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, February 22, 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  
John P. Sall  
Steve F. Warren  
Cassius S. Williams  
Bobby Mills, ex officio

Chair Campbell called the meeting to order. 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. Mr. Sall recused himself from voting on the second item in the Buildings and Property Committee report because of his relationship with SAS Institute. Hearing 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. Warren made the motion, seconded by Ms. Mulkey, to approve the open and closed session minutes of the November 16, 2007, full Board meeting. The motion carried.

CHAIR’S REPORT-MCQUEEN CAMPBELL, III  
Chair Campbell gave the report from the February 21, 2008, Endowment Fund meeting. He said that the board heard a report on the future of University Advancement. They also heard a report via conference call from SEI investment managers. In addition, the board heard reports on the Hofmann Forest, Centennial Campus, and other real estate holdings.
Chair Campbell reported that the net return for the year ending December 31, 2007, was 6.1% on the market value of $156.8 million. The 2007 National Association of College and University Business Officers (NACUBO) endowment survey ranked NC State 135 out of 785 with a market value of $535 million.

The Endowment Board discussed the spending availability projections and current spending policy of 4.55%. The board approved the following actions:

- To continue the .55% assessment for University Advancement in 2008-09
- To accept gifts in the amount of $2.6 million
- To allow spending budget exceptions

Chair Campbell stated that the Board of Trustees bylaws provide that a nominating committee be appointed each year by the Chair. This committee has responsibility for presenting a slate of nominees to the Board at its first meeting following the beginning of each University fiscal year. This year’s meeting is scheduled for Tuesday, July 8, 2008. The slate must contain at least one nominee for each of the offices of chair, first vice chair, second vice chair, and secretary. He appointed the following 2008 Nominating Committee: Burley Mitchell, chair; Derick Close; and Suzanne Gordon.

Chair Campbell reported on the following activities and topics of interest to the board:

- On January 30, the Jordan Hall wing was dedicated.
- The Dr. Raymond L. Murray Radiation Teaching Laboratory was dedicated on February 21. This event celebrated the gift of former Trustee Richard Vaughn to the Department of Nuclear Engineering.
- Founders’ Day will be held on March 10, 2008. Watauga Medals will be presented to Robert A. Barnhardt, Lonnie Poole, and Ginger Sall.
- Spring Commencement will be held on Saturday, May 10, 2008. Honorary degrees will be conferred upon Pat Mora, former Trustee Dick Robb, and C.D. Spangler. President Erskine Bowles will be the Commencement speaker.

Chair Campbell closed by thanking the members of the Board of Trustees for all of their dedicated work on behalf of NC State. He stated that there are many good things going on at the university, and we have much to be proud of.
CHANCELLOR’S REPORT-JAMES OBLINGER

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

• The 2008 Emerging Issues Forum “North Carolina’s Energy Futures: Realizing a State of Opportunity” was held on February 11-12. New York Times columnist Thomas Friedman kicked off the event which also featured Rajendra Pachauri, NC State alumnus, Nobel Peace Prize winner and chairman of the Intergovernmental Panel on Climate Change; and Jeff Immelt, chairman and CEO of the General Electric Corporation.

• The work of Dr. Mary Schweitzer, an NC State paleontologist, on analyzing proteins found in tissue from a 68-million-year-old dinosaur has been ranked the 10th most important science story of 2007 by Discover magazine.

• NC State is honored to have two 2007 North Carolina Award recipients, the highest civilian honor bestowed by the State. Trustee and former Chief Justice of the NC Supreme Court Burley Mitchell received the North Carolina Award for Public Service. Dr. Viney Aneja, professor of air quality and environmental technology, has been awarded the 2007 North Carolina Award for Science.

Chancellor Oblinger reported that he has been elected to serve a three-year term on the National Association of State Universities and Land-Grant Colleges (NASULGC) Board of Directors. In this role, he is a member of the governing and policy making body for the association.

