

**BOARD OF GOVERNORS MEETING**

The University of North Carolina

March 15, 1996

The Board of Governors met in special session in the General Administration Building, Chapel Hill, on March 15, 1996, at 9:30 a.m. Mr. Neill, the chairman, presided.

**INVOCATION**

Mr. Fennebresque gave the invocation.

**ROLL CALL**

Secretary Ruffin called the roll. The following members were present:

D. Samuel Neill	Wallace N. Hyde
G. Irvin Aldridge	Jack P. Jordan
Mark L. Bibbs	C. Ralph Kinsey, Jr.
Lois G. Britt	Helen R. Marvin
F. Edward Broadwell, Jr.	W. Kenneth Morgan, Sr.
Robert J. Brown	Ellen S. Newbold
William T. Brown	Maxine H. O'Kelley
Keith Bryant	Cary C. Owen
C. C. Cameron	Barbara S. Perry
John F.A.V. Cecil	Earl N. Phillips, Jr.
Derick S. Close	Samuel H. Poole
Bert Collins	Marshall A. Rauch
Orville D. Coward, Sr.	Paul J. Rizzo
John C. Fennebresque	Benjamin S. Ruffin
John A. Garwood	Joseph E. Thomas
James E. Holshouser, Jr.	Harold H. Webb
Larnie G. Horton, Sr.	

The following members were absent:

D. Wayne Peterson  
H. D. Reaves, Jr.

The chair stated that Mr. Peterson, who was ill, had an excused absence under the provisions of the statute.

## MINUTES

On motion of Mr. Collins, seconded by Mrs. Britt, the minutes of the meeting of February 9, 1996, were approved as distributed.

## REPORT OF COMMITTEE ON BUDGET AND FINANCE

Mr. Rauch, chair of the Committee on Budget and Finance, presented the committee's report.

### Amendment to the 1995-97 Budget Request of the Board of Governors

Mr. Rauch called attention to the updated copy of the Board's 1995-97 Budget Request which had been placed in the folders and made the following statement:

At our Budget Workshop last month, we made a comprehensive review of the original *1995-97 Budget Request* forwarded in October 1994 and the actions taken on the request during the 1995 Regular Session. As a result of this review, a limited number of additional requests and modifications were identified for consideration by the Governor and the General Assembly in the 1996 Reconvened Session.

For Current Operations, our request to Strengthen Undergraduate Instruction and Improve Graduation Rates was expanded to include two initiatives--establishing programs at N. C. State and UNC-Chapel Hill to assure English-language proficiency for graduate teaching assistants and implementation of a system-wide student-satisfaction measures survey as a part of the Board's revised accountability plan. The related budget request totals \$350,000.

A proposal is also made to build on our current efforts to Expand Off-Campus, Distance Learning, and Summer School Opportunities at an estimated cost of \$2.5 million.

Several initiatives related to Cooperative Programs for Support of the Public Schools are proposed including developing a Statewide Network of Professional Development School Partnerships, establishing a program of expanded instruction, research, and consultation services for members of local boards of education, strengthening the technology curriculum in the Principals Executive Program, and continued support and expansion of the North Carolina Center for the Prevention of School Violence. These programs would cost approximately \$3 million.

It is also proposed that health insurance coverage for graduate teaching and research assistants be considered at an estimated cost of \$8.5 million. This program would enhance the University's ability to recruit and employ the best graduate students.

Also, since the enrollment growth over the biennium is less than that funded by the 1995 Regular Session, the \$4.2 million decrease in the required level of appropriations support should be taken into account to arrive at a net increase in appropriations requested of \$10 million.

