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, November 13, 2015.

Members present:  
James W. Owens, Chair  
Robert F. Andrews  
Thomas E. Cabaniss  
Jimmy D. Clark  
Benjamin P. Jenkins III  
Stanhope A. Kelly  
Ronald W. Prestage, DVM  
Randall C. Ramsey  
Susan P. Ward  
Dewayne N. Washington  
Khari Cyrus, ex officio

Chair Owens called the meeting to order at 9:25 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 Owens 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. Clark made the motion, seconded by Mr. Ramsey, to approve the open and closed session minutes of the September 11, 2015 meeting of the full board. The motion passed.

CHAIR'S REPORT- JIM OWENS
Chair Owens first reported that in the Executive Committee meeting, they reviewed the progress on the CFO search. They also approved the Chancellor’s salary recommendation for five Vice Chancellor salary increases. He congratulated Trustee Randy Ramsey who was awarded the honorary alumnus award on October 31 at the Clemson football game. He stated that this award was a well-deserved recognition and he appreciates all of Mr. Ramsey’s work and support for NC State athletics and academics.

Chair Owens presented the “Resolution for Exclusion of Certain Directors and Officers of North Carolina State University.” (Appendix A) He reported that NC State does work with the Department of Defense and our armed services. This important relationship results in cutting-edge research in a variety of disciplines, including the work taking place at the Laboratory for Analytic Sciences. He stated that this resolution is necessary and will help NC State to administer our existing projects and compete for future projects more efficiently and strategically.

Mr. Jenkins made the motion to approve this resolution. It was seconded by Mr. Cabaniss. The motion passed.

Chair Owens reported that several Trustees attended the 2015 Boards of Trustees workshop on September 16 at Winston-Salem State University. He thanked Mr. Cabaniss, Mr. Clark, Mr. Kelly, Mr. Murphy, Mrs. Ward and Mr. Washington for being there. He was pleased to have NC State well-represented at these events, and he noted that their participation was invaluable. He reported that there were six panel discussions:
Chair Owens noted that Chancellor Woodson served on the Advocacy and Engagement panel, and he was on the panel on Risk Management and Compliance. He reported that the meeting closed with President Ross discussing Higher Education Trends. The workshop was a great opportunity to share knowledge with the rest of the UNC System and hear their ideas and insights as well.

Chair Owens reported that he also spoke at the October 2 Board of Visitors meeting. This is an important group that provides some exceptional feedback and advice on how we can keep NC State one of our nation’s premier universities. He noted that the Board of Visitors do a great job of advocating for NC State, increasing visibility and bringing in contacts from distant areas. He encouraged members of the Board of Visitors to fully engage with the campaign and do all that they can to ensure its success. He is looking forward to seeing the results of their efforts.

Chair Owens reported that the Winter Graduation ceremony is scheduled for Friday, December 18, and the Honorary Degree Recipients will be:

- Dr. Pedro Sanchez, world renowned soil scientist whose work has changed the nature of food production in the tropics.

CHANCELLOR’S REPORT – W. RANDOLPH WOODSON
Chancellor Woodson gave a presentation that was a condensed version of his ‘State of NC State’ Fall address, which provided highlights and accomplishments of the past year, as well as a look forward to some of the exciting developments expected in the coming year.

Highlights and accomplishments included:

- Research funding last year reached an all-time high of $308 million dollars.

- Twenty-two (22) faculty have been selected for the fourth group of University Faculty Scholars, an annual program designed to recognize and reward emerging academic leaders. This year’s cohort brings the total number of faculty recognized for this honor to 84.

- The faculty selected this year represent disciplines from Chemical and Biomolecular Engineering to Economics, Psychology, STEM Education and many more.

Chancellor Woodson reported about student achievements:

- Undergraduate physics and math major Mia de los Reyes won an Astronaut Scholarship, the largest monetary award given in the United States to undergraduate STEM students based on merit.

- Alexander Richter, a graduate student in chemical and biomolecular engineering, won a $15,000 dollar Lemelson-MIT Student Prize for developing ways to deliver agricultural pest control agents using environmentally benign nanoparticles.
• College of Education doctoral candidate Jeff Milbourne received the 2015 White House Presidential Award for Excellence in Mathematics and Science Teaching.

Chancellor Woodson reported about the accomplishments in Athletics:
• Heavyweight wrestler Nick Gwiazdowski won his second consecutive NCAA championship, and the men’s swimming team took its first ACC title in 23 years.
• Ten teams finished their seasons ranked in the top 25.
• Most impressive -- since 2010, athletics has improved 62 spots in the Directors’ Cup standings and finished 27th in the nation, the highest in school history.

