The University of North Carolina at Charlotte
Board of Trustees

Friday, February 28, 2014, 10:15 a.m.
Bioinformatics, Room 217

Open and Closed Session Minutes

Presiding: Karen A. Popp, Chair
Assistant Secretary: Krista L. Newkirk, Office of the Chancellor

<table>
<thead>
<tr>
<th>Present</th>
<th>Absent</th>
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<tr>
<td>Catherine P. Bessant</td>
<td>Karen A. Popp</td>
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<tr>
<td>Martin L. Brackett, Jr.</td>
<td>Joe L. Price</td>
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<td>Theresa J. Drew</td>
<td>Mary Ann Rouse</td>
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<td>Robert F. Hull</td>
<td>Laura A. Schulte</td>
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<td>Brady R. Nails</td>
<td>Michael L. Wilson</td>
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<td>David L. Hauser</td>
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<td>Marion S. Sullivan</td>
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Staff/Guests in Attendance
Philip Dubois, Chancellor
Jeff Baker, Public Safety
John Bland, University Communications
David Broome, Legal Affairs
Michael Carlin, Information and Technology Services
Kendra Cooks, Business Affairs
Betty Coulter, Business Affairs
Betty Doster, Constituent Relations
Peter Franz, Business Affairs
David Graham, ACE Fellow
Beth Hardin, Business Affairs
Art Jackson, Student Affairs
Hank James, Business Affairs
Jeff Jensen, Legal Affairs
Jane Johansen, Business Affairs
Jenny Jones, University Advancement
Meagan Jones, Office of the Chancellor
Phil Jones, Business Affairs

Jim Kay, Staff Council
Heather LeMaster, Office of the Chancellor
Joan Lorden, Academic Affairs
Forrest Maxwell, Office of the Chancellor
Matt Messina, Information and Technology Services
Krista Newkirk, Office of the Chancellor
Paul Nowell, University Communications
Judith Rose, Intercollegiate Athletics
Tony Sanders, Information and Technology Services
Brenda Shue, Office of the Chancellor
Lee Snodgrass, Business Affairs
Niles Sorensen, University Advancement
Bianca Taylor, Office of the Chancellor
Jennifer Ward, Office of the Chancellor
Stephen Ward, University Communications
Bob Wilhelm, Research and Economic Affairs
Laura Williams, Business Affairs
Call to Order. Ms. Popp called the meeting to order and reminded members of the Board of their duty to avoid conflicts of interest and appearances of conflict under the North Carolina Ethics Act. In accordance with Chapter 138A of the North Carolina General Statutes, she requested that Trustees make her aware of any conflict of interest or any appearance of a conflict with respect to any matters coming before the Board at any time during this meeting. No conflicts were reported.

Introductions and Announcements. Ms. Popp informed the Trustees that she will not be present at the April 3 Board of Trustees meeting and stated that Mr. Price will chair the meeting. Ms. Popp informed the Board that she had appointed Mr. Jamil, Mr. Brackett, and Mr. Wilson to the Officer Nominating Committee, with Mr. Jamil as chair, and that the Committee plans to make its recommendations at the April 3 Board meeting. Ms. Popp reminded the Trustees of the April 15 deadline for completing the 2014 Statement of Economic Interest required by the State Ethics Commission.

Ms. Popp reminded the Board about several upcoming events:
- The PORTAL dedication ceremony immediately following the Board meeting.
- The Community Partners Pre-Game Reception on Sunday, March 2.
- The First Citizens Bank Scholars Medal Award on Wednesday, March 19.
- The Witherspoon Lecture on Tuesday, March 25.
- Spring commencement ceremonies on Friday, May 9, and Saturday, May 10.

Approval of Minutes. Ms. Popp requested action on the minutes of the December 5, 2013, meeting of the Board of Trustees.

Action: On a motion by Mr. Brackett, seconded by Mr. Price, the minutes of the December 5, 2013, meeting were unanimously approved.

Remarks by the Chancellor. Chancellor Dubois informed the Trustees that the Board of Governors had recently approved a new professional science master’s degree in data science and business analytics and that the program will accept new students for fall 2014. Chancellor Dubois noted that the University has hosted site visits for potential partners for the program, including Carolinas Healthcare, Duke Energy, IBM, Lowe’s, Accenture, and Bank of America and is planning visits from other local companies.

