

NC STATE UNIVERSITY

NC State University Board of Trustees Meeting

September 9, 2022

Dorothy and Roy Park Alumni Center

Hood Board Room

2450 Alumni Drive

Raleigh, NC, 27606

NC STATE UNIVERSITY

September 9, 2022 NC State University Board of Trustees Meeting

Meeting Agenda

- 10:00 a.m.
-
1. Call to Order, Public Meeting Notice, and Reading of Ethics Statement
Stan Kelly, Chair
- A. Ethics Statement
-
2. Roll Call
Paula Gentius, Assistant Board Secretary
-
3. Executive Summary
- A. Executive Summary - Open Session
-
4. Approval of Minutes
Stan Kelly, Chair
- A. July 2022 Open Session Minutes
- Action Item
-
5. Chair's Report
Stan Kelly, Chair
- A. ACC Board Certification
Stan Kelly, Chair
- a. ACC Governing Board Certificate Form
- Action Item
-
6. Chancellor's Report
Randy Woodson, Chancellor
-
7. Audit, Risk Management and Finance Committee Report
- A. Special Obligation Bond Resolution 08.23.22
- Action Item
-
8. Buildings and Property Committee Report
- A. Updated PO2 Package - NOAA Central Crops Lease
- Action Item
- B. PO2 Package - North Shore Centennial Campus Disposition
- Action Item
-
9. University Affairs Committee Report

10. University Advancement and External Affairs
Committee Report

A. Letter from Chancellor to BOT re: Naming
Opportunities Proposals

Action Item

11. Faculty Senate Report
Herle McGowan, Chair

A. September 2022 Faculty Senate Report

12. Staff Senate Report
Jill Phipps, Chair

A. September 2022 Staff Senate Report

13. Items of Interest to the Board
Stan Kelly, Chair

14. Closed Session Executive Summary

15. Closed Session
Stan Kelly, Chair

16. Reconvene from Closed Session
Stan Kelly, Chair

17. Adjourn
Stan Kelly, Chair



NORTH CAROLINA STATE ETHICS COMMISSION

SAMPLE¹

ETHICS AWARENESS & CONFLICT OF INTEREST REMINDER

(to be read by the Chair or his or her designee at the beginning of each meeting)

In accordance with the State Government Ethics Act, it is the duty of every [Board] member to avoid both conflicts of interest and appearances of conflict.

Does any [Board] member have any known conflict of interest or appearance of conflict with respect to any matters coming before the [Board] today?

If so, please identify the conflict or appearance of conflict and refrain from any undue participation² in the particular matter involved.

Rev. 1-16-07

¹ N.C.G.S. §138A-15 (e): "At the beginning of any meeting of a board, the chair shall remind all members of their duty to avoid conflicts of interest and appearances of conflict under [Chapter 138A]." There is no set language required by the Act. Specific language can and should be tailored to fit the needs of each covered board as necessary.

² "A public servant shall take appropriate steps, under the particular circumstances and considering the type of proceeding involved, to remove himself or herself to the extent necessary, to protect the public interest and comply with this Chapter, from any proceeding in which the public servant's impartiality might reasonably be questioned due to the public servant's familial, personal, or financial relationship with a participant in the proceeding." See N.C.G.S. §138A-36 (c). If necessary, the Chairman or individual member involved should consult with his ethics liaison, legal counsel, or the State Ethics Commission to help determine the appropriate response in a given situation.



Executive Summary for
NC State Board of Trustees
September 9, 2022

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Agenda Item: NC State Board of Trustees Open Session Meeting Minutes Presenter: <i>Stan Kelly, Chair, Full Board</i> Summary: The open session full board meeting minutes from the July 15, 2022 meeting are presented.	7
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Agenda Item: ACC Board Certification Approval Presenter: <i>Stan Kelly, Chair, Full Board</i> Summary: The Board of Trustees will be asked to approve the ACC Board Certification form.	11
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Agenda Item: Special Obligation Bond Resolution Approval Presenter: <i>Ed Stack, Chair, Audit, Risk Management and Finance Committee</i> Summary: The Board of Trustees will be asked to approve that North Carolina State University at Raleigh may request the Board of Governors to issue one or more series of bonds, the proceeds of which will be applied to the Integrative Sciences (S.T.E.M.) Building.	13
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Agenda Item: Disposition by Lease: 10-Year Ground Lease for NOAA/NWS NEXRAD (Communications Tower) at NCDOA Central Crops Research Station, Clayton, NC Presenter: <i>Ven Poole, Chair, Buildings and Property Committee</i> Summary: A new lease with the United States of America (USA), National Oceanic and Atmospheric Administration (NOAA), National Weather Service (NWS).	31
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Agenda Item: Disposition by Sale. Disposition of approximately 1.15 acres of land on Centennial Campus to the Board of Trustees of the Endowment Fund of North Carolina State University to facilitate completion of the North Shore residential development. 35

Presenter: *Ven Poole, Chair, Buildings and Property Committee*

Summary: The sale of property on Centennial Campus to the Board of Trustees of the Endowment Fund of North Carolina State University.

Action: Full board approval

Agenda Item: Naming Opportunity Proposals 40

Presenter: *Ed Weisiger, Jr., Chair, University Advancement and External Relations Committee*

Summary: Chancellor Woodson has endorsed and favorably recommends to the Committee and Full Board three naming opportunities proposals.

Action: Full Board approval

Board of Trustees
OPEN SESSION MINUTES
North Carolina State University
Raleigh, North Carolina
July 15, 2022

The North Carolina State University Board of Trustees met via Zoom on Friday, July 15, 2022.

Members present: Stanhope A. Kelly, Chair
Robert F. Andrews, III
Erik L. Dixon
Ann B. Goodnight
James A. Harrell, III
McKenzy D. Heavlin
David D. Herring
Timothy L. Humphrey
Perry Safran
Edwin J. Stack, III
Dewayne N. Washington

Absent: Ven Poole
Edward I. Weisiger, Jr.

Other Attendees: Randy Woodson, Chancellor
Paula Gentius, Assistant Board Secretary
Allison Newhart, Vice Chancellor and General Counsel

Chair Stan Kelly called the meeting to order at 10:20 a.m. and called for a vote by roll call as required for virtual meetings. A quorum was present. 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 Kelly reminded those in attendance that while the full Board meeting is a public meeting, it is not a meeting for public comment and only those on the agenda will be permitted to speak. He asked that all Trustees identify themselves before speaking.

MINUTES

Trustee Washington made the motion, seconded by Trustee Humphrey, to approve the open and closed session minutes of the April 22, 2022 and June 9, 2022 meetings of the full board. Chair Kelly called for a vote by roll call.

Andrews	AYE	Poole	ABSENT
Dixon	AYE	Safran	AYE
Goodnight	AYE	Stack	AYE
Harrell	AYE	Washington	AYE
Heavlin	AYE	Weisiger	ABSENT
Herring	AYE	Kelly	AYE
Humphrey	AYE		

The motion passed.

CHAIR'S REPORT- STAN KELLY

Chair Kelly thanked the board for their engagement and thoughtful discussion at the retreat in June. The board identified three major areas of interest from their conversations that day: board efficiency; diverse slate of candidates for upcoming Trustee vacancies; and potential areas of future engagement. Overall, the retreat revealed areas where the board can improve efficiency and effectiveness, streamline their processes, and leverage their talents for the success of the university.

CHANCELLOR'S REPORT – DR. RANDY WOODSON

Chancellor Woodson began his remarks by thanking the Trustees for their continued leadership and support of the University. Chancellor Woodson shared with the Board of Trustees that Governor J. Alexander “Alex” Mitchell was appointed as our new campus liaison from the Board of Governors. Chancellor Woodson shared leadership updates with the Trustees as well as research updates, which includes the highest sponsored award total in NC State history of \$409 million, impressive technology transfer rankings, and membership in the International Galapagos Science Consortium. Chancellor Woodson also discussed the recent developments in the State of North Carolina budget and how that will impact NC State.

Chancellor Woodson provided a brief overview of his involvement with the ACC Board of Directors and the NCAA related to college athletic programs. He will continue to update the board as information becomes available.

In closing, Chancellor Woodson thanked the Board again for their work and their dedication to NC State.

