

BOARD OF GOVERNORS MEETING

The University of North Carolina

January 14, 2000

The Board of Governors met in regular session January 14, 2000, in the Warwick Center, Ballroom #1, on the campus of the University of North Carolina at Wilmington.

Mr. Ruffin, the chairman, called the meeting to order at 10:30 a.m.

INVOCATION

Mr. Keber gave the invocation.

ROLL CALL

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

Benjamin S. Ruffin	Teena S. Little
Bradley T. Adcock	Helen R. Marvin
G. Irvin Aldridge	Timothy K. Moore
J. Addison Bell	Jeffrey L. Nieman
Lois G. Britt	Barbara S. Perry
F. Edward Broadwell, Jr.	Patsy B. Perry
William T. Brown	D. Wayne Peterson
Angela R. Bryant	Jim W. Phillips, Jr.
William L. Burns, Jr.	John L. Sanders
John F.A.V. Cecil	J. Craig Souza
Bert Collins	Priscilla P. Taylor
Ray S. Farris	Robert F. Warwick
H. Frank Grainger	J. Bradley Wilson
James E. Holshouser, Jr.	Ruth Dial Woods
Peter Keber	

The following members were absent:

C. C. Cameron	R. V. Owens III
C. R. Edwards	H. D. Reaves, Jr.
Maxine H. O'Kelley	

The chair stated that, under the provisions of the statute, Mrs. O'Kelley, Mr. Cameron, and Mr. Edwards had excused absences due to illness.

MINUTES

On motion of Mr. Aldridge, seconded by Dr. Brown, the minutes of the meeting of November 19, 1999, were approved as distributed.

ADMINISTRATIVE ACTION ITEMS

Chairman Ruffin called attention to the Administrative Action Items listed on the agenda and inquired if any member wished to have items removed for further discussion. There being none, Mrs. Britt moved, seconded by Mr. Burns, that the following Administrative Action Items be approved by consent:

- | | | |
|-----------|---|------------|
| a. (B/F) | Authorization of Increase in Capital Improvements Project, ASU | Appendix A |
| b. (B/F) | Authorization of New Capital Improvements Project, NCSU | |
| c. (B/F) | Authorization of New Capital Improvements Project, UNCC | |
| d. (B/F) | Authorization of New Capital Improvements Project, WCU | |
| e. (B/F) | Authorization of Interim Financing, ECU | Appendix B |
| f. (B/F) | Authorization of Disposition of Property, ASU | Appendix C |
| g. (B/F) | Authorization of Lease of Property, NCSU | Appendix D |
| h. (B/F) | Authorization of Lease of Land, NCSU | Appendix E |
| i. (B/F) | Authorization of Disposition of Property, NCSU | Appendix F |
| j. (B/F) | Authorization of Disposition by Lease, NCSU | Appendix G |
| k. (EPPP) | Authorization to Establish a Master of Social Work Degree Program, UNCC | |
| l. (EPPP) | Authorization to Establish a Master of Arts in Education, Physical Education, UNCP | |
| m. (EPPP) | Authorization to Establish a Master of Arts in Education, Social Studies Education, UNCP | |
| n. (EPPP) | Authorization to Establish a Master of Education in Elementary Education and Approval of \$115,000 in Funding, WSSU | |
| o. (EPPP) | Authorization to Establish the Center for Information Society Studies, NCSU | Appendix H |
| p. (EPPP) | Authorization to Establish the Reading Together USA Institute, UNCG | Appendix I |

q. (EPPP)	Authorization to Establish the National Science Foundation Science and Technology Center for Environmentally Responsible Solvents and Processes, UNCCH	Appendix J
r. (EPPP)	Approval of Distribution of \$3,000,000 in Funds Appropriated for Instructional Improvements	Appendix K
s. (P/T)	Approval to Designate Existing Positions as Senior Academic and Administrative Officers at FSU, NCCU, and UNCCH	Appendix L
t. (P/T)	Approval of Senior Academic and Administrative Officers Round Two Position Review	Appendix M

The motion carried.

REPORT OF COMMITTEE ON EDUCATIONAL PLANNING, POLICIES, AND PROGRAMS

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

Long-Range Planning – 2000-2005

Mrs. Marvin said the committee's recommendations for the revised long-range plan include a modification of the University's strategic directions, changes in wording of some institutional mission statements, discontinuation or merger of academic degree programs, and authorization to plan new academic degree programs. On behalf of the committee, Mrs. Marvin presented and moved approval of the following resolution:

Be it resolved by the Board of Governors of the University of North Carolina:

1. That the document entitled *Long-Range Planning, 2000-2005* is approved; and
2. That the President be authorized to make such editorial improvements in the document as she finds necessary in the interest of accuracy and completeness and to have it printed and distributed.

Mr. Keber seconded the motion and it carried. (Appendix N)

REPORT OF COMMITTEE ON UNIVERSITY GOVERNANCE

Mr. Broadwell, chair of the Committee on University Governance, announced two upcoming vacancies on the Board of Trustees of the Pitt County Memorial Hospital, each for a five-year term beginning March 1, 2000.

PRESIDENT'S REPORT

President Broad introduced the chancellors and noted this was Chancellor Harold Martin's first meeting in the role of chancellor. The president introduced a number of other guests who were in attendance at the meeting.

In her comments, President Broad reminded the members the workshop held earlier in the day was an opportunity for the University to launch a very important process. This process will lead to a set of solutions to address problems to ensure that the quality of the University continues growing. The president said, "The draft plan discussed yesterday and today will go through many processes of committee hearings, markups, and amendments as it continues its course. If we are all in agreement, then the fingerprints of all of the policymakers within the University and within the General Assembly can be found working toward a solution."

President Broad thanked the board members for their participation in the two-day discussions involving several complex issues of critical importance to the future of the University. The president added, "It is my hope that we can make continued progress in our efforts to give the chancellors and CEOs the tools of administration that will make it possible for them, in a period of severely constrained resources, to maximize the effects of the resources that are made available by giving them flexibility, cutting out the red tape, and by making it possible for them to act quickly and decisively in response to either challenges or opportunities."

In her report, President Broad highlighted a number of honors and other accomplishments of several members of the University family, including the installation of Chancellor Meadors on December 18; the election of Chancellor Fox as president-elect of Sigma Xi, an international honor society for scientists and engineers; the recognition of North Carolina State University's Model Clinical Teach Program as one of the nation's leading models for

teachers and counselors; East Carolina University's football team's receipt of Disney's 1999 Wide World of Sports Spirit Award; the invitation to ECU's Symphony Orchestra to participate in the International Festival of Student Orchestras in Prague, Czech Republic; and an award of \$50,000 to Winston-Salem State University from the Tom Joyner Foundation.

OTHER BUSINESS

Chairman Ruffin recognized the spouses of board members in attendance at the meeting and thanked Chancellor and Mrs. Leutze for hosting the reception and dinner on the preceding evening.