In the area of Capital Improvements, the amendment provides substitutions at four institutions for projects included in the 1995-97 Budget Request. First at North Carolina

State University, a project for a Research and Teaching Feed Mill would replace a project for an Administrative Services Center. At Pembroke State University, funding is requested for partial construction of a dormitory rather than for a University Center. At UNC-Asheville, a project for renovating the Highsmith Student Center is requested to be added as a higher priority than the new Conference Center. And, at UNC-Greensboro, a new Science Instructional Building would replace all projects previously included for that campus in the Board's request. These substitutions are requested by the Chancellors to ensure that the request reflects the most pressing campus priorities.

Additionally, a new request totaling almost \$54 million is included to complete the fiber optics networks and wire all academic facilities at all campuses. This is a large request but the funds are needed to equip our campuses with the tools that students need to compete successfully in today's marketplace.

On behalf of the committee, Mr. Rauch moved that the amendment to the Budget Request be approved and transmitted to the Governor and the General Assembly for consideration during the 1996 Legislative Session. Governor Holshouser seconded the motion and it carried. (Appendix A)

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Due to a throat irritation, Mr. Rauch, with the permission of the chair, called on Mr. Bibbs, vice chair of the committee, to present the remaining items in the committee's report.

#### Authorization of Self-Liquidating Capital Improvements Projects

Mr. Bibbs then presented and moved approval of fifteen self-liquidating capital improvements projects which would be presented to the General Assembly for authorization during the 1996 Legislative Session. The projects total over \$113 million and would be financed from a combination of available balances in University accounts, contributions, receipts, or borrowing. One project, Intramural Fields at East Carolina University, will be financed from an \$8 increase in student fees in accordance with the Board's 1993 Fee Study.

The projects, totaling \$113,801,400, include projects for parking facilities, improvements to residence halls, and other construction and expansion projects.

On behalf of the committee, Mr. Bibbs moved that the fifteen self-liquidating capital improvements projects be approved and transmitted to the 1996 Legislation Session for authorization. Mrs. Perry seconded the motion and it carried. (For a complete listing of the projects, see Appendix B.)

UNC Management Flexibility Legislation, Summary of Institutional Annual Reports, 1994-95

Mr. Bibbs reminded the members that the board's Operating Guidelines for Special Responsibility Constituent Institutions require each of the sixteen institutions to submit an annual report of operation results. The 1994-95 report indicates that a number of management initiatives were undertaken in the areas of budgeting, purchasing, and personnel administration and unspent appropriations were carried forward into 1995-96 to meet high priority needs.

Mr. Bibbs moved that the Summary of Institutional Annual Reports, 1994-95, be approved and forwarded to the General Assembly's Joint Legislative Education Oversight Committee.

Mrs. O'Kelley seconded the motion and it carried. (Appendix C)

Sale of Refunding Revenue Bonds - North Carolina State University

Mr. Bibbs presented a request from North Carolina State University for the sale of \$11,095,000 in revenue bonds to refinance three separate bond issues. The original bonds were sold in 1989 and 1990 with interest rates ranging from 6.7 percent to 6.8 percent. The reissued bonds for the Student Center (\$2,220,000), the Parking System (\$6,535,000), and the Dining Hall System (\$2,340,000) will all be retired from the revenue source approved with the original bond issues. The estimated savings from the refinancing is \$540,000.

On behalf of the committee, Mr. Bibbs moved that the board authorize the sale of revenue bonds for refinancing three separate bond issues of North Carolina State University, approve the three Notices of Sale and Bid Forms, and authorize the Committee on Budget and Finance to conduct the sales between the March and April meetings of the board. Mrs. Perry seconded the motion and it carried. (Appendix D)

Replacement of Credit Agreement - The University of North Carolina at Chapel Hill

Mr. Bibbs said the University of North Carolina at Chapel Hill had requested approval to replace the liquidity provider for variable rate Ambulatory Care Clinic Bonds issued in 1990. The Sumitomo Bank, Limited would be replaced by NationsBank, N.A. in order to reduce debt service costs associated with the bonds. On behalf of the committee, Mr. Bibbs

moved that the replacement of the existing credit agreement for the 1990 Ambulatory Care Clinic bonds and moved approval of the following resolution entitled:

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A STANDBY BOND PURCHASE AGREEMENT TO REPLACE THE EXISTING CREDIT AGREEMENT FOR THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL SCHOOL OF MEDICINE AMBULATORY CARE CLINIC MONEY MARKET MUNICIPAL REVENUE BONDS, SERIES 1990. (Appendix E)

Mr. Broadwell seconded the motion and it carried.

