

BOARD OF TRUSTEES MEETING
The University of North Carolina at Chapel Hill
January 31, 2019

The Board of Trustees met in regular session on Thursday, January 31, 2019 at The Carolina Inn, Chancellor's Ballroom. Chair Cochrane convened the meeting at 8:03 a.m.

ROLL CALL

Secretary Grumbles called the roll and the following members were present:

Haywood D. Cochrane, Chair	Allie Ray McCullen
Charles G. Duckett, Vice Chair	W. Edwin McMahan
Julia Sprunt Grumbles, Secretary	Hari H. Nath
Jefferson W. Brown	Dwight D. Stone
W. Lowry Caudill	Richard Y. Stevens
Kelly Matthews Hopkins	Savannah Putnam
William A. Keyes IV	

Secretary Grumbles indicated that there was a quorum.

STATE GOVERNMENT ETHICS ACT

Chair Cochrane read the following statement:

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

CONSENT AGENDA

Approval of Minutes

On motion of Chair Cochrane and a second by Trustee McCullen, the minutes of the following meetings were approved as distributed:

- November 15, 2018 regular meeting
- November 27, 2018 emergency meeting
- December 3, 2018 special meeting
- January 18, 2019 emergency meeting
- January 22, 2019 special meeting

(ATTACHMENTS A-E)

CHAIR'S REMARKS

- To begin his remarks, Chair Cochrane asked Vice Chair Duckett to read two resolutions of appreciation for Vice Chancellors Chris Kielt and Mark Merritt.

**RESOLUTION OF APPRECIATION
CHRISTOPHER KIELT**

WHEREAS, Chris Kielt ably led the University through the global digital transformation as Vice Chancellor for Information Technology Services and Chief Information Officer since 2013, and earlier as Associate Vice Chancellor for Administrative Systems and Business Transformation; and,

WHEREAS, Mr. Kielt's extensive knowledge of technology and exceptional ability to keep up with emerging innovations, evolving demand from system users, and increasing threats to our cyber-security ensured that the campus community had access to safe and powerful computing capacity; and,

WHEREAS, Mr. Kielt always ensured that the needs of each user group – staff, students and faculty – were carefully considered in all information technology and systems decisions, so the University could continue the teaching and learning, research, and administration that drive its mission; and,

WHEREAS, Mr. Kielt enhanced and increased the University's research computing resources to empower our faculty and students to pursue and advance their invaluable work and contributions to society; and,

WHEREAS, Mr. Kielt ensured that our staff and students have access to the best technology solutions, including bringing wireless connectivity to residence halls, and adopting cloud and other services to meet changing needs; and

WHEREAS, Mr. Kielt deployed solutions, policies and practices to safeguard sensitive personal information and crucial University data and credentials, and protect our technology interests in an era of sophisticated challenges specifically targeting higher education information technology and systems;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of the University of North Carolina at Chapel Hill deeply appreciates the contributions of Chris Kielt and extends its genuine gratitude for his vision, energy and thoughtful approach to information technology services and support for the campus community as our Vice Chancellor for Information Technology Services and Chief Information Officer.

Trustee Caudill made a motion to adopt the resolution. Trustee Stone seconded, and it passed.

RESOLUTION OF APPRECIATION MARK W. MERRITT

WHEREAS, Mark W. Merritt provided thoughtful legal counsel and leadership support to the University as its Vice Chancellor and General Counsel since 2016; and,

WHEREAS, Mr. Merritt's deep legal expertise and well-regarded, careful counsel were of great value as the University pursued exciting and innovative opportunities, and navigated complex circumstances; and,

WHEREAS, Mr. Merritt endeavored to make Carolina a safe place for opinions, ideas and the people who promote them by staunchly defending free speech and strengthening the University's risk management program; and,

WHEREAS, Mr. Merritt deftly managed the University's relationships with the Office of the President of the University of North Carolina System, the state Attorney General's Office and other authorities on legal issues affecting our campus; and,