The chairman called attention to the board meeting schedule distributed with the information at each member's place and reminded the members of other upcoming events:

- February 11, 2000, Board of Governors Meeting in Chapel Hill
- February 12, 2000, Invitation to UNCCH-Wake Forest Basketball Game
- March 16, 2000, Joint Meeting of North Carolina Education Governing Boards, Chapel Hill
- March 18-21, 2000, Association of Governing Boards Conference on Trusteeship, New Orleans, LA
- April 20, 2000, Installation of Chancellor James Renick, North Carolina A&T State University

The chairman also reminded the chancellors that the O. Max Gardner Award nominations were due February 4, 2000, in the General Administration. He expressed appreciation to Dr. Barbara Kaufman for facilitating the board's retreat and informal evaluation of the president during the retreat on Wednesday evening and Thursday morning, prior to the board's regular meetings.

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On motion of Mrs. Britt, seconded by Mrs. Perry, the board voted to convene in closed session pursuant to North Carolina General Statutes Sections 143-318.11(a)(5)(1) and 143-318.11(a)(6). The motion carried.

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 November 19, 1999, were presented for review and approval. On motion of Mr. Wilson, seconded by Mr. Cecil, the minutes were approved as presented. The motion carried.

REPORT OF COMMITTEE ON BUDGET AND FINANCE

Lease of Space – North Carolina State University

Mr. Wilson presented a request from North Carolina State University for authority to lease space for three university activities. On behalf of the committee, he moved that the request be approved and transmitted to the Council of State for final action. Mr. Warwick seconded the motion and it carried.

Amendment to Exchange of Properties – North Carolina State University

Mr. Wilson also presented a request from North Carolina State University for authority to amend an exchange of property at North Carolina State University. On behalf of the committee, he moved that the amended request be approved and transmitted to the Council of State for final action. Mr. Bell seconded the motion and it carried.

REPORT OF COMMITTEE ON PERSONNEL AND TENURE

Summary Personnel Report

Mr. Adcock presented the committee's Summary Personnel Report for discussion, subject to final action in open session.

President Broad reviewed a personnel matter involving a staff member at the University of North Carolina Center for Public Television.

Appeal of Faculty Member – Appalachian State University

Mr. Adcock presented and moved approval of the subcommittee's report in the appeal of a faculty member at Appalachian State University. Dr. Brown seconded the motion and it carried.

REPORT OF COMMITTEE ON UNIVERSITY GOVERNANCE

As a matter of information, Mr. Broadwell, chair of the Committee on University Governance, reported the committee approved a request from UNC Charlotte to participate in a class action lawsuit.

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On motion of Mrs. Britt, seconded by Mr. Cecil, the board voted to reconvene in open session. The motion carried.

RESUMPTION OF OPEN SESSION

REPORT OF COMMITTEE ON PERSONNEL AND TENURE

Mr. Adcock, chair of the Committee on Personnel and Tenure, moved approval of the committee's summary personnel report and other items considered in closed session.

Mr. Nieman seconded the motion and it carried. (Appendix O)

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President Broad thanked the board members for supporting the adjustments in the salary range and salary of Tom Howe, director and general manager of the UNC Center for Public Television.

* * *

On motion duly made and seconded, the meeting adjourned at 11:50 a.m.

Secretary

APPENDICES

(All appendices are a part of the official record of the meeting.)

Appendix A	Authorization of Increase in Capital Improvements Project, ASU	(Attached)
Appendix B	Authorization of Interim Financing, ECU	(Attached)
Appendix C	Authorization of Disposition of Property, ASU	(Attached)
Appendix D	Authorization of Lease of Property, NCSU	(Attached)
Appendix E	Authorization of Lease of Land, NCSU	(Attached)
Appendix F	Authorization of Disposition of Property, NCSU	(Attached)
Appendix G	Authorization of Disposition by Lease, NCSU	(Attached)
Appendix H	Authorization to Establish the Center for Information Society Studies, NCSU	(Attached)
Appendix I	Authorization to Establish the Reading Together USA Institute, UNCG	(Attached)
Appendix J	Authorization to Establish the National Science Foundation Science and Technology Center for Environmentally Responsible Solvents and Processes, UNCCH	(Attached)
Appendix K	Approval of Distribution of \$3,000,000 in Funds Appropriated for Instructional Improvements	(Attached)
Appendix L	Approval to Designate Existing Positions as Senior Academic and Administrative Officers at FSU, NCCU, and UNCCH	(Attached)
Appendix M	Approval of Senior Academic and Administrative Officers Round Two Position Review	(Attached)
Appendix N	Long-Range Planning, 2000-2005	(Omitted here)
Appendix O	Summary Personnel Report	(Attached)

BOARD OF GOVERNORS MEETING

The University of North Carolina

February 11, 2000

The Board of Governors met in regular session February 11, 2000, in the Chancellors Ballroom of The Carolina Inn, on the campus of the University of North Carolina at Chapel Hill. Mr. Ruffin, the chairman, called the meeting to order at 9:00 a.m.

INVOCATION

Mrs. Little gave the invocation.

ROLL CALL

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

Benjamin S. Ruffin	Teena S. Little
Bradley T. Adcock	Helen R. Marvin
G. Irvin Aldridge	Timothy K. Moore
J. Addison Bell	Jeffrey L. Nieman
Lois G. Britt	Maxine H. O'Kelley
F. Edward Broadwell, Jr.	Barbara S. Perry
William T. Brown	Patsy B. Perry
Angela R. Bryant	D. Wayne Peterson
William L. Burns, Jr.	Jim W. Phillips, Jr.
C. C. Cameron	H. D. Reaves, Jr.
John F.A.V. Cecil	John L. Sanders
C. R. Edwards	J. Craig Souza
Ray S. Farris	Priscilla P. Taylor
H. Frank Grainger	Robert F. Warwick
James E. Holshouser, Jr.	J. Bradley Wilson
Peter Keber	Ruth Dial Woods

The following members were absent:

Bert Collins
R. V. Owens III

Chairman Ruffin announced the board would convene in closed session and invited the visitors to return to open session following the conclusion of the closed session.

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On motion of Mrs. Britt, seconded by Mr. Cecil, the board voted to convene in closed session pursuant to North Carolina General Statutes Sections 143-318.11(a)(5) and 143-318.11(a)(6).

CLOSED SESSION

REPORT OF COMMITTEE ON BUDGET AND FINANCE

Lease of Space – The University of North Carolina at Chapel Hill

Mr. Wilson presented a request from the University of North Carolina at Chapel Hill for authority to lease office space for the North Carolina LEARN NC program. On behalf of the committee, he moved that the request be approved and transmitted to the Council of State for final action. Mrs. O’Kelley seconded the motion and it carried.

APPROVAL OF MINUTES OF CLOSED SESSION

In accordance with procedures established to comply with the Open Meetings Law, the closed session minutes for January 14, 2000, were presented for review and approval. On motion of Mr. Souza, seconded by Mr. Peterson, the minutes were approved as presented.

REPORT OF COMMITTEE ON PERSONNEL AND TENURE

Summary Personnel Report

Mr. Adcock, chair of the Committee on Personnel and Tenure, reported that the committee's Summary Personnel Report contained one administrative appointment for discussion, subject to final action in open session. He noted that the recommendations received from Fayetteville State University, UNC Chapel Hill, UNC Greensboro, and UNC Wilmington for appointments and promotions with conferral of tenure were deferred until the March meeting, pending review by the new Senior Vice President, as required by the board’s policy of tenure review.

