

Board of Trustees
North Carolina State University
Raleigh, North Carolina

April 18, 2008

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 18, 2008. Chair McQueen Campbell presided.

Members present:

- McQueen Campbell, III, Chair
- Derick S. Close
- Lawrence Davenport
- Bob Jordan
- Gayle S. Lanier
- Robert L. Mattocks, II
- Burley Mitchell
- Barbara H. Mulkey
- Steve F. Warren
- Cassius S. Williams
- Bobby Mills, *ex officio*

Chair Campbell called the meeting to order. 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 conflicts with respect to any matters coming before the Board at this meeting. Hearing no conflicts or appearances of conflicts, 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. Williams made the motion, seconded by Mr. Warren, to approve the open and closed session minutes of the February 22, 2008, full Board meeting. The motion carried.

CHAIR'S REPORT-MCQUEEN CAMPBELL, III

Chair Campbell 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 Campbell nominated the following individuals to be considered by the Board of Trustees for appointments to the Board of Trustees of the Endowment Fund: Mr. Richard Bryant to replace John Atkins whose term will end June 30, 2008. Chair Campbell recommended that Mr. Bryant be appointed to a regular three-year term beginning July 1, 2008, and ending June 30, 2011. In addition, he recommended that Emily Peck be reappointed to a three-year term ending June 30, 2011. Mr. Warren made the motion, seconded by Mr. Jordan, to approve these two appointments; the motion carried.

Chair Campbell reported that Spring Commencement will be held on Saturday, May 10. Honorary degrees will be conferred on Pat Mora, Dick Robb, and C.D. Spangler. President Erskine Bowles will be the Commencement speaker. All Trustees were encouraged to participate.

Chair Campbell recently visited the NC Research Campus in Kannapolis with Chancellor Oblinger. They toured the facilities with David Murdock of Dole Foods and were very impressed with the facilities and with the progress that is being made there.

Chair Campbell stated that he recently attended a meeting with President Bowles and the chairs of the Boards of Trustees of all UNC schools. Agenda items included UNC Tomorrow, an operational review by Ernst and Young, and a discussion of legislative priorities.

He reminded everyone that the summer meeting of the Board of Trustees will be held on July 8 at 4:00 p.m. via telephone.

Chair Campbell reflected on the end of the academic year and his first year as chair of the Board of Trustees. Among the highlights of the year were Chancellor Oblinger's inaugural State of NC State address, the opening of the Golden LEAF Biomanufacturing Training and Education Center (BTEC) on Centennial Campus, groundbreakings for the companion animal veterinary center at the College of Veterinary Medicine, and Engineering Building III. He also remarked that we celebrated groundbreaking research, added new partnerships, and welcomed many distinguished visitors to campus.

Chair Campbell closed by thanking the Trustees for their assistance this year with legislative matters and for allowing him the opportunity to serve as chair.

CHANCELLOR'S REPORT-JAMES OBLINGER

Chancellor Oblinger reported the following campus highlights since the February meeting of the Board:

- Watauga Medals were bestowed on March 10 to Dean Emeritus of the College of Textiles Robert A. Barnhardt, Waste Industries USA, Inc. chairman Lonnie C. Poole, Jr. and Virginia B. Sall, an active volunteer for several NC State fundraising and outreach activities.
- A \$2 million gift from David Murdock, owner of Dole Food Company, will help provide professorships in fruit and vegetable science for NC State faculty who will work at the NC Research Campus in Kannapolis. The gift will be matched with \$1 million from the NC Distinguished Professors Endowment Trust Fund.
- NC State broke ground on February 27 for the Engineering Building III on Centennial Campus. The platform party included Governor Michael Easley, House Speaker Joe Hackney, Board of Trustees Vice Chair Suzanne Gordon and others.

