
**BOARD OF TRUSTEES
NORTH CAROLINA STATE UNIVERSITY
June 20, 2019**

THURSDAY, June 20, 2019

RESERVED PARKING AT MEMORIAL BELLTOWER

FULL BOARD MEETING, CHANCELLOR'S CONFERENCE ROOM

8:00 a.m. ■ Call to Order and Ethics Statement

Jimmy Clark, Chair of the Board

■ Roll Call

■ Approval of Minutes

TAB 1

✓ — April 19, 2019, Meeting of the Full Board

✓ — April 19, 2019, Closed Session of Full Board

■ CLOSED SESSION

**■ Reconvene in OPEN SESSION for Any Additional
Items to Come Before the Board**

■ Adjourn



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.

Board of Trustees
North Carolina State University
Raleigh, North Carolina
April 19, 2019

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, April 19, 2019.

Members present:

Jimmy D. Clark, Chair
Robert F. Andrews III
Thomas E. Cabaniss
Ann B. Goodnight
James A. Harrell, III
Stanhope A. Kelly
Wendell H. Murphy
Ven Poole
Ronald W. Prestage, DVM
Susan P. Ward
Dewayne N. Washington
Edward I. Weisiger, Jr.
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

Mrs. Goodnight made the motion, seconded by Mr. Kelly, to approve the open and closed session minutes of the February 22, 2019 meeting of the full Board. The motion passed.

CHAIR'S REPORT- JIMMY CLARK

Chair Clark recognized NC State's new Student Body President, Emma Carter. He reported that Emma is starting her fourth year at NC State as a Sociology and International Studies double major. She has been a senator for the College of Humanities and Social Sciences for the past three years and has served in a number of positions, including Press Secretary for the Student Senate. She also served as NC State's delegate for the UNC Association of Student Governments during her second year.

Chair Clark gave a Centennial Authority appointment update. He reported that every four years NC State University, through the Board of Trustees, has the opportunity to recommend two appointments to the Centennial Authority. One recommendation is to the North Carolina Senate, and the other is to the House of Representatives. Cassius Williams is our Senate representative appointment and his current term expires on June 30, 2019. Our House appointment expires in 2021. If approved, this will be Mr. Williams' second four-year term on the Centennial Authority.

Mr. Cabaniss made a motion, seconded by Mr. Murphy, to recommend to the North Carolina Senate that Cassius Williams be reappointed to the Centennial Authority. The motion passed.

Chair Clark then gave an Endowment Board appointment update. The Endowment Board by-laws call for 6 members to be appointed by our Board of Trustees for a 3-year term, with 2 members appointed each year. Lawrence Davenport will complete his two terms on the Board on June 30, 2019. Art Raymond will be completing his first term and is eligible for reappointment. Chair Clark recommended that Art Raymond be reappointed and that Susan Ward be appointed to fill Mr. Davenport's seat for 3-year terms beginning July 1, 2019.

Mr. Weisiger made a motion, seconded by Mrs. Goodnight, to approve the appointment of Susan Ward and the reappointment of Art Raymond to the Endowment Board. The motion passed.

Chair Clark thanked the Board for their support and for making his time as Chair enjoyable.

CHANCELLOR'S REPORT – RANDY WOODSON

Chancellor Woodson began by thanking Carolyn Bird, Chair of the Faculty Senate, for her outstanding work as chair. He then thanked Jason Painter, Chair of the Staff Senate, for being so engaged and bringing new energy to the staff senate. He noted that it was Student Body President, Jess Errico's, last meeting and recognized her great student leadership.

Chancellor Woodson reported that Debbie Yow has done outstanding work as the Director of Athletics, and she will be missed. He noted the new Director of Athletics, Boo Corrigan, will start on April 30, 2019.

Chancellor Woodson recognized members of the Board whose terms are ending:

Chair Jimmy Clark
Susan Ward
Jess Errico

Although there was a farewell dinner the night before in celebration of their years of service, Chancellor Woodson wanted to take a moment to recognize them during the Board meeting as well.

