

Board of Trustees

North Carolina State University

April 22, 2005

The North Carolina State University Board of Trustees met in an open meeting in Room 3220 of Nelson Hall on Friday, April 22, 2005 at 9:00 a.m. Chair Peaches Gunter Blank presided.

Members Present:

- Peaches Blank, Chair
- McQueen Campbell, III
- Derick Close
- Ann Goodnight
- Suzanne Gordon
- Bob Jordan
- Bob Mattocks, II
- Wendell Murphy
- Richard Robb
- Richard Vaughn
- Steve Warren
- Cassius Williams
- Tony Caravano, ex officio

Chair Blank called the meeting to order at 9:15 am.

ROLL CALL

Assistant Secretary PJ Teal called roll and certified that a quorum was present.

MINUTES

Mr. Campbell made the motion, seconded by Mr. Caravano to approve the minutes of the February 18, 2005 meeting of the full Board; the February 18, 2005 Closed Session of the full Board; and the March 8, 2005 Executive Meeting; the motion carried.

CHAIR'S REPORT- PEACHES GUNTER BLANK

Chair Blank introduced the two newly appointed Board of Trustees members - Mr. Lawrence Davenport and the Honorable Burley Mitchell. She commented on the success of the Chancellor's Installation and requested that the staff draft a resolution of commendation from the Board to the Installation Committee.

Chair Blank then introduced the new Student Body President Mr. Whil Piavis to the Board of Trustees members. She thanked Chair of the Faculty Dennis Daley and Staff Senate Chair Laura Massengill for their service and congratulated incoming chairs Nina Allen and Melissa Watkins as they assume their new roles.

Chair Blank concluded by saying how proud she was of Chancellor Oblinger and how honored she has been to serve on the Board of Trustees for the past 10 years. She encouraged the remaining Board of Trustees Members to continue to work to accomplish the following:

- ☛ Acquire AAU status;
- ☛ Maintain competitive Faculty and Staff salaries;
- ☛ Complete Bond 1;
- ☛ Prepare for Bond 2;
- ☛ Build a conference center and new Chancellor's Residence;
- ☛ Plan and execute Government Relations and Public Relations Agendas;

- ☞ Revamp Calendar to hold Board of Trustees Meetings around NCSU events (March Founder's Day for example).

Chair Blank announced that the summer Board of Trustees Meeting will be held by telephone on July 1, 2005 and will begin with the Oath of Office being administered to Mr. Mitchell and Mr. Davenport followed by a conference call with the full Board of Trustees.

CHANCELLOR'S REPORT- JAMES L. OBLINGER

Chancellor Oblinger expressed appreciation to Peaches Gunter Blank, Richard Robb and Tony Caravano for their service to the Board of Trustees.

The Chancellor highlighted the following recent University accomplishments:

- ☞ NC State researchers received a \$2.8 million grant for U.S. Department of Energy;
- ☞ NC State has risen to third nationally in corporate gifts;
- ☞ Dr. Peng Ning and Dr. Gracious Ngaile received the NSF Career Award;
- ☞ NC State is leading a USDA-Funded food safety initiative;
- ☞ Students Mary Williard and Amit Desai were selected as Goldwater Scholars;
- ☞ NC State received a \$3.3 million grant from the National Science Foundation Alliances for Graduate Education and the Professoriate program to increase diversity;
- ☞ Peaches Gunter Blank has been appointed to the UNC Board of Governors;
- ☞ The groundbreaking ceremony for the Biomanufacturing Training and Education center will be held on June 2, 2005;
- ☞ The Golden Leaf Foundation has awarded \$5.4 million to the College of Engineering as part of the foundation's \$9.3 million Aerospace Alliance Initiative.

Chancellor Oblinger commented on the discussion at the Finance and Planning Committee meeting regarding the proposed budget reductions by the General Assembly. Given the magnitude of these reductions, he assured the Board members that they would hear more details from Mr. Vaughn as part of his report.

At 10:10 a.m., the security alarm sounded and all attendees of the meeting were asked to clear the building. At 10:34 a.m., all attendees returned to the meeting that was continued by Chair Peaches Gunter Blank.

Chair Blank announced a change in the agenda. Before hearing the committee reports, the Walter Hines Page award would be presented to Richard Robb, Peaches Blank and Tony Caravano. Mr. Close presented the award to Mr. Robb, Chair Blank and Mr. Caravano in recognition of their dedicated service to the Board and to the University.

COMMITTEE REPORTS

Academic Affairs and Personnel Committee - Chair McQueen Campbell

Chair Campbell reported that the Committee heard an update on long-range enrollment planning. The projected enrollment is 38,000 by 2015. The University's goal is to maintain the largest undergraduate enrollment in the UNC system.

Interim Provost Nielsen discussed NC State's ranking in academic performance of student athletes and the University's strategic plan for future academic performance of athletes.