Chancellor Dubois also noted that the Board of Governors approved all of UNC Charlotte’s tuition and fee proposals, including a $50 incremental increase in the infrastructure debt fee. Chancellor Dubois indicated that the University will finalize the list of projects that will be addressed using the infrastructure debt fee, including repairs to the Burson and Colvard buildings.

The Chancellor stated that fall 2014 freshman applications have increased by as much as 14 percent from 2013, and that spring 2014 enrollment is 216 higher than in 2013. Chancellor Dubois noted that the University’s enrollment increase is contrary to state and national trends.
Chancellor Dubois informed the Board that residence hall construction in the South Village is continuing, including the new residence dining hall, and that the first high-rise renovation will begin soon. The Chancellor stated that the residence hall construction and renovation responds to freshman class growth and the University’s goal of housing more sophomores. Dr. Jackson stated that Phase XII housing will open in fall 2014; Phase XIII in fall 2015; and Phase XIV, which will house Levine Scholars and Honors College students, in fall 2016. The Chancellor stated that the Phase XV housing project is under review in light of significant private apartment expansion in the University area.

Chancellor Dubois noted that the Trustees’ August retreat agenda will include a discussion of the development and funding of a University health and wellness center.

Chancellor Dubois reported that work on the Information Technology Master Plan (ITMP) is continuing and that the ITMP consultant, BerryDunn, has delivered a draft plan. The Chancellor indicated that the ITMP will result in significant changes for the University and that the Trustees’ August retreat agenda will include an ITMP discussion.

Chancellor Dubois reported that the University had received an optimistic report from the consultant that has evaluated the possible development of a hotel on the University’s campus. The Chancellor stated that an analysis of a potential conference center will be the next step taken to assess the project’s feasibility.

Chancellor Dubois reported that the outlook for the budget in the North Carolina General Assembly is difficult to assess, but that he has informed President Ross and the Board of Governors that compensation adjustments for faculty and staff are a priority for UNC Charlotte. The Chancellor noted that more than 700 full-time UNC Charlotte employees earn less than $35,000 per year in twelve-month jobs. The Chancellor also noted that the Office of State Budget and Management has requested that every state agency plan for a possible 2 percent appropriation reduction, and that UNC Charlotte will work to offset any possible reduction without draining reserves and reducing the University’s flexibility in funding new initiatives.

Chancellor Dubois introduced David Graham, an American Council on Education Fellow visiting UNC Charlotte.

**Debt Service Fee Overview.** Chancellor Dubois presented a summary of debt service fees, including a comparison of debt service fees across the UNC System. The Chancellor compared how schools in the UNC System use their funding; explained the differences between how state appropriations and non-appropriated funds are used; compared capital expenditures and appropriations across the UNC System; and reviewed the relationship of enrollment growth and funding. The Chancellor indicated that the Trustees will discuss debt services fees again at the August retreat.

**Report of the University Faculty Council.** Dr. Souffrant was unable to attend the Board of Trustees meeting. A copy of Dr. Souffrant’s report is available in the meeting archive.
Report of the University Staff Council. Mr. Kay reported that the Staff Council will submit its 2014-2015 fiscal year budget proposal by mid-April. Mr. Kay also reported that the Staff Council will soon vote on proposed changes to its Bylaws to change the title of President to Chair and to create new position guidelines for executive officers. Mr. Kay informed the Board that the Council’s Parking Subcommittee is analyzing ways to stabilize or potentially decrease staff parking costs. Mr. Kay also updated the Board on several upcoming Staff Council events, including the Have a Heart Campaign, a Chili Cook-off, and the Chancellor’s Cup Golf Tournament. Mr. Kay thanked the Chancellor for his support of the University Staff and Faculty Councils and for his efforts to implement faculty and staff salary increases.

Report of the Student Government Association (SGA). Mr. Nails reported that the SGA recently began its election process for the 2014-2015 academic year, is implementing the use of polling stations, and is working to increase student voter participation. Mr. Nails stated that the SGA is revising the qualifications for holding SGA office, moving class president elections from fall to spring, and modifying certain finance policy documents. Mr. Nails acknowledged recent controversy about his role and responsibilities and those of his Cabinet and stated that he is working to correct the concerns that have been brought to his attention.

