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**OPEN SESSION****FOR ACTION**

- |    |   |              |
|----|---|--------------|
| 1. | Transfer to the University of the Endowment's Distribution from the Investment Fund<br><i>Jonathan Pruitt, Vice Chancellor for Finance &amp; Operations</i> | Attachment A |
| 2. | Appointments to the Endowment Fund & Chapel Hill Foundation Boards<br><i>Jonathan Pruitt, Vice Chancellor for Finance &amp; Operations</i>                  | Attachment B |
| 3. | Withdrawal from Quasi-Endowment for the Department of Athletics<br><i>Jonathan Pruitt, Vice Chancellor for Finance &amp; Operations</i>                     | Attachment C |
| 4. | Annual Audit Certification Letter Process<br><i>Dean Weber, Chief Audit Officer</i>   | Attachment D |
| 5. | Internal Audit FY19-20 Work Plan<br><i>Dean Weber, Chief Audit Officer</i>  | Attachment E |
| 6. | Designer Approval<br>• Koch Memorial Forest Theatre and Coker Arboretum<br><i>Anna Wu, Associate Vice Chancellor for Facilities Services</i>                | Attachment F |
| 7. | Site Approval<br>• UNC Health Care Proton Therapy Unit<br><i>Anna Wu, Associate Vice Chancellor for Facilities Services</i>                                 | Attachment G |
| 8. | Grant of Easement<br><i>Gordon Merklein, Associate Vice Chancellor for Real Estate Operations</i>   | Attachment H |

**FOR INFORMATION ONLY** (No formal action is requested at this time)

- |    |  |              |
|----|--|--------------|
| 1. | Arts Everywhere Update<br><i>Emil Kang, Executive Director for the Arts</i>                              |              |
| 2. | Internal Audit External Quality Assessment Review<br><i>Dean Weber, Chief Audit Officer</i>              | Attachment I |
| 3. | Development Report<br><i>David Routh, Vice Chancellor for University Development</i>                     |              |
| 4. | Semi-Annual Lease Report<br><i>Gordon Merklein, Associate Vice Chancellor for Real Estate Operations</i> | Attachment J |
| 5. | Semi-Annual Capital Report<br><i>Anna Wu, Associate Vice Chancellor for Facilities Services</i>          | Attachment K |
| 6. | Budget Process Update<br><i>Jonathan Pruitt, Vice Chancellor for Finance &amp; Operations</i>            |              |

**COMMITTEE MEMBERS****Haywood D. Cochrane Jr., Chair****John P. Preyer, Vice Chair****David L. Boliek Jr.****Jefferson (Jeff) W. Brown****R. Gene Davis Jr.****Charles (Chuck) G. Duckett****Allie Ray McCullen****Dwight D. Stone***Administrative Liaison:**Jonathan Pruitt, Vice Chancellor for Finance & Operations**David Routh, Vice Chancellor for University Development*

## **ATTACHMENT A**

### **TRANSFER TO THE UNIVERSITY OF THE ENDOWMENT'S DISTRIBUTION FROM THE INVESTMENT FUND**

Annually the Chapel Hill Investment Fund authorizes a distribution to its participating investors, including the Endowment Fund. Attachment A is a table showing the proposed June 30, 2019 transfer of that distribution from the Endowment to the University, by category, for expenditure during the 2019-2020 fiscal year as well as a page of explanatory notes. Regulations adopted by the Board of Governors require that the Trustees approve any transfer of Endowment principal or income to the useful possession of the institution. The Board of Trustees of the Endowment Fund approved, by mail ballot, the proposed June 30, 2019 transfer for University expenditure during the 2019-2020 fiscal year.

Exhibit 1 provides a flowchart of the approval process as background information.

### **RECOMMENDED ACTION**

A motion to approve the June 30, 2019 transfer from the Endowment to the University of the amounts shown on Attachment A for University expenditure during the 2019-2020 fiscal year.

**THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL FOUNDATION, INC.**  
**JUNE 2019 TRANSFERS FOR**  
**FISCAL YEAR 2019-2020 EXPENDITURES**

	Transfer Occurring June 2019
Restricted Funds:	
Professorships	326,066
Visiting Professorships	457,055
Faculty Research and Study	773,744
Jr. Faculty Development	198,550
Library Acquisitions	526,137
Undergraduate Scholarships	5,500,201
Graduate Fellowships	1,738,809
Departmental	3,893,240
Development Program	131,509
Lectureship	52,308
Prizes and Awards	580,539
	<hr/>
Total Restricted	14,178,158
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Unrestricted Funds:	
Development Program	230,500
Foundation Administration	625,500
University Administration	802,831
	<hr/>
Total Unrestricted	1,658,831
	<hr/>
Grand Total	15,836,989
	<hr/> <hr/>

**NOTES TO THE PROPOSED FOUNDATION TRANSFER OF FUNDS JUNE 2019**

Consistent with the procedures for implementing the Uniform Prudent Management of Institutional Funds Act (UPMIFA) presented to the Board of Directors in 2009, the recommended distribution and transfer exclude any invasion of principal. There was one underwater endowment at the end of fiscal year 2018-2019, so the distribution was reduced by \$3,975 from the calculated payout distribution.

The Restricted and Unrestricted Funds amounts authorized for expenditure are a direct pass through of the approved Investment Fund distribution. The Unrestricted Funds category reflects allocations as recommended by University management to the Board for approval. The funds are transferred to the University or retained in the Foundation as needed to efficiently expend the funds for the intended purposes.

Unspent prior year allocations are carried forward. Funds in the University Administration category are allocated by the University Budget Committee.

The recent history of the unrestricted allocations follows:

	2019	2018	2017	2016	2015
Unrestricted Funds:					
Faculty Research and Study	\$ -	\$ -	\$ -	\$ -	\$ -
Jr. Faculty Development	-	-	-	-	-
Library Acquisitions	-	-	-	-	-
Scholarships	-	-	-	-	-
Fellowships	-	-	-	-	-
University Research Council	-	-	-	-	-
Development Program	230,500	230,500	230,500	230,500	230,500
Foundation Administration	625,500	625,500	639,976	646,539	641,490
University Administration	802,831	786,927	950,000	950,000	950,000
Total Unrestricted	<u>\$1,658,831</u>	<u>\$1,642,927</u>	<u>\$1,820,476</u>	<u>\$1,827,039</u>	<u>\$1,821,990</u>



**THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL  
APPROVAL PROCESS FOR ENDOWMENT PAYOUT**

**UNC-CHAPEL HILL FOUNDATION INVESTMENT FUND, INC.**

The Investment Fund's purpose is to support the University by operating an investment fund for charitable, nonprofit foundations, associations, trusts, endowments and funds that are organized and operated primarily to support the University.

Pay its earnings to its participating investors on a total return basis.

Annually authorizes a distribution (or payout) to its participants according to a formula adopted by the Investment Fund Board.

Rate is set a year in advance and is approximately 5% of the Fund.

Distribution is paid to participants on 6/30.

**UNC-CHAPEL HILL FOUNDATION, INC.**

The Foundation's purpose is to aid, support, and promote teaching, research and service in the various educational, scientific, scholarly, professional, artistic and creative endeavors of the University.

Board of Directors approves the transfer of all (or a portion) of its distribution from the Investment Fund to the University for expenditure during the fiscal year (7/1 – 6/30) after the Investment Fund distributes.

The retained portion may be expended by the Foundation on behalf of the University.

Potential expenditures are categorized by donor restrictions (or lack thereof).

**UNC-CHAPEL HILL ENDOWMENT FUND**

Pursuant to N.C. statutes and Board of Governors regulations, the Board of Trustees of each constituent UNC institution must establish and maintain an endowment fund for the institution.

Board of Trustees of Endowment Fund approves the transfer of the distribution from the Investment Fund to the University for expenditure during the fiscal year (7/1 – 6/30) after the Investment Fund distributes.

Potential expenditures are categorized by donor restrictions (or lack thereof).

**UNC-CHAPEL HILL BOARD OF TRUSTEES**

Pursuant to Board of Governors regulations, the Board of Trustees must approve the transfer of the distribution from the Endowment to the University.

The Board of Trustees does not approve the Foundation or the Investment Fund actions.

## **ATTACHMENT B**

### **ELECTION OF MEMBERS TO THE BOARD OF TRUSTEES OF THE ENDOWMENT FUND AND ELECTION OF DIRECTORS TO THE BOARD OF DIRECTORS OF THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL FOUNDATION, INC.**

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 two (2) 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.

In addition, The University of North Carolina at Chapel Hill Foundation, Inc.'s bylaws require that the Board of Trustees elect from its the membership two directors to the Foundation. The bylaws also require that the Board of Trustees elect three directors from the membership of the Endowment Fund to the Foundation. There are currently two (2) vacancies. Attached is a chart showing the names and terms of the current Foundation Board of Directors. The nominees for each vacancy are shown in bold on the chart.

### **RECOMMENDED ACTION**

A motion to elect Michael Kennedy and David Craver to the Board of Trustees of the Endowment Fund each for a three (3) year term ending in 2022, John Preyer to the Board of Directors of the Foundation for a term concurrent with his BOT tenure, and David Craver to the Board of Directors of the Foundation for a term concurrent with his Endowment Board tenure.

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

TERM	
Chairman Board of Trustees	(Ex-Officio)
Chancellor	(Ex-Officio)
Dwight Stone	(Ex-Officio)
David Carroll	2020
John Ellison	2020
Sallie Shuping-Russell	2021
John Townsend	2021
<b><u>Michael Kennedy</u></b>	<b><u>2022</u></b>
<b><u>David Craver</u></b>	<b><u>2022</u></b>

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\* 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.

**THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL FOUNDATION, INC.**

**BOARD OF DIRECTORS  
UP TO 19 MEMBERS; METHOD OF SELECTION**

**I. NINE EX-OFFICIO MEMBERS**

A. 4 BY VIRTUE OF OFFICE (term concurrent with office tenure)

Chair of the Board of Trustees (Richard Stevens)  
Chancellor (Kevin Guskiewicz)  
Vice Chancellor for Finance and Administration (Jonathan Pruitt)  
Vice Chancellor for University Advancement (David Routh)

B. 2 ELECTED BY BOARD OF TRUSTEES FROM BOARD OF TRUSTEES  
MEMBERSHIP (term concurrent with Board tenure)\*

Dwight Stone	2021
<b><u>John Preyer</u></b>	<b><u>2023</u></b>

C. 3 ELECTED BY BOARD OF TRUSTEES FROM MEMBERSHIP OF THE BOARD OF  
TRUSTEES OF THE ENDOWMENT FUND (term concurrent with Endowment tenure)\*

Michael Kennedy	2019
Sallie Shuping-Russell	2021
<b><u>David Craver</u></b>	<b><u>2022</u></b>

**II. UP TO TEN DIRECTORS ELECTED BY THE NINE EX-OFFICIO DIRECTORS  
(four year term)**

David Carroll	2019
Ed Fritsch	2019
John Townsend	2020
Steve Lerner	2020
Julia Sprunt Grumbles	2021
Kel Landis	2021
Nelson Schwab	2022
Roger Perry	2022
J.K. Brown	2023
Munroe Cobey	2023

## **ATTACHMENT C**

### **WITHDRAWAL FROM QUASI-ENDOWMENT**

In 2015, the Department of Athletics created a quasi-endowment fund using funds from the University of Maryland's withdrawal from the Athletic Coast Conference, Nike revenues, and other unrestricted gifts made to Athletics to support operational needs of the Department as determined by the Director of Athletics. Athletics wishes to withdraw \$300,000 from principal to address operational needs.

The Board of Trustees of the Endowment Fund approved this withdrawal by mail ballot dated July 9, 2019 with the support of the Chancellor and Vice Chancellor for Finance and Operations. Regulations adopted by the Board of Governors require that the Trustees approve any transfer of Endowment principal or income to the useful possession of the institution.

### **RECOMMENDED ACTION**

A motion to approve the withdrawal described above.

