

DRAFT MINUTES

November 19, 2020
University of North Carolina
Center for School Leadership Development, Board Room
Via Videoconference and UNC-TV Live Stream

Call to Order

The Board of Governors met on November 19, 2020, in-person and by videoconference. Chair Ramsey called the meeting to order at 9:00 a.m. Chair Ramsey reminded the members that the day's meeting would be conducted pursuant to the provisions of the Open Meetings Act, that apply during states of emergency and that allow for public bodies to meet via electronic means. The law requires, however, that all votes are to be taken by roll call. He reminded the members that all chats, instant messages, texts, or other written communications between members of the Board regarding the transaction of the public business during the remote meeting are deemed a public record.

Invocation

Chair Ramsey called on Mr. Green to give the invocation.

Roll Call

Secretary Burris-Floyd called the roll. The following members were present:

W. Louis Bissette, Jr.	W. Marty Kotis, III
Kellie Hunt Blue	Steven B. Long
Pearl Burris-Floyd	J. Alex Mitchell
C. Philip Byers	Wendy Floyd Murphy
Jimmy D. Clark	Anna Spangler Nelson
Carolyn Coward	R. Doyle Parrish
N.Leo Daughtry	Art Pope
Thomas C. Goolsby	David Powers
Isaiah Green	Randy Ramsey
Reginald Ronald Holley	Temple Sloan
James L. Holmes, Jr.	Dwight D. Stone
Mark Holton	Michael Williford
Terry Hutchens	

State Ethics Act

Chair Ramsey stated that, under the State Ethics Act, members have a duty to avoid conflicts of interest and appearances of conflicts and asked if anyone had a potential conflict. There were none.

Presentation of the 2020 Oliver Max Gardner Award

Chair Ramsey announced that the Board of Governors has the honor of annually selecting recipients for the Oliver Max Gardner Award, which was established by the will of the late Governor Gardner. The award recognizes a UNC System faculty member whose work has made the greatest contributions to the welfare of the human race. This year marked the 72nd consecutive year for the award. The 2020 recipient was announced earlier in the year, but

due to the pandemic, the Board had to postpone the presentation until today's meeting. Chair Ramsey recognized members of the Oliver Max Gardner family, who attended the day's award presentation virtually. Next, he thanked Mrs. Nelson, former chair of the Committee on Educational Planning, Policies, and Programs, who oversaw the award process. Mrs. Nelson assigned Mr. Daughtry, chair; Mr. Adam Schmidt, and Mr. Stone to the award committee. Next, Chair Ramsey called on Mr. Daughtry to begin the presentation.

Mr. Daughtry stated that after careful consideration of many qualified nominees, the award committee selected Dr. Samantha Meltzer-Brody, the Assad Meymandi Distinguished Professor and director of the UNC Perinatal Psychiatry Program at the University of North Carolina at Chapel Hill and director of the UNC Center for Women's Mood Disorders. Following a short video highlighting Dr. Meltzer-Brody's amazing work and achievements, Chair Ramsey presented her with a framed citation (see Appendix A). The award recipient also receives a stipend, which was issued to her earlier in the year. President Hans congratulated Dr. Meltzer-Brody and stated that her dedication to research and service has led to numerous advances and that her research and public policy efforts are impacting the entire nation and beyond. President Hans called on Dr. Meltzer-Brody for her brief acceptance remarks.

President's Report

President Hans spoke about the progress that the UNC System Office has made regarding the development of a common course numbering system. The propose of establishing a shared common course system will ease the transfer options for our students between the NC Community College System and the UNC System's four-year institutions. He also reported on the need to address the steady rise in the number of students with serious mental health illnesses. In consultation with the UNC System's chancellors and the student affairs professionals, the UNC System is offering a system-wide mental health support system, which includes the use of telehealth tools, consultation, and online mechanism for reporting health concerns. President Hans stated that the UNC System was looking ahead to planning of the spring semester. A detailed summary of spring semester plans will be sent to the Board soon. For President Hans' complete report, please see Appendix B.