President Broad commented on the chancellor’s search at the North Carolina School of the Arts and reviewed the qualifications of the candidate she would present for consideration in open session.

REPORT OF COMMITTEE ON BOARD OF GOVERNORS' AWARDS FOR EXCELLENCE IN TEACHING

Dr. Brown, chair of the Committee on the Board of Governors' Awards for Excellence in Teaching, presented and moved approval of the committee's report. Mr. Sanders seconded the motion and it carried.

REPORT OF COMMITTEE ON HEALTH AFFAIRS

Mr. Souza, chair of the Committee on Health Affairs, reported the committee met on the preceding day to receive an update on the UNC Health Care System and said negotiations with another health care organization should be finalized on February 24.

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On motion of Mrs. Britt, seconded by Mr. Cecil, the board voted to reconvene in open session.

RESUMPTION OF OPEN SESSION

MINUTES

On motion of Mr. Keber, seconded by Mrs. Perry, the minutes of the meeting of January 14, 2000, were approved as distributed.

ADMINISTRATIVE ACTION ITEMS

Chairman Ruffin called attention to the Administrative Action Items listed on the agenda and noted that the first item, "Approval of 2000-01 Supplemental Budget Request," would be removed from the list for further discussion as a part of the report of the Committee on Budget and Finance. Mrs. Britt moved, seconded by Mrs. Marvin, that the following Administrative Action Items be approved by consent:

- | | | |
|----------|---|------------|
| a. (B/F) | Authorization of New Capital Improvements Project,
NCSU | Appendix A |
| b. (B/F) | Approval of Medicare Reimbursement Trust Fund
Spending Plan, ECU | Appendix B |
| c. (B/F) | Authorization of Sale of Revenue Bonds, UNCCH | Appendix C |
| d. (B/F) | Authorization of Disposition of Property, UNCC | Appendix D |

The motion carried.

REPORT OF COMMITTEE ON BUDGET AND FINANCE

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

2000-2001 Supplemental Budget Request

In his comments regarding the 2000-2001 Supplemental Budget Request, Mr. Wilson said:

In January and again today, the board considered a comprehensive budgetary plan for submission to the General Assembly. The plan will be considered during the 2000 legislative session. The plan addressed three pressing issues:

- The plan called for a new need-based financial aid program resulting from a comprehensive board study
- The plan provided a means to address the faculty salary and compensation gap identified in the board's study of faculty salaries
- The plan recommended the establishment of a new system-wide capital facilities fee that, when matched by the General Assembly, would provide financing for a \$750 million two-year capital plan.
- Finally, the plan incorporated important board priorities that were not funded during the first year of the biennium as well as several revisions and refinements, particularly to the request for enrollment changes. The plan further recommended tuition increases for the 2000-2001 academic year.

The President has recommended that the board defer action on the capital facilities fee portion of the plan, pending an initiative led by NCCBI for the benefit of the University and the Community Colleges. Deferring action on this component of the plan would also allow the Joint Select Committee on Higher Education Facilities Needs to begin its work. The NCCBI initiative and the work of the Joint Select Committee would provide important information for the board to consider before determining the best approach to meet the University's capital needs.

In the Budget and Finance Committee meeting yesterday the committee agreed to accept the President's recommendation to defer action on the capital facilities fee. Following the President's presentation and discussion, the committee concurred and accepted the President's recommendation to defer consideration of the capital facilities fee plan or some variation thereof until a future date. Thus, the committee did not consider a capital facilities fee plan.

Mr. Wilson reported that the recommendations endorsed by the committee included the President's plan related to faculty salaries and student financial aid. Concerning tuition for the 2000-2001 year, he asked members to retrieve the handout entitled "2000-2001 Supplemental

Budget Request” because his report incorporated this document by reference. [Appendix E] The committee’s recommendations are contained in the 12-page document.

Mr. Wilson directed the board to turn to page two and find the third line in the text that begins after the bullet points. In the line beginning “approval by the President,” he asked the board to change the period to a comma and insert the words, “consistent with the Board of Governors’ Tuition Policy.”

The committee recommended the following:

- Across the board tuition increases for all students based on the increase in the Consumer Price Index of 2.1%;
- Additional increases for graduate students;
- Increases associated with the reclassification of East Carolina University to a Doctoral II institution;
- Non-resident increases at UNC Asheville to reflect peer comparisons;
- Requests for increases in professional and graduate programs at North Carolina State University, UNC Chapel Hill, and UNC Wilmington;
- Additional increases of \$300 in each of the next two years for all students at North Carolina State University and UNC Chapel Hill in response to the request from those campuses;
- Increases of \$150 (gross) in each of the next two years for East Carolina University and UNC Charlotte in response to the request from those campuses; and
- Increases in resident tuition of \$120 in 2000-2001; and \$115 in 2001-2002, and increases in non-resident tuition of \$200 in 2000-2001 and \$200 in 2001-2002 at UNC Wilmington in response to the request from that campus.

On behalf of the committee, Mr. Wilson moved that the Board of Governors approve the 2000-2001 Supplemental Budget Request establishing tuition rates for the 2000-2001 academic year and that it be forwarded to the Governor and the General Assembly.

Mr. Aldridge seconded the motion.

In the discussion that followed, Mr. Souza noted that in the workshop on the preceding day there was confusion regarding whether the campus initiated tuition increases were calculated the same across the five campuses. Mr. Souza proffered a friendly amendment to Mr. Wilson and the Committee on Budget and Finance to ensure the consistent application of the tuition increases across all five campuses (ECU, NCSU, UNCCH, UNCC, and UNCW), meaning they would be exclusive of the inflationary increases the board discussed. Mr. Wilson stated that, without objection from any member of the Budget and Finance Committee, Mr. Souza’s comment would be accepted as a friendly amendment.

Mr. Nieman offered a substitute motion to amend the portion of the main motion of the Supplemental Budget Request regarding undergraduate tuition recommendations as follows: “Tuition increases at UNC Chapel Hill and North Carolina State University be set at \$200 (or \$300, if the financial aid package is not approved) for one year, and a 2.1 percent across the board for the entire university, excluding other specific campus requests.”

Mr. Sanders seconded Mr. Nieman’s amendment to the main motion. Following a request by Mr. Farris, Mr. Nieman agreed to permit a separate treatment of three of the campus-initiated requests (ECU, UNC Charlotte, and UNC Wilmington), rather than considering the tuition increase recommendation as a whole. Mr. Sanders concurred in Mr. Farris’ request but pointed out that the motion would substitute President Broad’s recommendation with respect to undergraduate tuition for the recommendations of the Budget and Finance Committee with respect to undergraduate tuition at the five institutions.

In the discussion which followed, Mr. Robinson, legal counsel and parliamentarian for the meeting, ruled the motion was a substitute motion and Mr. Nieman restated his motion, noting that the board consider separately the campus-initiated requests. There was considerable discussion surrounding the substitute motion and a number of members raised questions.