Appointment of Paying Agents and Trustees for Certain Revenue Bonds

Mr. Bibbs reported that Wachovia Bank of North Carolina is discontinuing its paying agent and trustee services and it would be necessary to appoint either the Bank of New York or First Union National Bank as paying agent or trustee for bond services previously provided by Wachovia. Following consultation with the chief fiscal officer on each campus, all institutions, except North Carolina Central University and Western Carolina University, wish to transfer those functions to the Bank of New York. North Carolina Central University and Western Carolina University will transfer those functions to First Union National Bank.

Mr. Bibbs moved that the resolution appointing either the Bank of New York or First Union National Bank as paying agent or trustee on bonds issues to replace Wachovia Bank of North Carolina, N.A. be approved and presented a resolution entitled:

RESOLUTION APPOINTING EITHER THE BANK OF NEW YORK OR FIRST UNION NATIONAL BANK OF NORTH CAROLINA AS PAYING AGENT OR TRUSTEE TO REPLACE WACHOVIA BANK OF NORTH CAROLINA, N.A. UNDER CERTAIN RESOLUTIONS OR TRUST INDENTURES PREVIOUSLY ADOPTED OR AUTHORIZED BY THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA. (Appendix F)

Mr. Close seconded the motion and it carried.

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Mr. Bibbs reminded the members that, in response to President Spangler's letter to Chancellor Mickey Burnim related to the audit findings at Elizabeth City State University, the chancellor will provide to the president monthly updates on the resolution of the findings and those updates will be discussed by the committee. Elizabeth City State University's designation as a Special Responsibility Constituent Institution will be withdrawn if it fails to address the

audit findings addressed in President' Spangler's letter. President Spangler added that the State Auditor's findings occurred prior to Chancellor Burnim's service at Elizabeth City State University and he thanked Chancellor Burnim for his willingness to correct the fiscal problems and said he fully expected all the findings to be addressed prior to the established deadline.

**REPORT OF COMMITTEE ON EDUCATIONAL PLANNING, POLICIES, AND PROGRAMS**

Mrs. Newbold, chair of the Committee on Educational Planning, Policies, and Programs, presented the committee's report.

Tuition Policies and Practices with Respect to Student Exchange Programs with Institutions Abroad

Mrs. Newbold said the committee's recommendation regarding Tuition Policies and Practices with Respect to Student Exchange Programs with Institutions abroad was essentially for reconfirmation of the existing practice and provided for one-on-one exchanges. Consistent with the board's statutory authority to set tuition not inconsistent with actions of the General Assembly, Mrs. Newbold presented and moved approval of the following resolution:

The constituent institutions are hereby authorized to enter into and extend or modify agreements with institutions in other countries to provide for a balanced exchange of students. A UNC student participating in such an exchange shall be charged tuition by the home UNC institution at a rate consistent with the residency status the student would otherwise have at the home institution and shall be counted in the official FTE of the home institution in that residency status. A foreign student participating in such an exchange agreement shall not be charged tuition by the host UNC institution and shall not be counted in the official FTE of the host UNC institution.

Mr. Jordan seconded the motion and it carried.

Establishment of Pilot Off-Campus Sites

In response to House Bill 230 of the 1995 General Assembly to establish Pilot Off-Campus Sites, Mrs. Newbold moved that off-campus degree programs be approved for four institutions in eight counties and that funds for this purpose be allocated as follows:

Appalachian State University	\$234,516
East Carolina University	221,931
Pembroke State University	134,573
UNC-Wilmington	179,860

Mr. Kinsey seconded the motion and it carried. Mrs. Newbold added that budget allocations for 1996-97 will be presented later.