Chancellor Woodson also took a moment to recognize the Board of Trustee members who were reappointed by the Board of Governors last month. They are Chip Andrews, Stan Kelly, and Dewayne Washington, and they have been appointed to another four-year term.

The Board of Governors also appointed a new member, Ed Stack. Mr. Stack has been involved with the Alumni Association and the Student Aid Association at NC State. He is currently the Alumni Association Vice President, and he worked at the Student Aid Association for 16 years. He was also a two-time Student Body President.

Chancellor Woodson reported that Adam Schmidt is a senior majoring in Civil Engineering with a minor in Chinese studies. He served as NC State's Student Senate President for the 2018-2019 academic year. Chancellor Woodson shared that Mr. Schmidt has been elected as the Association of Student Governments President for the 2019-2020 term.

Chancellor Woodson reported that the National Science Foundation (NSF) recently awarded NC State a \$1.8 million grant over five years to establish the North Carolina High School Master Teacher Fellows Program. Under the five-year program, 20 math teachers in six high-needs public school districts across the state will receive funding and training from NC State to earn an online graduate certificate in mathematics teaching and learning or complete a master's program. The program is designed to help teachers become more effective. These teachers will impact over 15,000 students in Cabarrus, Edgecombe, Mount Airy, Rockingham, Sampson, and Wayne school districts.

Walt Wolfram, William C. Friday Distinguished Professor of Linguistics, was just elected to the American Academy of Arts and Sciences. Wolfram's induction brings NC State's total number of faculty in the National Academy to 28.

Chancellor Woodson shared the incredible results of the first ever Day of Giving. He thanked Vice Chancellor Brian Sischo and his team for their hard work and outstanding job. Donor support from the Day of Giving benefitted all of the colleges, as well as athletics, NCSU Libraries, DASA, OSFA and others. There were 302,310 Day of Giving web page views with 73,707 visitors. During the Day of Giving, small colleges got big results. The College of Design raised \$1.5 million dollars. Deans were on the phone late getting more donations. The Chancellor invited everyone to stop by The Day of

Giving Headquarters or “War Room” next year to see all of the leaderboards and experience the excitement.

Chancellor Woodson then thanked the Trustees for their service to the Board and NC State and he noted that their leadership is vital to the success of the University.

COMMITTEE REPORTS

AUDIT, RISK MANAGEMENT AND FINANCE COMMITTEE – CHAIR TOM CABANISS

Mr. Cabaniss stated that the Committee heard a report from Internal Audit and were presented with the proposed Fiscal Year 2020 Audit Plan, which was unanimously approved. Mr. Cabaniss also provided a quarterly update on Internal Audit activity since their last meeting.

He reported that the Committee also heard an update about the current 2019 Legislative session, touching on budget timelines, capital requests, and bills that could impact NC State.

The Committee also heard an update on third quarter financial results and position for the current fiscal year 2019, compared with the same time for fiscal year 2018. The University’s financial performance and position is favorable and consistent with the prior year.

Mr. Cabaniss reported that the Committee was presented an Annual Review of Associated Entities to satisfy the annual Associated Entity review required by the Board of Governors. All audits have been sent to General Administration and the copies of the audits were made available to the Committee. He noted that the Student Aid Association was issued a management letter, but that it was a transitional year for them for auditors. All other entities had unqualified audit opinions and no management letters this year. He stated that all of the entities have an operating agreement with the University in place. The Committee was provided information on net assets and endowments for the Associated Entities.

Mr. Cabaniss reported that the Committee was presented with a debt update. A ten-year history of the University’s Outstanding Debt, by amount, type, and purpose was reviewed. The Committee heard a report and discussed portfolio changes over the last year which resulted in savings for the University, and future borrowing plans.

Mr. Cabaniss reported that the Committee heard an update on the University’s compliance structure, including why we need to have compliance, what it means to be compliant and the oversight. The Committee reviewed the roles of the compliance steering committee and working group as well as future compliance requirements and needs.