August 1, 2019

Ms. S. Lynne Sanders, CPA  
Vice President for Compliance and Audit Services  
The University of North Carolina System

RE: Board of Trustees Finance, Infrastructure and Audit Committee  
Certification Letter

Dear Ms. Sanders:

I confirm that the Board of Trustees (BOT) Finance, Infrastructure and Audit Committee for the University of North Carolina at Chapel Hill's internal audit function is in compliance with the following for the 2019 fiscal year. The Board of Trustees Finance, Infrastructure and Audit Committee:

1. Met at least four times this past fiscal year.
2. Reviewed the results of the annual financial audit with representatives of the North Carolina Office of the State Auditor (OSA), the Chief Audit Officer and/or appropriate campus official, and discussed corrective actions, if needed.
3. If applicable, reviewed the results of any other audit performed and report/management letter (i.e. investigations, Statewide Federal Compliance Audit Reports, etc.) issued by the OSA with representatives of the State Auditor's Office, the Chief Audit Officer and/or appropriate campus official.
4. If applicable, for any audit finding contained within a report or management letter issued by the OSA, reviewed the institution's corrective action plan and the report of the internal auditor on whether or not the institution has made satisfactory progress in resolving the deficiencies noted, in accordance with North Carolina General Statute 116-30.1 as amended.
5. Reviewed all audits and management letters of University Associated Entities as outlined in Section 600.2.5.2[R] of the UNC Policy Manual.
6. Received and reviewed quarterly status updates from the institution's Chief Audit Officer and internal audit reports that, at a minimum, reported material (significant) reportable conditions, management's corrective action plan for these conditions, and any follow-up reports regarding whether these conditions have been corrected.

7. Received, reviewed, and approved, at the beginning of the audit cycle, the annual audit plan for the institution's internal audit function.
8. Received and reviewed, at the end of the audit cycle, a comparison of the annual audit plan with internal audits performed by the internal audit department.

I further attest the following:

- The institution's Chief Audit Officer reports administratively to the Chancellor with a clear and recognized functional reporting relationship to the chair of the BOT Finance, Infrastructure and Audit Committee.
- The Audit Committee charter defines appropriate roles and responsibilities, including the committee's oversight of the institution's information security program. These responsibilities also include the assurance that the institution is performing self-assessments of operating risks and evaluations of internal controls on a regular basis.
- To my knowledge, the internal audit function is carried out in a way that meets professional standards. The auditor's risk assessment process and annual audit plan considers significant institutional risks, including information security.
- To my knowledge, the institution's Chief Audit Officer forwarded copies of both the approved audit plan and the summary of internal audit results, including any material reportable conditions and how they were addressed, to the University of North Carolina System Office in the prescribed format.

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Haywood D. Cochrane, Jr.  
BOT Finance, Infrastructure and Audit Committee Chair

Note: A summary of these certifications from each institution will be provided annually to the Board of Governors Committee on Audit, Risk Management, and Compliance.

# OFFICE OF INTERNAL AUDIT FISCAL YEAR 2019/2020 WORK PLAN

UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL

Dean A. Weber  
Chief Audit Officer



# University of North Carolina at Chapel Hill

## Office of Internal Audit

### Fiscal Year 2019/2020 Work Plan

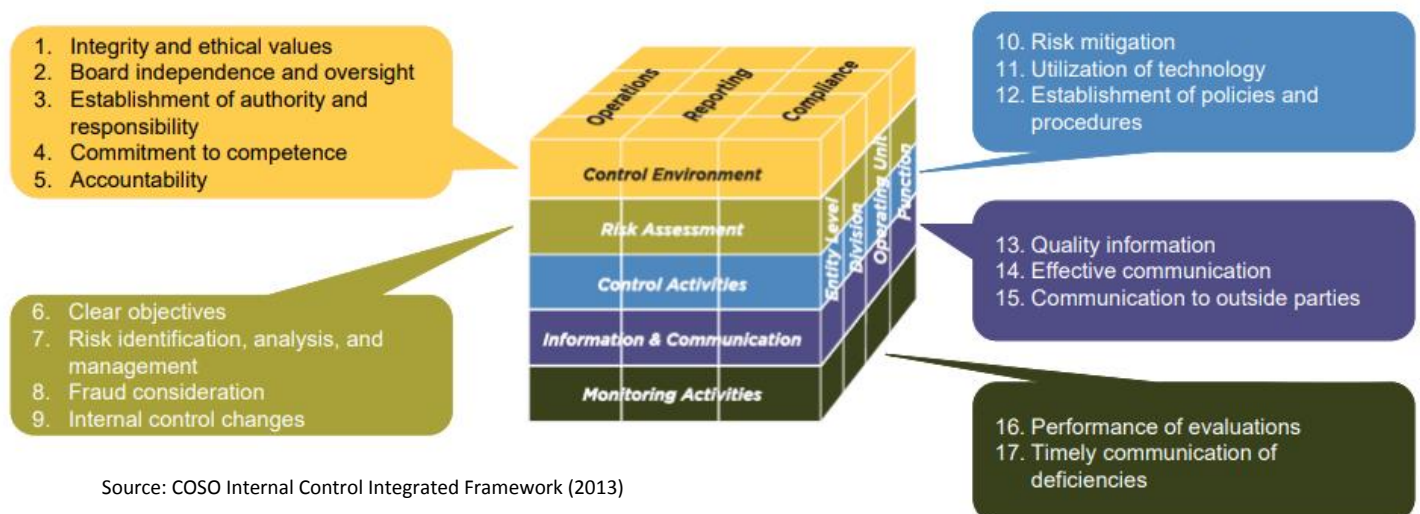
#### Background

The University of North Carolina at Chapel Hill's *Fiscal Year 2019/2020 Internal Audit Work Plan* (Work Plan) was developed by the Office of Internal Audit (OIA). The process included completion of a high-level risk assessment to prioritize internal audit coverage and ensure timely review of operations possessing the greatest potential risk exposure. The assessment comprised analysis of risks supporting the strategic mission and plan of the University, examination of the OIA's prior-year annual risk assessment, consideration of enterprise risk management (ERM) exposure, and through communication with senior leadership of the University and the Board of Trustees Finance, Infrastructure and Audit Committee Chairperson.

#### COSO Internal Control and Enterprise Risk Management Framework

The Committee of Sponsoring Organizations of the Treadway Commission (COSO) is an industry standard model for assessing risks and internal controls in both the public and private business sectors. The COSO Internal Control Framework cube represents the various business objectives and control components within an organization. The 17 principles provide guidance to implement the five components of internal control. The ERM Framework is an expansion of the cube detailing a wider array of risks including compliance, strategic, operational, financial and reputational risks.

## COSO 17 Principles



# University of North Carolina at Chapel Hill

## Office of Internal Audit

### Fiscal Year 2019/2020 Work Plan

#### Financial Magnitude of Core University Areas

The OIA collected and assessed financial data for 14 core components of University operations (revenues/expenses) for the fiscal year ended June 30, 2018. These include significant funding sources and/or consumption of institutional resources.

Category Area	Financial Impact FY2017/2018	Operational Considerations
Grants & Contracts (Operating) Revenue	\$837,984,782	Award Compliance and Monitoring
State Appropriations Revenue	\$518,231,277	Public Dollar Stewardship Institutional Reputation/Compliance
Patient Services Net Revenue	\$481,876,888	Operational – Accounting for billing/receipts/bad debt.
Student Tuition & Fee Revenue	\$438,404,927	Core Business Function Recruitment/Diversity/Retention
Net Investment Income Revenue	\$292,214,598	Financial Stewardship
Professional Services Revenue	\$122,135,327	Partnering with the Public - Blueprint for Next
Athletics Revenue	\$72,978,513	NCAA Division I Compliance Regulations – Institutional Reputation
Residential Life Net Revenue	\$72,695,671	Campus Safety and Security
Dining Net Revenue	\$36,880,015	Operational and Financial Controls
Parking Net Revenue	\$32,276,418	Operational and Financial Controls
Salaries and Benefits Expense	\$1,730,163,726	Largest Resource Expenditure
Procurement Expense (Services/Supplies/Materials)	\$962,523,864	State and University Regulatory Compliance
Scholarship/Fellowship (Financial Aid) Expense	\$129,050,342	Federal and State Compliance
Operation & Maintenance Expense	\$92,708,756	Operational - Campus Safety, Health and Security, Facilities Maintenance

Source: June 30, 2018 UNC Chapel Hill Annual Financial Report

# University of North Carolina at Chapel Hill

## Office of Internal Audit

### Fiscal Year 2019/2020 Work Plan

#### System Policy on University Enterprise Risk Management and Compliance

Creation of the University's Fiscal Year 2019/2020 Audit Work Plan considered outcomes upholding the UNC System Board of Governors' Policy on *University Enterprise Risk Management and Compliance*, providing for the establishment of UNC System-wide and institution-based enterprise risk management and compliance processes. The Board of Governors, in May 2019, was presented the first iteration of the UNC System risk register identifying the following six current System ERM topics of importance (each supported with underlying matrices) comprising:

- IT Governance/Data Security/Cybersecurity
- Human Resources – Recruitment, Retention, Compensation
- Financial Stability/Funding Model Issues
- Deferred Maintenance
- Enrollment
- Campus Safety and Security

#### The Blueprint for Next

The Blueprint for Next is Carolina's strategic framework to guide the University during the next decade. The framework was endorsed by the UNC-Chapel Hill Board of Trustees in January 2017 and is designed to provide an overarching mission of growth and success built upon two pillars, *Of the Public for the Public* and *Innovation Made Fundamental*. The Blueprint for Next continued to evolve through the efforts of leadership resulting in the identification of eight working blueprint strategic priorities and twenty-seven strategic opportunities providing a roadmap for success based upon defined quantitative areas of focus.

#### Summary

Collectively, the OIA's risk assessment encompassing the financial magnitude assessment, COSO considerations, *The Blueprint for Next*, System ERM, and current higher education industry risks were evaluated in determining the 16 audit engagements populating the University's *Fiscal Year 2019/2020 Internal Audit Work Plan*.

The University's Office of Internal Audit is undergoing redevelopment in terms rebuilding staffing, branding and evaluating operational processes and procedures. As such, an aggressive work plan is presented with a goal of completing a minimum of 75 to 80 percent of presented engagements, with full completion dependent upon the timeframe of new staff onboarding.

# University of North Carolina at Chapel Hill

## Fiscal Year 2019/2020 Internal Audit Work Plan

Audit Engagement	Risk Category	Functional Area	Supportive Rational
Grant Closeout Controls	Operational	Grants and Contracts - Research	Financial Magnitude – Identified in the UNC System <i>Business Process Dashboard of Key Performance Indicators</i> as a significant risk
Campus Safety and Risk Management	Operational	Public Affairs and Secretary of the University	Blueprint for Next – <i>Campus Safety Commission</i> strategic opportunity and System ERM & Compliance topic
Clinical Trials – Participant Remuneration	Financial	School of Medicine Research	Financial Magnitude – Research compliance and monitoring
Donor Intent – Fundraising Restrictions	Reputational	University Development	Financial Magnitude – Blueprint for Next
Athletics* Financial Aid Administration Student Athlete Employment Extra Benefits – Team Travel Extra Benefits – Student Athlete Vehicles Eligibility Certification	Compliance	Athletics	COSO – Control environment/accountability with external compliance - Division I National Collegiate Athletic Association regulations
Distance Education	Operational	Academic Programing	Blueprint for Next – <i>Digital and Lifelong Learning</i> strategic opportunity
New Hire Onboarding	Operational	Workforce Strategy, Equity and Engagement	Financial Magnitude – Greatest expenditure, System ERM & Compliance topic



Audit Engagement	Risk Category	Functional Area	Supportive Rational
Revenue Recognition School of Pharmacy	Financial	Provost –School of Medicine	Financial Magnitude – Patient Services Revenue
PeopleSoft User Access Management	Technology	Information Technology	System ERM IT Governance/Date Security/Cyber Security
IT General Control Review	Technology	School of Business	System ERM IT Governance/Date Security/Cyber Security
Undergraduate Admissions	Strategic	Enrollment and Undergraduate Admissions	Blueprint for Next – <i>Educational Benefits of Diversity</i> strategic opportunity and System ERM and Compliance
Higher Education Opportunity Act	Compliance	Institutional Compliance	COSO – Control environment/accountability with external compliance - Higher Education Opportunity institutional reporting and disclosure requirements

\* National Collegiate Athletic Association (NCAA) Compliance Review Plan for Division I Institutions (Attachment 1)

NOTE: In addition to defined work plan engagements, the Office of Internal Audit budgeted hours for the completion of special project requests and investigations as they may arise, and as approved for completion.