Plan to Recruit and Attract Graduates of Meharry Medical College

Mrs. Newbold said House Bill 230 directed the Board of Governors to develop and implement a plan to recruit and attract North Carolina residents who are graduates of Meharry Medical College to practice in North Carolina. Mrs. Newbold presented and moved approval of the committee's recommendation. Mr. Collins seconded the motion. Following discussion, the motion carried. (Appendix G)

Request for Authorization to Establish Four New Academic Degree Programs

Mrs. Newbold presented and moved approval of four requests for authorization to establish the following new academic degree programs:

- Master's program in Occupational Therapy at East Carolina University
- Master's program in Accounting at Western Carolina University
- Master's program in Creative Writing at UNC Wilmington
- Baccalaureate program in Geology at UNC Charlotte

Mr. Cameron seconded the motion and it carried.

Request for Authorization to Establish a New Center for Cardiovascular Science and Medicine - The University of North Carolina at Chapel Hill

Mrs. Newbold presented and moved approval of a request from the University of North Carolina at Chapel Hill to establish a new public service Center for Cardiovascular Science and Medicine with funds committed by the School of Medicine. No new funds will be required.

Dr. Morgan seconded the motion and it carried.

Request for Authorization to Establish A Neuroscience Center - The University of North Carolina at Chapel Hill

Mrs. Newbold presented and moved approval of a request from the University of North Carolina at Chapel Hill to establish a new Neuroscience Center. The new research center will replace the existing Brain and Development Research Center and will integrate clinical and basic neurosciences in research, training, and treatment of disorders of the brain and mind. The baseline budget for the new center will be derived from current existing state funds and the bulk

of the operating budget will be derived from research grants, program project grants, and other forms of research support. Mr. Cecil seconded the motion and it carried.

Request for Authorization to Establish a New Center for Liberal Arts - East Carolina University

Mrs. Newbold also presented and moved approval of a request from East Carolina University to establish a new Center for Liberal Arts as a public service unit. Currently available funds of \$6,000 will be reallocated to support the operating budget for the first year. Thereafter, funds will come from extramural grants and gifts. No additional state funds will be required. Mr. Webb seconded the motion and it carried.

Third Annual Report on Organized Service and Assistance to the Public Schools

Mrs. Newbold said the final item was the adoption of the third Annual Report on Organized Service and Assistance to the Public Schools. The report highlights the Focus Project initiative, a service to low-performance and warning status school districts within the designated focus districts. The University provides annually a minimum of \$600,000 of in-kind service to those districts. During the 1994-95 fiscal year, the University's institutions delivered over \$3 million worth of services related to school improvement. In addition, the offices of school services on the campuses are also working with the State Board of Education to provide assistance to the ten school districts in the School Improvement and Accountability Pilot Program.

On behalf of the committee, Mrs. Newbold moved approval of the report for transmittal to the General Assembly. Mrs. Britt seconded the motion and it carried. (For the annual report, see Appendix H.)

**REPORT OF COMMITTEE ON PERSONNEL AND TENURE**

Report of the Subcommittee on Personnel and Tenure Concerning Improper Relationships Between Students and Faculty

At the request of Mrs. Britt, chair of the Committee on Personnel and Tenure, Mr. Aldridge explained the report of the Subcommittee on Personnel and Tenure Concerning Improper Relationships Between Students and Employees. He expressed appreciation to the

other members of the committee, Mrs. Britt and Rev. Horton, as well as Mr. Robinson, for their diligence and hard work in addressing the matter. Recent events at two campuses prompted the committee to solicit information on existing campus policies concerning amorous relationships and to formulate a policy which could be used by all of the University's campuses. Mr. Aldridge said the committee felt there was a need for clarification of expectations concerning relationships between students and employees of the University and, following careful consideration, presented its recommendations to the full committee.

