

BOARD OF TRUSTEES MEETING
The University of North Carolina at Chapel Hill
November 19, 2015

The Board of Trustees met in regular session on Thursday, November 19, 2015 at the Carolina Inn, Chancellor's Ballroom. Chair Stone convened the meeting at 8:03 a.m.

ROLL CALL

Secretary Duckett called the roll and the following members were present:

Dwight D. Stone, Chair	Julia Sprunt Grumbles
Haywood D. Cochrane, Vice Chair	Kelly Matthews Hopkins
Charles G. Duckett, Secretary	William A. Keyes IV
Jefferson W. Brown	Allie Ray McCullen
W. Lowry Caudill, Past Chair	William E. McMahan
Donald Williams Curtis	Hari H. Nath
	Houston L. Summers

CONSENT AGENDA

Approval of Minutes and Mail Ballots

On motion of Chair Stone and duly seconded, the minutes of the meeting of October 1, 2015 were approved as distributed; as were the ratifications of the following mail ballots dated:

- October 21st - Personnel actions, actions conferring tenure, and compensation actions
- October 28th – Appointment of Dr. Kevin Guskiewicz as Dean of the College of Arts and Sciences

(ATTACHMENT A)

CHAIR'S REMARKS

- Chair Stone began his remarks by welcoming everyone to the meeting, and sharing information on the day's presentations on sports-related traumatic brain injury research and the upcoming statewide bond referendum.
- The Chair expressed gratitude for everything that each of the board members have been doing for the University since the last meeting.
- He acknowledged that on the previous evening, the board recognized the recipients of the William Richardson Davie Award. The Davie Award is the highest honor that the board can bestow on individuals for extraordinary service to the University and/or society. The following individuals were presented the Davie Award for 2014:
 - Lucius E. Burch III, of Nashville. Mr. Burch is the chairman and CEO of Burch Investment Group and the namesake of the innovative fellowship and field research programs that benefit our students
 - Betty Ray McCain, of Wilson, is a pioneer for women in politics in North Carolina. She served in roles including secretary of the state's Department of Cultural Resources
 - Roy H. Park, Jr., of Ithaca, NY. Mr. Park is president and chairman of Park Outdoor Advertising, whose family has generously supported our graduate media and journalism students.
- The Chair thanked Trustees Duckett, Hopkins, and Curtis for their help in presenting the awards.
- He recognized Jennifer Willis, Director of Public Affairs.
 - Jennifer coordinated our campus efforts in Raleigh with the General Assembly, state government, and our friends at the General Administration and on the Board of Governors.
 - She has served in this role for the past several years and now she will be moving on to be the Assistant Dean for Development at the School of Government.
 - She will transition full time to the new job next month and has agreed to continue to lead the University's bond planning and implementation efforts through the March election.
- Chair Stone thanked everyone for their work during the previous day's committee meetings and reminded everyone of the four Board goals for 2015-2016:
 - Support Chancellor Folt and her senior leaders as they formulate and implement a new strategic plan;
 - Tell our story: Carolina improves the lives of people across North Carolina, our nation, and our world;
 - Accelerate, measure and communicate the growth and economic impact of our innovation and entrepreneurship initiatives; and
 - Help Carolina become more efficient in key operational areas, particularly finance, administration, teaching and research.
- He reminded attendees that in the previous month the trustees, along with Chancellor Folt, hosted a reception for the Board of Governors, UNC General Administration senior

staff, UNC system chancellors and their chiefs of staff. The Chair indicated that the event gave the Trustees the opportunity to thank BOG Chair Lou Bissette, UNC-Chapel Hill Board Liaison Ann Maxwell, and their colleagues for their work in Raleigh with the state budget and for their work during the UNC President search. He communicated the Board of Trustees' commitment to working closely with the Board of Governors and President-elect Spellings during this important transition period. Chair Stone reiterated that the Trustees' goals are aligned with the Board of Governors' goal to ensure that the University system and each institution have the means by which to become the very best they can be to serve all North Carolinians. He thanked Representative Dean Arp, deputy majority whip in the North Carolina General Assembly's House of Representatives. Representative Arp was the primary sponsor of the legislation authorizing the March 2016 bond referendum for capital projects throughout the State.

- Chair Stone remarked on events that he has attended since the last meeting:
 - Bill Ferris's southern music class
 - The U.S. Basketball Awards Society dinner where they gave out the first Dean E. Smith Award to Coach John Thompson
- He concluded his remarks by praising the work of Chancellor Folt and her senior leadership team.