**Approvals:**

\_\_\_\_\_  
Interim Chancellor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Finance, Infrastructure and Audit Committee Chairman

\_\_\_\_\_  
Date



THE UNIVERSITY  
of NORTH CAROLINA  
at CHAPEL HILL

**University of North Carolina at Chapel Hill**  
**Office of Internal Audit**  
**NCAA Compliance Review Plan**  
**Department of Intercollegiate Athletics**

**Internal Audit Four-Year Athletic Review Plan**

Below is the four-year cyclical internal audit engagement plan based on the Association of College and University Auditors' *National Collegiate Athletic Association Division One Audit Guide*.

**Year 1 (Fiscal Year 2019/2020)**

Financial Aid Administration  
Student Athletic Employment  
Extra Benefits – Team Travel  
Extra Benefits – Student Athletic Vehicles  
Eligibility (comprises initial-eligibility, continuing eligibility, and transfer eligibility certifications)

**Year 2 (Fiscal Year 2020/2021)**

Recruiting – Off Campus  
Recruiting – On Campus  
Extra Benefits – Representatives of the University's Athletic Interests  
Extra Benefits – Complimentary Admissions  
Rules Education  
Camps and Clinics  
Investigations and Self-Reporting of Rules Violations

**Year 3 (Fiscal Year 2021/2022)**

Governance and Organization  
Extra Benefits – Athletic Apparel and Equipment  
Commitment to Personnel to Rules Compliance Activities – Certification of Compliance  
Commitment to Personnel to Rules Compliance Activities – Coaching Staff Limits and Contracts  
Playing and Practice Seasons  
Amateurism  
Academic Performance Program

**Year 4 (Fiscal Year 2022/2023)**

Athletic Director's Project Discretion



# Office of Internal Audit Fiscal Year 2019/2020 Work Plan

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*UNIVERSITY of NORTH CAROLINA  
at CHAPEL HILL*

Dean Weber  
Chief Audit Officer  
July 31, 2019

# Fiscal Year 2019/2020 Internal Audit Work Plan

## A Multi-step Development Process

In determining internal audit engagements for inclusion in the work plan, the following key attributes were considered:

- Internal Control and Enterprise Risk Management Framework (COSO Principles)
- Financial Magnitude of Core University Areas
- System Policy on University Risk Management
- The Blueprint for Next
- Interviews with senior leadership





# Fiscal Year 2019/2020

## Internal Audit Work Plan

### A New Planning Approach

- Evaluating risks in a fluid and engaging process through analytical assessment of data and conversations with leadership.

### A Focus on Higher Level Priorities

- Assessing University priorities and understanding potential risks and obstacles.

### Linking Audits to Key University Areas

- Planning internal audit engagements supporting important financial and operational areas of University activity.

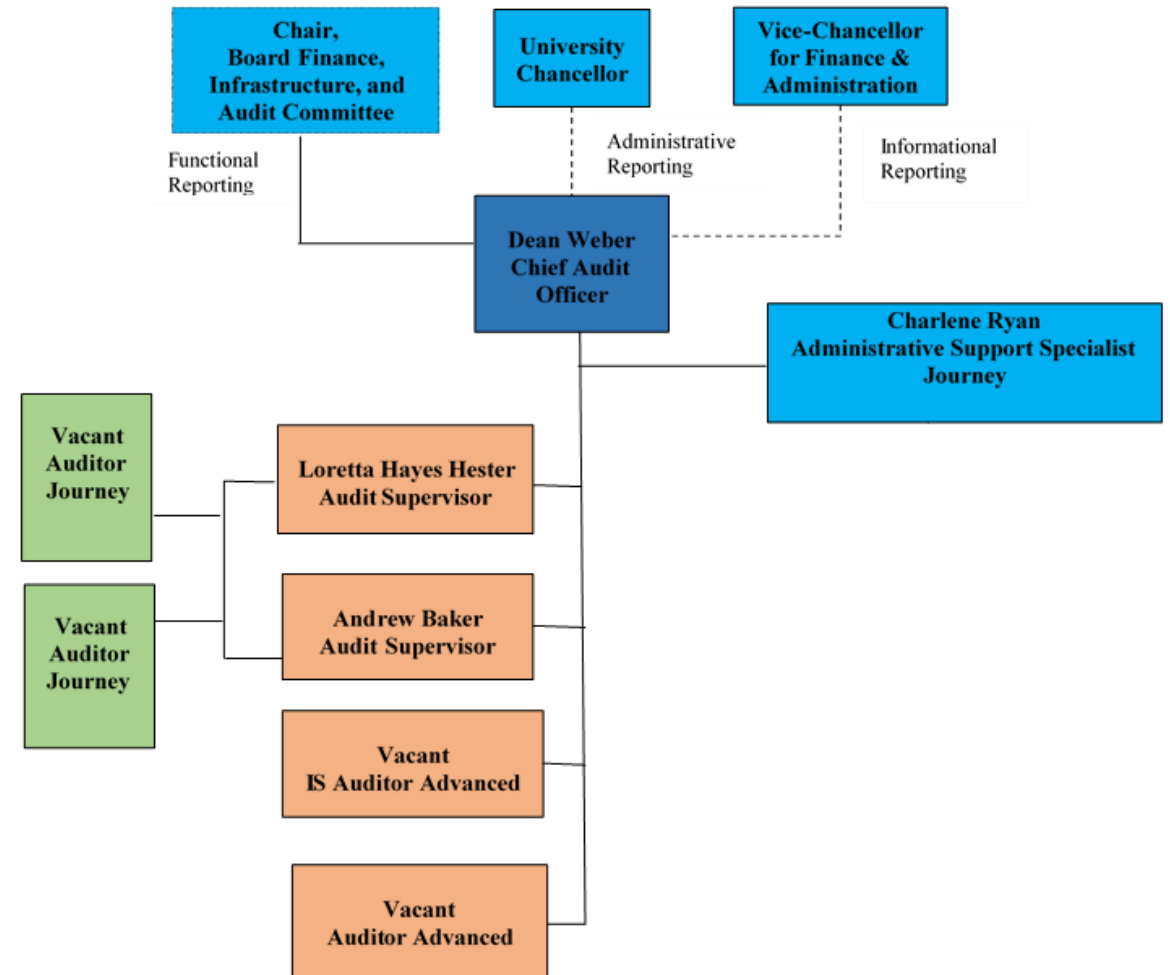
### Connecting System and University Initiatives

- Audit engagements supporting defined strategic initiatives at the university and System level.

# Fiscal Year 2019/2020 Internal Audit Work Plan

## Departmental Staffing and Organization

- Realignment of the organizational structure to provide layered supervision and position responsibility
- Four positions are vacant and presently being recruited
- Current staffing provides for 16 anticipated audit engagements and 5 special project requests to be completed in the upcoming fiscal year



# Fiscal Year 2019/2020

## Internal Audit Work Plan

### Defined Engagements by Audit Category

#### Operational Audit (4 audits)

- Grant Closeout Controls
- Campus Safety and Security
- Distance Education
- New Hire Onboarding

#### Compliance Audits (6 audits)

- Athletic Financial Aid
- Student Athlete Employment
- Athletic Team Travel
- Student Athlete Vehicles
- Athletic Eligibility Certification
- Higher Educational Opportunity Act

#### Financial Audits (2 audits)

- Clinical Trials College of Medicine
- Revenue Recognition School of Pharmacy

#### Information Technology (2 audits)

- PeopleSoft User Access Management
- IT General Control Review College of Business

#### Reputational (1 audit)

- Donor Intent - Fundraising Restrictions

#### Strategic (1 audit)

- Undergraduate Admissions

#### THE COMPLETION GOAL:

**100%** - would be ideal...

**70% to 80%** would be successful.

The Audit Office is presently rebuilding staffing, evaluating operational processes and procedures, and rebranding our campus image in Fiscal Year 2019/2020.

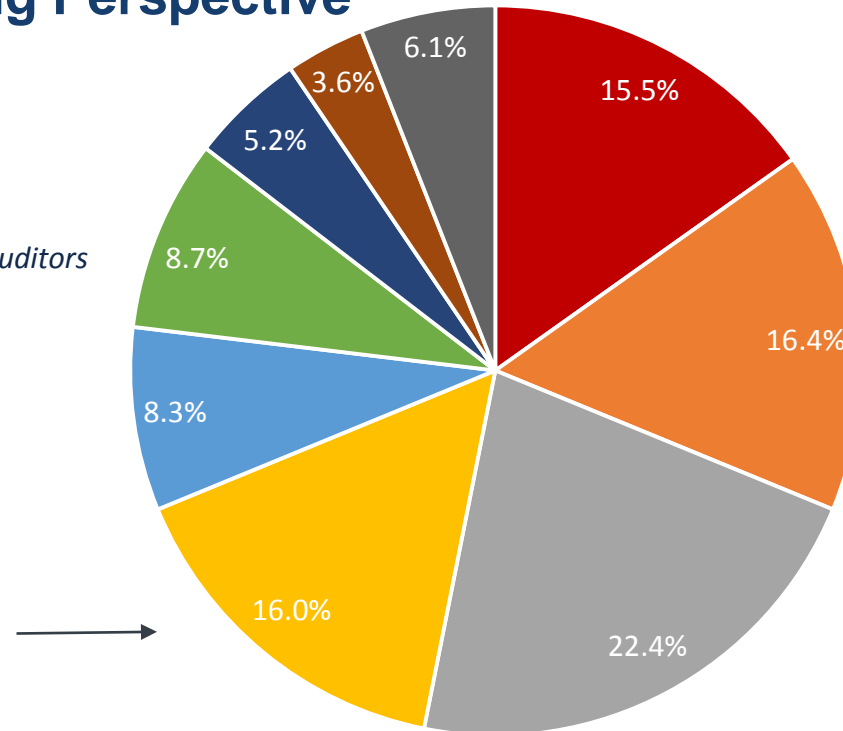
# Fiscal Year 2019/2020 Internal Audit Work Plan

## Benchmarking- 2019 A Global Internal Audit Planning Perspective

Pulse survey respondents were asked to detail the distribution of their audit plan coverage

Source:  
2019 North American  
Pulse of Internal Audit  
*The Institute of Internal Auditors*

Other Comprises:  
Cost/Expense Reduction  
Governance  
External Audit Support  
Affiliated Relationships  
Sustainability



■ Compliance ■ Operational ■ Financial ■ Other ■ Cyber ■ IT ■ Fraud ■ 3rd Party ■ ERM

### Top Industry Audit Areas Include:

Financial – 22%  
Information Technology – 17%  
Operational – 16%  
Compliance/Regulatory – 16%

### Top Carolina Audit Areas Include:

Financial – 12% ↓  
Information Technology – 12% ↓  
Operational – 25% ↑  
Compliance/Regulatory – 37% ↑

# Questions...

## ATTACHMENT F

### **DESIGNER SELECTION – KOCH MEMORIAL FOREST THEATRE AND COKER ARBORETUM**

This advanced planning project will develop a vision, concept plan, and initial cost estimates for the renovation of the Koch Memorial Forest Theatre and the Cameron Avenue frontage of the Coker Arboretum. These two places are iconic open spaces in the historic campus district and share important ecological connections. The development of a concept plan will support fundraising efforts that will allow the project to move into full design and construction. A University steering committee will have representation from a broad range of stakeholders, including the North Carolina Botanical Garden, Playmakers Repertory Company, Department of Dramatic Art, Arts Everywhere, Office of Admissions, and Facilities Planning and Design.

