

BOARD OF TRUSTEES MEETING

The University of North Carolina at Chapel Hill

The Board of Trustees met in regular session at the Wilson Library Assembly Room on May 28, 1998 at 1:00 p.m. Chairman Stevens presided.

ADMINISTRATION OF OATH OF OFFICE

The Honorable Joan Terry, Clerk of Court for Orange County, administered the Oath of Office to Student Body President Reyna S. Walters.

RESOLUTION

At the Chairman's request, Secretary Bryant presented and moved approval of the following resolution.

RESOLUTION OF APPRECIATION FOR WAYNE JONES

WHEREAS, Wayne Jones has served faithfully in numerous capacities at The University of North Carolina at Chapel Hill for the last 26 years, including associate vice chancellor for Finance, vice chancellor for Business and Finance and, most recently, treasurer;

WHEREAS, Mr. Jones created the University's Investment Office, which is responsible for wisely managing money to withstand the trials of time and inflation, ensuring that for generations to come, Carolina will continue to fulfill its mission of providing high-quality education, conducting cutting-edge research, and reaching out to the state's citizens;

WHEREAS, Mr. Jones oversaw the computerization of the University's financial records, moving away from the pencil-and-ledger accounts of yesteryear, and created the Quality Improvement Office, which is charged with finding ways the University can conduct business better, faster, and cheaper;

WHEREAS, Mr. Jones has continually sought creative, legal, and ethical ways to save taxpayer dollars, slice red tape, and make the wheels of bureaucracy turn a little faster through the use of private foundations, variable-rate debt, capital-appreciation bonds, and certificates of participation;

WHEREAS, for the past two years, Mr. Jones' division has been awarded the prestigious Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association, an honor earned by only a handful of colleges and universities throughout the United States;

WHEREAS, Mr. Jones is highly respected by colleagues on and off the University campus for his quiet, thorough, insightful, thoughtful, loyal, and honest leadership;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees of The University of North Carolina at Chapel Hill expresses its deepest and most sincere gratitude to Wayne Jones for his valuable and superior service to the University.

The motion was duly seconded and it carried.

ROLL CALL

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

Richard Y. Stevens, Chairman	David E. Pardue, Jr.
Anne W. Cates, Vice Chairman	Charles A. Sanders
Angela R. Bryant, Secretary	Cressie H. Thigpen, Jr.
William J. Armfield, IV	Reyna Walters
Walter R. Davis	David J. Whichard, II
William R. Jordan	Annette F. Wood

The following member was absent: James E. S. Hynes

MINUTES

On motion of Mr. Armfield, seconded by Mr. Whichard, the minutes of the meeting of March 26, 1998 were approved as distributed.

CHAIRMAN'S REMARKS

Chairman Stevens introduced Mr. Linwood Futrelle, chair of the Employee Forum Executive Committee.

PRESENTATION BY CHAIR OF THE EMPLOYEE FORUM EXECUTIVE COMMITTEE

Mr. Futrelle presented information to the Board concerning The Employee Forum and requested that the Board of Trustees encourage the legislature to fully fund the Comprehensive Pay Plan at the University, advocate publicly for employees, support change in the SPA System, and support the creation of a System Wide Staff Assembly. [A copy of the presentation is filed in the Office of the Assistant Secretary.]

Mr. Jeffery Beam, vice-chair of The Employee Forum, read a poem titled "Song of the University Worker". [A copy of the poem is filed in the Office of the Assistant Secretary.]