[A copy of these remarks is located in the Office of the Assistant Secretary and at bot.unc.edu.]

STUDENT BODY PRESIDENT'S REMARKS

- Student Body President Houston Summers began his remarks by highlighting some of his recent activities.
- He thanked Brandon Linz as he transitions out of his role as President of the Graduate and Professional Student Federation. Trustee Summers remarked that he will continue to support and represent graduate students in his role as Student Body President.
- Mr. Summers thanked student, staff, and administrators on their work with issues of race and place on campus.

[A copy of these remarks is located in the Office of the Assistant Secretary and at bot.unc.edu.]

RECOGNITION OF DR. AZIZ SANCAR

Chair Stone and Chancellor Carol Folt recognized Dr. Aziz Sancar who was to receive the 2015 Nobel Prize in Chemistry for his research on DNA repair at a ceremony in Stockholm, Sweden in December 2015. Dr. Sancar was in attendance and offered brief remarks including thanks to everyone for their support.

CHANCELLOR'S REMARKS

- Chancellor Folt began her remarks by giving an update on research at Carolina.
 - UNC-CH moved up from 8th to 6th in the nation in federally financed research expenditures.
 - Carolina's total research annual expenditures from all sources moved from \$973M to \$990M.
- Chancellor Folt then remarked on four-year graduation rates:
 - The class of Pell grant recipients who entered in 2004 (graduating in 2008) had a 63.8% four-year graduation rate. The ones entering in 2011 (graduating in 2015) had an 80.6% four-year graduation rate.
 - With this 16.8% improvement we have nearly closed the achievement gap between Pell (low-income) recipients and all students.
 - The Carolina Covenant class of 2007 had a 53.7% four-year graduation rate. The class of 2015 had an 80.2% four-year graduation rate.
 - That is a 23.5% increase in graduation rates for those students in the amount of time the program has been active.
- The Chancellor noted that effective January 1, 2016, Dr. Kevin Guskiewicz would become the College of Arts and Science's 22nd dean.
 - Dr. Guskiewicz is a neuroscientist and internationally recognized expert on sport-related concussions and senior associate dean for natural sciences.
 - He was selected after an extensive nationwide search led by Executive Vice Provost and Chief International Officer Ron Strauss.
- She thanked Dean Karen Gil for extending her appointment as dean to facilitate the conclusion of the search and the appointment of Dr. Guskiewicz. Chancellor Folt announced that the Renaissance Computing Initiative (RENCI) and Georgia Tech will be co-directing a new, national NSF effort, to develop a big data innovation hub that will serve 16 southern states and the District of Columbia.
 - This hub will have dual locations in Atlanta and Chapel Hill.
 - Over the next three years they will receive \$1.25M in seed funding.
- The Chancellor remarked that on Nov. 11, over 150 UNC Chapel Hill veterans and service members attended a tribute ceremony for members of the armed forces as part

of Veterans Day activities. She noted that Carolina has the most armed services veterans on campus since post-WWII and that Carolina has seen a 95% increase in the number of students using GI Bill benefits.

- Chancellor Folt next indicated that safety is a top priority for campus. She highlighted several initiatives including joint Chapel Hill Police Department and UNC Public Safety foot patrols, the night-time travel safety working group, and campus camera system upgrades as evidence of improvements in this important area. Lastly, Chancellor Folt remarked on race and inclusion at Carolina.
 - Last Friday, Chancellor Folt attended a rally organized by students
 - UNC has a chance to highlight and reinvigorate its efforts to address the issues and gaps that keep anyone from feeling a complete sense of equality and belonging at Carolina.
 - There are several key initiatives underway:
 - Carolina Conversations
 - Appointment of G. Rumay Alexander as Special Assistant to the Chancellor
 - Task Force on UNC-CH History
 - Town Hall that will happen today in Memorial Hall.
- Chancellor Folt ended her remarks by introducing the presenters.

[A copy of these remarks is located in the Office of the Assistant Secretary and at bot.unc.edu.]

