

**BOARD OF TRUSTEES MEETING**  
**The University of North Carolina at Chapel Hill**

The Board of Trustees met in regular session on Wednesday, March 24, 2010, at The Carolina Inn, Chancellor Ballroom West, at 5:00 p.m. Chair Winston presided.

**ROLL CALL**

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

Robert W. Winston III, Chair	Roger L. Perry, Sr.
Barbara R. Hyde, Vice Chair	Sallie Shuping-Russell
Phillip L. Clay, Secretary	Edward C. Smith
Donald Williams Curtis	John L. Townsend III
John G. B. Ellison, Jr.	Felicia A. Washington
J. Alston Gardner	Jasmin M. Jones
Wade H. Hargrove	

Chair Winston opened the meeting by reading the following statement regarding the State Government Ethics Act:

“As Chair of the Board of Trustees, it is my responsibility to remind all members of the Board of their duty under the State Government Ethics Act to avoid conflicts of interest and appearances of conflict of interest as required by this Act. Each member has received the agenda and related information for this Board of Trustees’ meeting. If any Board member knows of any conflict of interest or appearance of conflict with respect to any matter coming before the Board of Trustees at this meeting, the conflict or appearance of conflict should be identified at this time.”

**REPORT OF THE BUILDINGS AND GROUNDS COMMITTEE**

Dr. Clay, Committee Chair, moved ratification by the Board of the following items, which were previously approved by the committee.

• **Designer Selection— Lenoir Hall Renovation.** This project renovates Lenoir Dining Hall to expand seating and food service operations. The scope also includes master planning for improvements to first floor and basement to expand capacity. The project budget is \$5M with funding from Student Dining receipts. The committee recommended the selection of the three firms in the following priority order:

1. Willard Ferm+Tipton Associates                      Raleigh, NC
2. The FWA Group    Charlotte, NC
3. J Davis/WTW Architects                                      Raleigh, NC

The firm in the number one position, Willard Ferm+Tipton Associates, was recommended because of the strength of its team and its recent and relevant experience.

Ms. Shuping-Russell seconded the motion and it carried.

(ATTACHMENT A)

• **Designer Selection—Frank Porter Graham Student Union Renovation.** This project provides code improvements to the existing 1960 building and 1980/2000 additions and converts existing program spaces into a new food service dining facility. The project budget is \$7.5M with funding from Student Facility and Student Dining receipts. The committee recommended the selection of the three firms in the following priority order:

1. Clearscapes    Raleigh, NC
2. Vines Architecture/Cannon Design                      RTP, NC

**UNC-Chapel Hill Board of Trustees  
Full Board Minutes  
March 24-25, 2010**

3. LSP3/Sasaki

Raleigh, NC

The firm in the number one position, Clearscapes, was recommended because of the strength of its team and its recent and relevant experience.

Mr. Smith seconded the motion and it carried.

(ATTACHMENT B)

• **Designer Selection—Woollen Gym Renovation Phase II.** This project provides advance planning for code and program improvements to the existing basement for Campus Recreation, Exercise and Sports Science and Athletics. The budget for advance planning is \$750K with funding from Campus Recreation. The committee recommended the selection of the three firms in the following priority order:

1. Corley Redfoot Zack

Chapel Hill, NC

2. HH Architecture

Raleigh, NC

3. Davis Kane

Raleigh, NC

The firm in the number one position, Corley Redfoot Zack, was recommended because of the strength of its team and its recent and relevant experience.

The motion was duly seconded and it carried.

(ATTACHMENT C)

• **Site Approval- Ronald McDonald House Expansion.** This project provides an expansion to the existing Ronald McDonald House to add 10 guest rooms to the west wing of the existing facility and 20 long term stay suites. These suites will house pediatric patients and families requiring stays of more than 30 days. The project budget is \$6M and is being developed by the Ronald McDonald House of Chapel Hill.

Ms. Shuping-Russell seconded the motion and it carried.

(ATTACHMENT D)

• **Property Disposition by Lease to the Endowment Fund of the University of North Carolina at Chapel Hill.** This request is for approval for a new lease of the Carolina Inn and surrounding property (the "Property") to the Board of Trustees of the Endowment Fund of the University of North Carolina at Chapel Hill ("The Endowment"). The total leased area is approximately 5.71 acres which contains the Carolina Inn building (approximately 143,400 SF), the Whitehead building (approximately 25,424 SF) and the surrounding parking areas as shown on the attached survey map. The Property is currently leased to The Endowment for a three year period at a rental rate of \$1/yr. and is scheduled to expire on June 30, 2011. The proposed new lease is for a term not to exceed 99 years at a rental rate of \$1/yr.

Ms. Hyde seconded the motion and it carried.

(ATTACHMENT E)

Dr. Clay presented the committee's report on the following items, which were presented previously to the committee for information only (no formal action was requested at that time).