Alumni Affairs Update. Ms. Jones reviewed the goals of Alumni Affairs and summarized recent and planned alumni activities, including more than 60 events held in fall 2014. Ms. Jones presented the Trustees with Perks cards for their use and indicated that a new mobile application has been developed for Perks card members. Ms. Jones also stated that increasing funding for merit and need-based scholarships is one of Alumni Affairs’ current goals. Ms. Jones indicated that Alumni Affairs is increasing its tracking of alumni engagement, including in social media, and is developing regional alumni networks. Ms. Jones stated that 11 seats on the Alumni Board were recently filled. Ms. Jones also reported that the Student Alumni Ambassadors organization is being restructured.

Report of the Executive Committee. Ms. Popp briefed the Board on the meeting of the Executive Committee, stating that Ms. Hardin and Gary Stinnett, Associate Vice Chancellor for Human Resources, had presented an orientation on the differences between employees subject to the North Carolina State Personnel Act (SPA) and employees not subject to the Act (EPA). Ms. Popp also reported that Dr. Lorden had briefed the Committee on the University Professional Internship Program and that Chancellor Dubois had presented a summary of the State Ethics Commission’s analysis of 2013 Statements of Economic Interest completed by the Board and the Cabinet.

Report of the Academic and Student Affairs Committee. Mr. Jamil reported that Dean of Students Christine Reed Davis and Academic Integrity Board Chair Dr. Richard Lejk had presented an orientation on academic integrity and that the University’s academic integrity program and training appear to be robust. Mr. Jamil also reported that Dr. Lorden had presented information on the Integrated Postsecondary Education Data System (IPEDS) Data Feedback Report 2013, which is compiled using data submitted by 7,500 U.S. universities and colleges. Mr. Jamil stated that the University’s tuition and net price are both below the twenty-fifth percentile in its peer group. Mr. Jamil also stated that Dr. Ken Bost had presented an excellent report on pharmaceutical research being conducted by Soymeds, Inc., a biotechnology research company that Dr. Ken Piller and Dr. Bost created as a spin-off of the Biology Department at UNC Charlotte.
Report of the Athletics Committee. Mr. Wilson informed the Board that Chancellor Dubois had reported on the Board of Governors Athletics Financial Transparency Committee’s work to develop athletics financial data reporting points for the UNC System. Mr. Wilson also stated that Mr. Hummer had presented the results of the recent Athletic Foundation audit, which resulted in no findings. Mr. Wilson reported that Ms. Rose had made a presentation on athletics team rules. Mr. Wilson also stated that the Committee had approved the addition of women’s golf to UNC Charlotte’s Athletics program.

49ers Football Season Review. Ms. Rose presented an overview of the first season of 49ers football, including the planning process and the work of the six committees involved in football planning; statistics on parking and traffic, concessions, waste disposal, public safety, and operational expenses; 49ers seat licensing and Athletic Foundation contributions; season ticket sales; student ticket distribution and use; marketing and media exposure; and fall 2014 planning.

Report of the Facilities and Physical Properties Committee. Ms. Rouse thanked the Chancellor for his overview of debt service fees. Ms. Rouse reported that Moody’s and Standard and Poor’s (S&P) had recently reviewed the University’s debt ratings and that S&P had changed its outlook from stable to negative. Ms. Rouse noted that both reports made many positive comments about the University’s management, enterprise profile, and enrollment trends, and that the S&P outlook reflects an anticipated increase in the University’s outstanding debt. Mr. Hull commented that the change in outlook should be viewed as a function of the normal ebb and flow of the ratings agencies’ evaluations.

Ms. Rouse presented a motion from the Committee to approve the Resolution Authorizing the Expansion and Revision of the Millennial Campus Boundary at the University of North Carolina at Charlotte.

Action. Mr. Nails seconded the motion, and the Board approved the Resolution Authorizing the Expansion and Revision of the Millennial Campus Boundary at the University of North Carolina at Charlotte.

Ms. Rouse presented a motion from the Committee to approve the Request for Authorization of a Capital Project for Campus Infrastructure Renewal—Phase I, with a budget of $2,150,000.

Action. Mr. Wilson seconded the motion, and the Board approved the Request for Authorization of a Capital Project for Campus Infrastructure Renewal—Phase I, with a budget of $2,150,000.

Ms. Rouse presented a motion from the Committee to approve the Request to Acquire Real Property by Deed for the Medical Office Complex, with a budget of $2,100,000 plus transaction costs.