WHEREAS, Mr. Merritt has been a passionate advocate for and supporter of UNC since he first came to Chapel Hill in 1975 as a Morehead-Cain scholar, and then serving on the Morehead-Cain Scholarship Central Selection Committee to bring more talented, vibrant young people into the Carolina family; and,

WHEREAS, Mr. Merritt was an exceptional teammate, advising colleagues on crucial policies and major decisions with immediate and long-term impact on our University community; and,

WHEREAS, Mr. Merritt tirelessly defended the University in the judicial court and in the court of public opinion;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of the University of North Carolina at Chapel Hill offers its sincerest thanks to Mark W. Merritt in recognition of his legal acumen and leadership skills, and for his invaluable service as UNC's Vice Chancellor and General Counsel.

Trustee Stevens made a motion to adopt the resolution. Trustee Nath seconded, and it passed.

- The Chair continued and thanked those in the audience for attending, and referenced the agenda for the meeting.
- Thanked the Board for their work in recent months representing the University.
- The Chair acknowledged today as Chancellor Folt's last meeting.
- Chair Cochrane acknowledged where he thinks Carolina is during this time of leadership transition and provided examples of the exciting work that is happening and will continue to happen.
- The Chair concluded his remarks by calling upon Trustee Putnam.

[A copy of these remarks is located in the Office of the Assistant Secretary and at bot.unc.edu.]

STUDENT BODY PRESIDENT'S REMARKS

- Trustee Putnam shared highlights from the undergraduate executive branch.
- Trustee Putnam then shared updates from the graduate and professional student federation.
- To conclude, Trustee Putnam read aloud from a statement released earlier this week regarding the departure of Chancellor Carol Folt:
 - Carolina has always been a place that requires those who operate within her to give their all. Chancellor Carol Folt has offered this University no less. For four

years, I have personally had the pleasure of studying under her leadership as she led this University to greater and higher heights. Through the Chancellor's time, the University of North Carolina has been led with wisdom, and strength, and I have learned greatly from her example. While faced with some of the greatest trials that the University has ever encountered, Chancellor Folt has remained resolute. Through scandals, crises, and historical changes, she has led this University with passion and has pursued her core mission: the betterment of Carolina's student body. Chancellor Folt, thank you for all the inspiration you brought to UNC, we wish you the best wherever life takes you.

[A copy of these remarks is located in the Office of the Assistant Secretary and at bot.unc.edu.]

CHANCELLOR'S REMARKS

- Chancellor Folt began her remarks by thanking Chair Cochrane, the board, her administrative team, faculty and students for their support during her tenure as Chancellor.
- Chancellor Folt reflected on the last two weeks of events.
- The Chancellor shared highlights and campus updates since the November meeting.
- Chancellor Folt concluded by sharing her favorite moments over the last five and a half years.

[A copy of these remarks is located in the Office of the Assistant Secretary and at bot.unc.edu.]

Chair Cochrane then asked that Leslie Parise, Chair of the Faculty, and Vin Steponaitis, Secretary of the Faculty, come forward. Dr. Parise and Dr. Steponaitis shared that Governor Roy Cooper inducted Chancellor Folt into the Order of the Long Leaf Pine, North Carolina's highest honor. They then read aloud the proclamation.

Chair Cochrane then asked Vice Chair Duckett to read a resolution of appreciation for Chancellor Folt.

RESOLUTION OF APPRECIATION CAROL LYNN FOLT

WHEREAS, Carol Lynn Folt has served with energy and dedication as the 11th chancellor of the University of North Carolina at Chapel Hill, the nation's first public university; and,

WHEREAS, under her leadership, Carolina developed initiatives to enhance academic excellence and expand opportunities for innovation and entrepreneurship; growing research funding to more than \$1 billion a year, one of the highest levels in the nation; and,

WHEREAS, Chancellor Folt improved access and affordability by developing ways to remove barriers for every student who earns admission, including her signature support of the Chancellor's Science Scholars Program for undergraduate students in science or mathematics; and,