The estimated project budget is \$6.2 million and will be funded through a combination of gifts, North Carolina Botanical Garden reserves, and the Open Space Trust Fund. The project was advertised on May 23, 2019. Eighteen (18) proposals were received. Six (6) firms were interviewed on July 9, 2019. Members of the Board of Trustees did not participate in the interviews. The committee recommended the selection of the three (3) firms in the following priority order:

- |        |         |
|--------|---------|
| 1. XXX | XXX, XX |
| 2. XXX | XXX, XX |
| 3. XXX | XXX, XX |

The firms were selected for their past performance on similar projects, the strength of their consultant team, and experience with campus projects.

#### **RECOMMENDED ACTION:**

A motion to approve three (3) firms in the following priority order:

- |        |         |
|--------|---------|
| 1. XXX | XXX, XX |
| 2. XXX | XXX, XX |
| 3. XXX | XXX, XX |

## **ATTACHMENT G**

### **SITE APPROVAL – UNC HEALTH CARE PROTON THERAPY UNIT**

UNC Health Care plans to expand the services of its North Carolina Cancer Hospital to include a proton therapy unit, which is proposed to be housed in an addition to the west side of the existing building in the area of the landscape labyrinth. The new construction will be almost entirely below grade, with the landscape labyrinth to be restored over the building's roof.

#### **RECOMMENDED ACTION:**

A motion to recommend approval of the site for the intended use.

## **ATTACHMENT H**

### **GRANT OF EASEMENT TO DUKE ENERGY**

Duke Energy is requesting a permanent easement on property owned by UNC along Old Mason Farm Road. A portion of this parcel is currently ground leased to the SECU Family House and to the Ronald McDonald House. The proposed easement will allow Duke Energy to install electric lines providing redundant service to these two facilities. Construction is anticipated to begin in August and take approximately 6 weeks to complete.

### **RECOMMENDATION**

Approval to grant an easement to Duke Energy to install and maintain electric lines as shown on the map below.



# Grant of Easement to Duke Energy

Duke Energy is requesting a permanent easement on property owned by UNC along Old Mason Farm Road. A portion of this parcel is currently ground leased to the SECU Family House and to the Ronald McDonald House. The proposed easement will allow Duke Energy to install electric lines providing redundant service to these two facilities. Construction is anticipated to begin in August and take approximately 6 weeks to complete.

## Request:

Approval to grant an easement to Duke Energy to install and maintain electric lines as shown on the map below.



# ARTS EVERYWHERE

## “An Awakened Campus”



THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL

ARTS  
EVERYWHERE



# “An Awakened Campus”

*Transform the University’s physical landscape into a dynamic, art-filled environment that inspires creative thinking, sparks dialogue, and prompts reflection.*



# 01

GOAL

## **Developing a Distinguished Public Arts Program**





# 02

GOAL

**Strengthening our Arts Network  
across the community, state,  
and beyond**

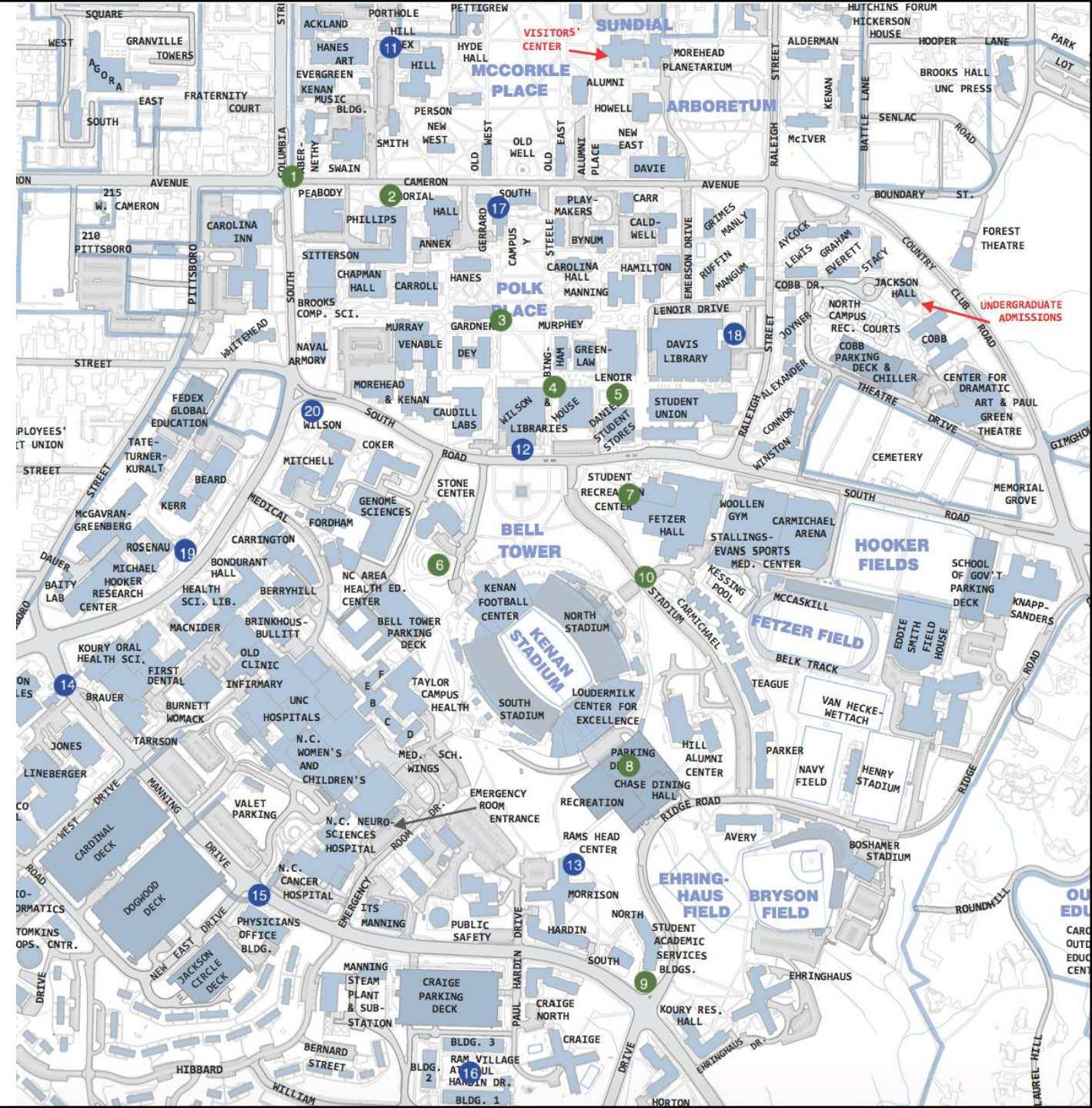
03

## Potential Sites



# Sites of Interest

- 1) Intersection of Columbia & Cameron
- 2) Memorial Hall
- 3) Polk Place at Gardner Hall
- 4) Polk Place at Wilson Library
- 5) The Pit
- 6) Bell Tower Amphitheatre
- 7) Student Rec Center
- 8) Chase Dining Hall quad
- 9) SASB at Ridge Rd and Manning Dr
- 10) Stadium Dr at Fetzer Gym





04

## **Loans and Installations**















05

## **Works in Process**

# Coker Arbor & the Forest Theatre





# Craige Deck Façade









# Campus Collaborators

Jonathan Abramowitz, *Clinical Psychology*

Allen Anderson, *Music*

Anna Bardone-Cone, *Psychology*

Misha Becker, *Linguistics*

Luc Bovens, *Philosophy*

Bill Brown, *Communication*

Drew Coleman, *Geology*

Rudi Colloredo-Mansfeld, *Social Sciences*

Spencer Dorn, *Medicine*

Joaquin Drut, *Physics*

Maxine Eichner, *Law*

Bill Ferris, *History*

Gregg Flaxman, *Global Cinema Studies*

Amy Gladfelter, *Biology*

Banu Gökarıksel, *Geography*

Benny Joyner, *Pediatrics*

Mark Katz, *Music*

Joel Kingsolver, *Biology*

Daniel Kreiss, *Media and Journalism*

Doug Lauen, *Public Policy & Sociology*

Cal Lee, *SILS*

Carol Magee, *Art & Art History*

Beth Mayer-Davis, *Nutrition*

Brent McKee, *Marine Sciences*

Laurie McNeil, *Physics/Astronomy*

Eric Muller, *Law*

Mai Nguyen, *City and Regional Planning*

Seth Noar, *Media and Journalism*

Todd Ochoa, *Religious Studies*

Leslie Parise, *Biochemistry & Biophysics*

Keith Payne, *Psychology*

Lisa Pearce, *Sociology*

Andy Perrin, *Sociology*

Adam Persky, *Pharmacy*

Michelle Robinson, *American Studies*

Jeff Sekelsky, *Biology*

Ted Shaw, *Law*

Montek Singh, *Science*

Kim Strom-Gottfried, *Social Work*

Adam Versenyi, *Dramatic Art*

Brett Whalen, *History*

Steve Weiss, *Southern Folklife Collection*

Jessica Zegre-Hemsey, *Nursing*



THE UNIVERSITY  
*of* NORTH CAROLINA  
*at* CHAPEL HILL

# Office of Internal Audit External Quality Assessment Review – a path forward.

---

*UNIVERSITY of NORTH CAROLINA  
at CHAPEL HILL*

Dean Weber  
Chief Audit Officer  
July 31, 2019

# QAR Outcomes – a path forward

- The Institute of Internal Auditors' (IIA) *International Standards for the Professional Practice of Internal Auditing (Standards)* prescribes internal audit functions to be externally assessed once every 5-year period.
- The independent Quality Assessment Review (QAR) encompassed evaluation of the department's conformance to the *Standards* and Code of Ethics.
- Additionally, an assessment of internal audit's effectiveness in carrying out its mission (as set forth in the charter) was evaluated.

## Project Scope and Methodology

- Review period spanned July 1, 2017 to September 30, 2018
- Encompassed preliminary information review and 4-day onsite visit in October 2018
- Interviews with select University leadership
- Discussions with former Chief Audit Officer and departmental staff
- Review of charters, organizational charts, departmental policies/procedures, risk assessments and audit plans

# QAR Outcomes – a path forward

## Assessment Results:


Based on procedures performed, an opinion was issued that the UNC Chapel Hill Internal Audit Office ***generally conforms*** with the *Standards* and Code of Ethics.

## Exceptions:

- The *Standards* comprise Attribute and Performance standards. Outcomes identified the department ***generally conforms*** with three of the four Attribute standards and six of the seven Performance standards.
- Attribute and Performance Standards combined detail 41 second-tier standards of which 32 were reported as ***generally conforms*** and eight were reported as ***partially conforms***.
- One second-tier standard was assigned the rating of ***does not conform*** and, while significant, does not rise to a level that diminished the overall engagement assessment rating.

***“Generally Conforms”*** is the highest rating as defined in the IIA’s Quality Assessment Manual for internal audit activity.

# QAR Outcomes – a path forward



## Internal Audit Improvement Opportunities

### Eight Areas Identified as “Partially Conforms”

- Proficiency
- Due Professional Care
- Communication and Approval
- Coordination and Reliance
- Governance
- Risk Management
- Engagement Resource Allocation
- Quality of Communications

### One Area Identified as “Does Not Conform”

- Resource Management



## Institutional Improvement Opportunities

### Improvement Opportunities for Leadership’s Consideration

- Adequacy of Resources
- Governance
- Chief Audit Officer Engagement

# QAR Outcomes – a path forward

## Proficiency

The selection of continuing professional education activities appears to be based on opportunity, rather than auditor and departmental needs.