NOMINATION OF SLATE AND ELECTION OF OFFICERS FOR 2022-2023

Chair Kelly stated that per the Board of Trustees Bylaws, he appointed a nominating committee on July 1. Trustee Andrews was asked to chair this committee. Chair Kelly asked Trustee Andrews to provide a report of its work and present a slate of officers for the 2022-23 year.

Trustee Andrews stated that the Nominating Committee met via telephone on July 6, 2022 and reviewed the Board's Nominating Committee guidelines. After discussing the nominations, the nominating committee unanimously voted in favor of recommending the following slate of officers to the full board for approval. for 2022-2023:

- Chair: Stan Kelly
- Vice Chair: Ed Weisiger
- Secretary: Ann Goodnight
- Assistant Secretary: Paula Gentius

Chair Kelly asked if there were any objections to the slate of nominations for board officers. Hearing none, he asked for a motion to approve the slate of officers as presented by the chair of the nominating committee. Trustee Stack made the motion, seconded by Trustee Heavlin, to approve the slate of officers as presented by the Nominating Committee. Chair Kelly called for a vote by roll call.

Andrews	AYE	Poole	ABSENT
Dixon	AYE	Safran	AYE
Goodnight	AYE	Stack	AYE
Harrell	AYE	Washington	AYE
Heavlin	AYE	Weisiger	ABSENT
Herring	AYE	Kelly	AYE
Humphrey	AYE		

The motion passed.

EXECUTIVE COMMITTEE AT-LARGE MEMBERS NOMINATIONS AND ELECTIONS

Chair Kelly nominated the first of two at-large members of the Executive Committee for a vote by the full board, Trustee Chip Andrews. Trustee Safran made the motion, seconded by Trustee Heavlin, to approve the motion to elect Trustee Andrews as an at-large member of the Executive Committee. Chair Kelly called for a vote by roll call.

Andrews	AYE	Poole	ABSENT
Dixon	AYE	Safran	AYE
Goodnight	AYE	Stack	AYE
Harrell	AYE	Washington	AYE
Heavlin	AYE	Weisiger	ABSENT
Herring	AYE	Kelly	AYE
Humphrey	AYE		

The motion passed.

Chair Kelly then nominated the second of two at-large members of the Executive Committee for a vote by the full board, Trustee Ed Stack. Trustee Dixon made the motion, seconded by Trustee Herring, to elect Trustee Stack as an at-large member of the Executive Committee. Chair Kelly called for a vote by roll call.

Andrews	AYE	Poole	ABSENT
Dixon	AYE	Safran	AYE
Goodnight	AYE	Stack	AYE
Harrell	AYE	Washington	AYE
Heavlin	AYE	Weisiger	ABSENT
Herring	AYE	Kelly	AYE
Humphrey	AYE		

The motion passed.

COMMITTEE REPORT

UNIVERSITY AFFAIRS COMMITTEE – CHAIR DEWAYNE WASHINGTON

Trustee Washington reported that the Committee met and approved the consent agenda, which included the following items: minutes of the April 21, 2022 meeting; conferral of tenure to eleven new faculty members; continuation of the Animal and Poultry Waste Management Center; and designation that four distinguished professorships may be awarded on a time limited basis.

The Committee also recommended degree program actions that require the full board's approval. First, was the establishment of a Bachelor of Science in Music Technology. This interdisciplinary program, offered by the Department of Music with contributions from the Department of Electrical and Computer Engineering, will offer students a foundation of theoretical and practical skills in music, electrical or computer engineering, industrial design and entrepreneurship.

Trustee Washington moved for approval of the B.S. in Music Technology and was seconded by Trustee Herring. Chair Kelly called for a vote by roll call.

Andrews	AYE	Poole	ABSENT
Dixon	AYE	Safran	AYE
Goodnight	AYE	Stack	AYE
Harrell	AYE	Washington	AYE
Heavlin	AYE	Weisiger	ABSENT
Herring	AYE	Kelly	AYE
Humphrey	AYE		

The motion passed.

The Committee also recommended requests to discontinue four degree programs. The university has identified four cases where the University of North Carolina's Academic Program Inventory (UNCAP) records of active degree programs at NC State did not match the records of active degree programs in the

NC State Student Information System. Discontinuation actions are required to remove active status in the UNC API and thereby address the inconsistencies between the two inventories. These four programs either became inactive years ago or have no record in our campus inventory, and thus no students are affected by this administrative action. The programs were the Master in Agricultural and Resource Economics; Master in Mechanical Engineering; Master of Science in Educational Administration and Supervision; and Master of Education in Educational Administration and Supervision.

Trustee Washington moved for approval to discontinue these four degree programs from the UNCAPI and was seconded by Trustee Humphrey. Chair Kelly called for a vote by roll call.

Andrews	AYE	Poole	ABSENT
Dixon	AYE	Safran	AYE
Goodnight	AYE	Stack	AYE
Harrell	AYE	Washington	AYE
Heavlin	AYE	Weisiger	ABSENT
Herring	AYE	Kelly	AYE
Humphrey	AYE		

The motion passed.

With no further business, Chair Kelly adjourned the meeting at 10:52 a.m.

Respectfully submitted,

Assistant Secretary

Secretary

Approved:

Chair of the Board



TO: Presidents/Chancellors of the Atlantic Coast Conference Member Institutions

FROM: James J. Phillips, Ph.D.
Commissioner

DATE: May 23, 2021

SUBJECT: 2022-23 ACC Governing Board Certification Form

Please find attached a copy of the 2022-23 Atlantic Coast Conference Governing Board Certification form. The form is to be completed annually by the Chair of the Governing Board in order for a member institution to enter a team or individual competitors in an ACC Championship as indicated in ACC Bylaw 2.11.2.

Please review this policy with your Governing Board and return the signed form to Tracey Haith at the Conference office by **October 14, 2022**.

Thank you and best regards.

Attachment

JP/BH:th

cc: Faculty Athletics Representative
Athletics Director
Compliance Director





**Governing Board Certification Form
Academic Year 2022-23**

As Chair of the Governing Board at _____,
(institution name)

I attest that:

- 1) Responsibility for the administration of the athletics program has been delegated to the CEO/President/Chancellor of the Institution.
- 2) The CEO/President/Chancellor has the mandate and support of the board to operate a program of integrity in full compliance with NCAA, Conference and all other relevant rules and regulations.
- 3) The CEO/President/Chancellor, in consultation with the Faculty Athletics Representative and the Athletics Director, determines how the institutional vote shall be cast on issues of athletics policy presented to the NCAA and the Conference.

Date Presented to the Governing Board: _____

Signed: _____
(Chair of the Governing Board)

Signed: _____
(CEO/President/Chancellor of Member Institution)

Please mail or email completed form before **October 14, 2022** to:

Tracey Haith
thaith@theacc.org
Atlantic Coast Conference
4512 Weybridge Lane
Greensboro, NC 27407

Special Obligation Bond Resolution



Mary Peloquin-Dodd, Associate Vice Chancellor, Finance and University Treasurer
Lori Johnson, University Controller, Finance Division
Audit, Risk Management and Finance Committee Meeting

September 8, 2022

Debt Metrics

As of 6/30/22

- | | |
|----------------------|---|
| – \$530M | Outstanding fixed rate debt |
| – 3.05% | Historic cost of Borrowed Funds |
| – MADS is \$45M | Annual debt service is comparable with similarly rated peers |
| – Aa1 / AA | Credit Rating (Moody's / S&P) |
| – Up to \$90 million | Upcoming Debt – NC State's share supported by gifts and available funds |

Financing Timeline

- Preparing to Borrow
 - Project must be approved through the Self-Liquidating annual process
 - Campus
 - Board of Governors
 - Legislature
 - Special Obligation Resolution
 - **Board of Trustees**
 - Board of Governors
- Issuing Debt
 - Coordinate with System Office
 - Select structure options
 - Select issuance team
 - Draft documents
 - Rating Agency Review
 - Underwriter Due Diligence
 - Sale and Closing
- After-Issuance Compliance



Motion for Approval of Recommendation

Pre-Materials 6A Special Obligation Bond Resolution

Excerpt:

...**WHEREAS**, North Carolina State University at Raleigh may request the Board of Governors to issue one or more series of bonds (the “Bonds”), the proceeds of which will be applied to the Integrative Sciences (S.T.E.M.) Building approved by the North Carolina General Assembly in Chapter 15 of the 2022 North Carolina Session Laws (the “Special Obligation Project”);...