- The Duke Energy Foundation awarded NC State a \$1.25 million grant over five years to create three endowments: Duke Energy Professor of Nuclear Engineering; Duke Energy Professor of Electrical and Computer Engineering, Power Program; and Duke Energy Dynamic and Diverse Engineering Workforce Fund.
- Dr. David Berube, a professor of communication, has been awarded a four-year \$1.4 million grant from the National Science Foundation (NSF) to study how the public understands the safety of nanotechnology. Dr. Berube hopes to develop a “recipe” that scientists can use to convey complicated research findings in a way that the general public can understand.
- The National Institutes of Health (NIH) awarded NC State a four-year, \$2.1 million grant to encourage students from traditionally underrepresented groups to complete Ph.D. degree programs in the fields of biomedical and behavioral sciences.
- NC State has announced its Park Scholars class of 2012. With scholarship awards valued at \$59,000 for North Carolina residents and \$107,000 for out-of-state students, recipients were selected from a pool of more than 1,000 highly qualified applicants.
- In early February, the Corporation for National and Community Service recognized NC State as an institution with distinction for the President’s Higher Education Community Service Honor Roll. Selection factors included the innovative approaches of NC State service projects as well as the overall percentage of students participating in service activities.
- NC State recently signed agreements with representatives from South Korea’s Incheon Free Economic Zone (IFEZ), located near the country’s capital, Seoul. When fully operational, it is expected that NC State’s campus will be able to accommodate approximately 3,000 students, most of them undergraduates.
- Mission Specialist and NC State Visiting Assistant Professor Dr. Rick Linnehan was among the team aboard the recent 16-day mission of the Space Shuttle *Endeavour*. He is a visiting professor in the College of Veterinary Medicine’s Environmental Medicine Consortium.
- NC State’s WolfAlert system is up and running. We have now tested our text messaging and tower alert system. Tests of the 11 towers with siren and audible capabilities will continue the first Monday of every month.
- Due to water conservation efforts, NC State has reduced water consumption on campus by 29 percent during the five years ending June 30, 2007. To help decrease consumption even further, we entered into a water challenge with UNC-Chapel Hill, winning by a reduction of four gallons per student per day more than Carolina.
- Researchers at NC State are developing a game art and design curriculum that can be used to prepare students for careers in the gaming industry. Dr. Aaron Clark, associate professor of mathematics, science and technology education at NC State, is working with the NC Community Colleges, the NC Department of Public Instruction and local education agencies to develop this curriculum.

- NC State student Joe Harmon is designing and building a concept car made almost entirely out of wood for his graduate project in industrial design. The high-performance car will weigh about as much as a Mini Cooper but will have the power and performance of a Ferrari.
- Chancellor Oblinger has been appointed by President George W. Bush to serve on the J. William Fulbright Foreign Scholarship Board.
- NC State will host the 2008 International Forum for Academic Consortium 21 (AC21) in July. Chancellor Oblinger serves as President of AC21, an international network of universities established to encourage the global cooperation among education, research and industrial organizations.
- On April 30, Chancellor Oblinger will participate in the Higher Education Summit for Global Development hosted by the U.S. Department of State. The event was initiated by Secretary of State Condoleezza Rice and Secretary of Education Margaret Spellings.
- The NC Community Colleges Board of Trustees has asked the NC General Assembly for planning money to move the system offices to Centennial Campus. Scott Ralls is the new NC Community Colleges president.

The UNC Tomorrow initiative has entered phase two. Phase one concluded with a comprehensive report of the findings of the statewide listening forums and surveys. The UNC Tomorrow Commission has asked all campuses to draft a response to the report, outlining how they will address the needs revealed during phase one. The responses are due May 1. NC State's response will help guide and shape current and future priorities, resources, existing and future programs and strategic plans for the university system, while also affecting our mission, the mission of The University of North Carolina, its 17 constituent institutions and its affiliated entities. UNC Tomorrow will shape higher education in North Carolina for the next decade.

COMMITTEE REPORTS

Academic Affairs and Personnel Committee-Chair Cassius Williams

Chair Williams reported that the Committee received the annual report on the list of recognized entities awarding full scholarships to undergraduates and the number of students receiving full scholarships from each entity. Dr. Louis Hunt gave a report on students requiring special consideration for admission.