• **Update on Early Site Work for East End Kenan Stadium Project.** Anna Wu, Director of Facilities Planning, reported that infrastructure work will begin after commencement in May and a haul road will be built to begin the work.

**UNC-Chapel Hill Board of Trustees  
Full Board Minutes  
March 24-25, 2010**

The Buildings & Grounds Committee, Audit & Finance Committee, and University Affairs Committee met together in a joint session prior to the Full Board meeting to discuss the University's Deferred Maintenance Plan. The joint committee also heard updates on the University's Capital Program and Debt. There was no report to the Full Board on the matter since it involved all Board members. Minutes of the meeting are located in the Office of the Assistant Secretary.

Copies of the PowerPoint presentations are located at: <http://www.unc.edu/depts/trustees/>  
Copies of the presentations are also filed in the Office of the Assistant Secretary.

**RECESS**

Chair Winston recessed the Board meeting at 5:07 p.m.

**RECONVENE**

Chair Winston reconvened the Board meeting at 8:03 a.m. on Thursday, March 25, 2010, at The Carolina Inn, Chancellor Ballroom East and West.

**ROLL CALL**

Assistant Secretary Brenda Kirby called the roll and all Board members were present.

**CONSENT AGENDA**

**Approval of Minutes**

On motion of Mr. Winston, and duly seconded, the minutes of the regular meeting of January 27-28, 2010, were approved as distributed.

**Ratification of Mail Ballot**

On motion of Mr. Winston, and duly seconded, the following mail ballot dated February 15, 2010, was approved as distributed:

- Personnel changes in Academic Affairs & Health Affairs, actions conferring tenure, compensation actions, and personnel changes for information.

(ATTACHMENT F)

**CHAIR'S REMARKS**

Chairman Winston mentioned how fun and nice Jasmin's farewell dinner was. He then requested Vice Chair Hyde read the following resolution.

**RESOLUTION OF APPRECIATION  
JASMIN M. JONES  
THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL  
March 25, 2010**

**WHEREAS, Jasmin Jones as student body president served her constituents with dedication and energy, advocating effectively for their interests, and fostering stronger relations between students and trustees;**

**WHEREAS, Jasmin, with members of her cabinet and with other student groups, contributed to community spirit by bringing back the tradition of a homecoming parade; fought for community safety by discouraging celebratory bonfires on Franklin Street, and in general brought a sense of fun and caring to her responsibilities;**

**UNC-Chapel Hill Board of Trustees  
Full Board Minutes  
March 24-25, 2010**

**WHEREAS, Jasmin co-chaired the Tuition Advisory Task Force, engaging with students across campus so that she could fairly represent a wide range of opinions; working hard to understand the needs for tuition increases in the best spirit of a student-faculty partnership; and reaching out to her colleagues across the system to advocate for campuses retaining tuition increase funds;**

**WHEREAS, Jasmin Jones as a trustee brought energy, enthusiasm, and intelligence to her service; and provided an important perspective for her fellow Trustees;**

**NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of the University of North Carolina at Chapel Hill congratulates Jasmin Jones on her service, and expresses its deepest appreciation for her outstanding work on behalf of the University and its students.**

On motion of Chair Winston, and duly seconded, the Board approved adoption of the resolution and applauded Student Body President Jones.

Chair Winston advised the Board on his appointment of the Nominating Committee to nominate officers for the 2010-2011 year. Trustee Ellison will Chair the committee and Trustees Gardner and Smith will serve with him. The Nominating Committee will present the proposed slate of nominees at the Board's May meeting and officers will be appointed at the Board's July meeting.

Chair Winston also mentioned that this is Vice Chancellor for Student Affairs, Peggy Jablonski's last meeting. Dr. Jablonski has been vice chancellor since 2004, and she's overseen a lot of positive change in her time here. She brought on line the Student and Academic Services Buildings, Rams Head Center and Ram Village Apartments. She's built partnerships across campus and with the local communities. And she had great fundraising success with the Campus Y, Career Services, and the Stallings-Evans Sports Medicine Center. Not to mention the day-to-day duties of helping create a sense of community for all of our undergraduate, graduate and professional students. She also hired Winston Crisp, the new vice chancellor for student affairs, whom we'll welcome formally at our next meeting. Chair Winston thanked Dr. Jablonski for her service to Carolina and applauded her work.

