DESIGNER APPROVAL – AVERY, PARKER AND TEAGUE RESIDENCE HALLS SPRINKLER SYSTEMS

This project provides sprinkler systems for Avery, Parker and Teague Residence Halls.

The budget for advance planning is $260 K with funding from the University. The project budget is $2,594,000 with funding from general appropriation funds.

This project was advertised on August 6, 2009. Thirteen proposals were received. Three firms were interviewed on September 9, 2009. Members of the Board of Trustees did not participate in the interviews.

The committee recommended the selection of the three firms in the following priority order:

1. Harrington Group  
   Charlotte, NC
2. Dewberry  
   Raleigh, NC
3. Engineered Design, Inc.  
   Raleigh, NC

RECOMMENDED ACTION

A motion to approve the three firms in the above priority order.
August 26, 2009

Mr. Matthew Peretin
Facilities Planning
The University of North Carolina at Chapel Hill
CB#1090, Giles F. Horney Building
103 Airport Drive
Chapel Hill, NC 27599-1090

RE: AVERY, PARKER, TEAGUE RESIDENCE HALLS ADVANCE PLANNING
FIRE SPRINKLER SYSTEM / ASBESTOS ABATEMENT

Dear Mr. Peretin:

Harrington Group, Inc. (HGI), d/b/a HGI, Inc. in the state of North Carolina, is pleased to provide our Letter of Interest and SF-254 in response to your solicitation for engineering services for the above referenced project.

HGI is an engineering and consulting firm that specializes in fire protection services. Our dedicated engineers provide highly effective approaches to delivering value through extensive knowledge and expertise. Established in 1986, the firm has grown to become one of the southeast's most experienced and respected practices.

HGI's mission is to provide our clients with creative solutions to their fire protection needs, while optimizing the relationship between cost and benefit. We successfully deliver measurable value to our clients through an innovative design and problem-solving approach, through effective communication, and by staying abreast of the continual developments in codes and standards, engineering techniques, and equipment technology.

The relevant experience section of the enclosed submittal includes samples of recent fire protection projects for our clients. We have substantial experience providing fire protection engineering services for many educational facilities in the state of North Carolina, as well as in the state of Georgia. We have completed, or are currently working on, dormitory sprinkler and fire alarm system projects at UNC – Chapel Hill, UNC – Charlotte, UNC – Greensboro, North Carolina A&T University, Appalachian State University, and the North Carolina School of Science and Mathematics. Further, we thoroughly understand the requirements for projects under the purview of the North Carolina State Construction Office and the North Carolina Department of Insurance, as evidenced by our ongoing work on the UNC – Chapel Hill Craig/Ehringhaus and Hinton James Residence Hall Fire Sprinkler System projects, as well as various additional projects we have executed in the state.
Due to its proximity, HGI’s Charlotte office can easily provide prompt service to the Fire Sprinkler System / Asbestos Abatement project for Avery, Parker, and Teague Residence Halls. Having successfully completed several projects with UNC – Chapel Hill, we are very familiar with the campus and the expectations of the end users.

Our team members include Froehling and Robertson, Inc. as our asbestos abatement consultant, with whom we have worked on several dormitory projects over the past three years. In addition, we are pleased to include Hoke/New Vision Architects, Inc., with whom we have also worked on numerous dormitory fire protection projects, including the Hinton James and Craige/Ehringhaus projects.

We value our relationship with UNC – Chapel Hill and would welcome an opportunity to meet with you to further discuss this important project. Should you have any questions, please do not hesitate to contact me at 704-531-9077.

Very truly yours,

HGI, INC.

[Signature]

W. Les Ingles, P.E.
Vice President

Enclosures
ACQUISITION BY EASEMENT – ACCESS THROUGH ST. THOMAS MORE PROPERTY TO UNC PROPERTY

This request is to approve acceptance of a 25' access easement from St. Thomas More Catholic Community as part of its current expansion project located off of Carmichael Drive and Fordham Blvd. The University’s property is located north of the St. Thomas More property. The Town of Chapel Hill has required that St. Thomas More locate a vehicular stub-out from their property to the UNC property and also provide a right of access easement to the University as shown on the attached map. The access easement will be provided to the University at no cost.

RECOMMENDED ACTION

A motion to approve the acquisition of the access easement as described above.
ATTACHMENT C

DISPOSITION OF RIGHT OF WAY TO NC DEPARTMENT OF TRANSPORTATION

This request is to approve disposition of approximately 1.2 acres of University land located off of S. Columbia Street in Chapel Hill for right of way to the NC Department of Transportation as part of its Corridor Upgrade project (State Project 37462.2.2). The impacted area runs along the eastern side of S. Columbia Street from Purefoy Road to Manning Drive as shown on the attached NCDOT map. The value of the right of way area to be taken is estimated by NCDOT to be approximately $313,350. The University has requested that compensation be granted in the form of funds set aside by NCDOT for design and construction of landscaping improvements.

RECOMMENDED ACTION

A motion to approve the disposition of approximately 1.2 acres for right of way as described above.
August 17, 2009

Members of the Board of Trustees
The University of North Carolina at Chapel Hill

Dear Members of the Board:

I submit the following personnel matters in the following categories:

For Information 
For Action- Academic Affairs
For Action- Health Affairs
For Action- Tenured Personnel Actions

Appendix A
Appendix B
Appendix C
Appendix D

Respectfully submitted,

Holden Thorp

Re 8/17/09 mail ballot: (Personnel)

A quorum was received on 8/19/09:
Robert W. Winston III
Phillip L. Clay
Donald Williams Curtis
Roger L. Perry, Sr.
John G. B. Ellison, Jr.
J. Alston Gardner
John L. Townsend III

Additional approvals received:
Barbara R. Hyde
Wade Hampton Hargrove, Jr.
Jasmin M. Jones
Sallie Shuping-Russell
Edward C. Smith
Felicia A. Washington
August 17, 2009

The undersigned votes as follows with respect to the recommendations proposed in Chancellor Thorp’s letters dated August 17, 2009.

<table>
<thead>
<tr>
<th></th>
<th>Approve</th>
<th>Disapprove</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appendix B, for action</td>
<td>_______</td>
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<td>Appendix C, for action</td>
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<td>Appendix D, for action</td>
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</table>

________________________________________
signed

________________________________________
date

PLEASE RETURN BALLOT TO
FAX #919-962-8464
August 17, 2009

Members of the Board of Trustees
The University of North Carolina at Chapel Hill

Dear Members of the Board:

I submit the following personnel changes at the University of North Carolina at Chapel Hill for your information.

RESIGNATIONS

ROGER NARAYAN, Associate Professor, Department of Biomedical Engineering, resigns effective August 15, 2009, to accept a faculty position with North Carolina State University.

MATTHIAS KAHL, Assistant Professor, Kenan-Flagler Business School, resigns effective August 1, 2009, to accept a faculty position at the University of Colorado-Boulder.

ROBERT MENDES, Assistant Professor, Department of Surgery, resigns effective July 31, 2009, to accept a position at University Hospital, Augusta, Georgia.

RETIREMENTS

PHILLIP WITT, Associate Professor, Department of Allied Health Sciences, retires effective August 31, 2009.

TRUDIER HARRIS, Professor, Department of English and Comparative Literature, retires effective June 30, 2009.

KENNETH ROBERTS, Professor, Department of Pediatrics, retires effective June 30, 2009.

DUANE BROWN, Professor, School of Education, retires effective June 30, 2009.

LEAVES OF ABSENCE

The following leaves of absence, in accord with established procedure, have been have been passed upon by the appropriate officials and endorsed by the chancellor.
The faculty listed below have been approved for a Research and Study leave with pay for the Fall Semester, July 1, 2009, through December 1, 2009.

Dominique Fisher  Professor  Romance Languages  
Timothy Marr  Professor  American Studies  
Adam Verseyi  Professor  Art  
Drew Coleman  Professor  Geological Sciences  
Omid Safi  Professor  Religious Studies  
David Thissen  Professor  Psychology  
Glare Anderson  Professor  Art  
Yue Wu  Professor  Physics and Astronomy  
Sue Goodman  Professor  Mathematics  
Donald Nonini  Professor  Anthropology  
Lisa Pearce  Associate Professor  Sociology  
Daniel Cable  Professor  Kenan-Flagler Business School  
Steven Rosenfeld  Professor  Economics  
Michelle King  Assistant Professor  History  
Barbara Frederickson  Professor  History  
Linda Tillman  Professor  School of Education  
Randall Styers  Professor  Religious Studies  
Laurie McNeil  Professor  Physics and Astronomy  
Dana Griffin  Assistant Professor  School of Education  
Melissa Miller  Assistant Professor  School of Education  
Timothy Carter  Professor  Music  
Sandra Funk  Professor  School of Nursing  
Victor Marshall  Professor  Sociology  
Paul Leslie  Professor  Anthropology  

The following faculty have been awarded competitive and professional leaves for either the Fall semester or the 09/10 academic year:

MARY PALMER, Professor, School of Nursing has been approved for a Carrington leave of absence with pay effective July 1, 2009, through June 30, 2010, during which time she will be testing a device to reduce urinary incontinence in heart failure patients.

NADIA YAQUB, Associate Professor, Department of Asian Studies, has been approved for a leave with partial pay effective July 1, 2009, through June 30, 2010, during which time she will be a Fellow at the Council of Learned Societies and completing a book on Palestine.

JAMES RIVES, Kenan Eminent Professor, Department of Classics, has been awarded a Fellowship at the Princeton Institute for Advanced Studies, effective July 1, 2009, for the academic year. He will be researching animal sacrifice and cultural identity in the Roman Empire.
SERGEY SANZHAR, Assistant Professor, Kenan-Flagler Business School, has been approved for a professional leave without pay effective August 1, 2009, through December 31, 2009, during which time he will be conducting research and teaching at the London Business School.

CHRISTOPHER JONES, Professor, Department of Mathematics, has been approved for a leave without pay for the effective July 1, 2009, for the Fall semester during which time he will be teaching at the University of Warwick, UK.

RICHARD RIMANYI, Associate Professor, Department of Mathematics, has been awarded an Intra-European Fellowship for the academic year, July 1, 2009, through June 2010, during which time he will be teaching and conducting research in Budapest, Hungary.

MARY FLOYD WILSON, Associate Professor, Department of English and Comparative Literature, has been awarded a W.N. Reynolds leave with pay effective July 1, 2009, for the Fall semester during which time she will be conducting research and working on a book project.

VLADAS PIPIRAS, Associate Professor, Department of Statistics and Operations Research, has approved for a leave without pay effective July 1, 2009, through June 30, 2010, during which time he will be teaching and conducting research at the University of Lisbon, Portugal.

THEDA PERDUE, Professor, Department of History, has been approved for a professional leave without pay effective July 1, 2009, through June 30, 2010, during which time she will be completing several books.

JACQUELINE HALL, Professor, Department of History, has been approved for a professional leave of absence without pay effective July 1, 2009, for the Fall semester, during which time she will be working on her book, “Writing a Way Home.”

MARK BONDS, Professor, Department of Music has been awarded a W.N. Reynolds leave of absence with pay effective July 1, 2009, for the Fall semester during which time he will be working on a book, “The Myth of Absolute Music.”

ROSALIND COLEMAN, Professor, Department of Nutrition, has been approved for a Kenan leave of absence with pay effective July 1, 2009, for the Fall semester during which time she will be studying fat cell lipids and a novel signaling pathway.
LINDA BEEBER, Professor, School of Nursing, has been approved for a Pogue leave of absence with pay effective July 1, 2009, through June 30, 2010, to conduct research and work on several manuscripts.

CORI DAUBER, Associate Professor, Department of Communication Studies, has been approved for a professional leave of absence without pay. She will be a Visiting Research Scholar at the Strategic Studies Institute of the U.S. Army War College.

VALERIE ASHBY, Professor, Department of Chemistry, has been approved for a Bowman and Gordon Gray leave with pay effective July 1, 2009, for the Fall semester. She will be developing teaching related initiatives.

LLOYD KRAMER, Professor, Department of History, has been approved for a Kenan leave with pay effective July 1, 2009, for the Fall semester during which time he will be writing a book on the history of cross-cultural travel and writing in the century after the American and French Revolutions.

Respectfully submitted,

[Signature]

Holden Thorp
August 17, 2009

Members of the Board of Trustees
The University of North Carolina at Chapel Hill

Dear Members of the Board:

I submit the following personnel changes in Academic Affairs at the University of North Carolina at Chapel Hill with request for your approval.

REAPPOINTMENT OF INSTRUCTORS

SOL SEAN WANG, as Instructor, Kenan-Flagler Business School, effective July 1, 2009, through June 30, 2010, on a nine months' basis. This appointment is made on the specified condition that automatically upon conferral of the PhD degree, the Instructor will be reappointed at the rank of Assistant Professor. The recommended salary for this appointment is $180,000.

JULIE JUSTICE, as Instructor, School of Education, effective July 1, 2009, through June 30, 2010, on a nine months' basis. This appointment is made on the specified condition that automatically upon conferral of the PhD degree, the Instructor will be reappointed at the rank of Assistant Professor. The recommended salary for this appointment is $57,000.

MICHAEL WILLIAM PALM, as Instructor Department of Communication Studies, effective July 1, 2009, through June 30, 2010, on a nine months’ basis. This appointment is made on the specified condition that automatically upon conferral of the PhD degree, the Instructor will be reappointed at the rank of Assistant Professor. The recommended salary for this appointment is $60,000.

MAMARAME SECK, as Instructor Department of African And African American Studies July 1, 2009, through June 30, 2010, on a nine months’ basis. This appointment is made on the specified condition that automatically upon conferral of the PhD degree, the Instructor will be reappointed at the rank of Assistant Professor. The recommended salary for this appointment is $60,000.
CORRECTION

The salary for Miguel La Serna, Assistant Professor, Department of History, effective July 1, 2010, was reported to the Board of Trustees last month as $66,000. The correct salary for Professor La Serna will be $67,000.

Respectfully submitted,

[Signature]

H. Holden Thorp
August 17, 2009

Members of the Board of Trustees
The University of North Carolina at Chapel Hill

Dear Members of the Board:

I submit the following personnel changes in Health Affairs at The University of North Carolina at Chapel Hill with request for your approval.

**NEW APPOINTMENTS**

**BRIAN BOYD**, as Assistant Professor, Department of Allied Health Sciences, effective September 1, 2009, on a twelve months’ basis contingent on the availability of funds from non-state sources. The recommended salary for this appointment is $85,000.

**Personal:** Born July 9, 1976, Richmond, VA.

**Educational background:** BS, 1997, College of William and Mary; M.Ed, 2002, University of Virginia; PhD, 2005, University of Florida.

**Teaching and other vocational experience:** Assistant Teacher, 1999-2000, TEACCH Demonstration Preschool, UNC-Chapel Hill; Lecturer, 2004-2005, University of Florida, and Investigator, 2007-present, Frank Porter Graham Child Development Institute, UNC-Chapel Hill.

**Publications:** Seventeen journal articles published in peer-reviewed publications.

Professor Boyd was interviewed and recommended by faculty from the Division of Occupational Sciences and Professor Lee McLean, Chair.

**SADYE ERICKSON**, as Assistant Professor, Department of Allied Health Sciences, effective September 1, 2009, on a twelve months’ basis contingent on the availability of funds from non-state sources. The recommended salary for this appointment is $85,000.

**Personal:** Born February 17, 1978, New York City.

**Educational background:** BS, 2001, and MS, 2003, University of Central Florida, Orlando; PhD, 2008, UNC-Chapel Hill.
Board of Trustees
August 17, 2009


Publications: One book chapter and six peer-reviewed journal articles.

Professor Erickson was interviewed and recommended by faculty from the Division of Physical Therapy and Professor Lee McLean, Chair.

BRIAN JENSEN, as Assistant Professor, Department of Medicine, effective September 1, 2009, on a twelve months’ basis contingent upon the availability of funds from non-state sources. The recommended salary for this appointment is $160,000 from non-state funds.

Personal: Born April 22, 1971, Cleveland, OH.

Educational background: BA, 1993, Pomona College, Claremont, CA; MD, 2001, UNC-Chapel Hill.

Teaching and other vocational experience: Internal Medicine Resident, 2001-2004, Brigham and Women’s Hospital; Fellowship in Clinical Cardiology, 2004-2008, and Adjunct Assistant Professor, 2008-present, University of California-San Francisco.

Scholarly and other professional organization memberships: Heart Failure Society of America and the American Heart Association.

Publications: Three book chapters, six refereed articles and five abstracts.

Professor Jensen was interviewed and recommended by Faculty in the Division of Cardiology and Professor Marschall Runge, Chair.

MOLLY LOSH, as Assistant Professor, Department of Allied Health Sciences, effective September 1, 2009, on a twelve months’ basis. The recommended salary for this appointment is $87,500.

Personal: Born September 17, 1974, Boise, Idaho.

Teaching and other vocational experience: Postdoctoral Fellow, 2004-2006, Research Assistant Professor, 2006-present, Research Assistant Professor, 2006-2009, Department of Psychiatry and Research Assistant Professor, 2008-present, Department of Psychology, UNC-Chapel Hill.

Publications: Seventeen collaboratively written articles in peer-reviewed journals.

Professor Losh was interviewed and recommended by faculty in the Division of Speech and Hearing and Professor Lee McLean, Chair.

DIMITRI G. TREMBATH, as Assistant Professor, Department of Pathology and Laboratory Medicine, effective September 1, 2009, on a twelve months’ basis contingent on the availability of funds from non-state sources. The recommended salary for this appointment is $145,000 from non-state funds.

Personal: Born February 6, 1969, Omaha, Nebraska.

Educational background: BS, 1991, Creighton University; MD/PhD, 2001, University of Iowa School of Medicine.


Scholarly and other professional organization Memberships: Association for Molecular Pathology, American Association of Neuropathologists, and the College of American Pathologists.

Publications: ten refereed articles in professional journals, two reviews and five abstracts.

Professor Trembath was interviewed and recommended by faculty in the Department of Pathology and Laboratory Medicine and Professor Charles Jennette, Chair.
CHIN-YU WU, as Assistant Professor, Department of Allied Health Sciences, effective September 1, 2009, on a twelve months' basis contingent on the availability of funds from non-state sources. This appointment is also contingent on the procurement of the appropriate immigration and/or visa status prior to the effective date of this appointment and maintenance of this status for the duration of the appointment. The recommended salary for this appointment is $73,000.

Personal: Born January 11, 1969, Taiwan.

Educational background: BS, 1991, National Taiwan University; MA, 1995, and PhD, 1999, NYU.

Teaching and other vocational experience: Occupational Therapist, 1991-1003, National Taiwan University; Adjunct Instructor, 1993-1996, NYU; Assistant Professor, 1999-2007, National Taiwan University; Associate Professor, 2007-2009, Nova Southeastern University, Ft. Lauderdale, FL.

Publications: Eleven journal articles published in peer-reviewed publications.

Professor Wu was interviewed and recommended by faculty from the Division of Occupational Sciences and Professor Lee McLean, Chair.

SAI H. CHAVALA, as Assistant Professor, Department of Ophthalmology, effective September 1, 2009, on a twelve months' basis contingent on the availability of funds from non-state sources. The recommended salary for this appointment is $175,000.

Personal: Born January 6, 1977, India.


Publications: Nine collaboratively written refereed articles, six abstracts and one book chapter.
Professor Chavala was interviewed and recommended by department faculty and Professor Travis Meredith, Chair.

REAPPOINTMENTS AT THE SAME RANK

JOEL FRANKLIN FARLEY, as Assistant Professor, Division of Pharmaceutical Outcomes and Policy, Eshelman School of Pharmacy, effective October 1, 2010, on a twelve months’ basis contingent on the continued availability of funds. The recommended salary for this appointment is $93,942.

SCOTT BULTMAN, as Assistant Professor, Department of Genetics, effective September 1, 2010, on a twelve months’ basis contingent on the continued availability of funds. The recommended salary for this appointment is $95,445.

CRAIG RICHARD LEE, as Assistant Professor, Division of Pharmacotherapy and Experimental Therapeutics, Eshelman School of Pharmacy, effective October 1, 2010, on a twelve months’ basis contingent on the continued availability of funds. The recommended salary for this appointment is $93,688.

PROMOTION TO PROFESSOR

MATTHEW EWEND, to Professor, Department of Surgery with secondary appointments as Professor, Department of Medicine and Department of Otolaryngology, effective September 1, 2009, on a twelve months’ basis contingent on the continued availability of funds. The recommended salary for this appointment is $342,250.

APPOINTMENTS TO DISTINGUISHED PROFESSORSHIPS

ROBERT J. ESTHER, Assistant Professor, Department of Orthopaedics, as the H. Robert Brashear Distinguished Teaching Fellow of Orthopaedics, effective August 1, 2009, through December 31, 2012, on a twelve months basis. The recommended salary for this appointment is $232,919 of which $200,978 is from non-state funds.

GEORGE PINK, Professor, Department of Health Policy and Management, Gillings School of Global Public Health, as Humana Distinguished Professor, effective September 1, 2009, on a twelve months basis. The recommended salary for this appointment is $122,104 of which $67,157 is from non-state funds.

APPOINTMENT OF A DEPARTMENT CHAIR

JOANN EARL, Professor, Department of Health Behavior and Health Education, Gillings School of Global Public Health, as Chair, effective August 1, 2009, through July 31, 2011, on a twelve months’ basis. The recommended salary for this appointment is $213,895.
REAPPOINTMENT OF A DEPARTMENT CHAIR

DOUGLAS DIRSCHL, Professor and Chair, Department of Orthopaedics, as Chair, effective September 1, 2009, through August 31, 2014, on a twelve months’ basis. The recommended salary for this appointment is $534,278 from non-state funds.

CORRECTION

It was reported to the Board of Trustees last month that the salary for Dr. Timothy Gershon, Assistant Professor, Department of Neurology, would be $110,000. Professor Gershon’s salary was re-negotiated and will be $115,000.

Respectfully submitted,

H. Holden Thorp
August 17, 2009

Members of the Board of Trustees
The University of North Carolina at Chapel Hill

Dear Members of the Board:

I submit for your review and approval the following personnel actions at the University of North Carolina at Chapel Hill.

NEW APPOINTMENTS CONFERRING TENURE

MARK TESTA, as Sandra Reeves Spears and John B. Turner Distinguished Professor, School of Social Work, effective September 1, 2009, on a nine months' basis. The recommended salary for this appointment is $125,000.

Personal: Born December 4, 1950, Waterbury, CT.


Teaching and other vocational experience: Assistant Professor, 1984-1990, and Associate Professor, 1990-1999, School of Social Work, University of Chicago; Associate Professor, 1999-present, University of Illinois; Research Director, 1994-2002, Department of Children and Family Services, State of Illinois; Director, 2002-present, Children and Family Research Center, University of Illinois @ Urbana-Champaign

Publications: Forty collaboratively written articles, reports and books.

Professor Testa was interviewed and recommended by a faculty search committee in the School of Social Work and Professor Jack Richman, Chair.

EVA LABRO as Associate Professor, Kenan-Flagler Business School, effective January 1, 2010, on a nine months' basis. The recommended salary for this appointment is $141,000.


Publications: Nineteen peer-reviewed articles, chapters, and reviews.

Professor Labro was interviewed and recommended by faculty in the Accounting are of the Kenan-Flagler Business School and Professor James W. Dean Jr., Dean.

PROMOTION CONFERRING TENURE

SHEA DENNING, as Associate Professor of Public Law and Government, effective November 1, 2009, on a twelve months’ basis. The recommended salary for this appointment is $112,155.

Respectfully submitted, 

[Signature]

Holden Thorp
MEMORANDUM

TO: Board of Trustees

FROM: Matthew G. Kupec, Vice Chancellor for Advancement

DATE: August 19, 2009

RE: Mail Ballot

I write on behalf of the Chancellor, and in consultation with Chairman Winston, to request your approval, by mail ballot, of the election of members to the Board of Trustees of the Endowment Fund and members of the Board of Directors of The University of North Carolina at Chapel Hill Foundation, Inc. (Foundation).

North Carolina General Statute 116-36 and Board of Governors' regulations require that the Board of Trustees elect the membership of the Endowment Board of Trustees. There are four (4) vacancies. Attached is a chart showing the names and terms of the current Endowment Trustees. The nominees for each vacancy are shown in bold on the chart. The Chairman and Chancellor recommend the election of each nominee.

The Bylaws of the Foundation provide that the Board of Trustees shall elect two directors from the membership of the Board of Trustees and three directors from the membership of the Endowment Trustees. There are two (2) vacancies in the Trustee category of directors and two vacancies in the Endowment category of directors. A chart showing the current directors, all of the proposed directors (in bold), and the method of selection of each director is attached. The election of the one of the directors in category I. C. is subject to your election of the Endowment Trustees. The Chairman and Chancellor recommend the election of each nominee.

Please indicate your vote on the attached ballot and return it by fax to Ms. Heather Galvan at (919) 962-8464.

If you have any questions, please do not hesitate to contact me.

cc: Chancellor H. Holden Thorp

Re 8/19/09 mail ballot: (Endowment Fund)

A quorum was received on 8/25/09:
Roger L. Perry, Sr.
Donald Williams Curtis
John G. B. Ellison, Jr.
J. Alston Gardner
Edward C. Smith
Wade Hampton Hargrove, Jr.
Barbara R. Hyde

Additional approvals received:
Phillip L. Clay
John L. Townsend III
Sallie Shuping-Russell
Robert W. Winston III
Felicia A. Washington

Ballot Not Received:
Jasmin M. Jones
A motion to elect to the Board of Trustees of the Endowment Fund (i) Sallie Shuping-Russell for a term concurrent with her term as Chair of the Finance and Audit Committee; (ii) John Ellison for a term ending 2010 (completing the unexpired term of Ms. Shuping-Russell); and (iii) John Townsend and Peter Grauer each for a term of three years ending 2012.

Approve [ ]

Disapprove [ ]

A motion (i) to elect Sallie Shuping-Russell and John Townsend to the Board of Directors of The University of North Carolina at Chapel Hill Foundation, Inc. for terms concurrent with their terms as University Trustees; and (ii) to elect Sally Krawcheck and Peter Grauer to the Board of Directors of The University of North Carolina at Chapel Hill Foundation, Inc. for terms concurrent with their terms as Trustees of the Endowment Fund.

Approve [ ]

Disapprove [ ]

Signature: __________________________________________

Date: ________________________________________________

FAX or email to Heather Galvan
919-962-8464
hgalvan@unc.edu

{00027827.DOC}
THE BOARD OF TRUSTEES OF THE ENDOWMENT FUND OF THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL

MEMBERSHIP - MINIMUM 6; MAXIMUM 9
(three year term)*

MEMBERS ELECTED BY BOARD OF TRUSTEES

<table>
<thead>
<tr>
<th>Name</th>
<th>TERM</th>
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<tr>
<td>Chairman Board of Trustees</td>
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<td>Chancellor</td>
<td>(Ex-Officio)</td>
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<td>Sallie Shuping-Russell</td>
<td>(Ex-Officio)</td>
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<td>Bill Harrison</td>
<td>2010</td>
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<td>John Ellison</td>
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<td>(vacancy created by Ms. Shuping-Russell's election as Chair of Audit &amp; Finance Committee)</td>
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<tr>
<td>Nelson Schwab</td>
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<td>Sallie Krawcheck</td>
<td>2011</td>
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<td>John Townsend</td>
<td>2012</td>
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<td></td>
<td>(vacancy created by expiration of term of Max C. Chapman, Jr.)</td>
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<tr>
<td>Peter Grauer</td>
<td>2012</td>
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<td>(vacancy created by expiration of term of Allen B. Morgan)</td>
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</table>

* Effective with appointments after July 26, 1996, individuals are eligible for a maximum of two consecutive 3 year terms. Individuals are eligible for reappointment after one year has elapsed from conclusion of most recent term.

August, 2009
THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL FOUNDATION, INC.
BOARD OF DIRECTORS
17 MEMBERS; METHOD OF SELECTION

I. NINE EX-OFFICIO MEMBERS

A. 4 BY VIRTUE OF OFFICE (term concurrent with office tenure)
   Chairman of the Board of Trustees
   Chancellor
   Vice Chancellor for Finance and Administration
   Vice Chancellor for University Advancement

B. 2 ELECTED BY BOARD OF TRUSTEES FROM BOARD OF TRUSTEES
   MEMBERSHIP (term concurrent with Board tenure)*
   
   **Sallie Shuping-Russell** 2011
   (vacancy created by expiration of term of Karol V. Mason)
   **John Townsend** 2013
   (vacancy created by expiration of term of Russell M. Carter)

C. 3 ELECTED BY BOARD OF TRUSTEES FROM MEMBERSHIP OF THE BOARD
   OF TRUSTEES OF THE ENDOWMENT FUND (term concurrent with Endowment
   tenure)*
   
   **Bill Harrison** 2010
   **Sallie Krawcheck** 2011
   (vacancy created by expiration of term of Allen B. Morgan)
   **Peter Grauer** 2012
   (vacancy created by election of Ms. Shuping-Russell to category LB)

II. EIGHT DIRECTORS ELECTED BY THE NINE EX-OFFICIO DIRECTOR (four year
     term)

   **Roger Perry** 2010
   (vacancy created by election of John Townsend to category LB.)
   Max Chapman 2010
   Tim Burnett 2011
   Paul Fulton, Jr. 2011
   Mike Overlock 2012
   **David Pardue** 2013
   (vacancy created by expiration of term of Sallie Krawcheck)
   **Kel Landis** 2013
   (vacancy created by expiration of term of Kel Landis)

* Chairman of the Board of Trustees may vote but is not eligible for election.
ANNUAL UPDATE

This document is produced each year for our fiscal offices to use with the bond rating agencies. It has useful historic and contextual information in it.
STUDENT FINANCIAL AID AT CAROLINA: AN UNCOMMON COMMITMENT

Office of Scholarships and Student Aid
University of North Carolina at Chapel Hill

(Prepared annually for submission to bond rating agencies)

Parallel Goals: Access and Excellence

The University of North Carolina at Chapel Hill is committed, in principle and practice, to making sure that no admitted student will be barred from attendance at the University for lack of financial resources. Financial aid packages to incoming freshmen with need are currently composed of more than two-thirds grant/scholarships and the remainder in loans and/or work-study. This pattern is the inverse of the national financial aid-packaging norm.

Both the policies and operations of the Office of Scholarships and Student Aid are guided by the counsel and oversight of the Committee on Scholarships, Awards and Student Aid – a committee of the faculty. (For comprehensive report data, visit http://www.unc.edu/faculty/faccoun/committees/SAWMMain.shtml)

Types of Aid

This mix between grants and loans is made possible largely through a robust program of scholarships and an enduring commitment on the part of the University to protect access for needy undergraduate students through tuition funds set aside for need-based financial aid. This commitment was further strengthened in October 2003 with Chancellor Moeser’s announcement of the Carolina Covenant® -- a “no loans” assurance for truly low-income students who remain dependent upon their families for support. Now entering its sixth year, the program has grown significantly and is widely imitated at other universities nationwide. The fall 2009 incoming class of Carolina Covenant Scholars totals 517 (427 freshmen and 90 transfer students), representing nearly 11 percent of the fall 2009 entering freshman class.

Carolina also recognizes and rewards outstanding academic achievement by awarding 250 University-funded merit scholarships (317 if including those funded by the Morehead-Cain Scholarship and Robertson Scholars Program, which are separate foundations) to entering freshmen for the academic year 2008-09, in amounts which vary from $1,000 to the full cost of attendance. The overall number of merit scholarships available from the Office of Scholarships and Student Aid has increased steadily over the years, and received a boost of approximately 60 new scholarships in 2005 when the University dedicated a larger share of trademark licensing revenue to merit aid.

Also in 2005, the General Assembly passed a bill granting in-state status for tuition purposes to all out-of-state recipients of full merit or athletic scholarships.¹ Recipients of these scholarships receive awards that are the equivalent of in-state tuition, fees, room and board; the result has increased yield rates among recruited out-of-state scholars, though the provision has had to withstand fierce challenges in the General Assembly and its future is uncertain. For the current year, 2009-10, a total of 414 students are benefitting from this provision (262 academic scholarships, regardless of source; and 152 athletic scholarships).²
All undergraduate merit scholarships are renewable and cover four years of study. All newly-named merit scholarships are funded on a “pay as you go basis,” meaning that enough money is encumbered and temporarily invested to pay all remaining obligations during that four-year period. Expenditures for University-sponsored merit scholarships at Carolina have more than doubled over the last nine years, and comprise nearly 10 percent of total student aid disbursements today. The University continues to seek supplemental private funding in an effort to recognize high-achieving meritorious scholars, both at the undergraduate and the graduate level. As a matter of institutional policy, tuition money is generally not used to support merit scholarships.

Aid to graduate students is provided, largely through loans, with funds under the authority of the Office of Scholarships and Student Aid. They are complemented, however, by the Graduate School and departments through the funding of teaching assistantships, research assistantships, graduate assistantships, fellowships and other forms of funding.

Both need-based aid and merit scholarships support the University’s parallel goals of access and excellence, and promote both undergraduate and graduate/professional student enrollment at Carolina. The University of North Carolina at Chapel Hill proudly serves the people of North Carolina (and students from other states as well) by educating students of all income levels.

**Total Aid Disbursements: 2007-08**

During the 2007-08 academic year (most recent data available) 15,517 students (just over 55 percent of the total student body – including undergraduate, graduate and professional students) received over $225 million in student financial aid disbursements. (Note: these totals are not all-inclusive since they do not include many sources of aid to graduate and professional students, such as fellowships and assistantships). Of this total, 53 percent of the funds were provided by the federal government, 10 percent by the state of North Carolina, and 37 percent by the institution and/or private donors. The total aid included approximately $120 million in federal, state, private and institutional loans; just over $2.6 million in federal work-study; and over $102 million in federal, state, private, and institutional grants and scholarships.

Fifty-nine percent of all undergraduates received some form of assistance (including both need-based and merit aid); 33 percent received need-based aid. The average financial aid package in 2007-08 for an aid-eligible undergraduate student was composed of 70 percent grant, 3 percent work-study, and 27 percent loans. The grant share was the largest for those students who applied on time, by March 1. Out-of-state students typically received a somewhat larger share of loans in their packages. These awarding patterns are very favorable when compared with those of other institutions, public and private, across the country.

The average rate of indebtedness for graduating seniors is comparatively low. Among all seniors graduating in 2008, only 31.5 percent borrowed at any point in their undergraduate career. (This was down from 34 percent during the prior year, in part reflecting the effect of the Carolina Covenant.) Their average indebtedness was $14,936, including both need-based and non-need-based loans. The national average for students graduating from a public four-year university during the same year was $17,700.
Policy Nexus: Tuition and Student Aid at Carolina

Tuition and student aid policies in the state of North Carolina are appropriately linked. By way of background, in 1995 the North Carolina General Assembly authorized UNC-Chapel Hill and NC State (the state’s two public research universities) to charge somewhat more for tuition than other institutions in the system, and to retain those funds locally. Chapel Hill responded by setting aside 45 percent of new tuition revenue for need-based financial aid.

“Hold Harmless” Grants. After one year’s experience, it was determined that only 35 percent of the revenue would be needed in order to “hold harmless” all financial aid-eligible undergraduate and graduate/professional students from this increase, i.e., give them enough supplemental grant money to cover, dollar for dollar, the special campus-imposed tuition increases. (Some states permit the waiving of tuition; in the state of North Carolina nearly all transactions are on a cash basis.) This hold harmless tuition grant is awarded each year throughout the student’s enrollment period at Carolina, and through graduate study, providing the student continues to enroll and demonstrate need.