Consent Agenda Items

Chair Ramsey referred to the consent agenda items listed as Item 5 on the day's consent agenda.

Minutes

- a. Minutes of October 22, 2020

Committee on Budget and Finance

- b. Capital Improvement Projects Appendix C
- c. Acquisition of Property by Deed and Disposition by Demolition – N.C. A&T State University Appendix D
- d. Acquisition of Property by Transfer of Deed – N.C. A&T State University Appendix E
- e. UNC Policy Manual Section 200.6, *Policy on Delegation of Authority to the President* (Amended) Appendix F
- f. UNC Policy Manual Section 600.1.1, *Policy on Design, Construction, and Financing Capital Improvement Projects* (Amended) Appendix G

Committee on Educational Planning, Policies, and Programs

- g. UNC System Degree Program Discontinuation and Consolidation Appendix H

Committee on University Governance

- h. UNC Policy Manual Section 200.5, *Initiating and Settling Potential and Pending Litigation* (Amended) Appendix I

Committee on Audit, Risk Management, and Compliance

i. Approval of UNC System Internal Audit Plans for 2020-21

Appendix J

Motion: Resolved, that the Board of Governors approve the consent agenda items listed on the day's meeting as described above.

Motion: Mark Holton

Motion carried (Roll Call vote taken; see Appendix O)

Report of the Committee on Budget and Finance

Mr. Holmes, chair of the committee, reported that the committee held a joint meeting with the Committee on Public Affairs. The committees heard a presentation on the 2021-23 UNC Operating Budget Priorities (see Appendix K). Mr. Holmes stressed that the campuses should identify potential savings in case contingency funds are needed due to the costs incurred from the pandemic and in the event of a decrease in revenue and receipts. He stated that the 2021-23 operating budget requests be limited to System-wide priorities that preserves the core mission of the institution, including UNC enrollment funding, the NC Promise Program, building reserves, and faculty and staff salaries. The projected 2021-22 costs are \$105-\$115 million and 2022-23 costs are \$146-\$166 million. Final costs will be reported on at its next meeting in January.

Motion: Resolved, that on behalf of the Committee on Budget and Finance, the Board of Governors vote to approve the proposed 2021-23 UNC Operating Budget Priorities.

Motion: James L. Holmes, Jr.

Motion carried (Roll call vote taken; see Appendix O)

Following the joint meeting, the committee reviewed and approved routine administrative and transactional items, which were listed on the day's consent agenda. Mr. Holmes reported that earlier this week, the committee held a workshop on student fees. The workshop consisted of panel discussions on health services, student activities, and athletic fees, and discussed how campuses use fee revenues. The committee will continue discussion on this topic, including a more in-depth look at certain mandatory fees.

In closing, Mr. Holmes reported that Mr. Kotis provide an update on the Capital Construction Task Force. He also announced that the Task Force on Pricing, Flexibility, and Affordability was scheduled to meet at the conclusion of the day's full Board meeting.

Report of the Committee on Educational Planning, Policies, and Programs

Mr. Sloan, chair of the committee, reported that the committee approved the discontinuation and consolidation of two academic degree programs at NC State University (see Appendix H). The committee reviewed the 2020 UNC System Peer Study (see Appendix L).

Motion: Resolved, that on behalf of the Committee on Educational Planning, Policies, and Programs, the Board of Governors vote to approve the 2020 UNC System Peer Study.

Motion: Temple Sloan

Motion carried (Roll call vote taken; see Appendix O)

Next, the committee heard an update on enrollment for student success. The UNC System has seen record-high enrollment, which was attributed to improved retention rates. Mr. Sloan noted that one implication of the strong enrollment is the increase of non-resident, undergraduate students. Three institutions, Elizabeth City State

University, North Carolina A&T State University, and North Carolina Central University have exceeded the 18 percent cap on nonresident enrollment for two consecutive years, which is subject to penalties. President Hans urged the committee to further study the issue of non-resident enrollment. Subsequently, the committee approved a recommendation to suspend the assessment of any penalties. Mr. Sloan called on President Hans for his comments. President Hans suggested that the Board consider changes to the out-of-state enrollment percentage cap on nonresident enrollment.