On behalf of the committee, Mr. Aldridge moved that the report of the Committee on Personnel and Tenure concerning Improper Relationships Between Students and Employees be approved. Dr. Brown and others seconded the motion and it carried. (Appendix I)

### **REPORT OF COMMITTEE ON UNIVERSITY GOVERNANCE**

Mrs. O'Kelley, chair of the Committee on University Governance, presented the committee's report. It was pointed out that the request by Pembroke State University to change its name to The University of North Carolina at Pembroke was under consideration by a subcommittee and the committee would make a recommendation at the April meeting. If the board approves the request, the request will be submitted to the North Carolina General Assembly for action.

#### **Election to Educational Advisory Council - North Carolina School of Science and Mathematics**

Mrs. O'Kelley moved that Dr. Kenneth Olden of Durham be elected to the Educational Advisory Council of the North Carolina School of Science and Mathematics for a term ending June 30, 1999. Mr. Collins seconded the motion and it carried.

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Mrs. O'Kelley announced the following upcoming vacancies on various boards and encouraged the members to submit recommendations for the following positions:

- Board of Trustees - North Carolina School of Science and Mathematics (one partial term ending June 30, 1999, Congressional District 9)

- Board of Trustees - North Carolina Center for Public Television (five terms ending June 30, 2000)
- Board of Directors - North Carolina Hospitals at Chapel Hill (two terms ending June 30, 2000) (one partial term ending June 30, 1999)
- Winston-Salem State University Governor' Appointee - (one partial term ending June 30, 1997)

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The members of the Board were encouraged to contact Mr. Broadwell regarding attendance at the spring commencements of the constituent institutions.

### **PRESIDENT'S REPORT**

In response to an article in the student newspaper, The Daily Tarheel, concerning his expected resignation at the meeting, President Spangler acknowledged again that he served at the pleasure of the board and, unless otherwise directed, would announce his intentions in August.

President Spangler introduced the chancellors and other guests at the meeting, and congratulated Chancellor Woodward of the University of North Carolina at Charlotte on receiving the Distinguished Alumni Award from the University of Alabama at Birmingham.

In other information involving the University family, President Spangler announced that Jim Baulding, assistant vice president for finance at General Administration for the past 11 years, had been appointed comptroller at the University of North Carolina at Greensboro and was already on the job.

President Spangler noted that last month's data in the Report on Intercollegiate Athletics incorrectly listed a four-year graduation rates of all entering freshmen for the University of North Carolina at Wilmington. The corrected five-year rate is 51.5 percent for all entering freshmen.

The president reported on a number of awards and honors bestowed upon members of the University, including eight graduate programs at UNC Chapel Hill ranked in the top 25 by U.S. News and World Report, the UNC Wilmington teacher education program ranked

as one of the top two most distinguished programs by the National Association of Teacher Education, and the award of the Luce Award to UNC Chapel Hill senior Fred Wherry.

At the president's request, Dr. Gary Barnes, associate vice president for planning, discussed the freshmen and transfer student performance reports, yearly "report cards" to the high schools and community colleges providing statistics on how their graduates are performing after one year at the 16 campuses of the University. Dr. Barnes said the information provided to the high schools and community colleges includes statistics on the academic performance of their students who attend UNC institutions and it enables them to strengthen programs that prepare students for University work. (Dr. Barnes' comments are attached as Appendix J; a complete set of the reports is kept on file in the office of the Director of Information Services.) The president called attention to the use of the internet in disseminating information about the University and noted that students can now apply for admission to any of the 16 constituent institutions by using the application form on the internet.

President Spangler called the board's attention to Festival '96 which was underway. This year's goal for the annual fund-raiser for the University of North Carolina Center for Public Television is \$2 million.

