

**BOARD OF TRUSTEES MEETING**  
**The University of North Carolina at Chapel Hill**  
**August 1, 2019**

The Board of Trustees met in regular session on Thursday, August 1, 2019 at The Carolina Inn, Chancellor's Ballroom. Chair Stevens convened the meeting at 8:32 a.m.

**ROLL CALL**

Trustee Artis Neal called the roll and the following members were present:

Teresa Artis Neal	Ashton B. Martin
David L. Boliek, Jr.	Allie Ray McCullen
Jefferson W. Brown	Ralph W. Meekins, Sr.
Haywood D. Cochrane, Jr.	John P. Preyer
R. Gene Davis, Jr.	Richard Y. Stevens, Chair
Charles G. Duckett	Dwight D. Stone
Kelly Matthews Hopkins	

Trustee Artis Neal indicated that there was a quorum.

**RATIFICATION OF JULY 8 ELECTIONS OF CHAIR AND ASSISTANT SECRETARY**

Chairman Stevens asked for a motion to ratify the elections that took place at the July 8, 2019 special meeting. Trustee Stevens was selected as chair, and Clayton Somers, Vice Chancellor for Public Affairs and Secretary of the University was elected Assistant Secretary.

Trustee Cochrane made a motion to ratify the elections. Trustee Davis seconded, and it passed.

**ELECTION OF OFFICERS**

Chairman Stevens shared that he had spoken with each of the trustees about officer positions. Chair Stevens then asked for approval of Trustee Gene Davis as Vice Chair, and Trustee Teresa Artis Neal as Secretary.

Trustee Stone made a motion to approve the officers. Trustee Hopkins seconded, and it passed.

**STATE GOVERNMENT ETHICS ACT**

Chair Stevens 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.

Chairman Stevens and Trustee Brown both indicated a potential conflict of interest for the grant of easement item being brought to the board by the Finance, Infrastructure, and Audit Committee.

**CONSENT AGENDA**

**Approval of Minutes**

On motion of Chair Stevens and a second by Vice Chair Davis, the minutes of the following meetings were approved as distributed, as well as the other following actions:

- May 29-30, 2019 regular meeting
- June 27, 2019 special meeting
- July 8, 2019 special meeting

Ratification of the mail ballots dated:

- July 11<sup>th</sup> – confidential naming action
- July 19<sup>th</sup> – Appointment of Suzanne Barbour as Dean of the Graduate School

Also, approval of the following:

- Petition regarding political activity
- Adoption of Revisions to the Board of Trustee Bylaws
- 2020 BOT Meeting dates

(ATTACHMENTS A-H)

**ACC GOVERNING BOARD CERTIFICATION FORM**

Chairman Stevens read aloud the ACC Governing Board certification form for academic year 2019-20.

(ATTACHMENT I)

### **CHAIR'S REMARKS**

- Chair Stevens thanked everyone for attending the meeting.
- Chair Stevens then asked Secretary Artis Neal to read a resolution of appreciation for Haywood Cochrane who just ended his second term as chair.

### **RESOLUTION OF APPRECIATION HAYWOOD D. COCHRANE JR.**

**WHEREAS**, Haywood D. Cochrane Jr. has served as Chair of the Board of Trustees from July 1, 2017 through July 8, 2019, providing strong leadership and focused management to the University throughout his service as a trustee; and

**WHEREAS**, Mr. Cochrane has helped with the financial stewardship of the University, serving as chair of the Endowment Fund, the UNC Foundation Board and the Real Estate Holdings Board, and as a member of the Investment Fund Board, and Carolina Research Ventures Board providing counsel to the Chancellor and fellow board members on timely issues; and

**WHEREAS**, Mr. Cochrane provided exceptional counsel to all facets of the University, including guiding work on the University strategic framework and Campus Master Plan, as well as strengthening relations with the University's external constituents; and

**WHEREAS**, Mr. Cochrane as chair devoted considerable time and attention to ably guiding the Trustees and the University through significant challenges; accomplishing these efforts with humility and unyielding dedication to the mission of the University.

**NOW, THEREFORE, BE IT RESOLVED** that members of the Board of Trustees of the University of North Carolina at Chapel Hill deeply thank Haywood Cochrane and express their great appreciation for his leadership and devoted service to this Board, the University, and the State of North Carolina.

Vice Chair Davis made a motion to adopt the resolution. Secretary Artis Neal seconded, and it passed.

- The Chair continued and welcomed the five new trustees to the board.
- Chairman Stevens then thanked Interim Chancellor Guskiewicz for his strong and stable leadership in this time of transition.
- The Chair then explained the committee assignments for the coming year.
- Chairman Stevens then shared the names of the twenty individuals who are serving alongside him on the Chancellor Search Committee.
- The Chair concluded his remarks by calling upon Trustee Martin.

[A copy of these remarks is in the Office of the Assistant Secretary and at [bot.unc.edu](http://bot.unc.edu).]

### **STUDENT BODY PRESIDENT'S REMARKS**

- Trustee Martin shared remarks on her administration and their work so far this summer.

[A copy of these remarks is in the Office of the Assistant Secretary and at [bot.unc.edu](http://bot.unc.edu).]

### **CHANCELLOR'S REMARKS**

- Interim Chancellor Guskiewicz began his remarks by thanking Chair Stevens, the board, and his administrative team for their support.
- Interim Chancellor Guskiewicz shared highlights and campus updates since the last meeting.
- Interim Chancellor Guskiewicz concluded by introducing the presentation.

[A copy of these remarks is in the Office of the Assistant Secretary and at [bot.unc.edu](http://bot.unc.edu).]

