The Board of Trustees of The University of North Carolina at Chapel Hill met in regular session on October 26, 1990, at 10:00 a.m. in the UN Ballroom of The Carolina Inn.

ROLL CALL

Members present:  Earl N. Phillips, Jr., Chairman
                  Elizabeth S. Dowd, Vice Chairman
                  William A. Darity, Secretary
                  Arch T. Allen, III
                  Thos. E. Capps
                  Robert C. Eubanks, Jr.
                  John W. Harris
                  William H. Hildebolt
                  John W. Pope
                  Robert L. Strickland
                  David L. Ward, Jr.

Members absent:  Richard H. Jenrette
                John G. Medlin, Jr.

MINUTES

Chairman Phillips asked for a motion to approve the Minutes of the regular meeting of August 24, 1990, as distributed. Mr. Harris moved, seconded by Mr. Capps. The motion carried unanimously.

CHANGE IN CALENDAR

Chairman Phillips proposed that the December 28 meeting of the Board of Trustees of The University of North Carolina at Chapel Hill be changed to an earlier date to avoid conflict with the Christmas holidays. The Trustees agreed to schedule the next regular meeting on December 14, 1990. The Davis Award Dinner will be scheduled for the previous Thursday evening, December 13, 1990.

Dr. Darity moved, seconded by Mr. Ward. The motion carried unanimously.

CHANCELLOR'S REPORT

Chancellor Hardin expressed a word of commendation for the student leadership, particularly Bill Hildebolt, President of the Student Body and a member of the Board of Trustees. He referred to Mr. Hildebolt's leadership regarding the issues relating to the statues at Davis Library and fraternity party incidents.

Chancellor Hardin referred to a summary report of fringe benefits which highlighted the strengths and weaknesses of UNCH's fringe benefits program. The consulting firm of Hewett and
Associates prepared this report for the University. A copy is on file in the Office of the Assistant Secretary.

Chancellor Hardin presented an update on intercollegiate athletics. He reported on recent meetings with presidents and chancellors of ACC universities. He informed the Board that he would be attending the NCAA annual convention in January. He stated this institution will support reform proposals and oppose any amendments that would reduce the impact of those reforms.

Chancellor Hardin reported that the Department of Athletics has committed the sum of $1 million in future post-season sports revenues to support the academic programs affected by the budget cuts in the university. This is a five year program at $200,000 per year.

Thanks to Mr. Swofford

Mrs. Dowd expressed thanks to John Swofford, director of Athletics, and his colleagues for this gift to the academic side of the university and asked Mr. Swofford to convey the Board's thanks to his colleagues. Chairman Phillips asked for a motion. Mrs. Dowd so moved, seconded by Mr. Ward. The motion carried unanimously.

Mr. Pope referred to the fringe benefit summary and asked if it would be possible to obtain a comparison with flagship state universities as well as the 12 national universities that we now have. Chancellor Hardin responded that we could inquire about this.

Mrs. Dowd asked that Chancellor Hardin keep the Board updated as to what the university wants to do concerning fringe benefits and the timetable and budget allowances. She stated that this has been an issue for discussion for some time.

Mr. Capps asked if non-state funds could be used for fringe benefit plans. Chancellor Hardin responded that the University can go beyond the state funded fringe benefits if there were discretionary non-state money available.

Mr. Strickland commented on the AGB Conference on Intercollegiate Athletics and was pleased to learn that the ACC Conference and the UNC-CH are among the leaders in reform.
Mr. Strickland commented on the fringe benefits study and suggested plans which should be looked at carefully.

Thanks to President Spangler

Mr. Robert Eubanks referred to President Spangler's recent contribution of his salary plus an additional sum to all 16 campuses in the amount of $10,000 each. The significance of that gesture, which is more than symbolic, is very important. Mr. Eubanks moved that this Board publicly thank President Spangler. Mr. Strickland seconded the motion. The motion carried unanimously.

REPORT OF THE FINANCE AND BUSINESS COMMITTEE

Mr. Capps, Chairman of the Finance and Business Committee presented the committee's report.

Master Plan for the North Carolina Botanical Garden

On behalf of the committee, Mr. Capps moved the master plan of the North Carolina Botanical Garden. Mr. Harris seconded the motion and it carried.

(Attachment A)

Final Plans and Specifications for the Environmental Protection Agency

On behalf of the committee, Mr. Capps moved the final plans and specifications for the Environmental Protection Agency Building. Mrs. Dowd seconded the motion and it carried.

(Attachment B)

Acquisition by Lease of Office Space for the School of Public Health, Department of Epidemiology

On behalf of the committee, Mr. Capps moved the acquisition to lease approximately 2,462 square feet of office space in the NCNB Plaza for the UNC-CH School of Public Health, Department of Epidemiology. The lease term is to be for 27 months, with one one-year renewal option, beginning August 1, 1990, at a cost of $30,775 annually subject to an operating cost escalation. Mr. Pope seconded the motion and it carried.

(Attachment C)
Ratification of Mail Ballot of September 7, 1990

Mr. Capps moved, seconded by Mr. Pope, that the Board ratify the Mail Ballot of September 7, 1990. The motion carried. Mr. Allen and Mr. Harris did not participate.

