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, September 19, 2008. Chair McQueen Campbell presided.

Members present: McQueen Campbell, III, Chair
                Derick S. Close
                Suzanne Gordon
                Gayle S. Lanier
                Robert L. Mattocks, II
                Burley Mitchell
                Barbara Mulkey
                John P. Sall
                Steve F. Warren
                Cassius S. Williams
                Jay Dawkins, 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. Hearing none, 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 Mr. Williams, to approve the open and closed session minutes of the July 8, 2008, meeting of the full Board. The motion carried.

CHAIR’S REPORT-MCQUEEN CAMPBELL, III
Chair Campbell stated that Board of Trustees’ Bylaws require that the Chair nominate for the Board’s approval one Trustee to serve at-large on the Executive Committee. He recommended Trustee Mattocks to serve as the fifth member of the Executive Committee. Mr. Warren made the motion, seconded by Mr. Mitchell, to approve the election of Mr. Mattocks to the Executive Committee. The motion carried.

Chair Campbell reported that the Atlantic Coast Conference annually requires its university boards of trustees to certify that authority for the administration of
intercollegiate athletics has been delegated to the Chancellor. Mr. Sall made the motion, seconded by Ms. Gordon, to approve the ACC Governing Board Certification of 2008-2009. The motion carried (Appendix A).

Chair Campbell reported that the Endowment Fund Board of Trustees met Thursday, September 18, 2008; a quorum was present. The Board discussed issues including investments in University Advancement, real estate, and the status of NC State’s pooled endowment fund.

The Board approved the following actions:

- To accept gifts in the amount of $2.2 million.
- To approve delegation to the Treasurer to continue negotiations for the Hillsborough Street corridor.
- To approve $5.4 million for the fiscal year 2009-2011 spending budget.

Chair Campbell reported that the Board of Visitors Bylaws state that “Board members are appointed by the Chancellor with the advice and consent of the Board of Trustees.” A copy of the complete membership roster and a brief biographical sketch of new members joining the Board of Visitors has been provided in the Trustee notebooks.

Chair Campbell recommended a change to the second sentence of section 1.2.1 of the Board of Trustees Bylaws to 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.” The change in the Bylaws will be considered for approval at the November meeting of the Board of Trustees.

**Chancellor’s Report-James Oblinger**

Chancellor Oblinger began by introducing Dr. Marc Hoit, the new Vice Chancellor for Information Technology. He reported on the following campus highlights since the July meeting of the Board:

- The 2008-2009 school year began on August 20. The student population has grown to 32,200 and is comprised of 4,700 freshmen, 22,600 undergraduates, 7,100 graduates, and 2,500 enrolled as non-degree seeking students. The freshman class has an average SAT score of 1176 and an average GPA of 4.17, and 42 percent graduated in the top 10 percent of their high school class.
- NC State’s Achieve! Campaign ended on June 30 and raised an astounding $1,368,902,362, surpassing the $1 billion goal by 37 percent. The Campaign Gala is tonight at the new Raleigh Convention Center. UNC President Erskine Bowles and approximately 640 donors will attend. The message for the evening is “thank you.”
• The Princeton Review has named NC State one of the “greenest” institutions in the nation. The publication gave NC State a score of 90 out of a possible 99 points, a rating based on environmentally related practices, policies and course offerings at the university. NC State also scored an 89 in “admissions selectivity” and has been in the Princeton Review’s list in 2006 for “best value” among the nation’s public colleges and universities and one of the nation’s 25 “most connected” campuses.

• Public Affairs is working with the Charlotte PR firm, Luguire George Andrews (LGA) to roll out a new marketing campaign. New images and commercials will show the university as a collaborative learning environment that uses cross-curricular learning to give students hands-on experiences for the real world.

• Student Body President Jay Dawkins’ new project, Pack the Polls, is an initiative to encourage young people to vote by organizing a team of volunteers to register student voters. The goal is to register 10,000 new voters. Jay aims to keep this initiative non-partisan and give NC State students a voice in the upcoming election.

• The Center for Student Leadership, Ethics and Public Service (CSLEPS) hosted the sixth annual Service NC State in Carmichael Gym on August 23. NC State partnered with UNC-Chapel Hill and East Carolina to meet a goal of packaging one million meals to be distributed in El Salvador, Haiti and India. Collectively, participants from all three host universities surpassed the one-million-meals goal, packaging a total of 1,010,374 meals. The event also raised a total of $11,000 for Stop Hunger Now.

• NC State has received a $2.5 million National Science Foundation grant to research how well computer games help elementary students learn scientific concepts. Fifth-grade students at A.B. Combs Elementary School will play a game called Crystal Island whose mystery plot revolves around science. After one year, the students will be evaluated to see how much they learned from the computer game.

• A $2.2 million gift from the Caterpillar Foundation and Jim Owens, chairman and CEO of Caterpillar, Inc., will enable NC State to expand ventures in research, academics, and outreach through the Supply Chain Resource Cooperative (SCRC). The SCRC is a collaborative industry-academic program through the College of Management that prepared students for careers in today’s evolving, technology-rich business climate.

