Board of Trustees  
North Carolina State University  
Raleigh, North Carolina  

April 16, 2010

The North Carolina State University Board of Trustees met in regular session in the Hood Board Room of the Dorothy and Roy Park Alumni Center on Centennial Campus, Raleigh, NC, on Friday, April 16, 2010. Chair Lawrence Davenport presided.

Members present:  Lawrence Davenport, Chair  
                        Jack L. Cozort  
                        Benjamin P. Jenkins III  
                        Bob Jordan  
                        Gayle S. Lanier  
                        Barbara H. Mulkey  
                        James W. Owens  
                        Randall C. Ramsey  
                        E. Norris Tolson  
                        Steve F. Warren  
                        Cassius S. Williams  
                        Jim Ceresnak, ex officio

Chair Davenport called the meeting to order at 9:17 a.m. He reminded all members of their duty to avoid conflicts of interest and appearance of conflicts of interest under the State Government Ethics Act and inquired as to whether there were any known conflicts of interest or appearances of conflict with respect to any matters coming before the board at this meeting. There being none, the Chair called on Assistant Secretary PJ Teal for the roll call.

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

MINUTES  
Mr. Jordan made the motion, seconded by Mr. Warren, to approve the open session minutes of the February 19, 2010, meeting of the full board. The motion passed. Mr. Williams made the motion, seconded by Mr. Jenkins, to approve the closed session minutes of the February 19, 2010, meeting of the full board. The motion passed.

CHAIR’S REPORT  
Chair Davenport began his report by reading a resolution of appreciation from the Board of Trustees for Dr. James H. Woodward for his excellent service as Chancellor (Appendix A). He then reported that the 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 Davenport nominated Blas Arroyo for reappointment to serve a full three-year term ending June 30, 2013. He also recommended that Lonnie Poole be reappointed to a three-year term ending June 30, 2013. Mr. Tolson made the motion, seconded by Mr. Cozort, to approve reappointment for Mr. Arroyo and Mr. Poole. The motion passed.

Chair Davenport announced that Spring Commencement will be held on Saturday, May 15, and honorary degrees will be conferred upon Charlie Rose, William Julius Wilson, and I. King Jordan. Charlie Rose will be the Commencement speaker. The summer Board of Trustees meeting will be held on July 15 at 1:00 p.m.

Chair Davenport reflected on this past year and his role as chair. A highlight of serving as Trustee chair was working with former Chancellor Woodward. Chair Davenport participated in the Chancellor’s search, and several facilities are becoming a reality, including the James B. Hunt Library, the new Talley Student Center, and the new Chancellor’s home.

He closed his remarks by discussing the funding of Advancement. Building a sufficient, professional advancement staff will take additional funding for the central advancement organization in the range of $3M to $5M annually. He urged the board to support a proposal that will come before them today to formally endorse a one-time gift fee of 5% with 2% going to the unit that attracted the gift and 3% going to the central advancement organization. To delay endorsement will severely limit the expectation that a professional advancement organization can and will be built at NC State.

**CHANCELLOR’S REPORT-W. RANDOLPH WOODSON**

Chancellor Woodson began by thanking Jim Woodward for his service to NC State in the transition period. He then mentioned several examples of great things that have taken place at NC State since the last board meeting. NC State was named to the 2009 President’s Higher Education Community Service Honor Roll by the Corporation for National and Community Service. This recognition highlights NC State’s outstanding efforts to promote service and civic engagement on campus and around the globe. Dr. Michael Steer, professor of engineering, will receive the U.S. Army Commander’s Award for Public Service in honor of his research to help troops overseas find roadside bombs. Steer’s research has been extended into applications in warfare and has helped the Army uncover how certain roadside bombs operated. And Dr. Seth Sullivant, assistant professor of mathematics, has been awarded a prestigious Packard Fellowship for Science and Engineering valued at $875,000 over five years. Sullivant is one of 16 recipients this year.

