MINUTES
The University of North Carolina at Greensboro
Board of Trustees

September 15, 2011

MEMBERS PRESENT OR BY TELEPHONE: Randall Kaplan (Chair), Kate Barrett, Jean Davis (telephone), Carolyn Ferree, Linda Hiatt, Isaac Miller, Richard Moore, William Pratt (telephone), Susan Safran, Harriett Smalls, David Sprinkle, Martin Weissburg

ABSENT WITH NOTICE: Charles Blackmon

OTHER STAFF MEMBERS/GUESTS: Linda Brady, Bonita Brown, Mike Byers, Cherry Callahan, Sarah Carrigan, James Clotfelter, Bruce Griffin, Josh Hoffman, Stacy Kosciak, David Perrin, Jorge Quintal, Kim Record, Cindy Reed, Steve Roberson, Steve Serck, Terri Shelton, Don Skee, Marirose Steigerwald, Patricia Stewart, Mike Tarrant, Reade Taylor

Chair Randall Kaplan called the meeting to order at 8:30 a.m.

WELCOME:

Chair Kaplan welcomed members of the Board of Trustees and invited guests.

In accordance with the UNC Board of Governors, Chair Kaplan then read the following statement:

“As chair of the Board of Trustees, it is my responsibility to remind all members of the board of their duty under the State Government Ethics Act to avoid conflicts of interest and appearances of conflict of interest as required by this Act. Each member has received the agenda and related information for this Board of Trustees’ meeting. If any board member knows of any conflict of interest or appearance of conflict with respect to any matter coming before the Board of Trustees at this meeting, the conflict or appearance of conflict should be identified at this time.”

No conflicts were noted.

Roll call was then read by Bonita Brown, assistant secretary.

REPORT OF NOMINATING COMMITTEE: - Carolyn Ferree (for Chair Jean Davis)

As submitted by Jean Davis, Chair of the Nominating Committee, the Board of Trustees approved the nomination of new officers for 2011-2012 as follows:

Chair – Randall Kaplan
Vice Chair – David Sprinkle
Secretary – Susan Safran
Assistant Secretary – Bonita Brown
Executive Committee Member – Carolyn Ferree
Executive Committee Member - Richard Moore

Dr. Ferree told board members that the current code of the Board of Trustees does not include information regarding terms for officers of the board. She added that members of the Nominating Committee discussed the importance of the board chair serving for two years. In addition, the committee discussed
the idea of the vice chair also serving for two years and then transitioning into the role of chair. The secretary would move into the vice chair role and ultimately become chair. Committee members also discussed the need for four board members to serve on the Nominating Committee going forward.

Chair Kaplan stressed the importance of resolving the issue of officer terms before the next board meeting. It was decided that the Executive Committee will review the code and discuss possible revisions.

Another issue was raised regarding the level of the board’s involvement in the appointment of new board members. Richard Moore expressed concern about the lack of a purposeful plan for board structure. Chair Kaplan agreed and suggested the creation of a matrix to assist with a plan going forward.

**REMARKS BY CHANCELLOR LINDA BRADY:**

Chancellor Brady began by thanking board members for the work they do on behalf of the university. She then commented on four areas that have required a significant amount of attention over the past year.

1) **Management of the Budget:** The Chancellor referred board members to a handout illustrating examples of the impact of the management flexibility cuts the university has taken in the current fiscal year. Over the last five years UNCG has taken more than $80 million in permanent and one-time budget cuts. This year the university will take an additional $26 million cut in its management flexibility reduction. An additional $4.1 million was lost through the elimination of the iSchool program. In the current fiscal year, an estimated 203 positions have been eliminated including 157 faculty, 27 EPA non-faculty, and 19 SPA staff. Approximately one-half of those positions were vacant. Efforts to manage budget cuts have included the restructuring of the School of Human Environmental Sciences and the School of Health and Human Performance creating a new School of Health and Human Sciences that will save slightly over $1 million in administrative overhead. We are also engaged in a university-wide academic program review that will identify our unique strengths and areas for potential consolidation or curtailment. Despite efforts to protect the academic core, students are feeling the impact of budget cuts. A decision was made to reinvest the net tuition revenue from our campus-initiated tuition increase into restoring classroom seats and class sections. 25% of the campus-initiated tuition revenue is reinvested in financial aid. The remaining 75% (approximately $3.2 million) was reinvested in restoring sections of courses that were cut. Despite efforts, we are down approximately 975 course sections. The Provost has worked with the Deans Council to identify and protect the most crucial courses. The deans also approved a temporary course substitution policy which enables students to substitute one course for another that may be required for their degrees.