BOARD OF VISITORS TASK FORCE REPORTS

Chairman Stevens introduced Ms. Mary Anne Dickson, chair elect of the Board of Visitors. Ms. Dickson acknowledged Mr. George Abercrombie, vice chair elect of the Board of Visitors. She then presented information concerning the activities of the Board of Visitors during the past year. Three task forces were formed to review and discuss current thinking and address such issues as tuition, out-of-state cap, and strengthening the role of the Board of Visitors. The Tuition Task Force was co-chaired by Watts Carr and the Honorable Bill Whichard. Bill Woltz chaired the Out-of-State Cap Task Force; and Edgar Love chaired the Strengthening the Role of the Board of Visitors Task Force. Ms. Dickson remarked that since all of these task forces are works in progress there is no final report. However, she wished to assure the Board of Trustees that much time and effort have gone into these studies with much more time and discussion to occur in the months ahead.

Ms. Dickson reported that one initiative the Board of Visitors plans to embark on at the first meeting in October 1998 would be to address the issue of where the Board of Visitors wants the University to be in the next ten years. With the assistance of Provost Richardson and his staff, breakout groups will be formed to discuss and share ideas; and, hopefully, return to the Board of Trustees with recommendations about how the Board of Visitors sees the University growing and what areas require the most attention in developing the University's plan.

A new outreach program is planned to be launched which will service a wide geographical area.

REPORT OF THE NOMINATING COMMITTEE

Mr. Whichard, chairman of the Nominating Committee, presented the following proposed slate of officers:

Richard Y. Stevens, Chairman
Anne W. Cates, Vice Chairman
Angela R. Bryant, Secretary

CHANCELLOR'S REMARKS

Chancellor Hooker began his remarks by commenting on the official launching of the master planning process, which was the first priority that grew out of the Board of Trustees retreat held in July 1997.

Chancellor Hooker remarked that due to the departure of Executive Vice Chancellor Elson Floyd, he has asked Jonathan Howes, special assistant to the Chancellor, to assume chairing the steering committee for the master plan. Trustees Cates and Pardue are on the steering committee. The mayor represents the Town of Chapel Hill.

The Chancellor remarked on the launching of the capital campaign planning process. A steering committee was convened to begin the process of priority planning with the deans, directors of programs, and others who will be involved in setting the priorities for the campaign planning. We are well on the way to a one-year planning process, which should be complete by the end of the upcoming academic year and will give us a kick-start as we move in to the next phase of the billion dollar plus capital campaign.

The Chancellor also remarked on the creation of a task force on enrollment. The task force was created because the state is facing a substantial increase in the number of high school graduates between now and the year 2006—some estimates are as high as 50,000. President Broad has indicated that the University system has a moral obligation to accommodate to the best of its ability this increased demand. Therefore, each of the campuses has been asked to see what they can do to play their part in accommodating the increased demand. Chancellor Hooker said it will be difficult, but not impossible, to grow enrollment. Thus, the task force was created and will be chaired by Provost Richardson. He has asked Provost Richardson to ensure that whatever the increase in enrollment that the design of that

accommodation ensure that there will be no loss in quality, which is something that the faculty will be supportive of, as well as the Provost. The Chancellor introduced Provost Richardson for an update on this task force.

Provost Richardson reported that the Chancellor had charged the task force to have recommendations for presentation to the Board of Trustees this fall. There are three tasks for the task force:

- (1) Determine at what rate the University should grow during the next ten years.
- (2) Determine how to configure the numbers with regard to undergraduate vs. professional and graduate students.
- (3) Determine the cost and how to get the cost of doing it in to the legislature early enough to get ready for these students to arrive on campus.

Chancellor Hooker assured Trustee Walters that although the students are away this summer the recommendations will be presented in the fall with ample opportunity for full student input into the deliberation to be engaged in by the Board of Trustees in deciding ultimately what the policy should be for the University.

The Chancellor remarked on the success of the faculty bus tour that was taken during the week of May 18.

He also remarked on the priorities that were established at the start of his administration three years ago and also the priorities established by the Board of Trustees at their retreat in July 1997. During the past couple of weeks he has reviewed those priorities and realized that most have either been completed or significant progress has been made toward completion. It is time to design a new set of priorities that will provide guidelines for the next three years. He would like to bring these priorities to the Board of Trustees so that work can begin to develop a set of priorities that should be well in place in the fall. In preparation for the July Board meeting, he will give the Board a written report on progress with respect to all of the priorities that have been established and worked toward during the past three years. He will give an oral summary of that progress report at the July Board meeting.