Mr. Nieman explained his substitute motion. [In order to clarify further the substitute motion, Mr. Sanders said, “the effect of the motion is to substitute President Broad’s recommendations for \$200 or \$300 per year, one-time at Raleigh and Chapel Hill, and no other undergraduate increases at this time.] Following additional discussion, Mr. Nieman withdrew his permission to consider Mr. Farris’ request for a separate treatment of the campuses and asked that his substitute motion be voted upon first.

In his comments opposing the substitute motion, Mr. Warwick said:

I would like to speak in opposition to the substitute motion. The Budget and Finance Committee has considered a very comprehensive tuition program and there are a number of elements that are being left out if you adopt the substitute motion. I don’t think that everybody fully understands the effect of that. For instance, there is nothing in Jeff’s motion to provide for East Carolina University going to a Doctoral II status and there is nothing to provide the additional tuition for the law school at Chapel Hill, the business school at UNC Wilmington, and some other graduate increases that were in the total package.

There are requests also for non-resident increases at UNC Asheville, additional increases for non-resident students in certain situations, and graduate students in the original plan that are not considered in Jeff's motion. Since the Budget and Finance Committee unanimously made the recommendation on its total program, I hope the board will defeat this substitute motion and favor the motion that was brought by the Budget and Finance Committee. Thank you.

Mr. Nieman said his substitute motion changed only the resident undergraduate portion of the tuition recommendations and did not substitute or amend any of the extra special requests to which Mr. Warwick referred. Mr. Nieman and Mr. Sanders agreed that the motion would amend the original motion and concurred in Mr. Reaves restatement of the motion as follows:

From the 2000-2001 Supplemental Budget Request, [page one]

- across the board tuition increase is in the amended motion;
- additional increases for graduate students is in the motion;
- increases associated with the reclassification of ECU is in the motion;
- non-resident increases at UNCA is in the motion;
- requests for increases in graduate and professional programs is in the motion;
- instead of additional increases of \$300 in each of the next two years, we are talking about \$200 for next year for State and Carolina, and if the financial aid package is not passed, we are talking about \$300 for one year for State and Carolina
- the net increases of \$150 in each of the next two years to East Carolina University and UNC Charlotte is no longer in the motion; and
- increases in resident tuition of \$120 in 2000-2001 and \$115 in 2001-2002, and increases in non-resident tuition of \$200 in 2000-2001 and \$200 in 2001-2002 at UNC Wilmington is no longer in the motion.

Mr. Sanders was recognized by the chair and made the following observations:

Mr. Reaves correctly stated the substance of the motion that Mr. Nieman presented and I seconded. I oppose the recommendation of the Budget and Finance Committee because I think the 39% (\$600) at NC State and UNC Chapel Hill would constitute an inordinate burden on their families. I think it would widen the discrepancy between tuition charged at those two institutions and at the next tier of institutions within the University. I think the recommendations with respect to the other three institutions do not meet the standards that this board established in its tuition policy of November 1998, that there be extraordinary circumstances to justify those requests. And I believe if we approve them as the committee recommended them to us, that we would create a good deal of unhappiness, dissension, distress on the part of the other institutions, and we may fully expect that we will be back here this fall asking for tuition increases to justify a wide array of objects of expenditure. I think that by the action we have taken we have effectively abandoned the standard that we set out 15 months ago for increases initiated by the campuses. We have also, by the terms of the Budget Committee's report, abandoned the requirement of that policy that the institutions spend the money in accordance with the terms stated in the request presented to the Board; rather, we have said they are to come up with a spending plan and get it approved by the president. I hope Mr. Chairman that we will stand by the policy adopted in November of 1998 and reject those three recommendations and stand by the president's recommendation with

respect to North Carolina State University and the University of North Carolina at Chapel Hill. I think it would be best for the board and best for the institutions.

Governor Holshouser noted the fiscal situation of the State caused by Hurricane Floyd and the floods may not improve during fiscal year 2000-2001 and the Budget and Finance Committee's proposal seems the best alternative at this point. He said, "It gives us the best of all worlds in one sense." He noted that this proposal encourages the campuses because our recommendations demonstrate that the money will be there. The recommendation signals to students and their families, "Those funds will be there and at the same time leaves us room to come back and change our suggestion if the state resources change. I have to tell you that I have my own personal conviction that the impact of Hurricane Floyd is going to go beyond this coming fiscal year."

In urging the board to defeat the amendment to the motion, Mr. Bell said,

I had been opposed to splitting this into a two-tier system with research schools and everybody else. I believe that the faculty salary needs are as great at the other institutions as they are at the research institutions and that's why I heartily endorsed the recommendations from the boards of trustees of the other three campuses to be included in this. Moreover, I am sensitive to the fact that there are 11 campuses that are not included here, and from my personal point of view, had they submitted considerations from their board of trustees, I certainly would have looked upon those favorably. And it may well be that we can expect to hear from them in the future but what we have on hand right now is the requests from the boards of trustees of five schools and I hope we can support those and I again urge the defeat of Mr. Nieman's motion.

Mr. Moore spoke in favor of the amendment and made the following observations:

Let me say that I am going to support this amendment and that I am going to vote against the tuition increase as a whole. The reason I am going to do so, Mr. Chairman, is because I am not compelled to the burden that I need to be compelled to vote to raise tuition. I agree there may be needs, but certainly there have to be other ways to address those needs, either reorganization of priorities within the University or hopefully some assistance from the General Assembly. I'm just not compelled today to support these increases.

One thing I know—we've got a lot of students here today. I want to mention something to the students. Students need to do their part to control fees also. I know that at Chapel Hill the students have asked, or are going to ask us to increase fees at some point for student activity fees. I will also vote against that. I just think there needs to be some consistency—when students ask for low tuition they need to understand that it seems strange to a board member when students come to us and say please raise our fees....I am just not compelled that this increase is necessary and before raising any sort of tuition or growing any sort of governmental budget. For me to vote for it, I am going to have to be strongly compelled. I am going to vote for the amendment and against the main motion.

Chairman Ruffin, in bringing the debate to a close, yielded to Mr. Nieman for a final statement. In his address to the board, Mr. Nieman said,

I realize that the vote is probably going to happen in a minute, whenever it's going to happen, no matter what I say, but I think it's important that the students have an opportunity for one more time before the vote comes through. So I have a few brief comments and I will keep them brief.

The way I see it, this issue is segmented into two primary areas of discussion. We have two items here, which in my opinion, violate the spirit of our State Constitution and the letter of our tuition policy framework adopted in November 1998. The two things are:

This type of extreme (35% as Mr. Sanders inferred) tuition increase to move the document in the spirit of "as free as practicable." I don't think our practicability standard is violated by just setting out the one year. I think it is practical to only make one recommendation. As far as the letter of our tuition policy, the campus requests made by East Carolina University, UNC Wilmington, and UNC Charlotte all have degrees of merit. In some I see more merit than others. We have a policy that says very specifically that we will keep differences within a certain Carnegie class at a minimal level. This kind of proposed increase jumps out, especially at UNC Wilmington and UNC Charlotte, being among two of eight Comprehensive I institutions is not a minimal difference—it is a significant difference by any reasonable standard that I would make.