Chancellor Woodson gave a master plan update:
• The Close-King Indoor Practice Facility was completed.
• A major renovation of Reynolds Coliseum has begun.
• The Gregg Museum of Art and Design on the site of the historic chancellor’s residence on Hillsborough Street and The StateView Hotel, a 164-room Marriott Autograph Collection hotel and conference center on Centennial Campus have broken ground.
• Talley Student Union has re-opened.
• Renovation project at the Carmichael Complex has begun.

COMMITTEE REPORTS

AUDIT, RISK MANAGEMENT AND FINANCE COMMITTEE – CHAIR TOM CABANISS
Mr. Cabaniss reported that the committee reviewed a resolution to authorize NC State University to request the Board of Governors to issue one or more series of bonds to be known as North Carolina State University Special Obligation Bonds. He noted that the proceeds will be applied to the financing Engineering Building Oval Project Completion. Mr. Cabaniss made a motion for the approval of the special obligation bond resolution to enable issuance for the specific projects described. Mr. Andrews seconded the motion. The motion passed.

Mr. Cabaniss stated that Cecile Hinson, Director of Internal Audit, provided the committee with a quarterly update on Internal Audit activity. Mr. Cabaniss reported that Interim Vice Chancellor Mary Peloquin-Dodd updated the Committee on Budget and Legislative activities. The fiscal year 2016 projected budget is $1.48 billion and the top three revenue resources are State Appropriations at $495 million (33% of the total); Contracts and Grants at $330 million; and Tuition and Fees at $292 million. Key areas of expenditures are Instruction at $444 million; Organized Research at $281 million; and Institutional/facilities Support at $178 million. Salaries and benefits account for 62% of the total budget. The UNC System Budget for fiscal years 2016 and 2017 fully funds enrollment growth and building reserves. For fiscal year 2016, all employees will receive a one-time bonus of $750. Additional funding was provided for repairs and renovations, carry forward, and in-state tuition for veterans.

Mr. Cabaniss reported that budget actions included funding for the Engineering Building and the Plant Sciences Building. NC State received a $4 million management flex cut and the cut was further increased by our share of a new program at GA (SMART Initiative). He noted that concerns about next year’s (2016-2017) budget include a larger management flex cut and a possible cut in state appropriations being used to pay salaries in advancement. There is also concern about the North Carolina Guaranteed Admissions Program (NCGAP), a program in which the Board of Governors partnered with North Carolina Community College System to create a deferred admissions program.

Mr. Cabaniss reported that the committee received a presentation from Vice Chancellor and General Counsel Eileen Goldgeier on NC State’s Top 10 University Strategic Risks. She explained the strategic risk management process used to assess the top 10 risks, the likelihood of occurrence, impact, and risk management effectiveness.
Mr. Cabaniss reported that Dave Rainer, Associate Vice Chancellor for Environmental Health and Public Safety, provided the committee with a comprehensive overview of Campus Safety and processes. His report included the five goals of the security master plan. He also discussed violence prevention and threat management, which involves collaboration between University Police, the Behavioral Assessment Team, and Division of Academic and Student Affairs. The Behavioral Assessment Team is represented by staff from Police, Office of General Counsel, Faculty, Housing and Residence Life, Student Conduct and Human Resources. He also reviewed campus policies and training involved in reducing safety risks. Lastly, he noted that Mr. Rainer also explained the University’s emergency response and drills and the Wolf Alert messaging process.

BUILDINGS AND PROPERTY COMMITTEE - CHAIR RANDY RAMSEY
Mr. Ramsey reported that the committee reviewed and approved one property matter that requires full board approval. It is:

- Disposition by Deed for land exchange between the Board of Trustees of the Endowment Fund for North Carolina State University and the State of North Carolina of approximately one-third of an acre on Centennial Campus on an acre-for-acre basis.

Mr. Ramsey made a motion to approve the Disposition. It was seconded by Mr. Jenkins, and the motion passed.

Mr. Ramsey reported that the committee approved 10 designer selections and accepted 7 completed buildings and projects at a combined value of $5.95 million that included third floor renovation and utility upgrade at Ricks Hall for $2.6 million.

The committee approved recommended changes to the Designer Selection Procedure and to the Construction Manager-at-Risk Selection Procedure. The changes were made to reflect current practices. The committee also approved the design plan for Sigma Phi Epsilon House and plans and specifications of formal projects costing less than $2 million.

Lastly, Mr. Ramsey reported that the committee received updates about Centennial Campus Capital Projects, other Capital Projects and Projects in Planning, and we received an update about land exchange with Reedy Creek Investments.

