rankings. Carolina dropped, from a public standpoint, from third to fifth—or, from 24th to 27th overall.
- Capital Financing. A study committee has been designated by the legislature; however, the membership has not yet been announced. In the meantime, the University will continue to tell the story of its needs in Chapel Hill for the facilities reflected in the earlier bond package and the consequences of not being able to meet those needs in a timely manner. A delay in funding affects our ability to recruit and retain faculty due to space concerns, lost research grants, etc.
- National Humanities Medal, which will be awarded during a ceremony at the White House on September 29. Two of the eight medal recipients will bring a great deal of honor to the University when they are awarded the medal: Professor Jacquelyn Dowd Hall, History Department, founder and Director of the Southern Oral History Program, and Mr. Taylor Branch, an alumnus and member of the Board of Visitors. Mr. Branch is a Pulitzer-prize winning author and journalist and an authority on Martin Luther King, Jr. and the civil rights movement.
- University Day Convocation, which will be held on Tuesday, October 12, at 11 a.m. in Memorial Hall. This University Day will celebrate the 206th anniversary of the laying of the cornerstone of Old East. Also, the James M. Johnston Center for Undergraduate Excellence in the renovated Graham Memorial Building will be dedicated. The University Day speaker will be Dr. Robert Allen, former associate dean for honors in the College of Arts and Sciences, who is a champion of undergraduate education. Dr. Allen was instrumental in guiding the growth of the University's nationally recognized Honors Program and in the planning for the Center for Undergraduate Excellence.
- Mr. McCoy invited everyone to attend a press conference after the Board meeting to announce a major gift to the University.

STUDENT BODY PRESIDENT'S REMARKS

Mr. Heinke commented on the following:

- He acknowledged the students in the audience who took time from their busy class schedule to come to the Board meeting and he specifically acknowledged some of the members of the Student Advisory Committee to the Board of Trustees (SACBOT). He handed out a memo to the Board of Trustees from the SACBOT concerning composition of membership, biographies of the members, and some of the issues the group is working on. [A copy of this memo is filed in the Office of the Assistant Secretary.]
- Slippage in the rankings from number three to number five in public institutions; however, there are a total of 615 public institutions and UNC-Chapel Hill is number five.

- Community Service Day. This day will be modeled after Georgia Tech's TEAM Buzz Community Service Day, where over 1,000 students, faculty, staff, and alumni come together and have a day of service projects—everything from picking up trash around the campus to working with elementary school students in the immediate area. Students at Chapel Hill are working hard on this project and a tentative date is set for mid-April in 2000. He will continue to update everyone and would like to see all members of the Board of Trustees and the University community out volunteering when the date comes around.
- Faculty Salaries. Students are very concerned and willing to help on this issue.
- Tuition. Students are searching for a cooperative comprehensive solution that will fix the problem. Unfortunately, tuition alone will not fix the problem as was seen four years ago. A strong stand needs to be made in the report to the Board of Governors and the Legislature that the annual faculty salary increase numbers be looked at; while Virginia, Michigan and California are giving 4-6 % a year, North Carolina is only giving 3% a year. That's a big problem and a long-term solution needs to be looked into.
- Aid Distribution. He referred to a report from the *U.S. News & World Report* on the most financially attainable colleges. When the averages were taken, it only cost Harvard students on an average \$4,000 more to attend Harvard than it does for UNC-Chapel Hill students because of the amazing amount of grant aid that many of their students are on and scholarships. That's something we're working toward, which is wonderful to see from a student perspective.
- Hurricane Relief efforts for East Carolina University. The students at the other fifteen campuses have started a Quarter Campaign. They have been asking students and faculty to pass a hat, or bag, around the classes to collect whatever change people have in their pockets. This money will go into a fund at East Carolina University to be used specifically for students, faculty, and members of the East Carolina community. He sent a hat around for collection from the Trustees and audience.

STUDENT AFFAIRS COMMITTEE

Fall Opening

Vice Chancellor Sue Kitchen introduced Associate Vice Chancellor Dean Bresciani, Student Services, to present an update on the fall opening.

- Spencer Hall reopened on time
- All students moved into their permanent room assignment
- There was an aggressive summer renovation agenda with over \$1,200,000 of new furniture placed in the residence halls. All new bedroom furniture was placed in the Hinton James and Ehringhaus residence halls, and most of their lounges were upgraded with new furniture.

Dr. Cynthia Wolf Johnson, Associate Vice Chancellor for Student Learning, reported on the Summer Reading Program. Alex Kotlowitz, author of *There Are No Children Here*, the book selected for the program, will speak at Memorial Hall on September 30 about the book.