Last year was my first year as a student. We went through this situation with tuition and I felt like I was included all along as I have been this year. And when it came down to it, I considered my role as being to visit the campuses and many people in this room were there when I did this. I visited the campuses and explained to them that this tuition increase was necessary and not worthy of strong student opposition. As a whole, we as students should consent to this, that we understand that in some cases a tuition increase is necessary. I did that, Mr. Chairman. I feel like this year I'm going to have to do something else. I am going to have to go to the campus of ECU and apologize to the students who were underwater, despite the fact they stuck it out through the flood. Despite the fact that one-third of them were homeless for weeks and months, and only 30 dropped out or withdrew due to the hardship of that. I'm going to tell them that their reward for doing that is a \$300 tuition increase imposed by this board. I've heard a lot about the amount of work that has gone into this, a lot of work went into this at the trustee level at Wilmington, or Charlotte, or at ECU. I think a lot of work went into it before that. Myself, along with the other members of this board, the General Administration staff, and the staffs at the campuses went to a lot of work to put together a tuition framework. We're not worried about them doing that this morning. A lot of work conducted by the President's staff went into her requests and she made a recommendation to our board that fit perfectly in line with the tuition policy framework.

I guess what I want to tell you in closing is about one of the most memorable times for me since I have had the opportunity to serve on this board. It was my very first meeting on the board. I came on the board in July of 1998 and many of you remember that meeting was a very contentious meeting. It was the election of our Chairman. And no matter how you come down on that contentious election between two very qualified candidates, afterwards I don't think you can help but be inspired by the words from a man who showed up on the campus of North Carolina Central; \$200 in his pocket; didn't know that he needed to have money for books; and didn't know if he had enough money for next semester's tuition. But because of the opportunity afforded him by low tuition, he went on to gain a bachelor's degree and a master's degree from our institutions;

became a vice president of a major corporation; served on the cabinet of our Governor; and now he is Chairman of this Board of Governors.

And that story is not all that different from many of the other people in this room, the first generation to go to college, with all kinds of barriers to getting there. But one barrier they didn't have to face was high tuition. Even if you account for inflation, tuition has doubled or tripled over the last four years. So I would urge you, when you make your vote today, to remember that you will be remembered for how you vote today. People will remember if you were a part of the board that decided to take this step away from a framework that we adopted for tuition and away from a fundamental belief that this University has had and should always have—we are responsible to the University to keep tuition as low as we possibly can. So I ask you please to do that and I urge you to vote for the motion.

Chairman Ruffin thanked Mr. Nieman for his comments and afforded Mr. Wilson an opportunity to restate the spirit of the committee's recommendation. In his comments, Mr. Wilson said:

Let me begin my remarks by congratulating Mr. Nieman for his hard work and his advocacy throughout this entire discussion, and as he pointed out, he has been at the table every step of the way and he has given us a lot of good advice along the way. And I would say to the students in the room, it's obvious by your applause, and by the applause of Jeff's colleagues around this Board of Governors' table, that you have a very fine advocate here and he is respected and he has done a marvelous job bringing the student point of view to this very difficult and complex subject.

There's nothing more that I would really want to do this morning, and particularly on the heels of Jeff's stirring remarks, but to vote for his amendment. But I can't do that and I have to heed the words of Governor Holshouser of a few minutes ago. To quote Mr. Bell from yesterday, "nobody wants to raise tuition—at any time—in any amount." I think that's a given. We don't even have to have a vote or a poll to do a heart check on that particular point, but this board is charged with the responsibility of making a very tough decision in the context of a very extraordinary time. Our policy was crafted so that it didn't define extraordinary time nor does it specifically define minimal difference. And we discussed that when we adopted that policy and we left it that way so that when circumstances come to us, we would try to exercise good, fair, and reasonable judgement, as difficult as that may be sometimes, and call it like we see it when those circumstances come to us.

What we have here, and I've heard the range from somewhere between a billion to a billion and six dollars in revenue that will no longer be coming to the General Assembly from the start. Over the last eight years in particular, between warranted tax cuts and the payment of the judgments and other uncontrollable circumstances, the General Assembly will come to town somewhere between a billion and a billion and six dollars less in the bank than they normally do. We have to acknowledge and understand that and it is within that context that we have to make this decision. The fact that there's less money in the bank doesn't make the University's needs any less critical and any less immediate. They are here and they are present and it is the responsibility of this board to try to craft an approach that will meet those needs while we are hopefully awaiting better budgetary times at the General Assembly. I would also say that this year we are kind of in an extraordinary circumstance because in my judgement, the leadership of the General Assembly has been very forthright and candid with this board, giving us good information on the front end about their financial plight. And it is incumbent upon us to pay attention to that because as President Spangler always said, they are our bankers.

They have called, and they have said there's not enough money in the bank, and to ignore that is to ignore the reality in which we are having to make this decision.

Nobody wants to raise tuition in any amount. We have had a confluence of circumstances that now brings us to this point. The work of the committee has been long and hard and that's not why you should vote for it or against it. That's the job of the committee and this board. But what we have tried to do is to strike a balance and to try to meet some of the most critical needs for a short-term solution—a short-term solution while the state catches its collective breath. And then next year and the following year we will react to whatever the circumstances are at that time and we all hope and pray that they won't be extraordinary. Hopefully the extraordinary circumstance is that our budget request will be appropriated 100%. That's an extraordinary circumstance that we would all like to enjoy.

So Mr. Chairman, as much as I would like to vote for Mr. Nieman's amendment, I would urge the board to vote against the amendment and let's move forward to the consideration of the recommendation of the Budget and Finance Committee.

Chairman Ruffin thanked Mr. Wilson. Chairman Ruffin put the amendment to the original motion. A voice vote was taken and Mr. Nieman called for a division of the house. Chairman Ruffin asked for a show of hands on the vote. Secretary Britt and Ms. Fuse-Hall counted and noted 11 votes for the amendment, 17 votes against it. The chair declared the amendment failed by a vote of 17-11.

Chairman Ruffin called for the vote on the original motion and it passed by a majority vote. Before the vote was recorded, Mr. Farris sought clarification on whether the previous discussion was on the substitute motion. He sought discussion on the original motion. The chair opened the floor for discussion. Mr. Farris called attention to the language inserted earlier regarding East Carolina, North Carolina State, UNC Chapel Hill, UNC Charlotte, and UNC Wilmington and questioned whether those campuses would need to resubmit their requests for approval by the President, consistent with the Board of Governors' Tuition Policy. In further discussion and seeking the guidance and concurrence of the committee, Mr. Wilson asked that the insertion which was previously added on page two of the 2000-2001 Supplemental Budget Request of the committee's recommendation be deleted. No opposition was expressed.

Chairman Ruffin said the vote had been taken and he wanted to make sure there were no more questions. He thanked the Committee on Budget and Finance for their report and thanked the students for coming. At this point Mr. Nieman and the students left the meeting. As the students exited the meeting, several members expressed concern regarding whether the board

actually voted on the matter. To clarify the matter, Chairman Ruffin asked that Mr. Nieman and the students return to the meeting. In the interim, Governor Holshouser made one last statement:

Mr. Chairman, I was prepared to forego my comments on the main motion but since you have given us another opportunity, I'd like to take advantage of it. I think we have had a good demonstration yesterday and today of what the legislature would face every session if the Board of Governors weren't around. Some who think that our governance structure should be changed ought to remember that this is the kind thing that the legislature hoped to keep off its desk. And they have entrusted us with those decisions.