Salary ranges were approved for Senior Academic Administrative Officers. Ms. Barbara Carroll presented pay ranges for faculty approved by Chancellor Oblinger. Dr. James Martin, Chair of the Faculty, presented a report of activities of the Faculty Senate since the February Board of Trustees meeting. Provost Nielsen also provided an update on activities since the last Board meeting including revisions to the regulation on the Plan of Graduate Work and the regulation on the Graduate Certificate Program, and a new graduate certificate program has been established in Public Policy.

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Mr. Williams said that the committee received advice of Counsel regarding negotiating the terms of certain individual employment contracts. The committee approved personnel actions, one salary increase, and 56 conferrals of tenure. They also approved the awarding of an honorary degree that will be considered by the Full Board in closed session at the conclusion of this meeting. Chair Williams closed his remarks by thanking members of the Board of Trustees for their support when his brother passed away recently.

Audit, Finance and Planning Committee-Chair Lawrence Davenport

Chair Davenport reported that the committee authorized the establishment of the NCSU Institute for Maintenance Science and Technology. Its mission is to sustain the life of aging equipment used by the military and its commercial counterparts and to develop the educational resources to address the knowledge gap.

Chair Davenport said that a resolution was presented to authorize NC State University to add the student fitness center project to the special obligation projects listing for financing purposes. The committee approved the resolution that requires Full Board approval. Chair Davenport made the motion, seconded by Mr. Williams, to approve the resolution to enable issuance of special obligation bonds for the student fitness center. The motion carried.

Chair Davenport stated that the committee heard informational reports on the University Debt portfolio, Internal Audit activities, NC Research Campus, 2008 Legislative priorities and the recent issuance of a Request for Qualifications for private development of an executive conference center and hotel on Centennial Campus. Provost Nielsen gave an update on the UNC Tomorrow Commission recommendations and NC State's response.

Buildings and Property Committee-Chair Derick Close

Chair Close reported that the committee reviewed and approved twelve property matters, three designer selections, one developer selection, and a list of four completed capital projects. Nine property matters require Full Board approval. The property matters are:

- Lease of Sigma Kappa Sorority house at 2709A West Fraternity Court to Sigma Kappa Sorority
- Lease of Delta Delta Delta Sorority house at 2511 West Fraternity Court to Delta Delta Delta National House Corporation/Epsilon Eta
- Lease of Sigma Phi Epsilon Fraternity house at 2313 South Fraternity Court to Sigma Phi Epsilon House Corporation of Sigma Phi Epsilon
- Conservation easement of approximately 90 acres of the Eastern 4-H Environmental Education Conference Center to the North Carolina Agricultural Foundation, Inc., for compliance with a grant from the North Carolina Clean Water Management Trust Fund
- Lease of 10,000 square feet in the proposed Centennial Campus Lab Building for the College of Engineering
- Lease of the Faculty House at North Carolina Research Center in Kannapolis, NC, from Castle and Cooke, Inc. for the College of Agriculture and Life Sciences

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- Lease of approximately 11,000 square feet for North Carolina State Technology Incubator in Venture II on Centennial Campus. This is a replacement lease for the existing location
- Easement of approximately 8,400 square feet along Hillsborough Street to the City of Raleigh for utility and roadway improvements
- Sale of approximately 9,700 square feet along Hillsborough Street to the City of Raleigh for utility and roadway improvements for right of way expansion

Chair Close made the motion, seconded by Mr. Warren, to approve these nine property matters. The motion passed.

Chair Close reported that the committee approved the proposed revision to Policy 7.60.01, Parking and Transportation Ordinances for 2008-2009. He made the motion, seconded by Mr. Williams, to approve the proposed revision to Policy 7.60.01. The motion passed.

In closing, Chair Close stated that the committee received the annual update on the Physical Master Plan, approved four design plans and plans for four projects that cost less than \$1 million.

Development Committee-Chair Bob Jordan

Chair Jordan reported that the committee reviewed and approved a proposal for a fundraising brick-paver project at the NC Research Campus. The committee participated in a discussion led by Vice Chancellor Kessler and Brian Risinger from Luquire George Andrews (LGA) on University-wide marketing initiatives and approaches.