Over 1,000 students participated in the summer reading discussions and the evaluations have been very positive. The impact was strong in that students reported that the book and/or the discussion had actually changed their views on a number of important societal issues.

Dr. Wolf Johnson also reported on the new Living and Learning Program. There are 140 first year students living in the Ehringhaus Residence Hall who are participating in this program. 14 faculty associates meet with them on a weekly basis in small groups of 20 students each. There are three graduate student mentors and six undergraduate student mentors.

Dr. Kitchen reported on the Fall Fest for 1999. Over 7,000 students attended Fall Fest, which is an evening where the University teaches students that they can have fun without alcohol.

Dr. Kitchen acknowledged Shirley Hunter, Director of Orientation, who was one of the first people to conceive of the idea of Fall Fest, and Don Luce, Director of The Carolina Union, who has carried the brunt of the work in carrying on this event.

Another alcohol related activity originated in a collaborative work done with the Center for Highway Safety. It emphasizes that whether it's Thursday, Friday, or Saturday night, two out of three students return home with a zero blood alcohol level, which doesn't mean that two out of three students at UNC-Chapel Hill never drink. As a research institution, this is seen as an ongoing effort to make sure that the information that programming is being based on is based on good, sound research and that students are operating not on perceptions or information from the movies, but things that are really true about Carolina.

The Fall Fest program could not have been done without the support of parent contributions from the Parents' Fund--particularly the support of the Parents' Council, which is comprised of ten families from each of the class groups.

Dr. Kitchen introduced Carolyn and Albert Gard, who are national co-chairs of the Parents' Council.

Student Health Services (SHS)

Dr. Robert Wirag, Director of Student Health Service, reported on student health care at the University.

Counseling and Psychological Service (CAPS)

Dr. John Edgerly, Director of Counseling and Psychological Services, reported on a new department in the Division of Student Affairs brought about by the merging of Student Psychological Services and the University Counseling Center. The new department is Counseling and Psychological Service (CAPS) and its primary purpose is to provide psychological services to students. It is located on the third floor of the James A. Taylor Student Health Services Building.

Student Advisory Committee to the Board of Trustees (SACBOT)

Dr. Kitchen introduced Karalyn Emrich, chair of SACBOT. A copy of the member pairings was handed out to the Trustees. [A copy of this handout is filed in the Office of the Assistant Secretary.]

ANNOUNCEMENT

Mr. Pardue announced that Mr. Davis had contributed \$100,000 to the hat for the East Carolina University Hurricane Relief Fund. Chairman Cates thanked Mr. Davis for his generous gift to this fund.

DEVELOPMENT COMMITTEE

Development Update

Mr. Burnett, chairman of the Development Committee, presented a report regarding the level of activity and current contributions in the Office of University Advancement. He also reported on the Volunteer Weekend, the Graham Memorial Opening, and he announced the names of the Campaign Carolina co-chairs: Paul Fulton, Jr. and Charles Shaffer, Jr. [A copy of the report is filed in the Office of the Assistant Secretary.]

Ratification of Mail Ballot

Mr. Burnett moved, seconded by Dr. Sanders, to ratify the mail ballot dated June 15, 1999 for the allocation of the Clayton Estate income for construction of the Sonja Haynes Stone Black Cultural Center. The motion carried.

(ATTACHMENT A)

ACADEMIC AFFAIRS AND PERSONNEL COMMITTEE

Faculty Salaries/Tuition

Provost Richardson presented a Comparative Study on Faculty Salaries and Total Compensation with Peer Institutions, which was prepared by the Chancellor's Committee on Faculty Salaries and Benefits. [A copy of the presentation is filed in the Office of the Assistant Secretary.]

The legislature requested a study by General Administration, with a report due by December 1, studying the entire system with regard to faculty compensation and recommendations on how they should be met with regard to peers.

UNC-Chapel Hill began its study six weeks ago in response to that request. In addition, a *U.S. News & World Report* showed a slippage in the University's last evaluation. It has been determined that the central area responsible for that slippage was in faculty compensation.

Information has been given to the Chancellor's Committee on Faculty Salaries and Benefits showing where our tuition is now relative to other public and private institutions, including in-state tuition and graduate student tuition. Both of these areas are very low--next to the bottom on the list of AAU schools in some categories.

The Chancellor's Committee on Faculty Salaries and Benefits must come to a conclusion very soon in order to make a recommendation to the Board, which will then be transmitted to General Administration.

FINANCE AND BUSINESS COMMITTEE

Approval of the Final Design of the New Residence Halls

Dr. Sanders moved approval of the final design of the New Residence Halls. Mr. Burnett seconded the motion and it carried.

