The Board of Trustees of The University of North Carolina at Chapel Hill met in regular session on January 24, 1992, at 10:25 a.m. in the UN Ballroom of The Carolina Inn. Mr. Strickland, the chairman, presided.

ROLL CALL

Members Present: Robert L. Strickland, Chairman
David L. Ward, Jr. Vice Chairman
Angela R. Bryant
Matthew F. Heyd
Richard H. Jenrette
J. Gregory Poole, Jr.
John W. Pope
David J. Whichard, II
William K. Woltz
Annette F. Wood

Members Absent: Thos. E. Capps
John W. Harris

MINUTES

Mr. Ward moved, seconded by Mr. Heyd, that the minutes of the regular meeting of December 13, 1991, be approved as distributed. The motion carried.

REPORT OF THE NOMINATING COMMITTEE

Chairman Strickland called on Mr. Pope, Vice Chairman of the Nominating Committee, for the report of the committee for consideration of filling the position of Secretary.

Mr. Pope stated that he was making the report on behalf of Chairman Capps. The Nominating Committee was composed of Mr. Harris, Mr. Jenrette, Mr. Capps, and Mr. Pope. The Committee recommended Mrs. Annette Wood as Secretary of the Board. Mr. Woltz moved acceptance, seconded by Ms. Bryant. The motion carried.

CHANCELLOR'S REPORT

Chancellor Hardin welcomed members of the Board and guests. He expressed his thanks to the members for giving some extra time on Thursday for a committee meeting. He commented on the current searches underway: Provost and Vice Chancellor for Academic Affairs, Deans of the College of Arts and Sciences, School of Social Work, School of Business, Director of the Institute of Government, Associate Vice Chancellor for Development. He mentioned the enormous amount of time devoted to this effort and stated that he would bring to the Board the names of
extraordinarily qualified people for these positions. He commented on the retirement of Dr. Raymond Dawson as Vice President for Academic Affairs for the system. He stated that President Spangler has appointed Dr. William F. Little as interim Vice President to replace Dr. Dawson, beginning on April 1. Dr. Little is presently serving as interim Vice Chancellor and Provost at UNC-CH and is doing a marvelous job.

Chancellor Hardin reiterated an earlier announcement naming Mr. Clifton Metcalf as Associate Vice Chancellor for University Relations. He stated that Mr. Metcalf has been acting in the interim and doing a wonderful job in that capacity.

Chancellor Hardin reported that the NC Press Association was currently meeting at the Friday Center and invited the members to join him for lunch. Professor Chuck Stone in the School of Journalism is scheduled to address the group.

Chancellor Hardin reported on the week-long observance in honor of Dr. Martin Luther King, Jr. He commented on the excellent speech made by The Honorable William Gray, President of the United Negro College Fund and former member of the United States Congress. He commented on the public announcement of a grievance filed by more than 30 housekeepers and their allegation of racial discrimination based on the number of minorities in the lowest paid positions on campus. He considers this a plea for help and not a personal attack on the University. He reported on the efforts being done on this campus to improve conditions for these employees as well as consultations with members of the General Assembly. Representative Anne Barnes has taken a personal interest in this issue. He stated that he will be announcing shortly the creation of an Employee Forum composed of both SPA and EPA Non-Faculty employees. These employees feel somewhat disenfranchised in terms of participation in important discussions and it is expected that this will provide some needed consultation. He reiterated his personal sympathy and high priority to the wage and benefit situation.

Chancellor Hardin referred to the recent violent robbery of Dr. Linnea Smith. The similar recent assaults in this town are
sobering. The Board and the University community wishes for Linnea Smith a quick recovery.

Chancellor Hardin paid tribute to the success of the Women's Basketball team this season, and to the increased attendance at home games. He also commented on the success of the Women's Soccer Team and their visit to the White House.

Mr. Woltz requested that a list of salary grades and benefits of the SPA/EPA employees be sent to the Board members. Chancellor Hardin referred to the Hewitt Report as being the most helpful information available.

Mr. Heyd expressed appreciation to Chancellor Hardin for his efforts in securing better wages for the University's lowest paid employees and encouraged continuance in these efforts.