MATTHEW GFELLER SPORT-RELATED TRAUMATIC BRAIN INJURY RESEARCH CENTER

Chancellor Carol Folt introduced Dr. Kevin Guskiewicz, Co-Director of the Matthew Gfeller Center and Senior Associate Dean for Natural Sciences. Dr. Guskiewicz then introduced Jason Mihalik, Assistant Professor of Exercise and Sport Science (EXSS) and Co-Director of the Matthew Gfeller Center; Johna Register-Mihalik, Assistant Professor of EXSS; Destinee Grove, undergraduate EXSS and Psychology and Neuroscience student; and Robert Lynall, PhD student in the curriculum in Human Movement Science. The Matthew Gfeller Center was started in 2008 by the former high-school football player's parents after his tragic death. Overall, the Center is focused on improving safety for athletes and military service members by identifying predispositions to sport injuries and chronic neurologic impairment, modifying behaviors and changing culture, and innovate science to change the future. Dr. Guskiewicz explained that the published research related to concussions has increased dramatically since the 2000s. Dr. Guskiewicz and his team at the Matthew Gfeller Center have been researching concussions through joint funding by the NCAA and Department of Defense. First-year athletes are tested when they arrive on campus, and the UNC football team wears special helmet sensors that provide the Center with statistics on how hard hits are and where players are hit. The Center is also involved in training and skill development in an effort to modify behaviors of players and coaches at an earlier age. Following their presentation, Dr. Guskiewicz and his team entertained questions from the Board. This presentation can be found on bot.unc.edu and on file in the Office of the Assistant Secretary.

CONNECT NC BOND ACT OF 2015

Chancellor Folt then introduced Representative Dean Arp. Rep. Arp represents House District 69/Union County. He is the primary sponsor of House Bill 943 - Connect NC Bond Act of 2015. The Connect NC Bond Act is a \$2B bond that will provide infrastructure funding to all schools in the UNC System as well as the community colleges in NC. It has been 15 years since the last bond referendum. The current project list will extend the life of some of the State's most useful assets, and it also aligns financially with the assets' lifespans. Focus will be placed on those projects that boost the State's economic activity. A total of \$980M will be given to UNC System schools for various projects. UNC-CH is set to receive \$68M towards a new medical education building to replace the existing Berryhill Hall. Rep. Arp also shared the breakdown for other projects receiving funding including agriculture, public safety, water and sewer, and National Guard. Following his presentation, Rep. Arp entertained questions from the Board. This presentation can be found on bot.unc.edu and on file in the Office of the Assistant Secretary.

REPORT FROM THE COMMERCIALIZATION & ECONOMIC DEVELOPMENT COMMITTEE

Trustee Caudill presented a review of the Commercialization and Economic Development Committee meeting. There were no action items for this committee in open session. Trustee Caudill then shared the items presented for information:

- A welcome to Board of Visitor's liaison Dr. Antonio Braithwaite
- A review of the Chancellor's Innovation Summit by Dana McMahan, Professor of the Practice in the School of Media and Journalism and Judith Cone, Interim Vice Chancellor for Commercialization and Economic Development
- A briefing about COMMUNIGIFT, a student startup founded by Thomas Doochin, Class of 2016.
- A presentation about start-up Spyrux Biosciences by Rob Tarran, Associate Professor of

Cell Biology and Physiology

- A discussion about the process for creating the next strategic framework that will guide the committee's work.

A full review of the committee meeting may be found in the committee minutes in the Office of the Assistant Secretary.

REPORT OF THE EXTERNAL RELATIONS COMMITTEE

Trustee Hopkins presented a review of the External Relations Committee meeting. There were no action items for this committee in open session. Trustee Hopkins then shared the items presented for information:

- Update on the North Carolina Botanical Garden from Damon Waitt, Director
- Presentation on World View from Charle LaMonica, Director
- Bond Campaign Update from Jennifer Willis, Director of Public Affairs
- Communications Update given by Joel Curran, Vice Chancellor for Communications and Public Affairs
- Development report given by David Routh, Vice Chancellor for University Development (ATTACHMENT B)

A full review of the committee meeting may be found in the committee minutes in the Office of the Assistant Secretary.

REPORT OF THE FINANCE & INFRASTRUCTURE COMMITTEE

Vice Chair Cochrane presented the report from the Finance and Infrastructure Committee. The following items were approved as part of the consent agenda:

- Designer Selections:
 - Wilson Hall Annex Renovation
This comprehensive renovation project will provide approximately 61,000 square feet of new instructional and research laboratories, support spaces and animal facility for the Department of Biology. The renovation will also address the current building systems, life safety and other deferred maintenance deficiencies. The project budget is \$31,450,173 and will be funded by University funds.

This project was advertised on September 11, 2015. Twenty (20) proposals were received. Six (6) firms were interviewed on October 21-22, 2015. Members of the Board of Trustees did not participate in the interviews. The committee recommended the selection of the three firms in the following priority order:

1. FLAD Raleigh, NC
2. Perkins Eastman Raleigh, NC
3. BHDP Philadelphia, PA

The firms were selected for their past performance on similar projects, strength of their consultant team and experience with campus projects.