This practice of setting money aside for hold harmless tuition grants as tuition has been increased has been repeated over time with each Board of Governors-approved tuition increase subsequent to 1995. The practice is now standing policy of the Chapel Hill Board of Trustees. The share dedicated to the Office of Scholarships and Student Aid for need-based student aid remains at 35 percent today. The cumulative amount in the fund (since 1995) today exceeds $28 million in institutional grant assistance. In addition the University periodically commits additional revenue from new tuition receipts to fund graduate students. Other than this ongoing set-aside from new tuition receipts, the University does not “discount” tuition from tuition revenues.

Supplemental Aid to Needy Students: Laptop Computers

The University’s commitment to access and equal opportunity is evidenced, as well, by its decision to pay for the cost of a new laptop for all financial aid-eligible freshmen, commencing with the 2000-2001 academic year. This was the first year of the Carolina Computing Initiative (CCI) laptop requirement. Every financial aid-eligible freshman entering Carolina since fall 2000 has received a laptop grant. Today, the grant covers up to the full cost of the computer ($1,468), depending on the student’s level of need. The use of the grant is restricted to the purchase of a computer through Carolina’s Student Stores. Laptop grants are also given to transfer students with need. A total of 1,491 computer grants were awarded to freshman and transfer students with need in 2008-09, at an approximate cost of $2.2 million. These grant funds are provided from the Chancellor’s discretionary fund.

Summary: Policy Integration is Key

These strategies for helping students and families pay for higher education are uncommon within higher education. Many institutions, public and private, are discounting as much as 40 to 50 percent of all institutional tuition revenue in order to leverage enrollments. UNC-Chapel Hill, as a highly selective public institution, is free of many of these enrollment
pressures. The University’s student aid programs are appropriately geared toward creating access for needy students, while concurrently recognizing highest-achieving students through merit awards.

In summary, the following policies and practices govern the administration of scholarships and student aid at Carolina:

1. Admission to the University remains “need blind,” meaning that the University does not consider whether the student will need financial assistance when determining admission to the University. (Carolina Covenant students, for example, are designated as such after they have been admitted to the University and there is no quota on the number that can be named.)

2. The University is still able to meet the full need of financial aid-eligible students who apply by the March 1 priority deadline, for both in-state and out-of-state undergraduate students through a combination of grants, loans and work-study.

3. Carolina’s current financial aid packaging policy provides at least 65 percent in grant/scholarship funding, and 35 percent in loans and work-study, for on-time (March 1) applicants. Students designated as Carolina Covenant Scholars are not asked to take out loans during regular academic terms (participation in summer school is generally elective and therefore excluded). Chapel Hill’s ability to sustain this remarkable record is attributable to the ongoing decisions made by senior leadership at the University.

4. Financial aid-eligible students, both undergraduate and graduate/professional, are “held-harmless” from the share of tuition increases each year that are imposed at the campus level (generally the larger share of any year’s tuition increase).

5. Although increases levied by the Board of Governors and/or the General Assembly are not covered by the “hold harmless” grants (as opposed to Board of Governors’ approved campus based tuition increases), the General Assembly has in recent years authorized and handsomely funded a new need-based grant programs for students in the UNC system (from less than $1 million in 1999-2000 to nearly $127 million in 2008-09). Chapel Hill’s yield rose from $120,000 at inception to nearly $10 million in 2008-09.

6. Of the total $225 million annual program of student financial aid in 2008-09, nearly $97 million came from University-controlled sources. Of that amount, approximately 90 percent was disbursed as need-based assistance and 10 percent for merit aid.

7. University long-range plans support mutual goals of increasing both need-based and merit-based aid. It is assumed, however, that most if not all growth for merit scholarships will come from private resources rather than institutional revenues. This is particularly the case, given a recent weakening in the economy and expanding need among our students.
Conclusion

These policies (coupled with what still can be classified as low to moderate tuition, at least for in-state students) evidence this institution’s, and this state’s, abiding commitment to protect access for low- and middle-income students of high ability, to ensure that they too can afford Carolina.

These policies did not evolve from an abundance of riches, for the institution has critical unmet needs in the areas of faculty salaries and instruction. Rather, they sustain a long tradition of ensuring that no student of ability is barred from attending Carolina simply because he or she has insufficient family resources to pay for college. That Carolina commitment is a proud and uncommon tradition within higher education.

Shirley A. Ort, Associate Provost and Director
Office of Scholarships and Student Aid
sao@unc.edu  (919) 962-9246

Last updated 08-21-2009

1 Sec. 9.27 (a) Article 14 of Chapter 116 of the North Carolina General Statutes was amended by adding §116-143.6.

2 Academic full-scholarship awards (awarded under authority of the out-of-state scholarship revision first authorized as cited above) total 262. These include 103 Morehead awards (30 freshmen); 47 Robertson awards (11 freshmen); and 112 Institutional awards (38 freshmen) for a total of 262 (79 of whom are freshmen). Athletic full-scholarship awards total 152 (of whom 37 are freshmen). In total, 414 full-scholarships are at various stages of “paying out” (116 of whom are freshmen).
SPECIAL OBLIGATION BOND PROJECTS

The General Statutes permit the Board of Governors to issue special obligation bonds payable from obligated resources to fund the costs of acquiring, constructing or providing a special obligation project at any of the constituent institutions of the University of North Carolina. The General Statutes require the Board of Trustees of The University of North Carolina at Chapel Hill to approve the issuance of the bonds for its special obligation bond projects.

Attached is a resolution authorizing the issuance of special obligation bonds for self-liquidating projects recently approved by the North Carolina General Assembly. Debt service will be funded consistent with each project’s funding plan.

RECOMMENDED ACTION:

A motion to approve the attached resolution.
RESOLUTION OF THE BOARD OF TRUSTEES OF
THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL
APPROVING THE ISSUANCE OF SPECIAL OBLIGATION BONDS

WHEREAS, under Article 3, Section 116D General Statutes of North Carolina (the "Act") the Board of Governors (the "Board of Governors") of the University of North Carolina (the "University") may issue special obligation bonds, payable from obligated resources to pay the costs of acquiring, constructing or providing a special obligation project at one of the constituent institutions of the University or refunding any obligations previously issued by the Board of Governors;

WHEREAS, The University of North Carolina at Chapel Hill ("UNC-CH") will request the Board of Governors to issue its special obligation bonds in one or more series to be known as "The University of North Carolina at Chapel Hill General Revenue Bonds" or "The University of North Carolina System Commercial Paper Bonds (UNC at Chapel Hill/NC State)", with appropriate series designations for each series (collectively, the "Bonds"), the proceeds of which will be applied to:

(1) financing the costs of the projects set forth in Exhibit A (collectively, the "Special Obligation Bond Projects"), and

(2) paying the costs incurred in connection with the issuance of the Bonds; and:

WHEREAS, Section 116D-26(b) of the Act requires the Board of Trustees of The University of North Carolina at Chapel Hill to approve the issuance of the Bonds for the Special Obligation Bond Projects;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of The University of North Carolina at Chapel Hill as follows:

Section 1. Approval of Issuance of Bonds. The issuance of the Bonds for the Special Obligation Bond Projects is approved.

Section 2. Effective Date. This Resolution is effective immediately.

ADOPTED AND APPROVED this 24th day of September, 2009.

THE BOARD OF TRUSTEES OF THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL

By: [Signature]
Assistant Secretary
I, Brenda Kirby, the duly elected Assistant Secretary of the Board of Trustees of the University of North Carolina at Chapel Hill, DO HEREBY CERTIFY that (1) the foregoing is a full, true and correct copy of the Resolution adopted by the Board of Trustees of The University of North Carolina at Chapel Hill at its meeting of September 24, 2009 and appearing in the minutes of such meeting, (2) notice of the meeting of the Board of Trustees of The University of North Carolina at Chapel Hill held on September 24, 2009 was sent to each member of the Board, and (3) a quorum was present at the meeting on September 24, 2009 at which time the foregoing Resolution was adopted.

WITNESS, my hand and the seal of the University of North Carolina at Chapel Hill this 24th day of September, 2009.

[SEAL]

Brenda Kirby

Assistant Secretary
EXHIBIT A

Carolina Inn Renovations
Dean Smith Student Activity Center Renovation and Expansion
Residence Hall Fire Suppression Sprinkler System Installations
REPORT TO THE AUDIT AND FINANCE COMMITTEE OF THE BOARD OF TRUSTEES

Internal Audit Department
University of North Carolina at Chapel Hill
September 2009
Recharge Centers – university-wide review of systems and processes used to operate and monitor units that provide goods or services to other university departments for a fee. Identified the need for improved procedures related to rate setting and allocation of costs to recharge center accounts. In addition, some centers had billed in advance for goods and services, a practice that is not allowed. Management began addressing these issues during the audit (complete).

Howard W. Odum Institute for Research in Social Science – review of financial, compliance, and operational controls related to Institute’s activities and operations. Identified opportunities for improvement related to the Institute’s control environment, handling of sponsored program agreements, time and effort reporting, and administrative review processes. We also noted that an individual who provides services to the Institute might have been incorrectly classified as an independent contractor/vendor rather than an employee (complete).

Student Stores – financial, compliance, and operational review of purchasing activities and operations. Audit focus selected because Stores handles its own purchases for resale and because revenue and cash processes and inventory are often reviewed as part of the annual financial statement audits. No significant control issues noted (complete).

School of Information and Library Science – review of financial, compliance, and operational controls related to the School’s activities and operations. We identified significant control issues related to stewardship of financial resources, timeliness and accuracy of payments, and use of off-campus e-mail accounts and noted policy issues related to pricing of Summer Seminars. We also noted possible conflicts of interest in the School acquisition, via sole source procurement, of consultant services from two businesses owned by members of its Board of Visitors and from a third business owned by the spouse of a Board member (complete).

EAGLE Project 2009 – assistance with a Sarbanes-Oxley like project required by the State Governmental Accountability and Internal Control Act (most work performed by management). Project identified issues related to IT system access and other general controls and with untimely filing of final grant reports (complete).

NC Teaching Fellows limited review of financial, compliance, and operational controls and tests of transactions related to a scholarship program created to recruit students to teaching. No significant control issues noted (report to be issued September 4, 2009).

School of Social Work Contracts - referral from State Auditor’s Office – limited review of financial, compliance, and operational controls related to sponsored programs (received first draft of responses from management).

Unit Accounting System Review – general controls review of information technology system used to monitor investment activities (field work complete, report in process).

Photocopy Support Services - a financial, compliance, and operational review of systems and processes related to revenue produced by Tar Heel Teller copy card machines (draft report with management).
**Pediatrics Cardiology** - limited review of financial, compliance, and operational controls and tests of transactions related to management of and billing for community clinics. Joint review with UNC Healthcare (field work and draft report complete).

**Restricted Funds** – a university-wide audit of controls and processes related to documenting and spending funds that have been designated for specific uses, only (fieldwork complete, draft report in process).

**Employment Eligibility Function** – a review of processes related to hiring of new employees: compliance with federal requirements for verifying citizenship and immigration status; credential verification; criminal history review; etc. Internal control review complete; no process weaknesses noted (in process).

**Obstetrics and Gynecology Procedures** – a review of processes for receiving, recording, and depositing in-clinic payments for medical services. Requested by department management. No control weaknesses noted (in process).

**Biology** – a financial and compliance review of departmental activities. Requested by management for informational purposes at time of change in financial staff (in planning phase).

**TEACCH (Treatment and Education of Autistic and Related Communication-Handicapped Children)** – financial, compliance, and operational review of current controls and past transactions in TEACCH. Requested by management for informational purposes as part of merger of TEACCH and three other units to form the Carolina Institute for Developmental Disorders. Have noted problems related to: deposit of Medicaid cost settlement payments; billing and deposit of revenue from training provided by TEACCH personnel; allocation of payroll costs among fund sources; payroll bonuses; and possible nepotism (in process).

**Carolina Population Center** – review of prior work for a 2008 audit of the Center (in process).

**UNC FIT (Financial Improvements and Transformation)** – mandatory audit processes established by UNC General Administration as part of process improvement initiatives and reporting requirements (on-going).

**Enterprise Resource Planning** – advisory assistance to teams implementing modules of the new enterprise information technology systems (on-going).

**ACL Routines – Concurrent Auditing** – developing automated data mining techniques that will be used to monitor, on an on-going basis, financial activity for unusual items or patterns of transactions (on-going).

**HIPPA Security Liaison, SS# Management and Advisory Committee, Enterprise Risk Management Committee, and Kronos Time System** – advisory work done to assist management with identifying and managing risks. (on-going)
# UNC Internal Audit
## Use of Audit Resources
### Fiscal Year 2009

<table>
<thead>
<tr>
<th></th>
<th>Budgeted</th>
<th>Hours Charged -2-</th>
<th>Variance</th>
<th>Budgeted Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Hours Available</td>
<td>12,980</td>
<td>2,441</td>
<td>557</td>
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</tr>
<tr>
<td>Less: Leave Hours</td>
<td>(1,884)</td>
<td>1,895</td>
<td>(25)</td>
<td></td>
</tr>
<tr>
<td>Less: Other Administrative Time -1-</td>
<td>(1,920)</td>
<td>1,895</td>
<td>(25)</td>
<td></td>
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<tr>
<td><strong>Total Leave &amp; Administrative</strong></td>
<td>3,804</td>
<td>4,336</td>
<td>(532)</td>
<td>29.3%</td>
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<tr>
<td><strong>Hours Available for Projects</strong></td>
<td>9,176</td>
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<tr>
<td>Routine Audits</td>
<td>3,950</td>
<td>3,123</td>
<td>827</td>
<td>30.4%</td>
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<tr>
<td>Annual Projects &amp; Audit Related</td>
<td>3,380</td>
<td>1,232</td>
<td>2,148</td>
<td>26.0%</td>
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<tr>
<td>Special Reviews &amp; Requests</td>
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<td>3,747</td>
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<tr>
<td><strong>Total Scheduled/Charged</strong></td>
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<td>8,102</td>
<td>978</td>
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<tr>
<td>Under/&lt;Over&gt; Scheduled</td>
<td>96</td>
<td></td>
<td></td>
<td></td>
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</table>

-1- = includes time for training and professional development, staff meetings, professional reading, etc.

-2- = excludes hours that Audit Assistant spends assisting with audit projects; 500 hours budgeted for year.
UNC Internal Audit  
Project List  
Fiscal Year 2009

Routine Audits

Complete
Timeliness of Vendor Payments  
Institute for the Environment Follow-up  
Recharge Center Cycle  
Student Stores  
Oden Institute

In Process
Server Survey  
Auxiliary Services - Photocopy Support Services  
Restricted Funds  
Employment Eligibility Function

Added
Biology  
Ob/Gyn Cash Handling Review

Ongoing
ERP Assistance

Carried Forward to Fiscal Year 2009/10
Data Security  
Debt Service Cycle  
Energy Services  
Independent Contractor Cycle  
Internal Billings - Materials Management & Distribution  
Surplus Cash Counts

Carried Forward to Fiscal Year 2010/11
Contracts and Grants Expenditures  
Human Subjects Research  
Purchasing Function  
Surplus Property

Mandatory Audits

Complete
EAGLE Project 2008  
ACC Football Settlement - 2008  
Assistance with NCAA Audit - 2008

In Process
EAGLE Project 2009

Special Projects & Management Requests

Complete
Sheps Center  
Carolina Population Center  
IT Audit Assistance to NCCU  
Computer Forensics (2 projects)  
Cell & Developmental Biology  
School of Information & Library Science  
Center for Women's Health Research  
Facilities Storeroom  
Other Internal Consulting (14 projects)

In Process
Institute for Science Learning  
Pediatrics Cardiology
Audit Related

Complete
Risk Assessment & Audit Plan

Ongoing
Continuous Auditing
HIPAA Security Liaison
Social Security Number Advisory Committee
Enterprise Risk Management Committee
Kronos Time System
Office System Enhancements
Audit Related Pool
UNC Internal Audit
Audit Schedule - 2009/10

Routine Audits
In Process at 7/1/09
- Photocopy Support Services
- Student Stores
- Restricted Funds
- Employment Eligibility Function
- OB/Gyn Cash

Scheduled for 2009/10
- Auxiliary Services Contracts/Meal Plans
- Biology
- Debt Service Function
- Energy Services
- Independent Contractor Function
- Institutional Animal Care/Lab Animal Medicine
- Internal Billings - Materials and Disbursement Services
- University-wide Follow Up

Annual Projects
- Continuous Auditing
- Data Security
- EAGLE Control Certification
- UNC FIT
- Enterprise Resource Planning
- NCAA Assistance - 2009
- Surprise Cash Counts - 2010

Special Projects & Management Requests
In Process at 7/1/09
- Server Survey
- Computer Repair Center
- Admission Pros
- School of Social Work Contracts
- Pediatrics Cardiology
- NC Teaching Fellows
- TEACCH
- Special Project Pool

Approved:

Chairman, Audit and Finance Committee, UNC-CH Board of Trustees
## UNC Internal Audit
Use of Audit Resources
Fiscal Year 2010 - As of August 16, 2009

<table>
<thead>
<tr>
<th></th>
<th>Budgeted</th>
<th>Pro-Rated Budget -1-</th>
<th>Hours Charged</th>
<th>Variance</th>
<th>Budgeted Percent</th>
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<tbody>
<tr>
<td><strong>Total Hours Available</strong></td>
<td>12,480</td>
<td>1,560</td>
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<tr>
<td><strong>Less: Leave Hours</strong></td>
<td>(1,884)</td>
<td>(236)</td>
<td>374</td>
<td>(139)</td>
<td></td>
</tr>
<tr>
<td><strong>Less: Other Administrative Time -2-</strong></td>
<td>(1,920)</td>
<td>(240)</td>
<td>126</td>
<td>114</td>
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<tr>
<td><strong>Total for Leave &amp; Administrative</strong></td>
<td>3,804</td>
<td>476</td>
<td>500</td>
<td>(25)</td>
<td>30.5%</td>
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<tr>
<td><strong>Hours Available for Projects</strong></td>
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<td>1,085</td>
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<tr>
<td><strong>Routine Audits</strong></td>
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<td>483</td>
<td>445</td>
<td>38</td>
<td>31.0%</td>
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<tr>
<td><strong>Annual Projects &amp; Audit Related</strong></td>
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<td>288</td>
<td>83</td>
<td>205</td>
<td>18.4%</td>
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<tr>
<td><strong>Special Reviews &amp; Requests</strong></td>
<td>2,500</td>
<td>313</td>
<td>585</td>
<td>(273)</td>
<td>20.0%</td>
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<tr>
<td><strong>Total Scheduled/Charged</strong></td>
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<td>1,167</td>
<td>1,113</td>
<td>(30)</td>
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<tr>
<td><strong>Under/&lt;Over&gt; Scheduled</strong></td>
<td>9</td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

-1- = pro-rated for 6.5 weeks

-2- = training and professional development, staff meetings, professional reading, etc.
UNC Internal Audit
2009/10 Project Status as of 8/16/09

Routine Audits

Complete
Recharge Centers
Student Stores

In Process
Photocopy Support Services
Restricted Funds
Employment Eligibility Function
OB/Gyn Cash
Biology

Scheduled
Auxiliary Services Contracts/Meal Plans
Debt Service Function
Energy Services
Independent Contractor Function
Institutional Animal Care/Lab Animal Medicine
Internal Billings - Materials and Disbursement Services
University-wide Follow Up

Annual Projects

Complete
EAGLE Project 2009

In Process
UNC Fit
Enterprise Resource Planning

Scheduled
Data Security
EAGLE Control Certification - 2010
NCAA Assistance - 2009
Surprise Cash Counts - 2010

Audit Related

In Process
Continuous Auditing
HIPAA Security Liaison
Social Security Number Advisory Committee
Enterprise Risk Management Committee
Office System Enhancements
Audit Related Pool

Special Projects & Management Requests

Complete
School of Information and Library Science

In Process
School of Social Work Contracts
Pediatrics Cardiology
NC Teaching Fellows
TEACCH
Carolina Population Center
Other Internal Consulting (11 projects)
MEMO TO: Board of Trustees of The University of North Carolina at Chapel Hill

Our campus recently completed proposed revisions to the Employment Policies for EPA Non-Faculty employees. This comprises two distinct policy documents: one which covers the Chancellor, Provost, Vice Chancellors and Deans (referred to as Tier I Senior Officers) and a second policy that covers all remaining staff that are exempt from the State Personnel Act.

These policies set forth all of the basic terms and conditions of employment for EPA non-faculty employees and conform to all applicable UNC System personnel policies which specifically set forth the majority of these provisions. This policy has been reviewed by UNC General Administration staff and will be recommended for approval to President Erskine Bowles. We expect final General Administration approval prior to the September Board of Trustees meeting. Your approval is required before the University may implement these revised policies.

The following summarizes the key points addressed in the newly revised policies:

- Reformat and re-organize policy provisions for enhanced readability.
- Separate out Tier I senior officers (Chancellor, Provost, Deans) into their own policy. Previously these specific terms and conditions were embedded in the policy which covered all other EPA employees which caused confusion in interpreting policy provisions.
- Eliminate redundant dispute resolution and equal employment opportunity (EEO) provisions which are set forth in separate University policies which address these areas.
- Clarify minimum notice requirements when at-will appointments are ended or term appointments are not renewed and assure conformance with current General Administration guidelines.
- Formally add new limitations on the use of term appointments. This change has already been implemented by memo guidance to the campus. The campus has shifted away from the use of term contracts for EPA non-faculty employees and instead will primarily utilize “at-will” appointments which may be ended at any time with appropriate notice.
- Clarify and streamline procedures for discharge for cause.

These changes assure our campus EPA non-faculty employment policies will conform with all of the latest revisions to UNC System personnel policies. I will be glad to address any specific questions on these policies during your upcoming Board meeting.

Sincerely,

Matthew S. Brody
Assistant Vice Chancellor for Human Resources

Cc: Brenda Richardson Malone, Vice Chancellor for Human Resources
    Richard L. Mann, Vice Chancellor for Finance and Administration
Employment Policies for EPA Non-Faculty Tier I Senior Academic and Administrative Officer Employees of The University of North Carolina at Chapel Hill
~ Draft – Not Approved Policy ~

These Policies govern appointment of Tier I Senior Academic and Administrative Officer Employees and are adopted by the Board of Trustees of The University of North Carolina at Chapel Hill pursuant to the Employment Policies adopted by the Board of Governors of The University of North Carolina for Senior Academic and Administrative Officers on November 14, 1986 and as subsequently amended.

I. Scope and Applicability of Employment Covered by These Policies

1. Application: These employment policies apply to Tier I Senior Academic and Administrative Officers (hereinafter “Senior Officer” or “Senior Officers”) in the following positions: the Chancellor, the Vice Chancellors, the Provost, Deans, and the Directors of major administrative, educational, research and public services activities of the constituent institutions designated by the Board of Governors. These policies do not apply to EPA Non Faculty positions designated as Tier II Senior Academic and Administrative Officers by the University of North Carolina Board of Governors that are covered by separately published employment policies.

2. Prior Versions and Policy References: References in appointment letters and other University policies which may refer to Sections I.A. and Section II of the “Employment Policies for EPA Non-Faculty Employees of the University of North Carolina at Chapel Hill” which had been last revised as of September 25, 2003 are now covered by the most equivalent sections of the “Employment Policies for EPA Non-Faculty Tier I Senior Academic and Administrative Officer Employees of The University of North Carolina at Chapel Hill.”

II. Appointment to Covered Positions

1. Employment Pursuant to Policy: All Senior Officers are employed in their administrative positions pursuant to these policies. Except with regard to the appointment of the Chancellor, no contract or other writing, except for The Code of The University of North Carolina, may vary these terms nor may any oral agreement modify these provisions.

2. Content of Letters of Appointment: All Senior Officers should receive a letter of appointment to a covered position that shall include:
   a. the title of the position
   b. the initial annualized salary:
   c. provision for periodic review of compensation subject to any compensation policies adopted by the Board of Governors or the Board of Trustees;
d. notice that the appointment is contingent on the successful completion of a
   criminal conviction check (unless a successful check has been completed
   prior to the letter being sent);

e. the annual leave entitlement of the employee;

f. notice that the employment conferred is "employment at will" subject to
   continuation or discontinuation at the discretion of the Chancellor; and

g. notice that the employment is subject to these Policies, as originally
   adopted and as they may be periodically revised from time to time.

3. ** Provision of Written Copy of Policies: ** A copy of the Policies shall be attached to
   an initial letter of appointment. The most current version of these policies is
   available from the University's Office of Human Resources.

III. Approval of Senior Officer Appointments

The appointments of these Senior Officers are subject to the approval of the Board of
Governors or the University's Board of Trustees, if delegated such authority by the Board
of Governors.

IV. Continuance in Office

Senior Officers do not have tenure in their administrative positions. They serve at the
discretion of their employer and are not appointed to serve for specified periods of time.
The continuance of these administrators in office therefore is at all times subject to
determination by the appropriate authority, as follows:

1. ** The Chancellor:** The continuance in office of the Chancellor is determined by the
   Board of Trustees and the Board of Governors. The Board of Governors may act
   to terminate such an appointment upon its own initiative or upon recommendation
   of the President. The Board of Governors in all instances shall consult the Board
   of Trustees prior to terminating the appointment of the Chancellor.

2. ** Other Senior Officers:** The continuance in office of the Provost, Vice
   Chancellors, Vice Provosts, Deans, and Directors of major educational, research
   and public services activities whose salaries are set by the Board of Governors is
   determined by the Chancellor. These Senior Officers are subject to the direction
   and control of the Chancellor and serve at the Chancellor's discretion. They are
   employees at will; thus, the Chancellor may not purport to confer on any such
   office a period of employment of fixed duration or otherwise confer any property
   interest in such employment. However, such an officer may be appointed to a
   period of employment not to exceed a specified number of years, so long as the
   instrument accomplishing such an appointment states clearly that the incumbent
   officer is subject to removal at any time, during that period, at the option of the
   Chancellor.
V. Joint Appointments

Tenure status as a member of the faculty, held concurrently by any Senior Officer of the University is separate and distinct from the administrative office, and such tenure status is governed by the provisions of Chapter Six of The Code of The University of North Carolina and by the University of North Carolina at Chapel Hill’s tenure rules and regulations. Those tenure rules and regulations have no bearing upon and do not govern the administrative appointments covered by these regulations.

VI. Compensation

The compensation of Senior Officers covered by this policy shall be set by the Board of Governors or the University’s Board of Trustees, if delegated such authority by the Board of Governors. Neither the Chancellor nor any other Senior Officer may be paid, in addition to his/her salary as established pursuant to the foregoing requirements, for any services rendered to any institution-related foundation, endowment, or other University-related enterprise.

VII. Equal Employment Opportunity

It is the policy and intention of The University of North Carolina at Chapel Hill that there be equal employment opportunity and freedom from unlawful discrimination in all employment within the University. To this end, the University has established a separate policy titled the “The University of North Carolina At Chapel Hill Policy On Prohibited Harassment And Discrimination” which shall be used in conjunction with these Employment Policies to define impermissible conduct in employment. Bona fide occupational qualifications or other exceptions to the University’s equal opportunity provisions specifically provided for by State or Federal law may be applied to EPA non-faculty Senior Officer positions. Nothing in this Section or in the referenced policy on prohibited harassment and discrimination shall otherwise infer or grant a right to grievance or appeal that is not otherwise explicitly granted to a Tier I Senior Officer under the policies of the Board of Governors of the University of North Carolina.

VIII. Protected Activity

Employment in covered positions shall not be adversely affected by the exercise of rights guaranteed by the First Amendment to the United States Constitution or by Article I of the North Carolina Constitution; provided that employees in covered positions shall be subject to any limitations on political activity established by Article 5 of N.C.G.S. Chapter 126. The Board of Governors’ Policy in this regard, as adopted on January 16, 1976, and as it may be revised from time to time, shall apply to covered positions.
IX. Holidays

Senior Officers shall be entitled to the same state-prescribed holidays given to employees subject to the State Personnel Act.

X. Annual Leave

1. Annual Leave: A Senior Officer shall be entitled to 26 days of annual leave per calendar year.

2. Maximum Leave Carry Forward: The maximum number of unused days of annual leave that may be accrued and carried forward from one year to the next shall be 30 work days; however, unused annual leave in excess of thirty (30) days shall be converted to sick leave on December 31st of each year.

3. Advancement of Leave: Subject to approval by the employee's supervisor, a Senior Officer may be advanced the amount of leave that can be accrued during the remainder of the year or during a twelve-month period. If an employee separates from the University and has taken more annual leave than has been accrued, the University will make deductions from the employee's final pay check accordingly, subject to wage-hour laws.

4. Transfer of Accrued Annual Leave: A new employee in a covered position cannot transfer accrued annual leave from other UNC institutions or other State agencies to this University. Upon discontinuation of employment from a leave earning position at the University, a covered employee may either elect a payout of accrued annual leave as provided in Section X.5., below, or transfer the remaining balance of any unused annual leave to another UNC institution, State or local governmental agency, subject to the receiving agency’s approval.

5. Payout of Accrued Annual Leave: A Senior Officer who has accrued such unused annual leave as of the date of discontinuation of employment and who either does not elect or is not eligible to transfer such accrued leave to another position within the University, the UNC system, or another State or local governmental agency shall be paid for such unused annual leave, subject to a maximum of 30 days.

XI. Eligibility for Other Types of Leave

1. General Leave Benefits: A Senior Officer shall be entitled to the same state-prescribed sick leave, family and medical leave, family illness leave, civil leave, military leave, community service leave, and special legislative bonus leave given to employees subject to the State Personnel Act. However, with respect to sick leave, a Senior Officer may be advanced the amount of sick leave that can be accrued during the remainder of the year or during a twelve-month period.

2. Voluntary Shared Leave: A Senior Officer shall be entitled to the same state-prescribed provisions concerning shared leave as given to employees subject to the State Personnel Act with the exception that the donation and acceptance of such leave shall be computed on the basis of days rather than hours.
3. **Leave of Absence:** A Senior Officer who desires a leave of absence for an interval of 90 days or less must obtain the approval of the President, who shall report all such arrangements to the Board of Governors. A leave of absence for a period exceeding 90 days shall require the approval of the Board of Governors.

XII. **Educational Entitlement**

A Senior Officer shall be entitled to utilize the benefit of tuition waiver, as provided by N.C. G.S. 116-143.

XIII. **Statutory and Other Rules of Employment**

1. **Privacy of Personnel Records:** Senior Officers enjoy the protections of and are subject to the provisions of Article 7 of N.C.G.S. 126, entitled "The Privacy of State Personnel Records."

2. **Employment Preference for Veterans:** Senior Officers enjoy the protections of and are subject to the provisions of N.C.G.S. 128-15 and 128-15.1, which provide for preference in employment for veterans of United States military service and their spouses and widows or widowers.

3. **Employment of Related Persons:** Senior Officers are subject to the Policy concerning employment of related persons as adopted by the Board of Governors on April 13, 1972, and as it may be revised from time to time.

4. **Retirement:** Senior Officers may retire in accordance with the provisions of Chapter 135 of the North Carolina General Statutes.

XIII. **Implementation**

Any proposed amendment to these Policies must be submitted for review and approved by the President of The University of North Carolina prior to its adoption by the Board of Trustees of the University of North Carolina at Chapel Hill.

XV. **Policy Effective Date and Revision History**

1. **Effective Date:** The effective date of these Policies shall be September 25, 2009.

2. **Prior Revision History:** September 1, 1981; January 1, 1988; April 12, 1988; October 1, 1991; May 27, 1994; July 1, 1999; Revised January 27, 2000; May 1, 2000; July 1, 2001; September 25, 2003

XVI. **Policy Maintenance and Accessibility**

This Policy is maintained by the Office of Human Resources (OHR) of The University of North Carolina at Chapel Hill. The most recent revision shall be posted on OHR’s publicly accessible web site. A printed copy is also available on request from OHR.
Employment Policies for EPA Non-Faculty Research Staff, Instructional Staff, and Tier II Senior Academic and Administrative Officers of
The University of North Carolina at Chapel Hill
~ Draft – Not Approved Policy ~

These Policies govern appointment of EPA Non-Faculty Research Staff, Instructional Staff, and Tier II Senior Academic and Administrative Officers of The University of North Carolina at Chapel Hill ("covered employees"). These Policies are adopted by the Board of Trustees of The University of North Carolina at Chapel Hill pursuant to the Employment Policies adopted by the Board of Governors of The University of North Carolina for Senior Academic and Administrative Officers on November 14, 1986 and Research and Instructional Staff on February 13, 1981 and as both policies are subsequently amended.

I. Scope and Applicability of Employment Covered by These Policies

1. Application: These employment policies apply to Tier II Senior Academic and Administrative Officers (hereinafter referred to as “Senior Officer” or “Senior Officers”) in the following positions: Associate and Assistant Vice Chancellors; Associate and Assistant Deans; and other administrative positions within the University that have been approved by the Board of Governors as Tier II Senior Academic and Administrative Officers. These policies also apply to positions within the “instructional and research staff” category under G.S. 126-5 that have been designated and approved by The University of North Carolina at Chapel Hill.

2. Prior Versions and Policy References: References in appointment letters and other University policies which may refer to Sections I.B. and Section III of the “Employment Policies for EPA Non-Faculty Employees of the University of North Carolina at Chapel Hill” which had been last revised as of September 25, 2003 are now covered by the most equivalent sections of the “Employment Policies for EPA Non-Faculty Research Staff, Instructional Staff, and Tier II Senior Academic and Administrative Officer Employees of The University of North Carolina at Chapel Hill.”

II. Appointments to Covered Positions

Every appointment to a covered position within The University of North Carolina at Chapel Hill shall be made by or on behalf of the Chancellor by means of a letter of appointment that fulfills the requirements of this Section.

1. Term of Appointment: Covered employees will generally be appointed to at-will appointments and all Tier II Senior Academic and Administrative Officers may only be appointed at-will. Only in exceptional circumstances and with the approval of the Chancellor or his/her designee may covered Research or Instructional Staff be appointed to a stated term of appointment from one to five
years. The Director of Athletics may be appointed to stated term in accord with Board of Governors policies governing employment contracts for these positions.

2. **Content of Letters of Appointment**: Every letter of appointment to a covered position shall include:
   a. the title of the position;
   b. the initial annualized salary;
   c. provision for periodic review of compensation subject to any compensation policies adopted by the Board of Governors or the Board of Trustees;
   d. provisions consistent with the funding contingencies portion of these policies if the appointment will be contingent on availability of certain funding (as provided in Section IV below);
   e. notice that the appointment is contingent on the successful completion of a criminal conviction check (unless a successful check has been completed prior to the letter being sent);
   f. the annual leave entitlement of the employee;
   g. notice that the employment conferred is "employment at will" subject to continuation or discontinuation at the discretion of the Chancellor or the Chancellor's designee or is for a stated term of appointment for those categories of employees in which a term is specifically permitted in Section II.1 above, and;
   h. notice that the employment is subject to these Policies, as originally adopted and as they may be periodically revised from time to time.

3. **Providing a copy of these Policies**: A printed copy of these Policies shall be attached to each letter of appointment. The most current version of these policies is available from the University's Office of Human Resources.