UNIVERSITY ADVANCEMENT AND EXTERNAL AFFAIRS COMMITTEE - CHAIR JIMMY CLARK
Mr. Clark reported that Vice Chancellor Brian Sischo and Associate Vice Chancellor Francine Cronin provided the committee with University Advancement and Fundraising updates, respectively. Mr. Clark noted that moving the Evening of Stars event and other alumni activities and events to Homecoming week had the desired effect of engaging and attracting more alumni. More than 1100 attended the alumni tailgate.

Vice Chancellor Sischo gave an update about the establishment of the Employee Dependent Tuition Scholarship and the impact of Chancellor and Mrs. Woodson’s gift on creating this employee benefit. He noted that the scholarship would be a featured priority of a faculty-staff giving program to be rolled out to the campus community in the coming months.

Mr. Clark reported that the Legislature’s approval of the bond proposal includes funding for the Engineering Oval and the Plant Sciences building projects, noting that each project will have significant fundraising requirements.

Associate Vice Chancellor Francine Cronin gave a report about how the University is well positioned to meet fiscal year 2016 fundraising goals, and she reviewed the status of staffing changes in University
Development. Mr. Clark noted its importance on preparing the University for the public launch of the campaign next Fall. He reported that campaign total raised to date is $756 million.

Mr. Clark reported that the committee received an update from Associate Vice Chancellor Brad Bohlander and Director of Development Communications and Donor Relations Amy Feriozzi presented on the creation of a new “Social Media Hub.” They also provided a Campaign Communications update. Their presentation demonstrated how the University has created a program to track and influence social media on behalf of the University. Mr. Clark pointed out that we have remarkably high levels of engagement through social media channels as compared to peer institutions.

Mr. Clark reported that the University has also engaged the firm of Simpson Scarborough to assist in the implementation of campaign communications plans. Information on Simpson Scarborough’s work with other institutions was shared and the committee provided feedback on benchmarking of other campaign communications efforts.

Mr. Clark stated that in Closed Session, the committee reviewed and approved two naming proposals to name specific university facilities, and Chancellor Woodson made his recommendation to the committee regarding Watauga Medal nominees. The board will review naming opportunities and the Watauga Medal nominees in closed session.

UNIVERSITY AFFAIRS COMMITTEE – CHAIR SUSAN WARD
Mrs. Ward reported that the University Affairs committee heard a report from Tom Miller, Senior Vice Provost for Academic Outreach and Entrepreneurship and he presented information on large course redesign efforts at NC State. She noted that these efforts seek to rethink and rebuild the delivery of large-enrollment, critical path courses, using novel pedagogies that enhance student learning outcomes in larger course settings.

Vice Chancellor Mike Mullen and University Recreation Director Eric Hawkes gave the committee an overview of the process undertaken and recommendation presented by the Student Fee Review Committee in support of the Carmichael Complex addition and renovation indebtedness fee. She stated that if approved, this project would result in a $44.5 million, 82,823 square ft. addition and renovation project beginning in 2016-17. This would require a new debt service fee of $92.50 to fund the project; however, the current $45.00 Carmichael Recreation Center debt service fee is being retired during the 2015-16 fiscal year resulting in a net increase of $47.50 in debt service fees from this year to next. The committee discussed the recommendation for the fee increase and voted to recommend approval to the full board. (Appendix B)

Mrs. Ward made a motion for the approval of the Carmichael Addition and Renovation indebtedness fee as outlined in Chancellor Woodson’s recommendation. The motion was seconded by Mr. Kelly. The motion passed.

Mrs. Ward reported that the committee approved the request to continue the Future Renewable Electric Energy Delivery and Management Systems Center (FREEDM) and the Nonwovens Institute, both of which have completed the required periodic review of activities in accordance with university regulations. In addition, they also approved the request to establish the Center for Genetic Engineering and Society. She reported that this Center was approved for planning in December 2013 and since that time has become a leader in scholarship and discussions focused on the impact of genetic engineering and society. She noted that Genetic Engineering and Society is one of the designated cluster areas within the Chancellor’s Faculty Excellence Program.

Mrs. Ward reported that Chancellor Woodson shared with the committee that Karl Eikenberry, former U.S. Ambassador to Afghanistan and retired U.S. Army Lt. General will give the December commencement
address. He will also receive an Honorary Doctorate in Humane Letters. General Eikenberry is from Goldsboro, NC.

Mrs. Ward reported that the committee received an update on Faculty Senate activities from Faculty Chair Jeannette Moore and on Staff Senate activities from Staff Senate Chair Wyona Goodwin.

Mrs. Ward stated that in the Provost’s update, the committee received information on several items including:

- The status of leadership searches: searches are now underway for the Vice Provost for Institutional Equity and Diversity and for the Deans of the colleges of Design and Education. On-campus interviews are being held later this month and early next month for the deans of the Poole College of Management and the College of Textiles.