• On July 21, the Man-in-Simulant Test (MIST) Laboratory opened its doors on Centennial Campus. The MIST Laboratory was funded by a two-year, $2 million grant from the U.S. Department of Defense. The facility is the only one of its kind located at a university in the U.S. and will afford students and faculty opportunities to evaluate the capabilities of protective garments against non-toxic vapors that resemble chemical and biological agents.
• Professors at NC State have released preliminary findings for a five-year study that focuses on finding the most effective mathematics teaching methods for elementary students. The study is funded by a $1.65 million grant from the National Science Foundation.
• A new three-year, nearly $1 million Rural Development Biomass Research and Development Grant from the U.S. Department of Agriculture will allow NC State scientists to test the efficacy of growing genetically modified trees across the state and using them to produce ethanol inexpensively.
• NC State’s College of Veterinary Medicine received a five-year, $625,000 gift from Novartis Animal Health U.S. to support the clinical trials program (CTP) in the college’s Center for Comparative Medicine and Translational Research (CCMTR).
• Dr. Joseph M. DeSimone, William R. Kenan, Jr. Distinguished Professor of Chemical Engineering at NC State and Chancellor’s Eminent Professor of Chemistry at UNC-Chapel Hill was awarded the 2008 $500,000 Lemelson-MIT Prize. This award honors inventors who have made significant contributions to society.
• The Virtual Computing Lab at NC State is one of the first of its kind, allowing software users to log onto a remote server from their home computers and load needed applications for certain projects. Specifically, the Virtual Computing Lab gives users the ability to use older computers that might not have the hardware or software capabilities to run these programs natively. NC State is using this technology to assist schools across the state, particularly K-12 schools with old systems.
• Two NC State swimmers and teammates from 2004-06 participated in the 2008 Olympics in Beijing. Cullen Jones, representing the U.S., and Dan Velez, representing Puerto Rico, are the 11th and 12th swimmers from NC State to participate in the Olympics. Jones swam the 4X100 meter freestyle relay, helping bring home a gold medal for the U.S. Velez won his heat in the 100-meter breaststroke and broke the Puerto Rico record to finish 33rd overall.
• The 2009 Jimmy V Classic will take place in August at the Lonnie Poole Golf Course on Centennial Campus.
• The university just received a letter from the Office of State Budget and Management informing us of a one-time two percent budget reduction. This budget reduction is tied to the North Carolina economy.

COMMITTEE REPORTS

Academic Affairs and Personnel Committee-Chair Cassius Williams
Chair Williams stated that the committee was briefed on Fall 2008 enrollment data and the characteristics of our student body. The Provost reviewed the responsibilities of the Academic Affairs and Personnel Committee as outlined in Board of Trustees Policy 01.05.02.
Chair Williams reported that the committee considered a request from Chair of the Faculty Jim Martin to refer the revised Policy 01.05.8 back to the Faculty Senate to be vetted through the Personnel Policy Committee of the Faculty Senate. The committee felt it appropriate to consider the policy to be compliant with the Board of Governors policy. The committee approved revisions to Policy 01.05.8: Faculty/EPA Grievance Appeals to the Board of Trustees. The two changes made to the policy are: (1) a change to the language in section 3.2.3 which reflects Board of Governors policy and incorporates state law; and (2) a change in the title of section 5 to better reflect the contents of that entire section. Mr. Williams made the motion, seconded by Mr. Warren, to approve the revisions to Board of Trustees Policy 01.05.8; the motion carried.

Chair Williams said the Bill Cowher, NC State alumnus, former professional football player, and studio analyst for “NFL Today” will be the December 2008 graduation speaker. Provost Nielsen gave the committee an update of campus activities since the April Board of Trustees meeting.

Chair Williams stated that the committee approved recommendations for the awarding of Honorary Degrees that will be considered by the full Board in closed session at the conclusion of this meeting.

Audit, Finance and Planning Committee-Chair Steve Warren
Chair Warren reported that the committee reviewed its delegated responsibilities, took action to approve the Internal Audit Plan for fiscal year 2009, and authorized the establishment of the Center for Family and Community Engagement and the Future Renewable Electric Energy Delivery and Management Systems Center.

Chair Warren said that a resolution was presented to authorize NC State University to add the non-appropriated projects in the 2008 legislative bill to the current short and long-term financing program. The committee approved the resolution that requires full Board approval. Chair Warren made the motion, seconded by Mr. Mitchell, to approve the resolution to enable issuance of special obligation bonds for the specific projects (Appendix B). The motion carried.