The committee reviewed changes to BOT policy 05.15.2 that extends eligibility for emeritus status from the current SAAO-Tier I only to SAAOs (Tier I and Tier II). The revisions also clarify the eligibility and procedures as have already been done for the faculty policy and regulation (Appendix A). Chair Campbell made the motion for the Board to approve the revised Board of Trustees Policy 05.15.2 Emeritus Status for Senior Academic Administrative Officers. Mr. Jordan seconded the motion; the motion carried.

The Committee reviewed BOT policy 05.20.1, Academic Tenure Policy (Appendix B). The proposed revision was prompted by: 1) Faculty Senate proposing to incorporate six realms of faculty responsibility and to require the Departmental Voting Faculty vote in hiring and promoting special faculty with professorial rank, 2) need to allow initial tenure-track appointments to vary from exactly four years to allow the end dates to coincide with RPT cycles and thereby avoid adjustments later, 3) desire to have negative cases stop at the Provost and thus allow grievances to go to the Chancellor rather than the Board of Trustees, and 4) need for minor edits to improve language for clarity. Chair Campbell made the motion, seconded by Mr. Caravano, to approve the revised Academic Tenure Policy; the motion carried.

The Committee approved proposed salary ranges for faculty and Tier II Senior Academic and Administrative Officers for the coming year, as required by management flexibility.

Chair of the Faculty Dennis Daley updated committee members on the activities of the Faculty Senate.

Vice Chancellor Leffler provided a report on the progress of the search for the position of Provost and Executive Vice Chancellor of Academic Affairs. There are four candidates: Steven R. Angle, Linda P. Brady, Paul W. Ludden and Sung- Mo (Steve) Kang.

Interim Provost Nielsen provided information on several notices of intent to plan and authorization to establish degrees. He reported that the leadership and program reviews for Dean Blanton Godfrey, College of Textiles; Dean Kay Moore, College of Education; and Dean Dan Solomon, College of Physical and Mathematical Sciences are coming to a close. The compact planning process is being implemented and revisions are being made to several NC State regulations regarding phased-in retirement; the procedure for nominating Holladay Medal for Excellence recipients; the repeal of evaluation of scholarly accomplishment; professorships of distinction; and reasonable accommodations in employment.

Interim Provost Nielsen assured the Committee members that performance appraisals have been or will be conducted for all EPA personnel by June 30, 2005.

In Closed Session, the Committee approved personnel actions, including salary increases, contract extensions, appointments (some conferring tenure), promotions conferring tenure, and conferral of emeritus status. Holladay Medal and Honorary Degree nominations were also approved and will be discussed in closed session today.

Audit, Finance and Planning Committee - Chair Richard Vaughn

Chair Vaughn reported that a resolution was approved by the Committee to authorize NC State to add the proposed self-liquidating projects in the 2005 legislative bill to the current bridge-financing program (Appendix C). Chair Vaughn made the motion, seconded by Mr. Close, for the full board to approve the resolution to enable issuance of special obligation bonds for the specific projects; the motion carried.

The committee heard reports on:

- The NC State Investment Fund through March 31, 2005;
- An analysis of NC State financial trends and peer comparisons;
- The mid-year Internal Audit update describing closed and follow-up audits since July 1, 2004;
- The long range enrollment plan through 2015;
- A Federal legislative update;
- An intent to plan 8 new degree programs;
- A request to establish 5 new degree programs; and
- An update on the William and Ida Friday Institute for Educational Innovation.

The committee discussed budgetary reductions proposed by the General Assembly. Chair Vaughn said that he has asked that Board members be provided with a listing of the legislative leadership as well as information on the proposed budget reductions and related talking points.

Buildings and Property Committee - Chair Steve Warren

Chair Warren reported that the Committee reviewed and approved five property matters, four designer selections, 2005-2007 Open-Ended Service Agreements and accepted a list of completed buildings and projects. The five property matters require Full Board approval. The property matters are purchase of approximately 122 acres (Appendix D) and purchase of approximately 6.7 acres (Appendix E), both adjacent to Upper Piedmont Research Station in Rockingham County, to support programs in the College of Agriculture and Life Sciences; temporary ground lease to Student Aid Association for construction of Carter Finley Stadium North End Zone Seating (Appendix F); lease of house at 2709-B W. Fraternity Court to North Carolina Delta Chapter of Pi Beta Phi House Corporation (Appendix G); and demolition of house located at the J.C. Raulston Arboretum (Appendix H). Chair Warren made the motion for approval of these five property matters. Mr. Campbell seconded the motion, the motion carried.

Chair Warren explained that the Committee approved a revision to the Alcohol Policy that contains language to ensure that suite holders in Carter Finley Stadium are required to abide by NC State's alcohol policy (Appendix I). He made the motion, seconded by Mr. Campbell, to approve the revision to the alcohol policy; the motion carried.