Motion: Resolved, that on behalf of the Committee on Educational Planning, Policies, and Programs, the Board of Governors suspend the assessment of any penalties under UNC Policy Manual, Section 700.1.3, *Policy on Out-of-State Undergraduate Enrollment*, until the Board takes further action regarding the enrollment percentage cap on nonresident, graduate students.

Motion: Temple Sloan

Motion carried (Roll call vote taken; see Appendix O)

Next, Mr. Sloan called on Dr. Ives, chair of the UNC Faculty Assembly, for his report. Dr. Ives thanked the Board and the UNC System Office for involving faculty in many of the Board's ongoing policy discussions. He spoke about the ways in which the Faculty Assembly is recognizing excellence in our faculty and staff. His presentation included a profile of the tremendous work of our faculty and staff from across the System. The UNC Faculty Assembly will continue promoting the faculty and staff and illustrate how they are making exceptional contributions on their campus, to society, and academia.

Report of the Committee on University Governance

Mr. Powers, chair of the committee, reported that the UNC Health Care System Board of Directors had four at-large members with four-year terms of appointment that expired on October 31, 2020. Mr. Powers explained that the UNC Health Care Board is comprised of 24 members; 16 members are elected at-large and 12 of those members are appointed by the Board of Governors in consultation with the president. President Hans recommended the reappointment of Mr. Samuel B. Bowles, and the appointments of Ms. Tracey Leinbach, Ms. Deborah Murray, and Mr. C. Howard Nye to fill the four at-large terms.

Motion: Resolved, that on behalf of the Committee on University Governance, the Board of Governors approve the reappointment and the appointments of the individuals named above to serve on the UNC Health Care Board of Directors.

Motion: David Powers

Motion carried (Roll call vote taken; see Appendix O)

Next, Mr. Powers reported that the UNC-TV Board of Trustees has one vacancy with a term beginning on July 1, 2020 ending on June 30, 2024. The committee recommended the appointment of Mr. Don Curtis to serve.

Motion: Resolved, that on behalf of the Committee on University Governance, the Board of Governors approve the appointment of Mr. Don Curtis to serve on the UNC-TV Board of Trustees.

Motion: David Powers

Motion carried (Roll call vote taken; see Appendix O)

The committee heard a discussion on free speech and free expression on the UNC System constituent institutions. UNC-Chapel Hill faculty members Jennifer Larson, Mark McNeilly, and Timothy Ryan presented to the committee. Their presentations highlighted areas to better understand the culture at UNC-Chapel Hill, the need to create an

informative national conversation, and the lack of evidence-based analysis as it relates to free expression and civil discourse on campus. The committee will continue ongoing discussion on this topic.

In closing, Mr. Powers reported that he participated in a panel discussion with members of the faculty assembly, Rep. Fraley, Chief of Staff Houston, Vice President Moretz, Vice President Morra, on advocacy efforts. The group discussed ideas to foster working relationships between faculty, members of the Board of Governors, and members of the boards of trustees. Mr. Powers thanked Dr. Ives, Chair, UNC Faculty Assembly for facilitating this discussion.

Report of the Committee on Public Affairs

Mr. Byers, chair of the committee, reported that the committee held a joint meeting with the Committee on Budget and Finance to discuss the 2021-23 UNC Operating Budget Priorities and 2021 Legislative Priorities. The committee discussed items in the legislative proposals. The committee approved the UNC 2021 Legislative Proposals (see Appendix M).

Motion: Resolved, that on behalf of the Committee on Public Affairs, the Board of Governors approve the proposed 2021 Legislative Proposals.