4. **Presumption of at-will status in the absence of a specific term of appointment**: The employment conferred will be presumed to be employment at-will unless the appointment letter clearly states that the appointment is for a stated term of employment, regardless of any verbal or written statements that otherwise are not contained in a written letter of appointment.

III. Serving Simultaneously In A Position Covered By And Not Covered By These Policies

1. **Base Position**: When an employee is to serve simultaneously in both a covered position and a position of University employment not covered by these Policies, with the result that two different prescriptions may appear with respect to a particular condition of employment or a right or responsibility of the employee, one position shall be designated the base position to determine the conditions of employment and the rights and responsibilities of the employee. If appointment to a covered position occurs subsequent to appointment to a position not covered by these Policies, the letter of appointment to the covered position shall embody the required designation of base employment. Conversely, if appointment to a covered position precedes appointment to the other category of University employment, the letter of appointment or contract establishing the second
employment shall embody the required designation of base employment. In either case, the designation of base department shall specifically describe the different rights, duties, and compensation for each position and the relationship, if any, between the two positions.

2. Application of Funding Contingencies: Any funding contingency of the type referred to in these policies shall be set forth separately for the covered position and for the other position, since the operation of any such contingencies may be independent.

3. Nominal Faculty Appointment: When an appointment to a covered position is to be accompanied by appointment to a faculty position that is intended to be nominal or honorary, or to create a faculty affiliation not entailing significant duties or compensation, the term "adjunct," or similar nomenclature shall be used to identify the faculty appointment.

IV. Funding Contingencies

When a covered position is funded in whole or substantial part from sources other than continuing state budget funds or permanent trust accounts, the letter of appointment shall state:

1. that continuation of the employee's service in that position is contingent upon the continuing availability of funds from such other sources to support that position;
2. shall specify the source of such funds, and;
3. shall state that the effect of such contingency may apply without the additional notice otherwise required by any of the notice provisions of these policies provided, that the affected employee is informed at the earliest practicable date of the occurrence of such a funding contingency.

V. Discontinuation of “At-Will” Appointments with Notice or Severance Pay in Lieu of Notice

1. Reason for Discontinuation: Employment within a covered position that is established as an "employment at will" position is subject to discontinuation at any time at the discretion of the Chancellor or the Chancellor's designee provided that such a discontinuation (as distinguished from discharge for cause) shall require advance timely notice of discontinuation as provided by this Section.
2. Required Notice: The following minimum written notice shall be provided to employees whose appointment is discontinued under this Section.
   a. During the first year of continuous service as a permanent employee with the University, not less than 30 calendar days prior to discontinuation of employment;
   b. During the second and third years of continuous service as a permanent employee with the University, normally 90 calendar days unless a special circumstance is justified by the department and approved by the Chancellor or his/her designee in which case no less than 60 calendar days prior to discontinuation of employment, and;
c. During the fourth and all subsequent years of continuous service as a permanent employee with the University, not less than 90 calendar days notice prior to discontinuation of employment.

3. *Working Notice:* The University expects that employees will continue working for the duration of the applicable notice period unless severance pay in lieu of notice has been authorized as provided by this Section. Nothing in this section precludes off-campus work assignments during the notice period when determined to be in the best interests of the University and adequate oversight of the work performed is provided. Any such arrangement is exclusively at the discretion of the University and must be approved by the appointing department head with the concurrence of the relevant administrative approval chain.

4. *Severance Pay in Lieu of Notice:* In circumstances when it is determined to be in the best interests of the University, the Chancellor or his/her authorized designee shall have the discretion to terminate an at-will employee immediately with severance pay in lieu of notice or to approve another working arrangement consistent with Board of Governors policies. Severance pay shall be paid as follows:
   
a. During the first year of continuous service as a permanent employee with the University, payment shall be for 30 days.
b. During the second and third years of continuous service as a permanent employee with the University, payment shall be for 60 days.
c. During the fourth and all subsequent years of continuous service as a permanent employee with the University, payment shall be for 90 days.
d. Alternatively, a combination of notice and severance pay may be provided as long as the combined total of the two shall not exceed the total number of days set forth in Sections a., b., and c. above given the years of continuous service as of the date employment is ended.

If an employee is to receive severance pay in lieu of notice, the decision must be communicated to the employee as part of the notice of discontinuation, and the employee must be notified that his/her benefits will terminate based on the last date worked.

VI. Expiration of Term Appointment and Notice of Non-Renewal

Employment within a covered position that is expressly established by the letter of appointment to be for a stated definite term expires automatically at the conclusion of the stated term; such an appointment may be renewed or extended at the option of the University only by written notice. If the University intends not to renew or extend the term contract, then:

1. With respect to a term of one year or less, no notice of intent not to renew shall be required.
2. With respect to a term of more than one year, but less than four years, notice of intent not to renew shall be transmitted in writing normally 90 calendar days prior to the expiration date of the term unless a special circumstance is justified by the...
appointing department and approved by the Chancellor or his/her designee in which case such notice shall be no less than 60 calendar days notice prior to the expiration date of the term.

3. With respect to a term of four years or more, notice of intent not to renew shall be transmitted in writing not less than 90 calendar days prior to the expiration date of the term.

Failure to provide written notice as required in subsections (2) and (3) of this Section shall result in the automatic extension of employment for a period of 60 days for a term of more than 1 year but less than four years or 90 days for a term of four years or more. Such extension shall be made from the scheduled expiration date of the term appointment.

VII. Termination of Employment Due to Financial Exigency or Program Curtailment or Elimination

Employment within a covered position that is established by the letter of appointment to be for a stated definite term may be terminated prior to expiration of the stated term because of demonstrable, bona fide institutional financial exigency or major curtailment or elimination of a program. "Financial exigency" is defined to mean a significant decline in financial resources of the University that compels a reduction in the institution's budget. The determination of whether a condition of financial exigency exists or whether there shall be a major curtailment or an elimination of a program shall be made by the Chancellor, with advance notice to and approval by the President and the Board of Governors. If the financial exigency or curtailment or elimination of a program is such that the contractual obligation to an employee within a covered position cannot be met, the employment of the individual may be terminated, subject to the following notice requirements:

1. During the first year of service, not less than 30 days notice prior to termination;
2. During the second and third years of employment, not less than 60 days notice prior to termination; and
3. During the fourth and all subsequent years of service, not less than 90 days notice prior to termination.

VIII. Discharge for Cause

1. *Basis:* Any employee occupying a covered position may be discharged for stated cause. Discharge for cause is to be distinguished from discontinuation based on funding contingency (Section IV), discontinuation with notice or pay in lieu of notice (Section V), expiration of term (Section VI), or termination due to financial exigency or program curtailment (Section VII). Stated causes for discharge shall include, but not necessarily be limited to: incompetence, unsatisfactory performance, neglect of duty, or misconduct that interferes with the capacity of the employee to perform effectively the requirements of his or her employment.
2. **Notice of Intent to Discharge:** Discharge for cause is to be preceded by written notice of intent to discharge the covered employee by the appointing unit with the advance approval of the Chancellor or his/her designee. The notice of intent shall include the following elements: date, time, and location of a pre-discharge conference; the guidelines under which the pre-discharge conference will be conducted; the basis of the proposed discharge; and, the employee’s appeal rights in the event of discharge. The notice is to be provided to the employee either in person or by overnight express service to the employee’s home address of record with the University.

3. **Suspension:** When a covered employee has been notified of the intention to discharge him for cause in writing, the Chancellor or his/her designee, have the option to suspend employment at any time and continue the suspension until a final decision concerning discharge has been reached following a pre-discharge conference as described by this Section. When suspension is invoked, it shall be with full pay.

4. **Pre-Discharge Conference:** The Office of Human Resources shall arrange, in conjunction with the appointing unit, a pre-discharge conference. The employee’s attendance at the conference is optional and a failure to attend does not limit the employee’s right to appeal under the relevant University policies and procedures. The only attendees permitted at the conference are the employee, a representative of the appointing unit, and staff from the Office of Human Resources. At the conference, the representative of the appointing unit will present the basis for the proposed discharge and the employee will have an opportunity to respond and offer any explanation, verbally and/or in writing, why he/she believes they should not be discharged as proposed.

5. **Disposition of Notice of Intent:** As a result of the pre-discharge conference, the appointing Department Head shall make a recommendation to the Chancellor or his/her designee as to whether the proposed discharge shall proceed. With the concurrence of the Chancellor or his/her designee, the employee shall be notified in writing of the decision within 5 business days following the pre-discharge conference by overnight express service.

6. **Discharge:** If the decision is to discharge, the notification shall inform the covered employee of the date of discharge and applicable appeal rights under relevant University policies. As of the effective date of the discharge, any suspension with pay, if previously invoked, shall cease and the covered employee’s appointment with the University shall end without regard to whether the employee chooses to pursue further appeals. No provision of this Policy shall be interpreted to extend an employee’s right to pay beyond the expiration of the employee’s term of appointment while an appeal is pending under this Policy.

7. **Appeal Rights:** Upon discharge for cause, the employee shall have available rights of appeal as required under Section 611 of the Code of The University of North Carolina and as provided by Sections IX, X, and XI of these Employment Policies. Such appeal shall be provided through the University’s EPA Non-Faculty Grievance Policy and when applicable, the administrative
 IX. Review of Employment Decisions and Grievances

The University is committed to fair and equitable treatment for all employees. Therefore, the University has established a separate Grievance Policy and Procedure for EPA Non-Faculty employees covered under these Employment Policies in conformance with the policies of The University of North Carolina. However, grievances concerning discontinuations or terminations of employment with notice, pursuant to Sections V, VI, and VII of the Employment Policies may be brought only upon allegations of violations of applicable notice requirements or violations of any provision of Section X. or XI. of these policies.

X. Equal Employment Opportunity

It is the policy and intention of The University of North Carolina at Chapel Hill that there be equal employment opportunity and freedom from unlawful discrimination in all employment within the University. To this end, the University has established a separate Policy On Prohibited Harassment And Discrimination which shall be used in conjunction with these Employment Policies to define impermissible conduct in employment and provide avenues for employees to secure relief from such conduct when alleged. Bona fide occupational qualifications or other exceptions to the University’s equal opportunity provisions specifically provided for by State or Federal law may be applied to EPA non-faculty positions.

XI. Protected Activity

Employment in covered positions shall not be adversely affected by the exercise of rights guaranteed by the First Amendment to the United States Constitution or by Article I of the North Carolina Constitution; provided that covered employees shall be subject to any limitations on political activity established by Article 5 of N.C.G.S. Chapter 126. The Board of Governors’ Policy in this regard, as adopted on January 16, 1976, and as it may be revised from time to time, shall apply to covered positions.

XII. Holidays

Employees in covered positions shall be entitled to the same state-prescribed holidays given to employees subject to the State Personnel Act.

XIII. Annual Leave

1. Basic Leave Policy: A full-time employee in a covered position shall be entitled to 24 days of annual leave per calendar year. The amount of annual leave is adjusted proportionately for covered employees in part-time positions who work half-time or more. Leave shall be earned on a monthly basis. The monthly
earnings amount is equal to one-twelfth of the annual rate for each month the employee works or is on approved leave with pay at least half the working days of a month. The scheduling of an employee's annual leave shall be subject to the approval of his or her supervisor.

2. Maximum Leave Carry Forward: The maximum number of unused days of annual leave that may be accrued and carried forward from one year to the next shall be 30 work days; however, unused annual leave in excess of thirty (30) days shall be converted to sick leave on December 31st of each year.

3. Exceptions to Basic Leave Policy: With respect to an incumbent employee occupying a covered position as of July 1, 2001, if the employee currently earns more annual leave than that to which the employee would be entitled under the provisions of this Policy, the employee will continue to earn leave at his or her current rate; provided, that in no case shall maximum annual leave exceed 26 work days per calendar year.

4. Transfer of Accrued Annual Leave: A new covered employee cannot transfer accrued annual leave from other UNC institutions or other State agencies to this University. Upon discontinuation of employment from the University, a covered employee may either elect a payout of accrued annual leave as provided in Section XIII.6. below, or transfer the remaining balance of any unused annual leave to another UNC institution, State or local governmental agency, subject to the receiving agency's approval.

5. Advancement of Annual Leave: Subject to approval by the employee's supervisor, an employee may be advanced the amount of leave that can be accrued during the remainder of the calendar year. If an employee separates from the University and has taken more annual leave than has been accrued, the University will take appropriate deductions from the employee's final pay check subject to any relevant wage-hour laws.

6. Payout of Accrued Annual Leave: A covered employee who has accrued such unused annual leave as of the date of discontinuation of employment, and who either does not elect or is not eligible to transfer such accrued leave to another position within UNC-Chapel Hill, another UNC institution, or State or local governmental agency, shall be paid for such unused annual leave as follows:

   a. Employees with 24 Months or Less Total State or Local Service: The amount paid to a covered employee who has been employed an aggregate of 24 months or less by one or more State or local governmental agencies is equal to one day for each month worked less the number of days of annual leave taken during the employment period. Nothing in these policies is intended to limit an employee to use any excess leave subject to forfeit prior to their date of separation from the University, although any such use is entirely at the discretion of the appointing Department Head.

   b. Employees with More than 24 Months Total State or Local Service: A covered employee who has been employed for more than 24 months by one or more State or local governmental agencies may elect to take all or part of such unused annual leave prior to the discontinuation of employment, or may elect to be paid in a lump sum for any accrued annual
leave that is unused as of the date of discontinuation, subject to a prescribed maximum of 30 days for lump sum payment. The prescribed maximum shall be pro-rated for individuals who work less than full-time based on their full-time equivalent work schedule at the time of separation.

XIV. Eligibility for Other Types of Leave

1. General Leave Benefits: A covered employee shall be entitled to the same state-prescribed sick leave, family and medical leave, family illness leave, civil leave, military leave, community service leave, and special legislative bonus leave given to employees subject to the State Personnel Act. However, with respect to sick leave, a covered employee may be advanced the amount of sick leave that can be accrued during the remainder of the year or during a twelve-month period.

2. Voluntary Shared Leave: A covered employee shall be entitled to the same state-prescribed provisions concerning shared leave as given to employees subject to the State Personnel Act with the exception that the donation and acceptance of such leave shall be computed on the basis of days rather than hours.

3. Leave of Absence Without Pay: Employees in covered positions may request leave of absence, without pay, subject to approval of such leave by the Chancellor or his/her designee.

XV. Educational Entitlement

Employees in covered positions shall be entitled to utilize the benefit of tuition waiver, as provided by G.S. 116-143.

XVI. Statutory and Other Rules of Employment

1. Privacy of Personnel Records: Employees in covered positions enjoy the protections of and are subject to the provisions of Article 7 of N.C.G.S. 126, entitled "The Privacy of State Personnel Records."

2. Employment Preference for Veterans: Employees in covered positions enjoy the protections of and are subject to the provisions of N.C.G.S. 128-15 and 128-15.1, which provide for preference in employment for veterans of United States military service and their spouses and widows or widowers.

3. Employment of Related Persons: Employees in covered positions are subject to the Policy concerning employment of related persons as adopted by the Board of Governors on April 13, 1972, and as it may be revised from time to time.

4. Retirement: Employees in covered positions may retire in accordance with the provisions of Chapter 135 of the North Carolina General Statutes.

XVII. Implementation

Any proposed amendment to these Policies must be submitted for review and approved by the President prior to its adoption by the Board of Trustees.
XVIII. Policy Effective Date and Revision History

1. **Effective Date:** The effective date of these Policies shall be September 25, 2009.
2. **Prior Revision History:** September 1, 1981; January 1, 1988; April 12, 1988; October 1, 1991; May 27, 1994; July 1, 1999; Revised January 27, 2000; May 1, 2000; July 1, 2001; September 25, 2003

XIX. Policy Maintenance and Accessibility

This Policy is maintained by the Office of Human Resources (OHR) of The University of North Carolina at Chapel Hill. The most recent revision shall be posted on OHR’s publicly accessible web site. A printed copy is also available on request from OHR.
June 23, 2009

Dr. Holden Thorp, Chancellor  
Campus Box 9100  
South Building

Dear Dr. Thorp:

We have completed a review of the H. W. Odum Institute for Research in Social Science (Institute). We initiated this review at the request of senior management in response to a complaint about the Citizen Soldier Support Program but our work was not limited to that program. The purpose of our review was to evaluate current operations within the Institute. Our review consisted of interviews with employees from the Institute, UNC’s Central Offices (OSR and Purchasing) and a review and analysis of business functions such as payment processing, independent contractor services and contract and grant activities for the fiscal years 2007 and 2008.

Based on the procedures we performed, we conclude that internal controls over some of the Institute’s business processes needed to be strengthened to improve fiscal control and efficiency. Management is aware of these issues. The Office of Sponsored Research (OSR) and the Institute are continuing to work to resolve them. Details of these issues, recommendations to address them, and management’s response are provided in the attached report.

We will evaluate the status of these issues when we conduct future University-wide follow-up reviews. If you have any questions, please call us at 962-5524.

Sincerely,

Phyllis C. Petree  
Director of Internal Audit

Kerri McNeill  
Internal Auditor

c: Ken Bollen  
Bernadette Gray-Little  
Stan Koziol  
Elmira Mangum  
Richard D. Mann

Barron Matherly  
Roger D. Patterson  
Leslie C. Strohm  
Margaret A. Vigiloto  
Tony Waldrop
Findings and Recommendations

Control Environment

The overall control environment for the H. W. Odum Institute for Research in Social Science (Institute) needed to be improved in relation to sponsored programs. The Institute has been working with the Office of Sponsored Research (OSR) to improve the Institute’s control environment and level of compliance with requirements.

Recommendation

Failure to follow established policies and procedures resulted in inefficiencies and additional work for the Institute and for OSR and Purchasing Services. As a result, delays in inquiry responses, invoice reporting, and payment processing have occurred.

We recommend that efforts continue in partnering with OSR and other central offices to identify and follow the proper courses of action relative to various fiscal activities and, in particular, to compliance with federal policies and procedures for grant activities.

Management’s Response

We thank the Office of Internal Audit for their feedback. We have learned from it, and we are taking specific steps to address the issues under our control.

1. We have developed a set of operating procedures that document how University policies and procedures should be administered. These policies will be compiled in a procedures manual for employees in the business office and on projects. We will schedule information sessions to highlight and review policies that address specific issues raised in this report.

2. We have scheduled additional university-sponsored training for business operations staff. The director of business operations has already attended one 2.5 day training in May 2009 and will continue to participate in further training. Other business office employees will also attend training.

3. In November 2008 we hosted PARS training for Odum Institute employees and affiliated principal investigators.

Long before the audit we sought guidance on several issues that were not covered by established procedures. Employees in OSR and other UNC central offices were often confronted with situations and decisions rarely encountered in other projects. We appreciate their perseverance in helping us find solutions and look forward to working with them to resolve any remaining issues.

Sponsored Research Activity

Grant activity was sometimes performed without proper account setup or prior to involvement by OSR. This practice increases the risk of non-compliance with Federal rules and regulations related to cost reimbursement, allowable activities, and time and effort reporting.
• Transactions related to a research agreement with RTI International (RTI) were charged to a state account before the RTI award was finalized. The Institute should have entered into a letter of guarantee with RTI to cover start-up costs; this practice would have allowed project activity to be tracked and recorded while the award was being finalized. As a result of using the state account, many retroactive payroll adjustments had to be processed which led to questions about time and effort reporting for this project.

• An agreement with SERCO, Inc. (SERCO), a fixed price contract, was approved by OSR personnel in March 2008. Initially, the terms of the agreement were limited to a period of performance of 8 days, a timeframe too narrow for the proper accounting of all associated costs. Rather than contact OSR to modify the period of performance for the account, the Institute charged transactions related to the SERCO project to the CSSP grant account. Adjustments to correct these unallocable charges – occurring in Spring 2008 - were not made until December 2008 and January 2009. Some of the adjustments involved payroll charges previously certified as accurate.

The Institute began discussions to obtain additional funds for the Spring 2008 SERCO project but the additional funds requested could not be supported by actual costs.

• The Institute engaged in work with area health education centers (AHEC) prior to obtaining required sponsor approval. Transactions related to this work were charged to state-funded and overhead accounts until the proper approvals could be obtained. After approval, adjustments were made to correctly allocate charges to the grant account, work that would not have been needed if the Institute had followed correct procedures.

Grants, particularly those from federal earmarks are not guaranteed funding. Therefore, engaging in sponsored program activity prior to completing a project agreement or letter of guarantee creates a risk that the University would be financially responsible for that activity if the proposed grant is not funded.

Recommendation

We recommend that future proposed contract service agreements be communicated to OSR so that the proper setup can take place. In the event of a delay in setup, a letter of guarantee should be used to begin work in advance of the award setup.

To avoid miscommunication between varying department personnel, we recommend that the current protocol of contacting the award manager for expected purchasing activity continue. This will streamline communication efforts and promote efficiency to reduce correcting adjustments on the back end.

Management's Response

We comment on each issue individually below.

Re RTI Agreement

We erred in not knowing about and by not implementing a letter of guarantee for this project. This agreement with RTI was developed and executed in 2003-04 under a previous business manager who left the Institute to work for RTI. We have developed and put in place operating procedures to ensure this does not happen again.

Re SERCO Contracts
In February 2008 we sought the advice of OSR on how best to approach these agreements. This was a fixed price contract approved by OSR. According to OSR this is an acceptable form of agreement, although it carries some risk for CSSP, if actual costs of performance exceed the fixed price. We did not believe it was necessary to enter a wide timeframe in RAMSES in order to allocate costs on a fixed price contract. The agreement was reviewed and approved as submitted by OSR. We have established procedures internally and with OSR for costing out SERCO contracts and defining the period of performance. We will continue to follow these protocols.

Re Agreements with Area Health Education Centers (AHECs)

Since this type of program was breaking new ground, there was no precedent regarding the appropriate way to obtain prior sponsor approval.

We also sought advice from OSR and purchasing on AHEC-supported training and were told we did not need prior sponsor approval to engage in this work. OSR determined that AHEC training should be purchased through a contract for services and not through a subaward. That policy was communicated to us from OSR in a January 9, 2009, e-mail.

We did pay SEAHEC to conduct training from Institute overhead accounts while we were waiting for OSR and purchasing to make this determination. This training was urgently needed for behavioral health providers across the state to treat returning combat veterans returning from Iraq and Afghanistan with post-traumatic stress disorder and depression. In light of the delays in working through OSR to reach a decision about how to proceed in paying for these services, we chose to provide this important training in a timely fashion.

Before receiving this report, we established a process jointly with OSR and procurement in which we will contact the award manager for direction on how to proceed on all contracting or subaward actions. We will continue to follow this protocol.

Time and Effort Reporting

The Institute sometimes based payroll distributions to sponsored accounts on budgeted amounts rather than actual time and effort expended. Also, our review of forms used to certify time and effort related to sponsored accounts (PARS reports) revealed several reports were not returned to OSR in a timely manner.

OMB Circular A-21 requires that employees report the official effort they expend on sponsored research activities based on actual work performed for the project. PARS reports must be returned to OSR by published due dates. Failure to comply with these requirements can result in fines and damage future relations with sponsoring agencies.

Recommendation

The Institute should establish procedures that ensure that payroll charges for individuals funded from sponsored accounts are allocated among accounts based on these individuals' activities. Procedures should also be established to ensure that PARS reports are signed and returned to OSR on time.

Management’s Response

Initial salary distributions for employees funded through external grants are based on the percentages of effort authorized in the contracts approved by OSR and sponsors. The PARS system is a
retrospective “check” to make sure that the work an individual actually performed matches the initial salary distribution for an individual budgeted in approved agreements for sponsored accounts.

We do our best to ensure that PARS reports are signed and returned to OSR on time, but project employees are not always prompt in returning them to the business office. We continue to emphasize to our employees the importance of completing PARS reports in an accurate and timely fashion. Our business office is also taking steps to ensure that adjustments to PARS reports are reflected in salary distributions as soon as possible after they occur.

In November 2008, the Institute required all EPA non-faculty and administrative staff to attend a presentation on PARS. Principal Investigators with projects administered through the Institute were also asked to attend. It was clear from the Q&A session after Kevin Maynor’s presentation that many faculty members from other departments have significant questions about PARS implementation.

After this session, Institute staff members compiled a list of questions about PARS, which was shared with OSR and is now being used in their PARS training.

**Independent Contractor/Employee**

An individual who has provided long-term services to the Institute has been paid as an independent contractor or through his business as a vendor. An April 2008 review of this work relationship with this individual determined that the individual should be considered an employee. However, as of March 2009, the individual continues to be paid through his business rather than as an employee.

There is a risk for penalties for noncompliance with IRS guidelines related to payments for services that should be treated as an employer-employee relationship.

**Recommendation**

We recommend that the individual be added to UNC payroll as an employee to be in compliance with IRS guidelines.

**Management’s Response**

We sought guidance from OSR, Purchasing, and HR in February 2008 on how to obtain his services because we wanted to make sure we were in compliance with University policies. In response to those efforts, we were advised to hire Mr. Peterson as an SPA temporary employee. When the HRIS system would not allow that, we were advised to hire him as an EPA non-faculty employee. We submitted paperwork to employ him as a temporary EPA non-faculty employee, but that request was denied due to cost. We conferred with OSR and purchasing again, and they directed us to execute a purchase order for his services. We continued to work with Central Offices to resolve this issue and believe we have found a satisfactory resolution.

**Administrative Review Processes**

The Institute’s administrative review processes needed to be improved. Our review disclosed errors and numerous correcting entries that could have been avoided with proper administrative review.
Examples include:

- Improper tracking of expenses related to the RTI agreement resulted in confusion when the sponsor requested supporting documentation for invoiced expenses. RTI was billed accurately but reports printed from the Financial Records System and provided to RTI did not agree with information listed on the departmental tracking spreadsheet sent to RTI. The spreadsheet was incomplete and should not have been forwarded to RTI. OSR should have been contacted to provide an official report with requested detail to the sponsor.

- Sponsored program charges were 'parked' on state and overhead accounts until proper setup of a grant account or budget line item has been established. This practice required multiple account adjustments to move charges to the appropriate account when setup was complete.

- The Institute submitted a few duplicate invoices for payment. Most of these invoices were not paid because central office controls identified them as duplicate and rejected the payment requests. However, there was one $230 duplicate payment to an independent contractor that needs to be recovered.

- Several invoices were paid late — more than 30 days after receipt of both the invoice and the goods or services purchased. Delays ranged from six days to a year.

- Detailed receipts were not always provided for business meals.

- Some individuals were reimbursed in excess of the appropriate per diem for meals and some were reimbursed for lunches when not in overnight travel status.

- Improper shift differential was paid to several Institute employees because of incorrect time sheet preparation. These time sheets were approved by the supervisor with errors listed.

Recommendation

We recommend that the Institute take steps to improve administrative review of transactions and to ensure that its staff and faculty are knowledgeable about and know where to locate information about federal, state, and university policies and procedures. Better awareness of requirements will reduce the risk of errors and non-compliance and the need for correcting entries.

Management's Response

Re RTI Agreement

As noted previously, we acknowledge that we did not handle this agreement correctly. As stated in the previous paragraph, however, “RTI was billed accurately.” Again, this agreement with RTI was developed in 2003-04 under a previous business manager. We have put in place procedures to ensure this does not happen again.

Re State and Overhead Accounts

This seems to address a point covered previously about starting work on a project without having an agreement in place. We agree that it would be easier for everyone involved to avoid this situation. This was done when necessary to meet deadlines for training behavioral health providers to work with returning combat veterans who have depression or post-traumatic stress disorder. With better planning we will avoid this situation in the future. CSSP has hired a deputy director who is assisting with this.
Re: Overpayment Due to Duplicate Invoices

The above finding notes that “most of these invoices were not paid,” when only one duplicate item in two separate invoices was paid. We acknowledge that the $230 overpayment was an error, and we have taken steps to collect that overpayment. Here is what happened. We first received request for reimbursements that used credit card statements. Months later, the original receipts were mistakenly resubmitted by the vendor and were reimbursed. Although UNC policy allows reimbursement using two different kinds of source documents, we now allow only original actual receipts for reimbursement.

Re: Late Invoices

We pay hundreds of invoices each year, and the majority of those invoices are paid in a timely manner. When an invoice is incomplete or does not provide adequate documentation that a service was provided, it may not be paid on time. At our request, we were given a list of the paid late invoices, and we are investigating to see what led to each late payment. We will take corrective actions where needed.

Re: Reimbursement for Meals While not on Official Travel Status

We have no evidence that this is a routine occurrence, but we have made it clear to employees who travel that detailed receipts must be submitted for reimbursement for eligible expenses.

Based on our conversations with Internal Audit staff, it appears that the violations that occurred involved in-state travel. We were not aware that some federal contracts did not permit federal travel rates and mistakenly reimbursed at the federal rate rather than the in-state rate. We will develop a section in our procedures manual that clarifies allowable expenses. We will make sure that our employees understand the per diem policy for meals and appropriate rules that govern it for state funds and for federal grant funds.

Re: Improper Shift Differential

There was a coding error on the paper timesheets for two employees working overtime on special projects. However, these employees were not coded “shift differential eligible” in HRIS. The new TIMS system for payroll, which Odum now uses, should provide an effective control from now on.

Travel Reimbursement

We completed a review of travel reimbursements from the Citizen Soldier Support Program in response to allegations submitted to the State Auditor’s Hotline regarding possible misuse of grant funds for commuting expenses. Based on the procedures performed, we determined that the travel reimbursements were appropriate based on departmental approval for the employee’s home in Virginia to be her duty station. The sponsor of the programs has also approved this work arrangement.

Summary Comments

In the preceding material we acknowledge where we made mistakes and corrective actions we are taking to make sure they do not happen again.
For many of the major issues raised in this report, we have looked to OSR and UNC's central offices for guidance. These issues include paying Peterson & Associates for curriculum development and training, contracting with AHECs for behavioral health training, executing a subaward with MAHEC to establish a demonstration behavioral health clinic, and managing short-term contracts and agreements for the Army. In the case of subawards or contracts for services with AHECS, we now have clarity after many months of delays. In the case of Peterson & Associates, we attempted to follow the recommendation of this audit report as early as February 2008 to hire him as an employee but were not able to do so. We believe we have found an acceptable resolution to this issue.

We recognize the many months of work that went into this audit, and we hope that the University, as well as the Institute, will benefit from your efforts.

Individuals Providing Responses

Ken Bollen, Director of H.W. Odum Institute for Research in Social Science
Peter Leousis, Deputy Director
Richard Silc, Business Manager

Appropriate members of senior management have reviewed the report and responses.
Report from the Review Committee
Citizen Soldier Support Program (CSSP)

Submitted to Tony Waldrop, Vice Chancellor, Research and Economic Development
June 25, 2009

Foreword

On May 11, 2009, five people were tragically shot at a U.S. base in Iraq. One of those who died was Navy Commander Charles Springle. He was director of the Camp Lejeune Community Counseling Center and had worked closely with the Citizen Soldier Support Program (CSSP). Commander Springle was dedicated to helping service members with mental-health problems, and he planned to continue his work with the CSSP when he returned from Iraq, focusing his training on the traumas experienced by service members and the barriers that prevent them from being treated. Sadly, it appears that a man suffering from just such a trauma may have been the one who ended Commander Springle’s life.

Tragic events such as these remind us that every day that many thousands of service men and women and their families struggle to cope with the effects of deployment and the stress of military service. If, in the report that follows, we are occasionally critical of some aspect of the CSSP’s operations, it is not because we fail to appreciate and honor its vital mission. Indeed, we are powerfully motivated to do what we can to help the program accomplish its goals, so that soldiers and their families receive the help they need.

Committee’s Charge and Scope of Work

In February of 2009, Tony Waldrop, vice chancellor for research and economic development at UNC-Chapel Hill, convened a committee to review the Citizen Soldier Support Program in response to questions raised about the program internally and externally. On July 15, 2008, CSSP leadership had responded to a letter to UNC System President Erskine Bowles from U.S. Representative Sue Myrick questioning the management of the program. (The Myrick letter and the response are attached as Exhibit A and Exhibit B, respectively.) Vice Chancellor Waldrop also requested an audit of the Odum Institute for Research in Social Science, the administrative home of the CSSP, to learn whether proper accounting and grants-management procedures were being following. The auditor’s report, attached as Exhibit C, is discussed below.

On February 17, 2009, the review committee met to receive its charge and begin its work. The charge, as expressed by the committee’s chair on behalf of Vice Chancellor Waldrop, was to conduct a comprehensive review of the CSSP and report the findings to Dr. Waldrop. (A list of the committee members appears in Exhibit D.) The scope of the review would include the program’s history, mission, organization, leadership and management, programs, operations, relations with clients and collaborators, and future directions. The committee’s goal was to determine whether the program is meeting its objectives in a manner consistent with its mission and contractual obligations, to identify strengths and weaknesses, and to provide guidance on future directions and priorities for the program.
To gather information about the program, the committee reviewed CSSP documents and met with current leaders: Mr. Peter Leousis, principal investigator; Dr. Susan Kerner-Hoeg, director of military relations; and Mr. William Abb, deputy director. We also interviewed two former directors of the CSSP, Dr. Dennis Orthner and Dr. Jim Martin, and conducted structured interviews, primarily by telephone, with more than 20 key constituents and collaborators. The analysis that follows in these pages is drawn from information provided by these sources collectively and represents the committee’s effort to synthesize the diverse accounts. The conclusions are supported by the fact that there was substantial agreement among multiple sources that provided input to the committee.

**Overview of CSSP’s Mission and Current Initiatives**
During the February 17 meeting, Mr. Leousis and Dr. Kerner-Hoeg provided an overview of the CSSP’s current programs and distributed information about its various initiatives. CSSP’s mission was stated as follows:

To engage and connect military and community service systems to increase the readiness and resiliency of Reserve Component soldiers and their families.

To accomplish this mission, the current program invests its resources in three initiatives:

- **Building Community Partnerships** is an effort to expand the capacity of communities and the military to deliver services to service members and their families. Activities include training on how to build and sustain partnerships. During 2008, training was provided by CSSP to U.S. Army personnel in several regions of the United States.

- **Behavioral Health** is an effort to promote, statewide in North Carolina and beyond, a model for providing services focused on post-traumatic-stress disorder and traumatic brain injury. This training is delivered through the N.C. Area Health Education Center (AHEC) system in partnership with the Veterans Administration (VA). In 2008, more than 800 civilian primary-care and mental-health practitioners received training under this initiative, and 350 of those agreed to be in a published directory of service providers. In cooperation with the UNC Health Sciences Library, the initiative also provides a website listing health resources for service men and women and their families.

- **Family Law Partnerships** is an effort to develop a network of attorneys who will provide pro bono legal assistance to National Guard and Reserve families.

According to Mr. Leousis and Dr. Kerner-Hoeg, these initiatives were conceived to meet four criteria: (1) replicable, (2) scalable, (3) cost-effective, and (4) sustainable. The committee agreed that these are important criteria. As we conducted our review, we considered how successfully the program’s activities met these criteria.

We will not attempt to recite in this report all of the program’s accomplishments. They are numerous and have been thoroughly reported in the CSSP’s documents and presentations. Rather, we focus on aspects of the program that we believe can be strengthened to make the CSSP more effective and sustainable.

**A Brief History of the CSSP**
In its first several years, the CSSP has struggled to overcome challenges related in part to its ambitious and ill-defined mission and to a complex and challenging operating environment. In the program’s first three years, funding delays, turnover in leadership, and several changes in
objectives delayed the program’s progress, created confusion among key constituents about its focus, and prompted concern about its cost-effectiveness.