**CHANCELLOR'S REMARKS**

Chancellor Thorp spoke on the following:

- **Announcement of New Provost.** Dr. Bruce Carney has been named Executive Vice Chancellor and Provost, pending Board approval later in the meeting.
- **Kenan Trust.** Dick Krasno, Executive Director of the William R. Kenan Charitable Trust, is here today. The Kenan Trust is the very best donor a university could ever have. The Kenan Trust is making a \$5 million EXPENDABLE gift, and another donor is adding \$500,000 to that, so we can offer competitive three-year packages to 18 junior faculty members. We're allocating 14 of those positions to the College of Arts and Sciences, two to business and one each in nursing and education. The slowdown in hiring the last two years has complicated the job market for young scholars. That's the competitive edge these new gifts will provide to Carolina, but other universities around the country need to follow our lead and make similar commitments to junior faculty. Otherwise, we risk creating a lost generation of promising Ph.D.s. America can't afford to make that mistake. The timing of the Kenan Trust gift could not be more crucial. We

**UNC-Chapel Hill Board of Trustees  
Full Board Minutes  
March 24-25, 2010**

intend for these new faculty to make their careers in Chapel Hill. That means students at every level will benefit for years to come.

**STUDENT BODY PRESIDENT'S REMARKS**

Ms. Jones, Student Body President, gave her final report. She spoke about the goals her cabinet set and accomplished this year. Lessons Ms. Jones learned this year include:

- If you have a good idea, go for it. Develop it, talk it out, and join in collaboration to make it happen.
- This world is not an easy place, but first appearances are the only way to truly complete your path. There can be no success if there is a risk of failure.
- You can conquer and change the world if you have the vision and will to do it.

Ms. Jones recognized her Vice President and others in her team. She then introduced the new Student Body President, Hogan Medlin. Ms. Jones concluded her remarks by recognizing Chancellor Thorp for his remarkable leadership.

(A copy of Ms. Jones' remarks is filed in the Office of the Assistant Secretary.)

**UNIVERSITY CANCER RESEARCH FUND OVERVIEW**

Shelton Earp, Director of the Comprehensive Cancer Center, gave a report about the University Cancer Research Fund (UCRF). He introduced a number of the faculty members who have been hired as a result of financing through the UCRF. Dr. Earp then spoke about:

- UNC Lineberger Comprehensive Cancer Center, clinical growth, and state support for the Center;
- UCRF Oversight Committee members and their strategic plan for research and patient care;
- Multidisciplinary Cancer care, related clinical excellence and outreach, and faculty recruitment;
- UCRF Clinical applications of Nanotechnology, Partnerships between UCRF and the School of Pharmacy, and UCRF Innovation Awards;
- Integrated Cancer Surveillance and Information System (ICSIS), the Carolina Breast Cancer study, and the UNC Cancer Survivorship cohort; and
- UCRF & UNC-CH Funding

(ATTACHMENT G)

A copy of the PowerPoint presentation is located at: <http://www.unc.edu/depts/trustees/>  
A copy of the presentation is also filed in the Office of the Assistant Secretary.

**LEGISLATIVE PRIORITIES**

Chancellor Thorp's 2010-2011 Legislative Priorities are:

- Operating Budget
  - Tuition Increase. Our first priority is recovering tuition revenue. \$200 in-state increase is going to the General Fund. We want to get that back to the campus.
  - Need-Based Financial Aid. We need to make sure we have adequate funding to handle the increase in requests. Strong state support has been critical in the past. This directly affects our accessibility for students, and we want to keep their costs as low as possible.
  - Minimize Budget Cuts.
  - Distinguished Professorships. Funds are requested to address the backlog of professorships in the queue. (About \$18 million)
- Capital Budget
  - Law School Building at Carolina North
  - Morehead Planetarium

**UNC-Chapel Hill Board of Trustees  
Full Board Minutes  
March 24-25, 2010**

Slides from the General Assembly's Fiscal Research Division do a great job of graphically illustrating the economic challenges the state is facing.

A copy of the PowerPoint presentation is located at: <http://www.unc.edu/depts/trustees/>  
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**WUNC UPDATE**

Connie Walker, WUNC General Manager, spoke about WUNC facilities, WUNC listener information, and program highlights. She then recognized Kevin Trapani, Chair of the WUNC Community Advisory Board. Ms. Walker continued her report and presented WUNC's operating budget, revenue budget, and expense budget. She concluded her report by speaking about new media use, public radio system issues, and WUNC's benefit to UNC-Chapel Hill.

Kevin Trapani, Chair of the WUNC Community Advisory Board, commented how wonderful it is to be associated with WUNC.

A copy of the PowerPoint presentation is located at: <http://www.unc.edu/depts/trustees/>  
A copy of the presentation is also filed in the Office of the Assistant Secretary.

**REPORT OF THE AUDIT AND FINANCE COMMITTEE**

Ms. Shuping-Russell presented the committee's report on the following items, which were presented previously to the committee for information only (no formal action was requested at that time).