Chair Warren said that the committee was updated on the status of planning efforts regarding an NC State presence in South Korea. In addition, informational reports were presented on the NC State endowments, Internal Audit activities, Fall 2008 enrollment, Centennial Campus activities, and the intent to establish a new Master of Arts degree program in Teaching.
Buildings and Property Committee-Chair Derick Close

Chair Close reported that the committee reviewed its responsibilities and approved three procedural changes. The committee reviewed and approved twelve property matters, eight designer selections, one developer selection, and a list of seven completed capital projects. Six property matters require full Board approval. The property matters are:

- Acquisition by lease to the Office of Technology Transfer of approximately 5,244 square feet of office space at 920 Main Campus Drive, Venture II Building on Centennial Campus.
- Acquisition by lease to the NC State Athletic Ticket Office of approximately 3,000 square feet of office space at 5400 Trinity Road in Raleigh.
- Acquisition by lease to the College of Engineering of approximately 10,000 square feet of office and lab space in the Centennial Campus Lab Building.
- Acquisition by lease to the Golden LEAF Biomanufacturing Training and Education Center of approximately 5,000 square feet of office and lab space in the Centennial Campus Lab Building.
- Disposition by lease of 2409 West Fraternity Court to Delta Epsilon of Sigma Chi for one year with renewal option.
- Disposition by easement on a portion of the University’s Research Unit #1 of approximately 725 square feet, which measures 5 feet by approximately 145 feet, to Jesse M. Reed to connect his residential lot to sanitary sewer.

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

Chair Close reported that the committee approved four site plans, one design plan and approved plans for seven projects that each cost less than $1 million. The committee reviewed three design plans and received informational reports about capital projects and the status of projects in planning.

Development Committee- Bob Mattocks

Mr. Mattocks gave the committee report for Chair Lawrence Davenport. Mr. Mattocks reported that the committee reviewed the responsibilities of the committee and provided a work plan for 2008-2009. The committee discussed the Achieve! Campaign results as well as some policy and funding issues to be addressed in preparation for the next comprehensive campaign.

Mr. Mattocks stated that in closed session, the committee reviewed and approved 44 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. It was recommended that the university develop an on-line catalog of all existing naming opportunities.
Student and Campus Affairs Committee-Chair Suzanne Gordon
Chair Gordon reported that the committee reviewed its responsibilities, including appeals, policy development, and tuition and fees. Student Body President Jay Dawkins gave the committee an update on recent activities in Student Government, including adopting a new football ticketing policy, improving the WITH program, emphasizing voter registration in the “Pack the Polls” campaign, and kicking off the Town Hall Forum series.

Chair Gordon said that the committee heard an overview of the Division of Student Affairs and an update on the process for recommending tuition and fees for 2009-2010. The Tuition Committee and the Fee Review Committee will make recommendations on their respective increases to the Conference Committee, who will then make recommendations to the Chancellor. The Student and Campus Affairs Committee will consider the Chancellor’s recommendations at their November meeting and give their recommendations to the full Board of Trustees. There is a 6.5% cap for tuition and fees again this year.

Chair Gordon reported that the committee heard an update on NC State’s initiatives that support campus safety. Vice Chancellor for Information Technology Marc Hoit proposed revisions to the Computer Use Policy. The merged OIT structure under the new vice chancellor required corrections to the policy. Similar changes were made to the regulation that include:

- Clarified privacy information regarding accessing logs for university business needs such as network traffic.
- Responding to subpoenas and new responsibilities for eDiscovery including user required record retention responsibilities.

Chair Gordon said that as a result of the short 90-day response requirement of the audit, more cycles of review are scheduled, and involvement across campus will continue. Chair Gordon made the motion, seconded by Mr. Williams, to approve the proposed revised Board Policy 08.00.1 Computer Use Policy. The motion carried. The committee heard one student appeal in closed session.

Chair of the Faculty Report-Chair James D. Martin
Chair Martin reported that the Faculty Senate would like to improve communications across campus. The faculty cares deeply about the university and wants to be more engaged. He gave the Trustees an open invitation to attend any Faculty Senate meeting or Executive Committee meeting.

Chair Martin reported on the UNC Tomorrow Faculty Response. He stressed the importance of engaging the faculty in the planning and visioning called for by the UNC
Tomorrow initiative. He also discussed post-tenure review and the efforts of the Faculty Senate to revise policy.

Chair Martin discussed the grievance process at NC State and his hope to improve the system to ensure that everyone is treated fairly. He advocated open conversation between all parties.

**Chair of the Staff Senate Report-Vice-Chair Michelle Healey**

Vice-Chair Healey gave the report for Chair Laura Massengill. A Staff Senate retreat was held on June 4 as an orientation for new senators. The new term began on August 6. Primary goals for this year are:

- Refine internal processes and procedures.
- Develop a better understanding of the current and proposed campus parking and transportation system.
- Develop a mechanism to access historical files through the Staff Senate home page.
- Explore safety on campus, specifically in the areas of construction, parking, walking, bicycling, and personal safety.

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)(2)(6). Ms. Gordon made the motion, seconded by Mr. Sall, to prevent the disclosure of an honorary award or scholarship and to consider the qualifications, competence, performance, condition of appointment of a public office or employee or prospective public officer or employee; the motion carried.

At 10:52 a.m., the Board came out of closed session. With no further business, Chair Campbell adjourned the meeting at 10:55 a.m.

Respectfully submitted,

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Assistant Secretary                               Secretary

Approved:

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Chair of Board