Secondly, I'd like to thank the students, most of whom have left, for their concern and the responsible manner in which they have conducted themselves, and to Jeff in particular. This has also been a lesson for everybody in real world decision making. Sometimes it's not pretty and sometimes it's a choice between distasteful options. There are those who would say let the legislature do it, and that is so easy to say. In the world of thought textbooks would be written about how that's a good thing to do. But I have been over in the legislature, several of you have, and there are times when you know in your heart and in your head that it isn't going to happen. It's an election year that's more important than usual. I have to tell you I have never in my whole life voted for a tax increase, and as much as I love the University, if I were sitting in the legislature in 2000 with redistricting coming up in 2001, and the decision making for a decade, I probably wouldn't be voting for a tax increase. That's sort of the real world.

Some of us, maybe many of us, would like to treat this thing as we have talked about it. A number of good suggestions have come forward and we've had a long study by the President and her staff before they came to us with an initial draft in January. At that work session, they invited us to explore options. You weighed in with letters of your suggestions. We had another work session yesterday and the committee had, I understand, a lively discussion so that the final recommendation has come to us as sort of this sifting and blending of various points of view on our board. This has had as much discussion as any issue I can remember for the board in its history.

I have two special things I want to say to the students and their families, to the legislature, to the people of our state, and to the higher education community across the nation. I do not believe that this is a change from our historic low tuition policy that is mandated by our State Constitution. Rather I believe it is a short-term, temporary response to the extraordinary circumstances we face because of Hurricane Floyd and the flooding across Eastern North Carolina. We would not be having this discussion today, in my opinion, if the state treasury had not been simply wiped out as a result of that storm. I don't view this as a precedent. I think Jeff's point is well taken about the differential, and I don't view this as a precedent for changing our existing policy in that regard.

The second point I want to make is for the students and their families, and particularly for the media from whom most of those families are going to get this information about our meeting. Take special note that there is a financial aid increase that is a key component in this proposal, and it represents our commitment to continued access, and that's what that constitutional provision is all about—access. I believe it's temporary, I hope it's temporary, I believe we have a duty to go to the legislature and ask them to replace the tuition funds with appropriations as soon as the state recovers from its circumstances.

This is a very hard time, or we wouldn't be having the discussions we are having around the table. And we would all just as soon let this cup pass from us. And hard times make for hard decisions, but hard times also call for leadership in being willing to make those decisions and I think we have fulfilled our responsibility today. Thank you.

Chairman Ruffin re-put the motion and ruled the committee's original recommendation passed. (See Appendix E for committee's recommendations.)

REPORT OF COMMITTEE ON PERSONNEL AND TENURE

Summary Personnel Report

Mr. Adcock, chair of the Committee on Personnel and Tenure, moved approval of the committee's summary personnel report and other items considered in closed session.

Dr. Brown seconded the motion and it carried. (Appendix F)

Mr. Adcock noted that the recommendations received from Fayetteville State University, the UNC Chapel Hill, UNC Greensboro, and UNC Wilmington for appointments and promotions with conferral of tenure were deferred until the March meeting, pending review by the new Senior Vice President, as required by the board's policy of tenure review.

Mr. Adcock presented and moved approval of a memorandum requesting approval of three new positions at the University of North Carolina at Chapel Hill entitled Regional Development Officers in the Office of University Advancement. The university also requested that the positions be classified as Senior Academic and Administrative Officer positions. Mr. Grainger seconded the motion and it carried. (Appendix G)

University's Policy on Campus State Relations Officers

Mr. Adcock reminded the members that the responsibility for representation of the University to all governmental bodies is assigned to the President of the University, as specified in the Code. In spelling out the specific role of campus state relations officers, Mr. Adcock said the chancellors are asked to designate, in consultation with the President and the Vice President for Public Affairs, a campus state relations officer who would report to his or her campus supervisor (either the chancellor or a vice chancellor). The Vice President for Public Affairs would provide input into the evaluation of the state relations officers in matters dealing with governmental relations.

On behalf of the committee, Mr. Adcock moved approval of the university policy regarding campus state relations officers. Dr. Brown seconded the motion and it carried.

(Appendix H)

REPORT OF COMMITTEE ON PUBLIC AFFAIRS

Mr. Phillips, chair of the Committee on Public Affairs, reported that the committee met, reviewed, and passed several recommendations regarding the board's legislative agenda. He said the committee also reviewed and recommended a legislative agenda related to federal relations. Mr. Phillips announced the Joint Select Committee on Higher Education Facilities Needs will hold a series of campus visits to discuss capital matters with the campuses. The committee will hold its first meeting on February 28.

REPORT OF COUNCIL OF UNC ALUMNI ASSOCIATION PRESIDENTS

Ms. Carol Lesley, president of the Council of UNC Alumni Association Presidents, thanked Chairman Ruffin for the opportunity to speak before the Board of Governors and presented the Council's report. (Appendix I)

PRESIDENT'S REPORT

President Broad introduced the chancellors and other guests at the meeting. She reminded the board that FESTIVAL 2000, UNC-TV's annual fundraiser, would begin February 19 and urged members to tune in and lend their support.

The president called attention to the 14th Annual Report on Intercollegiate Athletics and said overall the report was encouraging, but noted that graduation rates for the men's football and basketball programs present "the greatest challenge and the greatest opportunities for improvement." (Appendix J)

Through the use of visuals, President Board highlighted a topic she said board members would be hearing more about in the months ahead--the adequacy of the University's Minimum Admissions Requirements. (For the report, see Appendix K)

ELECTION OF CHANCELLOR – NORTH CAROLINA SCHOOL OF THE ARTS

President Broad reported that the members of the search committee at the North Carolina School of the Arts had worked for some time to recommend candidates for her consideration as the next chancellor. The president reviewed the qualifications of the North Carolina School of the Arts candidates and said she was delighted to bring a talented North Carolinian home and to recommend his election. Mr. John Davis, chairman of the Board of Trustees at the North Carolina School of the Arts, thanked President Broad for her leadership and counsel throughout the process. He expressed special appreciation to Chancellor Ewing for his leadership at the North Carolina School of the Arts during his tenure. Mr. Davis then introduced Mr. J. D. Wilson, chair of the Search Committee, to review the search process the committee followed in bringing its recommendations to President Broad for consideration. Mr. Wilson again thanked President Broad for her leadership and counsel and introduced the members of the Search Committee who were present.

President Broad thanked Mr. Davis and Mr. Wilson and the members of the Search Committee for their diligence and the manner in which they carried out their responsibilities. The president said she was pleased to recommend the appointment of Wade Hobgood as chancellor of the North Carolina School of the Arts, effective July 1, 2000, at an annual salary of \$165,000.