Motion: C. Philip Byers

Motion carried (Roll call vote taken; see Appendix O)

Report of the Committee on Audit, Risk Management, and Compliance

Mr. Holton, chair of the committee, reported that the committee received an update on the internal audit activities in the UNC System. He noted that the University's audit function is among the principal duties and responsibilities of the committee. The committee heard a presentation on the role of each internal audit function in the UNC System. The committee received an overview of the internal audit activities for the 2020 fiscal year. Other work conducted by the internal audit professionals included committee work, enhancing the use of data analytics, and responding to COVID-19.

Next, the committee heard a summary on the System-wide internal audit plans for the 2021 fiscal year. Mr. Holton noted that a few areas where multiple institutions will devote audit efforts include Title IX, information technology, and federal COVID funding. The committee reviewed and approved the UNC System Internal Audit Plans for 2020-21 and voted to place the item on the day's consent agenda (see Appendix J).

Finally, the committee heard an update on the status of internal audit work for the UNC System Office and heard a summary of the projects that are in progress.

Report of the Committee on Strategic Initiatives

Mrs. Coward, chair of the committee, reported that the committee held a joint meeting with the Committee on Educational Planning, Policies, and Programs to discuss a proposed amendment to the UNC Policy Manual, Section 400.1.5, *Fostering Undergraduate Student Success*. The amendment calls for the establishment of a common course numbering system across the UNC System by academic year 2022-23. The committee heard a presentation on the challenges of credit transfer, benefits of a common course numbering system, and a proposed policy change. The committee heard input from several UNC chancellors and other senior academic leaders who have seen the benefits of implementing a common course numbering system. The committees voted to approve the amendment to Section 400.1.5, which will be brought to the full Board for approval at its next meeting.

Report of the Committee on Historically Minority-Serving Institutions (HMSI)

Mr. Holley, chair of the committee, commented that he had the opportunity to visit all six of the UNC System's HMSI campuses and meet with each of the chancellors. He was thoroughly impressed by these historic landmarks and learned so much more about their unique distinctions.

Mr. Holley reported that at its meeting the committee heard an update on the grant proposal that it submitted in July 2020 to the Z. Smith Reynolds Foundation in support of its marketing project. The project is a collaboration between UNC-TV, the UNC System, and the six UNC HMSI institutions. It also includes a televised program produced by UNC-TV, featuring a collection of impactful stories of people and programs at each of the institutions. The committee expected to receive notification from the Z. Smith Reynolds Foundation in the coming week. If successful, the committee will proceed with the marketing plan for the spring 2021. The committee will continue to seek other funding opportunities in support of this effort.

Finally, the committee discussed the progress of Constituent Relationship Management (CRM) software and the data mart implementation. It also heard an update on the University Advancement's progress towards expanded shared services and a system-wide data mart. A consulting firm was brought on to assist the advancement team.

Report on the Subcommittee on Laboratory School

Mr. Byers, chair of the subcommittee, reported the committee met on November 9, 2020, to review and approve the laboratory school's annual evaluation report that was submitted to the Joint Legislative Education Oversight Committee earlier this month. The committee heard from Dr. Kevin Bastian, director of research at UNC College of Arts and Sciences Public Policy, and Ms. Julie Kemp, researcher for Public Impact, LLC, who provided an overview on its findings related to this year's teaching and learning. Due to the pandemic, state testing was cancelled for academic year 2019-20. As a result, teachers' evaluations were incomplete and did not include the latest data on students' achievements. It was noted that lab schools appear to be having a positive impact on students' attendance, which should lead to student achievement gains.

The committee also heard an update on the current operations of lab schools, which continued to operate in-person and remotely. He noted that lab schools were alternating attendance schedules to provide a safe learning environment during the pandemic. In closing, Mr. Byers announced that UNC Charlotte will operate a new lab school beginning this summer.

Chair's Report

Chair Ramsey remarked that the coming year will be a financial challenge for our university, our state, and the country's economy. He noted that the 2021-23 budget priorities, approved by the Board, was a disciplined, focused, and the right approach to protecting the core mission of the University. The budget priorities respect the limitations of the moment while still meeting the needs of our citizens. He spoke about the effort underway to simplify tuition and fees policies. The task force on Pricing, Flexibility, and Affordability was established for this purpose. He thanked Vice Chair Murphy for overseeing the task force.

