

BOARD OF TRUSTEES MEETING
The University of North Carolina at Chapel Hill
January 28, 2016

The Board of Trustees met in regular session on Thursday, January 28, 2016 at the Rizzo Conference Center, Magnolia Room. Chair Stone convened the meeting at 8:00 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	Houston L. Summers
Donald Williams Curtis	

Trustees Ed McMahan and Hari Nath were not present.

CONSENT AGENDA

Approval of Minutes and Mail Ballots

On motion of Chair Stone and seconded by Trustee Keyes, the minutes of the meeting of November 19, 2015 were approved as distributed; as was the ratification of the following mail ballot dated:

- December 11th - Personnel actions, actions conferring tenure, and compensation actions (ATTACHMENT A)

Chair Stone then entertained a motion to move the mail ballot dated November 20th to the closed session agenda. A motion was made by Vice Chair Cochrane; it was seconded by Trustee Keyes and passed.

CHAIR'S REMARKS

- Chair Stone began his remarks by welcoming everyone to the meeting, and sharing an update on Trustee McMahan, recovering from recent surgery.
- The Chair followed up from last meeting's discussions of Connect NC Bond and announced that more information would be shared at this meeting, including a reminder of the upcoming March 15 election day ballot.
- The Chair asked Secretary Duckett to read a resolution in support of the Connect NC Bond Act of 2015.

RESOLUTION IN SUPPORT OF THE CONNECT NC BOND ACT OF 2015
JANUARY 28, 2016

WHEREAS, North Carolina voters will consider a \$2 billion statewide bond that will affect every region of our state; and

WHEREAS, it has been 15 years since voters approved a similar bond; since then, North Carolina has grown by more than 2 million people; and

WHEREAS, the Connect NC Bond invests in public higher education, our parks and natural resources, local government water and sewer infrastructure needs, in public safety and agriculture; and

WHEREAS, nearly \$1.5 billion of bond funds will be dedicated to projects at our state's public universities and community colleges; and

WHEREAS, The University of North Carolina at Chapel Hill and the UNC Health Care Medical Center combined generated \$7.1 billion in added income to North Carolina's economy in fiscal 2013 – an amount representing nearly 100,000 jobs in the state; and

WHEREAS, funding from the Connect NC bond will provide \$68 million to build a new state-of-the-art medical education facility at our School of Medicine, allowing the University to train more doctors; and

WHEREAS, our University will leverage those dollars by aggressively seeking the remaining \$20.6 million in financial support required to make this new building a reality;

WHEREAS, North Carolina faces a physician shortage by 2020, which will keep growing as the population ages and today's practicing physicians retire; and

WHEREAS, Carolina's current medical school building is almost 50 years old and not designed to address 21st Century teaching and research needs; and

WHEREAS, when Berryhill Hall opened, there were 353 medical students; in 2014, we trained approximately 2,400 inter-professional health providers and medical students.

WHEREAS, a new medical education facility will enable us to provide modern, interactive instruction, grow future class sizes, and enhance our statewide presence at our partner campuses in Asheville, Charlotte and Wilmington.

NOW, THEREFORE, BE IT RESOLVED THAT the UNC-Chapel Hill Board of Trustees unanimously endorses the \$2 billion Connect NC Bond, pledges to educate and inform the citizens of North Carolina about the importance of this bond, and encourages all eligible North Carolinians to vote "YES" for the bond in the primary election to be held on Tuesday, March 15, 2016.

Chair Stone called for a motion to adopt the resolution. A motion was made by Vice Chair Cochrane; seconded by Trustee Hopkins and unanimously passed.

The Chair continued with the following:

- Explained how passage of the resolution would help to amplify the hard work already under way by Chancellor Folt, Dean Roper, the UNC School of Medicine, The UNC Health Care System, and the General Alumni Association
- Indicated that recent research enterprise success at Carolina will create a domino effect of smart, strategic investments
- Offered that UNC owes a tremendous debt of gratitude to the state's citizens who voted for the 2000 bond referendum.
- Shared recent milestones for Carolina research:
 - For the second straight year, UNC Chapel Hill ranks among the top 10 U.S. universities for research dollar volume
 - UNC Chapel Hill is now 6th in federally sponsored research
 - Total research activity rose to \$989 million – 8th nationally
- The Chair shared how UNC Chapel Hill's research activity translates into \$2.6 billion in economic impact across the state
- Chair Stone thanked Chancellor Folt and her leadership team for all their hard work
- The Chair also thanked Vice Provost Steve Farmer and Associate Provost Shirley Ort for their work leading undergraduate admissions and scholarships and student aid
- Chair Stone then thanked the members of the Ethics and Integrity and Policy and Procedures Working Groups for their work over the last year. These two groups were appointed by Chancellor Folt and they will be presenting at our March 2016 meeting.
- In closing, Chair Stone reiterated his previous comments about the priority this board places on working productively with the Board of Governors, General Administration, and President-elect Spellings.

