## THURSDAY, SEPTEMBER 10, 2015

**Reserved Parking will be Available at the Memorial Bell Tower**

<table>
<thead>
<tr>
<th>Time</th>
<th>Committee</th>
<th>Location</th>
<th>Chair</th>
<th>Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>1:00 – 2:30 p.m.</td>
<td><strong>Advancement and External Affairs Committee</strong></td>
<td>Chancellor’s Conference Room (12 Holladay)</td>
<td>Jimmy Clark, Chair</td>
<td>Goodnight, Jenkins, Kelly, Murphy, Ramsey</td>
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<tr>
<td>1:00 – 2:30 p.m.</td>
<td><strong>Audit, Risk Management and Finance Committee</strong></td>
<td>Winslow Hall Conference Room</td>
<td>Tom Cabaniss, Chair</td>
<td>Andrews, Cyrus, Prestage, Ward, Washington</td>
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<td>2:30 – 2:45 p.m.</td>
<td><strong>Break</strong></td>
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<td>2:45 – 4:15 p.m.</td>
<td><strong>Buildings and Property Committee</strong></td>
<td>Primrose Hall Conference Room</td>
<td>Randy Ramsey, Chair</td>
<td>Clark, Jenkins, Murphy, Prestage, Washington</td>
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<tr>
<td>2:45 – 4:15 p.m.</td>
<td><strong>University Affairs Committee</strong></td>
<td>Winslow Hall Conference Room</td>
<td>Susan Ward, Chair</td>
<td>Andrews, Cabaniss, Cyrus, Goodnight, Kelly</td>
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FRIDAY, SEPTEMBER 11, 2015
DOROTHY AND ROY PARK ALUMNI CENTER
Parking Will Be Available in Dorothy and Roy Park Alumni Center Parking Lot

7:30 – 8:00 a.m. Executive Committee Meeting
Eury Room, Park Alumni Center
Jim Owens, Chair
Clark, Cabaniss, Goodnight, Jenkins

8:30 – 9:15 a.m. Dean’s Briefing – Marvin Malecha, College of Design
Hood Board Room

FULL BOARD MEETING
DOROTHY AND ROY PARK ALUMNI CENTER BOARD ROOM

9:00 a.m. Call to Order – Reading of the State Government Ethics Act
Jim Owens
Chair of the Board

Roll Call

Approval of Minutes
TAB 1
- July 15, 2015, Meeting of the Full Board
- July 15, 2015, Meeting of the Closed Session of the Full Board

Chair’s Report – Jim Owens
TAB 2
- Update of Activities and Topics of Interest to the Board
- Delegation of Authority for Athletics to Chancellor as Required by Atlantic Coast Conference
- Endowment Board Report

Chancellor’s Report – W. Randolph Woodson
TAB 3
- Update of Activities and Topics of Interest to the Board

COMMITTEE REPORTS:
Audit, Risk Management and Finance Committee
TAB 4
Tom Cabaniss, Chair
- On the Agenda: Committee Approvals; and Informational Items
- Review of Committee Responsibilities as established in the Bylaws
- Review Draft Agenda/Plan of Work for the Year
- Intercollegiate Athletics Financial and Budget Review
- Review Internal Audit Charter and Approval
- Internal Audit Update
- University Compliance Program Objectives and Roadmap
- Finance and Legislative Update

 Requires full board approval
Buildings and Property Committee  
Randy Ramsey, Chair 
On the Agenda: Committee, Board Approvals; Informational Reports 
— 2015-2016 Committee Plan of Work 
— Review of Committee Responsibilities and Procedures 
— Property Matters  
  — Disposition by Lease: ±130 acres on Spring Hill of Centennial Campus from the State of North Carolina to the Board of Trustees Of the Endowment Fund for a nominal sum and term of 99 years 
  — Disposition by Deed and Easement: 31,134 sf along Hillsborough Street to the City of Raleigh for the purpose of streetscape improvements from Gardner Street to Rosemary Street, 4,233 sf by deeded Right of Way conveyance, 1,281 sf in permanent easements and 25,263 sf in temporary construction easements 
— Designer Selections 
  — Bragaw Window Replacement, Central Campus Precinct 
  — Centennial Biomedical Campus Chilled Water Expansion 
  — Centennial Campus Thermal Utilities and Infrastructure 
  — Tucker Hall Renovation, Central Campus Precinct 
  — Approval of Designer Selections Less than $500,000 
— Acceptance of Completed Buildings and Projects 
— Property Matters (Received after Full Board Mailing) 
— Site Review and Approval 
  — Sigma Phi Epsilon House 
— Plan Review and Approval 
  — Plan Review 
  — Sigma Phi Epsilon House 
  — Approval of Plans and Specifications of Formal Projects less than $2M 
— Informational Reports 
  — Wake County Emergency Communications Center 
  — Harrelson Hall Demolition Update 
  — Capital Projects Update 
  — Status of Projects in Planning 

University Advancement and External Affairs Committee  
Jimmy Clark, Chair  
On the Agenda: Board, Committee Approvals; Informational Reports 
— Review of Committee Responsibilities 
— 2015-2016 Plan of Work 
— University Advancement and Fundraising Update 
— Alumni Association Update 
— Social Media Strategy and Campaign Communications Update 
— Case Commons Project Overview and Facility Naming Opportunities 
— Closed Session 