- **Remarks from Employee Forum Chair.** Mr. Griffin updated the committee on examples of generosity that make Carolina such a great place to live and work. He spoke about a food drive for local food banks, and a shoe drive for the people of Haiti. (A copy of Mr. Griffin's remarks is located in the Office of the Assistant Secretary.)
- **Development Report.** Matt Kupec, Vice Chancellor for University Advancement, provided an update on Development. His report included the following highlights:  
FY10 Progress Report

	<u>3/22/2010</u>	<u>3/22/2009</u>	<u>% change</u>
Gifts Received	\$186,365,994.34	\$191,585,269.76	-3%
Donors	54,419	56,868	-4%
New commitments (new cash & pledges)	\$194,568,174	\$215,589,528	-10%

NOTES:

- \$146,702,042 proposals in the pipeline (presented).
- Averaging \$21.6 Million in new commitments per month.

**REPORT OF THE UNIVERSITY AFFAIRS COMMITTEE**

Mr. Gardner, Committee Chair, presented the committee's report on the following items, which were presented previously to the committee for information only (no formal action was requested at that time).

- **Interim Provost Remarks by Bruce Carney.** He updated the committee on Connect Carolina. We just went live with undergraduate admissions. Soon we will really test out the system with registration in April and graduate admissions in July. We are making

**UNC-Chapel Hill Board of Trustees  
Full Board Minutes  
March 24-25, 2010**

great progress. Dr. Carney also spoke about the change in Dean's list as a response to grade inflation. The Dean's list will be raised from 3.2-3.5.

• **Faculty Chair Remarks by McKay Coble.** Prof. Coble talked about a new Edward Kidder Graham Faculty Service Award to be awarded in conjunction with University Day activities.

• **Academic Plan Update.** Senior Associate Dean Bill Andrews, and Professor Sue Estroff are Co-chairing the Academic Plan Steering Committee. The Academic Plan is an opportunity to think seriously about the future of our academic enterprise, and is inspired by the vision of the 2003 Academic Plan which led to real, concrete changes i.e. the curriculum, the Carolina Covenant, the American Indian Center, faculty engaged scholars, genomics and nanotechnology.

A copy of the PowerPoint presentation is located at: <http://www.unc.edu/depts/trustees/>  
A copy of the presentation is also filed in the Office of the Assistant Secretary.

**MOTION TO CONVENE IN CLOSED SESSION**

On motion of Secretary Clay, and seconded by Mr. Ellison, 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).

**CLOSED SESSION**

**REPORT OF THE AUDIT & FINANCE COMMITTEE**

**Board of Visitors Nominations**

Ms. Shuping-Russell presented the slate and information concerning nominations for the class of 2014. Ms. Shuping-Russell moved approval for ratification by the Board of the nominees for serving on the Board of Visitors. The motion carried. [A copy of the Board of Visitors nomination information is filed in the Office of the Assistant Secretary.]

**Report of the Naming Committee**

Ms. Shuping-Russell presented naming recommendations which were previously presented to the Audit & Finance Committee and approved by the committee. [A copy of the Report of the Naming Committee is filed in the Office of the Assistant Secretary.]

Ms. Shuping-Russell moved ratification by the Board of the naming recommendations. The motion carried.

**Report of the Committee on Honorary Degrees & Special Awards**

Joseph Ferrell, Secretary of the Faculty, presented the names to the Board. Ms. Shuping-Russell moved approval for ratification by the Board of the nominees for an Honorary Degree to be conferred at May Commencement 2011. The motion carried.

**REPORT OF THE UNIVERSITY AFFAIRS COMMITTEE**

Mr. Gardner, Committee Chair, presented the personnel and salary approvals dated March 15, 2010, for the Board's consideration. The actions will be voted on in open session.

(ATTACHMENTS H-I-J-K)

**UNC-Chapel Hill Board of Trustees  
Full Board Minutes  
March 24-25, 2010**

**LEGAL ADVICE**

General Counsel Leslie Strohm advised the Board on several personnel and legal matters.

**EXECUTIVE CLOSED SESSION**

Chair Winston convened the Board in Executive Closed Session to discuss personnel and legal matters.

**RECONVENE MEETING IN OPEN SESSION**

Chair Winston reconvened the meeting in open session.

**OPEN SESSION**

**REPORT OF THE UNIVERSITY AFFAIRS COMMITTEE**

Mr. Gardner, Committee Chair, moved approval by the Board of the following personnel actions dated March 15, 2010, which were discussed earlier in closed session. Mr. Townsend seconded the motion and it carried.

- Personnel changes in Academic Affairs and Health Affairs, and actions conferring tenure.

(ATTACHMENT H)

- Compensation Actions.

(ATTACHMENT I)

- The personnel changes for information did not require action by the Board.

(ATTACHMENT J)

- Out of Cycle Salary Increase.

(ATTACHMENT K)

Chair Winston stated that the personnel and salary actions voted on in open session had been distributed to the press.

**ADJOURNMENT**

There being no further business to come before the Board, Chair Winston adjourned the meeting at 12:35 p.m.

  
Assistant Secretary