The review committee deemed it necessary to understand the history of the CSSP and to learn whether past difficulties continue to affect the program’s progress and reputation.

Initially, the CSSP was led by Dr. Dennis Orthner, a UNC professor of social work who had more than 30 years of experience working with the military on family and community issues. Dr. Orthner conceived a program that would build communities’ capacity to support the families of military personnel in the National Guard and Reserve. During 2003, Dr. Orthner worked with Major General Doug Robertson, a retired Army Reserve general officer who had commanded the North Carolina-based 108th Division and was then director of the UNC Highway Safety Research Center, to plan the program. Dr. Allison Rosenberg, UNC’s associate vice chancellor for federal affairs, worked with Dr. Orthner and Maj. Gen. Robertson to propose a program for congressionally directed funding. Their proposal went forward as a priority of the Chapel Hill campus and the UNC system and received strong support from the North Carolina Congressional Delegation. The initial award of $1.8 million was for Federal Fiscal Year 2004, but funds were not available until March 2005 (a summary of the CSSP’s grant history appears in Exhibit E).

The central idea of the program during this phase was that community liaisons would help communities adapt and enhance existing local programs and services to more effectively meet the needs of citizen soldiers and their families. The program would begin with a North Carolina focus but was intended to produce models that would be replicable on a national scale. Because there was not sufficient funding to place liaisons in every county in the state, and because not every community would need services, each liaison would cover several counties. During its first year, the project selected, hired, and trained the liaisons and directed them to begin work creating partnerships in communities. Collaborators from several universities received a portion of the funding and contributed to the effort. For example, N.C. State University worked with North Carolina’s parks and recreation sector, UNC-Greensboro worked with public libraries, and Virginia Tech was given responsibility for developing an evaluation component.

As the CSSP’s leaders acknowledged from the beginning, the success of this effort would depend upon a strong relationship between the program and the U.S. military, especially the National Guard and Reserve. By various accounts, the project received an initially enthusiastic reception from the military, thanks in part to the experience and credibility of Dr. Orthner and Maj. Gen. Robertson, and the effective advocacy of Dr. Rosenberg, Chancellor James Moomer, Vice Chancellor Tony Waldrop, and other leaders of UNC-Chapel Hill enthusiastically endorsed the project, providing resources, infrastructure, and coordination. In short, the CSSP initially enjoyed substantial funding, goodwill, and cooperation from key collaborators and Congressional leaders, as well as from UNC administration. But during the program’s first two years, much of this goodwill began to erode.

Perhaps the most significant setback occurred when the N.C. National Guard, led by Major General William Ingram, Jr., lost patience with the program’s lack of progress. According to our sources, the Guard’s leadership took a strong interest in the CSSP’s plan to engage public schools and to assist the children of citizen soldiers and the children’s teachers. Outreach to
public schools became a key objective of the CSSP, and a faculty member from UNC’s Frank Porter Graham Child Development Institute (FPG) agreed to develop the program. Based on our interviews and review of project documentation, we can understand General Ingram’s disappointment in this effort, which yielded draft materials but few practical results. According to our sources, there was a disagreement between the N.C. National Guard and the FPG faculty member about the best approach, and the CSSP was not able to reconcile the views.

Other factors may have influenced the opinions of leaders in the N.C. National Guard. Military leaders were unclear about the CSSP’s “chain of command,” and this confusion did not inspire confidence. The departure of Maj. Gen. Robertson from UNC and from the program during this period may have contributed to a breakdown of communication. Also, some of the CSSP’s community liaisons had been hired away from the Guard’s own family program, perhaps creating ill will with the Guard. Whatever the causes, the N.C. National Guard’s leadership ceased to view the CSSP as relevant to its goals for supporting soldiers and their families. This strained the relationship between the National Guard and the CSSP program, which remains today a significant obstacle to the success of the CSSP.

The committee has spent considerable time probing the leadership confusion that afflicted the CSSP for several years. In 2005, Dr. Orthner decided to begin a transition from the directorship of the CSSP to other academic work. He recruited Dr. Jim Martin, a professor of social work at Bryn Mawr College in Pennsylvania and a former Army colonel and researcher at Walter Reed Hospital, to take his place. At first, Dr. Martin worked with the project part-time, with the expectation that the CSSP would hire him as the full-time director. He took over as acting director in the summer of 2006, still working part-time from Bryn Mawr. Unfortunately for the program, it was during this period that funding for the CSSP was interrupted for six months because of red tape in Washington, with the result that Dr. Martin could not join the project full-time as planned. He continued to commute part-time from Bryn Mawr, but with no full-time leader on campus the program lost momentum and several key initiatives “evaporated,” as one military leader has put it.

But the funding problem was only one factor in the program’s lack of progress.

Leadership issues aside, Dr. Orthner candidly acknowledges that the CSSP achieved mixed results during the first year or so of his tenure as director. In addition to the lack of progress in public schools, the program’s community-liaison model did not function as expected, he says. Liaisons tended to work close to home and did not effectively build the capacity of other communities in their districts to assist citizen soldiers and their families. Part of the problem was that the services were not integral to the military’s own support programs and were therefore not visible to military leaders, who felt no real ownership of the activities. As Dr. Orthner recalls,
"We learned that you have to work through the military structure. I no longer believe in the ‘Field of Dreams’ approach—if you build it they will come."

As Dr. Orthner and the CSSP applied lessons learned, the program did achieve some notable success. The recreation initiative led by N.C. State University operated statewide with good participation. The CSSP recruited businesses that agreed to provide discounts and free services to citizen soldiers and their families in all 100 North Carolina counties. And UNC-Greensboro worked with libraries to supply information locally to citizen soldiers and their families via internet access and printed handouts. But if these initiatives were yielding benefits, their success went largely unnoticed, especially within the N.C. National Guard.

Under Dr. Martin’s eighteen-month leadership, the CSSP shifted its focus from the community-liaison model, with its hands-on approach to a wide range of issues, to an emphasis on specific subject-matter areas such as mental health. The idea was that North Carolina would become a kind of laboratory for developing and testing methods for enhancing the capacity of existing systems and organizations, working within the military establishment rather than outside it. To help lead this effort, Dr. Martin recruited Dr. Kerner-Hoeg, who had substantial experience working with similar programs in the DoD. Dr. Kerner-Hoeg would also be responsible for helping the CSSP build reliable sources of new funding, to sustain the program beyond the life of its federal appropriation.

Like Dr. Orthner, Dr. Martin was candid with the committee about lessons learned during his period of leadership. The CSSP’s inability to “get in the door” with the N.C. National Guard and its Family Program severely limited the CSSP’s ability to address its core mission.

Connections with partner organizations, including those with other universities, were largely “stovepipe” connections—stand-alone efforts that were not fully integrated within the program. Dr. Martin also feels that the program did not benefit from its university affiliation because he was not on campus to develop strong relations with UNC faculty and because state regulations and university policies made it difficult to hire people quickly. In short, the project had the disadvantages of its university affiliation and few of the advantages. Primarily because of the protracted funding delay and the program’s inability to offer him permanent, full-time employment, Dr. Martin stepped down as the CSSP’s leader in early 2007. Peter Leousis became the CSSP’s principal investigator, an academic title given to scholars and scientists responsible for leading a project. This arrangement continues today.

**Primary Issues**

Based on information from CSSP’s leaders and the documents they provided, as well as information from interviews with collaborators and constituents, from the auditor’s report, and from the direct knowledge of the committee members themselves, the review committee identified nine key issues that we feel should be addressed by the program in order to achieve its objectives, make better use of resources, and serve its clientele.
1. **Relevance of Activities to Mission and Contractual Obligation.** Our committee analyzed CSSP records to ascertain whether the program had honored its contractual obligations and legislative mandate. Our analysis found a pattern of rapidly changing leadership and objectives, as well as evidence that the program has occasionally diverged from the activities specified in its agreements. Apparently, DoD has accepted changes in direction as the program has evolved, because the committee found no record of objection.

   we also believe that there should be a close and consistent correlation between the activities specified in the current DoD contract and those conducted in the program, to the satisfaction of the sponsor. For example, the original agreement clearly emphasized project evaluation as a key element of the CSSP, but that emphasis has in practice too often been neglected and that objective no longer shows up on the DoD contract documents. (See no. 6, Planning and Evaluation, below.)

The committee is also concerned about the substantial investment in full-time staff for what might be regarded as activities secondary to the main CSSP mission. For example, the program recently hired a program manager for “knowledge and community outreach.” This person primarily will look for “best practices,” assemble them into a knowledge base, and make sure the CSSP does not reinvent the wheel. There are other duties for this person as well, but the best-practices aspect is primary in the job description and reflects an area of emphasis from the 2008-2009 CSSP Statement of Work. We cannot argue, in principle, with the notion that the CSSP should seek and apply best practices. But the committee expects that the highly paid professionals employed by the program should make it their professional responsibility to know what the best practices are—an attribute that is inherent in the pursuit of any profession. In addition, numerous UNC-Chapel Hill faculty members and others throughout the UNC System possess considerable relevant expertise in the kinds of activities the CSSP conducts. Best practices might well be gleaned by consulting these faculty members, and also by hiring part-time graduate research assistants as needed. Other organizations already fulfill this function and readily serve as resources. For example, the Army’s Center of Excellence at Bethesda, which has a much larger staff than the CSSP, has developed a knowledge base of best practices, and one of our sources has advised us that the CSSP’s effort in this area would be duplicative. Also, the Army’s Community Covenant Program (CCP) has developed its own extensive list of best practices, many of which would be relevant to the CSSP. It is therefore not necessarily the case that because an activity is important the CSSP must hire a staff member to cover it.

We have similar questions about the staff position responsible for overseeing the faith-based initiatives. This person is responsible for coordinating and overseeing the training, conducted by others, which will prepare pastors to train members of their congregations to engage and assist citizen soldiers and their families. Perhaps this activity warrants a full-time position, but we are not convinced. Again, we are not disputing the value of the mission; churches are important in the lives of many citizen soldiers and their families. But the administrative overhead involved seems disproportionate. And when we return to the authorizing language for the CSSP and its contractual obligations, there is no mention of collecting best practices or overseeing the trainers of trainers. One busy military leader
complained that a staff member from the program had called to request that he submit to a two- or three-hour interview about his needs. What he needs, he says, is for the CSSP to understand his needs well enough to know that he cannot afford to spend three hours being interviewed.

In general, we believe that the CSSP is vulnerable to the accusation that it spends too much money on administrative overhead and low-priority, “nice-to-do” activities and not enough time on activities directly relevant to its mission.

we have a different perspective, which is one reason, we suppose, for an external review.

2. **North Carolina focus.** While the committee sees pros and cons in the shift away from the use of liaisons based in North Carolina communities, we acknowledge that the shift is probably irrevocable now. For better or worse, the new direction includes a strong emphasis on training programs at a national level. This approach may be acceptable to the North Carolina Congressional delegation, our sources tell us, if and only if the program can demonstrate real improvements in services to citizen soldiers and their families. A reading of the authorizing language for the CSSP and subsequent contractual agreements makes it clear that the original intent was to develop a program in North Carolina that could be replicated and adapted for use in other states. Currently, the CSSP activities conducted by the Area Health Education Centers (AHEC) respond to that intent by using AHEC’s statewide network of centers to provide training to health-care providers and by working with similar organizations in other states to introduce that model. The wisdom of this approach is compelling. By first working in one state, and fully developing the partnerships and relationships available there, the program becomes more relevant and robust, developing loyal advocates and supporters. We see recent evidence that this approach is paying off, not only in the AHEC example but in behavior-health efforts.

In other areas, the CSSP has conducted various ad hoc training activities in several states, especially when opportunities have arisen for additional funding. While this type of for-hire training appears to be one option for sustaining the program after its federal appropriation runs out, it is not well integrated with the core program as it was authorized. The lack of closely integrated activities with a North Carolina focus has created the impression among some critics that the program is “a mile wide and an inch deep,” as one of our committee members has expressed it.

Two other factors influence this perceived lack of a North Carolina focus: (1) key leaders in the CSSP are not based in North Carolina, and (2) UNC faculty members have not played a substantial role in the program. Both of these factors are discussed in subsequent sections of this report.

3. **Relations with the N.C. National Guard and the Army Reserve in North Carolina**

We have received contradictory views about the CSSP’s relationship with the N.C.
National Guard. Our high-level sources in the N.C. National Guard were generally negative about the program, feeling that it had begun with much promise but had failed to follow through with results. Indeed, we were told that the CSSP is no longer on the N.C. National Guard’s radar screen. This is a markedly different picture than we hear from the CSSP’s leadership, who point to recent meetings with the N.C. National Guard and planned activities, including the effort to provide pro bono legal services to citizen soldiers and their families. We are not in a position to reconcile these divergent points of view, but it seems clear that if the CSSP is now providing value to the Guard the message is not reaching some of the N.C. National Guard’s most influential leaders. To improve this relationship, the CSSP will have to provide a sustained level of service sufficiently valuable to impress the leadership and overcome the disappointments of the past. This will take time. Fortunately, there is some evidence of recent progress in this direction. In a meeting with Mr. Bob Goodale on May 29, General Ingram agreed to sign a cover letter to behavioral health providers in North Carolina asking them to participate in CSSP training and its Web-based searchable database.

A similar concern exists with the Army Reserve. The CSSP program from the beginning has extended outreach to the 108th Army Reserve Family Readiness Program. CSSP leaders report good progress working with this program and feel they have good relations. However, our committee member’s conversation with General James Mallory, commander of the 108th, indicated that he was not aware that the CSSP was assisting his program currently, though he did acknowledge previous work.

Outreach has been extended by the CSSP staff to the other major Army Reserve organization in North Carolina—the 81st Regional Support Command—with mixed success. The commander of that organization commented to the committee that CSSP had failed to follow-through on a program initiative with that organization.

4. **Organization and Leadership.** The committee has spent a great deal of time trying to understand the CSSP’s organizational structure and the rationales behind it. The current organizational chart is attached as Exhibit F. We have met with the program’s key leaders

Our primary concern is that no matter how competent and earnest the individuals might be, there is confusion, inside and outside of the CSSP, about who is in charge.

On April 1, 2009, the program hired as its deputy director William Abb, a retired lieutenant colonel in the U.S. Army. According to Mr. Leousis and Dr. Kerner-Hoeg, Mr. Abb will now handle much of the day-to-day management of the operations, with staff reporting to him for personnel and operational
matters and to Dr. Kerner Hoeg and Mr. Leousis for programmatic responsibilities. To complicate this further, Kent Peterson, based in Kansas and paid as a vendor to provide training materials and consultation, also oversees some of the work of CSSP staff.

While we can appreciate the virtues of teamwork and a “matrix approach” to management, we feel that the reporting relationships are too complex. Several of the sources we interviewed expressed confusion about who was in charge of the CSSP and skepticism about the organizational structure. Many of the program’s key clients are military leaders who respect a clear chain of command. No clear lines of authority exist within the CSSP. To be effective, the CSSP must excel at relationship building and team building, working effectively with other organizations. This will require clarity about the CSSP leadership and its structure.

The complex organizational structure may provide the seed ground for the suspicion that has arisen among some sources that the CSSP may have squandered a substantial portion of its funding on overpaid, under-supervised staffs who spent too much of their time attending to the organization and its shifting priorities and too little time providing real value to groups serving soldiers and their families. Frankly, the committee can neither confirm nor refute this suspicion.

As previously discussed, leadership is an issue reflected in the fact that program’s changes in leadership and direction have caused it to progress in fits and starts, with some well-intentioned initiatives abandoned in favor of others, often before results could be measured and assessed. The program has produced volumes of documentation, but the vast majority of this documentation is devoted to conceptual verbiage about how the program will function; there is far less on the record about concrete plans and accomplishments. As a consequence of this and the lack of a comprehensive evaluation component, it is difficult to demonstrate the productivity of the program.

We do not, however, find any evidence of negligent or incompetent management, and we fully appreciate the exceedingly complex environment in which the CSSP operates. It must navigate, for example, the bureaucracies of the Department of Defense and a large university, as well as dealing with myriad programs, projects, agencies, nonprofit organizations, contractors, and governments at all levels. If ever a program were destined for a knot of red tape, surely it was this one.

In response to this complexity, the committee urges simplicity. If the program’s management entity is to remain at UNC, someone based on the UNC campus should devote himself or herself full-time to the program’s management, and everyone working in the program should ultimately be accountable to that person.
In at least two cases, staff members in the CSSP seem to be performing well below expectations. (We will discuss human resources and fiscal issues in the following section.) While Mr. Abb may eventually solve this kind of productivity problem by providing direct, day-to-day supervision, splitting supervision among several leaders will continue to introduce complexity and confusion. In order to solve the systemic problems caused by the current CSSP organizational structure, we will recommend a revision to that structure.

Ideally, the leader of the CSSP will articulate a clear, coherent vision for the program that enables everyone with a vested interest—clients, collaborators, decision-makers, faculty members, and staff—to grasp its inherent logic and take action on the program’s behalf.

Ultimately, the CSSP as an organization must make sense to people like us. Several sources have told us that while they understand one or two pieces of the CSSP’s efforts, they do not grasp the organization as a whole. This is a liability for a program that must establish its identity, swiftly and persuasively, in order to meet its goals and survive.

We agree that the CSSP does not need any more hype. But sustained, fact-based communication about the program’s goals and accomplishments will be necessary to improve the CSSP’s reputation. Building the lasting relationships the CSSP needs will require someone who can spend a great deal of time presenting the program in a simple, understandable, and compelling way.

It is absolutely essential to the program’s success, and it cannot be filled by committee.

5. Fiscal and HR Management. The CSSP has aspired to be an ambitious, responsive, entrepreneurial program, but it operates within an institution that does not always accommodate swift action. State regulations governing human resources and purchasing are taxing, even for small, simple projects operating only on campus. It is difficult to start a new initiative quickly if it takes three months to create and fill a position. And the elaborate rules governing the use of vendors and contractors often seem byzantine and impractical.

That said, we firmly believe that if the CSSP continues to be part of UNC it absolutely must comply with UNC’s rules. The auditor’s report, attached as Exhibit C, found no wanton waste or illegal abuse of public funds, but it identified “opportunities for improvement” related to the Odum Institute’s control environment, handling of sponsored program agreements, time and effort reporting, and administrative review.
processes. As a result of such findings,

Both of these measures are reassuring. But they alone are not sufficient to ensure the wise, efficient use of public funds. If there are not prompt, significant improvements in the control environment, UNC should move the program to a unit with more experience managing the kind of activities the CSSP conducts. Alternately, the program might be advised to consider operating as an independent nonprofit organization, if this can be done without impeding the program’s progress.

The committee believes that the CSSP should take a long, hard look at the salaries it pays to its staff and the fees it pays to vendors and contractors. When we interviewed the CSSP’s management team and matched salary information with job descriptions, we found one case in which a staff member was paid approximately twice what other UNC employees would typically receive for similar work, and several other cases in which salaries were substantially higher than those for comparable employees on campus. In general, the committee advises restraint in the CSSP’s investment in staff. Paying too much undermines the credibility of the program and does not constitute wise stewardship of limited public funds. We also have concerns about the CSSP’s heavy, long-term reliance on contractors and consultants, especially when they are providing expertise or services that could be obtained within the university. It is certainly not appropriate to have an outside consultant or contractor managing any part of the program or serving in a management role.

We have learned of two cases in which employees were performing at a level lower than expected. Even within the university system, it is possible to document and correct deficient performance, and to dismiss an employee who fails to improve. This process is difficult to manage, however, if the manager responsible is not on site.

6. **Planning and Evaluation.** The committee has studied the 2008-2009 Statement of Work and compared it to current activities. Some areas of emphasis in the plan, such as the “Community Scorecard” and the “Shared Community Sacrifice Framework” seem to have been abandoned. In general, the plan is long on concepts and short on action items and measures. What is needed, we believe, is a concrete plan that describes specific CSSP activities and how they will lead, directly or indirectly, to *measurable* improvements in services for citizen soldiers and their families. This requires that a meaningful, rigorous evaluation component should be built into each major initiative. The evaluation component should consist of more than simply passing out a questionnaire at the end of a workshop; the CSSP should conduct an independent follow-up evaluation to learn whether activities such as training led to real improvements in services provided. This is an area in which the expertise of UNC faculty members would be invaluable.
In our view, that kind of rigorous, goal-oriented planning and accountability has been missing from the CSSP.

7. **Working within the University.** Despite the fact that, at the highest levels, UNC’s administration has supported the program and honored its mission, the committee is not convinced that the university is the best place to manage the CSSP. The program is not inherently academic in its mission, and it conspicuously does not make much use of university expertise. However, many large programs with national and international scope manage to operate successfully in the same campus environment, so accommodations could be made that would ensure success.

Undoubtedly, the university’s obligation to apply state regulations to personnel and purchasing matters has been a liability to the program. In addition, the CSSP relies heavily on the university’s Office of Sponsored Research for managing its grants and contracts. Unfortunately, that office has been plagued by reorganization, and insufficient operating budgets, and these difficulties created delays and confusion for the CSSP.

The committee is pleased that Mr. Leousis and the CSSP are talking with the Jordan Institute for Families, housed in UNC’s School of Social Work, about a potential collaboration. The institute is developing a strong emphasis on the welfare of military families, and its faculty members include leading experts in the field. By engaging these experts in the program, especially in the development of training materials and evaluation, the CSSP could eliminate some of its dependence on expensive, out-of-state vendors and take advantage of the expertise available on campus. We firmly believe that the CSSP should find a way to leverage the considerable resources of the university to the benefit of its clientele. There is simply no reason to operate a program at the University of North Carolina if the program’s intellectual content is being developed in Kansas and elsewhere.

8. **Sustainability.** The committee is concerned that the CSSP may not survive beyond the end of its Congressional funding (which officially expires at the end of FY 2010). There is a commitment on the part of the CSSP staff to prepare for the inevitable day when Congressional funding expires. Dr. Kerner-Hoeg has made good progress establishing strong relations with the Yellow Ribbon Reintegration Program and other DoD initiatives, and these may in time yield funding sufficient to sustain the CSSP, possibly as a simplified program that is national in scope but tightly focused on developing and providing training. The CSSP’s commitment to serve as the national training institute for the Army Integrated Support Network (AIFSN) is a favorable development that may help sustain the program, assuming the effort yields good results. AHEC’s recent involvement is a strength of the CSSP, and if the AHEC approach proves replicable in other states there may be funding opportunities nationally to sustain an expanding network.

There are various other potential collaborations that could establish the CSSP as an indispensable part of the military’s support for its personnel and their families. For example, the Army’s Community Covenant Program (CCP) engages civic leaders in a
covenant to support soldiers and their families. Often, quality programs like this one are developed and then fade away. We think that the CSSP could work in partnership with the CCP and other such initiatives to help them sustain their momentum as the CSSP benefits from the relationship to develop contacts and its own repertoire of services. The CCP program has much potential in the Guard and Reserve community as well, perhaps reoriented toward support of the National Guard Bureau in the Washington area and the U.S. Army Reserve Command (now in Atlanta but moving to Fort Bragg).

All such possibilities will require that the CSSP establish itself as a respected source for information and expertise. The online resources for health information being developed in conjunction with UNC’s Cecil G. Sheps Center for Health Services Research and the Health Sciences Library are significant steps in the right direction. Strong connections with the Jordan Institute and UNC faculty members may also build the CSSP’s reputation and base of expertise.

As a committee, we cannot foresee and recommend a complete set of recommendations for sustaining the CSSP. The program itself must seek and adopt the best options, and it must develop a set of concrete steps for ensuring that the program accomplishes its mission for the near term and beyond.

9. Use of the National Advisory Council. The committee has a high regard for the members of the CSSP’s National Advisory Council, which has sporadically been called upon to provide feedback and guidance. We believe that the council should have a more prominent and recurring role in guiding the program and advocating for its initiatives. But first, the CSSP must put its house in order, present a clear, coherent plan of action, and ask for the council’s guidance and support. It is not appropriate for the council to become embroiled in a prolonged planning session that mulls over various options for the future of CSSP, but it can and should react to a reasoned, well-thought-out plan. Once the council members are convinced that the CSSP is moving in the right direction, using resources wisely, they can be powerful advocates and allies.

Summary
The CSSP began on an ambitious scale, with substantial funding and considerable visibility, but has been plagued by leadership turnover and confusion. It has struggled with the disadvantages of being part of a public university—the red tape of state regulations and university policies—but has not enjoyed the advantages of this association because it has failed to make good use of university expertise. The CSSP has notable strengths, especially in behavioral health in North Carolina and in military relations at the national level, but it continues to suffer from the widespread perception that it has not been well managed and that it has failed to deliver on many of the bold promises made during its inception and launch. To overcome this view and achieve its potential, the CSSP will have to make some rather profound changes in the way it operates. We hope that our review, and the recommendations presented below, will help to enable that change. We also firmly believe that a stronger, leaner CSSP could make a substantial, enduring contribution to the readiness of our citizen soldiers and their families.
Recommendations

1. Simplify the CSSP organization under one full-time director based on the UNC campus, with full authority over the management of programs, budgets, and personnel.

2. Ensure that the activities of the CSSP track closely with the terms of the contract under which it operates.

3. Regain the cooperation, support, and confidence of the N.C. National Guard and the 108th Training Division by consistently delivering quality services that they value.

4. Develop and articulate a unifying vision for the CSSP that can be easily understood by everyone involved so as to build understanding and support for the program in all its dimensions.

5. Recapture some of the original North Carolina focus by (a) returning to the original model of developing, to the extent possible, initiatives in the state and extending them elsewhere; (b) making it clear to all concerned parties that the project is managed in North Carolina; and (c) making better use of UNC faculty and other UNC System expertise.

6. Establish stronger relations with the Jordan Institute, whose focus on military families makes it a natural partner.

7. Significantly reduce administrative overhead and exercise more restraint in the hiring and remuneration of staff, contractors, and vendors. Every position and expenditure in the CSSP should be cost-effective and should contribute directly to activities that further its mission.

8. Follow the auditor’s recommendations to strengthen program management and ensure compliance.

9. Develop and update the existing strategic plan with clear action steps, including associated timelines and measurable outcomes, as well as priorities for the use of resources for the final year of the funding under the current contract. Present this revised plan, in draft, to the CSSP National Advisory Council, request the council’s input and guidance, and enlist their active support in attaining the program’s goals.

10. Include a meaningful evaluation for each major component of the program to ensure relevance, quality, and accountability.

11. Continue to develop strong partnerships within DoD to sustain the program and seek sources of sustained, reliable funding.

12. Only if the most likely sources of sustained funding shift the emphasis to a purely national scope with minimal North Carolina involvement, seek the National Advisory Council’s wisdom on whether or not to move the CSSP’s management office away from UNC-Chapel Hill.
President Erskine Bowles  
The University of North Carolina  
910 Raleigh Road  
P.O. Box 2588  
Chapel Hill, North Carolina 27515

Dear President Bowles:

I received the enclosed letter concerning the Citizen Soldier Support Program (CSSP) and the lack of support the program has provided for its intended beneficiaries, North Carolina's Citizen Soldiers and their families. I am contacting you as the funding and management of the CSSP has been placed under the Odum Institute at the University of North Carolina at Chapel Hill.

I am concerned that the Congressional earmark of $5 million provided in 2005 to establish this much needed program is not benefiting our local service members and their families. The concept of bringing stakeholders together to provide help in the areas of North Carolina that are not near our military bases is much needed. My concern is that the momentum of this program has stalled and this letter I received points to some of the problems of the management of the program. I am asking that you investigate the management and oversight of the Citizen Soldier Support Program.

Thank you for your immediate attention to this as we face another major mobilization of the North Carolina National Guard's 30th Heavy Separate Brigade. The CSSP should be taking the lead in hiring soldiers and families in this uncertain time and we need to make sure that resources are channeled to help these patriots.

Sincerely,

Sue Myrick  
Member of Congress

SM/tb
NC Congressional Earmark Reduced to Sham Status

The Citizen Soldier Support Program at the University of North Carolina at Chapel Hill is funded to support NC Citizen Soldiers and their families but is not doing so. Previous funding to the CSSP has been spent with nothing to show for its expenditures. The current $5 million is headed in that direction unless concerned parties step in and demand better management and direction of funds.

The Congressional earmark, managed by Representative Price but supported by the entire NC delegation, provided the funds to the University and the University directs the internal management of the money. At the University's allowance, the current Principal Investigator has hired three cronies from state government (none with any military experience) and each make over $100,000 to provide critical thinking! The Deputy Director pulls down $120,000 per year but has never even moved to Chapel Hill -- she lives in Northern Virginia and comes to Chapel Hill when she wishes (at full travel expense paid by taxpayers, including a rental car to ride around town) -- but is there less than half of time -- spending the rest of her time totally unsupervised in Northern Virginia in critical thinking!

Even though the program was funded to support NC Citizen Soldiers and their families -- the staff sees no mandate to do anything for North Carolina and literally is doing nothing for NC National Guard or Reservists -- indeed the NC Guard and Reserve components have no ongoing initiatives with CSSP and have disavowed themselves from the CSSP for all practical purposes.

The CSSP staff is spending full time trying to figure out ways to get the Department of Defense to fund them for the future -- without any regard to NC or its involved parties -- its sees it mandate solely to become a national entity and using NC as its steppingstone to do so! CSSP sees no responsibility to NC or its Citizen Soldiers and their families.

An alternative proposal to utilize the existing funds to directly impact every Citizen Soldier, their family and their community has been proposed - but the current University management has strongly and emphatically insisted that the status quo CSSP be maintained and gone to great lengths to pad its portfolio of efforts to justify its continued efforts at spending the money and making itself a national program -- even if its NC constituents are denied the benefit of the taxpayer funds.

Act today to get the $5 million in funds redirected to provide direct impact to NC Citizen Soldiers and away from the current program management!
July 15, 2008

The Honorable Sue Myrick  
U.S. House of Representatives  
230 Cannon House Office Building  
Washington, DC 20515

Dear Congresswoman Myrick,

Thank you for your letter of June 13, 2008, to UNC System President Erskine Bowles about the Citizen-Soldier Support Program (CSSP). I did not receive a copy of your letter until July 11 and prepared this reply as quickly as possible. I have served as UNC Chapel Hill's Principal Investigator for CSSP the past 14 months, and I am very pleased to respond to your request for more information about CSSP's purpose and progress.

In this letter, I want to accomplish two things. First, I want to thank you for your past support of CSSP and bring you up to date with our progress in several important areas. In the time that I have been responsible for the program, we have worked very hard and with great urgency to address some of the most critical needs of returning Citizen Soldiers and families. Second, I want to address the concerns raised in your letter and the correspondence you received questioning the support CSSP has provided to its "intended beneficiaries."

CSSP’s Mission and Progress

As you may recall, CSSP was funded as a national demonstration intended to develop "community-based strategies designed to promote support systems for members of the National Guard and Reserves." (See Attachment A for a copy of the Congressional authorization for CSSP.) Our principal mission is to increase the readiness and resiliency of Reserve Component Soldiers and their families by engaging and connecting military and community service systems. We take that mission seriously, and in doing so we have devoted a great deal of time and resources to developing models in North Carolina that can be replicated in other states.

Many of the Guard and Reserve Service Members and families we work to support:

- Face incredible isolation when they return to communities far from military bases and military support systems.
- Must interact with systems of health and mental health care that currently have insufficient capacity to meet their needs.
- Face legal, economic, educational, and spiritual hardships all emanating from their commitment to serve our country.

CSSP is charged with addressing these challenges our Reserve Component members face in a manner that improves conditions across the nation, not just in North
Carolina. Our unique mission is to develop sustainable, replicable and scalable national efforts that positively impact the lives of these Service Members and their families wherever they live and work. We do not actually provide direct services to Service Members and families; rather we engage and mobilize communities and community systems to provide that support. To that end we have made significant strides in both North Carolina and across the country.

I want to assure you that although our mandate is national in scope, we are indeed focusing attention and resources on the needs of North Carolina’s Reserve Component Service Members. Every single person associated with CSSP’s plan of work takes on tremendous responsibility given the gravity of the issues confronting our Service Members. I would like to share with you some of CSSP’s contributions to our NC Reserve Component Members and their families.

**Mental Health.** A 2008 study by the RAND Center for Military Health Policy Research estimates that more than 300,000 service members who have served in Operation Enduring Freedom and Operation Iraqi Freedom suffer from mild to severe post-traumatic stress disorder (PTSD). Other research indicates that the incidence of PTSD is twice as high among Reserve Component veterans as those in the Active Component.

Unfortunately, many returning service members in North Carolina do not live near a military installation or a VA medical facility or Vet Center. Thus, one of CSSP’s goals has been to create a network of mental health providers across North Carolina who can provide PTSD treatment for returning veterans and their families.

*In North Carolina CSSP has trained more than 750 mental health providers on the diagnosis and treatment of post-traumatic stress disorder in combat veterans and more than 100 primary care providers on how to recognize and deal with combat-related PTSD in their practice.*

I have enclosed a list of the sites and dates of the training and the number of professionals who were trained in each session (Attachment B). The curriculum for this training was developed under CSSP’s leadership by Dr. Harold Kudler, a psychiatrist at the Durham VA hospital and an expert in PTSD, and Charlotte Wilmer, a therapist based at Camp Lejeune in Jacksonville, NC. (A list of North Carolina experts and stakeholders who helped develop the “roadmap” for CSSP’s mental health initiative is enclosed as Attachment C.)

We have also been working closely with experts at Carolinas Rehabilitation in Charlotte to develop a similar curriculum for traumatic brain injury. The same 2008 RAND study estimates that 329,000 returning OEF/OIF veterans are suffering from mild to severe TBI. We will begin offering TBI training to North Carolina health care and rehabilitation professionals in the fall 2008. Online versions of PTSD and TBI courses are being developed for professionals who cannot attend one of CSSP’s onsite trainings.
In addition to being trained, these professionals are expanding their acceptance of TRICARE patients in record numbers. (Recruitment of providers is a small but key part of our training sessions.) Trained local professionals and increased access to affordable care are the very "front-lines" of assuring that North Carolina is on the leading edge of supporting Service Members and families.

In addition to training another 800+ professionals in North Carolina each year, CSSP is expanding our national partnerships so that this training is available across the country. We will be providing training in several additional states in the months ahead, building a geod-mapping system so that Service Members and families can easily find trained professionals and connecting trained mental health professionals more tangibly to military family support programs. There simply is no other model or effort we know of that offers this much promise for meeting the critical mental health challenges facing Service Members and families.

Another facet of CSSP's mental health initiative is making available Web-based information for Service Members and their families. I invite you to visit health-related Web pages developed and supported under CSSP's leadership as part of the NC Health Info Website and the AHEC Digital Library Website, both supported and maintained by the Health Sciences Library at UNC Chapel Hill. One site is for returning veterans and family members; the other is for health care professionals.

http://www.nchealthinfo.org/health_topics/people/military/MilitaryFamilies.cfm
http://library.ncahec.net/scMain.cfm?scid=53

Community Partnerships. We have piloted and grown several other initiatives as well. In the early phases of its work CSSP built and observed community partnerships in North Carolina with Cooperative Extension agencies, educators, local governments, libraries, parks and recreation departments, lawyers and faith communities. Through this work we created a model of "Building Community Partnerships" training that is being used by the US Army, the Army National Guard and the US Army Reserves with their family program experts across the country. Our national training institute has been selected to train hundreds of their staff to be collaborative leaders that connect schools, faith communities, local governments, child care providers, health and mental health providers and local businesses in seamless community support systems.