Questions?



NORTH CAROLINA STATE UNIVERSITY

BOARD OF TRUSTEES

RESOLUTION APPROVING THE

ISSUANCE OF SPECIAL OBLIGATION BONDS

WHEREAS, under Article 3, Section 116D General Statutes of North Carolina (the "Act") the Board of Governors (the "Board of Governors") of the University of North Carolina (the "University") may issue special obligation bonds, payable from obligated resources to pay the costs of acquiring, constructing or providing special obligation bond projects at one of the constituent institutions of the University or refunding any obligations previously issued by the Board of Governors; and

WHEREAS, North Carolina State University at Raleigh may request the Board of Governors to issue one or more series of bonds (the "Bonds"), the proceeds of which will be applied to the Integrative Sciences (S.T.E.M.) Building approved by the North Carolina General Assembly in Chapter 15 of the 2022 North Carolina Session Laws (the "Special Obligation Project"); and

WHEREAS Section 116D-26(b) of the Act requires the Board of Trustees of North Carolina State University at Raleigh to approve the issuance of Bonds for the Special Obligation Project;

NOW, THEREFORE, LET IT BE RESOLVED by the Board of Trustees of North Carolina State University at Raleigh as follows:

Section 1. **Approval of Issuance of Bonds.** The issuance of Bonds for the Special Obligation Project is approved.

Section 2. **Documents Authorized.** The Chair of the Board of Trustees, the Chancellor and the Vice Chancellor for Finance and Administration, individually or collectively, are hereby authorized, empowered and directed to do any and all other acts and to execute any and all documents, which they, in their discretion, deem necessary and appropriate in order to consummate the issuance of the Bonds and the transactions contemplated by this Resolution.

Section 3. **Effective Date.** This Resolution is effective immediately.

ADOPTED AND APPROVED, this 9th day of September, 2022.

**THE BOARD OF TRUSTEES OF NORTH CAROLINA
STATE UNIVERSITY**

Stanhope A. Kelly, Chair



STATE OF NORTH CAROLINA

COUNTY OF WAKE

)
)
)

ss:

I, _____, the duly elected Assistant Secretary of the Board of Trustees of North Carolina State University at Raleigh, **DO HEREBY CERTIFY** that (1) the foregoing is a full, true and correct copy of the Resolution adopted by the Board of Trustees of North Carolina State University at Raleigh at its regular meeting of September 9, 2022 and appearing in the minutes of such meeting, (2) notice of the meeting of the Board of Trustees of North Carolina State University at Raleigh held on September 9, 2022 was sent to each member of the Board, and (3) a quorum was present at the meeting on September 9, 2022 at which time the foregoing Resolution was adopted.

WITNESS, my hand and the seal of North Carolina State University at Raleigh this ____ day of September, 2022.



Assistant Secretary

**The Board Of Governors Of The
University Of North Carolina
North Carolina State University At
Raleigh; CP; Public Coll/Univ -
Unlimited Student Fees**

Primary Credit Analyst:

Ken W Rodgers, New York + 1 (212) 438 2087; ken.rodgers@spglobal.com

Secondary Contact:

Mary Ellen E Wriedt, San Francisco + 1 (415) 371 5027; maryellen.wriedt@spglobal.com

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Related Research

The Board Of Governors Of The University Of North Carolina

North Carolina State University At Raleigh; CP; Public Coll/Univ - Unlimited Student Fees

Credit Profile

The Brd of Governors of the Univ of North Carolina, North Carolina

North Carolina St Univ at Raleigh, North Carolina

University of North Carolina Brd of Governors (North Carolina State University at Raleigh)

Long Term Rating

AA/Stable

Affirmed

Rating Action

S&P Global Ratings affirmed its long-term 'AA' rating, and underlying rating (SPUR) where applicable, for North Carolina State University at Raleigh's (NC State) various series of general revenue bonds. In addition, S&P Global Ratings affirmed its 'A-1+' commercial paper (CP) rating on NC State's CP notes. The outlook, where applicable, is stable.

As of the fiscal year that ended on June 30, 2021, the university had \$623.1 million in outstanding debt, including capitalized leases of \$434,000 and operating leases totaling \$66.1 million. We understand over the next two years the university has no plans for additional long-term debt (new-money), however, it may issue commercial paper as bridge financing for a new integrative sciences building with an approximate cost of \$160 million--half of which is expected to be funded by the state with the remaining amount raised by the university through fundraising. The university's outstanding general revenue bonds are payable from available funds, which we consider equivalent to an unlimited student fee.

As a result of the COVID-19 pandemic, undergraduate classes for spring 2020, summer 2020 sessions 1 and most of fall 2020 were moved entirely online. NC State students who occupied university housing in spring 2020 were instructed to return to their off-campus residences unless granted an exception. Graduate courses and clinical education continued to meet in person or in a hybrid format. Classes for spring semester 2021 began on Jan. 19 and concluded on April 30 with exams on May 15. We understand the university cancelled the 2021 spring break and instead offered students the option of taking four wellness days off. Classes were largely held in person for the summer and fall of 2021 according to management.

Approximately 11.5% of students at the university are international students, and this has had some dampening effect on student enrollment due to the travel restrictions these students faced.

Auxiliary revenues make up approximately 9.6% of fiscal 2021 adjusted operating revenue and this revenue source declined from 14.3% of fiscal 2020 revenue and 15.2% of fiscal 2019 revenue. In part, the decline is related to student housing occupancy, which dipped to 18% in fall 2020 based on 7,601 university owned beds available compared with

an occupancy rate of 97% in fall 2019 based on 9,045 university owned beds available. In fall 2021 occupancy nearly returned to pre-pandemic levels at 94% based on 9,156 university beds available. The improvement in fall 2021 occupancy will be reflected in a significant improvement in auxiliary revenue in fiscal 2022. For fiscal 2022 and beyond, NC State was awarded \$72.9 million in Higher Education Emergency Relief Fund (HEERF) relief and other funds associated with the pandemic (including \$11.1 million of CRRSAA, \$50.204 million in American Rescue Plan Act (ARPA), \$119,375 of Governor's Emergency Education Relief Fund (GEERF) and \$11.517 million of other grants. In fiscal 2020, NC State received \$8.9 million Coronavirus Aid, Relief, and Economic Security (CARES) Act funds and approximately the same amount in fiscal 2021. In addition, in fiscal 2021 NC State received \$17.1 million Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA) funds and \$364,500 GEERF funds. We believe the university's available resources and liquidity are adequate to offset any medium-term budget pressures the university experienced during the pandemic.

Owing to its relatively firm enrollment trend and the pandemic-related financial support it has received, NC State essentially almost broke even on an operating basis for fiscal 2020 and returned to positive financial operations in fiscal 2021. Fall 2021 full-time equivalent (FTE) enrollment totaled 33,043 up from 32,277 in fall 2020. Applications for fall 2021 rose 4.4% to 32,885 from 31,487 in fall 2020. Tuition is frozen for in-state residents and has been so for several years, with 81.7% of students coming from inside the state, this has forced the university to be frugal in budgeting its operations to mitigate the pressures resulting from the pandemic.

Credit overview

We assessed NC State's enterprise profile as very strong, as reflected in its role as the state's co-flagship leader in public higher education, a firm full-time-equivalent (FTE) enrollment trend with other favorable demand metrics and stable management and governance. In addition, NC State's economic fundamentals are excellent, operating in a state that has S&P Global Ratings' highest rating. We assessed the university's financial profile as very strong, characterized by robust financial operating performance in most recent years except for fiscal 2020 when the pandemic caused a slight deficit, good financial policies, and a low to moderate debt burden with modest financial resources for the rating. We believe these credit factors, combined, lead to an indicative stand-alone credit profile of 'aa' and a long-term rating of 'AA'.