Chancellor Woodson reported on activities that he participated in during his first two weeks on campus. He began his first day as Chancellor by hosting a breakfast with students. He has attended faculty, staff, and student senate meetings and has already met with several special
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alumni including Bill Friday. Chancellor Woodson’s priorities include the search for a Provost, putting together a strategic plan, and ensuring that NC State remains an innovative university. He stated that his first official event at the Chancellor’s residence would be a reception for Distinguished University Professors on April 22. In addition, he will host two campus forums per semester to engage the campus community in a discussion of important issues of the university.

COMMITTEE REPORTS
Academic Affairs and Personnel Committee-Chair Cassius Williams
Chair Williams reported that the committee heard an annual report on the list of recognized entities awarding full scholarships to undergraduates and the number of students receiving full scholarships from each entity. The committee also heard an annual report on the special consideration process of undergraduate admissions and the performance of students previously admitted through that process. The committee approved the 2010-11 salary ranges for Senior Academic and Administrative Officers.

Chair Williams said that the committee recommended approval of revisions to the Faculty Grievance and Non-reappointment Review Policy. The revisions set out the basic requirements for faculty grievances under UNC Code sections 604 and 607, allowing further details to be included in a regulation, and remove EPA non-faculty procedures to a separate policy and/or regulation. Mr. Williams made the motion, seconded by Mr. Cozort, to approve the revised Faculty Grievance and Non-appointment Review Policy. The motion carried.

Chair Williams stated that the committee recommended approval of revisions to Policy 01.05.2 Academic Affairs and Personnel Committee (AAPC). The revisions ensure that AAPC policy is fully aligned with UNC policies, and delegates authority to the AAPC to approve all non-salary compensation for EPA employees that requires individual board consideration. Mr. Williams made the motion, seconded by Mr. Warren, to approve the revised Policy 01.05.2. The motion carried.

Chair Williams said the committee recommended approval of four new degree programs: Master of Supply Chain Engineering and Management, Distance Education Master of Animal Science, Distance Education Master of Horticultural Science, and Distance Education Master of Nutrition. He made the motion, seconded by Mr. Ramsey, to approve these four programs. The motion carried.

Chair Williams reported that the committee recommended approval of three degree program title changes: PhD in Forestry to PhD in Forestry and Environmental Resources; MFW, MS and PhD in Fisheries and Wildlife Sciences to MFW, MS and PhD in Fisheries, Wildlife, and Conservation Biology; and PhD, Masters of Science, and Distance Education Masters in Wood and Paper Science to PhD, Masters of Science, and Distance Education Masters in Forest Biomaterials. Mr. Williams made the motion, seconded by Mr. Warren, to approve these three title changes. The motion passed.
The committee recommended approval of five program discontinuations: Master of Chemistry; M.Ed. and M.S. in Curriculum and Instruction, Reading; M.Ed. and M.S. in Curriculum and Instruction, Social Studies Education; M.Ed. and M.S. in Middle Grades Education; and M.Ed. and M.S. in Curriculum and Instruction, English Education. Chair Williams made the motion, seconded by Mr. Tolson, to approve the discontinuation of these five programs. The motion carried.

The committee heard a report from the Chair of the Faculty as well as an update from the Interim Provost on activities since the February Board of Trustees meeting. In closed session, the committee approved the conferment of tenure for four new hires and for seven untenured associate professors and 31 assistant professors who are being promoted. The committee recommended for approval by the UNC Board of Governors two appointments to endowed professorships. They recommended for approval an exception to the ten-year service requirement for emeritus status for two faculty members based on distinguished service that will be considered by the full board in closed session following this meeting. The committee also discussed a non-salary compensation report that will be brought before the full board at a future meeting.