## Due Professional Care

The audit hours devoted to many projects appeared to significantly exceed the extent of work needed to achieve the engagement's objectives.

## Communication and Approval

Although the CAO presents the annual plan to the Finance, Infrastructure and Audit Committee, there does not appear to be discussion of projects that are not undertaken because of insufficient or otherwise limited resources. Significant changes to the Plan were not communicated to senior management and the Committee for review and approval.

## Coordination and Reliance

There is limited coordination and communication between internal audit and other compliance, monitoring, and audit functions, including external consultants/auditors.

# QAR Outcomes – a path forward

## • Governance • Risk Management

The department's body of work is not sufficient to address control, risk management, and governance risks at the University. Work should be derived from strategic plans, key business objectives, risk profiles and ongoing operations of the University.

## Engagement Staff Allocation

Multiple projects suffered from being very large and drawn out. This has caused the internal audit plan to suffer with completion levels below desired levels.

## Quality of Communications

Duration of audits is inordinately long, severely impacting the timeliness of reports, making the results of the projects and the content of the report less valuable.

## Resource Management\*

In each of the last two years the department completed only a minimal percentage of its approved annual audit plan. Project overruns and special projects significantly limited completion of routine audit projects.

\* Rated Does Not Conform



# QAR Outcomes – a path forward



## Institutional Improvement Opportunities

Senior management and Board should work to right-size the Department, based on the risk appetite of the University and the vision for the future of the internal audit function at Carolina. Historically, the department is understaffed.

The Board and Chancellor should approve budget and resources for the department and the Chief Audit Officer's evaluation and remuneration. Current language that provides for the Board to be consulted on the appointment and removal of the Chief Audit Officer should be strengthened to an approval capacity.

Engage the Chief Audit Office in leadership meetings and the Chancellor's cabinet, affording the Officer a deeper understanding of the vision, strategic direction, and planned initiatives of the University. Administrators will also benefit from the Officer's perspective on risk and opportunities related to these efforts.

# QAR Outcomes – a path forward

## Opportunities for Continuous Improvement:

Results identified seven opportunities representing industry leading internal audit practices – implementation should improve effectiveness, increase the value of the audit function, and ensure compliance with the *Standards*.