- Faculty retention report: during the 2014-15 Fiscal Year, NC State addressed 47 faculty retention efforts. This number includes counter offers and pre-emptive retentions. Thirty-eight (38) of these 47 retention efforts were successful for an 84% success rate.

- Distinguished professorship update: The committee was also informed of seven distinguished professorship appointments that have been awarded since the April committee meeting. These appointments have been made in the colleges of Agriculture and Life Sciences, Engineering, and Veterinary Medicine, as well as in the Institute for Advanced Analytics.

Mrs. Ward reported that in closed session, the committee approved two head coach employment agreements, an emeritus status request and recommended for approval by the Board of Governors a salary increase that was greater than 15% and $10,000 from the employee’s previous June 30 salary.

**STUDENT BODY PRESIDENT REPORT – KHARI CYRUS**

Mr. Cyrus reported that alongside the National Campus Leadership Council (NCLC) and student body presidents from across the nation, NC State Student Government will be working on developing a national initiative to raise awareness for mental health issues on college campuses. He stated that together they will identify best practices for addressing mental health in higher education.

Mr. Cyrus reported that Student Government is scheduling meetings with local, state, and federal officials to advocate for students, higher education, and the campus community. Student Government has established a permanent department to focus on building relationships with the Hillsborough Street Commission, the Raleigh City Council, and members of the General Assembly.

Mr. Cyrus stated that in conjunction with the White House, National Campus Leadership Council, and student body presidents from across the country, NC State Student Government is involved with the “It’s On Us” campaign to prevent sexual assault and raise awareness on college campuses. The campaign launched in September of 2014 and has become a permanent fixture in the NC State community. On September 29, 2015 Student Government hosted an informational panel featuring representatives from the Women’s Center, Student Conduct, Fraternity and Sorority Life, Title IX, the Counseling Center, and other campus resources.

Mr. Cyrus gave updates on student life and campus events. He reported that Diversity Education Week is a joint initiative of the Office of Institutional Equity and Diversity and the Union Activities Board- Diversity Activities Board. From Monday, October 12 through Friday, October 16, 35 events were put on to promote awareness and understanding of the world’s diverse cultures and foster intercultural understanding. In its 6th year, Diversity Education Week has expanded to cover multiple facets of diversity.
Mr. Cyrus reported that Student Government heard a fee request from University Recreation in regards to the funding of the Carmichael Renovation and Addition Project. Multiple town halls were held on campus to solicit student feedback and multiple meetings occurred between students and administrators. The Student Senate voted to approve the fee request from University Recreation with 38 in favor, 6 opposed, and 5 abstaining.

Mr. Cyrus stated that upon the passing of NC State student Joseph Banks, two candlelight vigils were held in his honor. The first vigil, located in the Brickyard, attracted over 300 individuals and provided a space for community members to share experiences of loss and words of strength. The second vigil, located at Stafford Commons, was hosted by Student Government, UAB, and the National Alliance on Mental Illness and attracted over 1,300 individuals. Representatives from the counseling center were available at both vigils.

Mr. Cyrus then gave updates on Student Government initiatives. He reported that Student Government developed a new initiative entitled the First Year Leadership Program (FYLP) to assist first year students in developing leadership skills. Nineteen exceptional students were selected for the program and will be mentored by student leaders from Fraternity and Sorority Life, Union Activities Board, Inter-Residence Council, Student Media, and many other student organizations.

Mr. Cyrus reported that Student Government worked with the Student Ticketing Advisory Committee to make updates to the student ticket policy. The committee established ticket distribution to Men’s Basketball games for the 2015-2016 season.

Mr. Cyrus stated that Student Government, in partnership with the Division of Academic and Student Affairs, continues to operate Wolfpack Pick Up, a mobility impairment transportation service. The program was initiated in Spring 2014 by Student Government and is now a university owned and operated service. DASA owns three golf carts, one of which is wheelchair accessible, for Wolfpack Pick Up to transport students to and from class. All Wolfpack Pick Up drivers are NC State students dedicated to assisting their fellow students.

CLOSED SESSION
With no further business in open session, Chair Owens made the motion, seconded by Mr. Clark, at 10:40 a.m. to go into closed session to consider the qualifications, competence, performance, condition of appointment of a public officer or employee or prospective public officer or employee and to prevent the premature disclosure of an honorary award. The motion passed.

RECONVNE IN OPEN SESSION
At 11:10 a.m., the board came out of closed session. With no further business in open session, Chair Owens adjourned the meeting at 11:15 a.m.

Respectfully submitted,

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Assistant Secretary                             Secretary

Approved:

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Chair of the Board