Next, he noted that work continued across our campuses to keep students engaged and on track to complete their degrees. He spoke about the rising enrollment and strong retention rate of our University. Chair Ramsey credited the faculty and staff on their great work and sustained commitment.

Chair Ramsey thanked Mr. Powers for organizing the previous day's panel discussion session on campus free speech and free expression. He was proud of the work our campuses have done to set the right policies for free expression as well as knowing that our faculty are trying to create a welcoming environment for learning and open discussion.

In closing, Chair Ramsey called on Mr. Kotis for his remarks. Mr. Kotis asked for an update regarding on-campus COVID-19 testing, best practices for surveillance testing, the University's plan to expand testing, a centralized dashboard that tracks the impact of COVID-19, and the misinformation related to the Board of Governors requiring campuses to reopen. Additionally, Mr. Goolsby inquired about the mortality rate of our student population. Chief of Staff Houston responded to each of the inquires.

Chair Ramsey called on Secretary Burris-Floyd for a motion to go into closed session.

Motion: Resolved, that the Board go into closed session pursuant to N.C. General Statute 143-318.11(a)(1), (3), and (6), for the purposes stated in the written motion that was included in the meeting materials, which have been publicly made available (see Appendix N).

Motion: Secretary Burris-Floyd

Motion seconded: Mrs. Blue

Motion carried (Roll Call vote taken; see Appendix O)

The Board went into closed session at 10:56 a.m. and returned to open session at 11:40 a.m.

Report of the Committee on Personnel and Tenure

Mrs. Blue, chair of the committee, reported that the committee heard several general human resource updates, including matters related to COVID-19. The committee received a presentation in a series of information workforce metrics. The presentation focused on employee turnover and internal/external hiring activity. Most voluntary turnover was reduced or held steady at most of the UNC constituent institutions. The presentation also provided information on system-wide hiring activity. The committee agreed that efforts should be made to hire talent from within the UNC System.

The committee reviewed an informational report on recent salary increase activity. The report reflects a decrease in recent salary activity, which is a result of the pause in non-essential human resources activity due to the pandemic. It also reviewed a routine informational report.

In closing, Chair Ramsey announced that the Task Force on Pricing, Flexibility, and Affordability, would convene upon adjournment of the day's meeting.

There being no further business, the meeting adjourned at 11:45 a.m. The next meeting of the Board of Governors is scheduled for Thursday, December 17, at the UNC Center for School Leadership Development in Chapel Hill.

Pearl Burris-Floyd, Secretary

APPENDICES

The Appendices are part of the official record of the meeting and are posted on the UNC System website at: <http://www.northcarolina.edu/apps/bog/index.php>

Appendix A	2020 Oliver Max Gardner Award Recipient's Citation – Dr. Samantha Meltzer-Brody
Appendix B	President Hans' Report
Appendix C	Capital Improvement Projects
Appendix D	Acquisition of Property by Deed and Disposition by Demolition – N.C. A&T State University
Appendix E	Acquisition of Property by Transfer of Deed – N.C. A&T State University
Appendix F	UNC Policy Manual Section 200.6, Policy on Delegation of Authority to the President (Amended)
Appendix G	UNC Policy Manual Section 600.1.1, Policy on Design, Construction, and Financing Capital Improvement Projects (Amended)
Appendix H	UNC System Degree Program Discontinuation and Consultation
Appendix I	UNC Policy Section 200.5, Initiating and Settling Potential and Pending Litigation (Amended)
Appendix J	Approval of UNC System Internal Audit Plans for 2020-21
Appendix K	2021-23 UNC Operating Budget Priorities
Appendix L	2020 UNC System Peer Study
Appendix M	2021 Legislative Proposals
Appendix N	Closed Session Motion
Appendix O	Roll Call Votes