

**Board of Trustees**  
**North Carolina State University**  
**Raleigh, North Carolina**  
**November 16, 2018**

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, in Raleigh, NC, on Friday, November 16, 2018.

Members present:

Jimmy D. Clark, Chair  
Robert F. Andrews III  
Thomas E. Cabaniss  
James A. Harrell, III  
Stanhope A. Kelly  
Wendell H. Murphy  
Ronald W. Prestage, DVM  
Susan P. Ward  
Jess Errico, *ex officio*

Chair Jimmy Clark called the meeting to order at 9:30 a.m. He reminded all members of their duty to avoid conflicts of interest and appearances 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. Chair Clark 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. Cabaniss made the motion, seconded by Mrs. Ward, to approve the open and closed session minutes of the September 22, 2018 and the open and closed minutes of special meetings held on October 29, 2018, October 31, 2018, and November 6, 2018 of the full board. The motion passed.

**CHAIR'S REPORT- JIMMY CLARK**

Chair Clark called upon NC State's Board of Governor's Liaison, Randy Ramsey, for an update on BOG activities.

Chair Clark reported that NC State Red and White Week was a great success, and he was happy to be able to attend a number of events during the week. He thanked everyone for their participation in these events and the amazing work they did to make them possible.

Chair Clark noted that he met the newest Board of Visitors members, which were appointed by the Chancellor. The new members are: John Barnes, Marcus Belvin, Cristina Fernandez Pierce, Jim Hansen, Wesley Horne, Frank Rackley, Cathy Sigal, and Kimberly Wicker.

Chair Clark reported that NC State will celebrate its Fall Graduation, which will be held on Wednesday, December 19.

**CHANCELLOR'S REPORT – RANDY WOODSON**

Chancellor Woodson thanked Trustee Tom Cabaniss for helping with the Vice Chancellor for General Counsel Search. He also thanked the Alumni Association and students for elevating Red and White Week as well as homecoming.

Chancellor Woodson then recapped Red and White Week beginning with the naming of Holmes Hall, formerly the University College Commons on Cates Avenue, honoring Mr. Irwin R. Holmes, Jr. who was NC State's first African American undergraduate. He was also the first African American student athlete to compete in the ACC. Holmes went on to become first African American student athlete in the ACC to win varsity letter and first to serve as captain of an ACC varsity squad when he was chosen as co-captain of Wolfpack's 1960 tennis team.

Also announced was the naming of the Wilson College of Textiles at the Fall Address. Mr. Fred Wilson and his family have committed \$28 million to the College of Textiles, a gift that represents an extraordinary moment in Wolfpack history. This will ensure NC State and North Carolina remain the home of the United States textiles industry for generations to come.

Chancellor Woodson gave an overview of rankings. He stated that NC State has received outstanding recognition recently. For the first time in the university's history, NC State's College of Education was ranked #92 in the top 100 for the Times Higher Education (THE) World University Rankings. Additionally, the Princeton Review's latest ranking of top 25 online MBA programs ranked NC State's Poole College of Management's Jenkins MBA program No. 9, which is 47th in the nation and 25th for public institutions.

Chancellor Woodson then reported that Walt Wolfram won a James E. Holshouser Jr. Award for Excellence in Public Service from the Board of Governors. This award was created to encourage, identify, recognize, and reward public service by faculty of the University of North Carolina system.

Chancellor Woodson gave an athletics update beginning with announcing that twelve NC State swimmers and divers earned spots on the ACC roster for the inaugural ACC/Big Ten Challenge. They are part of the 84 swimmers and 20 divers from across the conference's 12 programs who will represent the ACC at the inter-conference meet.

He noted that the NC State Men and Women's Cross Country teams had outstanding finishes in the ACC Championships. The men's team finished third while the women's team came in first for the third year in a row. For the woman's team, this is the 24<sup>th</sup> ACC Championship title and the men have been ranked in top three for 28 of the last 30 conference meets. NC State athletes are not just succeeding on fields and courts. They achieved a cumulative GPA of 3.0 for the first time in school history. Seventy-six student-athletes completed a semester last year with a 4.0 GPA.

Chancellor Woodson stated that five-year reviews are conducted for all of our Vice Chancellor's at NC State as part of the University's policies. The five-year review for Vice Chancellor for Information Technology Marc Hoyt will be this fall, followed by Vice Chancellor of Advancement Brian Sischo in the spring. The Board will be receiving an email later this month asking for participation in a survey.