2) **Restoring the Student Profile of UNCG:** Due in large part to the work of the admissions staff, we have been very successful in recruiting a stronger freshman class and enhancing its diversity.

3) **Expanding Learning Communities in Conjunction with Development of the Mixed-Use Village:** The goal is to build stronger connections for students, leading to enhanced retention and graduation rates, closer ties to the university following graduation, stronger engagement by alumni, and ultimately greater support for UNCG. During the past year four new learning communities have been created serving 200 additional students.

4) **Academic Program Review:** The purpose of this review is to identify areas of strength and unique opportunity for UNCG that will provide guidance for decisions concerning future investments and internal reallocation of resources. The academic program review will be completed in the coming year, and board members will continue to receive updates on the progress. Recommendations from the university-wide committee are expected to be received by March and posted on the website for comment by students, faculty, staff, board members, and community members.
The Chancellor told board members that UNCG has received word from General Administration that our new Board of Governors liaison is William Edwin “Ed” McMahan from Charlotte.

APPROVAL OF MINUTES:

The Board approved the Minutes of the May 5, 2011 meeting and the August 4, 2011 special called meeting.

CONSENT AGENDA:

Chair Kaplan indicated that item BAC-1, Exterior Design Approval for the UNCG Mixed-Use Village Phase I, will be removed from the consent agenda for further discussion. The Board of Trustees then moved on the following consent agenda.

1) Candidates to be Awarded Degrees and Certificates August 2011 (A/SAC-1)
2) Designer Selection for New Student Recreation Center (BAC-2)
3) Designer Selection for Reynolds and Grogan Residence Halls Renovation (BAC-3)
4) Issuance of Special Obligation Bonds (BAC-4)
5) Reimbursement Resolution – New Mixed-Use Village (BAC-5)
6) Authorization for Lease of Space (BAC-6)
7) Recommended Appointment to The University of North Carolina at Greensboro Investment Fund (UAC-1)

All approved and the motion carried.

REPORT OF THE BUSINESS AFFAIRS COMMITTEE: – Chair Safran

Susan Safran reported that the majority of board members were present on September 14, 2011 for the Business Affairs Committee meeting. Six action items and three information items were presented. Five action items were approved on the consent agenda. She reported that the Greensboro City Council voted unanimously to approve the development of Phase I of the Mixed-Use Village. At the request of Ms. Safran, Jorge Quintal, associate vice chancellor for facilities, introduced Lauren Rockart of Lord Aeck Sargent Architects who gave a presentation on the exterior design for the Mixed-Use Village Phase I.

The board then moved on the following action item:

1. It is recommended that the Board of Trustees of The University of North Carolina at Greensboro approve the exterior design of the Mixed-Use Village Phase I.

All approved and the motion carried.

PRESENTATIONS:

Peer Selection 2011: Dave Perrin, Provost and Executive Vice Chancellor, told board members that in May 2011 UNC-GA initiated a review/update process with each of the UNC system campuses, with the goal of submitting a set of peers for each campus to the BOG for their October 2011 meeting. The last Peer Study conducted by UNC was in 2006. Provost Perrin explained the process for peer selection and shared UNCG’s list of fifteen 2011 proposed peers and three 2011 proposed aspirant peers with board members. Lists will be reviewed by the Board of Governors at the October meeting, and we will make changes if needed.
REPORT OF THE ACADEMIC/STUDENT AFFAIRS COMMITTEE: – Chair Moore