Mr. Cabaniss stated that the Committee went into closed session to hear a final report on an internal audit.

BUILDINGS AND PROPERTY COMMITTEE - CHAIR CHIP ANDREWS

Mr. Andrews reported that the Buildings and Property Committee reviewed and approved two property matters for Committee Approval and three property matters that require full board approval. They were:

- Disposition by Property Exchange. Exchange of real property between the State of North Carolina on behalf of North Carolina State University and the Board of Trustees of the Endowment Fund of North Carolina State University for equal sized acreage on Centennial Campus. The acreage received by the Endowment will supplement the property exchange approved by the Buildings and Property Committee /Board of Trustees in September 2017 and will be used to further public/private partnership opportunities related to the new development on north Centennial Campus consistent with the master land-use plan. Final

quantity, description and exact location of the exchange will be determined by survey and is expected to be approximately +/- 9.2 acres.

- Disposition by Lease to VHB Engineering NC, P.C. (or affiliated subsidiary) for +/- 7,200 SF of office space at Partners I on Centennial Campus. This space lease is an expansion of VHB's current 18,000 SF space in Venture I on Centennial Campus. Disposition is recommended for partnership with the University and contribution to the Innovation Ecosystem on Centennial Campus.
- Disposition by Lease to C2I, LLC, (an affiliated non-profit entity controlled by the North Carolina State University Partnership Corp to further the educational and charitable purposes of the University), for +/- 22,000 SF of office and high-bay with mezzanine space at Partners I on Centennial Campus. Disposition is recommended to facilitate operation of a high-density co-working and incubation space and to accommodate growth of the NCSU Entrepreneurship Garage, consistent with the University's mission.

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

Mr. Andrews reported that the Committee approved the designer selections for structural repairs in Mann Hall and elevator additions in Tucker and Owen Residence Halls. The Committee approved 10 Designer Selections for \$1 million or less.

Mr. Andrews stated that the Committee accepted 11 building projects at a combined value of \$36,137,391, which included Centennial Campus Utility Plant cogeneration and building addition, Founders Drive to extend the bus lane, and Centennial Campus thermal utilities and infrastructure project.

Mr. Andrews reported that the Committee approved and recommended for revisions to Policy 07.60.1- Parking and Transportation Ordinances. The proposed changes would be effective August 16, 2019.

Mr. Andrews made the motion, seconded by Mr. Murphy, to approve the revisions to Policy 07.60.1- Parking and Transportation Ordinances. The motion passed.

Mr. Andrews reported that the Committee heard updates to the NC State University Physical Master Plan. They approved the site selection and design plans for the Memorial Belltower restoration and 6 plans and specifications of formal projects costing less than \$2 million. The Committee received reports for capital projects update/overview of the University's infrastructure and they received updates on the status of projects in planning.

UNIVERSITY ADVANCEMENT AND EXTERNAL AFFAIRS COMMITTEE – CHAIR STAN KELLY

Mr. Kelly reported that the Committee heard a University Advancement update. He reported that the inaugural Day of Giving was a tremendous success and that the total of more than \$13.5 million from 10,810 gifts far exceeded expectations. Mr. Kelly noted that the results more than doubled that of UNC-CH, and this was their second year. Donors to the Day of Giving came from 95 of North Carolina's 100 counties, 48 states and 20 foreign countries. The class of 2018 gave the highest number of gifts. Over 35 percent of gifts came from first time donors.

Mr. Kelly updated the Board on the latest developments concerning the Advancement strategic plan project. He stated that a Deans' task force has been formed to work with University Advancement leadership for advisement on the implementation of the plan.

Mr. Kelly reported that the Committee heard updates on the encouraging status of the campaign and steps being taken to assess the ultimate fundraising potential in the campaign, including a mid-campaign feasibility study that will launch next week.