REPORT OF THE STUDENT AFFAIRS COMMITTEE

Chairman Strickland called on Mr. Matthew F. Heyd, Chairman of the Student Affairs Committee. Mr. Heyd stated that the meeting focused on the state of campus security.

Mr. Josh Siegel, Student Body Treasurer, reported on student efforts to increase awareness on the part of the Registrar’s Office for student needs, efforts in helping housekeepers, student elections in February, and student assistance with disbursement of financial aid checks.

Ms. Debbie Bond, Chairperson of the Security Task Force, reported on the efforts of the task force to survey women on campus to determine unsafe areas on campus.

Ms. Michelle Thomas described a new pilot program to begin soon called Communiversity. This program will extend services beyond the University to children in the Chapel Hill and Carrboro Housing Projects. These children will be taught African-American culture by students on this campus. Chancellor Hardin and others in Student Affairs are very supportive of this project.

Dr. Don Boulton and Dr. Judith Cowan, Director of the Student Health Services, discussed the Student Health Services and the assistance provided to students that are victims of sexual assault. Dr. Cowan gave an overview of the mission of the Student Health Service.
DEVELOPMENT

Chairman Strickland called on Vice Chancellor Arch Allen.

Mr. Allen distributed a report that summarized the Bicentennial Campaign progress to date. As of December 31, 1991, the total pledges totaled $173,312,160 or 54% of the total goal of $320,000,000. He highlighted the reports and referred to the new draft provided which presents a clearer picture of the progress. (A copy of the report is on file in the Office of the Assistant Secretary.)

REPORT OF THE FINANCE AND BUSINESS COMMITTEE

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

Semi-annual report on Status of Capital Improvement Projects

Mr. Eugene Swecker referred to the report previously distributed and asked for questions. There were none.

(Attachment A)

Ms. Bryant expressed an interest in touring the construction sites and planned construction. Mr. Swecker stated that this could be arranged and all trustees were invited to attend.

Semi-annual Lease Report

Mr. Swecker presented the report. Mr. Pope reiterated Mr. Harris' previous statement to reinforce the idea of obtaining the best lease rate during this time in the economy. Mr. Poole expressed a concern about the leased space and future investments.

(Attachments B, C, D, E)

Acquisition by Lease of Office Space for the Curriculum in Leisure Studies and Recreation

On behalf of the Committee, Mr. Pope moved approval of the acquisition by lease of approximately 2,150 square feet of office space for the UNC-CH, Curriculum in Leisure Studies and Recreation Administration. Mr. Heyd seconded the motion, and it carried unanimously.

(Attachment F)
Disposition of nine-tenths (.9) acre tract of land located on the west side of Homestead Road, Orange County, NC

On behalf of the Committee, Mr. Pope moved approval of disposition of nine-tenths acre tract of land on the west side of Homestead Road. Mr. Whichard seconded the motion, and it carried unanimously.

(Attachment G)

Disposition of an approximately .7 acre tract of land east of N.C. 86 (Airport Road)

On behalf of the Committee, Mr. Pope moved the disposition of the .7 acre tract of land east of NC Hwy. 86. Mr. Heyd seconded the motion, and it carried unanimously.

(Attachment H)

Consideration of Student Fees

Mr. Pope called on Dr. Tuchi to present the review of student fees.

Dr. Tuchi presented an overview of the request from President Spangler to the Chancellors of the constituent institutions for a comprehensive review of level of fees and the extent of student services received as a result of these fees. The chancellor appointed an Institutional Fee Study Committee, chaired by Associate Vice Chancellor for Finance Wayne Jones and four members. Their job was to function as staff to the committee of the Board appointed by Chairman Strickland. That committee consisted of the Executive Committee and the Finance and Business Committee of the Board. The Committee collected relevant data to the fees as they currently exist. (Report distributed at December meeting.) After considerable discussion, a response was presented:

Response to the Board of Governors' Call for an Institutional Fee Study

Board of Trustees of
The University of North Carolina at Chapel Hill
January 24, 1992

The Board of Trustees has conducted the Institutional Fee Study at The University of North Carolina at Chapel Hill pursuant to the call of the Board of Governors. The Board of Trustees concludes that the services and facilities supported or supplemented by the student fees are an important and essential part of the level and quality of student services, including educational, recreational, health care, and social services.
Students, as users of the services provided, should and do have input concerning the amount of fees and levels of services supported by those fees. Their thoughts are solicited through student referenda, participation on advisory boards, and membership by the Student Body President on the Board of Trustees.