Over 50 Army family service providers were trained in May 2008 and more than 100 service providers will be trained in August and September 2008. Among those participating in our three-day May 2008 training session were the Director of the N.C. National Guard Family Programs, the Deputy Director of Family Programs for the 108th IET Command based in Charlotte, NC, and the N.C. Community Support Coordinator for Active and Reserve Components. Both MG William Ingram (N.C. ARNG TAG) and MG James Mallory (Commanding General 108th IET Command) addressed participants at the May 2008 training in Chapel Hill.

CSSP's training and consultative support is becoming a key component of increasing the readiness and resiliency of Citizen-Soldiers and their families. This is a preeminent concern for maintaining an all volunteer force facing multiple deployments.
Legal Support. We are currently designing the next steps in creating a larger statewide effort to meet the growing legal issues facing Soldiers and Families as a result of their service and sacrifice. CSSP developed the recruiting materials currently being used by the North Carolina National Guard JAG Corps and the regional USARC JAG Corps for encouraging local Bar Associations and lawyers to take on additional pro-bono case work in support of our Citizen Soldiers. CSSP staff is expanding this dialogue in an effort to connect the military systems of legal support with private systems, university law school capacity and existing legal aid services.

Specific Concerns About the Program

In everything we do, evaluation and accountability are at the forefront of our work. I would be happy to share our Department of Defense progress reports, our AHEC mental health training evaluations, our community partnerships training third-party evaluation, and our plans for further evaluation of CSSP initiatives with you and your staff. We have been and will continue to be good stewards of taxpayers’ dollars in accomplishing CSSP’s mission.

I assure you that as we are making a tangible difference in North Carolina and the nation, we are using sound business practices. We have been extraordinarily careful in the use of the resources available to this program and have made the important strides mentioned above while using great fiscal restraint.

Please know that our processes and procedures are open to you and others. We receive regular and detailed oversight of both our progress and processes from the Department of Defense’s Office of Economic Adjustment. The University of North Carolina at Chapel Hill’s Office of Sponsored Research reviews and approves our contracts and relationships with customers and contractors. We comply fully with the University’s personnel hiring and management policies.

The CSSP professional and consulting staff now includes national expertise that can develop local efforts, extract key lessons, build replicable, scalable models and forge connections between military and community cultures. Assembling this team is a valuable resource for UNC and North Carolina. More importantly, it is precisely the team that, consistent with our original mandate and mission, will transition a time-limited grant program to a sustainable national center that provides ongoing support in North Carolina as well as across the country.

Building this cadre of professionals as well as a program that is strategically focused has been a time-consuming and arduous process. Our National Advisory Council undertook a strategic planning and positioning effort more than a year ago and we are now seeing the benefits of that focus. (A list of council members is enclosed as Attachment D.) This progress does not always come easy as I am sure you can imagine.

Throughout our work we routinely ask military and community systems to confront difficult questions and challenges. We also have had to reposition and change key staff over the life of the project to make sure we accomplish our mission. Making certain our work, our partners and our staff are aligned, focused and bring the requisite skills
is not always an easy or simple undertaking. (Indeed, last November

That was not an
easy thing to do, but it was necessary to keep the program moving forward.)

I appreciate you bringing the remarks of someone critical of our work to my attention. I hope you will feel free to share my letter with the person who felt we were not addressing the needs of North Carolina's Citizen Soldiers and their families. The central point of that letter seemed to be that we are ignoring those needs, and I trust my response has shown that is not the case.

We welcome your interest and questions at any time. I would be delighted to host you here in our office when you are in the Chapel Hill area or to meet with you and your staff personally in either Charlotte or Washington, D.C.

Best Regards

[Signature]

Peter Leousis
Principal Investigator
Citizen-Soldier Support Program

cc: President Erskine Bowles
Kimrey Rhinehardt
Dr. Tony Waldrop
Dr. Kenneth A. Bollen
NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2007

REPORT
[TO ACCOMPANY S. 2790]

ON

AUTHORIZING APPROPRIATIONS FOR FISCAL YEAR 2007 FOR MILITARY ACTIVITIES OF THE DEPARTMENT OF DEFENSE, FOR MILITARY CONSTRUCTION, AND FOR DEFENSE ACTIVITIES OF THE DEPARTMENT OF ENERGY, TO PRESCRIBE PERSONNEL STRENGTHS FOR SUCH FISCAL YEAR FOR THE ARMED FORCES, AND FOR OTHER PURPOSES

TOGETHER WITH

ADDITIONAL VIEWS

COMMITTEE ON ARMED SERVICES
UNITED STATES SENATE

MAY 9, 2006.—Ordered to be printed
Increased funding for conservation buffer zones

The budget request included $20.0 million in Operation and Maintenance, Defense-wide (OMDW), to continue implementation of conservation buffer zones under the Department of Defense's Readiness and Environmental Protection Initiative.

The committee believes that the Department should continue to pursue voluntary agreements with willing third parties under section 2684a of title 10, United States Code, to limit the development or use of property that would be incompatible with the mission of an installation, and preserve habitat that is compatible with environmental requirements which may reduce current or anticipated environmental restrictions on military installations.

The committee recommends an increase of $90.0 million in OMDW for the Readiness and Environmental Protection Initiative. The committee directs that, in allocating the funding provided for the Department's Readiness and Environmental Protection Initiative, the Department should give priority to projects that benefit high-priority training sites, which have the greatest potential to reduce or prevent encroachment through the implementation of a compatible use buffer zone.

Citizen-Soldier Support Program

The budget request included no funding in Operation and Maintenance, Defense-Wide (OMDW), for the Citizen-Soldier Support Program. The Citizen-Soldier Support Program is a partnership involving academic and community-based organizations, which is developing community-based strategies designed to promote support systems for members of the National Guard and Reserves. The committee believes that the Citizen-Soldier Support Program, authorized in the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109-163), has begun to play a vital role in developing a model for strengthening local community support to members of the National Guard and Reserve component personnel and their families. The committee also believes that there is a need for further development of strategies to increase access to support services for these members, many of whom reside far away from military installations, and encourages expansion of the Citizen-Soldier Support Program both geographically and programmatically. For example, this program could focus new efforts on providing assistance to eligible family members in obtaining health care benefits under TRICARE, in addition to other needed community support services. The committee recommends an increase of $5.0 million in OMDW, for the Citizen-Soldier Support Program.

Institute for national security information analysis

The requirement for employees trained in national security analysis is growing across the Federal Government. Traditional liberal arts colleges and universities at the undergraduate level often do not provide training in national security analysis. This unique skill set requires a multidisciplinary approach with emphasis on foreign language training, regional studies, as well as rational decision theory, counterfactual reasoning, information technologies, information assurance, and statistical analysis. The 2006 Quadrennial Defense Review Report describes a need to develop a new breed of
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<td>* PTSD (physicians) was 2.5 hours</td>
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</table>
Citizen Soldier Support Program

Behavioral Health
Key Collaborators and Partners

**Alcohol Drug Council of North Carolina**
Ann Doolen, Executive Director

**AREA L AHEC**
Barbara J. Davis, MEd, LPC, NCC
Director - Mental Health Education

**Asheville VA Medical Center**
Carol Rivers, MD
Chief, Mental Health Service
Shawn Butler, LCSW, CEAP

**Brain Injury Association of North Carolina**
Sandra Farmer, President

**Camp LeJeune**
R.W. Vince Arnold, EdD, DMin, NCC, LPC, Captain, Chaplain Corps, United States Navy (Ret.) Department Head Deployment Health Center
LT Erin Simmons, PhD; Staff Psychologist and Program Director for the Intensive Outpatient PTSD program at the US Naval Hospital
C. K. Springle, Ph.D, MSW
CDR, MSC, USN
Director, Community Counseling Center
Charlotte Wilmer, MSW, LCSW
Community Counseling Center

**Cape Fear Community College**
Brigadier General Dan Hickman (ARNG Ret.), Executive Vice President

**Carolinans Rehabilitation Hospital**
Tami Guerrier, Coordinator, Project Star
Robert Larrison, MBA, FACHE

**Cecil G. Sheps Center for Health Services Research**
Roger Akers, Deputy Director
Tom Ricketts, Ph.D., MPH, Director

**Charlotte AHEC**
Margaret D. Valderrey, MSN, RN, CNS
Director, Mental Health and Pharmacy Education

**Charlotte Vet Center**
Loretta C. Deaton, RN, MS; Team Leader

**Denisse Ambler, MD**
Psychiatrist & adjunct faculty, UNC Chapel Hill School of Medicine

**Duke University**
Catherine Lynch Gillis, DNSc, RN, FAAN
Dean, Duke School of Nursing
Vice Chancellor for Nursing Affairs, Duke Medicine
Michelle Martin, PhD., MPH., RN
Duke University School of Nursing
Keith G. Meador, MD. ThM, MPH, Co-Director, Center for Spirituality, Theology and Health, Duke Medicine

Dori Taylor Sullivan PhD, NE-BC, CNL, CPHQ, Assoc Dean for Academic Affairs, Duke University School of Nursing
Eastern AHEC
Karen Koch, MSW, LCSW, Assistant Director, Mental Health Education
Debbie Rogers, Director, Mental Health Education

EGC Healthcare Consultants
Eileen Ciesco, MHA; President/Independent Consultant

Governor's Institute on Alcohol and Substance Abuse, Inc
Wei Li Fang, Director for Research and Evaluation

Greensboro AHEC
Karen Zeliff, Director, Education Technology Services (AHEConnect)

MAHEC
Teck Penland, Ph.D., President and CEO
Karen Blicher, LCSW, CHT Director, Mental Health Education
Eric Christian, MAEd, LPC, NCC Integrated Care Coordinator
Jim Christian, MHA, FACHE, Director of Regional Services

Mental Health Association of North Carolina
Jeff Furst, Director of Community Development
Jennifer Mahan, Director of Policy and Advocacy Initiatives
John Tote, Executive Director

NC Academy of Family Physicians
Tracie L. Hazelett

ICARE Provider Training Specialist

NC Area Health Education Centers
Thomas Bacon, DrPH, Director
Tony Kane, Associate, Director, Statewide Information & Technology Systems
Karen Stallings, RN, MEd Associate Director

North Carolina Department of Health and Human Services
John W. Harris, MSW QMHP Veterans Mental Health Program Manager
Michael Lancaster, MD; Chief of Clinical Policy for the NC Division of MH/DD/SAS
Andy Raby, Data Manager, Office of Citizen Services
Flo Stein, M.P.H., Chief, Community Policy Management. NC Division of MH/DD/SAS
Melodee Stokes, Director, Office of Citizen Services

North Carolina Department of Health and Human Services (continued)
Janice White, TBI/DD Prevention Program Coordinator

North Carolina Health Info
Christie Sibajoris, Director

North Carolina National Guard
LTC Ken Bowers

COL. Jim Cohn
SSG Anthony Cromartie  
Prevention Coordinator

COL. Jill L. Hendra, DO, MBA, ABHM  
USAF, MC, CFS

Andrew L. Jackson CSM (R)  
Transition Assistance Advisor (TAA)

SSG Holly Mullis & SSG Robbie Mullis,  
1451st Transportation Company

**North Carolina Psychiatric Association**  
Robin Huffman, Executive Director

Karen French, RN, Critical Consultation Specialist

**Northwest AHEC**  
Ellen Kesler, MLS, MPH  Continuing Education Coordinator

** Pee Dee AHEC**  
Kay Lambert, RN, BSN  
Allied Health Education Coordinator

**Project Compassion**  
James L. Brooks, Executive Director

**Raleigh Vet Center**  
Greg Inman, Ph.D  
Team Leader

Lisa McLaughlin, MSW

**Salisbury VAMC**  
Robin Hurley, MD; Associate Chief of Staff for Mental Health and Behavioral Sciences and Associate Director for Education of the VAMC VISN 6 Mental Illness Research Education and Clinical Center (MIRECC) for Deployment Mental Health

Katherine Taber, PhD, FANPA  
Assistant Director - Education  
VISN 6 MIRECC

**Sandhills LME**  
John G. Wagnitz, MD, MS, DLFAPA,  
Medical/Clinical Director

**SE AHEC**  
Sheryl Pacelli, Associate Director of CE,  
Mental Health/Public Health

**Southern Regional AHEC**  
John T. Bigger, Administrator. Mental Health CE and NC EBP Center

Jennifer Borton, RN, MSN  
Southern Regional AHEC  
Administrator, Pharmacy/CME and Quality Initiatives

La-Lisa E. Hewett-Robinson, Director  
Mental Health CE/NC Evidence Based Practices

Stacie Peterson  
Educational Program Specialist

**The Duke Endowment**  
W. Joseph Mann, Director, Rural Church

Robb Webb, Program Officer, Rural Church

**The United Methodist Church**  
Rev. Dennis Goodwin, District Superintendent, The United Methodist Church; CH (Col) 30th Brigade Combat Team (ARNG)
Command Sergeant Major (Retired) Billy Spencer, Project Manager, *Working Miracles in People's Lives*

**TRICARE**
David Amos, Field Optimization Director

Brian Corlett, Winston-Salem Service Center Manager

---

**VA Mid Atlantic Health Care Network**

Harold Kudler, MD, Associate Director, Mid-Atlantic Mental Illness Research, Education, and Clinical Center (MIRECC) for Deployment Mental Health

John Oliver, D.Min. Chief, Chaplain Service; CPE Supervisor, Durham VAMC

Kristy Straits-Tröster, Ph.D., ABPP Assistant Clinical Director
VA Mid-Atlantic Network Mental Illness Research, Education & Clinical Center

**Wake AHEC**

Adam Robinson, MA CSAPC Associate Director, Mental Health and Public Health

**West Virginia University**

Hilda R. Heady, Associate Vice President

Joseph Scotti, Professor of Psychology (Clinical Child), Department of Psychology
National Advisory Council

WILLIAM K. ATKINSON, II, PhD, MPH
President and Chief Executive Officer
WakeMed Health and Hospitals

GERALD A. "RUDY" RUDISILL, JR.
Major General, USA (Ret.)
Deputy Secretary
North Carolina Department of Crime Control and Public Safety

THOMAS CAPPS
Chairman and CEO
Dominion Resources, Inc.

MRS. ERIC K. SHINSEKI (PATTY)
Advisory Board Member of the
U.S. Army Amputee Care Program
Advisory Board Member of the
Military Child Education Coalition

SCOTT CUSTER
Chief Executive Officer,
RBC Centura Banks, Inc.

PHILIP VOLPE
Brigadier General, USA
Deputy Commander
Joint Task Force
National Capitol Region Medical

MRS. WILLIAM E. INGRAM, JR. (LIL)
First Lady
North Carolina National Guard

TANNA SCHMIDLI
Chairman of the Board,
National Military Family Association

MARIANNE MATHEWSON-CHAPMAN,
Major General, USA (Ret)
VA/DoD Outreach and Transition Office

THOMAS J. PLEWES
Lieutenant General, USA (Ret.)
Former Chief, Army Reserve and
Commanding General
U.S. Army Reserve Command
GARY WILLIS
Office of Economic Adjustment

MIKE WILSON
Office of Economic Adjustment

DAVID WITSCHI
Economic Development Administration
U.S. Department of Commerce
June 23, 2009

Dr. Holden Thorp, Chancellor
Campus Box 9100
South Building

Dear Dr. Thorp:

We have completed a review of the H. W. Odum Institute for Research in Social Science (Institute). We initiated this review at the request of senior management in response to a complaint about the Citizen Soldier Support Program but our work was not limited to that program. The purpose of our review was to evaluate current operations within the Institute. Our review consisted of interviews with employees from the Institute, UNC’s Central Offices (OSR and Purchasing) and a review and analysis of business functions such as payment processing, independent contractor services and contract and grant activities for the fiscal years 2007 and 2008.

Based on the procedures we performed, we conclude that internal controls over some of the Institute’s business processes needed to be strengthened to improve fiscal control and efficiency. Management is aware of these issues. The Office of Sponsored Research (OSR) and the Institute are continuing to work to resolve them. Details of these issues, recommendations to address them, and management’s response are provided in the attached report.

We will evaluate the status of these issues when we conduct future University-wide follow-up reviews. If you have any questions, please call us at 962-5524.

Sincerely,

Phyllis C. Petree
Director of Internal Audit

Kerri McNeill
Internal Auditor

c: Ken Bollen
   Bernadette Gray-Little
   Stan Koziol
   Elmira Mangum
   Richard D. Mann
Findings and Recommendations

Control Environment

The overall control environment for the H. W. Odum Institute for Research in Social Science (Institute) needed to be improved in relation to sponsored programs. The Institute has been working with the Office of Sponsored Research (OSR) to improve the Institute’s control environment and level of compliance with requirements.

Recommendation

Failure to follow established policies and procedures resulted in inefficiencies and additional work for the Institute and for OSR and Purchasing Services. As a result, delays in inquiry responses, invoice reporting, and payment processing have occurred.

We recommend that efforts continue in partnering with OSR and other central offices to identify and follow the proper courses of action relative to various fiscal activities and, in particular, to compliance with federal policies and procedures for grant activities.

Management’s Response

We thank the Office of Internal Audit for their feedback. We have learned from it, and we are taking specific steps to address the issues under our control.

1. We have developed a set of operating procedures that document how University policies and procedures should be administered. These policies will be compiled in a procedures manual for employees in the business office and on projects. We will schedule information sessions to highlight and review policies that address specific issues raised in this report.

2. We have scheduled additional university-sponsored training for business operations staff.

3. In November 2008 we hosted PARS training for Odum Institute employees and affiliated principal investigators.

Long before the audit we sought guidance on several issues that were not covered by established procedures. Employees in OSR and other UNC central offices were often confronted with situations and decisions rarely encountered in other projects. We appreciate their perseverance in helping us find solutions and look forward to working with them to resolve any remaining issues.

Sponsored Research Activity

Grant activity was sometimes performed without proper account setup or prior to involvement by OSR. This practice increases the risk of non-compliance with Federal rules and regulations related to cost reimbursement, allowable activities, and time and effort reporting.
· Transactions related to a research agreement with RTI International (RTI) were charged to a state account before the RTI award was finalized. The Institute should have entered into a letter of guarantee with RTI to cover start-up costs; this practice would have allowed project activity to be tracked and recorded while the award was being finalized. As a result of using the state account, many retroactive payroll adjustments had to be processed which led to questions about time and effort reporting for this project.

· An agreement with SERCO, Inc. (SERCO), a fixed price contract, was approved by OSR personnel in March 2008. Initially, the terms of the agreement were limited to a period of performance of 8 days, a timeframe too narrow for the proper accounting of all associated costs. Rather than contact OSR to modify the period of performance for the account, the Institute charged transactions related to the SERCO project to the CSSP grant account. Adjustments to correct these unallocable charges – occurring in Spring 2008 - were not made until December 2008 and January 2009. Some of the adjustments involved payroll charges previously certified as accurate.

The Institute began discussions to obtain additional funds for the Spring 2008 SERCO project but the additional funds requested could not be supported by actual costs.

· The Institute engaged in work with area health education centers (AHEC) prior to obtaining required sponsor approval. Transactions related to this work were charged to state-funded and overhead accounts until the proper approvals could be obtained. After approval, adjustments were made to correctly allocate charges to the grant account, work that would not have been needed if the Institute had followed correct procedures.

Grants, particularly those from federal earmarks are not guaranteed funding. Therefore, engaging in sponsored program activity prior to completing a project agreement or letter of guarantee creates a risk that the University would be financially responsible for that activity if the proposed grant is not funded.

**Recommendation**

We recommend that future proposed contract service agreements be communicated to OSR so that the proper setup can take place. In the event of a delay in setup, a letter of guarantee should be used to begin work in advance of the award setup.

To avoid miscommunication between varying department personnel, we recommend that the current protocol of contacting the award manager for expected purchasing activity continue. This will streamline communication efforts and promote efficiency to reduce correcting adjustments on the back end.

**Management's Response**

We comment on each issue individually below.

**Re RTI Agreement**

We erred in not knowing about and by not implementing a letter of guarantee for this project. This agreement with RTI was developed and executed in 2003-04. We have developed and put in place operating procedures to ensure this does not happen again.

**Re SERCO Contracts**
In February 2008 we sought the advice of OSR on how best to approach these agreements. This was a fixed price contract approved by OSR. According to OSR, this is an acceptable form of agreement, although it carries some risk for CSSP, if actual costs of performance exceed the fixed price. We did not believe it was necessary to enter a wide timeframe in RAMSES in order to allocate costs on a fixed price contract. The agreement was reviewed and approved as submitted by OSR. We have established procedures internally and with OSR for costing out SERCO contracts and defining the period of performance. We will continue to follow these protocols.

**Re Agreements with Area Health Education Centers (AHECs)**

Since this type of program was breaking new ground, there was no precedent regarding the appropriate way to obtain prior sponsor approval.

We also sought advice from OSR and purchasing on AHEC-supported training and were told we did not need prior sponsor approval to engage in this work. OSR determined that AHEC training should be purchased through a contract for services and not through a subaward. That policy was communicated to us from OSR in a January 9, 2009, e-mail.

We did pay SEAHEC to conduct training from institute overhead accounts while we were waiting for OSR and purchasing to make this determination. This training was urgently needed for behavioral health providers across the state to treat returning combat veterans returning from Iraq and Afghanistan with post-traumatic stress disorder and depression. In light of the delays in working through OSR to reach a decision about how to proceed in paying for these services, we chose to provide this important training in a timely fashion.

Before receiving this report, we established a process jointly with OSR and procurement in which we will contact the award manager for direction on how to proceed on all contracting or subaward actions. We will continue to follow this protocol.

**Time and Effort Reporting**

The Institute sometimes based payroll distributions to sponsored accounts on budgeted amounts rather than actual time and effort expended. Also, our review of forms used to certify time and effort related to sponsored accounts (PARS reports) revealed several reports were not returned to OSR in a timely manner.

OMB Circular A-21 requires that employees report the official effort they expend on sponsored research activities based on actual work performed for the project. PARS reports must be returned to OSR by published due dates. Failure to comply with these requirements can result in fines and damage future relations with sponsoring agencies.

**Recommendation**

The Institute should establish procedures that ensure that payroll charges for individuals funded from sponsored accounts are allocated among accounts based on these individuals’ activities. Procedures should also be established to ensure that PARS reports are signed and returned to OSR on time.

**Management's Response**

Initial salary distributions for employees funded through external grants are based on the percentages of effort authorized in the contracts approved by OSR and sponsors. The PARS system is a
retrospective "check" to make sure that the work an individual actually performed matches the initial salary distribution for an individual budgeted in approved agreements for sponsored accounts.

We do our best to ensure that PARS reports are signed and returned to OSR on time, but project employees are not always prompt in returning them to the business office. We continue to emphasize to our employees the importance of completing PARS reports in an accurate and timely fashion. Our business office is also taking steps to ensure that adjustments to PARS reports are reflected in salary distributions as soon as possible after they occur.

In November 2008, the Institute required all EPA non-faculty and administrative staff to attend a presentation on PARS. Principal Investigators with projects administered through the Institute were also asked to attend. It was clear from the Q&A session after Kevin Maynor's presentation that many faculty members from other departments have significant questions about PARS implementation.

After this session, Institute staff members compiled a list of questions about PARS, which was shared with OSR and is now being used in their PARS training.

Administrative Review Processes

The Institute's administrative review processes needed to be improved. Our review disclosed errors and numerous correcting entries that could have been avoided with proper administrative review.
Examples include:

- Improper tracking of expenses related to the RTI agreement resulted in confusion when the sponsor requested supporting documentation for invoiced expenses. RTI was billed accurately but reports printed from the Financial Records System and provided to RTI did not agree with information listed on the departmental tracking spreadsheet sent to RTI. The spreadsheet was incomplete and should not have been forwarded to RTI. OSR should have been contacted to provide an official report with requested detail to the sponsor.

- Sponsored program charges were ‘parked’ on state and overhead accounts until proper setup of a grant account or budget line item has been established. This practice required multiple account adjustments to move charges to the appropriate account when setup was complete.

- The Institute submitted a few duplicate invoices for payment. Most of these invoices were not paid because central office controls identified them as duplicate and rejected the payment requests. However, there was one $230 duplicate payment to an independent contractor that needs to be recovered.

- Several invoices were paid late — more than 30 days after receipt of both the invoice and the goods or services purchased. Delays ranged from six days to a year.

- Detailed receipts were not always provided for business meals.

- Some individuals were reimbursed in excess of the appropriate per diem for meals and some were reimbursed for lunches when not in overnight travel status.

- Improper shift differential was paid to several Institute employees because of incorrect time sheet preparation. These time sheets were approved by the supervisor with errors listed.

**Recommendation**

We recommend that the Institute take steps to improve administrative review of transactions and to ensure that its staff and faculty are knowledgeable about and know where to locate information about federal, state, and university policies and procedures. Better awareness of requirements will reduce the risk of errors and non-compliance and the need for correcting entries.

**Management’s Response**

**Re RTI Agreement**

As noted previously, we acknowledge that we did not handle this agreement correctly. As stated in the previous paragraph, however, “RTI was billed accurately.” Again, this agreement with RTI was developed in 2003-04. We have put in place procedures to ensure this does not happen again.

**Re State and Overhead Accounts**

This seems to address a point covered previously about starting work on a project without having an agreement in place. We agree that it would be easier for everyone involved to avoid this situation. This was done when necessary to meet deadlines for training behavioral health providers to work with returning combat veterans who have depression or post-traumatic stress disorder. With better planning we will avoid this situation in the future. CSSP has hired a deputy director who is assisting with this.
Re: Overpayment Due to Duplicate Invoices

The above finding notes that "most of these invoices were not paid," when only one duplicate item in two separate invoices was paid. We acknowledge that the $230 overpayment was an error, and we have taken steps to collect that overpayment. Here is what happened. We first received request for reimbursements that used credit card statements. Months later, the original receipts were mistakenly resubmitted by the vendor and were reimbursed. Although UNC policy allows reimbursement using two different kinds of source documents, we now allow only original actual receipts for reimbursement.

Re: Late Invoices

We pay hundreds of invoices each year, and the majority of those invoices are paid in a timely manner. When an invoice is incomplete or does not provide adequate documentation that a service was provided, it may not be paid on time. At our request, we were given a list of the paid late invoices, and we are investigating to see what led to each late payment. We will take corrective actions where needed.

Re: Reimbursement for Meals While not on Official Travel Status

We have no evidence that this is a routine occurrence, but we have made it clear to employees who travel that detailed receipts must be submitted for reimbursement for eligible expenses.

Based on our conversations with Internal Audit staff, it appears that the violations that occurred involved in-state travel. We were not aware that some federal contracts did not permit federal travel rates and mistakenly reimbursed at the federal rate rather than the in-state rate. We will develop a section in our procedures manual that clarifies allowable expenses. We will make sure that our employees understand the per diem policy for meals and appropriate rules that govern it for state funds and for federal grant funds.

Re: Improper Shift Differential

There was a coding error on the paper timesheets for two employees working overtime on special projects. However, these employees were not coded "shift differential eligible" in HRIS. The new TIMS system for payroll, which Odum now uses, should provide an effective control from now on.

Travel Reimbursement

We completed a review of travel reimbursements from the Citizen Soldier Support Program in response to allegations submitted to the State Auditor’s Hotline regarding possible misuse of grant funds for commuting expenses. Based on the procedures performed, we determined that the travel reimbursements were appropriate based on departmental approval for the employee’s home in Virginia to be her duty station. The sponsor of the programs has also approved this work arrangement.

Summary Comments

In the preceding material we acknowledge where we made mistakes and corrective actions we are taking to make sure they do not happen again.
For many of the major issues raised in this report, we have looked to OSR and UNC’s central offices for guidance. These issues include paying Peterson & Associates for curriculum development and training, contracting with AHECs for behavioral health training, executing a subaward with MAHEC to establish a demonstration behavioral health clinic, and managing short-term contracts and agreements for the Army. In the case of subawards or contracts for services with AHECS, we now have clarity after many months of delays. In the case of Peterson & Associates, we attempted to follow the recommendation of this audit report as early as February 2008 to hire him as an employee but were not able to do so. We believe we have found an acceptable resolution to this issue.

We recognize the many months of work that went into this audit, and we hope that the University, as well as the Institute, will benefit from your efforts.

**Individuals Providing Responses**

Ken Bollen, Director of H.W. Odum Institute for Research in Social Science  
Peter Leousis, Deputy Director  
Richard Silc, Business Manager

Appropriate members of senior management have reviewed the report and responses.
Exhibit D. List of Review Committee Members

Neil Caudle (chair), Associate Vice Chancellor for Research, and Director, Office of Information and Communications, The University of North Carolina at Chapel Hill

Tom Bacon, Executive Associate Dean and AHEC Program Director, The University of North Carolina at Chapel Hill

Lt. Gen. Thomas J. Plewes, USA (Ret.), Senior Program Office, National Academy of Sciences

Kimrey W. Rhinehardt, Vice President for Federal Government Relations, The University of North Carolina General Administration

Maj. Gen. Gerald A. "Rudy" Rudisill, Jr., USA (Ret.), Chief Deputy Secretary, N. C. Department of Crime Control and Public Safety

Staff to the Committee: Karen Regan, J.D., Director, Office of Federal Affairs, The University of North Carolina at Chapel Hill
**Exhibit E.**

**Grant History of the Citizen Soldier Support Program**

<table>
<thead>
<tr>
<th>Start Date</th>
<th>01/01/2005</th>
<th>01/09/2006</th>
<th>06/16/2006</th>
<th>09/20/2007</th>
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</thead>
<tbody>
<tr>
<td>Federal Amount</td>
<td>$1,800,000</td>
<td>No Cost Extension</td>
<td>$3,000,000</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Principal Investigator</td>
<td>Robertson</td>
<td>Ortner</td>
<td>Ortner/Martin</td>
<td>Leousis</td>
</tr>
<tr>
<td>Objectives:</td>
<td>Strengthen communication and timely dissemination of information to families</td>
<td>Same</td>
<td>Implement, refine, validate, and develop as exportable model the North Carolina Community Liaison model</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Better coordinating and activating formal and informal community support systems</td>
<td>Same</td>
<td>Continue development of strategies an information tools and products for mobilization of community support organizations</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Engage education and child care communities</td>
<td>Same</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Strengthen access to physical, dental and medical health care</td>
<td>Same</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Strengthen child care related employment networks for citizen-soldiers and families</td>
<td>Same</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Assess program effectiveness and impacts</td>
<td>Same</td>
<td>Continue to assess program impact and integrate DoD program data into assessments</td>
<td>Establish a National Center for Citizen-Soldier support to provide training and technical assistance to other states</td>
</tr>
</tbody>
</table>

Source: CSSP Reports to Office of Economic Adjustment, DOD, Various Years

*Includes IET (Integrated Education Training)*
Exhibit F. CSSP Organizational Chart

Citizen-Solider Support Program
HW Odum Institute for Research in Social Science
UNC- Chapel Hill

Principal Investigator
P. Leouss
(EPA-NF)

Director, Military Relations
S. Kemer-Hoeg
(EPA-NF)

Director, Community Relations
To be created
(EPA-NF)

Deputy Director
W. Abo
(EPA-NF)

Knowledge Manager
E. Burch
(EPA-NF)

Program Manager
P. Beal
(EPA-NF)

Program Manager
S. Goodale
(SPA Temp)

Program Manager
B. Hall
(EPA-NF)

Program Assistant
K. Menosky
(SPA)

Social Science Research Specialist
T. Christian
(SPA)
Citizen Soldier Support Program Implementation

of Review Panel Recommendations

We appreciate the hard work and thoughtful recommendations of the Review Panel. A number of comments and findings refer to CSSP activities that took place before Peter Leousis became PI, and we do not presume to speak for the previous PI or for previous directors. We thank the committee for the opportunity to outline how we have and will implement their recommendations. (Our responses follow each of the numbered recommendations from the Panel’s report.)

1. **Simplify the CSSP organization under one full-time director based on the UNC campus, with full authority over the management of programs, budgets, and personnel.**

   Effective immediately and through the remainder of 2009, the Principal Investigator, Peter Leousis, will serve as director of the program and his percentage time on the program will be increased accordingly. Prior to joining the Odum Institute in 2002, Leousis was Assistant Secretary for Human Services for seven years at the N.C. Department of Health and Human Services and oversaw seven divisions with 5,000 employees, a budget of $2.5 billion and many of Governor Jim Hunt’s key initiatives. His experience as a leader and manager should prove invaluable for the program at this critical time.

   Leousis will work closely with CSSP’s deputy director, Bill Abb, to oversee the program, manage staff, and implement these recommendations. As Abb gains experience in the university and the program, he will assume more responsibility for its day-to-day direction. Contingent on approval of our request for a one-year no cost extension of funding from the Office of Economic Adjustment in DoD, a full-time Chapel Hill-based director will be hired in compliance with the university’s hiring policies and practices.

   **Timeline:** Effective immediately (Leousis)

2. **Ensure that the activities of the CSSP track closely with the terms of the contract under which it operates.**

   In the context of a full internal program review and updated strategic vision, CSSP leadership will reassess its current initiatives and activities to ensure that they directly accomplish the stated deliverables from the authorizing language. Stakeholders inside and outside the university will be consulted in conducting this review.

   **Timeline:** 45 days and ongoing (Leousis and Abb)

3. **Regain the cooperation, support, and confidence of the N.C. National Guard and the 108th Training Division by consistently delivering quality services that they value.**

   We have made progress over the last two years that Leousis has been PI to regain NCNG cooperation and support, but have yet to gain the full confidence and support of MG Bill Ingram. The NCNG has been generous in its support of CSSP-sponsored behavioral health training by providing full-time Soldiers for over 20 critical “Boots on the Ground” presentations. At MG Ingram’s suggestion a focus group was convened at NCNG headquarters in June 2009 to review our proposed Web-based searchable Provider Database, which we believe will do much to restore MG Ingram and MG Mallory’s confidence. As noted in the Report, on May 29 MG Ingram agreed to sign a cover letter to behavioral health providers in North Carolina asking them to participate in CSSP training and its Web-based searchable database. We will continue to strive to regain the cooperation, support, and confidence of the N.C. National Guard and the 108th Training Division by consistently creating and delivering quality services that they value.
At the request of the N.C. National Guard Staff Judge Advocate General, CSSP worked closely with the NCNG JAG, the North Carolina Bar Association Foundation, the Legal Aid to Military Families Committee of the N.C. Bar Association, and the US Army Reserve JAGs to identify and recruit private sector family law attorneys to support the NCNG JAG during the 2009 N.C. National Guard deployment to Iraq. Family law issues often emerge during the final stages of deployment preparation and as the JAG attorneys do not practice family law, insuring that family law attorneys were available for consultation and assistance greatly facilitated the deployment processing. This collaborative model, spearheaded by CSSP, was well received by all involved, especially the members of the Reserve Component JAG Corps. An evaluation will be developed to measure the program’s scope and effectiveness.

Timeline: Schedule meetings with MG Ingram and MG Mallory within 30 days of completion of the online Provider Database and enlist their support. (Leousis and Goodale)

4. Develop and articulate a unifying vision for the CSSP that can be easily understood by everyone involved so as to build understanding and support for the program in all its dimensions.