WHEREAS, Chancellor Folt worked closely with the Board of Trustees and her campus leadership team to position Carolina to meet the future with *The Blueprint for Next*, a strategic framework that reflects the campus's priorities and furthers its sustainability efforts including the Three Zeros Initiative to reduce our environmental footprint; a new campus master plan to guide physical development in line with those priorities; and *For All Kind: The Campaign for Carolina*, the most ambitious fundraising campaign in our history, which has already raised more than half of its goal; and,

WHEREAS, Chancellor Folt advanced the university's commitment to the local community with initiatives such as renewal of the historic Northside neighborhood, the redevelopment of Carolina Square, and other projects that promote economic development and the arts; and ensured an inclusive and expansive university that built upon Carolina's historic commitment to the people of the state; and,

WHEREAS, Chancellor Folt brought a scientist's eye and an artist's imagination to her role; balancing the views of many constituents including alumni, students, faculty, and staff; using her exceptional communication skills to reflect back to us our many dreams for Carolina; reminding us of the unique commitment to scholarship, service, and excellence that defines this university; and,

WHEREAS, Chancellor's Folt's unbounded optimism, resolute perseverance, and visionary leadership brought the university through a time of formidable challenges, in which she stayed focused on the forward path for Carolina; and,

WHEREAS, she steps down on January 31, 2019, yet will remain an ambassador for Carolina and the transformative power of American public higher education;

NOW, THEREFORE BE IT RESOLVED THAT the Board of Trustees offers its highest praise and commendation to Carol Lynn Folt for her tireless service to the University of North Carolina at Chapel Hill and her devotion to the people of North Carolina and expresses its deepest appreciation for her service.

Vice Chair Duckett made the motion to adopt the resolution. Chair Cochrane seconded, and it passed unanimously.

CAROLINA STUDENT TRANSFER EXCELLENCE PROGRAM (C-STEP)

Chancellor Folt introduced Steve Farmer, Vice Provost for Enrollment & Undergraduate Admissions. Mr. Farmer introduced Rebecca Egbert, Director of C-STEP. Ms. Egbert shared information on the C-STEP program. The program began in 2006 with the help of the Jack Kent Cooke Foundation, and is a partnership between UNC and 11 North Carolina community colleges. The program aims to identify cohorts of high-achieving low- and moderate-income students and supports them in completing their associate's degrees and transferring to Carolina with the skills to excel.

Ms. Egbert then introduced four participants of the program to share their experiences: LaChaun Banks ('10, MBA '17); Roy Dawson ('11, JD '14); Shannon Smith ('14); and Kolby Hunter ('19).

To conclude their presentation, they entertained questions from the board. This presentation can be found on bot.unc.edu and on file in the Office of the Assistant Secretary.

REPORT OF THE EXTERNAL RELATIONS COMMITTEE

Trustee Stevens presented a review of the External Relations Committee meeting. There were no action items for this committee in open session. Trustee Stevens then shared the items presented for information:

- Communications update given by Joel Curran, Vice Chancellor for Communications
- Public Affairs update given by Amy Auth, Director of State Affairs, and Kelly Dockham, Director of Federal Affairs

A full review of the committee meeting are in the committee minutes in the Office of the Assistant Secretary.

REPORT OF THE FINANCE, INFRASTRUCTURE & AUDIT COMMITTEE

Trustee Stone presented the report from the Finance, Infrastructure and Audit Committee. The following items were presented to the committee for action:

Property Acquisition

This request is for approval to purchase of 102 Cedar Avenue, Kannapolis, NC, for the purpose of temporarily housing graduate students and post-doctoral trainees for the Nutrition Research Institute (NRI). The NRI currently owns five houses and leases these to students and researchers, and these units consistently remain occupied as there are very few housing options available to students and researchers. All UNC-CH NRI graduate students are required to spend significant blocks of time in Kannapolis to learn lab techniques, and most second-year graduate students must move to Kannapolis to work with their mentor for advanced training and dissertation work. Funding for the purchase of the house is from the Cannon Foundation in the amount of \$125,000.

