The North Carolina State University Board of Trustees met in regular session in the Hood Board Room of the Dorothy and Roy Park Alumni Center on Centennial Campus, Raleigh, NC, on Friday, November 21, 2008. Chair McQueen Campbell presided.

Members present: McQueen Campbell, III, Chair
Derick S. Close
Lawrence Davenport
Suzanne Gordon
Bob Jordan
Gayle S. Lanier
Robert L. Mattocks, II
Burley Mitchell
Barbara H. Mulkey
Steve F. Warren
Cassius S. Williams
Jay Dawkins, ex officio

Chair Campbell called the meeting to order at 9:15 a.m. He reminded all members of their duty to avoid conflicts of interest and appearance of conflicts of interest under the State Government Ethics Act and inquired as to whether there were any known conflicts of interest or appearances of conflict with respect to any matters coming before the Board at this meeting. Suzanne Gordon recused herself from voting on a facilities naming proposal that will be voted on in closed session. There being no other conflicts, the Chair called on Assistant Secretary PJ Teal for the roll call.

ROLL CALL
Assistant Secretary PJ Teal called roll and certified that a quorum was present.

MINUTES
Mr. Mitchell made the motion, seconded by Mr. Davenport, to approve the open and closed session minutes of the September 19, 2008, meeting of the full Board. The motion carried.

CHAIR’S REPORT-MCQUEEN CAMPBELL, III
Chair Campbell reported that the NC Research Campus in Kannapolis dedicated three new buildings on October 20. One of the buildings will house two programs from NC State’s College of Agriculture and Life Sciences: the Plants for Human Health Institute and the Program for Value-Added and Alternative Agriculture. Chancellor Oblinger and Trustees Campbell, Mitchell, Davenport and Warren attended this event.

Chair Campbell stated that he attended the celebration of the new National Science Foundation Engineering Research Center for Future Renewable Electric Energy Delivery and
Management (FREEDM) Systems. This center will help update the nation’s power grid through national and international collaboration.

He reported that the December graduation ceremony will be held on Wednesday, December 17, 2008, at 9:00 a.m. in the RBC Center. The speaker will be Bill Cowher, and honorary degree recipients are Freeman Hrabowski and Carl Wieman.

Chair Campbell said that the Board will consider tuition and fees at this meeting. He commended Jay Dawkins, Student Body President, and Greg Doucette, Student Senate President, for their leadership as a part of the campus-wide tuition and fee review.

He stated that at the September Board meeting, Trustees were notified of a change to the Board of Trustees bylaws. A change to the second sentence of section 1.2.1 of the bylaws will now read “A Chair who is serving a second consecutive year as Chair is ineligible for reappointment as Chair until one year has elapsed from the end of the second consecutive year of service.” Mr. Williams made the motion, seconded by Mr. Mitchell, to approve the proposed change to section 1.2.1. The motion carried.

**Chancellor’s Report-James Oblinger**

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

- The National Science Foundation announced that NC State will lead a national research center that aims to revolutionize the nation’s power grid and speed renewable electric-energy technologies to homes and businesses. The center, called the Engineering Research Center for Future Renewable Electric Energy Delivery and Management (FREEDM) Systems, will develop a “smart grid” that can store and distribute alternative forms of energy such as solar, wind and fuel cells.
- NC State was recognized by Minority Access as one of the nation’s Top Diversity Institutions. This is the second consecutive year that NC State has received recognition from Minority Access.
- NC State is the first university to offer bone marrow transplants in a clinical setting to dogs suffering from lymphoma. The College of Veterinary Medicine received three leukopheresis machines donated by the Mayo Clinic; these machines harvest healthy stem cells from cancer patients. These cells are then injected back in the patient to terminate cancer cells. This type of treatment may also have human health applications.
- The N.C. Cooperative Extension program held six educational meetings across the state in September to educate landowners about biofuels and biopower.
- Dr. Walt Wolfram, the William C. Friday Distinguished Professor of English at NC State, received the 2008 John Tyler Caldwell Award for the Humanities. Mr. Friday delivered the Caldwell Lecture at this event.
- A team of NC State scientists has received a grant from the U.S. Department of Justice’s National Institute of Justice to develop a new multimedia program that will help train crime scene investigators. This technology will allow investigators to do part of their training at home testing sites rather than traveling to distant locations for coursework.
• Under a program funded by a grant from the National Science Foundation, students will help develop interactive video games that will motivate and enable their peers to learn more about various aspects of science/technology/math-related careers. This is part of a new technology initiative to help high school students meet new graduation requirements for 2011.

• APJeT, Inc., Morrison Textiles Machinery, and Air Products and Chemistry, Inc. are working with NC State to create a pilot facility for a new technology that uses an environmentally friendly process to apply water repellent, stain repellent and moisture management properties to apparel and other common textiles. The garments stay clean longer, are resistant to wrinkling and perspiration and cost less than clothing finished in the current technology.

