

Board of Trustees
North Carolina State University
Raleigh, North Carolina

April 28, 2006

The North Carolina State University Board of Trustees met in an open meeting in the Belk Rotunda of the College of Design's Brooks Hall, on Friday, April 28, 2006. Chair Wendell Murphy presided.

Members Present: Wendell Murphy, Chair
 McQueen Campbell, III
 Derick Close
 Lawrence Davenport
 Ann Goodnight
 Suzanne Gordon
 Bob Jordan
 Burley Mitchell
 Richard Vaughn
 Steve Warren
 Cassius Williams
 Whil Piavis, ex officio

Chair Murphy called the meeting to order at 10:00 a.m.

ROLL CALL

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

MINUTES

Mr. Campbell made the motion, seconded by Mr. Close, to approve the open and closed session minutes of the February 17, 2006 meetings of the full Board; the motion carried.

CHAIR'S REPORT – WENDELL MURPHY

Chair Murphy congratulated Chancellor Oblinger for receiving the 2006 Distinguished Alumni Award from Iowa State University on April 21, 2006. The award is the highest honor Iowa State gives through its alumni association and honors Iowa State Alumni "who are nationally and/or internationally recognized for pre-eminent contributions to their profession or life's work."

Chair Murphy stated that Board members recognized former Chancellor Marye Anne Fox with her official portrait unveiling on April 27, 2006.

Chair Murphy commended Richard Vaughn for receiving the 2006 Boy Scouts of America, Old Hickory Council, Distinguished Citizen Award. Also of note, Mrs. Carol Mattocks was awarded the UNC Greensboro Adelaide F. Holderness / H. Michael Weaver Award, UNC-Greensboro's top award for service. Since Mr. Bob Mattocks was with Mrs. Mattocks in Greensboro, he could not attend the Board meeting.

Chair Murphy stated that Board of Trustees Bylaws provide that a Nominating Committee be appointed each year by the Chair. The Trustees Bylaws give the Nominating Committee responsibility for "presenting a slate of nominees to the Board at its first meeting following the beginning of each University fiscal year." Mr. Murphy appointed the following individuals to serve on the 2006 Nominating Committee:

Mr. Steve Warren, Chair
Mr. Bob Mattocks
Mr. Cassius Williams

Chair Murphy reported that Board of Trustees of the Endowment Fund bylaws call for six members to be elected by the Board of Trustees to three-year terms with two members to be elected each year. The Bylaws also call for the filling of vacancies created prior to the expiration of a full term of appointment. Chair Murphy nominated the following individuals for appointments to the Board of Trustees of the Endowment Fund:

- Appointment of Mr. Lonnie Poole to fill the unexpired term of Mr. David Jolley who resigned. That term ends June 2007.
- Reappointment of F. Dale Hayes and Darrell Menscer to three-year terms ending June 2009.

Mr. Jordan made the motion, seconded by Mr. Vaughn to approve the three appointments; the motion carried.

CHANCELLOR'S REPORT – JAMES OBLINGER

Chancellor Oblinger introduced and welcomed Dr. James Zuiches who assumed the position of Vice Chancellor for Extension, Engagement and Economic Development on March 15, 2006.

Chancellor Oblinger called attention to just a few of the University's noteworthy achievements. Among those he cited were:

- MeadWestvaco will open a "Packaging Innovation Center" on Centennial Campus. The research and development facility will add 200 new jobs to the Raleigh community.
- Two Park Scholars were recently honored with Goldwater Awards.
- Five faculty members of the College of Engineering were recipients of the Faculty Early Career Development (CAREER) Award from the National Science Foundation. The CAREER Awards are the highest honor given to young university faculty in science and engineering.
- About 500 NC State students spent their week off from school participating in the national and international "Alternative Spring Break" projects. The work projects included: Habitat for Humanity projects in Ecuador and the Dominican Republic; tutoring children on a Navajo Indian Reservation in Arizona; teaching English in an orphanage in the Dominican Republic; working on environmental projects in Belize; and working on Habitat for Humanity projects in St. Bernard's Parish in New Orleans for Hurricane Katrina relief. Several other teams of students traveled to the Gulf Coast region to assist with Hurricane Katrina relief efforts.
- The newly formed Contemporary Art Museum – an initiative of the College of Design – will operate as part of the college and focus on art and design education and the presentation of public exhibitions exploring art and design in contemporary society.
- The inaugural Mathews Medals were presented to four undergraduate students. Modeled after the Alumni Association's Watauga Medals, these awards are named for Walter J. Mathews, the first student to enroll in the North Carolina College of Agriculture and Mechanic Arts in 1889. The award was created and administered by the Alumni Association Student Ambassador Program and recipients are chosen based on their outstanding service and leadership to promote and benefit NC State.