Affirming Auditor  
Independence

Broadly Communicate  
the Audit Plan

Implement Audit  
Surveys

Incorporate Data  
Analytics

Develop Audit  
Performance Metrics

Deeper Dive  
Technology Audits

Association of College  
and University  
Auditors Engagement

# Questions...



• *the* CAMPAIGN *for* CAROLINA •

**David S. Routh**

*Vice Chancellor for Development*

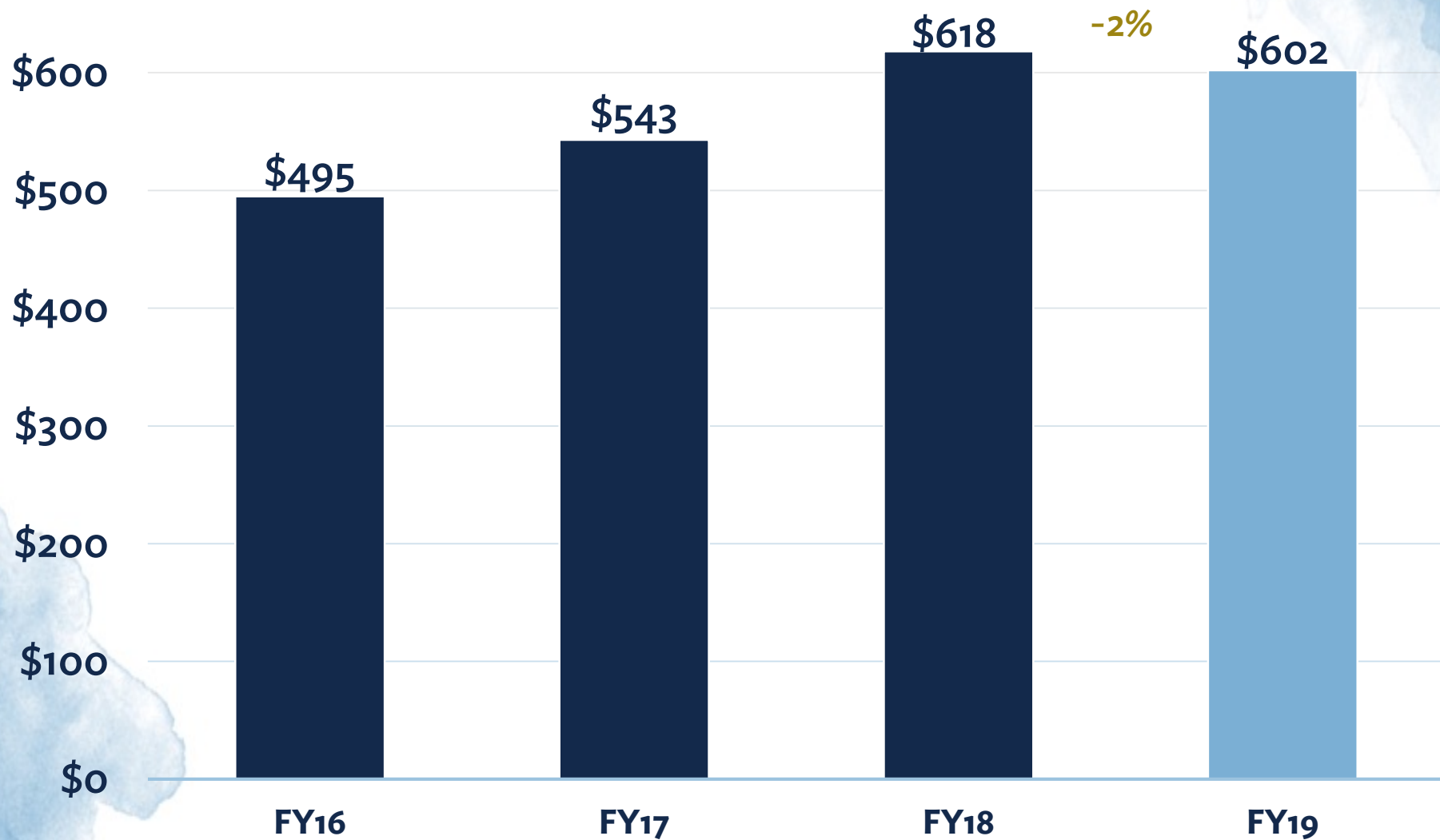




**\$602,294,172**

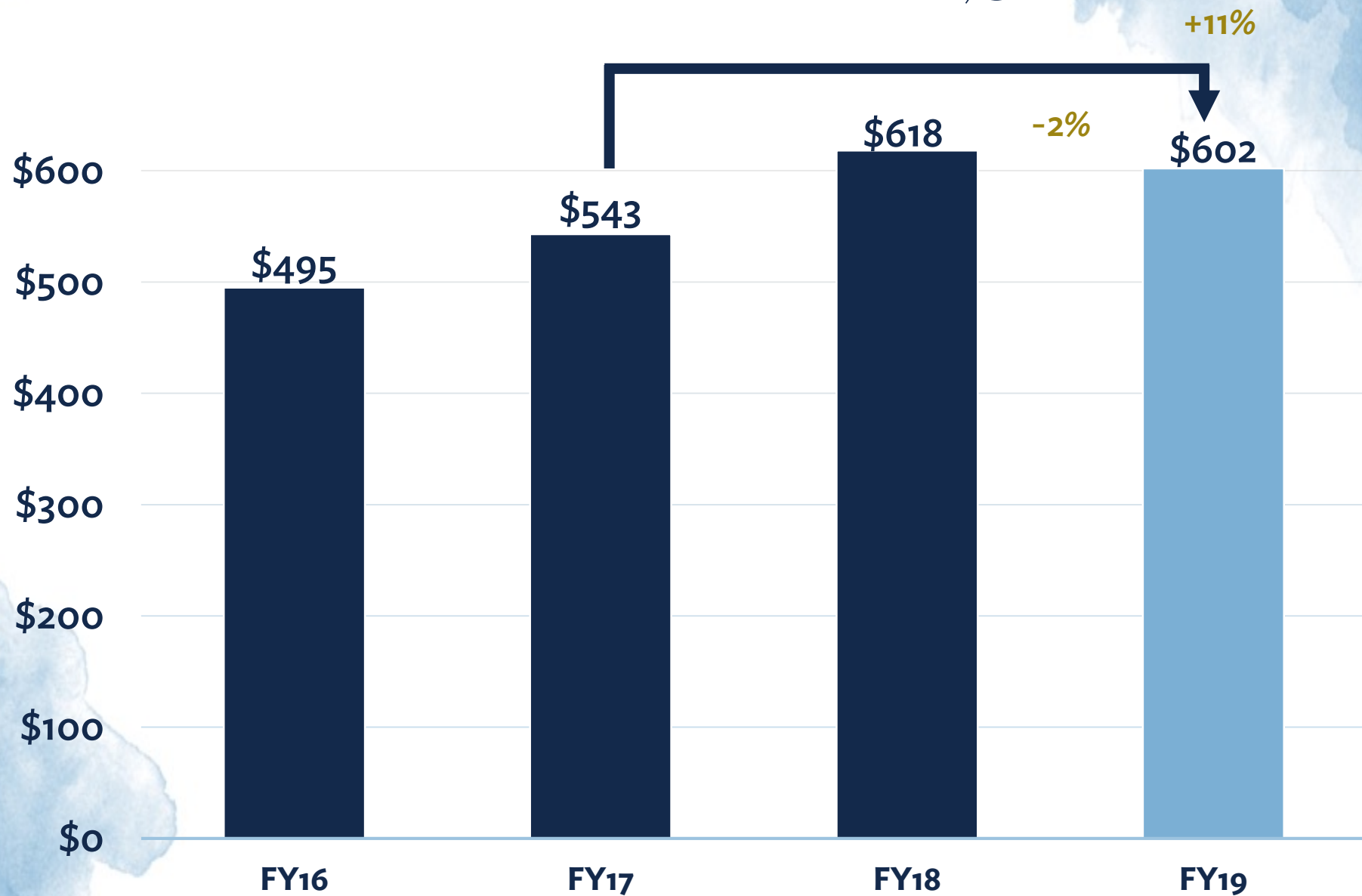
**FY 19 | ANOTHER AMAZING YEAR**

## New Cash & Commitments Totals *FYE 6/30*



*Amounts in millions*

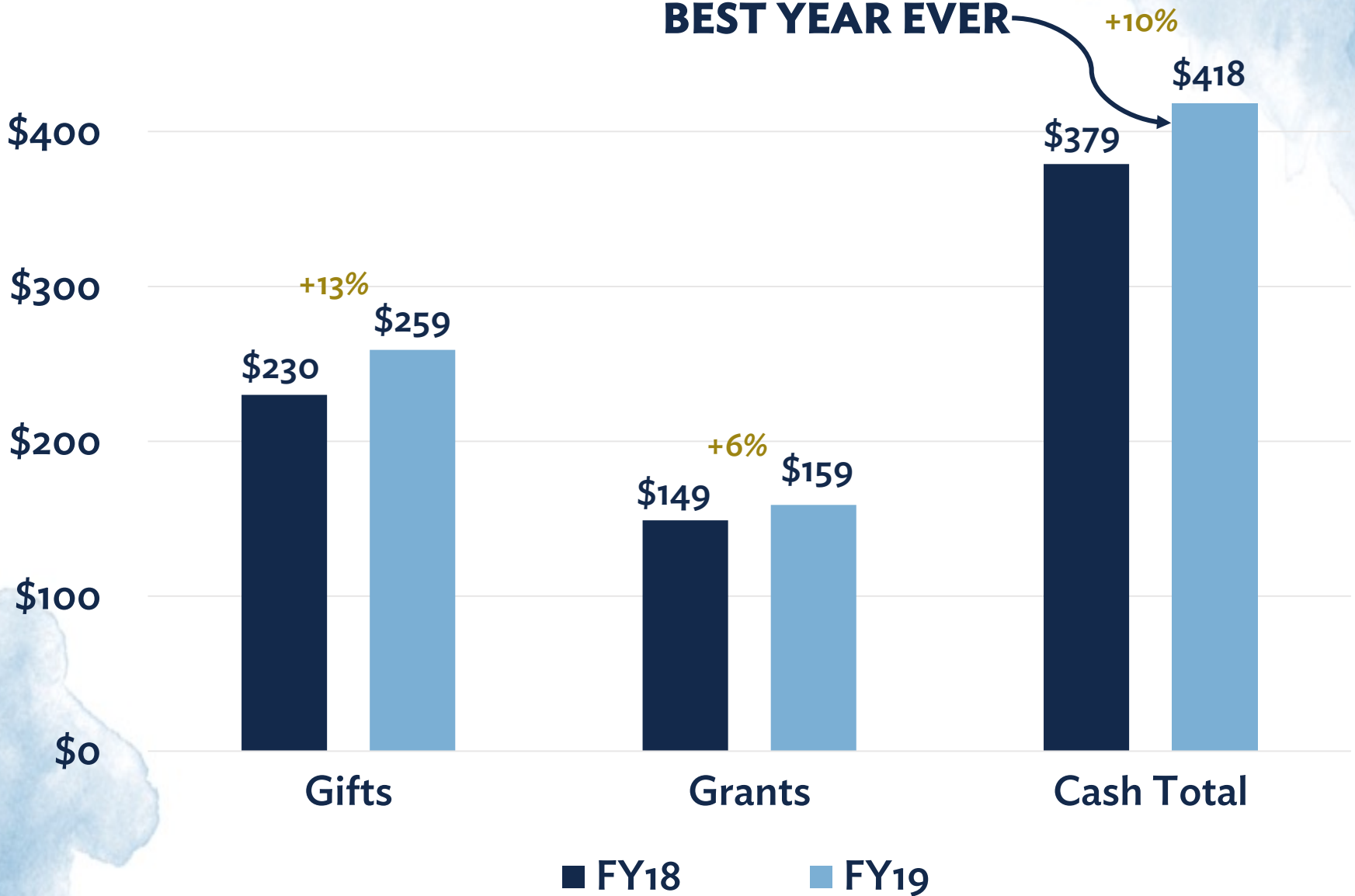
## New Cash & Commitments Totals *FYE 6/30*



*Amounts in millions*

# Cash Totals *FYE 6/30*

**BEST YEAR EVER**



*Amounts in millions*



# Campaign Dashboard

DATA AS OF June 30, 2019. Final FY19 data.

# \$2,808,468,566

## TOTAL CAMPAIGN ACTIVITY

PERCENT TO  
GOAL

66%

TIME  
ELAPSED

57%

TOTAL  
DONORS

172,394

ALUMNI  
PARTICIPATION

26%

## × Campaign Pillars

\$976M

THE NEW  
GRADUATE

\$400M

THE 21<sup>ST</sup> C.  
PROFESSORiate

\$1.43B

A CULTURE  
OF INNOVATION

1.007B

SIGNATURE  
INITIATIVES

## × Unit Progress

		FYΔ%	Goal
ACK	33%	3%	\$250M
ATHL	57%	10%	\$500M
CAS	63%	14%	\$750M
CCPS	84%	4%	\$6M
CPA	83%	17%	\$25M
DENT	60%	5%	\$70M
EDU	40%	8%	\$35M
GOV	36%	7%	\$50M
GRAD	74%	21%	\$10M
IE	53%	17%	\$12M
KFBS	56%	16%	\$400M
LAW	57%	10%	\$75M
LIB	68%	9%	\$50M
MCF	63%	7%	\$75M
MED	71%	17%	\$1B
MJ	90%	54%	\$75M
MPSC	70%	9%	\$20M
NCBG	62%	7%	\$30M
NRI	101%	34%	\$3M
NURS	96%	13%	\$22M
OSSA	35%	6%	\$400M
PHARM	88%	5%	\$175M
SAFF	47%	9%	\$15M
SILS	84%	13%	\$20M
SPH	77%	10%	\$200M
SSW	35%	6%	\$23M

▶ Has met goal.

Acronyms key available at:  
<https://unc.live/acronyms>

# Campaign-powered fundraising

School/Unit	FY19 Commitments	% Increase from FY18
UNC Medicine	\$172,585,897	↑ 15%
Kenan-Flagler Business School	\$68,916,895	↑ 42%
School of Media and Journalism	\$39,965,967	↑ 211%
Adams School of Dentistry	\$10,815,570	↑ 45%
University Libraries	\$6,330,296	↑ 135%
Ackland Art Museum	\$6,009,940	↑ 35%
NC Botanical Garden	\$3,720,593	↑ 48%
School of Government	\$3,295,254	↑ 149%
School of Education	\$2,519,721	↑ 26%

# FY19 Highlights



## UNC Adams School of Dentistry

*Named with a \$27M gift*



## Renewed Partnership w/ ViiV

*\$20M gift*



## LAUNCH of Blue Sky Scholars



## SUCCESS of GiveUNC



## A Global Mindset

*Surpassed their goal of \$300M*



## LAUNCH of Blue Sky Scholars



## Gift from Bill and Anne Harrison *\$10M to UNC Global*



## Best Year Ever *\$417M in Cash*





• *the* CAMPAIGN *for* CAROLINA •

**David S. Routh**

*Vice Chancellor for Development*

# Real Estate Operations Board of Trustees July 30, 2019

---

- 2019 Biannual Lease Review

# 2019 Mid-Year Lease Review

Lease Category	SF	Annual Rent	# of Leases
Office	581,872	\$14,884,294	57
Clinical	35,793	\$664,171	12
Residential	33,138	\$413,736	32
Other	26,405	\$304,772	4
Lab	4,526	\$206,156	2
<b>Grand Total</b>	<b>681,734</b>	<b>\$16,473,129</b>	<b>107</b>

Cost Category	SF	Annual Rent	# of Leases
<\$50k	54,956	\$682,125	28
\$50k to \$150k	99,363	\$2,039,670	24
\$150k to \$350k	133,031	\$3,004,713	44
\$350k to \$500k	53,909	\$1,343,301	3
\$500k+	340,475	\$9,403,320	8
<b>Grand Total</b>	<b>681,734</b>	<b>\$16,473,129</b>	<b>107</b>

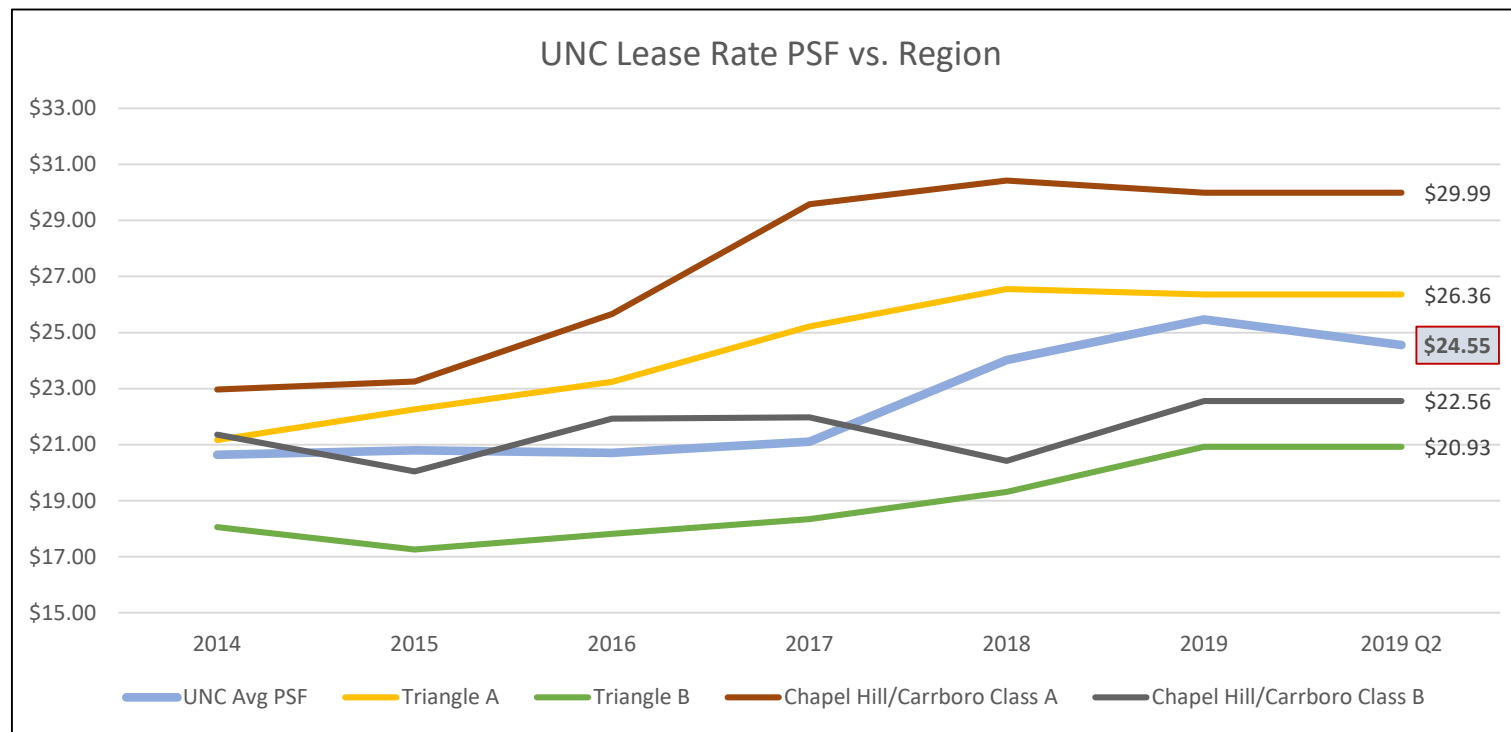
City	SF	Annual Rent	% Annual Rent	
			of Total	# of Leases
Chapel Hill	367,979	\$9,316,516	57%	61
Kannapolis	125,282	\$3,402,527	21%	2
Carrboro	88,660	\$2,212,731	13%	9
Durham	33,588	\$717,186	4%	10
Raleigh	6,898	\$178,759	1%	2
Hillsborough	13,200	\$172,440	1%	12
Wilmington	4,508	\$105,262	1%	1
Asheville	5,795	\$85,708	1%	1
Greensboro	5,000	\$77,514	0%	2
Charlotte	4,279	\$77,057	0%	1
Greenville	3,981	\$45,411	0%	2
Smithfield	2,776	\$36,000	0%	1
Goldsboro	2,096	\$31,440	0%	1
Lexington	15,500	\$8,760	0%	1
Kure Beach	2,192	\$5,820	0%	1
<b>Grand Total</b>	<b>681,734</b>	<b>\$16,473,129</b>		<b>107</b>