[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 thanking each of the trustees for their ongoing work
- Trustee Summers stated that the work of people in this room will help contribute to the inclusiveness of all
- Trustee Summers remarked that he and his team will continue to forge ahead on all issues experienced by our students including mental health, race and place, educational delivery, and gender. Also, that they were dedicated to sharing the voices of all students.
- He and his team are dedicated to sharing voices of all students
- Trustee Summers shared information on recent events including:
 - Faith Fest
 - Earth Day
 - Involvement with committees on race and inclusion
 - Events planned with the NC Children's Hospital
 - Habitat for Humanity
 - Faculty/Staff events
 - Speaker Ban series
 - And voter registration campaigns

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

CHANCELLOR'S REMARKS

- Chancellor Folt began her remarks by sharing stories of her recent development trip to Asia
- The Chancellor then shared some information regarding recent scholarships received by UNC students:
 - Larry Han and Max Seunik were named among the first cohort of Schwarzman Scholars. They were selected from more than 3,000 applicants. This is an elite China-based scholarship modeled after the Rhodes Scholarship
 - James Williams, a 4th year student double majoring in economics and Asian studies with a Chinese concentration and a minor in mathematical decision sciences received the prestigious Marshall scholarship. He is Carolina's first Marshall Scholar and will study at a United Kingdom institution in any field of study.
 - Blake Hauser, a 4th year student double majoring in environmental health sciences and biology, as well as a minor in chemistry, was named a Churchill Scholar. He is Carolina's 16th. This is a research-focused award that provides funding for American students for a year or master's study in science, mathematics, and engineering at Churchill College, based at the University of Cambridge in England.
- Chancellor Folt welcomed Kevin Guskiewicz, Dean of the College of Arts and Sciences. Dean Guskiewicz assumed the position on January 1, 2016.
- Chancellor Folt created two working groups in May 2015: The Ethics and Integrity Working Group and The Policy and Procedures Working Group.
 - The two groups had different charges, but had a joint recommendation to create a Chief Ethics and Integrity Officer.
 - This position will serve as the University's lead for developing and strengthening a culture of ethical behavior & integrity & providing a robust structure for policy management and practices that support ethical behavior.
 - It will also ensure the University is intentional about continuing a culture of integrity & that decision-making supports & facilitates effective policy implementation.
 - Chancellor Folt named Todd Nicolet, who chaired the Policy and Procedures Working Group, as Interim Chief Ethics and Integrity Officer effective February 8, 2016. Dr. Nicolet was also recently named the Associate Dean for Administration at the Gillings School of Global Public Health, having previously served as Associate Dean for Operations in the School of Government.
- Chancellor Folt explained her environmental and energy policy goals named the "three zeros": zero net water usage; zero waste to landfills; and net zero greenhouse gas emissions.
- The Chancellor shared some recent rankings:
 - For the 15th time, Kiplinger's named UNC-CH the best value in American public higher education
 - The Kenan-Flagler Business School's MBA@UNC program was named #3 in its second ranking of online MBA programs
 - Carolina was also named among the top 25 study abroad programs for all U.S. higher education institutions
- Chancellor Folt continued and shared updates from Undergraduate Admissions:
 - Total number of applications received currently stands at 35,748 – 11th consecutive record & an increase of 12% over last year.
 - Applications from North Carolinians are up 10%, the first strong year-over-year increase among residents in several years.
 - UNC Chapel Hill received 3,778 applications from global students – an increase of 19% – with 2,337 from China (up 32%) and 343 from India (up 22%).
 - The University received 5,765 applications from first-generation-college students, an increase of 15%.
 - Using internal reporting guidelines for race and ethnicity, Carolina has seen increases among Hispanic or Latino students (up 20%), American Indian students (up 16%), Asian or Asian American students (up 15%), and black or African-American students (up 13%).
 - Expecting to release decisions to roughly 20,000 early-action applicants this week.
- The Chancellor reiterated her commitment to crucial conversations on race, inclusion, and diversity launched last semester
- Shared information on recent events attended to promote the Connect NC Bond including a trip to Asheville to meet with the *Asheville Citizen-Times* Editorial Board. She was joined by the Chancellor at Western Carolina University, the Provost from UNC Asheville, and President and CEO of MAHEC.
- 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.]

**THE TRIUMPH OF CHRISTIANITY: HOW THE EARLY CHRISTIANS OVERWHELMED
PAGAN ROME**

Chancellor Carol Folt introduced Dr. Bart Ehrman, the James A. Gray Distinguished Professor of Religious Studies. Dr. Ehrman began his presentation by giving some history on the Department of Religious Studies. UNC-CH is one of the oldest departments in the country, and ranks in the top 3 in undergraduate programs and is tied for 1st in graduate studies with Duke University and Yale University. Dr. Ehrman then shared some of his research interests as well as information on his current research examining how Christianity became one of the world's greatest religions. Following his presentation, Dr. Ehrman entertained questions from the Board. This presentation can be found on bot.unc.edu and on file in the Office of the Assistant Secretary.