**Audit, Finance and Planning Committee-Chair Steve Warren**
Chair Warren stated that the committee received an update on Internal Audit activities which included the Alumni Association audit. Thorough corrective action plans have been provided by the Alumni Association, and a final report will be issued soon. In addition, the committee heard a report on the continuing feasibility study and planning for the Global University Campus in Songdo, Korea. An extension of the first-year planning agreement has been preliminarily approved by Korean representatives. The curriculum is being redesigned to be initially limited to graduate programs.

The committee heard a report on the role of NC State’s centers and institutes. They were also given an overview of the American Recovery and Reinvestment Act (ARRA) funding awarded to NC State to date and the discoveries and technologies resulting from this funding.

Chair Warren said the committee received reports on Centennial Campus and the status of state appropriated budgets for the remainder of fiscal year 2010 and for fiscal year 2011. The committee also heard a report on plans to establish master’s degrees in Supply Chair Engineering and Management, Animal Science Distance Education, Horticultural Science Distance Education and Nutrition Distance Education,

**Buildings and Property Committee-Chair Gayle S. Lanier**
Chair Lanier reported that the committee reviewed and approved eight property matters; five of the property matters require full board approval. They are:
Disposition by lease to 3W Power Holdings NC 1, LLC for roof-top installation of solar arrays on the Varsity Research Building for a period of 20 years. This installation would be for the purpose of joint research with the NC Solar Center.

Disposition by lease to AT&T for a cellular telephone antenna array on the roof of D.H. Hill Library for a term of up to 20 years.

Acquisition by lease of approximately 1,200 acres at Harris Lake in Wake County for a term of 25 years from Progress Energy free of cost for the College of Natural Resources. This lease will be in conjunction with Wake County Parks, Recreation and Open Space.

Acquisition by lease of approximately 5,200 square feet in Prague, Czech Republic, from Ms. Abramson and the City of Prague for the College of Design’s Prague Institute as a replacement lease of existing operations.

Disposition by reallocation of approximately 25 acres on the Anita-Alta 4-H Camp in Caldwell County of a conservation easement to NC Department of Environment and Natural Resources (NC DENR) as part of a stream restoration project funded by the NC Ecosystem Enhancement Program at NC DENR.

Chair Lanier made the motion, seconded by Mr. Jenkins, to approve these five property matters. The motion carried.

Chair Lanier reported that the committee approved one construction manager-at-risk selection and one performance contractor selection. They also approved four designer selections for projects that each costs $500,000 or less and accepted one completed capital project with a value of $592,950. They approved one property matter received after the full board mailing that requires committee approval only. It is an assignment of lease of approximately 5,625 square feet of roof space on the Centennial Science Center from Keystone-Centennial I, LLC for roof-top installation of a 40 kilowatt solar system. The photovoltaic system will be donated to the university upon termination of the six-year lease.

Chair Lanier stated that the committee approved the proposed revision to Policy 7.60.1 Parking and Transportation Ordinances 2010-2011 which requires full board approval. She made the motion, seconded by Mr. Tolson, to approve the proposed revision to Policy 7.60.1. The motion carried.

The committee also approved the design plans for the J.W. Isenhour Tennis Complex expansion and the Derr Track improvements and approved two other projects that each costs less than $2 million. The committee received an update on the Physical Master Plan and status reports on capital projects that are either in planning, design, or construction. After the meeting, the committee had a windshield tour of various projects and received a guided tour of Engineering Building III on Centennial Campus that is scheduled for completion in late spring.
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Development Committee-Chair Norris Tolson
Chair Tolson reported that the committee was updated on capital fundraising projects and year-to-date fundraising results. Gift receipts are down 9% from last year at this time, and gifts and new commitments are down 16%. Efforts are being made to increase fundraising activity with alumni, and there are over $32 million in solicitations scheduled to occur before the end of the fiscal year.

Chair Tolson stated that the committee discussed at length how to fund the staffing and operations needed to prepare the University for its next campaign and also discussed how to successfully implement a gift assessment fee. A task force has been established to review a gift assessment fee, and this task force will make recommendations to the Vice Chancellor for University Advancement and the Chancellor.