The Committee then received a campaign and fundraising update, noting that donations to annual giving are up \$1.6 million dollars year-to-date, an increase of 60%, thanks to the Day of Giving. He pointed out that the \$1.47 billion campaign total to date is 92% of goal, with 68% of the campaign time period elapsed. Year-to-date gifts and new commitments are over \$158 million, which is a 23% increase over last year at this time.

Mr. Kelly stated that the Committee was presented with a University Communications and Marketing update. University Communications serves as the central marketing and communications hub for NC State. Mr. Kelly shared that the combined focus of the four departments is to lead and support the communications operations across campus. With over ten million visitors to the homepage last year and 700,000 friends and followers, the web and social media presence is increasingly prevalent. The Day of Giving Marketing Strategy was successful; #GivingPack trended number one on social media in the Triangle that day.

Two naming opportunity proposals were presented to the Committee, including one naming opportunity for a front pathway at the Gregg Museum of Art and Design and ten naming opportunities from the College of Agriculture and Life Sciences for ten exterior features in front of the new Plant Sciences Building.

Mr. Kelly reported that the committee met in closed session and approved four naming proposals. He noted that a motion will be made at the end of the meeting to go into Closed Session to consider these naming proposals

UNIVERSITY AFFAIRS COMMITTEE – CHAIR ANN GOODNIGHT

Mrs. Goodnight reported that the Committee approved the consent agenda, which included the request to change the degree program title Doctor of Education in Adult and Community College Education to Doctor of Education in Community College Leadership. The program faculty voted unanimously in support of this change which better reflects the current and future direction of the program.

Mrs. Goodnight made the motion, seconded by Mrs. Ward, to approve the Consent Agenda program approvals. The motion passed.

The Committee also approved the 2019-2020 salary ranges for all Tier Two Senior Academic and Administrative Officer positions as presented by the Associate Vice Chancellor for Human Resources. The Committee also received several updates and informational reports.

Mrs. Goodnight stated that 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 was given. Students who receive full scholarships from these entities will be considered residents of North Carolina and will receive the resident tuition benefit per NC General Statutes. There are a total of 60 new and continuing students benefiting from this provision. Of these 60 students, 54 are Park Scholars.

She noted that the annual report on undergraduate students requiring special consideration for admission highlighted the criteria, process, and performance of students enrolled over the past five years. The purpose of the special consideration process is to provide a mechanism to admit students with exceptional talents in areas important to the university community. The overriding criterion in all admissions decisions is the potential for academic success. The process is continuously monitored, but no changes are planned for the immediate future.

The Committee heard an update from Chancellor Woodson on the May commencement speaker. Chairman, President and CEO of IBM Ginni Rometty will give the Commencement address.

An overview of the Annual Human Resources Compliance Report for Fiscal Year 2017-2018 was provided to the Committee. The report is a requirement under UNC Policy and includes information pertaining to SAAO Tier I non-salary compensation and salary range information; conferral of tenure; institutional policies pertaining to supplemental pay, interim appointments and secondary appointments; EHRA Instructional, Research and Information Technology (IRIT) position actions; harassment complaints and hiring activity.

The Committee received updates from the Faculty and Staff Senates on discussion topics and current initiatives. Mrs. Goodnight thanked Chair of the Faculty Dr. Carolyn Bird and Staff Senate Chair Dr. Jason Painter for keeping the Committee apprised this year of the important work being done by faculty and staff in support of our campus.

Mrs. Goodnight stated that the Committee was provided an update on academic program agreements and informed the Committee of distinguished professorship appointments that have been awarded this academic year. She also reported that in accordance with the UNC Policy on the employment of related persons (Anti-Nepotism Policy), NC State did not have any reported employees out of compliance with the policy for calendar year 2018.

Mrs. Goodnight reported that in Closed Session, the Committee recommended a head coach employment agreement and salary action for approval by the Board of Governors. They also made a recommendation for awarding emeritus status and an Honorary Degree. These recommendations will be considered by the Full Board in Closed Session at the conclusion of this meeting.

