The Board of Trustees of The University of North Carolina at Chapel Hill met in regular session on July 24, 1992, at 11:10 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  
- Annette F. Wood, Secretary  
- Angela R. Bryant  
- Thos. E. Capps  
- John S. Moody  
- J. Gregory Poole, Jr.  
- John W. Pope  
- Cressie H. Thigpen, Jr.  
- David J. Whichard, II  
- William K. Woltz

Members absent:  
- John W. Harris  
- Richard H. Jenrette

**MINUTES**

Mr. Woltz moved, seconded by Ms. Bryant, that the minutes of the regular meeting of May 22, 1992 be approved as distributed. The motion carried unanimously.

**ELECTION OF OFFICERS**

Chairman Strickland called on Trustee Capps, chairman of the Nominating Committee. Mr. Capps stated that the Nominating Committee had met by telephone and recommended the following slate of officers for the Board of Trustees for 1992-93:

- Chairman: Robert L. Strickland  
- Vice Chairman: David L. Ward, Jr.  
- Secretary: Annette F. Wood  
- Assistant Secretary: Brenda Kirby

Mr. Capps moved that the slate be accepted, seconded by Mr. Pope. The motion carried unanimously.

**CHAIRMAN'S REMARKS**

Chairman Strickland congratulated the Committee and the Board on their choice for Vice Chair, Secretary, and Assistant Secretary, and also thanked the Board for agreeing to endure his gavel for one more year. He stated that it was an honor and privilege to be associated with this group and with everyone in this room. He will be consulting with Board members about institutional governance, Trustee responsibilities, Committee assignments and structure.
Chairman Strickland stated that the Board had individually and as a group expressed support of the bond issue and he expressed thanks for all their help and individual efforts in contacting friends in the legislature. Chairman Strickland stated that it appears that this issue has been temporarily "shelved". He feels that before the issue is addressed again, careful thought should be given to modifying the request and information submitted to General Administration. He feels that a certain percentage of money raised should be allocated for the purpose of repair and maintenance of existing buildings. With UNC-CH having a basically flat undergraduate enrollment and the oldest physical plant, Chairman Strickland feels that it is not fiscally responsible just to seek funding for new buildings, without seeking funds to maintain what we have. Chairman Strickland feels that UNC-CH fared well in this General Assembly, and he expressed his thanks. He feels that scarce resources of public funding for higher education will continue in the 1990's and the foreseeable future. Chairman Strickland stressed that everyone must be more careful stewards of our dollars.

Chairman Strickland reported on the report from the State Auditor's Office. At the invitation of Chancellor Hardin and Vice Chancellor Wayne Jones, he sat in during the exit interview. The auditors stated that "compared to other campuses in the system, and compared to prior years here on this campus, this is an excellent report". Chairman Strickland agrees with that, and he congratulated everyone involved.

CHANCELLOR'S REPORT

Chancellor Hardin thanked Chairman Strickland for participating in the exit interview with the state auditor's office. Chancellor Hardin gave full credit for that progress to Vice Chancellor Wayne Jones and his colleagues in Business and Finance.

Chancellor Hardin thanked the Board for the privilege of continuing to serve with them, and congratulated the officers on their re-election. He thanked the officers and the Board for the labors given on behalf of the University.
Chancellor Hardin distributed data compiled by the Office of Institutional Research entitled "AAU Data Exchange Group Comparison for 1991-92". He gave an overview on UNC-CH's standing in comparison with other research universities and how UNC-CH is classified as a research university. (A copy is on file in the Office of the Assistant Secretary.)

Chancellor Hardin called on Dr. Richard McCormick, Provost and Vice Chancellor for Academic Affairs. He asked Provost McCormick to speak about his transition and early impressions of the University.

Provost McCormick stated that he, like all the other thousands of men and women who come to Chapel Hill every year, had begun to fall in love with the University, the town, and the people.

Provost McCormick said that this is a remarkably distinguished University, populated with a body of distinguished faculty members, and students, alumni and staff members. He stated that this is a well led University, and he was proud to work with this lean and fine leadership team.

He stated that he is struck by the superb balance achieved at this University among its three principal missions: teaching, research, and service. He does not sense a flight from undergraduate teaching. He feels that there is a lot of pride in having advanced success in research and graduate education, and that there is a lot of direct service and commitment to the people of North Carolina. He stated that the extent of coordination provided on campus between services might be an area to look at.

