

**MINUTES OF THE MEETING OF
THE UNIVERSITY OF NORTH CAROLINA AT PEMBROKE
BOARD OF TRUSTEES
Thursday, April 28, 2011 at 1:00 PM**

Mr. W. Steve Martin led the Trustees on a pre-meeting tour of Cypress Hall. Trustees were unable to physically tour the Nursing and Allied Health building due to work at the construction site and weather conditions.

The meeting of The University of North Carolina at Pembroke Board of Trustees was held in the Chancellor's Dining Room of the James B. Chavis University Center. Chairwoman Freda Porter called the meeting to order at 2:06 PM.

PLEDGE OF ALLEGIANCE

Raymond Pennington led the group in the Pledge of Allegiance.

ROLL CALL

Roll was called and the following Trustees were present:

Breeden Blackwell
Robin G. Cummings
Donna Lowry
Raymond Pennington
Freda Porter
Richard Taylor
Arjay Quizon

Absent:

Arlinda Locklear
Thomas Nance
Lorna Ricotta
Newy Scruggs
Alan Thompson
Paul Willoughby

Also attending were: Chancellor Kyle R. Carter; Provost and Vice Chancellor Kenneth Kitts, Academic Affairs; Director Dan Kenney, Athletics; Vice Chancellor Neil Hawk, Business Affairs; Vice Chancellor Diane Jones, Student Affairs; Associate Vice Chancellor Robert Orr, Division of Information Technology; Joshua D. Malcolm, General Counsel and Assistant Secretary to the Board of Trustees; Greg Carter, Chancellor's Office; and Recording Secretary to the Board of Trustees Janet Taylor, Chancellor's Office.

INTRODUCTION OF GUESTS INCLUDING MEMBERS OF THE PRESS

Chairwoman Porter welcomed Ms. Alisia Oxendine, Director of Major Gifts, Advancement; Mr. Henry Schlesinger, Sun Guard/Banner Relationship Manager; Dr. Tony Curtis, Faculty Senate Representative; Mr. Steve DeVane, Fayetteville Observer; Mr. Atul Bhula, Student Representative for UNC Board of

Governors; and Public Communications Specialist Mr. Scott Bigelow, University and Community Relations.

Also, Chairwoman Porter welcomed Dr. Kenneth D. Kitts, Provost and Vice Chancellor for Academic Affairs to his first Board of Trustees meeting since joining the UNC Pembroke family.

ETHICS STATEMENT

Chairwoman Porter reminded the Trustees of their duty under the State Government Ethics Act to avoid conflicts of interest and/or the appearance of a conflict of interest. The pre-recorded Ethics Statement was played. No member made known any conflicts of interest.

ADDITIONS/DELETIONS TO THE AGENDA

Mr. Joshua Malcolm, General Counsel and Assistant Secretary to the Board of Trustees, noted that the agenda had been modified to include item number 9.b., a request to amend action item 2009-50, approved December 3, 2009, [Resolution of BOT of UNCP Authorizing Agreements Relating to Performance Contracting and the Selection of an ESCO on the Campus of UNCP] and the removal of the Patent Policy under policy revisions.

ACTION

2011-08

Upon motion made by Breeden Blackwell, seconded by Robin Cummings, and unanimously carried, the Board of Trustees approved the addition and deletion to the agenda. (**Attachment 1**)

APPROVAL OF MINUTES

Minutes were presented for the following meetings with the corrections to the draft minutes noted:

- Board of Trustees Meeting Minutes, February 17, 2011 (**Attachment 2**)
- Executive Committee Meeting Minutes, April 6, 2011 (**Attachment 3**)

ACTION

2011-09

Upon motion made by Donna Lowry, seconded by Raymond Pennington, and unanimously carried, the Board of Trustees approved the Regular Board Meeting on February 17, 2011, and the Executive Committee Meeting on April 6, 2011. (**Attachment 2& 3**)

CHANCELLOR'S REPORT

Chancellor Carter requested authorization for him and the Board chair to work together to review and decide whether or not to have the August, 2011 retreat.

ACTION

2011-10

Upon motion made by Breeden Blackwell, seconded by Donna Lowry, and unanimously carried, the Board of Trustees approved the Chancellor and Board chair to review and decide whether or not to have the August, 2011 retreat.