**BUILDING THE PATH TO A HEALTHIER FUTURE: THE NEW UNC MEDICAL EDUCATION
BUILDING**

Chancellor Folt then introduced Dr. Julie Byerley, Vice Dean for Education and Chief Education Officer at the UNC School of Medicine (SOM); Dr. Bruce Cairns, Director of the NC Jaycee Burn Center and Associate Professor of Surgery & Microbiology and Immunology; and Ashley Cairns, a first-year medical student. Dr. Byerley began the presentation by explaining the current curriculum structure and principles of the SOM. The SOM has three regional campuses in Charlotte, Asheville and Wilmington in addition to teaching sites at UNC Health Care. They also utilize clinic settings in Raleigh, Greensboro and other parts of the state. These sites allow for a larger class size and a more personalized clinical education.

Dr. Cairns and Ms. Cairns then explained to the board their experiences with medical education. When Berryhill Hall was built in the 1960s, it addressed the needs of the 1970s. This included less hands on training and larger, auditorium style lectures. Now, students spend less time in the classroom, and more time in simulation labs and small groups.

Following their presentation, the group 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 presentation on grants and awards given by Andy Kant, Asst. Director for Carolina KickStart; Randy Myer, Professor of the Practice, KFBS; and Ted Zoller, T.W. Lewis Clinical Associate Professor of Strategy and Entrepreneurship & Director of the Center for Entrepreneurial Studies
- A presentation on small business innovation research and small business technology transfer programs given by Tim Martin, Assistant Director for Carolina KickStart
- A presentation on the Carolina Research Venture Fund given by former trustee and chair, Sallie Shuping-Russell
- A student presentation on TEDxUNC 2016: "Bodies: Being Human" given by seniors Teerth Brahmhatt, Ashita Gona and Olivia Nicolaus.

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:

- Presentation from the General Alumni Association and GAA Tar Heel Network by President Doug Dibbert, and Chair Tom Lambeth
- Bond Campaign Update from Jennifer Willis, Assistant Dean for Development, UNC School of Government and Interim 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 presented to the committee for action:

- **Revision to the Finance and Infrastructure Committee Charter**

Phyllis Petree, Director of Internal Audit, brought forth revisions to the committee's charter. Based on *UNC General Administration Best Financial Practices* guidelines, the title of the Trustee committee responsible for audit matters must include "audit" in the title. These revisions also incorporate statutory changes regarding selection of an external auditor and other "best practices" recommendations from the UNC System Office. Audit and financial reporting related duties of the committee were revised as well.

A motion was made from committee to approve the revised committee charter; it was seconded by Trustee Curtis and passed unanimously.

(ATTACHMENT C)

- **Designer Selections**

- **Beard Hall Second Floor Renovation:**

This project will renovate approximately 13,400 square feet of the existing space on the 2nd floor of Beard Hall into a new classrooms and clinical simulation teaching spaces for the Eshelman School of Pharmacy. The project will also address accessibility deficiencies with the elevator and the restrooms and replace failing building HVAC system located in the attic. The project budget is \$9,713,728 and will be funded by University funds.

The project was advertised on November 12, 2015. Sixteen (16) proposals were received. Five (5) firms were interviewed on January 5, 2016. 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. Perkins Eastman Charlotte, NC
2. BBH Raleigh, NC
3. BHDP 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)

- **Kenan Laboratories Fire Sprinkler**

This project will address the fire safety needs for this ten story, 140,410 square feet building in order to meet the current NFPA fire protection requirements. The project will provide for the installation of a new wet pipe fire sprinkler system for the floors 3-9 and the basement. The fire sprinkler systems for the ground, first and second floors were installed under a previous project. The project budget is \$2,460,000 and will be funded by the 2014 Repairs and Renovation funds.

The project was advertised on November 20, 2015. Nine (9) letters of interest were received. Three (3) firms were interviewed on January 13, 2016. 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 & Creed Raleigh, NC
2. RDK Engineers Durham, NC
3. Engineered Designs Cary, NC

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

(ATTACHMENT E)

- **MBRL/Glaxo Building Energy Conservation Measure**

This project will implement airflow ventilation reduction at the MBRL portion (approximately 13,500 gross square feet) of the building using the existing constant-volume controlled terminals with reheat coils and the exhaust terminals. The existing constant volume ventilation system will be converted to a variable volume air supply distribution system based upon the minimum air ventilation and space cooling requirements. The Project budget is \$580,000 and will be funded by University funds.