Chancellor Oblinger updated Trustees on the following searches:
• We are in the process of making a final decision on Park Scholarships Director.
• We conducted airport interviews for the Vice Chancellor for Research and Graduate Studies position and are currently narrowing the finalists.
• Nine candidates have been targeted for airport interviews for the position of Dean of the College of Humanities and Social Sciences.

Chancellor Oblinger announced that President Bill Clinton would be on campus to deliver the Millennium Seminar on Monday, January 26, at 10:30 a.m. in Reynolds Coliseum. The event is free and open to the public. His address, titled “The Way Forward,” will chart the course of America’s future after the 2008 election and explore the effects of new presidential leadership on the nation’s important issues and policies.

COMMITTEE REPORTS
Academic Affairs and Personnel Committee-Chair Cassius Williams
Chair Williams stated that the committee heard a report on data from exit interviews with faculty and EPA employees who left NC State this past year. The committee was also briefed on highlights from the Staff Well-Being Survey that was administered in spring 2008.

Chair Williams reported that the committee approved a revision to Regulation 05.20.4: Post Tenure Review of Faculty. The revised regulation includes the following statement: “Institutions shall develop policies and procedures for implementing post-tenure review and revise them as necessary to conform with the following amended guidelines. Proposed revised policies must be submitted to General Administration for approval.” The revision is submitted to comply with the new UNC policy. Mr. Williams made the motion, seconded by Mr. Warren, to approve the revision to Regulation 05.20.4; the motion carried.

Chair Williams reported that a Faculty Senate update was provided by Dr. James Martin, Chair of the Faculty. In addition, Provost Nielsen provided an update on activities since the September meeting and discussed faculty recruitment and retention, the Contract Review Task Force, collaborations with UNC Wilmington and UNC Asheville, and the Upper Coastal Plain Learning Council.
Chair Williams announced that the committee approved recommendations for the awarding of Watauga Medals that will be considered by the full Board in closed session at the conclusion of this meeting. The committee also took action on one salary increase, one appointment to distinguished professor, one conferral of tenure and reviewed a report of counter offers during the past year.

**Audit, Finance and Planning Committee-Chair Steve Warren**

Chair Warren reported that the committee authorized the establishment of the NCSU Golden LEAF Biomanufacturing Training and Education Center (BTEC) and the NCSU Institute for Computational Science and Engineering (ICSE).

The committee heard an overview of the University budget as impacted by reductions in state appropriations, foundations operations, and endowments. The potential of a permanent budget reduction in the next biennium is anticipated and will be addressed through a budget planning process that will occur between now and the spring.

Chair Warren stated that the committee heard informational reports on Internal Audit activities and Centennial Campus. A development team has been selected for a privately financed, constructed and managed full-service conference center and hotel. The development team is currently performing a market study related to the project.

**Buildings and Property Committee-Chair Derick Close**

Chair Close reported that the committee reviewed and approved two property matters, five designer selections, one construction manager at risk selection, and a list of four completed capital projects. Both property matters require full Board approval. The property matters are:

- Acquisition by purchase of property at 800 Lake Raleigh Road in Raleigh for expansion of Centennial Campus
- Acquisition by lease of 1,644 square feet in the Gateway Technology Center, Rocky Mount, NC for DELTA (Distance Education and Learning Technology)

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

Chair Close reported that the committee approved two site plans, three design plans and approved plans for four projects that each cost less than $2 million. The committee reviewed two design plans and received informational reports about capital projects, the status of projects in planning, Greek Village progress report, an overview of the student life master planning effort, and a Centennial Campus update.

**Development Committee-Chair Lawrence Davenport**

Chair Davenport reported that the committee focused on two major topics: 1) the status of fund-raising efforts and current capital projects and 2) the opportunities to engage larger numbers of individuals in advance of the launch of our next campaign. Vice Chancellor Kessler led a discussion that identified current changes being made in the infrastructure and
culture to encourage development officers to spend more time traveling and working with high-wealth individuals to enhance their inclination to make major gifts.

Chair Davenport stated that in closed session, the committee reviewed and approved one proposal to name a specific university facility. This proposal will be considered by the full Board in closed session.

**Student and Campus Affairs Committee-Suzanne Gordon**

Chair Gordon reported that Trustee Jay Dawkins, Student Body President and Co-Chair of the Tuition Review Advisory Committee, gave the committee an overview of the process undertaken on campus to arrive at the tuition proposals and then described the proposals. Vice Chancellor Tom Stafford gave an overview of the process undertaken to arrive at the fee proposals and described the proposals. Chancellor Oblinger explained that the tuition and fee proposals moved from the Tuition Review Advisory Committee and the Fee Review Committee to the Conference Committee which supported all of the recommendations. The committee discussed Chancellor Oblinger’s recommendations on tuition and fees and voted to recommend approval of these recommendations by the full Board.