BUSINESS AFFAIRS

Mr. Neil Hawk, Vice Chancellor of Business Affairs, reviewed with the Trustees a resolution approved on December 3, 2009, action item 2009-50 regarding authorizing agreements relating to performance contracting and the selection of an energy services company (ESCO). Mr. Hawk reminded the Trustees that the UNC System (General Administration) directed all campuses to pursue performance contracting as a means of meeting the energy savings mandated by Senate Bill 668. Senate Bill 668 requires that state-owned facilities reduce energy consumption by twenty percent (20%) by 2010 and thirty percent (30%) by 2015. Performance contracting is one of the components to help achieve this goal. The resolution was to engage the services of Siemens, an independent contractor, to assist with the methods and means of reducing energy consumption in Old Main, Oxendine Science Building, Livermore Library and Jones Athletic Center.

Mr. Hawk reported that the original resolution stated that energy consumption improvements would pay for themselves over a time span of 15 years. However, Mr. Hawk recommended the resolution be revised to state that the energy consumption improvements will pay for themselves over a time span of up to 17 years, as opposed to 15 years as previously approved.

**ACTION
2011-11**

Upon motion made by Breeden Blackwell, seconded by Donna Lowry, and unanimously carried, the Board of Trustees approved the recommendation of Vice Chancellor Neil Hawk to amend the resolution (action item 2009-50, approved December 3, 2009) regarding the selection of our ESCO, so as to state that energy consumption improvements will pay for themselves over a time span of up to 17 years, as opposed to 15 years as previously approved. **(Attachment 4)**

After Mr. Hawk’s discussion was concluded, Dr. Porter asked the Trustees to go into closed session to discuss recommendations for promotion and/or tenure of faculty. In addition, she asked for consideration to begin negotiations for the possible acquisition of real property by purchase, option, exchange or lease.

Upon motion made by Donna Lowry, seconded by Richard Taylor, and carried unanimously, the Board of Trustees approved the motion to go into closed session to discuss confidential personnel matters and to prevent the disclosure of such information and to grant approval of University officials to begin negotiations of the possible acquisition of real property by purchase, option, exchange, or lease which is confidential pursuant to the laws of this State under the *N.C. General Statute Section 143-318.11(a)(1) and (5)*.

CLOSED SESSION

(Minutes of the Closed Session are stated in a separate document.)



Upon motion made by Breeden Blackwell, and seconded by Raymond Pennington, and carried unanimously, the closed session portion of the meeting was adjourned, for the purpose of returning to open session.

RESUMPTION OF OPEN SESSION

ACTION 2011-12

Upon motion made by Breeden Blackwell, seconded by Raymond Pennington, and carried unanimously, the Board of Trustees approved the granting of tenure, and promotion to faculty members considered as recommended by Chancellor Carter and Provost Kitts. **(Attachment 5)**

Subsequent to the closed session, Joshua D. Malcolm disclosed to the media present that the Board had approved negotiations related to the acquisition of 19 acres near Prospect and Vogue Roads and a lease at the Odum Home.

ACADEMIC AFFAIRS

Dr. Kenneth Kitts, Provost and Vice Chancellor for Academic Affairs, requested Board approval of awarding degrees at the 2011 Spring Commencement exercises.

ACTION 2011-13

Upon motion made by Breeden Blackwell, seconded by Richard Taylor, and unanimously carried, the Board of Trustees approved awarding degrees to the candidates as consistent with the recommendation of Provost Kitts and the General Faculty and, further authorized the administration to proceed with necessary actions to confer degrees (graduate and undergraduate) at the spring commencement on May 6th and 7th, 2011. **(Attachment 6)**

POLICY REVISIONS

Dr. Diane Jones, Vice Chancellor for Student Affairs, presented four (4) policies with revisions: Drug and Alcohol Policy, Emergency Health and Safety Policy, Code of Conduct Policy and Facilities Use Policy. Dr. Jones reviewed the proposed changes with the Trustees. Mr. Joshua Malcolm, General Counsel, reviewed the proposed changes on the Honorary Degree Policy with the Trustees. Mr. Malcolm informed the Trustees that the proposed changes were developed in conjunction with the Provost and the Faculty Senate. He explained since the Trustees have the authority to award honorary degrees this was truly a Board policy. Mr. Malcolm stated to the Trustees that all University policies would be reviewed and a new University policy approval process would be developed over the next few months.

ACTION 2011-14

Upon motion made by Raymond Pennington, seconded by Breeden Blackwell, and unanimously carried, the Board of Trustees approved the revisions to the Drug and Alcohol Policy **(Attachment 7)**, Emergency Health and Safety Policy **(Attachment 8)**, Code of Conduct Policy **(Attachment 9)**, Facility Use Policy **(Attachment 10)** and Honorary Degree Policy **(Attachment 11)** as recommended by the administration.