(ATTACHMENT B)

Approval of the Final Design of the Golf Teams Facility on Finley Golf Course

Dr. Sanders moved approval of the final design of the proposed Golf Teams Facility on Finley Golf Course. Mr. Burnett seconded the motion and it carried.

(ATTACHMENT C)

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

Preliminary Design Review of the Teaching/Research Building for the School of Public Health

Dean Röper commented on the School of Public Health and its recent involvement in eastern North Carolina in dealing with the flooding and other related problems caused by Hurricane Floyd. He emphasized the need for the Teaching/Research Building.

Mr. Greg Blackburn of Anshen & Allen Architects reported to the Board on this preliminary design.

(ATTACHMENT D)

Budget Update

Jack Evans, Interim Vice Chancellor for Finance and Administration, presented a Budget Status Report in response to a request from Mr. Armfield at the July 22, 1999 Board meeting. Mr. Armfield requested that the Trustees receive an update on the University's budget. Dr. Evans distributed a format to be used to provide information to the Trustees at each regular meeting that follows the completion of a quarter.

Committee Chairman Pardue requested that Board members refer any comments they may have on the Budget Status Report to him and he will coordinate them for discussion with Dr. Evans.

(ATTACHMENT E)

Trademark Licensing Report for Fiscal Year 1998-1999

(ATTACHMENT F)

Year 2000 Preparedness Report

(ATTACHMENT G)

Master Plan Update

Chairman Pardue reported that continuous work is being done on the Master Plan. There was discussion on September 22nd concerning the preliminary design guidelines, which are not quite ready to be presented to the Board. Mr. Pardue is extremely pleased with the manner in which the process is going. Ayers Saint Gross has had another outstanding architect join the firm, and his name is Brian Kelly. Mr. Kelly is also a faculty member at the University of Maryland.

EAST CAROLINA UNIVERSITY HURRICANE RELIEF FUND

Mr. Heinke reported that in response to the passing of the hat for the East Carolina University Hurricane Relief Fund, a total of \$100,477 was collected at this meeting.

APPROVAL OF TRANSFERS FROM THE ENDOWMENT FOR UNIVERSITY EXPENDITURE

Mr. Williams moved approval of the following actions contingent on obtaining the consent of the Endowment Board:

1. The transfer of \$500,000 from the Meadowmont Endowment for the repair, renovation and landscaping of the Meadowmont Homeplace in connection with the construction of the Rizzo Executive Conference Center.
2. The transfer of the Walter Davis Public Service Endowment from a quasi-endowment to a University expendable fund to support the Carolina Center for Public Service.
3. An increase in the level of transfer to the University from the Endowment Funds benefiting the Kenan-Flagler Business School (Funds), described in Attachment A to this mail ballot, to 7% of the market value of the Funds for fiscal year 2000 and a transfer equal to 7% of the market value of the Funds for fiscal year 2001 for the operational need within the Business School, consistent with the Donors' original intentions.
4. The transfer of \$20,111 from the Department of Psychology's quasi-endowment supporting graduate student research to a University expendable fund to support graduate student research in clinical psychology.

Mr. Burnett seconded the motion and it carried.

(ATTACHMENT H)

MOTION TO CONVENE IN CLOSED SESSION

On motion of Mr. Pardue, seconded by Mr. Williams, 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 to prevent the disclosure of privileged information under The Family Education Rights and Privacy Act of the United States); and also pursuant to Section 143-318.11 (a) (3) and (6).

CLOSED SESSION

- Report of the Academic Affairs and Personnel Committee, subject to final action in open session
- Report of the Naming Committee (a copy of the report is filed in the Office of the Assistant Secretary)
- Ratification of Naming Mail Ballot (a copy of the mail ballot is filed in the Office of the Assistant Secretary).
- Report of Student Appeal
- Report of Admissions Appeal

MOTION TO RECONVENE IN OPEN SESSION

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

RESUMPTION OF OPEN SESSION

REPORT OF THE ACADEMIC AFFAIRS AND PERSONNEL COMMITTEE

Dr. Sanders moved approval of the following:

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| Personnel Changes in Academic Affairs | (ATTACHMENT I) |
| Personnel Changes in Health Affairs | (ATTACHMENT J) |
| Recommendations for Exceptions to <i>Employment Policies</i> Annual Leave Provisions | (ATTACHMENT K) |
| Ratification of Mail Ballot dated August 18, 1999 | (ATTACHMENT L) |

Mr. Thigpen seconded the motion and it carried.

Dr. Sanders read the following statement: The appendices containing the personnel matters voted on in open session have been distributed to the press.

ADJOURNMENT

There being no further business, the meeting adjourned at 2:40 p.m.


Assistant Secretary