(Attachment D)

REPORT OF THE ACADEMIC AND STUDENT AFFAIRS COMMITTEE

Chairman Phillips called on William A. Darity, Chairman of the Academic and Student Affairs Committee.

Dr. Darity stated that the committee had a very good meeting.

Dr. Boulton discussed Parents Weekend and the increasing activities of this organization. He also stated that a number of corporations were recruiting on campus despite today's economy. Dr. Boulton reported on minority recruitment activities and competitive edge activities. There are presently 780 international students on campus and 360 scholars, for a total of approximately 1140 international scholars and students from 95 countries.

Student John Lomax presented the Board with a report, University at Risk: An Assessment of the State Budget Cuts' Impact on Education and Services at the University of North Carolina at Chapel Hill, and discussed the contents. (A copy is on file in the Office of the Assistant Secretary).

Mr. Pope reminded the students and faculty that the state has other responsibilities. Dr. Darity responded that we are responsible for The University of North Carolina at Chapel Hill and that the students were to bring their desires and interests before the Board and that should be the Board's main focus.

There was discussion regarding fraternities on campus and their affiliation with the University and how they should relate more closely to the various policies and practices of the University.

On-campus non-student behavior was discussed.

There was discussion regarding balanced programming on campus, i.e., whether programs are balanced between liberal and conservative views.
The committee received a report from Mr. Hildebolt on campus activities, including the controversy surrounding the recent fraternity activities and the placement of the statues at Davis Library. Dr. Darity stated that the statue issue was an issue for the students and the University administration to handle and not the Board.

Dean Cell introduced Professor James Williams who directs the Writing Across the Curriculum Program. He explained how writing is integrated into the various departments and emphasized aspects of training in writing skills. Dr. Darity stated that the Board was very impressed with this program.

**DEVELOPMENT**

Chairman Phillips called on Mr. John Harris, Chairman of the Development Committee.

**Bicentennial Campaign Progress Report**

Mr. Harris introduced Mr. Robert Sweeney, Associate Vice Chancellor for Development, who distributed reports on the status and progress of the campaign. Copies of these reports are on file in the Office of the Assistant Secretary. As of September 30, 1990, there was a 6% increase in overall cash flow to the University. The goal is a 10% increase this year in philanthropic cash flow and we seem to be relatively on target. Alumni Giving continues to be strong as does corporate and foundation relations.

Mr. Sweeney reported that as of September 30, 1990, the total commitments to the campaign including both current and future support total $82.2 million.

Mr. Sweeney reported that it is believed that the economy will affect gifts in securities and real estate. This could have an influence on the cash flow. Some of the largest commitments to the campaign are asking that the first payment be in 1991 and many in late 1991. This could have a short-term cash flow impact but should not affect it over the long-term. Annual Giving efforts have been redoubled with stronger emphasis on the phone campaigns as well as much more face to face solicitation at the
$5000 and $10,000 level to protect the cash flow. The approach is that we are in the campaign now, we have to be aggressive, but we should be sensitive to particular donors that may be impacted by the down-turn of the economy.

Mr. Sweeney introduced Mr. Mike Strother, Class of '90 and Director of the Phonathon. Mr. Strother has spent four years working on the University's phonathon and since December, has run this million dollar plus program as a part-time student.

Mr. Strother gave a brief overview of the phonathon program. Alumni from all 12 schools are contacted. This year it is expected that about 75,000 alumni will be reached. Quality telephone calls by students increase the number of donors and begin a habit of giving to the University. Recently during the Chancellors Club phonathon, in four nights student callers were able to secure 46 Chancellors Club pledges and raise $580,000 for the University. The UNC budget crunch has not been used as an appeal to increase the cash flow. The feeling is that more can be raised by using the strength of the University and showing alumni how they can help preserve it. Students do not use the hard-sell approach. They use friendly conversation and build rapport with alumni. There is a bond already between the student and alumni; that of the Carolina spirit and tradition.

Board of Visitors Elections

Mr. William Massey presented the following names for election to the Board of Visitors, Class of 1994:

- Mr. Joseph Carstarphen
- Mr. Thomas N. Chewning
- Mr. John C. Fennebresque
- Mr. Troy Smith

Mr. Harris asked for a motion to approve these new members. Mr. Eubanks moved, seconded by Mr. Pope. The motion carried unanimously.

Mr. Massey stated that the nominations made and endorsed by this Board have produced an exceptional Board of Visitors whose commitment to the University in furthering the work of this Board is very encouraging.
Chairman Phillips stated that this is a very active and interested group and feels that the Trustees should make a more conscientious effort the attend the meetings in the future, the next meeting being on April 12 and 13, 1991.

EXECUTIVE SESSION

Chairman Phillips asked for a motion to go into executive session to consider property and personnel matters, legal matters, and candidates for honors as permitted under the Open Meetings Law. The motion will specify that the following persons are to remain in executive session: Members of the Board of Trustees, Chancellor Hardin, Members of the Chancellor's Administrative Council, Ms. Brenda Kirby, Ms. Jane Bethea, Professor Avery, Professor Woodward and such other persons as we may invite from time to time.