Chair Jordan stated that, in closed session, the Committee reviewed and approved 20 proposals to name specific university facilities. A motion will be made at the end of this meeting to go into closed session to consider these proposals.

Student and Campus Affairs Committee-Gayle Lanier for Chair Suzanne Gordon

Ms. Lanier reported that the committee went into closed session to hear one student appeal. Vice Chancellor Stafford introduced newly elected Student Body President Jay Dawkins.

Ms. Lanier stated that Michelle Healey, Vice Chair for Staff Senate, gave a report on Staff Senate activities. Associate Vice Chancellor Jerry Barker and Staff Physician Beth Neel gave a report on our nationally accredited health care services to students.

Ms. Lanier said that Vice Chancellor Tom Stafford gave an update on the University's planning efforts for a possible debate between the Democratic Presidential candidates on April 27 in the RBC Center.

Nominating Committee-Chair Burley Mitchell

Chair Mitchell stated that the committee will present the following nominations for full Board consideration at the July meeting:

- McQueen Campbell, Chair
- Bob Jordan, First Vice Chair
- Suzanne Gordon, Second Vice Chair
- Steve Warren, Secretary
- PJ Teal, Assistant Secretary

Chair of the Board of Visitors Report-Chair Jack Cozort

Chair Cozort reported that the Board of Visitors met and had a very good meeting on March 28. A discussion item at the meeting was NC State's response to UNC Tomorrow. Representative Deborah Ross was a guest at the meeting. She lives near the university and is very supportive of NC State. Rep. Ross discussed the upcoming legislative session.

Chair Cozort said he has heard from many individuals who are interested in serving on the Board of Visitors. He is encouraged by the number of young alumni who have expressed interest in becoming involved. He thanked the university for giving him the opportunity to serve as chair.

Student Government Report-Bobby Mills, Student Body President

Student Body President Mills thanked the members of the Board of Trustees for the opportunity to serve during the past year. He said that serving on the Board has been a great learning experience for him. He gave an overview of initiatives he has been involved in this past year and made special mention of the recent NC State-UNC Chapel Hill Water Challenge and the Year of Energy activities. He congratulated incoming Student Body President Jay Dawkins and wished him well as he begins his year in office.

Presentation of Walter Hines Page Award

Chair McQueen Campbell and Chancellor Oblinger presented the Order of Walter Hines Page certificate to Trustee Bobby Mills who is going off the Board. Chancellor Oblinger thanked Mr. Mills for his dedicated service to NC State as Student Body President and mentioned his leadership roles in the WITH program, the Water Challenge, the Energy Council, and the Krispy Kreme Challenge, among others. Trustee Mills was also presented with the NC State University Board of Trustees Medal of Service.

Student Body President Oath of Office

Trustee Burley Mitchell, former Chief Justice of the NC Supreme Court, administered the oath of office to Mr. Jay Dawkins. Mr. Dawkins introduced his family and thanked the Trustees for their support. He said he is looking forward to serving as Student Body President and as a member of the Board of Trustees.

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Chair Campbell asked if there were any items of interest to the Board. Being none and with no further business in Open Session, Chair Campbell called for the motion to go into Closed

Session according to NCGS 143-318.11 (a)(1)(2)(3)(5)(6). Mr. Jordan made the motion, seconded by Ms. Lanier, to go into Closed Session to prevent the premature disclosure of an honorary award or scholarship; to consult with our attorney to protect the attorney-client privilege; to establish or instruct staff concerning the negotiation of the amount of compensation or other terms of an employment contract; to consider the qualifications, competence, performance, condition of appointment of a public officer or employee or prospective public officer or employee. The motion carried.

At 11:45 a.m., the Board came out of Closed Session. With no further business, Chair Campbell adjourned the meeting at 12:00 p.m.

Respectfully submitted,

Assistant Secretary

Secretary

Approved:

Chair of Board