Retirement of William F. Little - Vice President for Academic Affairs and Senior Vice President and Other Changes in Administrative Staff

President Spangler reported that William F. Little, vice president for academic affairs and senior vice president since 1992, announced several months ago that he planned to retire, effective May 1, 1996. The president said Vice President Little would be honored more appropriately later.

In accordance with his recommendations to the Committee on Personnel and Tenure earlier in the day regarding other changes in the administrative staff, President Spangler recommended the promotion of Dr. Roy Carroll, vice president for planning, to the post of senior vice president and vice president for academic affairs, effective May 1, 1996, at an annual salary of \$156,570. Mrs. Britt moved, seconded by Mr. Ruffin, that the president's recommendation be approved. The motion carried. In his remarks, Dr. Carroll expressed appreciation to the board

and said, "It is an incredible compliment to be asked to fill Raymond Dawson's position. He taught us all so much, and every day I am in that office I will be grateful for him and I want to thank him for that, and I want to thank you for this."

The president said he was also recommending the appointment of Dr. Judith Pulley, associate vice president for planning and a member of the General Administration staff since 1990, to the post of vice president for planning, effective May 1, 1996, at an annual salary of \$115,000. President Spangler said two years ago Dr. Pulley wrote an outstanding landmark paper on the employment of women administrators in the University which has since resulted in the appointment of several women to administrative positions within the University. On recommendation of the president, Mrs. Britt moved that the appointment of Dr. Pulley be approved. Mrs. Newbold and Mr. Garwood seconded the motion and it carried. Dr. Pulley thanked President Spangler and the members of the board for the confidence they expressed in appointing her to that position and particularly thanked Dr. Dawson, Dr. Little, and Dr. Carroll for the support each one has given her over the years. President Spangler said it was a great pleasure to work for The University of North Carolina because you are surrounded by such wonderful colleagues.

The president concluded his remarks by saying that periodically people worry about him, and that earlier in the day Dr. Danieleley, who was trying to offer support, gave him a copy of a poem credited to St. George, Utah, entitled:

#### WHY WORRY?

There are only two things to worry about:  
Either you are well or you are sick.

If you are well, there's nothing to worry about.  
But if you are sick, there are two things to worry about:  
Either you get well, or you die.

If you get well, there's nothing to worry about.  
But if you die, there are only two things to worry about:  
Either you will go to heaven or hell.

If you go to heaven, there's nothing to worry about.  
But if you go to hell, you'll be so busy shaking hands with  
friends you won't have time to worry.

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**OTHER BUSINESS**

Chairman Neill took a moment of personal privilege to mention the Western Carolina University Catamounts (a # 16 seed) who almost made history on the preceding evening in a men's NCAA tournament basketball game with a #1 seed. He said the Catamounts represented the University well and showed a great deal of courage.

The chairman expressed appreciation to members of the board for their participation at the Joint Meeting of the Governing Boards earlier in the week and commended President Vic Hackley, the Board of Trustees, and staff of the North Carolina Community College System for hosting the event. The UNC Board of Governors will host the event in 1997.

Chairman Neill also thanked Co-Chairs Helen Marvin and Jack Cecil and the other members of Committee on the University's Assessment Process for the mini-retreat held on the preceding day and led by Dr. Richard T. Ingram of the Association of Governing Boards of Colleges and Universities. He reported that approximately two-thirds of the board participated in the mini-retreat and completed the self-study questionnaire which was administered. All members who were absent were encouraged to complete the self-study questionnaire and return it promptly.

**Announcements**

The chair reminded the members of the six regional legislative workshops scheduled for March 18, 19, and 22. He thanked the designated co-chairs, the members of the Board of Governors, the chancellors and their selected staffs for their efforts in coordinating these workshops. In response to the board's invitation to the legislative workshops, Chairman Neill called attention to the list of responses from legislators which had been placed in the folders and suggested that members call the legislators in their districts who had not responded. The members also received in their folders a list of talking points concerning The University of North Carolina.