He stated that he is positively impressed that the Health Affairs Division and the Academic Affairs Division are well integrated with much automatic cooperation across lines.

Provost McCormick has also noticed some problems such as the budget and low faculty salaries. He referred to the Carnegie Research Universities comparisons mentioned earlier by Chancellor Hardin. He reported that over the past decade, UNC-CH has gone in average faculty salaries at the professorial, associate
professorial, and assistant professorial ranks from the top in all three categories to the ranking of 2, 3, and 4 respectively. UNC-CH is not going to continue to be competitive if and when this country comes out of the recession, and other peer universities begin recruiting vigorous senior faculty members from one another. Provost McCormick feels that UNC-CH will be "prime for picking", because we have an excellent faculty and a badly paid faculty. He is also concerned about the compensation as well as the benefits provided to graduate students.

Provost McCormick stated that in the budget category there are University-wide needs that are not easily met by general state appropriation or grant money. Examples of these needs are library acquisitions, and advancing in computer technologies such as a fiber-optic network across the campus. He stated that these critical areas need attention. Provost McCormick also discussed the need for new facilities and space. When he toured the University, he was struck by the not uncommon fact that some programs are operating out of closets.

Provost McCormick stated that in order to address these problems, continuing the planning process would be critical. He feels that the planning process needs to connect with the budgetary process, resulting in strategic planning recommendations, priorities, and specific recommendations. He thinks that we have a good start in planning, and now it needs to progress to strategic planning, connected with the budget.

Beyond the budgetary realm, Provost McCormick has noticed a couple of problems. He feels that UNC-CH is micromanaged too much by the state. UNC-CH knows that they have responsibilities to the people throughout North Carolina. Also, race relations on this campus are not as good as they should be. He feels that they're troubled, and require a positive and concerted response by everyone. Everybody that walks on this campus has an equal right to feel comfortable and welcomed.

Provost McCormick is proud to be at UNC-CH and would like to help. He looks forward to working with the Board of Trustees in the months and years ahead.
Chairman Strickland thanked Provost McCormick for his thoughtful and sensitive remarks.

Mr. Woltz suggested that UNC-CH should make a special effort to address the problem of faculty salaries being unreasonably low.

Chancellor Hardin stated that he has been extremely pleased and gratified that President Spangler has spoken very forthrightly and strongly in recent weeks about the decline in competitiveness in the two major research universities, Chapel Hill and N.C. State. He feels that UNC-CH will have support from the right places as we seek to repair this important concern. If we are not able to experience a very powerful economic recovery in this state, and if the legislative priorities for whatever reasons are not exactly the same as we might make them if we were there, we still have to remain competitive. Chancellor Hardin thinks it's unrealistic to think that we will always do what we are now doing and add other things and be competitive in faculty salaries.

Mr. Capps agreed with Provost McCormick. He believes that this University is going to find that there is a finite amount of money coming out of the legislature and how that money is used is called management. He stated that that is where a good manager rises above everyone else. He stated that this University can no longer afford to be everything to everybody.

Chairman Strickland stated that if we want less micromanagement from Raleigh, we need to do better micromanagement of this campus.

Mr. Pope stated that he felt that many people in North Carolina believe the emphasis should be put on Community Colleges and the public school system in lieu of higher education. He stated that they feel that higher education had been the favorite one for the past 20 years, and it's time to balance the scales out.

Chancellor Hardin stated that he would like in some respects to be treated more like the Community College system. For example, the Community College system is not under the State
Personnel Act, it has control over tuition, sets tuition and allocates tuition. The Board of Governors does not have control over tuition in the University System. Chancellor Hardin stated that he welcomed the challenge to manage and will continue to work as hard as possible under the system to do the best job that can be done.

ELECTION OF MEMBERS OF THE BOARD OF TRUSTEES OF THE ENDOWMENT FUND

Vice Chairman Ward moved to re-elect Mr. Robert C. Eubanks and Mr. George H. Johnson to the Board of Trustees of the Endowment Fund of The University of North Carolina at Chapel Hill each to serve 3 year terms effective July 1, 1992 and ending June 30, 1995. Mr. Whichard seconded the motion and it carried unanimously.

ELECTION OF BOARD OF DIRECTORS OF THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL FOUNDATION, INC.