Chairwoman Porter presented a plaque to Mr. Arjay Quizon, SGA representative on the Board for the last two years. She stated that Mr. Quizon set a record for service, which spanned a chancellor's retirement, an interim chancellor and the hiring of a new chancellor. Also, he was a member of the Chancellor Search Committee. Chairwoman Porter thanked him for his service and congratulated him on his graduation from UNCP.

Dr. Breeden Blackwell excused himself for the remainder of the meeting.

CHANCELLOR'S REPORT

Chancellor Carter was pleased to report there appears to be no findings as to the results of the 2010 Financial Audit. He offered congratulations to Mr. Neil Hawk and his financial team for a clean audit.

Also, Chancellor Carter commended athletics on their accomplishments:

- Men's Golf finished in 3rd place in the NCAA tournament.
- Women's Golf, in its third season, finished in 1st place in the NCAA tournament. First time in UNCP history both men's and women's golf placed in the NCAA tournament.
- Baseball continues its season with a 36-10 record.
- He stated that we will probably have individuals in both men's and women's track who qualify for nationals in late May.

The Athletic Department had the opportunity to nominate a female athlete for the 2011 Peach Belt Conference Scholar Athlete. While there were three extremely qualified students UNCP could only nominate one. The coaches chose Katja Dammann, School of Business with a 4.0 GPA, as top female golfer.

Chancellor Carter informed the Trustees of the Graduate School Commencement on Friday, May 6th at 7:00 PM in GPAC. He stated that on Saturday morning at 9:00 AM Undergraduate Commencement on the South Lawn at the Lowry Bell Tower in the historic quad. One of the reasons for this change is the size of the graduating classes. He encouraged Trustees to attend and be a part of history as UNCP has two commencements.

All Trustees receive a bi-monthly magazine called "Trusteeship" from the Association of Governing Boards of Universities and Colleges. Chancellor Carter encouraged Trustees to take the time to review the articles in the magazine. He spoke briefly concerning two articles in the most recent issue "Paying Attention to Educational Quality" and "Boards and Academic Quality."

Chancellor Carter explained that next year UNCP will be celebrating its 125th anniversary. As planning for this celebration begins it is suggested that it would be a good opportunity to invite the Board of Governors to hold their April meeting on our campus. It was the general consensus among the Trustees this would be an excellent opportunity and they asked Chancellor Carter to extend the invitation.

UNCP continues to have ongoing dean searches in the School of Business and the College of Arts and Sciences. The Provost and Vice Chancellor for Academic Affairs met with the faculty in the College of Arts and Sciences to develop a plan to find a replacement and discussed naming an interim dean for next academic year.

Chancellor Carter provided a brief update on Advancement. Ms. Cathy Hanby-Sikora, Associate Vice President for Development at General Administration, is working with the Advancement staff. She will work with Chancellor Carter to develop a plan on how to get through this transition period. General

Administration is placing additional emphasis on fundraising and will be evaluating Chancellor Carter on University fundraising successes.

Chancellor Carter stated that installation was a grand week. He commended Ms. Patricia Fields and her committee for an excellent job. Preliminary reports show an estimated 5,000 people participated in activities. Chancellor Carter reviewed with Trustees that during his installation address he spoke of three main goals/initiatives as we move forward: (1) how UNCP has changed between Fall 2001 and 2010; (2) what are UNCP's needs for the future; and (3) how we will go forward and define who we are (**Attachment 12**). He stated Trustees will begin to see some specific initiatives and goals as they relate to the items discussed.

At the conclusion of the Chancellor's Report, Trustees took a five minute break.

BUSINESS AFFAIRS

Mr. Neil Hawk, Vice Chancellor for Business Affairs, reported the final language on the NC House version of the budget bill had not yet been received. The House had a self imposed deadline of Good Friday, but it looks like they are about one or two weeks behind. Mr. Hawk stated that President Thomas Ross summarized some of the recommended House budget cuts, which would net the UNC system approximately a \$469M (approximately 17.7%) reduction in management flexibility. However, the House proposed full funding of Enrollment Growth in the first year of \$47M and Building Reserve of \$80M. Mr. Hawk stated that UNCP would benefit from the Building Reserve fund when the New Nursing and Allied Health Building becomes available in January 2012 and the Enrollment Growth for transfer and graduate students.

Mr. Hawk explained the net budget cut for the UNC system, from the NC Senate's version of the budget, would result in an average reduction for campuses of 15.1%. Other reductions would affect Financial Aid and Associated Identities such as UNC Hospital system and UNC Public Television.