Chair Gordon made the motion, seconded by Mr. Mitchell, to approve a campus-initiated tuition increase of $140 per year for all resident undergraduate students and all graduate students and $280 for non-resident undergraduate students effective 2009-2010, with 39.8% of the revenue allocated to financial aid, 25% to faculty salaries, 15.2% to improve the quality and accessibility of the NC State educational experience, 10.2% to the Pack Promise, and 9.8% to the Graduate Student Support Program. The motion carried.

Chair Gordon made the motion, seconded by Ms. Mulkey, to approve the following student fee increases:

- Union Activity Board: $0.83/year
- Student Government: $2.00/year
- Student Center Operations: $15.00/year
- Student Center Repairs and Renovations: $1.75/year
- Recreational Sports: $8.50/year
- Student Health Services: $12.62/year
- Athletic Operations: $16.50/year
- Education and Technology: $15.00/year

And approval of the following student fee increases exempt from the 6.5% cap:

- Athletics indebtedness: $30.00/year
- Carmichael complex indebtedness: $23.00/year

The motion carried.

Chair Gordon made the motion, seconded by Mr. Davenport, to approve all existing fees that proposed no increases. The motion carried.

Chair Gordon stated that Athletics Director Lee Fowler reported on intercollegiate athletics including the admissions policy for student-athletics, academic profiles for new freshmen in fall of 2006, and student-athletes’ progress towards degree.
The committee also heard a report from Staff Senate chair Laura Massengill, and Vice Chancellor Tom Stafford updated the committee on student life including the renovation of Thompson Theatre.

**Board of Visitors Report-Chair Jack Cozort**
Chair Cozort reported that the Board of Visitors met on October 24, 2008. Three new members have recently joined the Board and attended the meeting. The new members are Freda Porter, Jimmy Clark, and Larry Bowman. Dr. Michael Walden, Professor of Agriculture and Resource Economics, was the faculty speaker. A legislative update was given by Joe Hackney, Speaker of the NC House of Representatives, who spoke about the upcoming legislative session. The lunch speaker was Elliot Avent, NC State head baseball coach. Chair Cozort invited Trustees to attend the meetings of the Board of Visitors.

**Student Body President Report-President Jay Dawkins**
President Dawkins reported on recent activities in Student Government. Improved football and basketball ticketing systems have been put in place that will give priority to seniors and loyal attendees. For football, a stand-by line was instituted to help fill empty seats.

Mr. Dawkins stated that Student Government leaders helped register over 3,000 students to vote in the November election. The “Pack the Polls” campaign was extremely successful. Student Government is also working with the Textbook Stakeholder Group to find ways to cut textbook costs statewide. Mr. Dawkins also discussed the tuition and fees process.

He reported that seniors in Electrical and Computer Engineering have adopted constructing a noise meter for Carter-Finley Stadium and the RBC Center as their senior design project. The Transportation Commission has been working on proposals for mass transit changes including carpool parking for student lots and Greek Village bus routes.

Mr. Dawkins said that graduate student Matt Robbins and the Student Government Traditions Commission have completed research on the Memorial Bell Tower. Their goal is to eventually replace the existing electronic carillon with a complete set of bells.

Mr. Dawkins reported that the recent incident in the Free Expression Tunnel has brought the students together in an effort to be even more supportive and inclusive and show that the actions of four students do not in any way represent our student body.

**Items of Interest to Members of the Board**
Chair Campbell called upon Vice Chancellor Nevin Kessler for a special recognition. Mr. Kessler announced that Debbie Griffith, Associate Vice Chancellor for Public Affairs, is leaving the university in early December. She has accepted a position at UNC Asheville. Mr. Kessler thanked Ms. Griffith for her 18 years of service to NC State.

Chancellor Oblinger introduced Mr. Charles Perusse, State Budget Director, who presented the annual Barry K. Sanders Award to Vice Chancellor for Finance and Business Charles Leffler. This award is given to a state government employee who has demonstrated the
outstanding work attributes that Barry Sanders exhibited during his twenty years in the Office of State Budget and Management.

With no further business in open session, Chair Campbell called for the motion to go into closed session according to North Carolina General Statute, Section 143-318.11 (a)(1)(2). Ms. Mulkey made the motion, seconded by Mr. Mitchell, to prevent the premature disclosure of an honorary award and to prevent the disclosure of privileged information; the motion carried.

At 10:22 a.m., the Board came out of closed session. With no further business, Chair Campbell adjourned the meeting at 10:25 a.m.

Respectfully submitted,

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Assistant Secretary                           Secretary

Approved:

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Chair of Board