The identified home is located approximately one-half mile from the NC Research Campus, on a route easily traversed by foot. The home is sited on .20 acres and is a 2-bedroom, 1-bath house that will be converted to a 2-bedroom, 2-bath house with the provided grant funds. The current property owner, Atlantic American Properties, has agreed to renovate the home prior to purchase per design plans approved by UNC-CH and the State Construction Office. The State Construction Office conducted FCAP reports on each home detailing needed repairs and will monitor the renovation work in cooperation with county inspectors and UNC-CH's Engineering Services Division.

(ATTACHMENT F)

Designer Selection

1. School of Dentistry, Patient Skills & Digital Lab

The UNC School of Dentistry is developing a contemporary curriculum and reimagining the school's academic, administrative and support facilities. This Capital Improvement Project will renovate the School of Dentistry waiting areas and clinics, academic support facilities, clinical skills and patient simulation labs; develop a Center for Digital Innovation; and centralize and improve the faculty office complex within Brauer and

Tarrson Halls. This project aspires to maximize assignable square footage by reducing allotted space and identifying opportunities for efficiency. The project budget is \$15,000,000 and will be funded through departmental funds (Clinical Income (\$11.5M); Clinical Technology Improvements Fund (\$500K); \$3M Fundraising).

The project was advertised on November 14, 2018. Nine (9) proposals were received. Four (4) firms were interviewed on January 3, 2019. 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. LS3P/Smith Group Raleigh, NC
2. Flad Architects Raleigh, NC
3. Ewing Cole Raleigh, NC

The firms were selected for their past performance on similar projects, strength of their consultant team and experience with campus projects and the State Construction Office.
(ATTACHMENT G)

2. Classroom Renewals

The Classroom Renewals project will add three large “flexible learning” classrooms to UNC’s learning space inventory. The existing classrooms will require comprehensive renovation – including hazardous materials abatement, demolition, new floor construction, finishes, lighting, A/V, HVAC, electrical and data distribution to spaces at Carroll Hall, Sitterson Hall, and Gardner Hall. The project budget is \$5,000,000 and will be funded through Institutional Trust Funds.

The project was advertised on November 13, 2018. Fifteen (15) proposals were received. Four (4) firms were interviewed on November 30, 2018. 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. Lord Aeck Sargent Chapel Hill, NC
2. 310 Architecture Raleigh, NC
3. Hanbury Raleigh, NC

The firms were selected for their past performance on similar projects, strength of their consultant team and experience with campus projects and the State Construction Office.
(ATTACHMENT H)

3. Burnett Womack Conference Center

The Burnett Womack Conference Center project will renovate approximately 3,200 gross square feet on the building’s fourth floor to create a large (140-person capacity) classroom. New break and storage rooms will also be provided. As part of this project, upgrades are required to the existing toilet rooms to bring them into compliance with current accessibility codes. The project budget is \$1,720,000 and will be funded through departmental reserves.

The project was advertised on October 26, 2018. Eleven (11) proposals were received. Three (3) firms were interviewed on December 18, 2018. 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. Lord Aeck Sargent Chapel Hill, NC
2. Evoke Durham, NC
3. HH Architecture Raleigh, NC

The firms were selected for their past performance on similar projects, strength of their consultant team and experience with campus projects and the State Construction Office.
(ATTACHMENT I)

4. Lenoir Hall Outdoor Dining

In an effort to relieve significant overcrowding during peak periods, this project will update the seating areas on the North and South Sides of Lenoir Hall, allowing for utilization of these areas during inclement weather. The project budget is \$1,200,000 and will be funded through Auxiliary Trust Funds.