Action. Ms. Schulte seconded the motion, and the Board approved the Request to Acquire Real Property by Deed for the Medical Office Complex, with a budget of $2,100,000 plus transaction costs.
Ms. Rouse presented a motion from the Committee to approve the Request to Dispose of Real Property by Easement for the Phillips Road Relocation: Greenway Easement Modification.

**Action.** Mr. Price seconded the motion, and the Board approved the Request to Dispose of Real Property by Easement for the Phillips Road Relocation: Greenway Easement Modification.

Ms. Rouse presented a motion from the Committee to approve the Request to Acquire/Dispose of Real Estate by Ground Lease for the Early College High School.

**Action.** Ms. Bessant seconded the motion, and the Board approved the Request to Acquire/Dispose of Real Estate by Ground Lease for the Early College High School.

**Report of the Audit, Compliance, and Enterprise Risk Management Committee.** Mr. Price reported that Katie Thigpen of the State Department of Audit had joined the Committee’s meeting via phone and had presented a review of the fiscal year 2013 financial statement audit of UNC Charlotte. Mr. Price informed the Board that the audit report noted no deficiencies and that Ms. Thigpen had commended the UNC Charlotte Financial Services team on their excellent work. Mr. Price stated that Director of Internal Audit Tom York had provided information on several other items, including additional external audit reports, none of which had resulted in findings. Mr. Price noted that the audits of the UNC Charlotte Foundation and Ventureprise resulted in recommendations that have already been addressed.

Mr. Price also stated that Mr. Broome had updated the Committee on the work of the search committee for the compliance director position; Ms. Newkirk had updated the Committee on the status of the recommendations of the Special Committee on Compliance and Risk Management; and Chancellor Dubois had discussed the structure of an Enterprise Risk Management function. Mr. Price also reported that Mr. Broome had presented an overview orientation on the structure and functions of the University’s Legal Affairs office, and that Hank James, Associate Vice Chancellor for Risk Management, Safety, and Security, and Betty Coulter, Director of Risk Management and Insurance, had presented a summary of the University’s insurance and risk management program.

**The Faculty: Tenure and Non-Tenure Tracks (Orientation).** Dr. Lorden presented an orientation on the UNC Charlotte faculty, including the number of full- and part-time faculty and of tenure-track and non-tenure-track faculty. Dr. Lorden compared several characteristics of tenure-track and non-tenure-track faculty. Dr. Lorden presented data on full-time faculty, including rank, race/ethnicity, and gender. Dr. Lorden reviewed promotion and tenure processes and the results of post-tenure review surveys.

**The Student Experience: Orientation, Housing and Residence Life, and Student Organizations (Orientation).** This presentation was deferred until the April 3, 2014, Board of Trustees meeting.

**Motion to Convene in Closed Session.** Ms. Popp called for the Board to convene in Closed Session.
Action. On a motion by Mr. Wilson, seconded by Mr. Price, the Board convened in closed session pursuant to the following General Statutes of the State of North Carolina:

a. Pursuant to N.C.G.S. §143-318.11(a)(1), to prevent the disclosure of information that is privileged or confidential pursuant to the laws of this State or of the United States, or not considered a public record within the meaning of Chapter 132 of the General Statutes, such privilege or confidentiality arising under the Family Educational Rights and Privacy Act (20 U.S.C. §1232g) or N.C.G.S. Ch. 126, Art. 7;
b. to consult with and receive advice from counsel pursuant to N.C.G.S. §143-318.11(a)(3);
c. to consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual, public officer or employee, or prospective public officer or employee pursuant to N.C.G.S. §143-318.11 (a)(6); and
d. to prevent the premature disclosure of an award pursuant to N.C.G.S. §143.318.11(a)(2).

Ms. Popp excused everyone except the Trustees, Chancellor Dubois, Chief Baker, Mr. Broome, Ms. Hardin, Mr. James, Dr. Jackson, Dr. Lorden, Ms. Newkirk, and Ms. Ward.

Closed Session

Closed session minutes are filed in the office of the Assistant Secretary of the Board of Trustees.

Public Session

Adjournment. There being no additional items, Ms. Popp adjourned the meeting.

Submitted: ________________________________
Krista L. Newkirk Date
Assistant Secretary to the Board
UNC Charlotte Board of Trustees

Approved: ________________________________
Karen A. Popp Date
Chair
UNC Charlotte Board of Trustees