## **COMMITTEE REPORTS**

### **AUDIT, RISK MANAGEMENT AND FINANCE COMMITTEE – CHAIR TOM CABANISS**

Mr. Cabaniss reported that the Committee heard a report on the University's financial performance and highlights for FY2018. The net position of the University increased to \$444.6 million, up \$95.5 million from fiscal 2017. Fiscal 2017's net position was substantially reduced by required accounting for other post-employment benefits liabilities (OPEBs) and increased pension expenses, but financial operations were healthy. For fiscal 2018, a 3.7% increase in total revenues was offset by smaller increases in operating expenses, and net operating income was \$53.3 million.

Mr. Cabaniss stated that the Committee heard from State Auditor Beth Wood as she discussed the process and reported on the audit engagement for fiscal 2018. NC State received an unmodified audit opinion, and reported no deficiencies in internal controls. He highlighted the significance of there being no reportable findings.

Mr. Cabaniss reported that the Committee heard an update on Internal Audit activities since the last meeting and he noted that there was a good discussion on the investigation process. The Committee also heard a report on legislative activities, primarily the results of the recent election.

Mr. Cabaniss stated that the Committee received an update about the impact of enrollment funding changes on this fiscal year's budget and Board of Governor's priorities for the 2019-2021 biennium.

The Committee also learned about requested tuition and fee increases for Fiscal 2019-2020. He noted that there is no planned increase in tuition for resident undergraduate students and no increases in mandatory fees for all undergraduates.

Mr. Cabaniss stated that the Committee heard an update on Hurricane Florence Relief. The Legislature appropriated \$30 million from the statewide Hurricane Florence Recovery Fund to the Board of Governors. The allocation was directed to the three campuses that sustained the greatest hurricane damage: UNC-Wilmington; Fayetteville State University; and UNC-Pembroke.

Mr. Cabaniss reported that the Committee heard an update on financial results for the first quarter of the current fiscal year 2019, as well as upcoming accounting changes. The Committee also received a report on the Clery Act and an overview on campus safety, violence prevention and threat management. He noted that the Clery Report is published yearly and posted to the University website. The campus safety report included information on a number of areas including campus demographics, the Security Master Plan, the University Police department, violence prevention and threat management.

#### **BUILDINGS AND PROPERTY COMMITTEE - CHAIR CHIP ANDREWS**

Mr. Andrews reported that the Buildings and Property Committee reviewed and approved six property matters for committee approval and three property matter that requires full board approval. They are:

- Disposition by Lease: To Mann + Hummel for + 8,000 rental square feet at Partners I on Centennial Campus. Disposition is recommended for continued partnership with the University and contribution to the Innovation Ecosystem on Centennial Campus.
- Disposition by Lease to Industrial Heat for + 9,000 rental square feet of office and high-bay space at Research IV on Centennial Campus. Disposition is recommended for partnership with the University and contribution to the Innovation Ecosystem on Centennial Campus. Trustee Ed Weisiger, Jr. recused himself from this discussion because of a potential conflict of interest.
- Acquisition by Lease for North Carolina State University, College of Education, Department of Educational Leadership, Policy and Human Development, of office and conference space to accommodate growth in staff and research as a result of continued funding of the Envisioning Excellence for Community College Leadership Grant, which is funded by the John M. Belk Endowment. Strategically located, off-campus space will be used to continue the mission of the Grant to develop a leadership pipeline of future community college leaders and reorient current community college leaders around the student success agenda.

Mr. Andrews made a motion, seconded by Dr. Prestage, to approve the three property matters. The motion passed.

Chair Andrews reported that the Committee accepted six building projects at a combined value of \$2,467,108, which included Carter-Finley South End Video Board Replacement and Poe Hall for first floor workshops. The Committee also approved the site selection and design plans for Alpha Delta Pi House that will be constructed in Greek Village, and the Lake Wheeler Road Creamery Cafe, that will be constructed at the Lake Wheeler site. Additionally, the Committee approved six plans and specifications of formal projects costing less than \$2 million and they received updates for capital projects and projects in planning.