- Senior sprinter Cullen Jones of Irvington, NJ, won the 50-meter freestyle at the NCAA Swimming and Diving Championships, becoming the first NC State swimmer to win a NCAA title since David Fox won the same event in 1993.
- The Atlantic Coast Conference recognized four NC State senior athletes with post-graduate awards

Chancellor Oblinger also announced NC State's new student success plan called Pack Promise. Pack Promise will provide financial aid to new freshmen from families whose income is at or below 150 percent of the poverty level. In addition to financial aid, the University will take steps to help ensure the success of these students by providing mentoring and advising, as well as access to needed classes. The first class of Park Promise students will be admitted in Fall 2006.

COMMITTEE REPORTS

Academic Affairs and Personnel Committee – Chair McQueen Campbell

Chair Campbell reported that the Committee heard a presentation on Pack Promise and Provost Nielsen also discussed the NC State Honorary Degree Policy relative to the UNC Policy and practices of other institutions.

Chair Campbell stated that the committee has reviewed and recommends for full board approval the following:

- 1) Revision to Policy 5.20.01 – Academic Tenure Policy. Mr. Campbell made the motion, seconded by Mr. Mitchell, to approve the revision to Policy 5.20.01; the motion carried.
- 2) Revision to Policy 1.30.1- Holladay Medal for Excellence. Mr. Campbell made the motion, seconded by Mr. Vaughn, to approve the revision to Policy 1.30.01; the motion carried.

Chair Campbell stated that the Provost provided the Committee with an update on the following:

- Regulations approved since the last meeting;
- Authorization to Establish new degrees for a Ph.D. in Fisheries and Wildlife, Distance Degree in Leadership and the Public Sector, B.S. Degree in Bioprocessing Science, and an MBA Program at Research Triangle Park;
- Department name changes: the Department of Botany has been changed to the Department of Plant Biology and the BA (BS) degree in Multidisciplinary Studies has been changed to Interdisciplinary Studies;
- The University Budget Advisory Committee;
- The Tuition Administrative Advisory Committee;
- The dean searches for the College of Natural Resources, Engineering, Humanities and Social Sciences as well as the search for the Dean of the Graduate School;
- University Strategic Marketing Advisory Committee;
- The Inaugural Millennium Seminar; and
- This year's Compact Planning process.

Chair Campbell reported that in Closed Session, the Committee approved personnel actions, including salary increases, and promotions conferring tenure. The conferring of Emeritus Status to faculty was approved. Recommendations for the awarding of Honorary Degrees were presented. The recommendations for awarding these honorary degrees will be considered by the Full Board in closed session.

Audit, Finance and Planning Committee – Chair Richard Vaughn

Chair Vaughn reported that the Audit, Finance and Planning Committee heard reports on the following:

- The NC State Investment Fund through March 31, 2006. The Fund was approximately \$294 million with one-year performance of 13.9% net of fees
- An increase to the commercial paper program from \$60 million to \$100 million
- The mid year Internal Audit
- The Centennial Campus Planning Schedule
- 2006 Legislative Priorities for General Fund expansion and capital
- An Intent to Plan and Request to Establish a Distance Degree- Leadership in the Public Sector
- An Intent to Plan and Request to Establish a Site-based MBA Program at Research Triangle Park

Chair Vaughn stated that the committee also heard a presentation on NC State's draft Strategic Plan and approved the establishment of the Semiconductor Power Electronic Center and a contract in the "best interest of the university."

Buildings and Property Committee – Chair Derick Close

Chair Close reported that the Buildings and Property Committee reviewed and approved four property matters, a resolution on wildlife management at Research stations, five designer selections, four Open-Ended Service Agreements, and a list of completed buildings and projects.

Four property matters require Full Board approval; the Sale of Chinqua-Penn Plantation, a Ground Lease from Carteret Community College for the Center for Marine Sciences and Technology (CMAST) Housing Site, a Conservation Easement to North Carolina Agricultural Foundation, Inc., and the Lease of Corporate Research Building 1 to MeadWestvaco Corporation. The sale of Chinqua-Penn Plantation includes a request to delegate authority for the negotiating a final sales price to the Vice Chancellor for Finance and Business with a report to the Board of Trustees at a future meeting. Mr. Close made the motion, seconded by Mr. Williams to approve these four property matters; the motion carried.

Chair Close stated that the Committee reviewed and approved a revision to the Alcohol Policy-04.20.2. The revision gives the Chancellor the authority to promulgate and enforce regulations that further limit the serving, possession or consumption of alcohol during business hours, at university and student sponsored events, and in work areas, or employees offices. The revision also prohibits use of "kegs" in Carter Finley Stadium permanent and leased parking facilities in connection with NC State football tailgating or tailgating at any other event being held at Carter Finley. Mr. Close made the motion, seconded by Mr. Vaughn to approve this revision to the alcohol policy; the motion carried.