Chancellor Oblinger closed by reporting that four candidates will come to campus to interview for the Vice Chancellor for Information Technology position. Provost Larry Nielsen and Vice Chancellor for Finance and Business Charlie Leffler are co-chairing the committee, and Trustee Gayle Lanier serves as a member of the committee.

COMMITTEE REPORTS

Academic Affairs and Personnel Committee-Chair Cassius Williams

Chair Williams reported that the committee heard a report on the 2007 fall graduating class. 2,845 degrees were awarded at Fall Commencement. Phil Moses, Director of the Academic Support Program for Student Athletes, gave an overview of his program.

Chair Williams stated that the committee approved a revision to Policy 05.20.1: Academic Tenure. This policy is revised to clarify that the Provost has final approval for non-reappointments of tenure-track faculty. Chair Williams made the motion, seconded by Mr. Davenport, to approve Board of Trustees Policy 05.20.1. The motion passed.
Chancellor Oblinger reported that UNC President Erskine Bowles would be the May Commencement speaker. Provost Nielsen provided an update of activities since the November Board of Trustees meeting. These activities include the change in degree name from Training and Development to Human Resource Development, new distance education degrees offered in Materials Science and Engineering and Nuclear Engineering, the establishment of the Center for Excellence in Curricular Engagement, and the implementation of the new General Education Plan. Task forces have been established on faculty development, faculty well being, the faculty grievance process, and applied public policy and interdisciplinary programs. The committee received an update on our Wake Tech partnership, the virtual computer environment, and a change in the grievance procedure for faculty, senior academic administrative officers tier II (SAAO Tier-II), and EPA professionals.

The committee approved personnel actions, including approval of two salary increases and appointment to a distinguished professorship. They also approved recommendations for the awarding of the Holladay Medals and two petitions to participate in political activity that will be considered in closed session at the conclusion of this meeting.

**Audit, Finance and Planning Committee-Chair Lawrence Davenport**

Chair Davenport reported that the committee authorized the establishment of the Advanced Transportation Energy Center. The center will research innovative ways to increase the efficiency of plug-in hybrid vehicles and other energy-saving devices.

State Auditor Les Merritt and his team reported on the University’s financial audit. The university was complimented on its clean audit opinion and healthy financial position.

The committee heard informational reports on the NC State Investment Fund, Inc., Internal Audit activities, Centennial Campus development, and the annual review of associated entities. Provost Nielsen provided an update on the UNC Tomorrow Commission recommendations and NC State’s plan for response.

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

Chair Close reported that the committee reviewed and approved six property matters, five designer selections, and a list of three completed buildings and projects. All six property matters require full Board approval. The property matters are:

- Acquisition by purchase of approximately 197 acres in Tyrell County adjacent to the Eastern 4-H Center in conjunction with the NC Clean Water Management Trust Fund
Acquisition by lease of approximately 8,500 square feet on the 5th floor of Venture II on Centennial Campus for the Institute for Advanced Analytics. Mr. Sall recused himself from voting on this property matter because of his relationship with SAS Institute.

Disposition by easement of pasture area which is not to exceed ten acres at the Upper Piedmont Research Station to accommodate a septic system leach field for the Chinqua-Penn Plantation.

Disposition by easement for Carolina Solar Energy, LLC, to accommodate the installation of solar collector panels on Lot 86 near Carter-Finley Stadium.

Disposition by easement through reciprocal easement requested by the NC State University Partnership Corporation to accompany its lease of 30 acres on Centennial Campus.

Disposition by lease of the fraternity house at 2701 Fraternity Court to the Alpha Epsilon Housing Corporation of Pi Kappa Alpha Fraternity.

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

Chair Close stated that the committee reviewed three design plans. They approved three site plans and nine project plans that cost less than $1 million. The committee also received informational reports including a slide show on the status of planning and construction on Centennial Campus.