The short-term CP rating reflects the ample liquidity provided by University of North Carolina (UNC)-Chapel Hill to pay the purchase price of CP notes unsuccessfully remarketed. UNC-Chapel Hill includes NC State's full \$100 million CP authorization in its self-liquidity adequacy calculation in addition to its own \$250 million CP authorization. Although both universities as of March 31, 2022, had no outstanding CP, UNC maintained sufficient discounted assets of \$1.1 billion in comparison with \$328.8 million of its debt supported by self-liquidity. The CP program, issued for the benefit of both NC State and UNC-Chapel Hill, has been in effect since 2002.

The ratings are supported by our view of NC State's:

- Role as North Carolina's land-grant university and one of two comprehensive research institutions in the 17-campus UNC System;
- Positive enrollment trend in four out of the last five fall enrollment periods, coupled with robust selectivity, matriculation, and retention rates;

- Robust philanthropic support having recently concluded a major comprehensive campaign that raised \$2.1 billion compared with the campaign's \$2.0 billion goal; and
- Very sound financial, investment and debt management practices bolstered by the posting of healthy operating margins in three out of the past four fiscal years.

In our opinion, partly offsetting credit factors include:

- NC State's low financial resources for the rating category, with adjusted unrestricted net assets (UNA) of \$386.5 million as of June 30, 2021, equating to 22.5% of adjusted operating expenses, 62% of total debt;
- State appropriations that while increasing modestly in nominal amounts for each of the past five fiscal years nevertheless represent a decrease as a percentage of total adjusted revenue falling to 28.5% in fiscal 2021 from 32.2% in fiscal 2016; and
- NC State's modest (for a major research university) but growing endowment of \$1.9 billion as of fiscal year-end 2021 compared with \$1.4 billion as of fiscal 2020, most of which is restricted.

The stable outlook reflects our belief that NC State's enrollment trend will likely remain favorable during the two-year outlook period that the university's leadership and senior management team will remain sound and ongoing operations will remain positive while available resources are expected to be maintained or further enhanced with no major plans for additional debt.

North Carolina State University at Raleigh was established in 1887 as a land-grant institution by the North Carolina General Assembly. Today, it is a comprehensive research university organized into 12 colleges spread across the 2,100-acre campus offering more than 300 undergraduate and graduate degree programs. The university offers programs in agriculture and life sciences, design, education, engineering, humanities and social sciences, management, natural resources, sciences, textiles, and veterinary medicine, and is currently the largest four-year institution in the UNC System.

Environmental, social, and governance

In our view, higher education entities face elevated social risk due to the uncertain duration of the COVID-19 pandemic, and the unknown impact on fall 2021 enrollment levels and mode of instruction. We view the risks posed by COVID-19 to public health and safety as a social risk under our environmental, social, and governance factors. We view the university's environmental and governance risks as neutral factors in our credit rating analysis.

Stable Outlook

Downside scenario

We could consider a negative rating action if enrollment decreases rather than increases as expected and the enrollment decline leads to weak operating performance and further strain on modest available resources. In addition, any additional debt issuance without a commensurate growth in available resources would likely be viewed unfavorably.

Upside scenario

A higher rating would require continuation of the generally favorable enrollment trend, maintaining positive financial operations on a full accrual basis, and realizing a significant improvement in available resources while limiting additional debt issuance.

Credit Opinion

Enterprise Profile

Market position and demand

NC State is the largest university in the UNC System with total headcount enrollment approaching 37,000 based on fall 2021 headcount of 36,831 students. Over the past five fall enrollment periods, total headcount enrollment was positive in four out of five years compared with the prior periods' enrollment. Total FTE enrollment climbed 3.3% in fall 2018, 1.8% in fall 2019 followed by a slight decline of 0.8% in fall 2020 followed by an increase of 2.4% in fall 2021. Total FTE enrollment was 33,043 in fall 2021 representing an increase of 2.4% compared with the fall 2020 total FTE enrollment of 32,277. Undergraduate FTE enrollment increased by 1.8% in fall 2021 to 24,786 students from 24,359 students in fall 2020. Graduate FTE enrollment has become a somewhat larger portion of enrollment and realized a 4.3% increase in fall 2021 to 8,258 students from 7,918 in fall 2020. We understand the university is concentrating on growing enrollment in its masters and doctoral programs while slowing enrollment growth at the undergraduate level.

First-year applications totaled 32,885 in fall 2021, a 4.4% increase from the previous year. The university's selectivity ratio in fall 2020 was a solid 47.2%, its highest level of selectivity over the past eight years. A solid 32.1% of accepted students matriculated and NC State has a strong retention rate of 94.3% for fall 2021.

Management reports that out-of-state applicants have increased, although not to the level where it would be bumping up against a Board of Governors policy that stipulates out of state students represent less than 18.3% of the incoming freshmen class. Student quality, as measured by standardized test scores, is above average, with SAT scores of 1352 for fall 2021. First-year retention rates are also excellent at approximately 94.3%, and graduation rates remain well above the public university national average.

For the 2021-2022 academic year, undergraduate tuition and fees for state residents is \$9,131 and for out-of-state students is \$29,916, which we consider modest compared with peers' rates. Tuition is frozen for the sixth consecutive year for resident undergraduate students for fall 2022, although NC State has flexibility to raise fees where necessary, up to a 3% cap. We believe the tuition freeze has helped bolster demand for NC State during the pandemic.

A major strategic initiative at the university is fundraising. NC State's "Think and Do the Extraordinary" comprehensive capital campaign that began in 2013 with an initial goal of \$1.4 billion that was raised to \$1.6 billion when the campaign went public in 2016 was closed out at calendar year end 2021 raising \$2.1 billion exceeding the final \$2.0 billion goal. Funds from the campaign are targeted toward building the university endowment, programs and professorships, and scholarships. We view the university's ability to fundraise as a credit strength that has helped it mitigate some pressure from the pandemic.

In our view, the university's geographic diversity is limited by the board of governors' policy requiring an 18% cap on incoming freshmen from out of state. As a result, our assessment of NC State's economic fundamentals is anchored by North Carolina's GDP per capita.

Management and governance

The NC State Board of Trustees comprises 13 members with eight elected by the UNC Board of Governors, four of whom are appointed by the North Carolina General Assembly, and one who is the president of the student government (ex officio). The board's purpose is to advise on matters pertaining to the university and to serve as advisers to the chancellor. Certain responsibilities of the board involve approvals as delegated by the UNC Board of Governors.

Management and governance are stable at the university with no changes in key administrators over the past two to three years. NC State also adopted a new 10-year strategic plan in fiscal 2021 (delayed from 2020 due to the pandemic) titled Wolfpack 2030: Powering the Extraordinary. The new strategic plan focuses on promoting student success, preeminence in research, culture of equity, diversity and inclusion and improving university effectiveness through transformative technologies, cutting -edge processes and actionable data among other key goals. We view positively management's conservative budgeting practices.

NC State has taken several actions to enhance its cyber-security including using two factor authentication for access to its system. These actions include maintaining cyber-insurance, staff training, and other testing and security measures that the university prefers to keep confidential. We view these actions positively and indicative of utilizing best practices to minimize this type of risk. NC State also has a robust enterprise risk management program. In the past two years the university hasn't had a serious data breach.

Research

NC State's campus includes a north and central campus; the Biomedical Centennial Campus; and Centennial Campus, a 1,334-acre research and technology-transfer park that includes corporate and government research, as well as development centers and business incubators. Management indicates NC State is looking to create an innovation district on the Centennial Campus, within the next 10 to 20 years with initial infrastructure development occurring next year, that could include market-priced housing, private labs and innovation space that would foster collaboration with university students and private sector potential student employers. To accomplish this objective a public-private partnership structure is being considered. The university, along with the UNC-Chapel Hill and Duke University, constitute the backbone of the Research Triangle. Research Triangle is a world-leading research development park, which we believe provides long-term stability to the university's role.

In our opinion, the university conducts a high level of research for an institution without a medical school. Grants and contracts account for 17.7% of revenues for fiscal 2021, the largest contributor of which is the National Science Foundation. We understand research expenditures have exceeded \$500 million annually since fiscal 2020. The university's indirect cost recovery rate is 52%.