**UNIVERSITY ADVANCEMENT AND EXTERNAL AFFAIRS COMMITTEE – CHAIR STAN KELLY**

Mr. Kelly reported that the Committee heard a University Advancement update, highlighting the success of Red & White Week. This included the historic dedication of Holmes Hall, the Wilson College of Textiles announcement and ceremony, a celebration in recognition of the 10<sup>th</sup> anniversary of the Goodnight Scholars program and the largest crowd ever for Red and White Night with over 700 attendees.

Mr. Kelly stated that the University reached \$1.4 billion towards the campaign goal with internal projections of achieving the total goal of \$1.6 billion next year. Advancement will be conducting a comprehensive review of the prospect and donor pool to determine the remaining philanthropy potential for the balance of the campaign.

Mr. Kelly then shared a campaign and fundraising update, noting that the \$1.4 campaign total to date has us at 88% of goal, with 63% of the time expired. Mr. Kelly reported that the Committee heard about campaign progress to goals by colleges, with some colleges having already exceeded their campaign goals. Areas of optimism include the campaign pace and untapped potential, while cautions include challenges with some staff attrition in key units and probable changes in the economic climate.

Mr. Kelly reported that the Committee was provided an Advancement Services update, emphasizing that the unit's goal is to ensure that frontline fundraisers have the data they need to be successful. He shared that among highlights from fiscal year 2018 were building a lasting advancement infrastructure through the integration of data from the Wolfpack Club and College of Textiles, as well as increased efficiency in developmental operations.

Mr. Kelly stated that the Committee heard four naming opportunity proposals including 55 naming opportunities for the Wellness and Recreation Center; one naming opportunity from the Poole College of Management for the Dean's Suite in Nelson Hall; one naming opportunity for the Wolfpack Turf Statue at the Murphy Football Center and one naming opportunity from CALS for a room in Weaver Labs in the Department of Biological and Agricultural Engineering.

Mr. Kelly stated that the Committee met in closed session and approved six naming agreements and the Committee heard recommendations on behalf of the Chancellor seeking endorsement for three Watauga Medal nominees.

**UNIVERSITY AFFAIRS COMMITTEE – ACTING CHAIR SUSAN WARD**

Mrs. Ward reported that under the consent agenda the Committee approved establishment of the Moise Khayrallah Center for Lebanese Diaspora Studies in the College of Humanities and Social Sciences; the Committee approved the time-limited appointment option for three distinguished professorships; and recommended for full board approval the STEM Education Department's request to merge their three Master's programs – in mathematics education, science education and technology education – into one STEM Education Master's degree program. To accomplish this merger, the college is requesting to rename the Master's program in Science Education to Science, Technology, Engineering and Mathematics Education and to discontinue the Master of Education programs in Mathematics Education and Technology Education. These changes will allow the department's master's programs to be consistent with its doctoral programs.

Mrs. Ward made the motion, seconded by Dr. Prestage, to approve the degree program title change and two-degree discontinuations. The motion passed.

Mrs. Ward reported that the Committee received an overview of the process undertaken and recommendations presented by the Tuition Review Advisory Committee and Fee Review Committee for the 2019-2020 academic year. Chancellor Woodson stated his support for all recommendations:

- a 0% tuition increase for undergraduate residents (new cohort)
- a 3% increase for undergraduate nonresidents
- a 2% increase for graduate residents



- a 4% increase for graduate nonresidents.

Mrs. Ward noted that the Tuition Committee recommended that 33.7% of the tuition increase revenue be allocated to need-based financial aid, that 26.5% be allocated to provide funding to the Graduate Student Support Plan, that 27.2% be used to improve quality and accessibility of the NC State educational experience, and that 12.6% be used to provide funding for faculty promotional increases.

Mrs. Ward reported the Chancellor supported the Fee Review Committee's recommendation to maintain student fees at current levels for the 2019-2020 academic year with no increases. The Committee discussed the Chancellor's recommendations on tuition and fees and voted to recommend approval to the full board.

Mrs. Ward made the motion, seconded by Dr. Prestage, to approve the 2019-2020 campus initiated tuition increase requests and student fee recommendations. The motion passed.

Mrs. Ward reported that the Committee also reviewed and recommended a premium tuition request. NC State is in the process of requesting approval of the Master in Foundations of Data Science program to be established and implemented for Fall of 2020. Concurrently, a new tuition premium of \$5,600 per year beginning in Fall 2020 is being requested for the program. The UNC System Office requires both the premium tuition request and program establishment request be submitted to the Board of Governors at the same time. The Master in Foundations of Data Science is an interdisciplinary program to be offered by the Departments of Computer Science, Mathematics, and Statistics that will train the next generation of professionals for careers in industry, government, and academia.