Chancellor Hooker concluded his remarks by introducing new staff member Ms. Evelyn Hawthorne, director of Government Relations. Ms. Hawthorne came to the University from the Hospital Association where she was director of Government Relations.

STUDENT BODY PRESIDENT'S REMARKS

Ms. Walters stated that while her primary goal for the year would be to voice student concerns and issues, she is very confident in knowing that the different methods and views are all for the common cause of making the University a better place.

Ms. Walters presented a brief overview of some matters that the Student Government Office is currently working on and goals that they have set for the year. These include improving student services—letting students know of services that exist; making the Student Government Office more visible—a place students can use as a resource center; uniting the campus as far as campus communication is concerned; closing gaps and making campus organizations work more efficiently and effectively together; improving relationships with the state and the town. The top two priorities are technology and capital improvements—primarily the undergraduate library.

Ms. Walters remarked on advising at the University. She referred to the report of the External Review Committee that contains some very interesting recommendations. The report confirms a lot of things that many students have been saying for a long time—that is, that the advising system needs to be reformed. She encouraged the Board members to review the report and note some of the changes.

Ms. Walters concluded her remarks by commenting on the Carolina Computing Initiative. Overall, students are very, very pleased with a technology initiative. Students recognize that technology is the wave of the future, and if this University is going to be a top institution it needs to make advances and stay on top of all the technological changes happening on a daily basis. One of her priorities is trying to get students more involved; considerable improvements have been made within the last few weeks—one of which was having Emily Williamson, the student body vice president, chair one of the committees for the Carolina Computing Initiative. Knowing that students are involved will help this idea pass more favorably among students. She stated that she thinks that prospective students are very excited about the initiative. She also remarked that students, faculty, and staff need to be educated on how to use computers.

REPORT OF THE FINANCE AND BUSINESS COMMITTEE

Mr. Pardue, chairman of the Finance and Business Committee, presented the committee's report on the following items, which were previously recommended by the committee:

1. Approval of the final plans and specifications of the addition to Graham Memorial
(ATTACHMENT A)
2. Selection of Brown Jurkowski Architectural Collaborative to design an office building for the School of Medicine
(ATTACHMENT B)
3. Approval of The Ordinance Regulating Traffic and Parking on the Campus of The University of North Carolina at Chapel Hill effective August 15, 1998
(ATTACHMENT C)

[A copy of the "Transit and Parking Task Force Final Report and Recommendations" is filed in the Office of the Assistant Secretary.]

4. Approval to lease to the Town of Chapel Hill for \$1.00 and other good and valuable consideration for a term of twenty years approximately 6 acres of land located near the University Lake south of Jones Ferry Road and east of Old Fayetteville Road in Carrboro, N.C. for the purpose of constructing, operating and maintaining a park-and-ride lot.
(ATTACHMENT D)
5. Approval of a lease of Finley Golf Course to the Educational Foundation, Inc.
(ATTACHMENT E)
6. Approval of the proposed levels of spending from the Endowment Fund for the fiscal year 1998-99.
(ATTACHMENT F)

Mr. Pardue moved approval of the above items. Ms. Bryant and Ms. Wood seconded the motion and it carried.

7. Mr. Pardue reported on the project to renovate the Campus YMCA Building. This item was presented to the committee for approval; however, the majority of the committee decided to postpone the approval. This was not a unanimous decision. Trustee Cates felt that the committee should approve the renovation.
(ATTACHMENT G)

Mr. Pardue remarked that the University would be better served to go with the planning process. The Campus Master Plan is needed so that when individual departments and individual groups have a project that it will be looked at in light of the overall campus master plan.