We have developed a concise statement of the unifying vision for the CSSP to educate and inform partners and the public alike (see attachment following Recommendation 12). A new CSSP Website is expected to go live by the end of the summer. The Website homepage articulates a unifying vision that is easily understood and accessible to service members and their families, policymakers and funders. This message is also being translated into brochures, training materials, presentations, and so on.

Timeline: Underway and ongoing (Abb)

5. Recapture some of the original North Carolina focus by (a) returning to the original model of developing, to the extent possible, initiatives in the state and extending them elsewhere; (b) making it clear to all concerned parties that the project is managed in North Carolina; and (c) making better use of UNC faculty and other UNC System expertise.

North Carolina has been and will continue to be the primary home of the project. Virtually the entire Behavioral Health Initiative is “home grown.” Its scope was developed in the fall 2007 by a steering committee of North Carolina leaders (including representatives of the N.C. National Guard and the 108th) who crafted a six-point strategic plan specifically for North Carolina. The curriculum was developed by experts from the Durham VA and Camp Lejeune. To date, more than 1,500 behavioral health and primary care providers have been trained in North Carolina, and the onsite and online curriculums are deeply imbedded in North Carolina's showcase Area Health Education Centers. A Web-enabled, searchable database of North Carolina providers will come online in fall 2009, in anticipation of nearly 5,000 soldiers from North Carolina's 30th Heavy Brigade returning from deployment to Iraq in spring 2010.

CSSP’s Building Community Partnerships initiative will continue to engage UNC faculty to participate in training we provide to Army OneSource and potentially to other DoD partners. We work routinely with The Jordan Institute, the Odum Institute, UNC’s Law School, UNC’s Family Support Network, and the School of Government to identify and engage training faculty. Over the next six months CSSP will conduct a more formal review of potential UNC System expertise that can enhance the CSSP Building Community Partnerships and Behavioral Health work. For example, East Carolina University, which is the proponent for the Essential Life Skills for Military Families curriculum, has developed a set of training modules with relevant CSSP application. We are also interested in ECU’s telemedicine capability and its application for our Behavioral Health initiative. We will enlist the assistance of UNC General Administration in identifying other resources and assets throughout the UNC System and matching them with key activities in our strategic plan.

Timeline: Ongoing (Leousis, Abb, Goodale and Kerner-Hoeg)
6. **Establish stronger relations with the Jordan Institute, whose focus on military families makes it a natural partner.**

Since April 2008 the CSSP has included faculty from the Jordan Institute (Dr. Gary Bowen) as faculty in all of our Army OneSource trainings. The Jordan Institute is a key partner in the proposal just submitted to OASD/RA to stand up the Yellow Ribbon Reintegration Program Center for Excellence in Reintegration. Key staff who bid on this proposal includes Dr. Gary Bowen and Dr. Sarah Bledsoe, as well as other Jordan Institute affiliates and students.

The CSSP is currently in discussion with Jordan Institute staff around the development of a new initiative to connect members and family members in the Reserve Component who have recently experienced a deployment with members and family members who have had prior deployment experiences and who are willing to provide one-on-one support to those recently deployed. CSSP is currently enjoying the contributions of a summer intern from The Jordan Institute, who is a Naval Academy graduate pursuing her MSW at UNC.

The CSSP director and staff members will continue to meet regularly with the Director of the Jordan Institute to discuss, plan and coordinate joint opportunities going forward. Both organizations are committed to building a strong and lasting partnership.

**Timeline:** Ongoing (Leosius and Kerner-Hoog)

7. **Significantly reduce administrative overhead and exercise more restraint in the hiring and remuneration of staff, contractors, and vendors. Every position and expenditure in the CSSP should be cost-effective and should contribute directly to activities that further its mission.**

The Deputy Director is charged with managing the administrative overhead, program costs, and seeking organizational and fiscal efficiencies. To address personnel costs, CSSP leadership began a deliberate process in March to phase out and restructure the service of several employees and contractors.

Effective 1 July 2009, Kent Peterson of Peterson and Associates no longer serves as a consultant paid through purchase orders charged to the grant. His contributions made to Army OneSource (AOS) and the proposal for the Department of Defense Yellow Ribbon Reintegration Program (DoDYRRP) will be paid by the firm serving as the prime contractor for those projects. His contributions to CSSP will be made as an SPA Intermittent employee at a targeted level of effort of four days a month. All activities are conducted in accordance with a strict budget process and tracked monthly. All expenditures are weighed in the context of the priorities set by the Principal Investigator and Director.

**Timeline:** Effective immediately (Leosius and Abb)

8. **Follow the auditor’s recommendations to strengthen program management and ensure compliance.**

Steps we have taken to strengthen CSSP’s program and fiscal management are described in the auditor’s report in our responses to the auditor’s recommendations. All of the recommended action-steps were implemented by the end of June 2009. Recommended training has been completed or is scheduled to be completed.

**Timeline:** Ongoing (Leosius, Abb and Silc)

9. **Develop and update the existing strategic plan with clear action steps, including associated timelines and measurable outcomes, as well as priorities for the use of resources for the final year of the funding under the current contract. Present this revised plan, in draft, to the CSSP National Advisory Council,**
request the council’s input and guidance, and enlist their active support in attaining the program’s goals.

When Leousis became the PI of CSSP just over two years ago, the program did not have a strategic plan or vision. At that time he asked the National Advisory Council to assist in developing a strategic plan for the organization. Completed in April 2007, the plan has guided much of the program’s activities.

Within 30 days, CSSP Leadership will draft an update to the existing strategic plan. This comprehensive plan will include the findings of the panel and of an internal program review assessing our work to date. The plan will include changes to the organizational structure and any required refocusing of current initiatives with outcomes-oriented metrics clearly tied to the spirit and intent of the authorizing language. Within 90 days, we will reconvene members of the National Advisory Council (NAC) to participate in finalizing the strategic vision.

Timeline: 30 to 90 days (Leousis and Abb)

10. Include a meaningful evaluation for each major component of the program to ensure relevance, quality, and accountability.

We will make sure that evaluation is an integral part of all CSSP programs and activities and a key element in the updated strategic plan. Whenever possible, it will focus on outcomes for Service Members and their families.

Virtually all of our behavioral health training is offered through the N.C. AHEC, and we take full advantage of evaluations the N.C. AHEC routinely uses to evaluate its training programs. In addition, we have been working on a more comprehensive evaluation of the impact of training on providers and Service Members and their families. Our efforts to do so are constrained by the obvious need of the N.C. National Guard and behavioral health providers to protect the identity and confidentiality of Soldiers and their families, but we believe it is possible to assess outcomes indirectly through behavioral health providers.

Prior to this report we engaged EGC Healthcare Consultants, Inc., to evaluate the MAHEC Project which began in March, 2009. One of the MAHEC Project’s goals is to provide specialized health and mental health services to returning Citizen Soldiers utilizing the model of Integrated Care at primary care practices in Haywood, Clay, and Jackson counties. Early in 2009 we amended the contract with EGC Healthcare Consultants to include administering a web based survey to approximately 900 health care professionals who received the CSSP-sponsored behavior health training. The survey content will address the domains of learning, behavior, results (in terms of Service Members and family members undergoing treatment and counseling), and value.

Through Health Net Federal Services, we continually evaluate the effectiveness of our mutual efforts to increase behavioral health providers who are in the TRICARE network. We have identified where we must focus CSSP behavioral health training geographically in North Carolina based on the location of deployed service members to trained behavioral health providers. We will continue to include a meaningful evaluation for each major component of the program.

UNC Chapel Hill will no longer serve as the prime contractor for funds received for the Army One Source community training. All previous AOS training was evaluated by a team of faculty members from Cornell University, in addition to post-session participant evaluations. The CSSP is helping to develop more extensive process and outcome evaluations for AOS.

UNC Chapel Hill is not the prime contractor in CSSP’s bid to stand up the National Center for Excellence for the Yellow Ribbon Reintegration Program. Nevertheless, the proposal in which we are a partner
contains a strong evaluation component which focuses on process and outcome performance indicators.

Timeline: Ongoing (Leousis, Abb, Goodale and Kerner-Hoeg)

11. **Continue to develop strong partnerships within DoD to sustain the program and seek sources of sustained, reliable funding.**

CSSP continues to develop strong working relationships with key partners in DoD. Current CSSP partners and connections with the DoD are listed below by CSSP key initiative. Two of these partnerships have already resulted in substantial funding (over $600K invoiced) and funding opportunities. Key DoD and national partners are listed below.

**Building Community Partnerships**

Lynn McCollum, Director, US Army Family Programs (funding to date to CSSP is $602,300 invoiced.)
Gail Linder, Program Manager, US Army OneSource
James Scott, Acting Deputy Director, Deployment Support and Reintegration Office, Office of the Assistant Secretary of Defense/ Reserve Affairs (OASD/RA)
COL Dean Stinson, Director, Center for Excellence in Reintegration, OASD/RA (proposal submitted for significant UNC staff buy-out from CSSP, the Odum Institute, and the Jordan Institute)
Gerry Carlon, Program Analyst, Office of Family Policy, Office of the Deputy Under Secretary of Defense MG (Ret) Craig Whelden, Director, Army Community Covenant Task Force

**Behavioral Health**

Lou Coccodrilli, Branch Chief, HRSA Area Health Education Centers
COL Nicole Keese, Deputy Surgeon, Behavioral Health, Office of the Chief, Army Reserve
LTG Tim Rooney, Chief, Manpower and Analysis Branch, National Guard Bureau
Defense Centers of Excellence for Psychological Health and Traumatic Brain Injury:
- Robert Ursano, Director, Clearinghouse, Outreach and Advocacy Directorate
- COL Peter Bickel, Director, Office of Guard and Reserve Health, Center for the Study of Traumatic Stress
- Robert Gifford, Executive Officer, Center for the Study of Traumatic Stress
- James Kelly, Director, National Intrepid Center of Excellence

Timeline: Ongoing (Leousis, Goodale, Kerner-Hoeg)

12. **Only if the most likely sources of sustained funding shift the emphasis to a purely national scope with minimal North Carolina involvement, seek the National Advisory Council’s wisdom on whether or not to move the CSSP’s management office away from UNC Chapel Hill.**

We do not foresee a time when North Carolina would not be a major focus of the CSSP, or when UNC Chapel Hill would not be a major contributor to one or more of the CSSP’s initiatives. In time, some elements of the program may move off campus, but we believe that the leadership and management of a “home grown” effort like CSSP, particularly its Behavioral Health Initiative, should remain at UNC Chapel Hill. Nonetheless, we take the Panel’s recommendation seriously, and we will continue to conduct an ad hoc “cost-benefit” analysis of our presence at UNC Chapel Hill.

We welcome the Review Panel’s continued involvement and invite the panel to review our implementation of their recommendations in six months.

Timeline: Ongoing (Leousis, et al)
Attachment: CSSP Website Home Page

[CSSP Intro]

Communities want to support our Reserve and National Guard members and their families but need guidance on how to demonstrate their caring. Reserve Component members and families need information about local services and how to access them. The Citizen Soldier Support Program (CSSP), hosted by the Odum Institute for Research in Social Science at the University of North Carolina, has as its mission ‘to engage and connect military and community service systems to increase the readiness and resiliency of Reserve Component members and their families.’

CSSP is working with numerous community service systems in North Carolina and throughout the country and with the Department of Defense to develop effective and sustainable military/community partnerships in support of our Reserve Component members and families. CSSP’s current efforts are focused in two distinct areas: building community support capacity for the Reserve Component and increasing Reserve Component access to behavioral health services.

CSSP is committed to making a difference in the lives of our Reserve Component members and their families and welcomes the opportunity to partner with other organizations that also share this commitment.

[Behavioral Health Pod Intro]

Through our Behavioral Health Initiative, CSSP seeks to improve access to services for Reserve Component members and families, especially for those with combat-related behavioral health issues such as Post Traumatic Stress Disorder (PTSD) and Traumatic Brain Injury (TBI).

[BCP Pod Intro]

Through our Building Community Partnerships Initiative, CSSP seeks to effectively engage communities in serving the needs of Reserve Component members and families, with a current focus on providing training and consultation in ‘Building Community Partnerships’ and on developing models of military/community engagement that can be replicated throughout the country.
Citizen Soldier Support Program
Accomplishments

13. Program Accomplishments

As noted in the report, “We will not attempt to recite in this report all of the program’s accomplishments. They are numerous...” We are grateful for the opportunity to list a few of the accomplishments over the last two years. These accomplishments reflect a significant shift in direction for the CSSP. The program’s new leadership (officially recognized in May 2007) and the National Advisory Council developed a strategic vision for the program.

On one hand, there would be a new emphasis on addressing the growing behavioral health needs of returning combat veterans and their families, and on the other a new approach to building community partnerships at the state and national levels through training and development and technical assistance.

Both initiatives acknowledge the need to engage and mobilize communities, but recognize it would be impossible to reach North Carolina’s roughly 24,000 Reserve Component Service Members directly. Instead, we would need to work through existing behavioral health training systems and the military command structure itself. By training civilian behavioral health providers, for example, we are able to reach far more Citizen Soldiers than we could ever hope to reach by providing direct services.

Behavioral Health Initiative

Continuing Education and Curriculum Development

A major goal of CSSP is the creation of a statewide network of trained civilian behavioral health providers who can respond to the needs of returning OEF/OIF combat veterans and their families. Civilian providers are critical for Reserve Component Service Members who often have limited access to VA services and also to address the reluctance of many Service Members to seek help.

- A day-long PTSD curriculum, “Painting a Moving Train,” and TBI curriculum, “Treating the Invisible Wounds of War,” content have been developed, reviewed and vetted through the NC AHEC system. They are scalable, replicable and sustainable.

- Since January 2008, 1,647 Primary Health and Behavioral Health Professionals received “Painting a Moving Train” (PTSD) and TBI day-long training at the nine NC AHEC sites. These trainings are now self-sustaining with a $70 registration fee.

- “Treating the Invisible Wounds of War” a three hour, free Internet-enabled tutorial with CME and CEU credits, targeted to the needs of primary care health providers and other health care system gatekeepers was produced and is now available: www.aheconnect.com/citizensoldier. Through 7/14 160 have enrolled in the tutorial and 77 have completed it.

- Three 30 minute “Painting A Moving Train” podcasts produced by NC Area L AHEC in a Q & A format with Harold Kudler, MD are available at http://www.arealahec.org/index.php?option=com_content&task=category&sectionid=4&id=42 &Itemid=100
Harold Kudler, M.D., conducted a free one hour web conference 9/24/08: “What Primary Care Providers Need to Know About Mental Health Issues Facing Returning Service Members and their Families” to 80 professionals.

Robin Hurley, M.D., conducted a free one hour web conference 4/23/09 on Traumatic Brain Injury to 136 professionals.

At our first two behavioral health trainings, the TRICARE presentations, which were done by CSSP personnel, received evaluations which indicated a need for improvement. We invited the TRICARE North Service Provider, Health Net Federal Services, to handle the TRICARE presentations, which they accepted. They have participated all 18 session since receiving the invitation and have enlisted more than 100 behavioral health providers to the TRICARE network.

As a direct result of the evaluations, we determined that “Boots on the Ground” presentations by non-commissioned personnel (E-6 to E-9) was more effective than BOG from officers; and adjusted accordingly. We learned from the evaluations which speakers to use for the military culture and family segments; and which speakers to avoid. We continue to refine and improve our training sessions.

Service Delivery in Rural Communities

The Cecil G. Sheps Center for Health Services Research [http://www.shepscenter.unc.edu/data.html](http://www.shepscenter.unc.edu/data.html) is in the final stages of developing a robust, easily searchable, open source, exportable provider database to enable veterans and their families to connect with providers who’ve received the training and/or express an interest in serving veterans and their families. We will launch it in Q3 2009; we are confident this will be expanded nationwide.

Planning for the provision of specialized health and mental health services to returning Citizen Soldiers began 3/1/09 utilizing the model of Integrated Care at primary care practices in rural Haywood county, NC. The Mountain Area Health Education Center (MAHEC) is a key partner. Implementation is underway.

TRICARE Recruitment

As important as it is to have a network of trained civilian behavior health providers in every community, Service Members and their families must also have a way to pay for those services. Thus, TRICARE recruitment is a key element of CSSP’s Behavioral Health Initiative.

- A significant number of Behavioral Health Professionals were added to the TRICARE Network as a direct result of the AHEC Trainings, representing an increase of approximately 12-14%. According to the NC TRICARE Network provider list, there are now some 800 BHPS in NC that take TRICARE. HealthNet Federal Services NC Field Optimization Director David Amos recently told us that we’re the benchmark program for TRICARE North.

- Carolinas Rehabilitation [http://www.carolinasrehabilitation.org/body.cfm?id=5](http://www.carolinasrehabilitation.org/body.cfm?id=5) also became a TRICARE network provider as a direct result of CSSP TBI training.

North Carolina Outreach

CSSP has established solid, working partnerships with:

- Brain Injury Association of NC
- Carolinas Rehabilitation
- Cecil G. Sheps Center for Health Services Research
Community Counseling Center, Camp Lejeune
ICARE Partnership
Mental Health Association in North Carolina
N.C. AHEC (state and regional AHECs)
NC Division of Mental Health Developmental Disabilities and Substance Abuse Services
UNC’s Health Sciences Library
North Carolina Conference of The United Methodist Church
The Duke Endowment
The VA’s VISN 6 MIRECC (headquartered in Durham, NC).

Following encouragement from Duke Endowment, we submitted a comprehensive proposal on behalf of the United Methodist Church New Bern, NC District for a three year $311,905 grant beginning in January 2009. They agreed to fund $220,000 (due to setbacks to its endowment). CSSP has committed $52,000 to the project. These funds are being used to train pastors and congregations to support Service Members and their families before, during and after deployments.

Harold Kudler, M.D. presented “What Primary Care Providers Need to Know About Mental Health Issues Facing Returning Service Members and their Families” to over 300 physicians at the NC Academy for Family Physicians Annual Conference General Session in Asheville 12/6/08

Harold Kudler, M.D. and Brigadier General Dan Hickman, USAR (Ret) presented “Effectively working with Veterans of Afghanistan and Iraq and Their Families” at the Mental Health Association in NC’s Annual Conference 9/18 2008 in Wilmington, NC.

Harold Kudler, M.D. Sheryl Pacelli and Bob Goodale presented “Training Providers to Work with Veterans from Afghanistan and Iraq and Their Families” at the 2009 Statewide AHEC Conference in Charlotte 2/6/09.

Engaging National Partners

CSSP is actively partnering with the Western Interstate Commission for Higher Education (WICHE) and the Center for the Study of Traumatic Stress.

Solid connections have been established with AHECs and other organizations in 16 states and American Samoa as a result of presentations at:

- The National AHEC Conference in Denver 6/30/08,
- the National Rural Mental Health Association in Burlington, VT, 8/7/08,
- The Marine Corp Combat Operational Stress Conference in San Diego 8/13/08 and
- The National Rural Health Association Annual Conference 5/7/09 where Harold Kudler MD, Hilda Heady and Bob Goodale presented “State efforts to address mental health needs of rural returning soldiers, veterans, and their families”.

“Painting a Moving Train” day-long curriculum was presented statewide in Virginia 11/9/08 and to providers via the Pee Dee AHEC in Florence, SC 3/13/0, to Mid-Mo AHEC 5/8/09 and to Low Country AHEC in Waltersboro, SC 6/12/09. The next “Painting a Moving Train” training will occur @ Gulf Coast North AHEC in Tampa, Florida, 7/24/09.
Harold Kudler, M.D. and Kristy Straits-Troster, Ph D, Rev. Dr. John Oliver, Durham VA Chief Chaplain and Bob Goodale presented “State by State Partnership in Support of Returning Combat Veterans and Their Families” at the International Society for Traumatic Stress Studies

Building Community Partnerships

Building Partnership Models

Family Law Support during N.C. National Guard Mobilization in 2009

At the request of the NCNG J-1 (Col Jim Cohn) and in collaboration with the NCNG JIA (COL Rick Fay), the NC Bar Association, the Legal Aid for Military Personnel (LAMP) Committee, and the US Army Reserve JAGs, CSSP created and managed a targeted effort to support NCNG JAGs during the most recent mobilization and deployment of NCNG troops to Iraq. CSSP identified, recruited, and scheduled family law attorneys throughout NC to provide support to the NCNG JAGs as Soldiers went through their final days of deployment processing. Because JAGs do not practice family law and because unresolved family law issues can preclude a Soldier from deploying, this was an important collaboration between the NCNG, CSSP, and family law practitioners in NC communities in support of our NCNG.

Bluegrass Regional Partnership (Kentucky)

At the request of local leaders (e.g., County Commissioners and Chamber Executives) CSSP is working in partnership with an 8-county region in Kentucky to create sustained community support for Reserve Component members and their families who live in these counties. CSSP facilitated the creation and adoption of a regional policy statement of support by 60 elected and appointed leaders in the region and continues to work with the Partnership to guide the linking and development of local partnership efforts in the areas of employment, mental health, faith, legal, and financial services. CSSP is also working with the Army Community Covenant to strengthen their efforts in this region.

Community Partnership Training

CSSP has developed and delivered nationally recognized training programs in “Building Community Partnerships” and “Confident Communication.” Soldiers and staff members from the N.C. National Guard and USAR 108th IET Family Program have participated in these courses, as well as all of the US Army OneSource Regional and Community Support Coordinators (R/CSCs) across the country. Hundreds of military service providers have benefitted from CSSP training. A total of 247 people attended these trainings.

UNC faculty who have served as training faculty for these courses include Dr. Gary Bowen of the Jordan Institute for Families, Mr. Mike Smith of the School of Government and Mr. Joe Barney, a student at the UNC School of Law. These courses have been independently evaluated by faculty members from Cornell University and have consistently received very high ratings for their effectiveness and for their direct application to the work of the R/CSCs in the field. CSSP is currently adapting several of these classroom sessions for use on-line.

The CSSP/UNC training work for Army OneSource (AOS) has been evaluated in three ways: (1) Cornell University has completed participant evaluations of every session and the events as a whole, (2) each day of training has been reviewed during a daily “hot-wash” session with AOS leadership and (3) CSSP leadership has reviewed, with faculty, the perceived results of training sessions. The evaluations,
especially from Cornell University, have indicated superior training and results. CSSP/UNC has used the evaluation results to amplify and improve the training in several ways:

- Modified the Community Culture Walk sessions
- Added time to a plenary session on Community Capacity and Resiliency, which is a highly regarded training segment
- Improved pre-event communication and expectations for faculty
- Altered the faculty mix to address participant needs
- Improved the use of pre-session assessment by integrating more scenarios applicable to the group
- Developed (in progress) on-line self assessments (3) to be used for implementation follow-up of AOS trainees and to facilitate trainee preparation for upcoming courses
- Adjusted the guest speaker mix to add greater relevance to Community Support Coordinator (CSC) work
- Developed and presented a new course module “Confident Communications” at the request of the Army to improve CSC communication and presentation skills

Consulting and Technical Assistance

Yellow Ribbon Reintegration Program

CSSP’s consulting and technical assistance has been the cornerstone of the largest national effort to support effective and efficient reintegration activities for Service members and their families. The Office of the Assistant Secretary of Defense for Reserve Affairs (OASD/RA) is currently establishing a congressionally legislated Center for Excellence in Reintegration practices that is designed and organized around CSSP standards and concepts.

CSSP may play a pivotal role in running the Center as a UNC affiliate. As a result of our national reputation, CSSP has been asked by two leading national consulting firms to join their team in response to OASD/RA requirements for establishing and running the Center.

Army OneSource

At the request of the Army OneSource project manager, CSSP developed a framework for bringing the CSSP NC Community Support Coordinator model to national scale. The national roll-out includes accountability for specific community partnerships, training and professional development for a national team of more than 60 field staff, mentoring and e-community support as well as reporting and evaluation at the program and policy levels.
### Key to Acronyms and Abbreviations

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>AHEConnect</td>
<td>Health professionals online Web portal for continuing education (<a href="http://www.aheconnect.org">www.aheconnect.org</a>)</td>
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<tr>
<td>AOS</td>
<td>Army OneSource (<a href="http://www.myarmyonesource.com">www.myarmyonesource.com</a>)</td>
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<tr>
<td>BH</td>
<td>Behavioral health</td>
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<tr>
<td>iCare</td>
<td>Integrated Care Network (<a href="http://www.icarenc.org">www.icarenc.org</a>)</td>
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<tr>
<td>ISFAC</td>
<td>Inter-Service Family Assistance Committee</td>
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<tr>
<td>MAHEC</td>
<td>Mountain Area Health Education Center (<a href="http://www.mahec.net">www.mahec.net</a>)</td>
</tr>
<tr>
<td>MHA-NC</td>
<td>Mental Health Association in North Carolina (<a href="http://www.mha-nc.org">www.mha-nc.org</a>)</td>
</tr>
<tr>
<td>PTSD</td>
<td>Post-traumatic stress disorder</td>
</tr>
<tr>
<td>SEAHEC</td>
<td>Southeast Area Health Education Center (<a href="http://www.seahec.net">www.seahec.net</a>)</td>
</tr>
<tr>
<td>SERCO</td>
<td>Private company that handles contracting for the Army’s family programs, including Army OneSource (<a href="http://www.serco-na.com">www.serco-na.com</a>)</td>
</tr>
<tr>
<td>SME</td>
<td>Subject matter experts</td>
</tr>
<tr>
<td>TBI</td>
<td>Traumatic brain injury</td>
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ACADEMIC PLAN

This is the 2003 Academic Plan for your information. This is provided to demonstrate what an academic plan looks like and how the new one will be formulated.
The University of North Carolina at Chapel Hill

Academic Plan

July 2003
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INTRODUCTION

The University of North Carolina at Chapel Hill embraces an ambitious vision: becoming the nation’s leading public university. By striving for the highest levels of excellence in teaching, research, and public service, the University best serves the people of North Carolina and beyond. The University intends to be the best that it can be for the State of North Carolina, the nation, and the world.

Two transforming events in the University’s history now support that vision. The people of North Carolina overwhelmingly voted to approve the 2000 Statewide Higher Education Bond Referendum, which is bringing $510 million to Chapel Hill for much-needed repairs and renovations, utilities infrastructure improvements, and new classroom and research buildings. The University is investing another $600 million from non-state sources including private gifts for buildings essential to continued excellence. The resulting capital construction program, valued at more than $1 billion, is one of the largest ever undertaken on any American university campus, public or private.

In asking North Carolinians to support the bond referendum, the University pledged to triple their investment in the University with private support. The University is fulfilling that promise through the Carolina First Campaign, the largest in campus history, with a goal of raising $1.8 billion by 2007. Major campaign goals include initiatives to significantly improve support for faculty, students, strategic academic initiatives, and research.

Even as it celebrates those positive developments, the University faces crucial challenges in determining how best to reach the full potential of its academic programs and the exceptional faculty who bring them to life. No challenge is greater than the economic downturn that has gripped the nation and North Carolina since early 2001. Federal priorities and available research funding have shifted due in part to world events. Carolina has absorbed major reductions in state appropriations for two fiscal years in a row and is braced for a third. When and how economic recovery and stability will emerge is unclear.

As a result, it is more important than ever for Carolina to be well-prepared for a successful future by having a clear and interconnected academic framework upon which to base future public and private investments in people, facilities, and programs that produce new generations of leaders, advance the frontiers of knowledge, and make a difference in the daily lives of citizens. The University’s responsibility is to be a good steward of the precious resources entrusted to it by planning thoughtfully to maximize UNC-Chapel Hill’s contributions to North Carolina, the nation, and the world.

This Academic Plan serves as an initial five-year roadmap to guide and shape future decision-making for the entire University, as well as at the school, college, center, institute, and individual unit levels. The plan is dynamic in nature, and progress toward its implementation will be regularly evaluated and refined as internal and external developments warrant.

The Academic Plan marks a first in recent history for Carolina. It builds upon the foundation of previous assessments of academic strengths and future needs. Those studies include the Report of the Chancellor’s Task Force on Intellectual Climate (1997); the Carolina First Campaign’s “The Case for Support” (2002); “Making Connections: A Proposal to Revise the General Education Curriculum” by the Curriculum Review Steering Committee (2003); the Research and Graduate Studies Five-Year Strategic Plan by the Office of the Vice
Chancellor for Research and Economic Development (2003); the Report of the Chancellor's Minority Affairs Review Committee (2000); “Increasing Access to and Diversity Within the University of North Carolina: A Program for Continuing Achievement” (2001); and the Interim Report of the Provost's Committee on Native American Issues (2001). The Academic Plan also aims to guide and build upon other complementary planning efforts, including the development of a rolling five-year annual financial plan.

The Academic Plan reflects broad input from the University community. In February 2002, Executive Vice Chancellor and Provost Robert Shelton appointed a 24-member Academic Planning Task Force that he co-chaired with Darryl Gless, senior associate dean of the College of Arts and Sciences. The task force's deliberations spanned from March 2002 to April 2003, and its draft reports were a basis for inviting campus-wide comment and feedback. Faculty, staff, and students attended two open forums in early 2003. The plan was a topic of presentations at meetings of the Faculty Council, Employee Forum, Executive Branch of Student Government, and the Graduate and Professional Student Federation. Hundreds of e-mails and written responses represented the views of individual faculty, staff or students; many came on behalf of entire centers, departments, or standing committees. Deans contributed statements addressing how the plan's six major priorities mesh with the goals of their units. The University's Board of Trustees also reviewed and endorsed the plan in July 2003.

The Academic Plan elaborates on the University's vision for the future and core values, provides context by examining key trends shaping the current external environment, outlines six major academic priorities, identifies related strategic areas of opportunity, presents recommendations, links strategic planning to resource allocations, and assigns administrative units to be accountable for follow up and action.
CAROLINA'S VISION, CORE STRENGTHS, and MISSION

Carolina has always been a university defined by how it has demonstrated leadership and set high standards for excellence to benefit the people of North Carolina and beyond. The cornerstone laid in 1793 for Old East was not only a tangible foundation for Carolina’s first building — it also was a symbolic foundation for public higher education in America, created to support a new democracy.

With lux, libertas — light and liberty — as its founding principles, the University began educating students based on the ideal that knowledge is the guardian of liberty. For more than two centuries, the University has charted a bold course following light, supporting liberty, and leading change to improve society.

The University of today remains true to the founders’ model, continuing time-honored traditions of excellence, free inquiry, and leadership that enable America’s great research universities to effectively meet new challenges. Carolina invests its resources in the success of each rising generation. It applies the University’s finest minds to improving the health and well being of the people of North Carolina, the United States, and the world. And it constantly strives to improve in the belief that excellence in teaching, research, and public service is what citizens deserve.

Guided by its remarkable past, Carolina’s vision for the future is to lead public higher education in America. Such leadership implies action and conveys a sense of motion rather than reaching a final goal or destination. Three recent events in the University’s history demonstrate the ways in which Carolina intends to lead.

Carolina became the first major public American university to halt binding early decision admissions. That change gave prospective students and their parents more time to thoughtfully weigh all future educational options and set a principled example for other campuses to follow.

In the face of controversy, the University defended academic freedom and the propriety of teaching religion with proper scholarly detachment in a public university in response to a federal lawsuit challenging use of a book about the Qur’an for the Summer Reading Program. Carolina affirmed important academic ideals and helped lead a national discussion about Islam.

Drawing from the University’s own culture and history, School of Law faculty filed an amicus brief with the United States Supreme Court supporting the University of Michigan in its landmark affirmative action case. The faculty developed an eloquent argument based on the unique responsibility of a public university to train future leaders to serve a society that is becoming much more racially and ethnically diverse. Their work was widely seen across campus as a model for faculty leadership.

Public is the other key word describing Carolina’s vision. The University embraces alumnus Charles Kuralt’s famous description of Carolina as “the University of the People.” As a proudly public university, Carolina remains committed to balancing its global and national aspirations with a rich history of service to North Carolinians. The University’s ambitions will always be grounded in its responsibility to North Carolina. That means constantly connecting academic success in all of its forms with tangible benefits to the state’s citizens in arenas such as education, health care, and economic development.

1 Kuralt, Charles. Opening Ceremony Remarks, Bicentennial Observance, Chapel Hill, N.C. Delivered October 12, 1993. Following is the famous description: “What is it that binds us to this place as no other? It is not the well or the bell or the stone walls, or the crisp October nights or our memory of dogwoods blooming. . . . No, our love for this place is based on the fact that it is as it was meant to be — The University of the People.”
Leading and public help define both Carolina's vision and essence. Other core qualities essential to the University's future excellence include the following:

**Courage of convictions.** Carolina consistently demonstrates that it has the courage of its convictions to do what is right, as a public university, even if those values are not fully understood by the public. The University has valiantly championed freedom of speech, expression, and inquiry. It has supported pioneering research leading to significant social change, notably including race relations in the South. A hallmark of Carolina is to be a place leading the discussion of vital social and ethical issues and subjecting dogmas and dictums to the light of truth and reason.

**Collegial culture.** Carolina's academic culture fosters excellence in interdisciplinary teaching and scholarship between and among the health, natural, and social sciences, as well as the liberal arts and the humanities. The breadth and depth of the campus community enable its members to consider complex issues, advances, and discoveries from all perspectives. Many of Carolina's academic successes were made possible by these strengths and by the faculty's passion and pride in taking a broad, holistic approach to scholarship and students.

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**UNIVERSITY MISSION STATEMENT**

The University of North Carolina at Chapel Hill has been built by the people of the State and has existed for two centuries as the nation's first state university. Through its excellent undergraduate programs, it has provided higher education to ten generations of students, many of whom have become leaders of the state and the nation. Since the nineteenth century, it has offered distinguished graduate and professional programs.

The University is a research university. Fundamental to this designation is a faculty actively involved in research, scholarship, and creative work, whose teaching is transformed by discovery and whose service is informed by current knowledge.

The mission of the University is to serve all the people of the State, and indeed the nation, as a center for scholarship and creative endeavor. The University exists to teach students at all levels in an environment of research, free inquiry, and personal responsibility; to expand the body of knowledge; to improve the condition of human life through service and publication; and to enrich our culture.

To fulfill this mission, the University must:

- provide high-quality undergraduate instruction to students within a community engaged in original inquiry and creative expression, while committed to intellectual freedom, to personal integrity and justice, and to those values that foster enlightened leadership for the State and the nation;
- acquire, discover, preserve, synthesize, and transmit knowledge;
- provide graduate and professional programs of national distinction at the doctoral and other advanced levels to future generations of research scholars, educators, professionals, and informed citizens;
- extend knowledge-based services and other resources of the University to the citizens of North Carolina and their institutions to enhance the quality of life of all people in the State; and
- address, as appropriate, regional, national, and international needs.

This mission imposes special responsibilities upon the faculty, students, staff, administration, trustees, and other governance structures and constituencies of the University in their service and decision making on behalf of the University.

*Adopted by the UNC-Chapel Hill Board of Trustees, April 25, 1986*
Vibrant learning community. Carolina, often called a “public Ivy,” offers an unsurpassed student experience. Chapel Hill historically has been a place where the children of farmers and mill workers across North Carolina have been nurtured into leaders for North Carolina and the nation. Today’s students draw from an increasing array of opportunities to participate in the process of discovery and engage in discourse, making them better-prepared citizens and leaders.