Financial Profile

Financial performance

In our view, a key credit strength of NC State is its financial operating performance. Operations have historically been robust with positive operations on a full-accrual basis in each of the six audited fiscal years preceding fiscal 2020. In fiscal 2020, in large part due to a decline in auxiliary revenue resulting from the pandemic, operations were slightly weaker approximating breakeven (0.2%) followed by a surplus of 8.26% in fiscal 2021 owing to a sizable increase in investment income from \$20 million in fiscal 2020 to \$161.24 million in fiscal 2021 and receipt of funds from the CARES Act together with an increase in gifts. Management also reduced expenses 4% in 2021. NC State posted a positive net tuition revenue increase in fiscal 2020, despite the tuition freeze in effect for resident undergraduate students but net tuition revenue declined 7.8% in fiscal 2021 compared with fiscal 2020.

State appropriations continue to grow slowly and were \$528.2 million in fiscal 2021 up from \$523.4 million in the previous year and an increase for fiscal 2022 is anticipated. Management has taken a conservative stance during the pandemic anticipating that state funding could be cut and budgeting accordingly. The state legislature's budget session for fiscal 2023 is scheduled to conclude on June 30th and we understand NC State is anticipating a positive year-over-year increase in state appropriation for fiscal 2023. Capital appropriations have historically been modest and were \$4.7 million in fiscal 2019 and \$903,000 for fiscal 2020 and \$7.7 million in fiscal 2021.

Available resources

The university's financial resources remain adequate to support the rating but somewhat low for the rating category in our view. The principal reason financial resources growth is somewhat lackluster is the impact of the undergraduate resident tuition freeze, investments made in faculty and staff to attract the most academically qualified class in fall 2021 and funds the university has expended to maintain its campus with a relatively young 11.7-year average age of plant. Adjusted UNA totaled \$386.4 million as of June 30, 2021, equal to just 22.5% of adjusted operating expenses, 62% of total debt.

Total market value for the NC State associated entities and the university endowment fund was \$1.94 billion as of fiscal year-end 2021. Management attributes the increase to successful fundraising associated with its capital campaign as well as solid investment returns for the year. Most of the university's endowments are pooled into the North Carolina State Investment Fund. About 90% of these funds are managed by the UNC Management Co. Inc. Annual distributions are about 5% of the average market value of the endowment during the previous 20 quarters.

NC State has sufficient liquidity as part of its long-term investment portfolio, in our view. Operating funds are generally invested in the state treasurer's investment fund, which provides same-day funds, and to a lesser degree, in NC State investment Fund's Intermediate Term Fund.

Debt and contingent liabilities

As of fiscal year-end 2021, the university has approximately \$623.1 million in total debt outstanding including \$471.4 million of revenue bonds, \$434 million of capital leases, \$66.14 million of operating leases and \$85.14 million of bank debt. We view the self-supporting nature of the general revenue bonds and internal policy of 1.2x debt service coverage (per project) as positive and believe these practices mitigate some of the risk associated with the university's modest overall debt level. All of the university's debt is fixed rate.

In 2010, the university negotiated a direct-placement loan with BB&T Bank, with \$11.948 million outstanding at fiscal

year-end 2021. Also, the university has a direct-placement obligation with Bank of America outstanding at fiscal year-end 2021 in the amount of \$39.77 million. In addition, the university negotiated a \$50 million direct-placement loan with PNC in 2017 and currently has \$33.418 million outstanding as of fiscal 2021. We have reviewed the terms of the loans and view them as on parity with general revenue bonds, which means there are no additional rate covenants, immediate acceleration, or cross-defaults as is stipulated in the general trust indenture.

NC State participates in North Carolina's Teachers' and State Employees' Retirement System (TSERS)--a cost sharing, multiple-employer, defined-benefit pension plan. TSERS is the largest of several defined-benefit pension plans administered by North Carolina. We understand the university contributed \$50.9 million to the plan for the year ended June 30, 2021, recognized pension expense of \$80.9 million and reported a liability of \$274 million for its proportionate share of the collective net pension liability.

We understand the state does not separately break out the funded ratio for TSERS alone; however, the funded ratio for all plans it administers is strong at 94.86%. In addition, faculty and staff may alternatively join The Optional Retirement Plan (ORP)--a defined-contribution pension plan. The university had a total payroll of \$825.1 million in fiscal 2021, of which \$329.9 million was covered under ORP. NC State made contributions to ORP in fiscal 2021 of \$19.8 million.

NC State participates in North Carolina's two postemployment benefit plans, the Retiree Health Benefit Fund (RHBF) and the Disability Income Plan of North Carolina (DIPNC). The university's contributions to the RHBF were \$45 million for the year ended June 30, 2021, and to the DIPNC were \$607,402. As of June 30, 2021, the university reported a net other postemployment benefit (OPEB) liability of approximately \$1.08 billion for RHBF and a net OPEB asset of \$1.49 million for its proportionate share of the collective net OPEB asset for DIPNC. In our view, NC State's pension and OPEB funding requirements are well within its means to handle and do not present any incremental credit risk.

North Carolina State University At Raleigh, North Carolina Enterprise And Financial Statistics

	--Fiscal year ended June 30--					Medians for 'AA' rated public colleges and universities
	2022	2021	2020	2019	2018	2020
Enrollment and demand						
Headcount	36,831	36,042	36,379	35,550	34,432	MNR
Full-time equivalent	33,043	32,277	32,525	31,971	30,954	38,513
Freshman acceptance rate (%)	47.2	46.2	45.1	46.8	50.8	68.9
Freshman matriculation rate (%)	32.1	32.6	42.8	42.3	34.8	MNR
Undergraduates as a % of total enrollment (%)	72.0	72.6	71.4	70.9	70.1	78.7
Freshman retention (%)	94.3	93.6	94.0	94.0	94.0	86.7
Graduation rates (six years) (%)	85.1	84.9	83.0	81.0	79.0	MNR
Income statement						
Adjusted operating revenue (\$000s)	N.A.	1,855,649	1,748,333	1,779,088	1,711,697	MNR

North Carolina State University At Raleigh, North Carolina Enterprise And Financial Statistics (cont.)

	--Fiscal year ended June 30--					Medians for 'AA' rated public colleges and universities
	2022	2021	2020	2019	2018	2020
Adjusted operating expense (\$000s)	N.A.	1,714,134	1,752,280	1,691,952	1,656,965	MNR
Net adjusted operating income (\$000s)	N.A.	141,515	(3,947)	87,136	54,732	MNR
Net adjusted operating margin (%)	N.A.	8.26	(0.23)	5.15	3.30	0.80
Estimated operating gain/loss before depreciation (\$000s)	N.A.	256,462	103,970	187,419	153,653	MNR
Change in unrestricted net assets (UNA; \$000s)	N.A.	99,453	27,936	85,868	(1,702,283)	MNR
State operating appropriations (\$000s)	N.A.	528,195	523,411	522,482	515,353	MNR
State appropriations to revenue (%)	N.A.	28.5	29.9	29.4	30.1	19.3
Student dependence (%)	N.A.	33.3	40.6	40.6	40.6	40.0
Health care operations dependence (%)	N.A.	N.A.	N.A.	N.A.	N.A.	MNR
Research dependence (%)	N.A.	17.7	17.7	17.6	17.2	MNR
Endowment and investment income dependence (%)	N.A.	8.7	1.1	2.3	2.4	1.3
Debt						
Outstanding debt (\$000s)	N.A.	623,111	538,457	535,821	553,988	1,021,735
Proposed debt (\$000s)	N.A.	N.A.	N.A.	N.A.	N.A.	MNR
Total pro forma debt (\$000s)	N.A.	623,111	N.A.	N.A.	N.A.	MNR
Pro forma MADS	N.A.	N.A.	N.A.	N.A.	N.A.	MNR
Current debt service burden (%)	N.A.	3.67	2.44	2.56	2.63	MNR
Current MADS burden (%)	N.A.	3.34	2.48	2.57	2.63	3.30
Pro forma MADS burden (%)	N.A.	N.A.	N.A.	N.A.	N.A.	MNR
Financial resource ratios						
Endowment market value (\$000s)	N.A.	1,946,200	1,417,700	1,400,700	1,293,700	999,171
Related foundation market value (\$000s)	N.A.	890,165	642,645	635,453	688,435	681,584
Cash and investments (\$000s)	N.A.	879,362	786,700	758,252	691,428	MNR
UNA (\$000s)	N.A.	(1,252,577)	(1,352,030)	(1,379,966)	(1,465,834)	MNR
Adjusted UNA (\$000s)	N.A.	386,486	347,249	346,741	337,993	MNR
Cash and investments to operations (%)	N.A.	51.3	44.9	44.8	41.7	53.0
Cash and investments to debt (%)	N.A.	141.1	146.1	141.5	124.8	167.7
Cash and investments to pro forma debt (%)	N.A.	141.1	N.A.	N.A.	N.A.	MNR
Adjusted UNA to operations (%)	N.A.	22.5	19.8	20.5	20.4	36.2

North Carolina State University At Raleigh, North Carolina Enterprise And Financial Statistics (cont.)