**Development Committee-Chair Bob Jordan**
Chair Jordan reported that the committee participated in a discussion led by Vice Chancellor Kessler on defining the future of University Advancement. The discussion focused on the strategic investments the university will be making to prepare for its next fundraising initiatives, including new efforts in marketing and communications and efforts to engage a much larger number of alumni and friends.

Chair Jordan stated that in closed session, the committee reviewed and approved 11 proposals to name specific university facilities. A motion will be made at the end of this meeting to go into closed session to consider these proposals.

**Student and Campus Affairs Committee-Chair Suzanne Gordon**
Chair Gordon stated that Student Body President Bobby Mills reported on Student Government’s recent activities that include working with the Office of Undergraduate Academic Programs to revise the dead week policy, working on a four-year guarantee proposal, and working with Registration and Records to find more efficient ways to utilize classroom space. He highlighted several campus events including the Martin Luther King, Jr. Vigil, Krispy Kreme Challenge, Asia Night, the Big Event, Pack-A-Thon, and the Millennium Seminar presented by former U.S. Secretary of Labor.
Robert Reich. Mr. Mills also reported that he is working with the university bookstore on a program to guarantee textbook buy-backs and with University Dining to extend dining hall hours.

Vice Chancellor Stafford reminded the committee about the Greek Village Groundbreaking that will take place today following the full Board meeting. Associate Vice Chancellor Art White and his staff reported on facilities and services provided by University Dining including efforts to promote healthy eating.

University Career Center Director Carol Schroeder gave an overview of career services offered to students. Shannon Johnson, Women’s Center director, gave an overview of educational programs, mentoring activities, and leadership development opportunities provided by the Women’s Center.

**Chair of the Faculty Report-James D. Martin**

Chair Martin thanked the Trustees for all of the work they do on behalf of NC State. He discussed the importance of long-range planning in areas such as energy and sustainability, curriculum development, and physical infrastructure. He reported that David Rainer, Associate Vice Chancellor for Environmental Health and Public Safety, addressed the Faculty Senate to discuss issues of public safety and to review the report of the UNC Campus Safety Task Force.

Chair Martin discussed student retention and graduation rates. He said that Dr. Thomas Conway, Dean of Undergraduate Academic Programs, led a faculty discussion of how faculty can have an active role in stimulating retention and graduation rates.

Chair Martin reported that Professor Maxine Atkinson’s First-Year Inquiry Principles of Sociology class evaluated NC State’s sexual assault policy, and the winning team was invited to present the results of their study to the Faculty Senate. He also reported on Faculty Senate committee activities. He said that the Senate is working on better communication between the various Faculty Senate committees. Chair Martin also said that the Faculty Senate sent a condolence letter to the faculty at Northern Illinois University.

**Chair of the Staff Senate Report-Gail Willis**

Chair Willis reported on the guest speakers who had attended the Staff Senate meetings since the November Board of Trustees meeting. She also said that since the November meeting, she had represented the Staff Senate at 48 meetings. Chair Willis also reported on letters and cards that she had sent on behalf of the Staff Senate.
Chair Willis stated that the Staff Senate now has a ¾ time administrative assistant. She thanked Chancellor Oblinger for his support of this important position. She reported that the Governance Committee is preparing for the 2008-2009 Senate elections. The Publicity Committee is currently working on Employee Appreciation Day.

With no other business in Open Session, Chair Campbell called for the motion to go into Closed Session according to NCGS 143-318.11 (a)(2)(6). Mr. Williams made the motion, seconded by Mr. Close, to go into Closed Session to prevent the premature disclosure of an honorary award or scholarship; to consider the qualifications, competence, performance, condition of appointment of a public officer or employee or prospective public office or employee.

At 10:15 a.m., the Board came out of Closed Session. With no further business to conduct, Chair Campbell adjourned the meeting at 10:20 a.m.

Respectfully submitted,

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Assistant Secretary                            Secretary

Approved:

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Chair of Board