Vice Chairman Ward moved to re-elect Mr. Robert C. Eubanks, Jr. to the Board of Directors of The University of North Carolina at Chapel Hill Foundation, Inc. for a term concurrent with his term as a member of the Board of Trustees of the Endowment Fund of The University of North Carolina at Chapel Hill. Mr. Whichard seconded the motion and it carried unanimously.

REPORT OF THE STUDENT AFFAIRS COMMITTEE

Chairman Strickland called on Mr. David Whichard, of the Student Affairs Committee. Mr. Whichard chaired the committee in Mr. Richard Jenrette's absence.

Mr. Whichard stated that the Committee heard a report from the Student Body President, John Moody. He also reported that the Committee heard a report from Ms. Laura Thomas of Disability Services. Ms. Thomas brought the Committee up to date on the University's progress with that program. Mr. Whichard stated that he was delighted on the progress that has been made in that area and the way that the University is looking towards making sure that these special people have a special place at this institution, and that they become a part of the legitimate student body and are not separated from them.
REPORT OF THE FINANCE AND BUSINESS COMMITTEE

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

Mr. Capps stated that Mr. Gene Swecker presented for information the Semi-Annual Report on the Status of Capital Improvement Projects and the Semi-Annual Lease Report.

(Attachment A, B, C, D, and E)

Review of Design of the Addition to Van Hecke-Wattach Hall

Mr. Capps reported that the Committee had considerable discussion regarding this agenda item. Mr. Capps moved approval and Ms. Bryant seconded the motion. Ms. Bryant, Mr. Whichard and Mrs. Wood voted in favor of the motion. Messrs. Moody, Poole, Pope, Thigpen, Ward, and Woltz voted against the motion. The motion failed.

(Attachment F)

Review of Design of Health Affairs Parking Deck #2

Mr. Capps moved approval of the design of the Health Affairs Parking Deck No. 2. Mr. Woltz seconded the motion and it carried unanimously.

(Attachment G)

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

Mr. Capps moved approval to lease approximately 11,153 square feet of office and related space from the Board of Trustees of The Endowment fund of The University of North Carolina at Chapel Hill in the 725 Airport Road Building, Chapel Hill, N. C. for the UNC-CH School of Public Health, Department of Health Behavior and Health Education. Ms. Bryant seconded the motion and it carried unanimously.

(Attachment H)

Approval of Spending Levels for Endowment Fund

Mr. Capps moved approval of the levels of expenditures from the Endowment Fund for the fiscal year 1992-93. Vice Chairman Ward seconded the motion and it carried unanimously.

(Attachment I)
Withdrawal of Principal from Endowment Fund

Mr. Capps moved approval of the withdrawal of the market value of the principal of the Minor Gwynn Fund from the Endowment Fund as of the next valuation date, August 1, 1992. Mr. Whichard seconded the motion and it carried unanimously.

(Assignment J)

REPORT OF THE ACADEMIC AFFAIRS COMMITTEE

Mr. William Woltz, Chairman of the Academic Affairs Committee reported that Professor William Glaze, School of Public Health, gave a presentation on the Environmental Sciences and Engineering Department and other issues.

UNC-CH Admissions Policy Amendment

On behalf of the Committee, Mr. Woltz moved approval of the following Admissions resolution. Mr. Poole seconded the motion and it carried unanimously.

WHEREAS, according to the Delegations of Duty and Authority to Boards of Trustees adopted by the Board of Governors, The University of North Carolina at Chapel Hill "shall establish admissions policies and resolve individual admission questions for all schools and divisions within the institution";

WHEREAS, pursuant to that authority The Board of Trustees of The University of North Carolina at Chapel Hill has adopted an Admissions Policy for The University of North Carolina at Chapel Hill, a copy of which is attached; and

WHEREAS, on the recommendation of the Director of Undergraduate Admissions and with the approval of the Advisory Committee on Undergraduate Admissions, and on the recommendation of the Chancellor, it is appropriate for the Board of Trustees to modify the minimum requirements for admission to the freshman class to include results on the ACT exam;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of The University of North Carolina at Chapel Hill hereby amends the third paragraph of Section IV.A.(1) of its Admissions Policy to read as follows:

"Minimum requirements for admission and enrollment shall be (a) a total score of 800 on the Scholastic Aptitude Test of the College Entrance Examination Board with scores of at least 350 on each of the verbal and quantitative sections thereof or a composite score of 19 on the American College Test of the Admissions College Testing Program and (b) a Predicted Grade Average of 1.6; provided, however, that applicants who do not satisfy these two criteria may, for sufficient reason, be admitted with the approval of the Advisory Committee on Undergraduate Admissions in each individual case."
Mr. Woltz reported that Mr. Pope distributed a statement regarding the new Pharm.D. program. After some discussion Vice Chancellor Hershey stated that this would be discussed with the Board at a later date.