	--Fiscal year ended June 30--					Medians for 'AA' rated public colleges and universities
	2022	2021	2020	2019	2018	2020
Adjusted UNA plus debt service reserve to debt (%)	N.A.	62.0	68.4	68.6	64.2	104.9
Adjusted UNA plus debt service reserve to pro forma debt (%)	N.A.	62.0	N.A.	N.A.	N.A.	MNR
Average age of plant (years)	N.A.	11.7	11.5	11.5	10.9	13.6
OPEB liability to total liabilities (%)	N.A.	38.4	38.1	34.0	37.6	MNR

N.A.--Not available. MNR--Median not reported. MADS--Maximum annual debt service. Total adjusted operating revenue = unrestricted revenue less realized and unrealized gains/losses and financial aid. Total adjusted operating expense = unrestricted expense plus financial aid expense. Net operating margin = 100*(net adjusted operating income/adjusted operating expense). Student dependence = 100*(gross tuition revenue + auxiliary revenue) / adjusted operating revenue. Current debt service burden = 100*(current debt service expense/adjusted operating expenses). Current MADS burden = 100*(maximum annual debt service expense/adjusted operating expenses). Cash and investments = cash + short-term and long-term investments. Adjusted UNA = Unrestricted net assets + unrestricted net assets of the foundation. Average age of plant = accumulated depreciation/depreciation and amortization expense.

Related Research

Through The ESG Lens 3.0: The Intersection Of ESG Credit Factors And U.S. Public Finance Credit Factors, March 2, 2022

Ratings Detail (As Of May 16, 2022)

North Carolina St Univ at Raleigh taxable gen rev bnds

Long Term Rating AA/Stable Affirmed

North Carolina St Univ at Raleigh tax-exempt gen rev bnds

Long Term Rating AA/Stable Affirmed

North Carolina St Univ at Raleigh ICR

Long Term Rating AA/Stable Affirmed

The Brd of Governors of the Univ of North Carolina, North Carolina

North Carolina St Univ at Raleigh, North Carolina

The Brd of Governors of the Univ of North Carolina (North Carolina St Univ at Raleigh) gen rev rfdg bnds

Long Term Rating AA/Stable Affirmed

The Brd of Governors of the Univ of North Carolina (North Carolina St Univ at Raleigh) CP bnds

Short Term Rating A-1+ Affirmed

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**STATE OF NORTH CAROLINA
DEPARTMENT OF ADMINISTRATION
DISPOSITION OF REAL PROPERTY**

Institution or Agency: North Carolina State University

Date: September 8, 2022

The Department of Administration is requested, as provided by GS 146-28 to dispose of the real property herein described by lease:

This disposition is recommended for the following reasons:

NC State University is requesting approval for a new lease with The United States of America (USA), National Oceanic and Atmospheric Administration (NOAA), National Weather Service (NWS). The NWS currently leases a 0.3214 acre parcel of land at the Central Crops Research Station in Clayton, NC for operation of its NEXRAD weather tower and associated equipment. The current lease will expire on September 30, 2022.

Description of Property: 0.3214 acres of land located at 13223 US Business Hwy 70 West, Clayton, NC

Estimated value: \$3,494.13 per lease year

Where deed is filed, if known: Johnston County, NC Register of Deeds

If deed is in the name of agency other than applicant, state the name: N/A

Rental income, if applicable, and suggested terms:

Flat annual rent of \$3,494.13 per year (Calculated based upon initial year land value of \$2,870 escalated at 2.75% annually over a 15-year period yielding a total rent stream of \$52,411.95 divided equally over the 15-year period yielding \$3,494.13 per year).

Funds from the disposal of this property are recommended for the following use:

Funds will be retained by the Research Station Fund established by North Carolina General Statutes § 106-6.3.

Action recommending this transaction was taken by the Board of Trustees at its meeting held on September 9, 2022.

Signature _____
Chancellor

**DISPOSITION
OF REAL PROPERTY**

DISPOSITION OF REAL PROPERTY BY LEASE

LESSOR: State of North Carolina, North Carolina State University (NCSU)

LESSEE: United State of America (USA), National Oceanic Atmospheric Administration (NOAA), National Weather Service (NWS)

LOCATION: Central Crops Research Station, Clayton, NC, Johnston County

TERM: Fifteen (15) years, effective October 1, 2022 and terminating no later than September 30, 2037

AREA: Approximately 0.3214 acres of land

ANNUAL

RENTAL: Flat annual rent of \$3,494.13 per year

(Calculated based upon initial year land value of \$2,870 escalated at 2.75% annually over a 15-year period yielding a total rent stream of \$52,411.95 divided equally over the 15-year period yielding \$3,494.13 per year).

Comments:

TRANSMITTAL OF REQUEST FOR ACQUISITION/DISPOSITION OF REAL PROPERTY

Form
Number: PO-2

Preparation
Date: September 9, 2022

Request: Approval for disposition by lease of real property between North Carolina State University (NCSU) and The United States of America (USA), National Oceanic Atmospheric Administration (NOAA), National Weather Service (NWS) for 0.3214 acre parcel at Central Crops Research Station (CCRS), Clayton, NC.

Institution: NORTH CAROLINA STATE UNIVERSITY
.....

RECOMMENDED BY CHANCELLOR, NCSU

(Chancellor's Signature)
.....

**RECOMMENDED BY COMMITTEE ON
BUILDINGS AND PROPERTY**

(Chairman's Signature)
.....

**RECOMMENDED BY BOARD OF TRUSTEES,
NCSU**

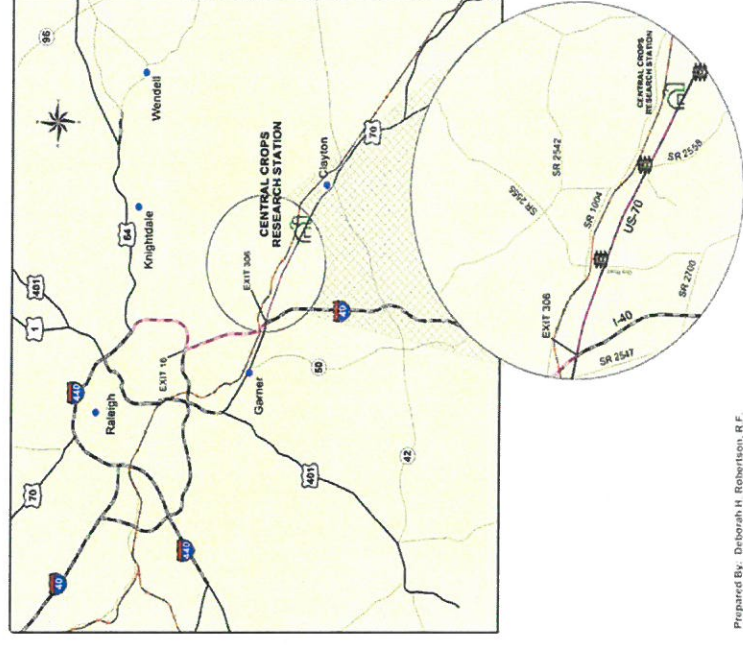
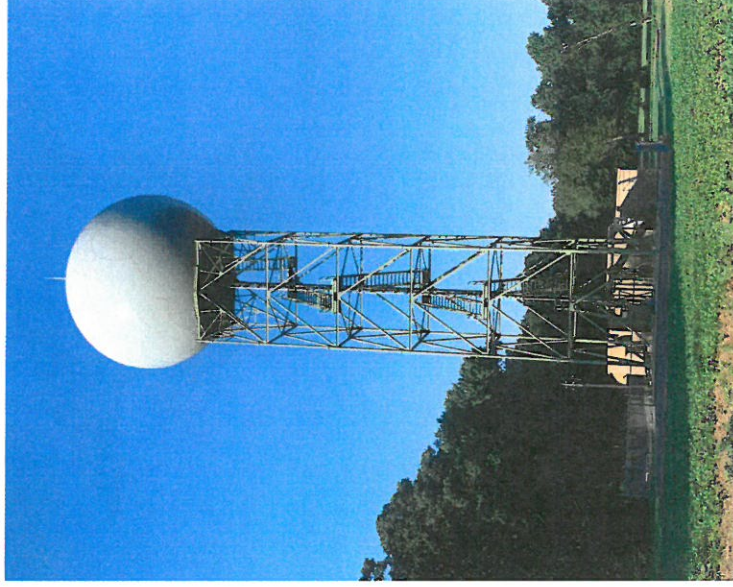
(Chairman's Signature)
.....