Mrs. Ward made the motion, seconded by Dr. Prestage, to approve the premium tuition proposal for the proposed Master in Foundation of Data Science program. The motion passed.

Mrs. Ward reported that in order to comply with a recent amendment to UNC Policy 400.1.5 which stipulates that "Constituent institutions will require no more than 120 semester credit hours for 4-year baccalaureate degree programs unless an exception is granted by the board of trustees," the Committee reviewed and recommended for full board approval requests for exceptions to this mandate. Currently, out of NC State's 102 undergraduate degree programs, 80 exceed 120 hours. Of these 80, 60 are revising their curricula by various means including planning minor curriculum changes, such as dropping a course or eliminating electives in order to bring the credit hours required for graduation to 120 by fall of 2019. The Committee recommended that the remaining 20 degree programs be granted an exception from this mandate. The 20 exceptions include 17 requests from the College of Engineering, and one request each from the Colleges of Design, Education and Natural Resources. All of the exception requests are associated with accreditation and/or licensure requirements.

Mrs. Ward made the motion, seconded by Dr. Prestage, to approve that the 20 degree programs be granted an exemption from the UNC Policy 120 credit hour mandate. This includes 17 degree programs in the College of Engineering and one each in the Colleges of Design, Education and Natural Resources. The motion passed.

Mrs. Ward reported that the Committee approved the bonus structure for Track & Field and Cross Country in accordance with non-salary and deferred compensation policy 05.15.03.

Mrs. Ward stated that the Committee received several reports. She shared that North Carolina native Dr. Christine Darden will deliver December's commencement address and receive an Honorary Degree. Dr. Darden is an internationally recognized expert in high-speed aerodynamics and sonic-boom research. Over her 40-year career with NASA, she won dozens of honors, including two NASA medals: one for her work and leadership of the sonic boom program and one for her active involvement in encouraging students to pursue careers in math and science. She received the Black

Engineer of the Year Outstanding Achievement in Government Award, and the Women in Science and Engineering Lifetime Achievement Award.

Mrs. Ward reported that the Committee also received updates on Faculty and Staff Senate activities. The Faculty Senate has been busy discussing topics ranging from campus IT accessibility to the salary equity study. The Fall General Faculty meeting was held on October 30 with student well-being as the main discussion topic. The Staff Senate has addressed many questions and concerns during this year's first quarter including items related to Hurricane Florence adverse weather time reporting, annual enrollment processes and the annual raise process. Staff Senate has created a new committee on "Employee Experience and Relations" that deals with issues such as work/life balance, campus environment and transportation.

Mrs. Ward reported that in the Provost's update, the Committee was notified of a new academic certificate and partnership and received information on faculty retentions. Over the past seven years, NC State has made 120 counteroffers and 204 pre-emptive retention offers. Sixty-three percent of counteroffers were successful and 93% of the pre-emptive retentions were successful. The overall success rate of counter offers and pre-emptive retentions was 81% over this seven-year period. The Committee discussion focused on the programs in place such as the University Faculty Scholars Program, to recognize and retain top faculty.

Mrs. Ward reported that in closed session, the Committee approved a head coach employment agreement for Women's Track & Field and Cross Country, recommended a Head Coach employment agreement for Board of Governors approval, and also made recommendations for awarding of Honorary Degrees. These recommendations will be considered by the Full Board in closed session at the conclusion of this meeting.

#### **BOARD OF VISITORS REPORT – CHAIR JUDY GRAINGER**

Chair Grainger reported that at the last Board of Visitors (BOV) meeting they heard a report from Chancellor Woodson about the effects of Hurricane Florence, enrollment, the Think and Do the Extraordinary campaign and the latest faculty member, Rodolphe Barrangou, being elected to the National Academy of Sciences.

Chair Grainger stated that the BOV heard a brief Board of Trustees update of recent meetings and activities, including a focus on best practices in higher education and the revised Board of Trustees meeting structure.