Mr. Pardue reported that Ayers Saint Gross has been asked to put two projects on the front burner—the Student Union and the Campus YMCA Building. They will look at these projects and advise what needs to be done as early as possible.

8. Mr. Stevens presented information concerning Hedge Funds for The UNC-CH Investment Fund. Mr. Mark Yusko, chief investment officer, distributed a handout "Recommendation to eliminate restriction on Hedge Fund investments in Investment Fund". [A copy of the handout is filed in the Office of the Assistant Secretary.] Following discussion of this item, Mr. Whichard moved approval to rescind the September 27, 1996 resolution concerning guidelines for investments in hedge funds by the Endowment and the Foundation. Mr. Thigpen seconded the motion and it carried.

The following item was presented to the committee for information only (no formal action was required):

1. Preliminary design review of the School Leadership Academy Facility
(ATTACHMENT H)

REPORT OF THE STUDENT AFFAIRS COMMITTEE

Mr. Whichard, chairman of the Student Affairs Committee, presented the committee's report.

Student Life Update

Vice Chancellor Kitchen updated the Board on the C-TOPS Orientation, Enrollment Services Team, Substance Abuse Contacts during the past three years, and the Center for Science in the Public Interest (CSPI) Project.

REPORT OF THE ACADEMIC AFFAIRS AND PERSONNEL COMMITTEE

Dr. Sanders, chairman of the Academic Affairs and Personnel Committee, presented the committee's report.

Carolina Computing Initiative Update

Chief Information Officer Marian Moore presented an update on the Carolina Computing Initiative (CCI). The update included information on the CCI vendor RFP schedule, implementation plan, implementation teams which are comprised of the following—steering committee, student financing team, graduate student team, logistics team, technocomfort team, change management, networking team, IT response center team, distributed computing infrastructure team—the reasons for having a PC and the reasons for having a laptop.

Graduate School Review and U.S. News and World Report Rankings

Dean Linda Dykstra presented information on the University's number four ranking in the U.S. News and World Report, an overall review of the Graduate School's programs, and funding matters.

REPORT OF THE ATHLETICS COMMITTEE

Ms. Bryant, chair of the Athletics Committee, presented the committee's report.

Title IX Update

Mr. Richard Baddour, athletic director; Ms. Martina Ballen, associate athletic director for Business and Finance; Professor Joan Brannon, Institute of Government; Mr. Jeff Elliott, senior associate athletic director; Ms. Beth Miller, senior associate athletic director; Professor Jack Evans, faculty representative to the NCAA and ACC; and Ms. Ehringhaus, University counsel, updated the Board on Title IX issues.

DEVELOPMENT

Development Update

Mr. Kupec presented a report regarding the level of activity and current contributions in the Office of University Advancement. [A copy of the report is filed in the Office of the Assistant Secretary.]

Amendment to the Bylaws of the Board of Visitors

Mr. Kupec presented a proposed resolution amending the Charter of the Board of Visitors, Article III – Membership, Section 1 from 120 to 160 elected members and Section 4 from 30 to 40 members.

Mr. Whichard moved approval of the resolution as presented. Dr. Sanders seconded the motion and it carried.

(ATTACHMENT I)

Board of Visitors Elections

Mr. Kupec presented the members of the Class of 2002. Dr. Sanders moved approval of the following persons for the Board of Visitors Class of 2002. Mr. Pardue seconded the motion and it carried.