The project was advertised on December 17, 2018. Eight (8) proposals were received. Four (4) firms were interviewed on January 22, 2019. 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. RND Architects Durham, NC
2. Thoughtcraft Architecture Chapel Hill, NC
3. New City Design Group Raleigh, NC

The firms were selected for their past performance on similar projects, strength of their consultant team and experience with campus projects and the State Construction Office.
(ATTACHMENT J)

A motion came from committee to approve the property acquisition item, and the four designer selection items. Trustee McMahan seconded, and they passed.

Trustee Stone continued and shared the items for information only:

- Preliminary design review given by Evan Yassky, University Architect
- Semi-Annual Capital Report given by Anna Wu, Associate Vice Chancellor for Facilities Services (ATTACHMENT K)
- Semi-Annual Lease Report given by Gordon Merklein, Associate Vice Chancellor for Real Estate Operations (ATTACHMENT L)
- Development report given by David Routh, Vice Chancellor for University Development
- Internal Audit report given by Jonathan Pruitt, Vice Chancellor for Finance and Operations (ATTACHMENT M)
- Year-end financial summary and review of the CAFR given by Jonathan Pruitt, Vice Chancellor for Finance and Operations
- UNC Investment Fund LLC update given by Jon King, CEO of UNC Management Company

A full review of the committee meeting are in the committee minutes in the Office of the Assistant Secretary.

REPORT FROM THE STRATEGIC FRAMEWORK COMMITTEE

Trustee Hopkins presented a review of the Strategic Framework Committee meeting. There were no action items for this committee in either open session. The following items were presented to the committee for information:

- Data Science presentation given by Dr. Stan Ahalt, Director of RENCI and Professor of Computer Science
- Rural Innovation Initiative presentation given by Dr. Giselle Corbie-Smith, Professor, and Director of the Center for Health Equity Research

A full review of the committee meeting are in the committee minutes in the Office of the Assistant Secretary.

REPORT OF THE UNIVERSITY AFFAIRS COMMITTEE

Vice Chair Duckett presented the report from the University Affairs Committee. There were two action items for this committee in open session.

Centers and Institutes Update

Bob Blouin, Executive Vice Chancellor and Provost presented two recommendations:

- Decommissioning of the Center for Pharmacogenomics and Individualized Therapy
- Request for Authorization to Establish the Carolina Latinx Center
(ATTACHMENTS N-O)

A motion came from committee to approve the decommissioning. Trustee Keyes seconded, and it passed.

A motion came from committee to approve the establishment of the Carolina Latinx Center. Trustee Putnam seconded, and it passed.

The following items were presented to the committee for information:

- Student Affairs update given by Christi Hurt, Interim Vice Chancellor for Student Affairs
- UNC System Strategic Goals update given by Lynn Williford, Assistant Provost for Institutional Research and Assessment; Terry Magnuson, Vice Chancellor for Research; and Steve Farmer, Vice Provost for Enrollment and Undergraduate Admissions.

A full review of the committee meeting are in the committee minutes in the Office of the Assistant Secretary.

MOTION TO CONVENE IN CLOSED SESSION

On motion of Vice Chair Duckett, and seconded by Keyes, the Board voted to convene in closed session pursuant to North Carolina General Statutes Section 143-318.11 (a) (1) (to prevent the disclosure of privileged information under Section 126-22 and the following); and also pursuant to Section 143-318.11 (a) (2), (3), (5), (6), (7), and (9).

RECONVENE MEETING IN OPEN SESSION

Vice Chair Duckett made a motion to return to open session. Secretary Grumbles seconded, and it passed.

OPEN SESSION

REPORT OF THE UNIVERSITY AFFAIRS COMMITTEE

Chair Cochrane referred the members to the personnel matters submitted for review. Vice Chair Duckett made a motion from committee to approve, Secretary Grumbles seconded and it passed.

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

(ATTACHMENT P)

ADJOURNMENT

There being no further business to come before the Board, Chair Cochrane called for a motion to adjourn. Trustee Stevens made the motion; Chair Cochrane seconded and it passed. Chair Cochrane adjourned the meeting at 12:52 pm.



Clayton Somers, Assistant Secretary