The Committee also approved changes to the Transportation Policy-07.20.01. Mr. Close made the motion, seconded by Mr. Jordan to approve the changes to the Transportation Policy; the motion carried.

Chair Close reported that the Committee also reviewed one building plan and approved two other building plans. The Committee approved one site plan and approved plans and specifications for projects costing less than \$1 million.

The Committee also heard informational reports about the Dix Property, the Physical Master Plan,

Centennial Campus, Capital Construction Projects, and Campus Environmental Sustainability Assessment.

Development Committee –Chair Ann Goodnight

Chair Ann Goodnight reported that the Development Committee heard presentations on:

- Fund-raising for the third quarter of fiscal year 2006. Total gifts and pledges were \$153 million. This amount exceeded the third quarter goal of \$136.5 million.
- The progress of the *Achieve! Campaign for NC State*, which is now in its public phase. As of March 31, the campaign has raised over \$922 million or 92% of its \$1 billion goal.
- Fund-raising progress from 1995 to 2005.
- Received updates on fundraising for the six current capital projects.
- Interim Dean of the College of Natural Resources informed the Committee of plans to conduct a feasibility study on a potential new capital project.
- The Interim Associate Vice Chancellor for University Development and the Vice Chancellor of Alumni Association reported on coordinating fundraising efforts by the NC State Annual Fund and the NCSU Alumni Association.

In closed session, the Committee reviewed, approved and/or reaffirmed eight proposals to name University facilities. The Full Board will consider these proposals in closed session.

Student and Campus Affairs Committee – Chair Suzanne Gordon

Chair Gordon reported that the Student and Campus Affairs Committee heard reports from the Staff Senate Chair and Vice Chancellor of Student Affairs. Staff Senate Chair Melissa Watkins gave the Committee a report on Staff Senate's recent activities including: their opposition to the proposed increase in parking fees and their suggestion that other sources of revenue for Transportation be pursued; their support of the University's decision to close during the Winter Holiday while requiring employees to use personal leave; and the completion of a second trip to the Gulf Coast to assist with clean-up and rebuilding from the damage done by Hurricane Katrina.

Vice Chancellor of Student Affairs Stafford provided a report on the proposed revisions to the Alcohol Policy. Vice Chancellor Stafford also provided an update on issues affecting student life. He introduced newly elected Student Government leaders. Vice Chancellor Stafford also summarized other highlights including the completion of the work of the Football Task Force and the appointment of a group by Chancellor Oblinger to study the concept of leasing land to Greek organizations and having the organizations build their own houses.

Chair Gordon stated that the Committee also went on a tour of the Dail Basketball Center.

CHAIR OF THE BOARD OF VISITORS– RICHARD CURTIS

Ed Vick, Board of Visitors Member, spoke on behalf of Chair Richard Curtis. Mr. Vick reported on the various activities of the Board of Visitors. Mr. Vick announced that the Board of Visitors has pledged \$150,000 to the Visitors Center. At their March meeting, the BOV received reports on the Visitors Center, Dole Foods Project and NC State's Legislative Priorities.

STUDENT BODY PRESIDENT – WHIL PIAVIS

During his final report as Student Body President, Whil Piavis reflected on how much he had learned about the campus and university. Mr. Piavis stated that he enjoyed serving the Student Body and thanked everyone for their support.

Student Body President Piavis listed the following concerns from the students:

- Tuition
- Price of Textbooks
- Part time student debate on whether they can vote and participate in Student Government
- Funding for Red Terror, the transportation to and from home football and basketball games to campus
- Alternative ways to fund parking, instead of increasing the price for students to park on campus

At the conclusion of Mr. Piavis' report, Chancellor Oblinger and Chair Murphy presented him with the Walter Hines Page Award. The award is given in appreciation for dedicated service to the Board of Trustees and to the University.

New Student Body President and new Trustee Will Quick was sworn in.

With no further business for Open Session, Chair Murphy called for the motion to go into Closed Session according to NCGS 143-318.11(a)(2) and NCGS 143-318.11(a)(6). Mr. Vaughn made the motion, seconded by Mrs. Gordon to go into Closed Session to prevent the premature disclosure of an honorary award or scholarship and to consider the qualifications, competence, performance, condition of appointment of a public officer or employee or prospective public officer or employee.

At 11:58 a.m., the Board came out of Closed Session. With no further business, Chair Murphy adjourned the meeting at 12:00 pm.

Respectfully submitted,

Assistant Secretary

Secretary

Approved:

Chair of Board