Chair Tolson said that given the importance of the decision regarding the assessment fee to the entire university, it would be helpful to Chancellor Woodson to have the support of the entire Board of Trustees. Mr. Warren made the motion, seconded by Mr. Jenkins, to support a one-time gift fee of 5% with 2% going to the unit that attracted the gift and 3% going to the central advancement organization. The motion carried unanimously.

Chair Tolson reported that the committee reviewed and approved two proposals to name specific university facilities. All action items of the closed session were approved when the committee returned to open session. A motion will be made at the end of the meeting to go into closed session to consider these proposals.

Student and Campus Affairs Committee-Chair Barbara Mulkey
Chair Mulkey said the committee was informed of the results of the Student Government elections. They heard a presentation on proposed changes to the Residence Hall Student Visitation Policy. An overview of the current policy was given as well as a comparison of NC State’s policy with ACC institutions and UNC institutions. Survey results indicate that students support a 24-hour visitation option. A pilot program would involve implementing 24-hour visitation in three residence halls: Bragaw, Turlington, and North Hall. In July, the committee will be asked to recommend approval to the full board to rescind the current visitation policy. The committee agreed that this decision should come under the authority of the university.

The committee heard a report on the activities of the Staff Senate. The Staff Senate has been involved with changes in the State Health Plan and has worked with Human Resources to ensure that staff has adequate access to computers during open enrollment since the only access now is online. The committee was also updated on student life activities.

Ad Hoc Committee on Personnel-Chair Cassius Williams
Chair Williams reported that the committee has met three times. At the first meeting, the following were identified as items the committee might wish to review:
• Policies and procedures governing salary increases across campus
• Policies and procedures governing salary increases specific to senior administrators
• Retreat rights procedures and policies currently in place
• Procedures for deviations/exceptions to personnel policies
• Policies for dealing with exceptional external requests
• Policies and procedures for human resources involvement in personnel actions
• Human resources chain of command across campus

All of the aforementioned topics were discussed and led to the following specific policy recommendations and changes:

• The committee reviewed and discussed Trustee authority. Trustees have delegated authority for salary increases for senior administrators. The salary ranges and guidelines for salary increases for senior administrators are set by UNC General Administration. The committee recommends that Trustees be informed if there is a case that ordinarily does not require Trustee approval but is considered political or unusual in nature.

• The committee reviewed and recommended implementation of an appointment-letter checklist as well as sample offer letters for appointments of SAAO, Tier I positions—one sample with a concurrent tenured faculty appointment and one without. The checklist and templates clearly articulate the required elements of an offer letter for SAAO Tier I positions, clarify the components of pay that distinguish base faculty salary, if applicable, from any administrative supplement, and help to ensure compliance with the terms and conditions under which an administrator with tenure may return to the faculty at the conclusion of the administrative appointment.

• The committee recommended for full board approval a new policy on non-salary and deferred compensation which was adopted at the February 2010 Trustee meeting. This policy is in compliance with current UNC policy regarding non-salary compensation and articulates the types and levels of non-salary compensation decisions delegated to the Chancellor.

• The committee recommended revisions to BOT Policy 01.05.2: Academic Affairs and Personnel Committee Authority. A review of BOG and NC State personnel policies necessitated several changes to the policy that delegates authority to the AAPC. Changes to this policy were reviewed and approved at today’s meeting and address delegations regarding non-salary compensation, academic programs as well as clarifying language throughout the policy.

Chair Williams stated that the committee was informed that Human Resources establishes all EPA non-faculty and all SPA positions. Under BOG policy, HR now also reviews/approves all requests for additional pay or supplemental compensation. With the above recommendations in place, the work of the Ad Hoc Committee on Personnel is concluded. Chair Williams thanked members of the committee for their willingness to assume this thorough review of personnel policies.
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NOMINATING COMMITTEE-CHAIR STEVE WARREN
Chair Warren said that the committee reviewed the Board’s Nominating Committee guidelines as outlined by the bylaws.