RECOMMENDED BY BOARD OF GOVERNORS

(Secretary's Signature)
.....

NC STATE UNIVERSITY

Disposition by Lease – Central Crops Research Station (CCRS)



Prepared By: Deborah H. Robertson, R.F.

**STATE OF NORTH CAROLINA
DEPARTMENT OF ADMINISTRATION
DISPOSITION OF REAL PROPERTY**

Institution or Agency: North Carolina State University

Date: September 8, 2022

The Department of Administration is requested, as provided by GS 146-28 to dispose of the real property herein described by (sale), ~~(lease)~~, ~~(rental)~~, or ~~(land exchange)~~:

This disposition is recommended for the following reasons:

NC State University is requesting approval for the sale of property on Centennial Campus to the Board of Trustees of the Endowment Fund of North Carolina State University (The Endowment). The Endowment intends to amend the existing lease agreement with the North Shore developer to include this additional acreage which will allow for the completion of the North Shore development.

Description of Property: *(Attach additional pages if needed.)*

1.15 acres on Centennial Campus adjacent to the existing North Shore development.

Estimated value: **\$800,000.00**

Where deed is filed, if known: Wake County Register of Deeds

If deed is in the name of agency other than applicant, state the name: N/A

Rental income, if applicable, and suggested terms: N/A

Funds from the disposal of this property are recommended for the following use:

Funds will be retained by the Centennial Campus Trust Fund in accordance with the Centennial Campus Financing Act established by North Carolina General Statutes § 116-36.5.

Action recommending this transaction was taken by the Board of Trustees at its meeting held on September 9, 2022.

Signature _____
Chancellor

**DISPOSITION
OF REAL PROPERTY**

SALE

GRANTOR State of North Carolina on behalf of North Carolina State University

GRANTEE Board of Trustees of the Endowment Fund of North Carolina State University

LOCATION Centennial Campus

SIZE +/- 1.15 acres

RATE \$800,000.00

TERM N/A

USE The subject property will be acquired by the Board of Trustees of the Endowment Fund of North Carolina State University and added to the ground lease for the existing North Shore development. This additional property will allow for completion of the final phase of the North Shore development.

TRANSMITTAL OF REQUEST FOR ACQUISITION/DISPOSITION OF REAL
PROPERTY

Form
Number: PO-2

Preparation
Date: 9/9/2022

Request: Assent to sale of 1.15 acres of real property on
Centennial Campus to the Board of Trustees of North Carolina State
University.

Institution NORTH CAROLINA STATE UNIVERSITY
.....

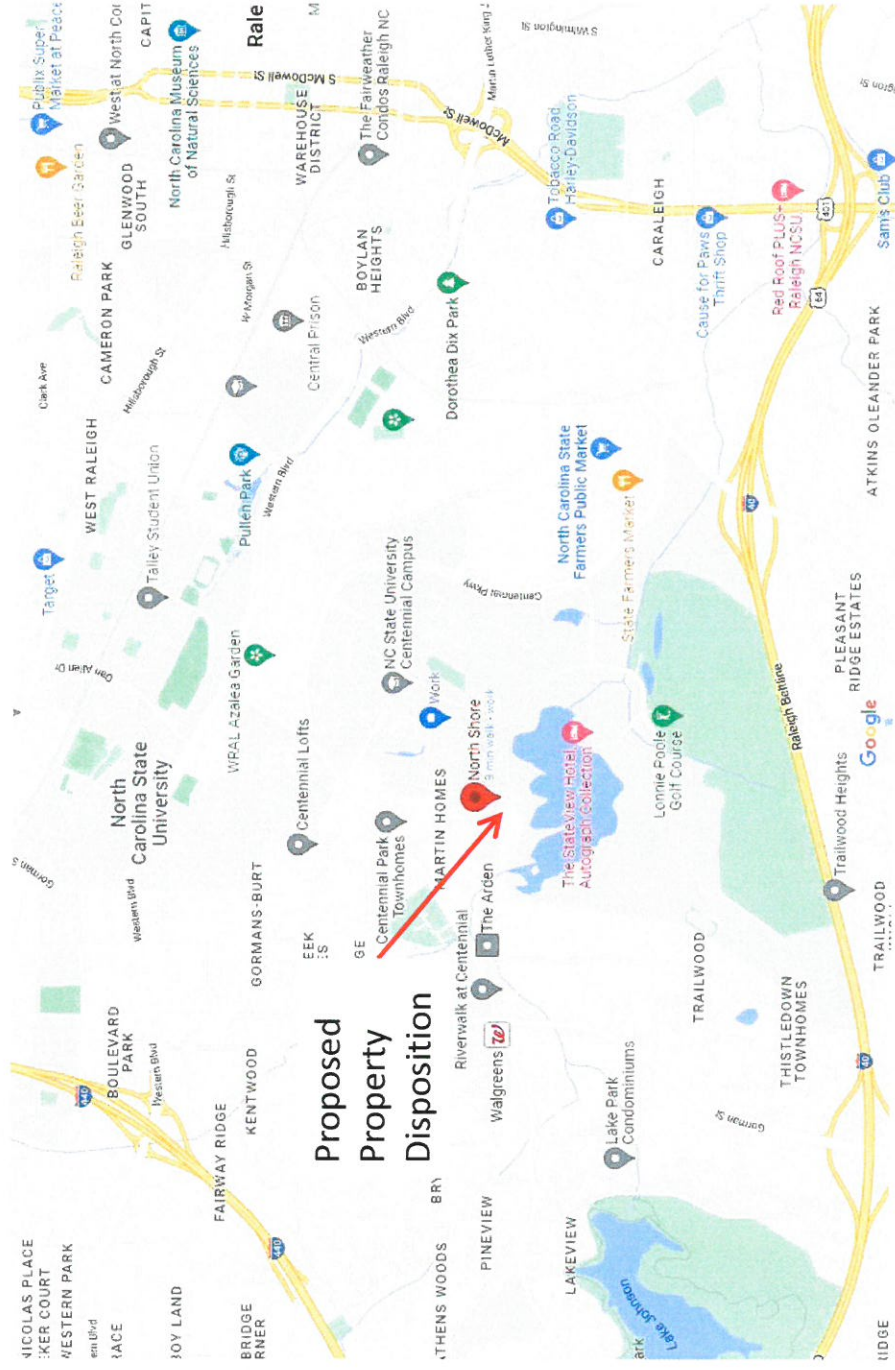
RECOMMENDED BY CHANCELLOR, NCSU _____
(Chancellor's Signature)
.....

RECOMMENDED BY COMMITTEE ON _____
BUILDINGS AND PROPERTY (Chairman's Signature)
.....

RECOMMENDED BY BOARD OF TRUSTEES, _____
NCSU (Chairman's Signature)
.....

RECOMMENDED BY BOARD OF GOVERNORS _____
(Secretary's Signature)
.....