# Users of Leased Space

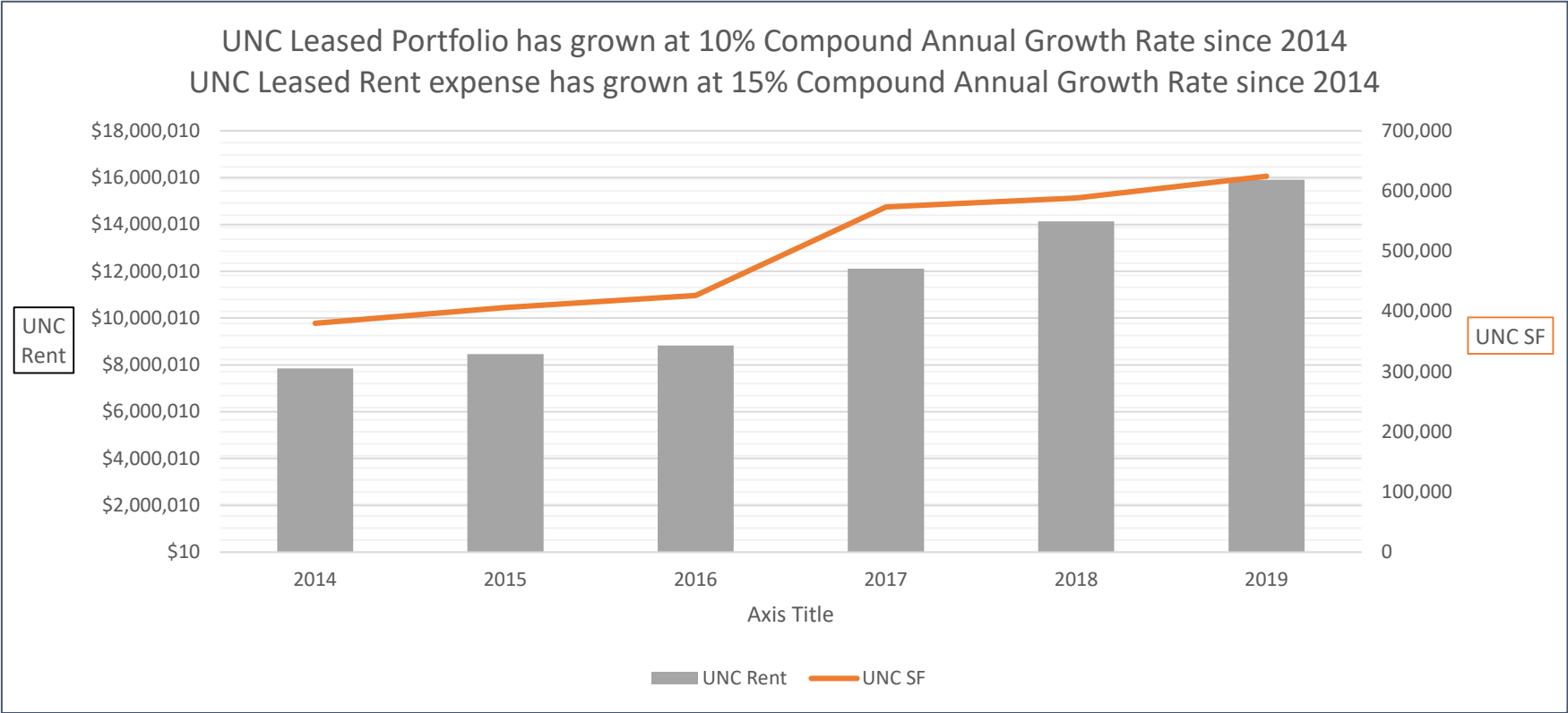
Tenants/Users	SF	Annual Rent	% of Total	
			Annual Rent	# of Leases
Vice Chancellor for Research	224,466	\$5,832,574	35%	16
School of Public Health	165,362	\$4,706,534	29%	6
School of Medicine	154,626	\$3,204,585	19%	58
Vice Chancellor for Research	19,344	\$459,071	3%	1
Division of Finance and Operations	17,864	\$416,942	3%	1
Provost Office	13,111	\$288,480	2%	4
Office of University Development	14,270	\$285,940	2%	2
School of Pharmacy	7,688	\$273,071	2%	2
Chancellor's Office	9,163	\$186,077	1%	4
Vice Chancellor for Workforce Strategy, Equity and Engagement	5,252	\$182,004	1%	1
College of Arts and Sciences	8,045	\$173,184	1%	2
Communications	25,374	\$134,074	1%	3
Vice Chancellor for Innovation, Entrepreneurship and ED	6,669	\$128,871	1%	2
School of Social Work	4,453	\$97,743	1%	1
School of Education	2,797	\$52,807	0%	1
School of Law	3,000	\$51,171	0%	2
North Carolina Botanical Garden	250	\$0	0%	1
<b>Grand Total</b>	<b>681,734</b>	<b>\$16,473,129</b>		<b>107</b>



# UNC Avg PSF Rent Rate = \$25.32



# Growth in UNC Leased Portfolio since 2014



**STATUS OF CAPITAL IMPROVEMENT PROJECTS  
THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL  
FACILITIES SERVICES**

July 1, 2019

**PROJECTS COMPLETED SINCE LAST REPORT (JANUARY 1, 2019)**

Built-up Roof Replacement & Envelope Repairs - Hanes Art Center (626) Renovation	\$960,000
Campus Wide Sidewalk Improvements (538) Renovation	\$2,450,000
Dentistry Buildings - Central Vacuum System Replacement (578) Renovation	\$1,252,822
Emergency Declaration to for the Cheek/Clark Building Repairs (598) Renovation	\$6,078,825
Improve Ped & Veh Area from Franklin to Cam Ave – Porthole Alley (531) Renovation	\$3,450,000
Indoor Practice Facility - Eddie Smith Field House (611) New Construction	\$73,663,594
Kenan Labs (7th & 8th Floor) (599) Renovation	\$24,000,000
M.E. Jones Renovations (501) Renovation	\$117,292,391
Emergency Power Improvements for UNC Marine Sciences Institute (615) Renovation	\$414,200
Kenan Flagler School of Business Renovations- 1st, 2nd, and 4th (667) Renovation	\$1,651,197
Phillips Hall HVAC Repair (530) Renovation	\$800,000
Carr Building Window Envelope Restoration (647) Renovation	\$800,229
Kenan Stadium - Backflow Preventers & Booster Pumps Renovation	\$900,000
<b>Total</b>	<b>\$233,713,258</b>

**PROJECTS UNDER CONSTRUCTION:**

**Phillips Hall HVAC Repair (530) - \$800,000 Renovation**

**(Funding – University Non-Appropriated)**

Construction began June 2017. Completion is expected July 2019.

**Davis Library Sprinklers and Fire Alarm Panel Replacement (551) - \$8,627,500 Renovation**

**(Funding - University Non-Appropriated)**

Construction began June 2017. Completion is expected July 2019.

**Morehead Planetarium Building, Renovation of Classrooms, Offices, (585) - \$8,076,122 Renovation**

**(Funding – University Non-Appropriated)**

Construction began May 2019. Completion is expected December of 2019.

**Energy Svcs Utility Improvements in Academic Affairs Area (606) \$14,023,659 Renovation**

**(Funding – University Non-Appropriated)**

**Beard Hall 2<sup>nd</sup> Floor Renovation (607) \$9,713,728 Renovation**

**(Funding: University Non-Appropriated )**

Construction began October, 2018 and is expected to be complete in December 2019.

**Chase Dining Hall Expansion (613) \$5,900,000 New Construction and Renovation**

**(Funding: University Non-Appropriated)**

Construction began January 2019. Construction completion is expected October 2019.

**Wilson Library Slate Roof, Dome Roofing Replacement, and Envelope Repair (623) \$2,645,000 Renovation**

**(Funding: State Appropriated – Repair & Renovation)**

Construction began December 2018. Construction completion is expected August 2019.

**Morehead Planetarium and Health Science Library Elevator Modernization (627) \$1,170,000 Renovation**

**(Funding: State Appropriated – Repair & Renovation & University Non-appropriated)**

Construction began October 2017 and is 80% complete. Construction completion is expected July 2019.

**Mountain Area Health Education Center (637) \$8,000,000 New Construction**

**(Funding – State Appropriations)**

Project has received beneficial occupancy status and is expected to have final acceptance by July 31, 2019.

**Taylor Campus Health Sports Medicine and Specialty Clinics Renov (642) \$2,750,000 Renovation (Funding - University Non-Appropriated)**

Construction began December 2018 and is 60% complete. Construction completion is expected September 2019.

**Everett, Lewis, and Stacy Window & HVAC Improvements (643) \$9,243,404 Renovation (Funding - University Non-Appropriated)**

Construction began May 2018. Construction completion is expected August 2019.

**Medical Education Bldg- Berryhill Vivarium Migration (644) \$26,730,000 Renovation (Funding - University Non-Appropriated; State Bond)**

Construction began March 2018. Construction completion is expected December 2019.

**New East – Install New ADA Compliant Elevator (655) - \$1,650,000 Renovation (Funding – University Non-Appropriated)**

Construction began April 2019. Completion is expected March 2020.

**Media and Communications Studio (657) \$15,000,000 New Construction (Funding – University Non-Appropriated)**

Construction began June 2018. Construction completion is expected August 2019.

**Lineberger Cancer Center – Faculty Recruitment Lab Renovation (664) - \$1,400,000 Renovation (Funding – University Non-Appropriated)**

Construction commenced May 2019, completion expected December 2019.

**Glaxo Research Bldg- Infrastruct Support for Cryo-Electron Micro (671) – \$850,000 Renovation (Funding – University Non-Appropriated)**

Construction completion is expected July 2019.

**Carolina Union Auditorium Renovation (673) - \$2,300,000 Renovation (Funding – University Non-Appropriated)**

Construction began December 2018 and is 98% complete. Construction completion is expected September 2019.

**UNC Chapel Hill Outdoor Education Center Pond Retrofit (674) \$475,000 Renovation****(Funding – University Non-Appropriated)**

Construction began June 2018 and is 25% complete. Construction completion is expected September 2019.

**Cameron Cogen – Dry Sorbent Injection System (675) - \$7,490,000 Renovation****(Funding – University Non-Appropriated)**

This project began in September 2018. Construction completion is expected August 2019.

**Marsico Large Animal Expansion (662) - \$2,550,000 Renovation****(Funding – COPs State Appropriated)**

Construction began October 2018 and completion estimated September 2019.

**NRB MBRB Vivarium Enabling Project Renovations (693) - \$4,000,000 Renovation****(Funding – University Non-Appropriated)**

Construction began November 2018. Completion is expected August 2019.

**UNC Visitors Center (701)- \$347,721 Renovation****(Funding – University Non-Appropriated)**

Construction began June 2018. Completion is expected September 2019.

**Institute of Marine Sciences Fisheries Research Lab (682) - \$1,113,040 Renovation****(Funding – University Non-Appropriated)**

Project is in construction.

**PROJECTS IN DESIGN:****Craige Parking Deck – Exterior Improvements (368) - \$35,711,600.00 Renovation****(Funding - University Non-Appropriated)**

Façade upgrade in design.

**Campus Way Finding Signage (514) - \$2,466,250 New Construction****(Funding - University Non-Appropriated)**

Project is on hold.

**Sitterson Bus Stop (541) - \$700,000 Renovation****(Funding - University Non-Appropriated)**

Project is on hold.

**Power Generation & Chilled Water Plant Addition (547) - \$106,307,988 New Construction****(Funding - University Non-Appropriated)**

Project is on hold.

**Campus Master Plan (570) - \$2,150,000 Planning****(Funding - University Non-Appropriated)**

Master Plan Approved by Board of Trustees May 29<sup>th</sup> 2019.

**South Building Accessibility Improvements (586) - \$319,700 Renovation****(Funding: University Non-Appropriated)**

Project is in schematic design phase.

**Campus Safety Upgrade (588) - \$4,750,000 New Construction****(Funding: University Non-Appropriated)**

Cameras at McCorkle to be in place by summer 2019.

**Wilson Hall Annex (603) - \$31,450,173 Renovation**

**(Funding: University Non-Appropriated)**

Project is on hold.

**Install Fire Alarm Panels in (4) Buildings (619) \$811,500 Renovation**

**(Funding: State Appropriated – Repair & Renovation)**

Project on hold. Bids were opened and exceeded project budget. Have received R&R supplement. Will re-bid for Summer 2020 and 2021 construction.

**Medical Education Building Replacement (633) \$108,600,000 New Construction**

**(Funding: State Bond)**

Project is in Construction Documents phase.

**Horace William Airport Property Solar and Energy Storage Demo (645) \$1,700,310 New Construction**

**(Funding – University Non-Appropriated)**

Project is in Construction Documents phase

**Taylor Air Flow Reduction Energy Project (653) \$580,000 Renovation**

**(Funding - University Non-Appropriated)**

Project is in construction document review.