To summarize, the House cut would affect the UNC system with a decrease of 3,200 positions, including 1,500 faculty positions, along with the elimination of 9,000 course sections and a reduction of 240,000 class seats at the system level. Mr. Hawk explained what all this meant for UNCP. A 10% reduction and a 2% reversion would result in the loss of 52 positions. Some of these positions are filled, some of the positions are vacant, and some of these positions would result in cost shifting. Mr. Hawk explained a 15% reduction on this campus would result in the loss of 100 positions including 52 faculty positions, 5 EPA non-teaching positions and 42 SPA positions. This would result in an estimated 221 fewer course sections and the elimination of approximately 5,720 class seats. He said a reduction of this magnitude would affect students and their ability to get the classes they need and want, and it could possibly affect retention and graduation rates.

Mr. Hawk assured the Trustees that the Executive Staff and Chancellor were continuing to work with the Budget Advisory Committee and departments. He stated they will also work out a possible 15% reduction plan.

He explained that one key thing the system continues to work on is reducing management flexibility. Mr. Hawk mentioned that there is a sense in the UNC system that not all new legislators understand that other sources of funding such as auxiliaries, grants and endowments are unavailable to support the instructional mission. He mentioned that cuts in financial aid programs are a major concern for UNCP because 80% of our students are on some type of aid program.

Mr. Hawk provided Trustees with a budget comparison sheet which lists the budget request, the Governor's proposed budget and the House proposed budget. (**Attachment 13**) Chancellor Carter had stated earlier there might be a possibility for some tuition increases. However, Mr. Hawk informed the Trustees with the current language in the proposed budget that would not be an option. The only tuition increases would be those that were already approved by the Board of Governors. Also, no salary increases are expected this year or next and employees would have to share the cost of premiums for health insurance.

Chancellor Carter discussed how the budget uncertainties affect the campus as a whole. He stated the main concern is with faculty who are in year-to-year contracts. Normally, contract renewal decisions are conveyed to faculty in February or March of each year. Because of budget uncertainties these decisions have been delayed until later in the year. He reminded the Trustees that this would be the fourth year in a row without salary increases. Chancellor Carter stated that in addition to budget issues there are a number of management issues that need to be addressed throughout the University.

Trustee Robin Cummings asked about increased class size. Chancellor Carter responded that he has been working with the Provost regarding this issue. Chancellor Carter also mentioned that another issue UNCP faces is that more than half of our classrooms seat 30 or less and we only have 2 or 3 classrooms that will seat 75 or more. Chancellor Carter stated one of the things he has been trying to get across to the legislators is all campuses are different and what affects one does not work for all.

Chairwoman Porter mentioned that she hoped the core mission is protected during these budget reductions. Chancellor Carter stated that our students are not feeling the effects of the budget crunch yet.

Faculty Senate Report

Dr. Tony Curtis, Faculty Senate Representative, stated the Faculty Senate had a wonderful first year working with Chancellor Carter. He stated that the Faculty Senate has been and continues to be concerned with the budget issues and wanted to make sure all information was as transparent as possible. He reported that Mr. Neil Hawk, Vice Chancellor for Business Affairs, had conducted special meetings on budget issues with the Faculty Senate. Faculty continue to be concerned about increasing the class size, class meeting schedules, and the 15 minute transition period between classes. He mentioned that having higher expectations of students in terms of GPA will help improve graduation and retention rates. Dr. Curtis spoke briefly concerning the Quality Enhancement Plan (QEP), which is meant to improve the quality of writing among students. Dr. Curtis informed the Trustees that work will soon begin on a new University Strategic Plan and Chancellor Carter has began the process of appointing a committee. Also, Dr. Curtis stated the *Pine Needle*, the student newspaper, won a national award for the best in the country for the third year in a row.

GOVERNANCE

Mr. Joshua Malcolm, General Counsel, spoke briefly about the Trustees and the by-laws as it relates to succession of leadership to the Board. What is unusual this year is that both the chairman and the vice chairman will leave the Board at the end of June. The by-laws set forth exactly how to select new leadership and they are very clear. The by-laws state, [At the first regular meeting after June 30 of each year, the Board of Trustees of The University of North Carolina at Pembroke shall elect from its membership a Chairman, a Vice Chairman and a Secretary, each of whom shall serve for one year and until his/her successors have been elected, any elected officer may serve in the same capacity for two successive terms.] Mr. Malcolm stated if we do as Chancellor Carter spoke about and move our August meeting to another date, this could make it a little later in securing our leadership team for next academic

year. Mr. Malcolm explained the Board has been in this situation before, in 2009, when Dr. Meadors announced his intention to leave. Then a special meeting was held on July 1, 2009 to elect new leadership.