Dr. Darity so moved, seconded by Ms. Dowd. The motion carried unanimously.

DEVELOPMENT

Report of the Committee on Honorary Degrees and Special Awards

Mr. Harris called on Professor Laurence G. Avery, Secretary of the Committee on Honorary Degrees and Special Awards.

Professor Avery called on Chancellor Hardin to discuss an amendment to #4 of the Resolution adopted by the Board of Trustees of The University of North Carolina at Chapel Hill, November 18, 1972, as amended, July 26, 1980, regarding the number of honorary degrees to be conferred in any one year. The proposed amendment #4 is included in the following proposed resolution:

Resolution adopted by the Board of Trustees of The University of North Carolina at Chapel Hill, November 18, 1972, amended (#6), July 26, 1980, and amended (#4), October 26, 1990:

BE IT RESOLVED that the Board of Trustees of The University of North Carolina at Chapel Hill, in the exercise of its authority to approve "the names of all individuals on whom it is proposed that an honorary degree or other honorary or memorial distinction be conferred by the institution," will consider only such names as are proposed in accordance with the following specifications of procedure and policy:

1) Honorary degrees to be awarded by The University of North Carolina at Chapel Hill shall be Doctor of Laws (LL.D.),

2) Honorary degrees and other honorary or memorial distinctions shall be conferred only on those deemed deserving of such awards by reason of eminent achievement in scholarship or in public affairs or in service to the University or the State or the nation through activities recognized as significant in the educational world.

3) Initiation of nominations for honorary degrees or other honorary or memorial distinctions shall be the prerogative of the faculty, which is authorized to establish its own procedures for such initiation.

4) Only in exceptional circumstances, such as the celebration of an anniversary, shall honorary degrees be conferred on more than six persons in any one year.

5) In the event that an honorary degree or other honorary or memorial distinction is offered to a person who for any reason does not appear at the Commencement or other stated occasion at which the award is to be conferred, that award shall lapse; and any later consideration of that person for an honorary or memorial distinction shall be initiated de novo.

6) No person shall be eligible to be awarded an honorary degree or other honorary or memorial distinction by the University at Chapel Hill while that person is serving as a member of the Board of Governors of The University of North Carolina or of the Board of Trustees of any one of its constituent institutions or as a member of the faculty, staff, or administration of The University of North Carolina or of any one of its constituent institutions; and no such person shall be eligible for such an award earlier than at the second Commencement after the termination of any such relationship with the University of North Carolina and/or any one of its constituent institutions.

Chairman Phillips asked for a motion to approve the resolution as amended. Mr. Harris so moved, seconded by Mr. Allen. The motion carried unanimously.

Professor Avery, Secretary of the Committee, presented the names of the candidates for Honorary Degrees for the Commencement of 1991. Mr. Harris asked for a motion to accept the report. Dr. Darity so moved, seconded by Mr. Ward. The motion carried.

Chairman Phillips thanked Professor Avery.

Ms. Ehringhaus briefed the Board on legal matters.

REPORT OF THE ACADEMIC AND STUDENT AFFAIRS COMMITTEE

Personnel Matters for Information

Dr. Darity reported that the Committee received personnel matters for information not requiring action by the Board.

(Attachment E)
Personnel Matters for Consultation

Dr. Darity moved, seconded by Mr. Harris, to authorize the Chancellor to forward to the President and Board of Governors the personnel report and recommendations presented for consultation. The motion carried.

(Attachment F)

Personnel Matters for Action

Dr. Darity moved, seconded by Mr. Capps, to receive Personnel Matters for Action, to be voted on in open session. The motion carried unanimously.

(Attachments G, H)

Chairman Phillips asked if there were further business in closed session. There being none, he asked for a motion to return to open session. Mr. Harris so moved, seconded by Mr. Pope. The motion carried unanimously.

OPEN SESSION

REPORT OF THE ACADEMIC AND STUDENT AFFAIRS COMMITTEE

Personnel Matters for Action (Academic Affairs)

Chairman Phillips asked for a motion to approve designation to named professorships, appointments, and salary approval for appointment. Dr. Darity so moved, seconded by Mr. Capps. The motion carried unanimously.

(Attachment G)

Personnel Matters for Action (Health Affairs)

Chairman Phillips asked for a motion to approve appointments, reappointments at same rank, promotions, a correction, and salary approval for new appointments. Dr. Darity so moved, seconded by Mr. Ward. The motion carried unanimously.

(Attachment H)

Ratification of Mail Ballot of September 17, 1990

Chairman Phillips asked for a motion to ratify the Mail Ballot of September 17, 1990. Dr. Darity so moved, seconded by Mr. Harris. The motion carried unanimously.

(Attachment I)
ADJOURNMENT

Chairman Phillips asked if there were other matters to come before the Board.

There being no further business, Chairman Phillips asked for a motion to adjourn the meeting. Mr. Harris so moved, seconded by Mr. Capps. The motion carried unanimously.

The meeting was adjourned at 12:00 noon.

[Signature]
Assistant Secretary