Mr. Adcock moved that the board accept President Broad's recommendation of Dr. Hobgood as the next chancellor of the North Carolina School of the Arts. Several members seconded the motion and it carried unanimously. At the request of Chairman Ruffin, Mr. Grainger, Mrs. Marvin, Dr. Patsy Perry, Mr. Cecil, Dr. Woods, and Dr. and Mrs. James H. Semans escorted Chancellor-Elect Hobgood into the room. Following President Broad's introduction, Dr. Hobgood thanked the president, the Board of Governors, Mr. Davis, Mr. Wilson and the members of the Search Committee, the Board of Trustees, and others for the confidence they placed in him. He pledged to carry on the great programs and traditions at the North Carolina School of the Arts.

OTHER BUSINESS

Chairman Ruffin expressed appreciation to Chancellor Ewing for his important work at the North Carolina School of the Arts, in the Winston-Salem community, and throughout the entire State of North Carolina. The chairman expressed special thanks to Mr. Brad Wilson and the members of the Budget and Finance Committee and the General Administration staff for their diligence and hard work in bringing forward the committee's report which resulted in two days of deliberations on the tuition issue.

The chairman reminded the members of several upcoming events:

- February 12, 2000, Invitation to UNCCH-Wake Forest Basketball Game
- March 15, 2000, NCCBI Meeting in Raleigh
- March 16, 2000, Joint Meeting of North Carolina Education Governing Boards, Chapel Hill (Board of Governors to host)
- March 18-21, 2000, Association of Governing Boards National Conference on Trusteeship, New Orleans, LA
- April 20, 2000, Installation of Chancellor James Renick, North Carolina A&T State University

APPOINTMENT OF UNIVERSITY AWARD COMMITTEE

Without objection, Chairman Ruffin named the following persons to serve on the

2000 University Award Committee:

Mrs. Britt, Chair
Mr. Bell
Mr. Edwards
Mrs. B. Perry
Mr. Phillips

* * *

On motion of Mrs. Britt, seconded by Mr. Cecil, the meeting adjourned at
11:45 a.m.

Secretary

APPENDICES

(All appendices are a part of the official record of the meeting.)

Appendix A	Authorization of New Capital Improvements Project, NCSU	(Attached)
Appendix B	Approval of Medicare Reimbursement Trust Fund Spending Plan, ECU	(Attached)
Appendix C	Authorization of Sale of Revenue Bonds, UNCCH	(Attached)
Appendix D	Authorization of Disposition of Property, UNCC	(Attached)
Appendix E	Recommendations for 2000-2001 Supplemental Budget Request	(Attached)
Appendix F	Summary Personnel Report	(Attached)
Appendix G	Memorandum Requesting Approval of Regional Development Officers Positions – UNC Chapel Hill	(Attached)
Appendix H	University’s Policy on Campus State Relations Officers	(Attached)
Appendix I	Report of Council of UNC Alumni Association Presidents	(Attached)
Appendix J	Fourteenth Annual Intercollegiate Athletic Report	(Attached)
Appendix K	President’s Report on Adequacy of University’s Minimum Admissions Requirements	(Attached)

BOARD OF GOVERNORS MEETING

The University of North Carolina

March 16, 2000

The Board of Governors met in regular session March 16, 2000, in Alumni Hall III of the George Watts Hill Alumni Center, on the campus of the University of North Carolina at Chapel Hill. Mr. Ruffin, the chairman, called the meeting to order at 5:30 p.m.

INVOCATION

Dr. Patsy Perry gave the invocation.

ROLL CALL

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

Benjamin S. Ruffin	Teena S. Little
Bradley T. Adcock	Helen R. Marvin
Lois G. Britt	Jeffrey L. Nieman
F. Edward Broadwell, Jr.	Maxine H. O'Kelley
William T. Brown	R. V. Owens III
William L. Burns, Jr.	Barbara S. Perry
C. C. Cameron	Patsy B. Perry
John F.A.V. Cecil	John L. Sanders
Bert Collins	J. Craig Souza
C. R. Edwards	Priscilla P. Taylor
Ray S. Farris	Robert F. Warwick
H. Frank Grainger	J. Bradley Wilson
James E. Holshouser, Jr.	Ruth Dial Woods
Peter Keber	

The following members were absent:

G. Irvin Aldridge	D. Wayne Peterson
J. Addison Bell	Jim W. Phillips, Jr.
Angela R. Bryant	H. D. Reaves, Jr.
Timothy K. Moore	

The chair stated that both Mr. Bell, who was ill, and Mr. Moore had excused absences under the provisions of the statute.

OPEN SESSION

MINUTES

On motion of Mr. Cecil, seconded by Mr. Sanders, the minutes of the meeting of February 11, 2000, were approved as distributed.

ADMINISTRATIVE ACTION ITEMS

Chairman Ruffin called attention to the Administrative Action Items listed on the agenda and inquired if any member wished to have items removed for further discussion. There being none, Mrs. Britt moved, seconded by Mr. Cecil, that the following Administrative Action Items be approved by consent:

- | | | |
|-----------|---|------------|
| a. (B/F) | Approval of the Summary of Institutional Annual Reports, 1998-99 | Appendix A |
| b. (B/F) | Authorization of New Capital Improvements Project - NCA&T | |
| c. (B/F) | Authorization of New Capital Improvements Project - UNCG | |
| d. (B/F) | Authorization of New Capital Improvements Project - UNCG | |
| e. (B/F) | Authorization of New Capital Improvements Project - WCU | |
| f. (B/F) | Authorization of Sale of Revenue Bonds - UNCCCH | Appendix B |
| g. (B/F) | Approval of the Exchange and Acquisition of Properties - UNCC | Appendix C |
| h. (EPPP) | Authorization to Establish Bachelor of Arts Degree in Gerontology - WSSU | |
| i. (EPPP) | Authorization to Establish the Center for Health Ethics and Policy - UNCCCH | Appendix D |
| j. (EPPP) | Approval of Licensure of ECPI Colleges, Inc., d/b/a ECPI Technical College, to Conduct Degree Activity in Raleigh, North Carolina | Appendix E |
| k. (EPPP) | Approval of the Study of Prepaid Tuition Plans and College Savings Plans | Appendix F |
| l. (P/T) | Approval of Nominations to the UNC Press Board of Governors | Appendix G |

The motion carried.

REPORT OF COMMITTEE ON BUDGET AND FINANCE

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

Fee Authorizations – 2000-2001

Mr. Wilson reminded the members that the fee recommendations for 2000-2001 had been developed in accordance with the policies and procedures adopted by the Board in May 1993. On behalf of the committee, Mr. Wilson presented and moved approval of the resolution authorizing Fee Authorizations – 2000-2001. Mr. Cameron seconded the motion and it carried. (Appendix H)

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REPORT OF COMMITTEE ON UNIVERSITY GOVERNANCE

Mr. Broadwell, chair of the Committee on University Governance, gave the committee's report.

Appointment to Board of Trustees – Pitt County Memorial Hospital

On behalf of the committee, Mr. Broadwell moved the appointment of Lawrence L. Seigler of Greenville and the re-appointment of Ernest L. Evans of Ahoskie to the Board of Trustees of the Pitt County Memorial Hospital, each for a five-year term beginning March 1, 2000. Mrs. Perry seconded the motion and it carried.