Chairman Neill reported that in the continuing cooperative work with the North Carolina General Assembly, members of the Joint Legislative Education Oversight Committee asked that members of the Board of Governors participate in a meeting with them and representatives of the University of Virginia System. He said Mrs. Newbold, as chair of the Committee on Educational Planning, Policies, and Programs, will join him in representing the board at a meeting on March 18, 1996. The purpose of the meeting is to see and gather information on the educational outreach that the University of Virginia System is using on all campus sites in their educational facility.

The chairman commended Vice President McCoy and the members of his staff for their work on two legislative studies focusing on budgetary matters. Chairman Neill reported that on the preceding day the board received information from the consultants working with the finance division on two studies -- the prioritization of capital improvements projects and equity funding. He added that following the meeting the board would receive an interim report from Dr. Ken Boutwell, consultant and project director of MGT of America, on the privatization study.

In other announcements concerning future events, Chairman Neill noted the following:

- March 30 - April 2, 1996 - AGB National Conference on Trusteeship, Chicago, Illinois
- Dinner for Members of the Board of Governors, hosted by North Carolina Citizens for Business and Industry, Chapel Hill - April 11, 1996
- Reception for Members of the General Assembly, Raleigh - May 14, 1996 (Dr. Morgan, chair, Mr. Thomas, Mrs. Perry, Mr. Rauch and Mr. Bibbs)

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**WINSTON-SALEM STATE UNIVERSITY - CHANGING OURSELVES,  
CHANGING STUDENTS, AND CHANGING THE WORLD**

As part of the campus presentation program, Chairman Neill introduced Chancellor Alvin Schexnider of Winston-Salem State University to present the fourth in a series of campus presentations highlighting innovative programs on campuses. Chancellor Schexnider

reported that in approximately three years Winston-Salem State University will celebrate its 75th anniversary as the first historically-black institution to offer a degree in elementary education. Focusing on Winston-Salem State University's mission of teaching, he called on Dr. Lelia Vickers, division director of Teacher Education, and Professor Beth Daye-Hairston, to discuss two exemplary teacher education programs at Winston-Salem State University.

Dr. Vickers presented a historical overview of the university and emphasized the development of the teacher education program at Winston-Salem State University. Dr. Daye-Hairston gave a video presentation on the development of the teacher education program and an overview of the future development for a pluralistic society. The theme for the Division of Education was "Critical and Creative Thinkers: Evolving Professionals for the 21st Century." Dr. Daye-Hairston described two projects in teacher education that provide staff development for the university professors, as well as teachers, parents, and perspective teachers in the public schools. Alternative assessment procedures are being developed for the university faculty to make sure students can demonstrate skills in problem solving, communication, multiculturalism, interpersonal and intrapersonal skills, critical thinking, etc. The main focus of the presentation was the Division of Education's mission to "Change Ourselves, Change Students, and Change the World for the 21st Century.

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Under the terms of the Open Meetings Law, Chairman Neill said he would entertain a motion to convene in closed session: (1) to establish and instruct the staff and agents concerning the negotiations of price and terms of a contract concerning the acquisition of real property; (2) to establish and instruct the staff and agents concerning the negotiations of the amount of compensation or other terms of an employment contract; (3) to consider the qualifications, competence, performance, and condition of appointment of a public officer or employee or prospective public officer or employee; and (4) to hear or investigate a complaint or grievance by or against a public employee.

On motion of Mr. Coward, seconded by Mr. Cecil, the board voted to convene in closed session.

**CLOSED SESSION****APPROVAL OF MINUTES OF CLOSED SESSION**

In accordance with procedures established to comply with the Open Meetings Law, the closed session minutes for February 9, 1996, were distributed for review and approval. Governor Holshouser moved, seconded by Vice Chairman Thomas, that the closed session minutes be approved. The motion carried.