Chair Warren reported that Mr. Ramsey made the motion, seconded by Mr. Tolson, to nominate the following slate of officers for 2010-2011:

    Lawrence Davenport, Chair
    Cassius Williams, First Vice Chair
    Barbara Mulkey, Second Vice Chair
    Steve Warren, Secretary
    PJ Teal, Assistant Secretary

He stated that the committee unanimously voted in favor of the motion.

CHAIR OF THE BOARD OF VISITORS REPORT-CHAIR JIMMY CLARK
Chair Clark reported that the spring meeting of the Board of Visitors was held on March 26. There are currently 31 members of the board. Dr. Michael Walden, William Neal Reynolds Distinguished Professor and Extension Economist, Agriculture and Resource Economics, spoke to the board and reflected on 2009’s economy and gave insight into 2010.

The Honorable Jennifer Weiss, member of the NC House of Representatives, gave an update on recent legislative activities and the impact the economy will have on the upcoming session. Dr. Terri Lomax, Vice Chancellor for Research and Graduate Studies, discussed the role of research and innovation in determining the university’s rankings and strategies for increasing our research impact.

Chair Clark stated that the board discussed college rankings and ways to improve where NC State stands on a national level. Improving our rankings is an initiative that the board has adopted as a priority. The lunch speaker was the Honorable Keith Crisco, Secretary of the NC Department of Commerce.

STUDENT GOVERNMENT REPORT-STUDENT BODY PRESIDENT JIM CERESNAK
Mr. Ceresnak began his report by stating what a great year he has had as Student Body President. He reported on the results of Student Government elections and the 24-hour visitation policy that is supported by the students. He introduced many of the new Student Government officers who were present at the meeting.

Student activities this past year included “Howl for Haiti,” a fundraiser that the entire campus participated in. Students raised $25,000 in cash plus $35,000 in meals and met their goal. Student Government has also been involved in fighting another tuition increase. Mr. Ceresnak reported that “Technician” now has an editor; the Kay Yow Memorial Garden on the north side of
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Reynolds Coliseum is under construction; and Wolf Wheels, a bicycle rental program, is now up and running. There has also been much discussion this year of how to keep students engaged with NC State once they graduate. He closed his remarks by thanking the Board of Trustees and administration for giving him the opportunity to serve this year.

**Presentation of Walter Hines Page Award**
Chair Davenport and Chancellor Woodson presented the Walter Hines Page Award to Jim Ceresnak. The Order of Walter Hines Page is an honorary order exclusively for former members of the NC State Board of Trustees. Trustees are named to the Order by the Chancellor upon the expiration of their terms of office and are designated as “Trustee Emeritus.”

**Student Body President Oath of Office**
Trustee Jack Cozort administered the Student Body President Oath of Office to Kelly Hook. Ms. Hook introduced her parents and her brother and stated that she is looking forward to serving on the Board of Trustees.

**Items of Interest to Members of the Board**
Chair Davenport welcomed Eileen Goldgeier, Vice Chancellor and General Counsel. This is her first meeting of the Board of Trustees since she began her position in March.

With no further business in open session, Mr. Tolson made the motion, seconded by Mr. Cozort, to go into closed session according to North Carolina General Statute, section 143-318.11 (a)(2)(6) to prevent the premature disclosure of an honorary award or scholarship, to consider the qualifications, competence, performance, condition of appointment of a public officer or employee or prospective public officer or employee.

At 12:00 p.m., the board came out of closed session. Mr. Williams made the motion, seconded by Mr. Cozort, to approve exceptions to the 10-year service requirement for emeritus status for two faculty members. The motion carried. At 12:05 p.m., Ms. Mulkey made the motion, seconded by Ms. Lanier, to adjourn the meeting. The motion carried.

Respectfully submitted,

[Signatures]

Assistant Secretary  
Secretary

Approved:

[Signature]

Chair of the Board