Accessibility. Access to Carolina should be based on merit, not the ability to pay. That tradition has characterized North Carolina’s approach to public higher education from the University’s beginnings. It is based on the State Constitution’s oft-quoted sentence saying the General Assembly must extend the University’s benefits “as far as practicable” to state citizens “free of expense.” Today’s challenge is balancing that cherished heritage with 21st Century standards. Carolina has followed two key principles in carrying out recent campus-based tuition increases. First, keep in-state tuition rates in the lowest quartile of national public university peers. Second, meet all demonstrated financial needs of students to hold them harmless from any campus hike.

Engagement. Faculty innovations and discoveries touch the lives of people, extending the reach of knowledge beyond the campus in Chapel Hill. University of North Carolina President Edward Kidder Graham once told North Carolinians, “Send us your problems.” He declared the state and its practical problems a legitimate field of university study and service. Throughout its history, a defining characteristic of Carolina has been its capacity for and commitment to serving the people of North Carolina. Faculty, staff, and students continue to shape their teaching, research, and public service agendas around the state’s needs.

Carolina spirit. Carolina’s people — its students, faculty, staff, alumni, and friends alike — celebrate a special atmosphere permeating the campus that goes beyond its beauty, signature stone walls, or academic prowess. It is marked in part by profound optimism and a “can do” attitude. Those who know and hold a special love for the University revere its history, traditions, and ability to transform lives in ways that are uniquely Carolina.
III | THE CURRENT ENVIRONMENT and COMPETITIVE CONTEXT

The University's continued success is vital to North Carolina, whose taxpayers have so generously supported academic endeavors in Chapel Hill since its founding. The University's nationally and internationally recognized academic excellence provides the state with leaders and professionals who meet ever-changing challenges, ideas, and innovations springing from a vast array of disciplines and fields, and an increasingly sophisticated engine for economic growth.

The Academic Plan affirms the University's key leadership role in North Carolina and American public higher education, and considers the current environment in which the campus operates. Those surroundings are affected by far-reaching economic, societal, and demographic trends, as well as by the threats and opportunities facing higher education. A sampling of these myriad forces described briefly in this section of the plan helps provide context for the University's academic priorities.

ECONOMY AND FUNDING SOURCES

The national recession that started in March 2001 has affected the stability of governmental budgets, research dollars, and appropriations by the states for virtually all publicly funded educational systems nationwide.

Top public universities had already become more entrepreneurial in their approaches to funding in order to remain competitive and to pursue key initiatives. The economic downturn has accelerated this trend. Students on these campuses have consistently paid higher tuition rates as state support has shrunk. Private giving increasingly provides the margin of excellence.

Mirroring national trends, North Carolina's economy is shifting dramatically away from its traditional strengths in the agriculture, furniture, and textiles industries to knowledge-based businesses like those in banking centers such as Charlotte or among the high-technology firms in the Research Triangle Park. The United States military also maintains a significant presence in the state and its economy.

Considering the tough economic times — among the worst in 50 years — and crisis-level budget challenges, the State of North Carolina has continued to provide generous support for the University, especially compared with other states. UNC-Chapel Hill, like the rest of the 16-campus University of North Carolina system, public schools, and state agencies, has absorbed state budget cuts. Carolina's recurring and non-recurring state appropriations have been reduced by tens of millions of dollars over the past two fiscal years, and more cuts are expected in 2003-2004. Analysts predict improvements once the economy recovers, but the short-term outlook remains challenging.

**Implications:** Although state support remains essential to the future of Carolina, state appropriations have shrunk to a quarter of the total campus operating budget. Carolina relies more than ever on sponsored research grants — fueled mainly by sharp increases in National Institutes of Health support — private gifts to the Carolina First campaign, and other funding sources to maintain and boost the overall quality of its academic programs.
Consistent with its mission, the University is positioned to strengthen the economic engine producing the new knowledge that will drive North Carolina’s economy and lead to greater prosperity for the state’s citizens. Currently, the University’s sponsored research funding ($488 million) already creates an estimated 15,128 jobs for the state, a number that can grow.

DEMOGRAPHICS

More than any other nation, the history of the United States and its economy are dramatically linked to dynamic changes of demographics that continue today. Hispanics are now the country’s largest minority group. As of mid-2001, Hispanics comprised 13 percent of the nation’s 285 million residents, slightly more than for African-Americans. At 70 percent, whites remained the largest single group. By 2050, some predict Hispanics will make up as much as 25 percent of the nation’s population, while the proportion of whites will drop.

North Carolina’s population grew to more than 8.3 million people in 2002, ranking 11th nationwide. The state has become particularly attractive to Hispanics, whose numbers grew by more than 300,000 — a 393 percent increase — from 1990 to 2000. North Carolina also is home to more Asians and non-native Tar Heels than in the past and a smaller percentage of whites.

Population growth explains the rising number of high school graduates. Between 1999-2000 and 2011-2012, the federal government predicts a 9 percent gain in the number of high school graduates nationwide to more than 3 million. North Carolina ranks second among Southern states expecting the largest increases — 22 percent — among public high school graduates during that period. The state’s projections show a major spike upward, rising from nearly 64,000 public high school graduates in 2002 to 78,000 by 2012. The numbers of graduates from private and other schools are expected to increase. Such gains track with expected overall full-time enrollment increases among campuses in both the UNC and community college systems by the end of the decade.

Implications: Although the University’s recent progress with diversity issues has been strong, the commitment remains to ensure that Carolina’s people — students, faculty, and staff — better reflect the growing diversity of North Carolina and the nation. The University’s academic programs and scholarly activities can help address how ethnic population and other demographic shifts transform the social and economic landscape. Predicted increases among North Carolina’s prospective college-age students are linked with concerns about how much growth Carolina can appropriately absorb while remaining true to its mission of serving the state.

STUDENT RECRUITING

Competition for the best and brightest students at all levels grows more intense each year as the levels of academic preparedness, quality, and diversity among applicants rise. Increasingly, top undergraduate prospects want details about high-quality academic programs and what to expect from their student experiences.

Implications: Maintaining Carolina’s recent success in admitting freshman classes with ever stronger academic credentials will be challenging as peer competition deepens. Top applicants continue to seek Carolina’s superb programs in the arts, humanities, and social sciences, as well as in distinctive cutting-edge science fields. Some of North Carolina’s very best students choose campuses in other states enrolling more geographically diverse student bodies. Carolina should face these
challenges in determining its proper role in attracting the most talented out-of-state students and contributing to the reputation of North Carolina as a place that values the very best in education.

FACULTY WELFARE

Key issues affecting the welfare of faculty across the nation include recruitment, retention, total compensation and benefit packages, and perennial policy issues such as tenure and sabbaticals. Public universities affected by recent state budget cuts have been especially hard-pressed to maintain faculty recruiting and retention efforts, which, in turn, affect attracting the brightest students and research grants.

Implications: A third of Carolina's senior faculty are expected to retire in the next decade, spurring a major test of the University's capacity to recruit their successors. Private universities pose a particularly significant competitive challenge for Carolina. The University's academic workplace must be made as attractive as possible to retain current faculty. A portion of campus-based tuition hikes — now frozen by the UNC Board of Governors because of the poor economy and hardships now faced by North Carolina families — have provided the only significant campus-wide source of faculty salary increase funding for the past two fiscal years.

GLOBALIZATION

Employers increasingly need employees with knowledge and skills related to other cultures, countries, and languages. Those needs respond to a convergence of global forces that have changed the world's economic structure. Communication is instantaneous, fueled by satellite technology and the Internet. In a post 9-11 environment that included a war with Iraq, worldwide events have reached new levels of relevance for many Americans.

Implications: Carolina's academic programs must more aggressively prepare students to compete successfully in a global economy and participate constructively in increasingly diverse societies. Those programs must evolve and adapt to serve North Carolina and the United States most effectively.

SOCIETY AND CULTURE

On the heels of accounting scandals and Wall Street mismanagement, ethics, accountability, and leadership have emerged as dominant issues for American business, government, and public life.

The arts, humanities, and social sciences provide essential knowledge on which students, researchers, and citizens can draw to understand the complex cultures in which they live. Such broad-based knowledge equips them with habits of curiosity, as well as critical and creative thinking that will enable them to help build a better future.

Implications: Ethics and a wide range of related contemporary issues offer a rich and relevant source of additional academic content consistent with the University's broad-based strengths. The arts, humanities, and social sciences remain among those core strengths and are central to Carolina's academic distinction and identity. Future challenges will include determining how Carolina can best contribute to setting new ethical standards addressing the increasingly complex demands of a global society.
TECHNOLOGY

Universities and colleges continue to find new ways to tap technology as a tool to enhance the academic experience of students and faculty. Making technological advances widely accessible enhances communication and helps produce graduates with the high-tech savvy required for 21st Century professional success. Classroom trends include course management systems that help teachers create World Wide Web sites for individual classes. On-line and distance learning opportunities continue to grow. Campuses continue to expand high-tech infrastructure to support sophisticated research, manage essential student and faculty support functions, and streamline business operations.

Implications: Continuing to make available appropriately supported and high-quality technological resources is an important component of Carolina’s ability to offer an excellent academic setting and to extend the reach of its resources beyond the physical walls of campus.

THE STATE OF PUBLIC UNIVERSITY SYSTEMS

Most American public university systems, including North Carolina’s, are experiencing state budget pressures. They face challenges in enrollment growth, capital and infrastructure needs, faculty pay, student costs, and initiatives targeting workforce shortages and economic development.

In addition, state systems are confronting several recurring governance, organization, and management issues, including differential funding formulas for research campuses and their regional sister institutions.

Most states are tackling resource and facility issues directly related to the rising numbers of high school graduates. Across the UNC system, sharp enrollment growth, some of which has been funded with tuition increases, remains a major issue over the next five years. Left unclear is when the state budget process might make enrollment growth part of the higher education continuation budget.

Implications: Every state university system must respond to these environmental trends while reflecting the unique characteristics of individual campuses and their differentiated missions. Carolina is committed to sustaining and improving still further its role as a top research university in a system widely regarded as one of the nation’s models for public higher education. Carolina’s mission is to serve all of North Carolina, the nation, and the world, and its dominant academic pursuits effectively balance and complement those of the system’s land-grant research campus, North Carolina State University. Other UNC campuses, with their differing program objectives, make critical contributions to the state’s educational system. Carolina’s future academic priorities should continue to help positively position the entire UNC system and public education across North Carolina.

COLLABORATIVE PARTNERSHIPS

Universities increasingly are partnering with one another and private industry to maximize the impact of academic programs and research. The North Carolina Area Health Education Centers Program, headquartered at UNC-Chapel Hill, represents the University’s longtime partnerships with other public and private medical schools across the state. The Research Triangle Park in North Carolina was founded on the strength of its linchpins: Carolina, Duke University, and North Carolina State. Joint programs among all three campuses are accelerating.
Carolina's bonds with Duke have grown particularly stronger, building on collaborations dating back to the 1930s that now flourish in the liberal arts, humanities, and health sciences. A unique joint merit scholarship initiative, the Robertson Scholars Program, has been launched with a remarkable private gift. The program includes a free daily bus service between Carolina and Duke that has removed a primary obstacle to inter-campus collaboration. Both campuses have taken major strides forward to coordinate their academic calendars.

Implications: The three major Triangle universities and the Research Triangle Park's public-private composition constitute a formidable array of public and private resources. Their proximity, combined with the presence of North Carolina Central University, is a considerable strength. There is untapped potential for even more robust partnerships with Duke, as well as the other UNC campuses, to reach mutual goals and serve the state's best interests.
INTRODUCTION

The mix of current economic, demographic, international, cultural, competitive, and technological forces requires that the University establish a set of academic priorities to guide program and resource decisions. Since Carolina cannot afford to pursue all opportunities, these priorities reflect a strategy of building on current strengths and in areas with the greatest potential for future success. Any new initiative must have sufficient support to make it a nationally recognized program. The priorities and themes are broad, allowing maximum flexibility to address changing environmental factors.

Six overriding academic priorities will guide Carolina over the next five years:

A. Provide the strongest possible academic experience for undergraduate, graduate, and professional students.
B. Further integrate interdisciplinary research, education, and public service.
C. Significantly strengthen faculty recruitment, retention, and development.
D. Increase diversity among faculty, students, and staff.
E. Enhance public engagement.
F. Extend global presence, research, and teaching.

This section of the Academic Plan describes each of the six key priorities — not ranked in any order of importance — and the accompanying recommendations. It also lists a few benchmarks that illustrate how the University might chart progress in these six areas. These benchmarks are intended to guide schools, the College of Arts and Sciences, departments, and other units in developing their own integrated strategic planning and measures of achievement.

The six overarching priorities provide a framework for considering Carolina’s academic future. The University is committed, above all, to using its public and private funding to support academic programs and initiatives that have considerable intellectual significance, demonstrate far-reaching educational impact, and promise major advances in research and improvements in the quality of life for North Carolinians. Exercising responsible management of the University’s resources requires making tough decisions about strategic reallocations — regardless of the outlook for any particular budget cycle — in a manner consistent with Carolina’s values and goals for future excellence.

The Academic Plan intends to preserve and strengthen what the University already does best and provides a sound basis for seizing new opportunities consistent with Carolina’s mission when they emerge. The University’s approach will emphasize quality and a fundamental duty, as a public university, to uphold the citizens’ trust and provide an excellent return on the investments made from both public and private sources.
ACADEMIC PRIORITIES

Priority A: Provide the strongest possible academic experience for undergraduate, graduate, and professional students.

Though proudly public, Carolina's culture of excellence means the University's aspirations equal those of the great private campuses with which it regularly competes for the very best students and faculty at every level. One of Carolina's greatest strengths is the overall balance and mutually reinforcing character of its undergraduate, graduate, and professional programs. In that context, this section addresses ways to protect and improve the quality of the education all students receive in Chapel Hill.

THE UNDERGRADUATE EXPERIENCE: ENROLLMENT AND QUALITY ISSUES

Carolina's defining characteristics include its capacity to provide an outstanding liberal arts education for undergraduates on a major research university campus with many other strengths, including five health sciences schools and a leading academic medical center. Senior faculty, researchers, and well-qualified graduate teaching assistants all play important roles in teaching the University's undergraduates. Their collective commitment to exceptional teaching at Carolina is unwavering and campus-wide.

Undergraduates have benefited from the University's recent investments in improving the first-year educational experience and extending undergraduate research opportunities. Now it is easier for new students to make the transition from high school to Carolina because of the Summer Reading Program, orientation, First-Year Seminars, and high-quality advising. Undergraduates continue to benefit, as they long have at Carolina, by beginning their academic careers pursuing a single General College curriculum that provides a broad liberal-arts foundation for their more focused studies as juniors and seniors. A revised General College curriculum, approved by the Faculty Council in 2003 following three years of campus-wide deliberations, will help further strengthen undergraduate education as it is implemented. The new curriculum, coupled with such innovations as the upcoming Carolina Integrity Initiative and the Public Service Scholars Program, will enhance the intellectual climate for all Carolina students. Undergraduates also gain from a diverse residential environment that complements and enriches their academic work.

Students, in turn, have a responsibility to take full advantage of the rigorous academic programs available at Carolina. Because of the University's powerful graduate and professional programs, there is no limit to the academic, research, and public service opportunities available to challenge even the strongest undergraduate. Students are selected for admission to Carolina because of the full range of contri-
butions they are capable of making to the University community. In accepting that offer, they enter into a partnership with the University that demands they challenge themselves.

Maintaining this vibrant intellectual climate requires carefully limiting the future enrollment growth that is required for the University to do its part in educating the state's growing numbers of students. Properly balancing the mix of students and faculty, facilities, and Carolina's distinctive campus culture is a delicate matter. Carolina exists to serve the state, and the question of size must be framed in terms of what serves the state the best. Carolina's intellectual and physical infrastructure, as well as the local community, cannot support a student enrollment swelling to the "megacampus" proportions of some of the largest public campuses. The ability to provide an exceptionally high-quality education is the overriding concern because that is how Carolina has for more than two centuries successfully trained generations of leaders for North Carolina and the nation.

RECOMMENDATIONS:

A. 1. Sustain modest, controlled enrollment growth.

The combination of statewide enrollment pressures, a lack of state funding to pay for the true costs of such growth, and a central campus already at its physical capacity requires that Carolina's enrollment over the next five years increase modestly, based on the ability to maintain and enhance academic quality. Continuing to meet the changing needs of students, the state, and society must remain a priority, with expansion into any new areas occurring only as adequate infrastructure, faculty, staff, and funding become available. Now at 26,000-plus undergraduate, graduate, and professional students, Carolina is large enough to have attained a critical mass of competing and complementary thought and a well-deserved national and international reputation for excellence in research, teaching, and service. At the same time, the campus has retained a distinctive ethos that inspires students and alumni alike to consider Chapel Hill a magical place, a campus defined by an honorable philosophy, high intellectual achievement, remarkable opportunity, and close-knit collegiality. Maintaining this culture requires careful monitoring and control of enrollment growth.

A. 2. Reassess the implications of the 18 percent cap on undergraduate out-of-state students.

Because of the large sums of state resources allocated to public university systems, some states or university systems set caps on the proportion of students that can be enrolled from other states. North Carolina's current 18 percent cap, set by the UNC Board of Governors, is more restrictive and rigid compared with those governing UNC-Chapel Hill's peer campuses.

Many of North Carolina's brightest high school graduates, in a desire for a greater "away-from-home" experience, pursue their undergraduate education and careers outside of the state. Carolina needs the very best in-state students to choose Chapel Hill first. Conversely, UNC-Chapel Hill receives thousands of applications from prospective students from other states. The University must decline admission to thousands of exceedingly bright out-of-state applicants whose presence on campus would add to the geographic, intellectual, artistic, and cultural diversity of the student population, as well as offset the "brain drain" of North Carolina talent to other states. Many out-of-state students ultimately remain in North Carolina after graduation. The University
should explore responsible ways to seek relief from the current out-of-state enrollment cap to help reverse the current “brain drain.”

A. 3. Broaden small-group student opportunities.

Two proven undergraduate programs that cross numerous majors and help distinguish Carolina from other major public research universities warrant expansion, along with efforts to make small-group and experiential learning more fully available to students. The successful First-Year Seminar Program, which serves slightly more than half the entering class, should be fully implemented so every first-year student can take at least one such seminar. Similarly, the Honors Program should be expanded significantly to improve the University’s ability to recruit top undergraduates, including the brightest out-of-state students who have academically competitive offers from other outstanding universities.

So appropriate to course content, faculty at every level should adopt innovative course formats, including interdisciplinary and inquiry-based seminars that reflect student input. Students seek more opportunities to participate in class and in on-line discussions and to express their ideas and test them in dialogue with other faculty and students. Students want to learn by doing and observing outside of the classroom. Making that possible will require more service-learning classes, independent study opportunities, internships, and study-abroad options — as well as scholarships to make overseas experiences affordable for more students. An integral part of every Carolina undergraduate’s academic experience should be the opportunity to participate in seminars, to study abroad, to engage in research projects, or to perform public service. High-achieving students who have established proper academic credentials should be able to write a senior honors thesis. Lastly, within the constraints of available funding, efforts should be made to reduce section sizes in introductory courses. Such reductions, when feasible, will increase the quality of instruction and improve the students’ experiences in key courses that provide the foundation for their more advanced studies.

A. 4. Provide a better mix of physical spaces in which students can live and learn.

The University should explore additional ways to integrate living and learning environments, part of a well-regarded national trend. The campus master plan’s emphasis on mixed-use spaces in south campus development addresses this issue, and several general undergraduate courses are now taught in seminar rooms in the four new residence halls. Academic leaders should review first-year orientation programs to ensure that they contribute directly to the intellectual engagement of incoming students. Those leaders should foster closer interactions and collaborations among student orientation, the residential learning environment, and an array of General College programs, including first-year seminars. Students would benefit from more residential space organized around academic themes. Finally, a series of new academically motivated reforms to the timing and nature of rush for fraternities and sororities should be closely monitored. Those rush proposals, which take effect in fall 2003, resulted from more than a year of deliberations by the Chancellor’s Task Force on Greek Affairs.
ILLUSTRATIVE BENCHMARKS

Examples of benchmarks that can help measure progress toward improvements to the graduate and professional experience include:

- Passing rates on graduate students' professional examinations.
- Placement of doctoral and master's degree recipients.
- Comparisons of average teaching assistant compensation with peers in the Association of American Universities.
- External rankings and evaluations for graduate and professional programs.
- Number of jobs created annually through economic development results.

A. 5. Improve the culture of honor.

The Carolina community should make honor, integrity, and ethics a stronger part of the fabric of undergraduate life, improving the entire intellectual climate in the process. Progress has been made through campus-wide deliberations involved with the Honor Code system revisions that will take effect in July 2003. Now comes the hard work of sustaining outreach and educational efforts to keep students, faculty, and staff focused on this topic and its importance to the University’s integrity. Reinvigorating an environment of honor begins with first-year orientation and continues throughout the undergraduate experience. The next steps to ensure that a culture of honor pervades the campus include developing related courses, reading and discussion groups, lecture and colloquium programs, and leadership development initiatives. Doing just that is the focus of the Carolina Integrity Initiative, a yearlong campus-wide conversation planned in 2003-2004, will focus the community on issues of honor, ethics, and integrity.

THE GRADUATE AND PROFESSIONAL STUDENT EXPERIENCE

Many of Carolina's graduate and professional programs in both health affairs and academic affairs have emerged as national leaders over the past half-century. Maintaining and advancing the standings of those units, as well as programs in emerging interdisciplinary fields, will require ongoing investments of resources. The most critical of these investments will be in faculty and, as appropriate, in creative partnerships with other campuses that help take full advantage of joint resources. Two cooperative ventures with North Carolina State University in materials science and in a newly approved joint biomedical engineering degree program offer excellent examples of such partnerships.

RECOMMENDATIONS:

A. 6. Invest for sustained growth and leadership in the research enterprise.

The continued excellence of the graduate and professional experience relies on the University’s efforts to maintain its role as a leading Research I university and its success in expanding the research enterprise at a level competitive with top public campus peers. Through its sponsored research program, the University sustains overall research capacity, enhances academic programs, and helps support key capital improvements that benefit the entire campus.

The University has made impressive gains in peer-review funded research grants awarded to faculty from sources including the National Institutes of Health and the National Science Foundation. The faculty are poised to exceed the $500 million mark for total awards, reflecting the excellence of the five health sciences schools, the College of Arts and Sciences, and other units. Continued growth will depend
in part on the University's response to increased grant-seeking competition among peers. Also crucial is Carolina's ability to retain and fully reinvest the reimbursements of the costs of research—facilities and administrative costs, or overhead receipts—in the face of ongoing state budget challenges. Those funds represent the seed corn for future progress. Resolution of these and related issues lie at the heart of the University's future ability to invest for sustained growth in the research enterprise. Strategies should include better funding support for research-related services, providing seed funding for new research, identifying and developing areas of excellence and strategic importance in research, and increasing incentives to carry out research that benefits North Carolinians.

A. 7. Promote technology transfer and economic development.

The University's current success in promoting economic development results from technologies created by faculty and students in laboratories and research settings that are transferred into the commercial marketplace through invention disclosures, patents, licensing activity, and spin-off companies that create products to treat diseases and advance technology. The excellence of the University's research and graduate education creates the potential to contribute more jobs to the state's economy. The Office of Technology Development, under the Vice Chancellor for Research and Economic Development, will play a critical role in helping the University realize this potential.

Future achievements in this arena depend upon several factors. The University should address a lack of resources to invest in companies growing out of inventions by Carolina faculty and to provide the expertise required to evaluate technologies, apply for patents, and negotiate licensing agreements. Comparisons with peer campuses show the need for more staff and for infrastructure to incubate businesses properly.

Housing such activity is among the possibilities for the future development of Carolina North, the 900-acre tract of University land near the main campus. Planning continues with community involvement and a vision of becoming a living-learning community that can expand the University's multiple missions, create diverse partnerships, and connect to and enhance both the main campus and local communities. Few major research universities, public or private, have an opportunity to develop such a large tract so near—about two miles—a main campus. Doing so successfully has major implications for Carolina's future research success and its commitment to the local community to be an excellent neighbor.

A. 8. Attract and retain top graduate students.

The University's graduate and professional programs will flourish only by attracting and retaining top graduate students. Current success in these efforts is attributable to the quality of the faculty and the opportunity to engage in multidisciplinary cutting-edge research and discovery. However, Carolina has not been able to provide consistently competitive financial support packages to prospective students. Making those packages more attractive requires increased tuition remission funds, which permit students to pay in-state tuition rates, and competitive stipends. Other needs include more fellowship opportunities that encourage multidisciplinary study and research, as well as additional support for the development of teaching skills. Equally important is continued attention to and support for post-graduate doctoral fellows, who play an important role in the success of Carolina's research enterprise.
A. 9. Integrate graduate and professional students more fully into the life of the University.

Maintaining and enhancing the University’s overall quality requires integrating graduate and professional students more fully into the life of the campus. The presence of exemplary graduate and professional students as teaching and research assistants strengthens Carolina’s undergraduate programs, just as undergraduates help enliven and enrich graduate and professional studies. But graduate and professional study often focuses students on distinct disciplines located on a single part of the campus. Those students benefit from engaging with people in other disciplines. The University should identify and promote opportunities for graduate students to participate in interdisciplinary seminars and other similar collegial activities. Graduate and professional students should be recruited to serve as advisors and role models for undergraduates in residence halls, extracurricular activities, and departments and schools.

Priority B: Further integrate interdisciplinary research, education, and public service.

To reach its potential, Carolina requires a more focused campus-wide approach to generate and make available centrally administered seed funding to seize compelling opportunities for interdisciplinary research, education, and public service.

Carolina long has encouraged effective collaborations on important academic endeavors that cross many traditional disciplinary boundaries. One of the University’s strengths is that the faculty at such a large, decentralized research university have mobilized around many diverse topics. Building on this cross-disciplinary culture is the most critical building block for setting strategic academic priorities, allocating resources, and enhancing Carolina’s national leadership among public universities.

RECOMMENDATIONS:

B. 1. Support strategic opportunities for interdisciplinary programs, research, and public service.

The University has identified five broad interdisciplinary themes of strategic opportunity: biological, medical, and technology sciences; fine arts, humanities, and social sciences; global citizenship; social problem-solving; and ethics, leadership, and public life. Within each theme, there are areas in which Carolina has achieved excellence, others in which Carolina is building strength, and still others that promise multi-unit capacity to address pressing issues facing North Carolina, the nation, and the world. These interdisciplinary areas of strategic opportunity are described briefly below.
BIOLOGICAL, MEDICAL, AND TECHNOLOGY SCIENCES

**Genome Sciences.** Carolina is uniquely positioned to contribute to the post-genome challenges of providing meaning to the sequence of DNA. Successes of a campus-wide initiative include designation by the Centers for Disease Control and Prevention as one of three national centers of excellence for genomics and public health.

**Proteomics.** This research aims to produce a catalog of the proteins expressed in cells — crucial to realizing the full potential of the Human Genome Project. Proteins are instrumental in the processes that keep the human body healthy.

**Computational Biology.** This rapidly emerging field focuses on the role of computing in advancing molecular biological research.

**Biomedical Engineering.** Science and engineering combine to help solve practical problems in biology and medicine through tools such as computerized imaging.

**Materials Science.** The University's material sciences graduate program — unique because it is not based in an engineering school — builds on campus-wide science strengths to focus on electronic and optical materials, polymeric materials, and biomaterials.

**Nanotechnology.** Carolina faculty have pioneered sophisticated atom-scale research techniques that have vast potential to advance knowledge in areas including biology, medicine, and "green" manufacturing. The science behind building increasingly fast devices in dramatically smaller packages affects everything from sensors and computer chips to medical implants.

FINE ARTS, HUMANITIES, AND SOCIAL SCIENCES

**Fine Arts.** Carolina's nationally recognized arts programs — soon to be enhanced by the development of a planned "arts common" and several major facility improvements — position the University to become a leader in the arts among public universities.

**Writing.** Longtime excellence in dramatic art, communication studies, and creative writing provide distinctive cross-disciplinary opportunities in writing for the stage, screen, and established — as well as emerging — electronic media.

**Humanities and Social Sciences.** Among Carolina's greatest strengths are its faculty, programs, and traditions of excellence in the humanities and social sciences. Ongoing scholarship in the multi-disciplinary examination of social, cultural, historical, and artistic endeavors promises to be an area of focus with great potential for continued powerful collaboration across the campus.
GLOBAL CITIZENSHIP

Area Studies. Carolina aspires to be a national leader in a broad array of area studies — both geographic and ethnic — in which faculty from multiple academic and health affairs units strive to deepen understanding of economic, cultural, historical, religious, and social issues. Examples include African and Afro-American studies, American studies, Asian studies, Jewish studies, Latin-American studies, Native-American studies, and Southern studies.

Global Health. As envisioned at Carolina, global health responds to the new links between the health of the world’s peoples with social stability, economic progress, and peace. Faculty bring together expertise across broad perspectives — including clinical, biomedical, cultural, epidemiological, behavioral, anthropological, legal, environmental, and economic — to better understand both diseases and wellness.

SOCIAL PROBLEM-SOLVING

K–12 Education. Carolina brings broad faculty expertise in education, childhood development, and public health, among other fields, to bear on the needs of K–12 education in North Carolina and beyond.

Health-Care Access. North Carolina’s large indigent, migratory and immigrant populations create special challenges for providing health-care access and developing research agendas that best meet the needs of the state’s citizens.

Civil Rights. Civil rights scholarship examines such issues as education, economic and social justice, employment, health care, housing, and voting rights.

Community Preparedness. In the wake of the 9–11 terrorist attacks, bioterrorism and community preparedness are two areas in which Carolina has a growing body of resources to share with governments, the public health workforce, and citizens.

Environment and Sustainability. Promoting environmental learning, research, and outreach is the responsibility of a diverse group of campus units collaborating to fulfill the University’s responsibility to society. At issue are such factors as growing population, a rising demand for consumable goods, and the resulting stress on the environment and quality of life.

ETHICS, LEADERSHIP, AND PUBLIC SERVICE

Ethics. Ethics transcends all disciplines. Carolina’s culture of honor requires the University to equip graduates with the critical thinking skills required to analyze problems from the worlds of business, medicine, government, or everyday life and evaluate the potential human and moral consequences of their decisions.

Leadership and Public Life. The future of society — at the state, national, and international levels — requires greater understanding of how the next generation of leaders can be nurtured effectively to become the best possible decision-makers for the public and private sectors.
B. 2. Build sufficient infrastructure and provide adequate staff support for faculty research and teaching.

Campus infrastructure is essential for the recruitment, retention, and development of faculty in all disciplines. Centralized research facilities for modern scientific research require not only equipment, but also well-qualified and well-compensated staff. Most critical to Carolina’s interdisciplinary goals for excellence is the development of physical, chemical, biological, and computational facilities that are considered part of the normal operations required for science programs on other campuses. The multi-phase Science Complex provides an historic opportunity for Carolina, and the physical space that it promises should be complemented with a long-range plan for the maintenance of these resources. The social sciences require better primary data collection and data analysis facilities. Such facilities would include the ability to conduct scientific social surveys that enhance faculty research and further student training. Also needed are social science facilities that would allow the University to take advantage of non-traditional sources of data such as video, voice, and electronic forms of information that will be the basis of new forms of social science inquiry. Classrooms must be continually improved and adapted to changing instructional techniques.

B. 3. Fund the libraries to ensure access to both traditional and digital media.

The University should make funding the libraries a key priority. The libraries are confronting an explosion of information and a reduction in purchasing power caused by unprecedented price increases, especially for scientific journals. Dramatic changes loom in scholarly communication, including the rising cost of traditional publishing and commercial and governmental restrictions on access to intellectual property. Positive trends include the growing power of on-line technology to bring current information quickly to the point of use and to archive and make available vast amounts of information in multiple formats. Carolina should strengthen its leadership role in providing resources for learning and research.

Priority C. Improve faculty recruitment, retention, and development.

To sustain Carolina’s strengths and realize its future aspirations, Carolina must successfully recruit, retain, and develop an extraordinary faculty. Over the next decade, Carolina will experience unprecedented levels of retirements. Faculty retention has become an urgent issue as the best public and private universities are recruiting Carolina faculty away to campuses with lower student-to-faculty ratios and better compensation and research support. In recent decades, the pressure has grown on many faculty to generate revenue by securing external research funding and, in some health science schools, by providing clinical services. Faculty face demands to teach ever-more students with limited increases in resources. These stressors combined with stagnant salaries are limiting Carolina’s ability to maintain its thoughtful leadership and teaching capacity in a number of key areas.

The following proposals will help Carolina maintain its collective excellence by attracting and retaining this prized resource.
RECOMMENDATIONS:

C. 1. Increase base salaries, benefits, and compensation packages to competitive levels.

Carolina must compete vigorously for the best talent in the entire intellectual pool. The University should make allocation of faculty support a sufficiently high priority so that base salary, benefits, and compensation packages are competitive with peer public and private universities.

C. 2. Streamline the recruiting process and incorporate a spousal hiring program.

The University should design flexible faculty searches that rapidly identify new talent, complete negotiations, and formulate offers. Since faculty members increasingly come as proposed pairs, the University should use the strong base of colleges, universities, and businesses in the Triangle to recruit both partners simultaneously. The University must respond to the special challenges of recruiting women and minorities, including adopting a tenure and leave process that recognizes the difficulty of starting families while establishing research and teaching programs.

C. 3. Design a formal sabbatical program.

Carolina’s lack of a formal sabbatical program has placed the campus at a competitive disadvantage compared with top private institutions and public university peers. A patchwork of leave programs has increased research opportunities in recent years, but the lack of a formal sabbatical program is an impediment to faculty development. Any program developed should have a policy that defines goals and sets expectations for faculty outcomes.

C. 4. Recognize and reward superb teaching.

In addition to their core classroom responsibilities, faculty teach by advising, mentoring, directing independent study, and guiding students’ research. They need additional knowledge and skills to promote problem-based learning, service learning, interdisciplinary education, and effectively use instructional technology. The University should recognize and better reward superb teaching efforts — in all its permutations — through the tenure, promotion, and salary increase processes.
C. 5. Develop faculty resources and tools that further improve teaching and research quality.

The sustained intellectual life of the faculty requires time dedicated to research and starting new scholarly directions. Opportunities for recurrent retooling and development, in turn, help improve teaching and research.

Key areas worthy of support include the use of instructional technologies for both on-campus and distance education and opportunities for new course development that draw from the latest faculty research. Faculty need summer stipends, pre-doctoral and post-doctoral research assistance, technical assistance, and improved facilities. Many faculty, particularly in the sciences and medicine, find external support for some of these needs, but others do not have support available and depend on the University to provide it.

Staff support is critical to the success of good teaching and faculty retention. Competitive staff salaries and benefits are crucial to maintain Carolina's research, teaching, and public service.

Priority D. Increase diversity among faculty, student and staff.

Diversity is critical to the University’s effectiveness in fully preparing students for the world. The University is committed to reflecting the rich and changing diversity of the state and nation. Carolina must increase its capacity to draw upon, welcome, and benefit from the most able researchers, teachers, and public servants around the nation and the world. The University should meet its responsibility to contribute to the diverse pool of outstanding leaders needed for business, education, government, health care, and non-profits.

RECOMMENDATIONS:

D. 1. Continue successful minority student recruitment efforts and increase support for minority faculty recruitment and scholarship programs.