* * *

Mr. Broadwell reminded the board that the Committee on University Governance is working with President Broad and her staff on the August retreat and will keep board members apprised of the planning.

Mr. Broadwell also called attention to the spring commencement schedule distributed to each member and asked those members who could attend one or more commencements to contact Ms. Fuse-Hall regarding their preference.

REPORT OF COMMITTEE ON PUBLIC AFFAIRS

Federal Agenda

In the absence of Mr. Phillips, chair of the Committee on Public Affairs, Governor Holshouser presented the committee's report. On behalf of the committee, Governor Holshouser presented and moved approval of the proposed University of North Carolina 2000 Federal Agenda. President Broad added that correspondence was sent to the campuses and

affiliated organizations asking for their assistance in developing the legislative agendas. Over eighty ideas, proposals, and recommendations were received. The committee was recommending several for action at this time. Mr. Burns seconded the motion and it carried. (Appendix I)

State Agenda

In reference to the University's state legislative agenda, Governor Holshouser said there are several items, some of which deal with statutory limitations on flexibility which, if removed, would help the University to maximize the use of its allocations. He moved approval of the committee's recommendations for the state legislative agenda. Mrs. Marvin seconded the motion and it carried. (Appendix J)

PRESIDENT'S REPORT

President Broad introduced the chancellors and other guests at the meeting. She reminded the board that the installation for Chancellor Renick would occur April 20. In addition, she commented that FESTIVAL 2000, UNC-TV's annual fundraiser, had been very successful and would end March 19. She urged members to tune in and lend their support.

The president commented on the dinner held recently with the chairs of the boards of trustees. Based on the feedback she had received, President Broad said the meeting was productive and generated an exchange of ideas among the trustees and staff who were in attendance.

Joint Select Committee on Higher Education Facilities Needs

President Broad reported the Joint Select Committee on Higher Education Facilities Needs held its organizational meeting in Raleigh on February 28, with good representation by members of the Board of Governors, chancellors, campus trustees, and students. She said the committee's first campus visit was to East Carolina University and included a presentation by officials from Elizabeth City State University. President Broad noted the committee will tour North Carolina State University, the University of North Carolina at Chapel Hill, and North Carolina Central University during the following week and will tour several others in the weeks ahead. The president said participation by board members,

chancellors, trustees, and others during the campus tours would exhibit a strong commitment to the University.

President Broad called attention to the recent rankings of UNC Chapel Hill as 14th in the nation in the level of federal research grants and contracts awarded. North Carolina State University was ranked 37th nationally among 111 members by the Association of Research Libraries.

OTHER BUSINESS

Chairman Ruffin thanked the members for their patience following a long day of board meetings and other activities and said it had been suggested that the board hold more one-day meetings to expedite its business. He reminded the members that in February they had been mailed information concerning the Joint Select Committee on Higher Education Facilities Needs schedule (Joint Select Committee), but said a more complete schedule was available at each member's place. In response to a question regarding the Joint Select Committee tours, several board members talked about their participation and the usefulness of these discussions.

Mrs. Little expressed appreciation to Chairman Ruffin and President Broad for the fine job they did in February before the Joint Select Committee in explaining the University's needs to the committee and why we had those needs.

The chairman echoed President Broad's comments regarding the meeting of the chairs of the boards of trustees and asked the chancellors to convey to the chairs how much their presence and commitment meant to the University.

The chairman called attention to the article on "State General Fund Constraints" which was prepared by Mr. Sanders and included in the notebooks mailed to each member.

Chairman Ruffin expressed special thanks to Dr. Coble and the members of his staff for planning the Joint Meeting of the North Carolina Education Governing Boards and the State Education Commission. He praised Governor Hunt's education challenge -- "First in America by 2010."

Chairman Ruffin reported that due to Mr. Peterson's reassignment from the Planning Committee to the University Governance Committee, he had resigned from the

Principle Fellows Commission. Chairman Ruffin reported that Mr. Reaves had accepted appointment as a member of the Principle Fellows Commission, effective immediately.

The chairman announced the following upcoming events:

- March 18-21, 2000, Association of Governing Boards National Conference on Trusteeship, New Orleans, LA
- April 20, 2000, Installation of Chancellor James Renick, North Carolina A&T State University

* * *

Mr. Wilson commented on the efficiency of the one-day meetings and urged Chairman Ruffin and President Broad to consider planning more of them in the future.

* * *

On motion of Mrs. Britt, seconded by Mr. Wilson, the board voted to convene in closed session pursuant to North Carolina General Statutes Sections 143-318.11(a)(5) and 143-318.11(a)(6).

* * *

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 11, 2000, were presented for review and approval. On motion of Mr. Broadwell, seconded by Mrs. Marvin, the minutes were approved as presented.

REPORT OF COMMITTEE ON BUDGET AND FINANCE

Lease of Space – North Carolina State University

Mr. Wilson presented a request from North Carolina State University for authority to lease office space for the Computer Science Department. On behalf of the committee, he moved that the request be approved and transmitted to the Council of State for final action. Mr. Warwick seconded the motion and it carried.

REPORT OF COMMITTEE ON PERSONNEL AND TENURESummary Personnel Report

Mr. Adcock presented the committee's Summary Personnel Report for discussion, subject to final action in open session.

REPORT OF COMMITTEE ON O. MAX GARDNER AWARD

Mrs. Little, chair of the Committee on the O. Max Gardner Award, presented and moved approval of the committee's report. Mr. Broadwell seconded the motion and it carried.

* * *

On motion of Mrs. Britt, seconded by Mr. Wilson, the board voted to reconvene in open session.

RESUMPTION OF OPEN SESSION**REPORT OF COMMITTEE ON PERSONNEL AND TENURE**Summary Personnel Report

Mr. Adcock, chair of the Committee on Personnel and Tenure, moved approval of the committee's summary personnel report and other items considered in closed session, including a recommendation from President Broad for a title change at North Carolina State University for Mary Elizabeth Kurz from General Counsel to Vice Chancellor and General Counsel. Mr. Grainger seconded the motion and it carried. (Appendix K)

* * *

On motion of Mrs. Britt, seconded by Dr. Taylor, the meeting adjourned at 6:38 p.m.

Secretary

APPENDICES

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Appendix A	Approval of the Summary of Institutional Annual Reports, 1998-99	(Attached)
Appendix B	Authorization of Sale of Revenue Bonds – UNCCH	(Attached)
Appendix C	Approval of the Exchange and Acquisition of Properties – UNCC	(Attached)
Appendix D	Authorization to Establish the Center for Health Ethics and Policy – UNCCH	(Attached)
Appendix E	Approval of Licensure of ECPI Colleges, Inc., d/b/a ECPI Technical College, to Conduct Degree Activity in Raleigh, North Carolina	(Attached)
Appendix F	Approval of the Study of Prepaid Tuition Plans and College Savings Plans	(Attached)
Appendix G	Approval of Nominations to the UNC Press Board of Governors	(Attached)
Appendix H	Fee Authorizations – 2000-2001	(Attached)
Appendix I	Federal Legislative Agenda Proposals	(Attached)
Appendix J	State Legislative Agenda Proposals	(Attached)
Appendix K	Summary Personnel Report	(Attached)