Chair Grainger reported that the BOV heard an Enrollment 2025 update from Dr. Louis Hunt, Sr. Vice-Provost for Enrollment Management and Services as well as a report from Dr. Michael Walden a William Neal Reynolds Distinguished Professor & Extension Economist and author, who spoke about NC Beyond the Connected Age – The Tar Heel State in 2050.

Chair Grainger reported that the BOV heard a very exciting update from Kevin Keatts, NC State's Basketball head coach. Coach Keatts is the first Wolfpack head coach to defeat Duke, Carolina and Wake Forest in his first attempt since the 1918-19 season. He led the Pack to a tied for third place finish in the conference as well as earning an at-large bid to the NCAA Tournament.

#### **STUDENT BODY PRESIDENT'S REPORT – JESS ERRICO**

Mrs. Jess Errico gave the following updates:

The PACK Meal Share Program started by Student Government and Campus Enterprises has been a successful addition to the tools the University uses to help students in need. The impact of Hurricane Florence saw an increase in students facing food insecurity and who were temporarily without food options, leading to an increase in requests to the Pack Essentials program. Student Government will be collecting student donations of unused guest meal swipes from November 19 - November 30. Mrs. Errico stated that Student Government led the way in advocating for the inclusion of NC State students in current programs and the creation of new programs for affordable childcare resources. She

announced that Meredith College has opened up their new after school program, [Wings After School](#), to NC State students. Mrs. Errico reported that the NC State Student Government Traditions Department will host their annual event "Campout" to celebrate the tradition of camping overnight to receive tickets to NC State vs. Chapel Hill athletic events. This event is an all night experience where participating students receive six loyalty points to apply to the basketball ticket request cycle.

Mrs. Errico stated that on Monday, October 15th NC State Student Government and campus partners hosted the inaugural NC State Accessibility Excursion to raise awareness about campus accessibility and to address accessibility barriers. With an accessibility barrier checklist in hand, as a team, students explored campus areas for barriers and logged their findings. Information collected during this one-hour event was sent to the proper campus departments to be addressed.

Mrs. Errico reported that legislation supporting the Beyond the Box initiative and Gender Inclusive Housing passed unanimously at the Association of Student Governments General Assembly and the Council of Student Body Presidents. The Beyond the Box legislation encourages UNC System schools to do research into the impact of criminal history questions on application completion rates for their particular institution. The Gender Inclusive Housing legislation encourages UNC System Institutions to work towards repealing UNC System Policy 700.8.1, which does not allow transgender students to live in campus housing that aligns with their gender identity.

Mrs. Errico reported that, Student Government was inspired by the NC State Waste Reduction and Recycling's #GoStrawless initiative so they worked with NC State Dining to make 1887 Bistro an opt-in location. Straws are available upon request, but will not be automatically given with drinks, which helps reduce waste and improve sustainability.

Mrs. Errico reported that the newly created Student Wellness Department is kicking off the year with promotion of the Counseling Center's QPR training. This suicide prevention training is offered by the Counseling Center and teaches students to question about suicidal thoughts, persuade them to get help, and refer them to the best resources. The Student Wellness Director is currently working to help get Student Government members certified while promoting the opportunity to the greater campus community.

Mrs. Errico reported that the Student Government Fall Appropriations cycle saw \$72,666.17 allocated to over 200 student organizations. These allocations serve as start up funds, help finance student organization events, and is the primary way many student organizations receive funding.

#### **CLOSED SESSION**

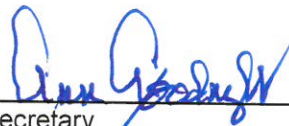
With no further business in open session, Mrs. Ward made the motion, seconded by Mr. Kelly, at 10:30 a.m. to go into closed session to prevent the premature disclosure of an honorary award; to consider the qualifications, competence, performance, conditions of appointment of a public officer or employee or prospective public officer or employee. The motion passed.

**RECONVENE IN OPEN SESSION**

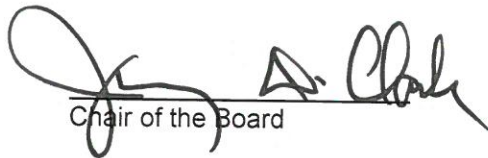
At 11:25 a.m., the board came out of closed session. With no further business in open session, Chair Clark adjourned the meeting at 11:30 a.m.

Respectfully submitted,

  
Assistant Secretary

  
Secretary

Approved:

  
Chair of the Board