(ATTACHMENT C)

- Davie Hall Feasibility Survey
This programming and site feasibility study will evaluate the historic and distinctive significances of the existing Davie Hall & Annex buildings, immediate site, and the capacity in the north campus district context against the proposed expansion program of the Department of Psychology and Department of Laboratory Animal Medicine programs operated in Davie Hall. The project budget is \$290,000 and will be funded by University funds.

This project was advertised on August 17, 2015. Twenty-two (22) proposals were received. Six (6) firms were interviewed on October 29, 2015. Members of the Board of Trustees did not participate in the interviews. The committee recommended the selection of the three firms in the following priority order:

1. Lord Aeck Sargent Chapel Hill, NC
2. BBH Design Raleigh, NC
3. Flad Architects Raleigh, NC

The firms were selected for their past performance on similar projects, strength of their consultant team and experience with campus projects.

(ATTACHMENT D)

- Energy Service Utility Easement in Academic Affairs Area
This project will improve the utility services to Swain and Abernethy Halls and to several academic buildings in the vicinity of Lenoir Drive. The project budget is \$5.7 million and will be funded by University funds.

The Project was advertised on October 5, 2015. Five (5) proposals were received. Three (3) firms were interviewed on November 11, 2015. Members of the Board of Trustees did not participate in the interviews. The committee recommended the selection of the three firms in the following priority order:

1. Affiliated Engineers, Inc. Chapel Hill, NC
2. RMF Engineering Raleigh, NC
3. McKim and Creed, Inc. Raleigh, NC

The firms were selected for their past performance on similar projects, strength of their consultant team and experience with campus projects.

(ATTACHMENT E)

o Campus Camera System Upgrades

The UNC Chapel Hill campus has approximately eighty (80) existing closed circuit television (CCTV) security cameras distributed throughout the campus exterior spaces. The objective of this project is to upgrade the existing CCTV system for the entire campus. This project will evaluate, integrate, standardize and expand the existing CCTV infrastructure. The project budget is \$3.5M and will be funded by University funds.

This project was advertised on October 5, 2015. Six (6) proposals were received. Three (3) firms were interviewed on November 12, 2015. Members of the Board of Trustees did not participate in the interviews. The committee recommended the selection of the three firms in the following priority order:

1. McKim and Creed, Inc. Raleigh, NC
2. RDK Engineers Durham, NC
3. Dewberry Raleigh, NC

The firms were selected for their past performance on similar projects, strength of their consultant team and experience with campus projects.

(ATTACHMENT F)

• Design Approval – The Pit Area Sidewalk Improvements:

- o This project will improve the walkways and other site amenities around the Pit area. This area has a number of issues related to aging pavement and landscape. Differential settling of the sidewalk over time has resulted in many potential tripping hazards and water ponding during rainfall events. Additionally, aging trees have caused pavement upheaval and are in decline. Pedestrian congestion is an ongoing problem related to the current configuration of site walls and landscape material. This project seeks to remedy these issues. The project budget is \$2.3M and will be funded by University funds.

This project was reviewed by The Board of Trustees at their May 2015 meeting, the Design Review Committee, and The Chancellor's Buildings and Grounds Committee approved the project at its May 2015 meeting.

(ATTACHMENT G)

• Annual Endowment Fund Report:

- o Board of Governors' regulations require that the institution's Board of Trustees submit to the Board of Governors an annual report on the endowment fund. The annual report for the fiscal year ending June 30, 2015 is attached. The Endowment Board approved this report at its meeting on October 16, 2015.

Highlights of the report include:

- 9.3% was earned by the Investment Fund.
- \$64.2 million was distributed from the Endowment fund for spending in 2015 (5.1% of the fund's beginning market value).
- For FY 2016, a 1.2% increase has been authorized by The Chapel Hill Foundation Investment Fund Board. This increase is consistent with the spending policy target threshold of increasing the rate by CPI each year.

(ATTACHMENT H)

A motion was made from committee to approve the consent agenda items, it was seconded by Trustee Hopkins and passed unanimously.