This project was advertised on November 13, 2015. Eight (8) proposals were received.

Three (3) firms were interviewed on January 6, 2016. 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. Stanford White Raleigh, NC
2. McKim & Creed Raleigh, NC
3. RDK Engineers Durham, NC

The firms were selected for their strength of the project team, specific project approach on recent Energy Conservation Measures projects and previous University and State Construction Office experience.

(ATTACHMENT F)

A motion was made from committee to approve the designer selections, it was seconded by Trustee Grumbles and passed unanimously.

- **Demolition Approval for Odum Village Units**

The demolition of the thirty-six (36) buildings which contain a total of two hundred thirty-six (236) apartments is necessary for future campus development. The apartments will not be allowed as residential units after the fall of 2016 due to the lack of a proper fire protection system. The Power Generation and Chilled Water Plants at Manning Plant and Durham-Orange Light Rail Transit are two projects currently in design that will require development of some of the existing building sites.

The project budget is \$5.1M and will be funded by University funds. Ms. Wu recommended the following.

Demolition of the following thirty-six (36) buildings at Odum Village:

- Units 300 - 306 Mason Farm Road, four (4) buildings
- Units 401 - 407 Mason Farm Road, two (2) buildings
- Units 100 - 109 Bernard Street, four (4) buildings
- Units 200, 202, 204, 206, 208, 210, 212, 214 & 216 Branson Street, three (3) buildings
- Units 217 - 239 Jackson Circle, six (6) buildings
- Units 600 - 630 Hibbard Drive, twelve (12) buildings
- Units 700 - 711 Hibbard Drive, five (5) buildings

A motion was made from committee to approve the demolition of the above listed units; it was seconded by Trustee Grumbles and passed unanimously.

(ATTACHMENT G)

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

- Environmental and Energy Policy Update given by Brad Ives, Associate Vice Chancellor for Campus Enterprises
- Internal Audit Report given by Phyllis Petree, Director of Internal Audit (ATTACHMENT H)
- Semi-Annual Leasing Report given by Gordon Merklein, Executive Director of Real Estate Development (ATTACHMENT I)
- Semi-Annual Capital Report given by Anna Wu, Associate Vice Chancellor for Facilities Services (ATTACHMENT J)
- Development Report given by David Routh, Vice Chancellor for University Development (see attachment B in the External Relations report)
- Finance and Administration Update given by Matt Fajack, Vice Chancellor for Finance and Administration

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 was one action item for this committee in open session:

- **Approval to Decommission Certain Centers and Institutes**

Executive Vice Chancellor and Provost Jim Dean presented information regarding the decommissioning of three centers in the Gillings School of Global Public Health:

- Nutrition Obesity Research Center
- Occupational Safety and Health Education and Research Center
- UNC Center for Innovative Clinical Trials

These requests were initiated by the dean to address units that were either no longer operational or did not meet the definition of "center" or "institute" as described in UNC General Administration regulations (UNC Policy Manual section 400.5[R]) and UNC-CH

policies. These recommendations came from the Centers and Institutes Review Committee and have been approved by the Provost and Chancellor Folt. A motion was made from committee to approve the decommissioning of the three centers and institutes; it was seconded by Vice Chair Cochrane and passed.

(ATTACHMENT K)

Secretary Duckett continued and shared the items presented for information:

- GPSF Update given by Dylan Russell, President
- Faculty Update given by Bruce Cairns, Chair of the Faculty
- Campus Update given by Winston Crisp, Vice Chancellor for Student Affairs
- Update on Student Stores given by Matt Fajack, Vice Chancellor for Finance and Administration
- Presentation on the Online Task Force and Carolina Office of Online Learning given by Carol Tresolini, Vice Provost for Academic Initiatives; Gary Marchionini, Dean of the School of Information and Library Science and Chair of the Online Task Force; and Rob Bruce, Director of the William and Ida Friday Center

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 Grumbles, 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 from committee; it was seconded by Vice Chair Cochrane, and passed. Chair Stone stated that the personnel and salary actions voted on in open session had been distributed.

(ATTACHMENT L)

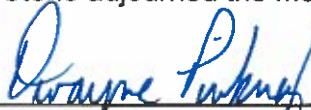
REPORT OF MAIL BALLOT DATED NOVEMBER 20, 2015

Chair Stone indicated that the personnel mail ballot dated November 20, 2015 was approved as amended. A motion was made by Vice Chair Cochrane to approve; it was seconded by Trustee Hopkins and passed.

(ATTACHMENT M)

ADJOURNMENT

There being no further business to come before the Board, Chair Stone called for a motion to adjourn. The motion was made by Trustee Curtis, seconded by Trustee Keyes and passed. Chair Stone adjourned the meeting at 1:30 p.m.



Dwayne Pinkney, Assistant Secretary