The proceeds from each fee are used solely for the purpose for which the fee is charged. No administrative, collection, or service charges are made by the University. Fees are set to cover only the cost of service.

Evaluation

In conducting its review, the Board has examined the type, level, and extent of services covered by each fee and whether the fees charged seem reasonable and appropriate for the services provided. The Board concludes that the fees charged and the services provided are reasonable and appropriate. It is specifically noted that the total of general fees at Chapel Hill is the third lowest among the sixteen campuses in the UNC System.

Comments

Application Fees - The Admissions Offices budgets are very tight due to budget constraints generally, but also due to the volume of applications and the time required to evaluate each prospective student properly. The Trustees recommend that the Board of Governors consider allowing increases in application fees so as not to constitute net financial loss to the University.

Athletic Fee - The Trustees are grateful to the Athletic Department for its willingness and ability to hold athletic fees to a minimum. The revenues generated by the Department have enabled it to provide quality services to the students in the form of facilities, playing field maintenance, and admission to events at a cost that is the lowest in the UNC system.

Health Service Fee - Since the Health Service fee is the second highest among the sixteen campuses, it has been subject to some question and/or criticism. The Board has been advised that in addition to medical care for various ailments or injury, the Health Service provides mental health counseling, rape crisis treatment and counseling, education concerning AIDS and other sexually transmitted diseases, instruction on the use of medications, and gynecological services to the female component of the student population. In light of the importance of this situation, the Board has asked the Chancellor to have a further review of the Student Health Service made, perhaps by internal auditors, evaluating among other things, the service level, the fee structure, and the value being received, and present this report to the Board at an early date.

Student Activities Fees - All increases in Student Activity fees come from student referenda with the exception of the intramural recreation portion of the fee. The students and their elected representatives have been responsible in the assessment and allocation of the activities fee.

Debt Service Fees - All of the Debt Service fees are necessary to provide the new or upgraded facilities that they support. These facilities are available to all students and are heavily used. The Health Service debt will be paid and the fee terminated at the end of the current fiscal year. The Student Union fee provides for building operating expenses in addition to debt service and is therefore subject to increases due to inflationary factors.

Special Fees - All of the Special fees have been reviewed and found to be reasonable and appropriate, given the circumstances or particular professional activities that they
support. In the past, the Trustees have not reviewed requests for increases in such fees, but will do so in the future.

Course Fees - In regard to course fees, only about 10% of all of the courses offered in the Fall 1991 semester carried a course fee. The average amount of a course fee was $30.

Ms. Bryant moved that the response be forwarded to President Spangler as requested. Mr. Heyd seconded the motion.

Chairman Strickland asked for discussion and read the Fee Study Principles developed as an approach to this request between Chancellor Hardin, Mr. Capps and Mr. Strickland.

1. We reaffirm our constitutional obligation - that fees should be kept as low as possible. To this end, we must question in periodic review:

   A. Is the service or activity for which a fee is charged, a needed one?
   B. Is the service level appropriate?
   C. Is the fee a commensurate one?
      (A fee-service activity should not represent a profit center nor should it represent a loss center!)

2. We also reaffirm our allegiance to the uniquely successful mission at UNC-Chapel Hill:

   A. Teaching
   B. Research
   C. Service

   We recognize that fees have been, and will be necessary and appropriate to proper mission fulfillment.

3. We seek a fee structure that is as user-specific as possible.

4. We seek a fee structure that is as service-specific as possible.

5. We seek a fee structure that is, therefore, as voluntary as possible.

6. We endorse a fee structure that includes temporary fees, such as self-liquidating debt retirement fees.

Some of these principles may conflict, such as 1 and 2. And reasonable, equally dedicated people may differ as to the best decision. We will do our best to make our recommendations in good faith, and in the best interests of the University.

This is our obligation as Trustees.

Mr. Woltz asked if the motion could be amended to include these principles as a matter of record. Ms. Bryant declined to amend the motion, stating that the principles had not been adopted by the committee. Mr. Strickland stated the motion being considered was Ms. Bryant's original motion.