NOMINATING COMMITTEE – CHAIR RON PRESTAGE

Dr. Prestage reported that the Nominating Committee met and recommended the following slate of officers for the July election:

Tom Cabaniss, Chair
Stan Kelly, First Vice Chair
Ed Weisiger, Jr. Second Vice Chair
Ann Goodnight Secretary
PJ Teal Assistant Secretary

Dr. Prestage stated that according to the bylaws a slate of officers can be nominated annually and that the Chairman cannot serve more than two consecutive years.

BOARD OF VISITORS – CHAIR JUDY GRAINGER

Mrs. Grainger gave a summary of the Board of Visitors (BOV) meeting. She stated that the BOV heard a campus update from Chancellor Woodson including:

- NC State is tied for third place among research institutions producing the most Fulbright Scholars in the United States again.
- NC State alumni Christina Koch (a three-time graduate of NC State), is serving at the International Space Station as a flight engineering for Expeditions 59 and 60 before returning to Earth. Dr. Koch is the first to actually go into space and this is the longest space expedition for a female astronaut.
- NC State had an unprecedented increase in applications to the University for fall 2019 with over 30,000 applications.

Mrs. Grainger noted that Debbie Yow (who announced her plans for retirement) has done amazing things for NC State Athletics. She stated that though the BOV is sad to see her go, they believe that Boo Corrigan will honor the legacy that Dr. Yow created and help NC State Athletics continue to grow as the new Athletic Director. Mr. Corrigan is the current athletic director at West Point, and his family will join NC State Athletics on May 1, 2019.

Mrs. Grainger stated that the BOV heard an update regarding the University's current strategic plan as well as a legislative update from Representative Dean Arp which focused on important legislation that may affect the University. Mrs. Grainger reported that the BOV heard a University Advancement update, which is at 91% of the goal with only 71% of our time used up to achieve it. Mrs. Grainger reported that the BOV heard an Athletics update. She stated that Coach Doeren gave a very positive update on the Football team and the incredible work they are doing.

STUDENT GOVERNMENT REPORT – JESS ERRICO

Ms. Errico reported that through recognizing the scope of food insecurity on campus, Student Government (SG) led the way in advocating for a student-to-student meal-sharing program in partnership with University Dining. She also shared the following:

- With a generous donation of baccalaureate and masters regalia from the Bookstore, SG partnered with the Career Development Center to pilot the graduation robe closet.
- SG collaborated with Meredith College to open up their new after school program, Wings After School, to NC State students.
- Student government met with the Disability Resource Office, Facilities, and the Architect's Office to discuss the most impactful ways that SG can help further campus accessibility.
- Student Government met with OIED to discuss the most impactful ways an online diversity competency training could be implemented at NC State. OIED and DASA are leading the selection of a module and implementation is expected in the next calendar year.

PRESENTATION OF WALTER HINES PAGE AWARDS, CHANCELLOR WOODSON

Chancellor Woodson recognized Jimmy Clark, Susan Ward, and Jess Errico as recipients of the Walter Hines Page award in appreciation of their service to the Board and to the University.

He stated that the Order of Walter Hines Page is an honorary order exclusively for former members of the Board of Trustees of NC State University. Trustees are named to the Order by the Chancellor upon the expiration of their terms of office and are designated as "Trustees Emeritus."

Chancellor Woodson thanked them for their dedicated leadership to NC State University.

CLOSED SESSION

With no further business in open session, Mrs. Ward made the motion, seconded by Mrs. Goodnight, at 10:35 a.m. to go into closed session to prevent the premature disclosure of an honorary award. The motion passed.

RECONVENE IN OPEN SESSION

At 11:15 a.m., the Board came out of closed session. With no further business in open session, Chair Clark adjourned the meeting at 11:20 a.m.

Respectfully submitted,

Assistant Secretary

Secretary

Approved:

Chair of the Board