Chair Warren reported that the Committee approved changes to the Parking and Transportation Policies that now require full board approval (Appendix J). Chair Warren made the motion for approval of the changes to parking and transportation policies. Mrs. Gordon seconded the motion, the motion carried.

The Committee reviewed three projects and received an annual review of the Physical Master Plan. Two building plans were approved, as were project plans and specifications costing less than \$1 million. The Committee also heard informational reports about the Bond Program and other construction projects.

Development Committee - Chair Ann Goodnight

Chair Goodnight reported that the NC State Engineering Foundation requested permission to have engraved brick walkways in front of Engineering Building I, the new home of the Department of Chemical and Biomolecular Engineering and the Department of Materials Science and Engineering, and in front of Engineering Building II, the new home of the Department of Computer Science and the Department of Electrical and Computer Engineering (Appendix K). Funds generated by the sale of the engraved bricks will be directed to the NC State Engineering

Foundation, Inc. and will provide unrestricted support to the four departments. Chair Goodnight made the motion that the Board approve this request. Mr. Mattocks seconded the motion; the motion carried.

The Committee heard reports regarding fund-raising through the third quarter of fiscal year 2005. Total gifts and pledges were \$131.6 million. This amount exceeded the third quarter goal of \$118.5 million and is well on pace to exceed this year's goal of \$158 million. The Committee also noted that the most recent CAE report ranked our corporate fundraising third in the nation in public research one universities.

The Committee received updates on fund-raising for the six current capital projects and was briefed on the progress of the comprehensive campaign, which continues in its quiet phase.

The Associate Vice Chancellor for Alumni Relations presented a report on the progress of The Dorothy and Roy Park Alumni Center, which is the centerpiece of the Alumni Association's capital project within the comprehensive capital campaign.

In Closed Session, the Committee reviewed and approved nine proposals to name University facilities. These proposals will be considered by the full Board in Closed Session at the conclusion of the meeting.

Student and Campus Affairs Committee – Chair Derick Close

Chair Close reported that Staff Senate Chair Laura Massengill gave the Committee a report on the Staff Senate's recent activities including continued relationship building between the Staff Senate and members of the General Assembly; a computer loan program; a draft resolution stating that all staff should have ability to access their email; and an Open Forum held on March 9.

Vice Chancellor Stafford introduced Whil Piavis, the newly elected Student Body President. Mr. Piavis gave a preview of his upcoming agenda, including getting students excited and involved in Student Government; improving the image of Student Government; continuing some of Tony Caravano's projects such as Tsunami Relief; revitalizing Hillsborough Street; and improving Greek Life. The Committee expressed concern over the current state of fraternities at NC State and asked Vice Chancellor Stafford to work with his staff to develop a plan to enhance the fraternity system at NC State.

Mr. Caravano led the Committee in a discussion on academic scholarships and retention rates.

Chair of the Board of Visitors- Chair Burley Mitchell

Chair Mitchell reported that the Board of Visitors' meeting was held on April 1 at the J.C. Raulston Arboretum. Board members were asked to call on NC Legislators as they debate the Budget. Chair Mitchell expressed appreciation for the appointment to serve on the Board of Visitors and looked forward to being a Board of Trustees member.

Student Body President Final Report- Tony Caravano

Mr. Caravano congratulated Chancellor Oblinger on his recent Installation and Whil Piavis on his recent election as Student Body President.

Mr. Caravano listed selected Student Government accomplishments during his tenure as Student Body President. They include:

- NC State's Student Government Association (SGA) was voted best delegation in the UNC School System;

- Mr. Caravano served as the student voice on the search committees for Chancellor, Vice Chancellor for Finance and Business and Provost;
- Mr. Caravano served as the student voice for NC State surrounding the changes to the University's tailgating policies after the shootings during the football game last fall;
- NC State's SGA raised money to bus students to football games last fall;
- NC State's SGA raised over \$50,000 for Tsunami relief efforts;
- The Senior Gift this year is a Scholarship, the first one from the NC State Students;
- A memorial was held for students who passed away during the school year;
- Progressive dinners that were held on Hillsborough Street;
- Revised bus routes;
- Service Raleigh Project's steady growth each year;
- Organized trips to meet with state legislators and the mayor of Raleigh;
- The installation of new street lights on Hillsborough Street.

With no further business for Open Session, Chair Blank asked Ms. Teal to read the motion for the Board to go into Closed Session. Mr. Campbell made the motion, seconded by Mr. Close, to go into Closed Session, according to North Carolina General Statute, Section 143-318.11 (a)(1).

At 11:25 a.m. the board came out of Closed Session. With no further business, Chair Blank adjourned the meeting at 11:26 a.m.