DEVELOPMENT

Chairman Strickland called on Vice Chairman Ward, who in Mr. John Harris' absence chaired the Development Committee. Vice Chairman Ward stated that the Development Committee had met Thursday, July 23, 1992 and discussed the status of the Bicentennial Campaign. He called on Vice Chancellor Arch Allen to present his report to the full Board.

Vice Chancellor Allen distributed reports on the Bicentennial Campaign. He reported that as of June 30, 1992, the total Campaign surpassed the $212 million dollar mark. Report #1 is a Campaign Progress Report. Report #2 gives the Campaign Progress Report by Program Objectives. Report #3 is progress by constituent units. Report #4 gives the projection of gifts. Report #5 is a Semi-annual Rate of Progress. (Copies of these reports are on file in the Office of the Assistant Secretary.)

EXECUTIVE SESSION

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

DEVELOPMENT

Board of Visitors' Elections

Mr. Clifton Metcalf, Associate Vice Chancellor for University Relations presented the slate of nominees and alternates for election to the Board of Visitors that was approved at the Committee meeting. Vice Chairman Ward moved approval of the slate as presented. Mrs. Wood seconded the
motion and it carried unanimously. The elections will be held at the next meeting of the Board, September 25, 1992.

Vice Chairman Ward moved approved of Mr. Tim Burnette as chair of the Board of Visitors for a one year term. Ms. Bryant seconded the motion and it carried unanimously.

Davie Awards

Vice Chairman Ward moved selection of four nominees to receive the Davie Award for 1992. Mr. Pope seconded the motion and it carried unanimously.

Vice Chairman Ward reported that the Davie Award presentations and dinner would be on November 19, 1992.

REPORT OF THE ACADEMIC AFFAIRS COMMITTEE

Personnel Matters for Information

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

(Attachment K)

Personnel Matters for Consultation

Mr. Capps moved, seconded by Vice Chairman Ward, to authorize the Chancellor to forward to the President and Board of Governors the personnel report and recommendations presented for consultation. The motion carried unanimously.

(Attachment L)

Personnel Matters for Action

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

(Attachments M, N)

Recommendations for Exceptions to Employment Policies Annual Leave Provision

Mr. Capps moved to grant an exception from the EPA Non-Faculty leave provisions. Vice Chairman Ward seconded the motion and it carried unanimously.

(Attachment O)
The Board of Governors of The University of North Carolina Press

Mr. Capps moved, seconded by Vice Chairman Ward, authorization for Chancellor Hardin to transmit to the President and the Board of Governors the name of Provost Richard McCormick for election to the Board of Governors of The University of North Carolina Press. This appointment would fill the term created by former Provost J. Dennis O'Connor upon his departure. His term would expire on June 30, 1996. The motion carried unanimously.

(Attachment P)

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. Capps so moved, seconded by Mr. Woltz. The motion carried unanimously.

OPEN SESSION

DEVELOPMENT

Vice Chairman Ward moved the election of Mr. Tim Burnette for Chairman of the Board of Visitors for a one year term. Mrs. Wood seconded the motion and it carried unanimously.

REPORT OF THE ACADEMIC AFFAIRS COMMITTEE

Personnel Matters for Action (Academic Affairs)

Mr. Capps moved approval of personnel changes in Academic Affairs: designation to named professorship, appointment and salary approval. Ms. Bryant seconded the motion and it carried unanimously.

(Attachments M)

Personnel Matters for Action (Health Affairs)

Mr. Capps moved approval of personnel changes in Health Affairs: appointments, reappointments, promotions, salary approval, and departmental transfer. Ms. Bryant seconded the motion and it carried unanimously.

(Attachments N)

Ratification of Mail Ballot of June 12, 1992

Mr. Capps moved to ratify the mail ballot of June 12, 1992. Ms. Bryant seconded the motion and it carried unanimously.

(Attachment Q)
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 12:30 pm.

[Signature]
Assistant Secretary