**Thurston Bowles Air Flow Reduction Energy Project (654) \$1,650,000 Renovation**

**(Funding - University Non-Appropriated)**

Project is in construction document review.

**Science Complex III & Institute of Convergent Science (658) - \$500,000 New Construction**

**(Funding – University Non-Appropriated)**

Project is in programming phase.

**Translational Research Building (659) - \$19,000,000 New Construction**

**(Funding – University Non-Appropriated)**

Project is in schematic design phase.

**Marsico Hall – Mechanical, Electrical, and Plumbing Upfits & Recommissioning (663) -**

**\$2,300,000 Renovation**

**(Funding – State COPS)**

Project is in construction documents phase.

**Marsico Quad Improvements (665) - \$200,000 Renovation**

**(Funding – State COPS)**

Project is on hold.

**Kenan Flagler School of Business McColl Bldg Addition & Renovation (666) - \$1,000,000 New Construction**

**(Funding – State Appropriation)**

Project is in Advanced Planning phase.

**Burnett Womack 4th Floor Renovation (668) - \$976,677 Renovation**

**(Funding – University Non-Appropriated)**

Project is in Design Development phase.

**UNC Parking Decks- LED Lighting Safety Upgrades (669) - \$1,100,000 Renovation**  
**(Funding – University Non-Appropriated)**  
 Project is in Bidding phase.

**School of Media & Journalism - Media & Communication Studio (672) - \$7,200,000 New Construction**  
**(Funding – University Non-Appropriated)**  
 Project is in Construction Documents phase.

**Foundation Water Proofing - Ackland Art Museum (676) - \$400,000 Renovation**  
**(Funding – State Appropriation)**  
 Project is ready for bid.

**Supplement to Replace Laboratory Ventilation System Morehead Lab (677) - \$1,250,000 Renovation**  
**(Funding – State Appropriation)**  
 Project bids exceeded funding. Revising scope.

**Replace Electrical Switchgear - Mitchell Hall, Dey Hall (678) - \$200,000 Renovation**  
**(Funding – State Appropriation)**  
 Project is in Design Selection phase.

**Art Lab Building Roof Replacement and Fall Protection (679) - \$485,678 Renovation**  
**(Funding – State Appropriation)**  
 Scope has been changed to Ventilation Upgrades (safety priority). Project is in design.

**Carmichael Residence Hall Deck (681) - \$849,660 New Construction**  
**(Funding – University Non-Appropriated)**  
 Project is on Hold after Design Development phase was completed.

**Joyner Residence Hall HVAC Improvements (683) - \$6,616,825 Renovation**  
**(Funding – University Non-Appropriated)**  
 Project is in bidding phase.

**Kenan Stadium – Fire Alarm Upgrades (684) - \$1,060,000 Renovation**  
**(Funding – University Non-Appropriated)**  
 Project is in Designer Selection.

**Chase Hall Second Floor Renovation (688) - \$980,247 Renovation**  
**(Funding – University Non-Appropriated)**  
 Project is on hold.

**Friday Center Bus Loop Road Repair (689) - \$400,000 Renovation**  
**(Funding – University Non-Appropriated)**  
 Project is complete.

**Parking Deck at S1 Lot (690) - \$14,443,516 New Construction**  
**(Funding – University Non-Appropriated)**  
 Project is in the Design Development phase.



**West Drive Street Improvements (694) - \$650,000 Renovation****(Funding – State COPS)**

Project is in Bidding phase and will commence construction in July 2019.

**School of Dentistry Pipe Remediation (696) - \$150,000 Renovation****(Funding – University Non-Appropriated)**

Project is in pre-design phase.

**Hwy 54 Park & Ride Lot Stormwater Pond Repair & Retrofit (697) - \$330,000 Renovation****(Funding – University Non-Appropriated)**

Project is in design.

**Ambulatory Care Center – Musculoskeletal Enhancement Service - \$7,177,219 Renovation****(Funding – UNC Chapel Hill Hospital)**

Project is in construction documents phase.

**Koury Dental Tarrson Hall Amalgam Separator & Receiver (698) - \$300,000 Renovation****(Funding: State Appropriated – Repair & Renovation)**

Project is in design.

**Copper Telecommunication Replacement Phase 1 (699)- \$500,000 Renovation****(Funding: State Appropriated – Repair & Renovation)**

Phase 1 (study) is complete. Received BOG approval for design and construction (\$6.4M)

**High Frequency Throughput Sequencing Facility Relocation (700)- \$675,000 Renovation****(Funding: University Non-Appropriated)**

Project is in the Construction Document phase.

**Morehead Planetarium and Science Center Roof Repair (702) - \$250,000 Renovation****(Funding: State Appropriated – Repair & Renovation)**

Project is in the Bidding phase.

**Art Lab HVAC and Electrical Systems Improve & Modify Restroom (704) - \$1,220,000 Renovation****(Funding: State Appropriated – Repair & Renovation)**

Project is in the Design Development phase.

**Replace Fire Alarm- Dey Hall, Hanes Hall, 134 East Franklin (706)- \$148,000 Renovation****(Funding: State Appropriated – Repair & Renovation)**

Project is in designer selection.

**Carrington Hall Abate Asbestos, Replace Wall, floor, Lighting (707) - \$426,600 Renovation****(Funding: State Appropriated – Repair & Renovation)**

Project is in schematic design phase.

**Kenan Labs- Replace Main Distribution Electrical Panel (708) - \$750,000 Renovation****(Funding: State Appropriated – Repair & Renovation)**

Project is in designer selection.

**Burnett Womack Conference Center (709)- \$ 1,720,000 Renovation****(Funding – University Non-Appropriated)**

Project is in the Design Development phase.

**Tarrson Hall Medical Gas Alarm System (710)- \$450,000 Renovation**

**(Funding – University Non-Appropriated)**

Project is on hold pending new study results.

**Swain Hall Emergency Repairs (711)- \$500,000 Renovation**

**(Funding: State Appropriated – Repair & Renovation)**

Project is in construction document review.

**Morehead Chemistry Teaching Labs (712)- \$1,000,000 Renovation**

**(Funding – University Non-Appropriated)**

Project is in the Schematic Design phase.

**Classroom Renewal (713)- \$5,000,000 Renovation**

**(Funding – University Non-Appropriated)**

Project is in the Schematic Design phase.

**School of Dentistry New Programs (714)- \$15,000,000 Renovation**

**(Funding – University Non-Appropriated/Fund Raising)**

Project is in programming phase.

**National Pan-Hellenic Council Garden (NPHC) (715)- \$750,000 New Construction**

**(Funding – Fund Raising)**

Project is in the design phase.

**Lenoir Outdoor Dining Improvements (716) - \$1,200,000 New Construction**

**(Funding – University Non-Appropriated)**

Project is in the concept/programming phase.

**Genome Sciences Building- Café & Commons Renovation (736) - \$492,000 Renovation**

**(Funding – University Non-Appropriated)**

Project is in the concept/programming phase.

**SUMMARY OF MAJOR CAPITAL IMPROVEMENT ACTIVITY:**

	<u>No. of Projects</u>	<u>Dollar Value</u>
Completed since 1/2019	14	\$ 234,113,258
Under Construction	23	\$ 119,661,515
In Design	51	\$ 394,369,547

**HISTORICAL RECORD OF ACTIVITY:**

<u>UNDER CONSTRUCTION</u>			<u>IN DESIGN</u>		
<u>Date</u>	<u>No. of Projects</u>	<u>Dollar Value</u>	<u>No. of Projects</u>	<u>Dollar Value</u>	
Aug. 1987	13	\$ 26,817,520	25	\$210,316,100	
Feb. 1988	12	\$ 42,354,520	26	\$222,477,900	
Aug. 1988	14	\$ 61,721,870	34	\$254,328,430	
Feb. 1989	15	\$157,882,770	40	\$168,321,630	
Aug. 1989	20	\$158,003,370	29	\$170,550,730	
Feb. 1990	18	\$153,331,770	34	\$174,785,500	
Aug. 1990	14	\$161,479,980	29	\$165,398,600	
Feb. 1991	10	\$191,489,780	26	\$147,486,500	
Aug. 1991	11	\$202,564,380	28	\$132,000,800	
Jan. 1992	9	\$193,656,480	31	\$123,015,800	
Aug 1992	16	\$196,850,380	25	\$132,470,400	
Jan 1993	15	\$178,790,400	27	\$137,062,000	
July 1993	9	\$ 91,072,000	21	\$121,141,100	
Jan 1994	6	\$ 90,707,300	33	\$154,615,300	
July 1994	15	\$101,999,300	28	\$147,370,700	
Jan 1995	13	\$ 66,320,700	52	\$175,385,600	
July 1995	14	\$101,192,800	46	\$164,311,800	
Jan 1996	11	\$ 89,901,800	67	\$246,980,600	
July 1996	17	\$ 92,701,100	61	\$299,168,300	
Jan. 1997	19	\$131,072,400	63	\$282,872,700	
July 1997	37	\$235,425,600	44	\$223,235,350	
Jan 1998	33	\$158,837,100	50	\$278,691,575	
July 1998	36	\$183,705,300	43	\$285,946,375	
Jan 1999	26	\$153,298,200	42	\$314,955,275	
July 1999	20	\$175,689,300	44	\$374,499,175	
Jan 2000	18	\$173,787,000	38	\$380,677,875	
July 2000	20	\$171,732,100	44	\$402,994,475	
Jan 2001	20	\$265,311,575	56	\$255,342,400	
July 2001	30	\$277,577,875	57	\$509,245,260	
Jan 2002	28	\$282,315,475	51	\$533,569,700	
July 2002	25	\$297,186,000	51	\$533,569,700	
Jan 2003	18	\$246,220,200	52	\$700,266,390	
July 2003	15	\$239,095,165	58	\$677,135,478	
Jan 2004	18	\$345,073,797	59	\$607,602,868	
July 2004	24	\$435,597,765	61	\$837,011,823	
Jan 2005	32	\$540,484,649	77	\$997,282,175	
July 2005	42	\$604,951,066	62	\$848,018,466	
Jan 2006	39	\$606,059,278	50	\$681,154,808	
July 2006	36	\$753,387,157	55	\$697,916,808	
Jan 2007	39	\$493,513,761	60	\$729,086,980	
July 2007	38	\$559,519,076	50	\$586,321,980	
Jan 2008	29	\$510,723,322	46	\$733,693,000	
July 2008	27	\$570,815,114	51	\$715,328,000	
Jan 2009	25	\$429,973,546	47	\$906,213,000	
July 2009	24	\$633,089,281	40	\$577,740,422	
Jan 2010	18	\$600,252,605	22	\$409,120,032	
July 2010	18	\$618,429,022	32	\$539,620,032	
Jan 2011	15	\$605,745,206	30	\$474,190,032	
July 2011	19	\$802,905,823	28	\$292,000,000	
Jan 2012	15	\$742,125,183	28	\$313,100,000	
July 2012	17	\$655,508,823	31	\$309,600,000	
Jan 2013	12	\$550,585,206	34	\$389,726,000	
July 2013	10	\$311,575,000	34	\$334,449,095	
Jan 2014	9	\$338,372,095	45	\$337,177,000	
July 2014	14	\$349,553,714	42	\$376,843,592	
Jan 2015	19	\$377,846,839	50	\$423,639,550	
July 2015	17	\$365,166,669	48	\$304,163,543	
Jan 2016	12	\$333,622,316	46	\$324,057,991	
July 2016	29	\$434,745,367	43	\$341,359,544	
Jan 2017	18	\$175,227,717	37	\$372,416,500	
July 2017	22	\$266,078,688	32	\$349,812,207	
Jan 2018	18	\$274,080,528	29	\$344,807,071	
July 2018	19	\$304,079,288	52	\$310,406,734	
Jan 2019	20	\$286,371,191	62	\$346,795,502	
July 2019	23	\$119,661,515	51	\$394,369,547	