**REPORT OF COMMITTEE ON BUDGET AND FINANCE****Acquisitions of Property - East Carolina University**

Mr. Bibbs, vice chair of the Committee on Budget and Finance, presented for discussion a request from East Carolina University concerning four acquisitions of property located in Greenville, and a request that the chancellor, through the president, be authorized to proceed with the proposed acquisitions. On behalf of the committee, Mr. Bibbs moved that the request of East Carolina University be approved and transmitted to the Council of State for final action. Vice Chairman Thomas seconded the motion and it carried.

**Lease of Space - The University of North Carolina at Chapel Hill**

On behalf of the committee, Mr. Bibbs presented for discussion a proposal by the University of North Carolina at Chapel Hill concerning three leases of space in Chapel Hill. Mr. Bibbs moved that the board approve submission of the requested leases to the Council of State with the terms and conditions proposed by the university. Mrs. Perry seconded the motion and it carried.

**Acquisition of Property - Winston-Salem State University**

On behalf of the committee, Mr. Bibbs presented a request from Winston-Salem State University concerning the acquisition of a house in Winston-Salem to replace the current chancellor's residence, and moved that the request be approved and transmitted to the Council of State for final action. Mr. Collins seconded the motion and, following discussion, it carried.

**REPORT OF COMMITTEE ON PERSONNEL AND TENURE**

Summary Personnel Report

Mrs. Britt, chair of the Committee on Personnel and Tenure, presented the committee's summary personnel report for discussion, subject to final action in open session.

**REPORT OF 1996 COMMITTEE ON TEACHING AWARDS**

Mr. Collins, co-chair of the 1996 Committee on Teaching Awards, presented and moved approval of the committee's report. The Board of Governors Awards for Excellence in Teaching honor the dedicated teachers at each of the 16 constituent institutions. The members of the board were encouraged to attend the luncheon and awards ceremony to be held following the Board of Governors meeting on April 12, 1996, at which time an announcement of the awards and awardees will be made public. Mr. Coward seconded the motion and it carried.

**REPORT OF 1996 O. MAX GARDNER AWARD COMMITTEE**

Mr. Webb presented the report of the 1996 O. Max Gardner Award Committee. He said the members of the committee (Mr. Reaves, chairman, Mrs. Perry, Mr. Bibbs, Mr. Coward, Mr. Peterson, and himself) committed themselves to follow the provisions of Governor Gardner's will by choosing that member of the faculty who "has made the greatest contribution to the welfare of the human race," and felt this year's co-recipients exemplify the established criteria in the governor's will. On motion of Mr. Webb, seconded by Mr. Collins, the board voted to approve the committee's report.

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At President Spangler's request, Attorney Richard Robinson briefed the board on a legal matter concerning the interpretation of the Open Meetings Law.

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On motion of Rev. Horton, seconded by Mr. Rizzo, the board voted to reconvene in open session.

**RESUMPTION OF OPEN SESSION**

**APPROVAL OF MATTERS CONSIDERED IN CLOSED SESSION**

Mr. Rauch moved approval of the report of the Committee on Budget and Finance that was presented and discussed in closed session. Mr. Webb seconded the motion and it carried.

Mrs. Britt moved approval of the report of the Committee on Personnel and Tenure that was presented and discussed in closed session. Mrs. Marvin seconded the motion and it carried. (Appendix K)

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In reference to the financing of the baseball stadium at the University of North Carolina at Greensboro, Mr. Bryant, representing the North Carolina Association of Student Governments, said the students collectively oppose such action and read the following statement:

The Board of Governors has the authority to levy student fees; however, it sets a dangerous precedent when it approves student fee increases which have been opposed by the students, either at the board of trustee level or in the referendum of the student body. The very purpose of student self-government is for students to be partners in the University decision-making process. The Board of Governors should recognize this student authority and not approve student fee increases that students oppose.

Chairman Neill asked that Mr. Bryant's comment be so noted.

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There being no other business, the meeting was adjourned at 1:30 p.m.

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Secretary