Bill Aycock, Jr.	Sam Fulwood
Victor Barringer	Carol Gellerstadt
John Belk	Anne Harrison
Taylor Branch	Fletcher Hartsell
Charles Brindell, Jr.	Rhonda Kornfeld
R. Lee Burrows	William D. Lee
William H. Cameron	Seymour Levin
Brooks Carey	Wally Loewenbaum
Katherine "Jinx" Chapman	Hugh McCoil, III
William Cunningham	John Morisey
Don Curtis	David Neill
Walter Dalton	Teresa Artis Richardson
Martha Weeks Daniel	Carole Roebuck
Davy Davidson	Alan Shaw
Roddey Dowd, Jr.	William H. Smith
Mary Anne Eubanks	Charles Weill
Eric Fast	Selby Wellman
Carl Fox	Allen Wellons

MOTION TO CONVENE IN CLOSED SESSION

On motion of Ms. Bryant, seconded by Mr. Whichard, the Board voted to convene in closed session pursuant to North Carolina General Statutes Section 143-318.11 (a) (1) (2) (3) (5) and (6).

CLOSED SESSION

DEVELOPMENT

Report of the Committee on Honorary Degrees and Special Awards

Distinguished Alumnus Award

Faculty Secretary Joe Ferrell presented the report of the committee's recommendation concerning an additional nominee for a Distinguished Alumnus Award to be presented at the University Day ceremony on October 12, 1998. [A copy of the report is filed in the Office of the Assistant Secretary.]

Ms. Bryant moved to accept the committee's recommendation as presented to the Board. Dr. Sanders seconded the motion and it carried.

Honorary Degrees

Mr. Ferrell presented the report of the committee's recommendations concerning the nominees for honorary degrees to be conferred at Commencement 1999. [A copy of the report is filed in the Office of the Assistant Secretary.]

Dr. Sanders moved to accept the committee's recommendations as presented to the Board. Ms. Walters seconded the motion and it carried.

Report of the Naming Committee

Mr. Kupec presented the report of the Naming Committee. [A copy of the report is filed in the Office of the Assistant Secretary.]

Mrs. Cates moved approval of the various levels for naming/recognition opportunities in the Institute of Government. Mr. Armfield seconded the motion and it carried.

Board of Visitors Nominations

Mr. Kupec presented the slate and information concerning alternate candidates for the Board of Visitors Class of 2002 due to the increase in size of the class from 30 to 40 members.

REPORT OF THE ACADEMIC AFFAIRS AND PERSONNEL COMMITTEE

PERSONNEL ACTIONS

Dr. Sanders, chairman of the Academic Affairs and Personnel Committee, presented the following personnel actions.

Personnel Changes for Information

These changes did not require action by the Board.
(ATTACHMENT J)

Personnel Changes for Consultation

Dr. Sanders moved approval to authorize the Chancellor to forward to the President and the Board of Governors the personnel report and recommendations presented for consultation. Mr. Thigpen seconded the motion and it carried.
(ATTACHMENT K)

Personnel Changes in Academic Affairs

Salary Approval for New Appointments, New Appointments, Reappointments at Same Rank, Promotions, Correction to April 1998 Mail Ballot, and EPA Non-Faculty Salary Increases
(ATTACHMENT L)

Personnel Changes in Health Affairs

Designation to Named Professorship, Reappointment of a Department Chair, Appointments, Reappointment at Same Rank, Promotions, and Salary Increase
(ATTACHMENT M)

Athletic Appointments

(ATTACHMENT N)

LEGAL ADVICE

Ms. Ehringhaus advised the Board regarding legal matters.

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Chairman Stevens requested that everyone be excused except the members of the Board and Chancellor Hooker to discuss a personnel matter.

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Chairman Stevens reconvened the Board in open session.

OPEN SESSION

REPORT OF THE ACADEMIC AFFAIRS AND PERSONNEL COMMITTEE

Dr. Sanders moved approval of the following:

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|--|----------------|
| Personnel Changes in Academic Affairs | (ATTACHMENT L) |
| Personnel Changes in Health Affairs | (ATTACHMENT M) |
| Athletic Appointments | (ATTACHMENT N) |
| Ratification of Mail Ballot Dated April 15, 1998 | (ATTACHMENT O) |

Mrs. Cates seconded the motion and it carried.

ADJOURNMENT

There being no further business, the meeting adjourned at 5:00 p.m.


Assistant Secretary