Mr. Malcolm explained that the Nominations Committee would meet and come up with a slate of officers for next academic year. The nomination committee consists of three individuals: Dr. Raymond Pennington, Dr. Robin Cummings and Donna Lowry, with Dr. Pennington serving as chair of this sub-committee. Once this is completed the entire Board will vote on its new leadership at the first meeting in the new year. The Board has the power to elect its leadership based on the recommendation of the Nominations Committee or from the floor. According to the by-laws, an elected officer can hold a particular leadership position for a period of one year but shall not serve in the same capacity for more than two successive years. In recent years, it has been the practice of the Board to have a chain of succession in its leadership, particularly into chair.

DIVISIONAL REPORTS

Academic Affairs

Trustee Taylor commented about the number of individuals who contributed to publications, presentations and service. This certainly speaks well of our faculty and staff.

Provost Kitts commended faculty on the number of publications and explained that every time a faculty member completed a publication, presentation, etc. it gets the professor along with the university name recognition. He stated that we continue to look for ways to support faculty in these endeavors through grants and etc.

Athletics

Trustee Robin Cummings commented on how proud we should be of our student athletes and the success they are having.

OLD BUSINESS

NEW BUSINESS

Chancellor Carter asked Vice Chancellor Hawk to provide the Trustees with a brief summary of Senate Bill 275 which has the potential to change our personnel system. Mr. Hawk explained with budget cuts there have been a number of measures to increase effectiveness and efficiency. One of those measures is to move SPA personnel out of the Office of State Personnel to General Administration. General Administration would develop policies and procedures that would parallel the state system but could be somewhat different. This has created some concern among SPA employees. Mr. Hawk mentioned that Mr. David Burns, Staff Council Chair, has created a list of concerns and there will be a public forum next week with representatives from General Administration to address these concerns.

ANNOUNCEMENTS

Chairwoman Porter made the following announcements:

1. The next meeting of the BOT Executive Committee is scheduled for **Tuesday, September 22, 2011** at 12:00 PM in the Chancellor's Dining Room.

2. The next regular meeting of the Board of Trustees will be held on **Thursday, September 29, 2011**, at 1:00 PM in the Chancellor's Dining Room. Lunch for trustees will be served prior to the meeting at 11:45 AM at the Chancellor's Residence.
3. Installation of new SGA office at 5:00 PM University Center in Room 213.
4. 2011 Braves Club Car Bash at 6:00 PM, English E. Jones Athletic Center. Proceeds will benefit UNCP Athletes.

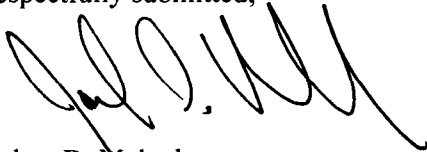
SPECIAL ANNOUNCEMENT

Chairwoman Porter and Trustee Richard Taylor thanked the Board for allowing them the opportunity to serve for the last eight years. Chairwoman Porter stated that she was grateful for the opportunity. Trustee Taylor stated he hopes he can continue to serve the institution as he becomes a Board of Governors member. Trustees expressed their appreciation to each of them.

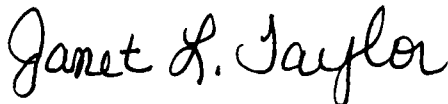
ADJOURNMENT

There being no further business to come before the Committee, Chairwoman Porter proposed a privileged motion to adjourn the meeting and there were no objections. Chairwoman Porter thanked the Board for their participation and the meeting was adjourned.

Respectfully submitted,



Joshua D. Malcolm
Assistant Secretary



Janet L. Taylor
Recording Secretary

Attachments:

1. Agenda, Regular Board Meeting, April 28, 2011
2. Minutes, Board of Trustee Meeting, February 17, 2011
3. Minutes, Executive Committee Meeting, April 6, 2011
4. Amended Resolution – Regarding Selection of ESCO
5. Promotion and Tenure Recommendations 2010-2011
6. May 2011 Candidates for Degree (graduate and undergraduate)
7. Drug and Alcohol Policy
8. Emergency Health and Safety Policy
9. Code of Conduct Policy
10. Facility Use Policy
11. Honorary Degree Policy

12. **Future Direction from Installation Speech**
13. **Budget Comparison**
14. **Divisional Reports**