Richard “Skip” Moore reported on the Academic/Student Affairs Committee meeting on September 14, 2011. One action item, Candidates to be Awarded Degrees and Certificates, was moved to the consent agenda and approved. The committee heard reports from the Provost, Vice Chancellor for Student Affairs, and Vice Chancellor for Research and Economic Development. The Provost recognized three new deans including Dean Karen Wixon, School of Education, Dean Mac Banks, Bryan School of Business and Economics, and Dean Bill Wiener, The Graduate School. Reports were provided on academic restructuring, progress on strategic planning, and academic program review. Vice Chancellor Cherry Callahan told committee members about three new staff members in Student Affairs. She also reported that residence halls are at 103% occupancy, and there has been an increase in student participation in on-campus student activities. Vice Chancellor Terri Shelton reported on research and creative activities, noting that UNCG has received over $47 million in external funding in the last year toward the goal of $50 million. The committee also heard reports on student enrollment and retention and graduation rates.

REPORT OF THE ATHLETICS COMMITTEE: – Martin Weissburg

In the absence of committee chair Charles Blackmon, Martin Weissburg reported on the first meeting of the Athletics Committee held on September 14, 2011. He stated that committee members reviewed proposed language regarding the duties of the Athletics Committee. It was decided that the committee is not yet in a position to adopt the proposed language. Further research and discussion is needed to ensure the proper frame of reference to determine the appropriate mission and goals. Director of Intercollegiate Athletics Kim Record will work with University Counsel to ensure that the committee’s ideas are in line with the regulations and policies of the Board of Trustees, Board of Governors, and the NCAA. Ms. Record was also asked to research and report back to the committee on the composition and duties of two existing athletics advisory councils at UNCG that support the Chancellor and the Athletics Director.

REPORT OF THE AUDIT COMMITTEE: – Randall Kaplan

Randall Kaplan reported that the Audit Committee met on September 14, 2011. Don Sveen, director of internal audit, provided a summary of internal audits that have been performed as well as those that are scheduled to be performed in the coming year. He gave an overview of the rationale and strategies relating to risk that is used in determining areas to be audited. He reported that there were no findings related to the external audit for SERVE, Inc. Mr. Sveen also provided an overview to committee members of compliance documents submitted to General Administration.

Kate Barrett referenced attachment AUD-1a in the audit materials, expressing concern about the fact that an audit has not been performed for “Compliance of Donor Terms (Restricted Gifts)” since 2008-09. She recommended that the Audit Committee take a look at this schedule.

REPORT OF THE UNIVERSITY ADVANCEMENT COMMITTEE: – Chair Ferree

Carolyn Ferree reported on the September 14, 2011 meeting of the University Advancement Committee. She commented that Kate Barrett is chairing an ad hoc committee to review naming policies that will meet for the first time on September 30. The committee reviewed one action item, a recommended appointment to the UNCG Investment Fund, that was approved and moved to the consent agenda. She referred board members to the Report on Private Giving and mentioned that the total raised in 2010/11 is $12.7 million. The 2011/12 goal of $10 million is based on six-month projections using a proven process. Dr. Ferree referred to Attachment A, specifically the percentage decrease in Alumni Association giving, and said that committee members discussed the need for greater detail in future giving reports regarding alumni participation, etc.
CLOSED SESSION:

Skip Moore moved that the board go into Closed Session to prevent the disclosure of privileged personnel information under Chapter 126 of the North Carolina General Statutes. Carolyn Ferree seconded, and the board went into Closed Session.

The board then moved on the following action item:

1. It is recommended that the Board of Trustees of The University of North Carolina at Greensboro approve the personnel report dated August 29, 2011.

All approved and the motion carried.

Skip Moore recommended the Board return to Open Session, Kate Barrett seconded and the board returned to Open Session.

ANNOUNCEMENTS:

Randall Kaplan announced that Governor-appointed members of the Board of Trustees have been confirmed. New members are Lee McAllister and Nathan Duggins.

ADJOURNMENT:

Randall Kaplan recommended that the meeting be adjourned. Kate Barrett seconded, and the meeting ended at 10:43 am.

Respectfully submitted,

Bonita J. Brown
Assistant Secretary to the Board of Trustees