### **MILITARY AND VETERANS LAW CLINIC**

Interim Chancellor Guskiewicz introduced Dean Martin Brinkley to introduce the presentation. Dean Brinkley introduced John Brooker, Director of the Military and Veterans Law Clinic. Mr. Brooker shared with the board the clinic's work on campus and in the community. In addition, he had law student Isabelle Stevens and client Scott Whitaker join him.

To conclude their presentation, they entertained questions from the board. This presentation can be found on [bot.unc.edu](http://bot.unc.edu) and on file in the Office of the Assistant Secretary.

### **REPORT OF THE EXTERNAL RELATIONS COMMITTEE**

Vice Chair Davis presented a review of the External Relations Committee meeting. There were no action items for this committee in open session. Vice Chair Davis then shared the items

presented for information:

- Communications update given by Beth Keith, Associate Vice Chancellor for Communications and Tanya Moore, Associate Vice Chancellor for Communications
- Public Affairs update given by Clayton Somers, Vice Chancellor for Public Affairs and Secretary of the University, Amy Auth, Director of State Affairs, and Kelly Dockham, Director of Federal Affairs

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

#### **REPORT OF THE FINANCE, INFRASTRUCTURE & AUDIT COMMITTEE**

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

#### **Transfer to the University of the Endowment's Distribution from the Investment Fund**

The Board of Governors requires that the Trustees approve transfer of Endowment principal or income to the useful possession of the institution. The Board of Trustees of the Endowment Fund has already approved, by mail ballot, the proposed transfer for University expenditure during the 2019-2020 fiscal year.

(ATTACHMENT J)

#### **Appointments to the Endowment Fund and UNC-CH Foundation Boards**

Mr. Pruitt presented for approval the nominees for the Endowment Board of Trustees and The University of North Carolina at Chapel Hill Foundation, Inc. Board.

(ATTACHMENT K)

#### **Withdrawal from Quasi-Endowment for the Department of Athletics**

The Department of Athletics requests to withdraw \$300,000 from principal to support 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.

(ATTACHMENT L)

#### **Annual Audit Certification Letter Process**

Dean Weber, Chief Audit Officer, presented the Annual Audit Certification Letter for approval and signature. This letter satisfies a UNC Board of Governors requirement for the Finance, Infrastructure and Audit to certify in writing that UNC's internal audit function complies with a defined set of standards regarding communications and meetings, reporting, compliance and organizational structure of the internal audit function.

(ATTACHMENT M)

#### **Internal Audit FY19-20 Work Plan**

Mr. Weber presented the FY 2019-20 work plan for review and approval. He detailed aspects of the planning process and identification of proposed engagements.

(ATTACHMENT N)

Anna Wu, Associate Vice Chancellor for Facilities Services, recommended for approval the following designer approval and site approval:

#### **Designer Approval**

##### **1. 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. | Reed Hilderbrand Landscape Architects | Cambridge, MA  |
| 2. | Michael Vergason Landscape Architects | Alexandria, VA |
| 3. | Clearscapes                           | Raleigh, NC    |

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

(ATTACHMENT O)

#### **Site Approval**

##### **1. 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.

(ATTACHMENT P)

A motion came from committee to approve the first seven committee actions (above). Trustee McCullen seconded, and they all passed.

#### **Grant of Easement**

Gordon Merklein, Associate Vice Chancellor for Real Estate Operations presented a 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.

Chairman Richard Stevens and Trustee Brown both indicated a potential conflict of interest. Vice Chair Davis called for a motion to approve the grant of easement. Trustee Boliek made a motion to approve. Trustee Cochrane seconded, and it passed.

(ATTACHMENT Q)

Trustee Preyer continued and shared the items for information only:

- Arts Everywhere update given by Emil Kang, Executive Director for the Arts
- Internal Audit External Quality Assessment Review given by Dean Weber, Chief Audit Officer
- Development report given by David Routh, Vice Chancellor for University Development
- Semi-Annual Lease Report given by Gordon Merklein, Associate Vice Chancellor for Real Estate Operations (ATTACHMENT R)
- Semi-Annual Capital Report given by Anna Wu, Associate Vice Chancellor for Facilities Services (ATTACHMENT S)
- Budget process update given by Jonathan Pruitt, Vice Chancellor for Finance and Operations

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

#### **REPORT OF THE UNIVERSITY AFFAIRS COMMITTEE**

Trustee Duckett presented the report from the University Affairs Committee. There were no action items for this committee in open session. Trustee Duckett then shared the items presented for information:

- Provost update, given by Bob Blouin, Executive Vice Chancellor and Provost
- GPSF update given by Chastan Swain, President
- Employee Forum update given by Shayna Hill, Chair
- Faculty retention update given by Ron Strauss, Executive Vice Provost

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

#### **MOTION TO CONVENE IN CLOSED SESSION**

On motion of Secretary Artis Neal, and seconded by Vice Chair Davis, 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**

Secretary Artis Neal made a motion to return to open session. Vice Chair Davis seconded, and it passed.

**OPEN SESSION**

**REPORT OF THE UNIVERSITY AFFAIRS COMMITTEE**

Chair Stevens referred the members to the personnel matters submitted for review. Trustee Duckett made a motion from committee to approve; Vice Chair Davis seconded, and it passed.

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

(ATTACHMENTS T-U)

**ADJOURNMENT**

There being no further business to come before the Board, Chair Stevens called for a motion to adjourn. Vice Chair Davis made the motion; Trustee Cochrane seconded, and it passed. Chair Stevens adjourned the meeting at 12:11 pm.

  
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Clayton Somers, Assistant Secretary