Vice Chair Cochrane briefly reviewed the other items presented to committee for information only:

- Athletic Improvements presentation given by Bubba Cunningham, Director of Athletics.
 - o A motion was made in committee to proceed with this improvement project including a commitment to privately raise \$25M through the Education

Foundation; it was seconded and passed unanimously in committee.
(ATTACHMENT I)

- FY15 UNC Investment Fund Performance Update and BOT Clean Energy Resolution Update given by Jon King, CEO of UNC Management Company
- Development Report given by David Routh, Vice Chancellor for University Development (see attachment B in the External Relations report)
- Financial Update given by Matt Fajack, Vice Chancellor for Finance and Administration (ATTACHMENT J)

A full review of the committee meeting may be found in the committee minutes in the Office of the Assistant Secretary.

REPORT OF THE UNIVERSITY AFFAIRS COMMITTEE

Secretary Duckett presented the report from the University Affairs Committee. There were two action items for this committee in open session:

- **School of Medicine Regional Educational Program in Wilmington**
 - Bill Roper, Dean of the UNC School of Medicine and CEO of UNC Health Care brought forth a proposal to designate one of the School of Medicine's core teaching sites at South East Area Health Education Center (SEAHEC) in Wilmington, NC, in collaboration with New Hanover Regional Medical Center (NHRMC), a new geographical education program. UNC medical students have been learning on clinical rotations in Wilmington for decades. In the school's new curriculum, it is most effective for students to stay in one clinical setting for a full year. Pending approval, the plan for 2016-2017 is to send 4-7 students to Wilmington for their clinical year. If successful, they envision increasing that over time to 12 students per calendar year.

A motion was made from committee to approve the program; it was seconded by Trustee Keyes and passed.

(ATTACHMENT K)

- **Draft Policy on Appeal Procedures for Faculty, Staff and Students**
 - David Parker, Interim Vice Chancellor and General Counsel presented a policy to establish procedures to be followed where, pursuant to University policy, a party has the right to an appeal to the Board of Trustees. These procedures are supplemental to substantive policies providing the right to appeal, and in the event of any discrepancy between such policies and these procedures, the provisions of the policy shall take precedence. Matters that are covered by this include student matters, EPA non-faculty employee and faculty matters, and matters involving faculty, staff or students

A motion was made from committee to approve this policy; it was seconded by Trustee Keyes and passed.

(ATTACHMENT L)

Secretary Duckett continued and shared the items presented for information:

- Graduate Student Continuous Enrollment update given by Houston Summers, Student Body President
- Faculty Update given by Bruce Cairns, Chair of the Faculty
- Presentation on the Student-Athlete Academic Initiative Working Group website given by Jim Dean, Executive Vice Chancellor and Provost
- Campus Conversation on Race and Task Force on UNC-CH History Update given by Chancellor Carol Folt; Winston Crisp, Vice Chancellor for Student Affairs; Amy Hertel, Director of the American Indian Center; Jim Leloudis, Associate Dean for Honors Carolina and Professor of History; Provost Jim Dean; Felicia Washington, Vice Chancellor for Workforce Strategy, Equity, and Engagement; Taffye Clayton, Associate Vice Chancellor for Diversity and Multicultural Affairs and Chief Diversity Officer; and G. Rumay Alexander, Chair of the Faculty Committee on Community and Diversity.

A full review of the committee meeting may be found in the committee minutes in the Office of the Assistant Secretary.

MOTION TO CONVENE IN CLOSED SESSION

On motion of Secretary Duckett, and seconded by Trustee Curtis, 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).

RECONVENE MEETING IN OPEN SESSION

Chair Stone made a motion to reconvene the meeting in open session; it was seconded and passed.

OPEN SESSION

REPORT OF THE UNIVERSITY AFFAIRS COMMITTEE

Secretary Duckett referred the members to the personnel matters submitted for review. A motion to approve the actions was made; it was duly seconded, and passed. Chair Stone stated that the personnel and salary actions voted on in open session had been distributed.

(ATTACHMENT M)

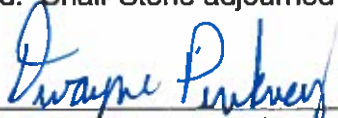
APPOINTMENT OF JUDITH CONE AS VICE CHANCELLOR FOR COMMERCIALIZATION AND ECONOMIC DEVELOPMENT

Secretary Duckett then presented a motion from committee to approve the appointment of Judith Cone as permanent Vice Chancellor for Commercialization and Economic Development; it was seconded by Trustee Curtis and passed.

(ATTACHMENT N)

ADJOURNMENT

There being no further business to come before the Board, Chair Stone called for a motion to adjourn. The motion was made by Vice Chair Cochrane, seconded by Trustee Keyes and passed. Chair Stone adjourned the meeting at 1:55 p.m.



Dwayne Pinkney, Assistant Secretary