After some discussion, the motion carried unanimously.

Chairman Strickland thanked Dr. Tuchi, Wayne Jones, and the Fee Study Committee for the many hours and hard work devoted to
this study. He affirmed that all members are going to be more
fee sensitive in the future.

Application Fee Increase

Chairman Strickland called on Dr. Tuchi to present the
Application Fee Increase proposal.

Dr. Tuchi stated that in spite of the moratorium on fees in
general, President Spangler informed each campus of the
opportunity of applying for additional application fee changes,
with cost justification. With Trustee approval, this request
would be submitted to the Board of Governors for approval.

Dr. Tuchi advised the Board that this request for
application fees was out of cycle; the fee call from the Board of
Governors does not normally occur at this time of year. This is
the season for applications to occur, and should this title fee
be changed in the normal cycle, which is in the summer, it would
not do any good. So, it was recognized as to need and timing.

Dr. Tuchi stated that various units were solicited for increases
in application fees with cost justifications. The Finance and
Business Committee approved the requests and Dr. Tuchi requested
that the Board affirm that committee action.

On behalf of the Committee, Mr. Pope recommended approval of
the new application fees as proposed by Vice Chancellor Tuchi.

Ms. Bryant seconded the motion. There was much discussion. The
motion carried unanimously.

REPORT OF THE ACADEMIC AFFAIRS COMMITTEE

Chairman Strickland called on Mr. Woltz, Chairman of the
Academic Affairs Committee.

Mr. Woltz reported that Dr. William Mattern, Associate Dean
of Academic Affairs, School of Medicine, presented an interesting
discussion on the future of medicine, and the training of medical
students for practice in future years.

On motion of Mr. Heyd, seconded by Mr. Ward, the Board voted
to go into executive session to consider those matters of
property and personnel it was entitled to consider in executive
session under the provisions of the Open Meetings Law. The
motion specified that that following persons would remain:
Members of Board of Trustees, Chancellor Hardin, Members of the Chancellor's Administrative Council, Ms. Kirby, Ms. Bethea, Mr. Swecker, Mr. Rutherford, Ms. Crawford, and Ms. Elfland.

EXECUTIVE SESSION

REPORT OF THE FINANCE AND BUSINESS COMMITTEE

Mr. Pope reported that the committee affirmed the direction that Ms. Elfland outlined regarding selection of the contractor for The Carolina Inn.

REPORT OF THE ACADEMIC AFFAIRS COMMITTEE

Personnel Matters for Information

Mr. Woltz reported that the committee received personnel matters for information not requiring action by the Board.

(Attachment I)

Personnel Matters for Consultation

Mr. Whichard moved, seconded by Ms. Bryant, to authorize the Chancellor to forward to the President and Board of Governors the personal report and recommendations presented for consultation. The motion carried unanimously.

(Attachment J)

Personnel Matters for Action

Mr. Whichard moved, seconded by Ms. Bryant, to receive Personnel Matters for Action, to be voted on in open session. The motion carried unanimously.

(Attachments K, L)

Recommendations for Exception to Employment Policies Annual Leave Provisions

Mr. Whichard moved to grant an exception from the EPA Non-Faculty leave provisions. Ms. Bryant seconded the motion and it carried unanimously.

(Attachment M)

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

OPEN SESSION

REPORT OF THE ACADEMIC AFFAIRS COMMITTEE
Personnel Matters for Action (Academic Affairs)

Mr. Woltz moved approval of personnel changes in Academic Affairs: reappointments, salary approval. Mr. Poole seconded the motion, and it carried unanimously.

(Attachment K)

Personnel Matters for Action (Health Affairs)

Mr. Woltz moved approval of personnel changes in Health Affairs: appointments, reappointments, promotion, and salary approval. Mr. Poole seconded the motion, and it carried unanimously.

(Attachment L)

ADJOURNMENT

There being no further business, Chairman Strickland asked for a motion to adjourn the meeting. Mr. Woltz so moved, duly seconded. The motion carried unanimously.

The meeting was adjourned at 11:40 a.m.

[Signature]
Assistant Secretary