PO2 for Centennial Campus Property Disposition at North Shore Vicinity Map



PO2 for Centennial Campus Property Disposition at North Shore
Proposed Disposition Area

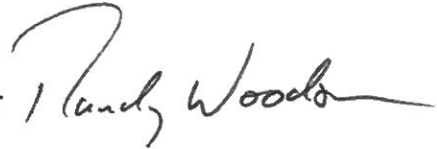


August 24, 2022

MEMORANDUM

TO: Board of Trustees

FROM: W. Randolph Woodson, Chancellor



SUBJECT: Naming Opportunities Proposals

The Naming Opportunities Committee has endorsed and favorably recommends to you the following naming opportunities proposals:

College of Agriculture and Life Sciences

Cheese Room, Room G13A-G13B, Schaub Food Science Building

The College of Agriculture and Life Sciences proposes one naming opportunity in the Schaub Food Science Building.

White Garden, JC Raulston Arboretum

The College of Agriculture and Life Sciences proposes one naming opportunity in the JC Raulston Arboretum.

Office of the Chancellor

Plaza, Centennial Public Art Project

The Office of the Chancellor proposes one naming opportunity on the Centennial Campus Oval.

On behalf of the NC State University Office of the Faculty Senate, please find the August 2022 report to the Board of Trustees, summarizing the agenda issues presented to the Faculty Senate since our last Board of Trustees report.

Employee Engagement & Campus Culture

On March 8, 2022, three presentations were made to the Faculty Senate. Tim Danielson, Associate Vice Chancellor of University Human Resources, discussed the UNC System Employee Engagement Survey. Associate Vice Chancellor Danielson discussed the 2020 survey results and new survey items on Diversity, Inclusion & Belonging and the COVID-19 pandemic. The new employee engagement survey was available between March 28, 2022 and April 11, 2022. Associate Vice Chancellor Danielson will share the summary results with Faculty Senators during the upcoming academic year.

Gareth Washington, Director of Benefits, Employee Wellness and Work Life discussed the *Ready to Retire* workshops hosted twice each academic year by University Human Resources. The workshop includes discussions on social security, retiree health, and employee retirement plans, to give employees a sense of security during the retirement process.

Peter Harries, Dean of The Graduate School, and Deveshwar Hariharan, President of the Graduate Student Association, presented the *Positive Graduate Education Culture* rights and responsibilities document. The Faculty Senate unanimously endorsed the Graduate Student Compact reflecting NC State's Commitment to high-quality graduate education.

Council on Athletics & Libraries

The April 5, 2022 meeting focused on supporting student-athletes and affordability for all students. There were three presentations on athletics. Joel Pawlak, Faculty Athletics Representative, and Katie Graham, Assistant Dean and Associate Athletic Director for Academics presented on the status of NC State's athletes. As reported, cumulative GPA and graduation rates are strong. Dr. Pawlak also presented on changes in NCAA legislation regarding the transfer of athletes between schools. Boo Corrigan, Director of Athletics, discussed budgetary challenges resulting from the loss of revenue during the pandemic and PackUnited, an initiative developed by NC State student-athletes to help create a more inclusive community.

David Tully, Librarian for Student Success and Affordability, Will Cross, Director of the Open Knowledge Center and Head of Information Policy, and Sheariah Stevens, a student ambassador for Open Educational Resources at NC State presented on supporting affordability and equity in

course materials. The presentation highlighted options for free educational resources, including textbooks, and provided information about the Open Pedagogy Incubator program through University Libraries. The Open Pedagogy Incubator program allows participating faculty to develop expertise on best practices in adopting or developing open education resources.

Election Updates

On April 19, 2022, Dr. Berry-James provided updates for newly elected faculty senators, representatives of our 5-member [UNC Faculty Assembly delegation](#), and Faculty Grievance/Review Committees as well as identified senators who were eligible for the Executive Committee. Members of the [2022-2023 Executive Committee](#) were elected via an electronic vote that took place after the meeting.

To ready the campus for shared governance, the Office of the Faculty Senate has transitioned to the [69th Session of the Faculty Senate](#) for the 2022-2023 academic year. Dr. Herle McGowan assumed her role as chair of the faculty on August 1, 2022. Dr. RaJade M. Berry-James left the university to join Virginia Commonwealth University L. Douglas Wilder School of Government and Public Affairs as the Senior Associate Dean of Faculty and Academic Affairs. Dr. McGowan is excited to lead the faculty through this transition and into the new academic year.

Respectfully submitted,



Dr. Herle McGowan
Chair of the NC State University Faculty, 2022-2023
Teaching Professor, Department of Statistics, College of Sciences

To: Honorable Trustees and Distinguished Members

From: Jill J. Phipps

Staff Senate Chair

Date: September 8, 2022

Re: Board of Trustees Report

On behalf of myself and our amazing Staff Senators, thank you for this opportunity to present to you. The first meeting for our Staff Senate was held on August 2, 1995. It is exciting to report to you that on this 27th year of the Staff Senate that we continue to be a very active body. Our charge is to be an advisory body to our Chancellor and we are very appreciative of the continued support that we receive by his office and our campus leadership. The Staff Senate has a mission to be the “voice” of our constituents and to make recommendations regarding the interest or concerns that affect our staff members; promote and facilitate staff participation in the university community and include a sense of community among all university employees with the expectation of having a successful Diversity, Equity, Inclusion and Belonging University. Our motto this year is: **Positivity and Great Passion can make the Impossible Happen.**

To accomplish great success, we continue to encourage and promote a sense of community among all of our staff employees. Some of our key initiatives and activities since April have been:

- The Staff Senate website continues to be an awesome tool supported by our Communications Sub-committee. We continue to keep our website current with Staff Senate Connections; our monthly newsletters and provide information and links to many resources that are available to our campus community.
- The Staff Senate partnered with The Blood Connection of Raleigh sponsoring a campus wide blood drive in which all the blood donated will stay in the NC State and Raleigh communities.
- The Staff Senate kicked off the first Digital Access and Literacy Summit to focus on opportunities that will allow all staff to have access to digital tools and knowledge, and how we can create an inclusive digital community for all of our employees. This is an ongoing initiative and I look forward to share with you updates at the next board meeting.
- We offered a “Learn at Lunch – Getting Around” opportunity that was well received by our constituents. Topics of discussion included using the Wolfline; walking trails; the importance of carpools; and GoRaleigh Transit.
- The Staff Senate was instrumental in working on behalf of our constituents to gain the assistance of our Transportation Division to paint the speed bumps on Morrill Drive a caution yellow. Before this speed bump was painted, we have had some staff members not realizing the speed bump was there have minor damage done to the underside of their vehicle.

- In June, we held our elections for officers and committee chairs. This year we continue to have a dedicated staff of employees to serve as senators on behalf of our entire campus community at this wonderful University.
- We kicked off our new Staff Senate term on July 13, 2022 welcoming all new senators and returning senators to our annual retreat at Hunt Library. Special guest included Chancellor Woodson who shared comments to guide us in the upcoming year; our AVC-HR and liaison for the Staff Senate, Tim Danielson, as he shared greetings and HR updates with our staff; Pat Gaddy (Past Chair for term 2020/2021) presented the motivational topic "Passion and Positivity" which was well received and the senators were eager to begin their role advocating for staff immediately. Stephanie Davis, Assistant Director of Learning & Organization Development facilitated "team building" activities which enhanced the commitment of serving as a Staff Senator.
- Staff were very engaged with our annual Pollinator Week which was a series of expert presentations on a wide range of pollinator-related topics.

As we are the "voice" for our staff, our goals continue to be:

- Participate and be included in leadership discussions as we bring forth staff concerns
- Assist with educating staff on university processes in regards to helping them to make better informed decisions about the efficiency of their work
- Keep Staff involved knowing that the Staff Senate is their "voice" and we are constantly working on their behalf

I am proud to say that our Staff Senate has established excellent reputation for the support of our campus community and will continue make every possible effort to foster diversity, equity, inclusion and belonging within our campus community. In these changing times with so much uncertainty in our world, this staff senate has the capacity to translate our vision to reality. We believe as our motto states: Positivity and Great Passion can make the Impossible Happen.

Respectfully submitted,

Jill J. Phipps

Staff Senate Chair *2022/2023