Recruiting and retention efforts should be reinforced by implementing the United States diversity requirement for undergraduates recently enacted as part of the general education curriculum review. The University should make better use of established minority organizations in recruiting minority faculty and students and ensure that all people feel welcomed as valued members of the University community. The School of Medicine's Minority Faculty Recruitment Program provides a successful model.
D. 2. Integrate the needs and concerns of African-Americans, Native-Americans, Latinos, and Asians into the curriculum and daily life.

To make progress toward this priority, Carolina should nurture individuals and help them realize their potential, without limitation as to race, ethnicity, disability, gender, age, or sexual orientation. The University should sustain excellence in African and Afro-American studies; increase support for Native-American and other area studies; continue support for the Office of Minority Affairs and activities of centers and institutes that address minority concerns; and continue to implement recommendations of special concern to minorities still pending from both the Report of the Chancellor's Minority Affairs Review Committee and the Report of the Chancellor's Task Force on Intellectual Climate.

D. 3. Increase partnerships with North Carolina's historically minority universities.

Expanded programs with other campuses should draw on the unique historical perspectives and special opportunities available at the state's historically black and minority universities. Minimally, Carolina should identify additional opportunities to cross-list courses with area minority institutions. Other activities should include joint research efforts, shared lectures, distance-learning opportunities, conferences and seminars, and cross-campus exchange programs modeled after the Robertson Scholars Program with Duke.

Priority E. Enhance public engagement

The University's tradition and history of public service to North Carolina fulfills one of its core missions. Through the broader concept of engagement, the University transcends public service and links Carolina's research and creativity to the felt needs of the state. Through engagement with individuals, communities, and business and industry, the University transforms lives far beyond Chapel Hill while enriching the education of students and the professional lives of faculty and staff. To lead public higher education in America, engagement must remain one of Carolina's highest priorities. The University must demonstrate its beneficial impact, tangible and intangible, for the campus itself and the communities it serves in all 100 counties of North Carolina.

RECOMMENDATIONS:

E. 1. Provide senior leadership in public engagement.

Public engagement must be assigned a high priority. With the Chancellor modeling and communicating the importance of engagement to people inside and outside the campus, all UNC-Chapel Hill leaders are responsible for developing plans and demonstrating results that advance the University's public service mission in North Carolina. Many initiatives arising from these plans should involve multiple units of the University. Progress toward achieving engagement goals should be a regular topic of discussion with key leadership groups including the Chancellor's Cabinet, the Dean's Council, and the Faculty Council.

In devising plans for enhancing its commitment to engagement, the University should work closely with state leaders, citizens, and other stakeholders to identify major challenges facing North Carolina — in areas such as K-12 education.
job creation, economic development, and health-care access — and develop proposals to help address those concerns. That is exactly what a University, especially a great public institution, should be doing in tough times. A variety of mechanisms can be used to identify the state’s needs. The University can, for example, host regional town meetings and convene a diverse and representative advisory board composed of government officials, business and community leaders, foundation directors, representatives of grassroots and non-profit organizations, students, faculty, staff, and administrators. Such an advisory board should include leaders of underserved and emerging communities that may not typically have a strong public voice.

E. 2. Shift the focus from public service to public engagement.

The University of North Carolina at Chapel Hill has a 200-year-old record of distinguished achievement in fulfilling its public service mission. By embracing public engagement, Carolina can sharpen and strengthen its service. The University should be responsive to community concerns and build strong and lasting community partnerships while integrating services more fully into its teaching and research missions. Working collaboratively and with coordination to achieve maximum efficiencies, the University should engage communities throughout the state by inviting them to share their needs and how the University might help and learn from them. The Chancellor has re-energized such conversations through recent state outreach efforts. The University should conduct partnered and participatory research and provide continuing and non-degree educational programs for North Carolina businesses, non-profits, and governments in economic and community development, based on the needs defined by leaders in those organizations.

E. 3. Build partnerships for engagement within and outside the University.

The University should further develop partnerships within the University and with outside groups to help meet the challenges facing North Carolina. As Carolina becomes more fully engaged with North Carolina, it will be important to develop stronger relationships with business, government, non-profits, grassroots groups, emerging communities, and other campuses. Through soliciting and selecting the best faculty and student proposals, and providing the necessary resources to support the work, the University will ensure that it is investing in the projects that best foster engagement and achieve its goals.

The University should build on successful foundations already in place to enhance how it delivers services to the citizens of North Carolina. Notable exemplars of public service activity at Carolina include the School of Government and its efforts to train public officials and the North Carolina Area Health Education Centers Program. More recent additions to the University’s service repertoire include the Carolina Center for Public Service, which has created a central data base tracking University activities in all 100 North Carolina counties, and the William and Ida Friday Center for Continuing
ILLUSTRATIVE BENCHMARKS

Examples of benchmarks that can help measure progress in extending Carolina's global presence include:

- Number and rate of students enrolled in international and study abroad programs.
- Number of programs or initiatives Carolina has with domestic and foreign partners or in international locations.
- Number and proportion of faculty engaged in international research and creative activities.
- Amount of funding provided to foreign students and scholars.

Education, which offers academic programs to a wide range of part-time learners through both courses offered on campus and through distance education.

Priority F. Extend Carolina's global presence, research, and teaching.

Recent events highlight why all University community members require an understanding of how world problems are created and resolved, as well as how global issues of economic, geo-political, and cultural orientation drive international relationships and affect the health and development of the world’s population. Carolina is a global university with worldwide interests, world-class programs, extensive participation by international students and faculty, and programs around the globe. Yet, an expansion and strengthening of this globalization is essential if the University intends to remain a major university in the new millennium. In pursuit of excellence, the University must not only broaden and deepen its globalization by supporting existing initiatives and adding others, but it needs to seek enhanced recognition for those efforts. All that Carolina does internationally must be grounded in its North Carolina location and as a state university proud to be serving its citizens. For these reasons, strengthening Carolina’s international focus will contribute significantly to the University’s aspirations to lead.

RECOMMENDATIONS:

F. 1. Build and integrate global issues and perspectives into undergraduate curricula.

All undergraduate students graduating from Carolina should be endowed with intercultural competence, possess an enhanced understanding of global events and processes, and be prepared to participate constructively in discussions of issues of worldwide concern. To achieve a more comprehensive globalization of the undergraduate curriculum, the University should expand the Study Abroad program; implement the global citizenship requirements of the newly approved general education curriculum; enhance study at Carolina of undergraduate international students; and create incentives for Chapel Hill faculty to lead study abroad programs.

F. 2. Build and integrate global issues and perspectives into graduate and professional experiences and the University's overall research enterprise.

The University should extend its global priorities to graduate and professional education and throughout the research enterprise to meet challenges facing the state, the nation, and the world. To meet those goals, the University must initiate and support intensive fieldwork and research opportunities overseas; increase...
tuition remission waivers for graduate foreign students; and expand advanced research centers and area-studies institutes; and add programs for visiting foreign scholars and faculty exchanges. In addition, Carolina should expand its international presence through more linkages with strategically selected sister institutions and joint projects and partnerships with American and foreign universities, research institutions, and governmental organizations.

Carolina's contributions to the study and solution of pressing global economic, health, political, ethical, and social issues should include broad participation not only by the traditional liberal arts fields, but also by the sciences and professional schools to the fullest extent possible.

All that Carolina does internationally should enhance how it serves North Carolina. The University should expand and support its commitment to global education at all levels — from K-12 outreach through undergraduate, graduate, and professional education — and into all relevant aspects of faculty research. The University has an obligation to connect "global to local" and fully integrate international aspects into campus-based endeavors and studies. Finally, the University should develop programs and services that effectively involve alumni and other interested constituents in Carolina's international endeavors.
ACADEMIC PLAN IMPLEMENTATION 
and DECISION-MAKING

Developed as a dynamic blueprint for the University's future, the Academic Plan serves as a broad statement of Carolina’s priorities. As such, it becomes an integral part of the University’s planning and budget process, enabling Carolina to guide its schools and departments in desired ways and on specific timetables in directions the plan highlights.

PLANNING AND BUDGET PROCESS

Over the last three years, the Office of the Provost has implemented an annual planning and budget process. Deans and vice chancellors develop planning documents and then meet with the Provost’s review committee to share their unit’s vision and goals, comment on significant unit achievements, and link these goals and achievements to their resource requirements. This process has greatly increased the transparency of the University’s resource allocation process. As a result, hard decisions involving differentiated cuts caused by recent annual reductions and mid-year reversions of state appropriations have been made in an atmosphere of rational deliberation and open discussion. The Academic Plan will further refine the planning and budget process and expand the annual committee review, which will focus not only on budget planning for the next year but also on progress toward the plan’s strategic priorities and recommendations.

Each February, the Provost will issue guidelines to all deans and vice chancellors describing that year’s process. These guidelines will reflect both the maturation of the process and environmental changes. They will describe expectations for submitting annual planning and budget reports. Although specific expectations will be adjusted annually, the planning and budget documents generally will include:

- An overview of the unit.
- A description of how the unit has addressed the plan’s six priorities and the corresponding recommendations and action steps in the prior year.
- A statement of how the unit leverages funding from non-state sources.
- Identification of major concerns, including elevated risks, vulnerabilities, or possible disruptions.
- A synopsis of any changes in the unit’s strategic planning goals resulting from changes in environmental trends or resource conditions.
- A presentation of opportunities for significant new or modified programs, policies, or processes, including potential for interdisciplinary collaboration.
- Identification of the unit’s resource allocation plans, including anticipated internal reallocations, resource requirements, and prospective campus-wide budget changes.

The Executive Vice Chancellor and Provost will lead one-hour hearings for each dean and vice chancellor with the budget and planning review committee in April, and a planning and budget action plan for each unit will be finalized by May. The University’s final budget depends upon completion of the state budget process by the North Carolina General Assembly.
IMPLEMENTATION OF THE ACADEMIC PLAN

Successful implementation of recommendations set forth in the Academic Plan requires diligent attention and effort. The following section tracks 26 specific recommendations identified in the plan and lists approximately 75 action steps to guide follow up and completion. Many of these action steps require ongoing attention, while others involve specific, one-time action. Some of these steps may need to be modified.

In the next section, each action step includes a column listing the administrative unit within the University responsible for overseeing implementation. In all instances, the units assigned oversight for these action steps are responsible for reporting on implementation progress both through normal communication channels and in the annual planning and budget process. These units also are responsible for involving appropriate University constituents in the implementation.

Reaching the Academic Plan's objectives will require continued conversation among the administration, faculty, students, and staff to ensure steady progress and to monitor any new developments on or off campus that may require modifications to this or future iterations of the plan, its recommendations, and the action steps.

Successfully completing such collaboration will ensure that the Academic Plan produces its intended objective: to significantly strengthen Carolina's excellence.
### ACTION STEPS

**Priority A: Provide the strongest possible academic experience for undergraduate, graduate, and professional students.**

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<tr>
<th>RECOMMENDATION</th>
<th>ACTION STEPS</th>
<th>RESPONSIBILITY</th>
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</table>
| | A.1.2. Conduct an impact study of projected enrollment growth across all academic units, physical capacity, and services. | - Enrollment Management  
- Student Affairs  
- Finance and Administration  
- Provost and Academic Leadership  
- Deans |
| | A.1.3. Approve enrollment strategy. | - Chancellor's Cabinet |
| | A.2. A. Reassess the implications of the 18 percent cap on out-of-state undergraduates. | - Enrollment Management  
- Chancellor's Cabinet |
| | A.3. A. Broaden small-group student opportunities. | - College of Arts and Sciences  
- Provost and Academic Leadership |
| | A.3.1. a. Identify resource requirements for the First-Year Seminar Program. | - College of Arts and Sciences |
| | A.3.1. b. Develop a phase-in strategy tied to available resources, including general funds and Carolina First campaign funds, for the first-year seminar program. | - Center for Teaching and Learning |
| | A.3.1. c. Develop an alternative implementation strategy in the absence of required funding. | - Center for Teaching and Learning  
- Provost |
| | A.3.2. a. Identify resource requirements for doubling the size of the Honors Program. | - College of Arts and Sciences |
| | A.3.2. b. Develop a phase-in strategy tied to available resources, including general funds and Carolina First campaign funds, for the Honors Program. | |
| | A.3.3. a. Create a comprehensive menu of available resources supporting innovative teaching. | |
| | A.3.3. b. Identify creative solutions to increase available funding for students and faculty to promote new learning scenarios. | |
| | A.3.4. a. Identify resource requirements to reduce introductory course section size. | |
| | A.3.4. b. Develop a phase-in strategy tied to available resources, including general funds and Carolina First campaign funds, to reduce introductory course section size. | |
| | A.3.4. c. Develop an alternative implementation strategy in the absence of required funding. | |
RECOMMENDATION

A.4.
Provide a better mix of physical spaces in which students can live and learn.

ACTION STEPS

A.4.1.a.
Develop an evaluation plan of existing programs for integrating living and learning, including current residential spaces organized around academic themes.

A.4.1.b.
Incorporate findings of evaluation into plans for new and renovated residential environments.

A.4.1.c.
Propose additional programs consistent with available funding.

A.4.2.
Conduct a review of first-year orientation programs and initiate changes in response to findings.

A.4.3.
Design an evaluation plan for monitoring implementation of the Chancellor’s Task Force on Greek Affairs report (2003).

A.5.
Improve the culture of honor.

A.5.1.
Design an implementation strategy for the recent recommendations for improving the University’s honor code, (COSCE committee 2003) (Chancellor’s Task Force report 2002).

A.5.2.
Provide reports each November and April on implementation progress to the Chancellor’s Cabinet, Faculty Council, Student Government, and the Graduate and Professional Student Federation.

A.6.
Invest for sustained growth and leadership in the research enterprise.

A.6.1.
Develop a funding strategy for providing seed funding for faculty research initiatives.

A.6.2.
Design a program evaluation on the impact of research seed funding.

A.7.
Promote technology transfer and economic development.

A.7.1.
Develop Carolina North.

A.7.2.
Provide increased funding for technology development and patent activity.

A.7.3.
Increase staffing capacity to support economic development plans and initiatives.

A.8.
Attract and retain top graduate students.

RESPONSIBILITY

- Student Affairs
- Provost and Academic Leadership
- College of Arts and Sciences

- Student Affairs
- College of Arts and Sciences

- Student Affairs

- Research and Economic Development
- Deans

- Research and Economic Development

- Research and Economic Development

- Graduate School
- Deans
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<th>RECOMMENDATION</th>
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<tr>
<td>A.9. Integrate graduate and professional students more fully into the life of the University.</td>
<td>A.9.1. Explore the feasibility of an annual graduate research exposition.</td>
<td>- Graduate School&lt;br&gt;- Graduate and Professional Student Federation</td>
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<td>A.9.2. Explore the feasibility and incentives for creating opportunities for participation by graduate and professional students in the intellectual life of the University.</td>
<td>- Graduate and Professional Student Federation&lt;br&gt;- Student Affairs&lt;br&gt;- Graduate School</td>
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<tr>
<td></td>
<td>A.9.3. Explore the feasibility and incentives for creating opportunities for participation by graduate and professional students in the undergraduate academic experience.</td>
<td>- Graduate and Professional Student Federation&lt;br&gt;- Student Affairs&lt;br&gt;- Graduate School</td>
</tr>
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<td>A.9.4. Develop a solution for creating a graduate student center within the constraints of both fiscal and facilities limitations.</td>
<td>- Graduate School&lt;br&gt;- Graduate and Professional Student Federation&lt;br&gt;- Facilities Management&lt;br&gt;- Student Affairs</td>
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**ACTION STEPS**

**Priority B: Further integrate interdisciplinary research, education, and public service.**

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<th>RECOMMENDATION</th>
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<th>RESPONSIBILITY</th>
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<tr>
<td>B.1. Support strategic opportunities for interdisciplinary programs, research, and public service.</td>
<td>B.1.1. Develop a central, comprehensive compendium of all interdisciplinary programs and corresponding financial resources, including externally generated funds.</td>
<td>• Provost and Academic Leadership  • Research and Economic Development  • Dears</td>
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<td>B.1.2. Widely communicate to all faculty the broad interdisciplinary themes for prospective funding.</td>
<td>• Provost  • Research and Economic Development</td>
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<td>B.1.3. Develop the criteria for submitting proposals through the University’s planning and budgeting process for establishing new interdisciplinary initiatives.</td>
<td>• Provost  • Research and Economic Development  • Finance and Administration</td>
</tr>
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<td>B.1.4. Develop a revolving source of funding for supporting priority initiatives.</td>
<td>• Provost  • Research and Economic Development  • Finance and Administration  • Facilities Management</td>
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<td>B.1.5. Develop a strategy for replenishing the revolving fund.</td>
<td>• Provost  • Research and Economic Development  • Finance and Administration</td>
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<td>B.2. Build sufficient infrastructure and provide adequate staff support for faculty research and teaching.</td>
<td>B.2.1. Maintain an accurate inventory of all research space.</td>
<td>• Provost and Academic Leadership  • University Libraries  • Administrative Board of the Library  • University Libraries</td>
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<td></td>
<td>B.2.2. Create and update a list of most pressing research space needs.</td>
<td>• Provost and Academic Leadership  • University Libraries  • Administrative Board of the Library  • University Libraries</td>
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<td>B.2.3. Seek restoration of deferred maintenance funding.</td>
<td>• Provost and Academic Leadership  • University Libraries  • Administrative Board of the Library  • University Libraries</td>
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<td>B.3. Fund the libraries to ensure access to both traditional and digital media.</td>
<td>B.3.1. Develop a strategy to ensure adequate library budgets.</td>
<td>• Provost and Academic Leadership  • University Libraries  • Administrative Board of the Library  • University Libraries</td>
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<td>B.3.2. Develop a comprehensive strategy for extending access to collections through the use of modern technologies.</td>
<td>• Provost and Academic Leadership  • University Libraries  • Administrative Board of the Library  • University Libraries</td>
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## ACTION STEPS

**Priority C: Improve faculty recruitment, retention, and development.**

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<th>RECOMMENDATION</th>
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<tr>
<td>C.1. Increase base salary, benefits, and compensation packages to competitive levels.</td>
<td>C.1.1. Continue to explore, in conjunction with the Office of the President, a flexible personnel system.</td>
<td>- Finance and Administration</td>
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<td>C.1.2. Develop a five-year plan for raising faculty compensation to competitive levels with peer institutions.</td>
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<td>C.2. Streamline the recruiting process and incorporate a spousal hiring program.</td>
<td>C.2.1. Monitor faculty appointment and recruitment process.</td>
<td>- Provost and Academic Leadership</td>
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<td>C.2.2. Develop a communication and networking process for spousal hiring opportunities at regional colleges, universities, and research enterprises.</td>
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<td>- Finance and Administration</td>
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<td>C.3. Design a formal sabbatical program.</td>
<td>C.3.1. Develop a plan for establishing a sabbatical program consistent with programs provided by peer universities.</td>
<td>- Deans</td>
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<td>C.3.2. Prepare a sabbatical policy and implementation guidelines.</td>
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<td>- Provost</td>
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<td>C.4. Recognize and reward superb teaching.</td>
<td>C.4.1. Monitor progress on implementing recommendations for improving the promotion and tenure process.</td>
<td>- Faculty Council</td>
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<td>C.4.2. Document annually how teaching accomplishments are appropriately recognized and rewarded through tenure, promotion, and salary increases.</td>
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<td>- Deans</td>
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<td>C.5. Develop faculty resources and tools that further improve teaching and research quality.</td>
<td>C.5.1.a. Examine and modify, based on available funding, faculty incentives for employing instructional technologies into courses and programs.</td>
<td>- Center for Instructional Technology</td>
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<td>C.5.1.b. Evaluate utilization and impact of available instructional design and technology support services.</td>
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<td>- Faculty Council</td>
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<td>C.5.1.c. Create new mechanisms and opportunities for faculty to share their experiences and learn from others both within and across units.</td>
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<td>- Center for Teaching and Learning</td>
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<td>C.5.2. Review staff salary and benefits to develop funding strategies for maintaining competitive compensation packages.</td>
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<td>- Finance and Administration</td>
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<td>- Employee Forum</td>
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**ACTION STEPS**

Priority: D: Increase diversity among faculty, students, and staff.

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<td>D.1.2.</td>
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<td>D.2.</td>
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<td>Minority Affairs</td>
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<td>- University Registrar</td>
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<td>- Center and Institute Directors</td>
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<td>- Research and Economic Development</td>
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<td>- Student Affairs</td>
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### Priority E: Enhance public engagement.

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<tr>
<td>E.1. Provide senior leadership in public engagement.</td>
<td>E.1.1. Incorporate strategies for expanding the University's public engagement activities in the annual planning and budget process.</td>
<td>- Provost and Academic Leadership</td>
</tr>
</tbody>
</table>
| E.2. Shift the focus from public service to public engagement. | E.2.1. Include public engagement as appropriate among topics discussed in meetings of the Chancellor's Cabinet, Dean's Council, and Faculty Council. | - Chancellor  
- Provost  
- Secretary of the Faculty |
| E.3. Build partnerships for engagement within and outside the University. | E.3.1. Continue regional town meetings as appropriate. | - Chancellor  
- Provost and Academic Leadership  
- Deans |
| | E.3.2. Track and report public engagement. | - Carolina Center for Public Service |
| | E.3.3. Consult with Advisory Board of the Carolina Center for Public Service to provide advice on engagement activities and opportunities. | - Carolina Center for Public Service  
- Advisory Board |
| | E.3.4. Design, fund, and implement a strategy for developing partnerships and programs that respond to engagement opportunities. | - Provost and Academic Leadership  
- Research and Economic Development  
- Finance and Administration  
- University Advancement  
- Deans  
- Carolina Center for Public Service |
| | E.3.5. Develop an integrated vision of public engagement. | |
## ACTION STEPS

**Priority F: Extend Carolina’s global presence, research, and teaching.**

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<th>RECOMMENDATION</th>
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<tr>
<td>E1.</td>
<td>E1.1. Implement the newly approved global issues curriculum requirement.</td>
<td>- College of Arts and Sciences</td>
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<td>E1.2. Integrate the multiple international educational programs and services.</td>
<td>- Provost</td>
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<td>E1.3. Establish a fund for supplementing expenses incurred by students participating in study abroad programs.</td>
<td>- University Advancement</td>
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<td>F1.4.a. Develop an information clearinghouse to track faculty engaged in overseas research activities at or near study-abroad sites.</td>
<td>- University Center for International Studies</td>
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<td>F1.4.b. Develop strategies for integrating these faculty into the study abroad experience.</td>
<td>- Study Abroad</td>
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<td>E2.</td>
<td>F2.1.a. Develop and maintain an on-line repository of faculty and staff international activities, language skills, and international research expertise.</td>
<td>- University Center for International Studies</td>
</tr>
<tr>
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<td>F2.1.b. Utilize the repository to connect faculty, staff, and students interested in expanding the University’s international activities.</td>
<td>- Research and Economic Development</td>
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<td></td>
<td>F2.1.c. Communicate the availability of the repository to global business and industry leaders within North Carolina.</td>
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ACADEMIC PLANNING TASK FORCE

Dr. Robert Shelton
Professor Darryl Gless
Professor Steve Allred
Professor Harry Amana
Professor Edward Brooks
Dr. Linda Carl
Professor Ray Dooley
Professor Arturo Escobar
Professor Sue Estroff
Ms. Frances Ferris
Ms. Rebecca Frucht
Professor Elizabeth Gibson
Ms. Carol Jenkins
Professor Joseph Jordan
Mr. Gary Lloyd
Dr. Jerome Lucido
Professor Laurie Mesibov
Professor Gene Orringer
Professor David Reeve
Ms. Stephanie Schmitt
Ms. Mariecia Smith
Professor Linda Spremulli
Professor Ron Strauss
Professor Rich Superfine

Executive Vice Chancellor and Provost (Co-Chair)
Senior Associate Dean, College of Arts and Sciences (Co-Chair)
Associate Provost for Academic Initiatives
School of Journalism and Mass Communication
Department of Health Policy and Administration
Associate Director for Distance Education and E-Learning Policy
Chair, Department of Dramatic Art
Department of Anthropology
Chair of the Faculty, School of Medicine
Undergraduate Student
Undergraduate Student
School of Law
Director, Health Sciences Library
Director, Sonja Haynes Stone Center for Black Culture and History
Office of the Registrar
Vice Provost for Enrollment Management and Director of Undergraduate Admissions
School of Government
Executive Associate Dean, School of Medicine
Department of Philosophy
Graduate Student
Graduate Student
Department of Chemistry
Chair, Department of Dental Ecology
Department of Physics and Astronomy
MEMORANDUM

August 20, 2009

TO: Chief Executive Officers of Atlantic Coast Conference Member Institutions

FROM: John D. Swofford Commissioner

SUBJECT: 2009-10 ACC Governing Board Certification Form

Please find attached a copy of the 2009-10 Atlantic Coast Conference Governing Board Certification Form. The form is to be completed annually by the Chair of the Governing Board in order for a member institution to enter a team or individual competitors in an ACC Championship as indicated in Article XI-2 of the ACC Bylaws.

Please review this policy with your Governing Board by October 16, 2009 and return the signed form to me at the Conference office.

Thank you and best regards.

Enclosure

JDS/SL:th

cc: Faculty Athletics Representatives (memo only sent via email)
Athletics Directors (memo only sent via email)
Compliance Directors (memo only sent via email)
Atlantic Coast Conference

Governing Board Certification Form
Academic Year 2009-10

As Chairman of the Governing Board at University of North Carolina, I attest that:

1) Responsibility for the administration of the athletics program has been delegated to the Chief Executive Officer of the Institution.

2) The Chief Executive Officer has the mandate and support of the board to operate a program of integrity in full compliance with NCAA, ACC and all other relevant rules and regulations.

3) The Chief Executive Officer, in consultation with the Faculty Athletics Representative and the Director of Athletics, determines how the institutional vote shall be cast on issues of athletic policy presented to the NCAA and the ACC.

Date Presented to the Governing Board: September 24, 2009

Signed: [Signature]

(Chairman of the Governing Board)

Signed: [Signature]

(CEO of Member Institution)

Please return completed form before October 16, 2009 to:

Commissioner John D. Swofford
Atlantic Coast Conference
P.O. Drawer ACC
Greensboro, NC 27417-6724
September 14, 2009

Members of the Board of Trustees
The University of North Carolina at Chapel Hill

Dear Members of the Board:

I submit the following personnel matters in the following categories:

For Information Appendix A
For Action- Academic Affairs Appendix B – No Items
For Action- Health Affairs Appendix C
For Action- Tenured Personnel Actions Appendix D

Respectfully submitted,

[Signature]
Holden Thorp
September 14, 2009

Members of the Board of Trustees
The University of North Carolina at Chapel Hill

Dear Members of the Board:

I submit the following personnel changes at the University of North Carolina at Chapel Hill for your information.

**LEAVES OF ABSENCE**

The following leaves of absence, in accord with established procedure, have been have been passed upon by the appropriate officials and endorsed by the Chancellor.

**FRANK CONLON**, Associate Professor, Department of Genetics, has been approved for a Kenan leave of absence with pay effective July 1, 2009, through June 30, 2010, during which time he will be conducting research at Princeton.

**ROBERT ADLER**, Professor, Kenan-Flagler business School, has been approved for a professional leave of absence effective August 19, 2009. He has been appointed by the Obama administration and confirmed by the Senate to serve as the Commissioner of the U.S. Product Safety Commission.

**RESIGNATIONS**

**CHARLES SCHLEUPNER**, Professor, Department of Medicine, resigns effective August 5, 2009.

**THOMAS STROUP**, Professor, Department of Psychiatry, resigns effective August 31, 2009, to take a faculty position at Columbia University, New York.

**HANNA SANOFF**, assistant Professor, Department of Medicine, resigns effective September 14, 2009, to take a faculty position at the University of Virginia.

**LATISH REED**, Assistant Professor, School of Education, resigns effective August 23, 2009, to take a faculty position at the University of Wisconsin-Milwaukee.
BOARD OF TRUSTEES

September 14, 2009

Appendix A
Page Two

RETIREMENTS

B.W. HADZIJA, Professor, School of Pharmacy retires effective August 31, 2009.

Respectfully submitted,

[Signature]

Holden Thorp
APPENDIX B – NO ITEMS
September 14, 2009

Members of the Board of Trustees
The University of North Carolina at Chapel Hill

Dear Members of the Board:

I submit the following personnel changes in Health Affairs at the University of North Carolina at Chapel Hill with request for your approval.

NEW APPOINTMENTS

STEVEN PARK, as Assistant Professor, Department of Medicine, effective October 1, 2009, on a twelve months’ basis contingent on the continued availability of funds. The recommended salary for this appointment is $155,000 from non-state funds.


Teaching and other vocational experience: Resident Physician in Internal Medicine, 2002-2005; University of Washington; Fellow in Hematology & Oncology, 2005-2008, Fred Hutchinson Cancer Research Center, Research Associate and Instructor of Medicine, 2008–present, University of Washington, Seattle.

Publications: Five collaboratively written articles in peer-reviewed journals.

Professor Park was interviewed and recommended by a faculty search committee in the Division of Hematology/Oncology, Professor Richard Goldberg, division chief, and Professor Marshall Runge, Chair, Department of Medicine.

REBECCA KNICKMEYER, as Assistant Professor, Department of Psychiatry, effective October 1, 2009, on a twelve months’ basis contingent on the continued availability of funds. The recommended salary for this appointment is $72,000 from non-state funds.


Educational background: BA, 2000, Goucher College, Baltimore; PhD, 2005, Cambridge University, UK.
Teaching and other vocational experience: Postdoctoral Fellowship, 2005-2008, Neurodevelopmental Disorders Research Center and the Department of Psychiatry, UNC-Chapel Hill; Research Assistant Professor, 2008-present, Department of Psychiatry, UNC-Chapel Hill.

Publications: One collaboratively written book chapter and twenty-five collaboratively written articles in peer-reviewed journals.

Professor Knickmeyer was interviewed and recommended by a faculty search committee in the Department of Psychiatry, Professor John Gilmore and Professor David Rubinow, Chair.

MICHAEL WU, as Assistant Professor, Department of Biostatistics, effective October 1, 2009, on a twelve months’ basis, contingent on the continued availability of funds. The recommended salary for this appointment is $101,000.

Personal: Born July 26, 1982, Maryland.


Scholarly and other professional organization memberships: American Statistical Association, the Institute of Mathematical Statistics and the International Society for Computational Biology.

Publications: Eight collaboratively written articles in peer-reviewed journals, twenty-three published technical reports, and four abstracts.

Professor Wu was interviewed and recommended by a faculty search committee in the Department of Biostatistics, and Professor Michael Kosorok, Chair.

PROMOTION TO PROFESSOR

KIRK WILHELMSEN, to Professor, Department of Neurology and Carol Masters Schiller Distinguished Professor, Department of Genetics, effective October 1, 2009, on a twelve months’ basis. The recommended salary for this appointment is $170,000 of which $157,250 is from non-state funds.
APPOINTMENT OF A CHAIR

GAIL HENDERSON, Professor, Department of Social Medicine, as Chair, effective October 1, 2009, for a five year term. The recommended salary for this appointment is $190,000 of which $40,000 is for serving as Chair.

CORRECTION

Among the new Assistant Professors from the Department of Allied Health Sciences that were reported to the Board of Trustees in August, three had their salaries renegotiated at some point between the time the paperwork was submitted to the Dean’s Office and Trustee approval in August. Regrettably, these new salaries were not reported through the appropriate administrative channels until recently. The new salaries are indicated below:

<table>
<thead>
<tr>
<th>Name</th>
<th>Salary Reported in August</th>
<th>Actual Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sadye Errickson</td>
<td>$85,000</td>
<td>$76,000</td>
</tr>
<tr>
<td>Brian Boyd</td>
<td>$85,000</td>
<td>$83,500</td>
</tr>
<tr>
<td>Chin-Yu Wu</td>
<td>$73,000</td>
<td>$75,000</td>
</tr>
</tbody>
</table>

Respectfully submitted,

Holden Thorp
September 14, 2009

Members of the Board of Trustees
The University of North Carolina at Chapel Hill

Dear Members of the Board:

I submit for your review and approval the following personnel actions at the University of North Carolina at Chapel Hill.

NEW APPOINTMENTS CONFERRING TENURE

JAMES W. BODFISH, as Professor, Department of Psychiatry, effective October 1, 2009, on a twelve months' basis. The recommended salary for this appointment is $165,000.

Personal: Born September 12, 1960, Corning, NY.


Teaching and other vocational experience: Postdoctoral Fellowship in Behavioral Neurology, 1986-1987, Kennedy-Shriver Center for Mental Retardation, Harvard Medical School; Senior Psychologist, 1987-1995, Western Carolina Center, Morganton; Associate Director, 1995-2001, UNC Human Development Research Institute, Western Carolina Center; Clinical Associate Professor, 1999-2002, Department of Psychiatry; Director of Research, 2001-2002, UNC Human Development Research Institute; Riddle Development Center, Morganton; Associate Director, 2003-2008, UNC Center for Autism Research; Clinical Professor, 2002-present, Department of Psychiatry, UNC-Chapel Hill.

Publications: Nine book chapters and fifty-one collaboratively written articles in refereed journals.

Professor Bodfish was interviewed and recommended by Professor Joseph Piven, Director, Neurodevelopmental Disorders Research Center, Professor David Rubinow, Chair, Department of Psychiatry and Professor Alan Stiles, Chair, Department of Pediatrics.
WENDY BREWSTER, as Associate Professor, Department of Obstetrics and Gynecology, effective October 1, 2009, on a twelve months’ basis, and Director, Center for Women’s Health Research, effective October 1, 2009, through September 30, 2014. The recommended salary for this appointment is $320,000 of which $20,000 is for serving as the Center Director, This appointment is contingent on the availability of funds.

Personal: Born May 24, 1966, United Kingdom.


Teaching and other vocational experience: Residency in OB/GYN, 1991-1995, Harbour-UCLA Medical Center, Torrance, CA; Fellowship in Gynecologic Oncology, 1995-1999, UC-Irvine, CA; Assistant Professor, 2000-2006, and Associate Professor, 2006-2008, Department of OB/GYN and Department of Epidemiology, UC-Irvine; Visiting Associate Professor, 2008-present, Department of OB/GYN, UNC School of Medicine.

Scholarly and other professional membership organizations: Society of Gynecologic Oncologists, American College of Obstetricians and Gynecologists and the American Association of Cancer Research.


Professor Brewster was interviewed and recommended by faculty in the UNC School of Medicine and Department of Obstetrics and Gynecology among whom were Professors Etta Pisano, Eugene Orringer, Wesley Fowler, Robert Cefalo, Robert Sandler, Shelton Earp and Daniel Clarke-Pearson, Chair, Department of Obstetrics and Gynecology

PROMOTIONS CONFERRING TENURE

SHARON WILLIAMS, as Associate Professor, Department of Allied Health Sciences, effective December 1, 2009, on a twelve months’ basis. The recommended salary for this appointment is $78,091 of which $24,878 is from non-state funds.
MARY ROTH MCCLURG, as Associate Professor, School of Pharmacy, effective November 1, 2009, on a twelve months’ basis. The recommended salary for this appointment is $108,040 of which $75,000 is from non-state funds.

CORRECTION

EVA LABRO, Visiting Associate Professor, Kenan-Flagler Business School, is currently earning a salary of $141,000. When she becomes a tenured Associate Professor, effective January 1, 2010, her salary will increase to $200,000 from non-state funds.

Respectfully submitted,

Holden Thorp