Requires full board approval
University Affairs Committee
Susan Ward, Chair
On the Agenda: Board, Committee Approvals; Informational Reports
— Review of Committee Responsibilities and 2015-16 Plan of Work
— Fall 2015 Enrollment Report
— Annual Report on Intercollegiate Athletics
— Request for Authorization to Discontinue Degree Programs
— Request for Degree Title Changes
— Request for Authorization to Continue the Centers and Institutes
   — Center for Environmental and Resource Economic Policy (CEnREP)
   — Institute for Advanced Analytics (IAA)
   — Institute for Nonprofit Research, Education and Engagement (INPREE)
— Student Body President Report
— Provost Update
   — 2015-2016 Faculty Salary Ranges
   — Update on Leadership Position Searches
— Closed Session

Faculty Senate Report
Jeannette Moore, Chair

Staff Senate Report
Wyona Goodwin, Chair

Items of Interest to Members of the Board

Motion to go into Closed Session

CLOSED SESSION

Reconvene in OPEN SESSION for Any Additional Items to Come Before the Board

11:00 a.m.* Adjourn

Requires full board approval
BOARD OF TRUSTEES
NORTH CAROLINA STATE UNIVERSITY

Executive Committee
September 11, 2015
Jim Owens, Chair
Members: Clark, Cabaniss, Goodnight, Jenkins

AGENDA

CALL TO ORDER
Reading of Conflicts of Interest
Jim Owens, Chair

ROLL CALL

APPROVAL OF MINUTES
✓ — June 11, 2015 Meeting of the Executive Committee
✓ — June 11, 2015 Closed Session of the Executive Committee

CLOSED SESSION

RECONVENE IN OPEN SESSION

ADJOURN
OPEN SESSION MINUTES
North Carolina State University
Board of Trustees Executive Committee
Thursday, June 11, 2015

Members present: Benjamin P. Jenkins III, Chair; James W. Owens; Jimmy D. Clark; Gayle S. Lanier; and Barbara H. Mulkey

Others present: Randy Woodson, Chancellor; Sarah Lannom, Associate General Counsel; and PJ Teal, Assistant Secretary

Chair Jenkins called the meeting to order at 4:30 p.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. There being none, Chair Jenkins then 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
Dr. Owens made the motion, seconded by Ms. Lanier, to approve the open and closed session minutes of the April 17, 2015, meeting of the executive committee. The motion carried.

CLOSED SESSION
A motion was made by Ms. Mulkey 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. Dr. Owens seconded the motion. The motion carried.

RECONVENE IN OPEN SESSION
After coming out of closed session, Chair Jenkins announced the meeting is in open session. Ms. Mulkey made a motion, seconded by Ms. Lanier, to approve the personnel action discussed in closed session for which the Executive Committee has final authority related to the appointment of and tenure for the Vice Chancellor for Research, Innovation and Economic Development. The motion carried.

With no further business for the Executive Committee, Chair Jenkins adjourned the meeting at 4:45 p.m.

Respectfully submitted:

______________________________  _______________________
Assistant Secretary                Secretary

______________________________
Chair
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 Wednesday July 15, 2015.

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

Chair Jenkins called the meeting to order at 4:00 p.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 Jenkins 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**  
Dr. Owens made the motion, seconded by Mrs. Ward, to approve the open and closed session minutes of the April 17, 2015 meeting of the full board. The motion passed.

**OATH OF OFFICE FOR NEW MEMBERS**  
Chair Jenkins introduced Judge Paul Ridgeway, Superior Court Judge, to administer the oath of office to new members, Chip Andrews, Khari Cyrus, Ann Goodnight, Stan Kelly and Dewayne Washington.

**ELECTION OF OFFICERS – Acting Nominating Committee Chair Wendell Murphy**  
Mr. Murphy reported that the nominating committee reviewed the slate that was announced at the April 2015 meeting given that not everybody on the slate was reappointed. The Committee unanimously recommended the following slate of officers for 2015-2016:

Jim Owens, Chair  
Jimmy Clark, First Vice Chair  
Tom Cabaniss, Second Vice Chair  
Ann Goodnight, Secretary  
P.J. Teal, Assistant Secretary

Mr. Murphy made a motion for the approval of the new slate of officers. It was seconded by Dr. Prestage. The motion passed.
CHAIR'S REPORT - Jim Owens
Chair Owens thanked Mr. Jenkins for his hard work as Chairman, and he thanked the Board for their support. He noted that he would send out the committee assignments tomorrow.

Chair Owens gave an Executive Committee update. He stated that he asked Mr. Ben Jenkins to chair the compensation committee of the Executive Committee. He reported that the Executive Committee approved the appointment of Dr. Alan Rebar, as the new Vice Chancellor for Research, Innovation, and Economic Development, effective August 31. The Executive Committee also approved conferral of tenure for Dr. Rebar at the rank of Professor in the Department of Population Health and Pathobiology, College of Veterinary Medicine. He reported that Dr. Rebar comes from his post, as the senior associate vice president for research, executive director of Discovery Park and professor of clinical pathology at Purdue University and has a successful leadership track record and has directed the tremendous growth of Purdue’s Discovery Park.

Chair Owens took a moment to discuss committee assignments and noted that he has done his best to take into consideration preferences, as much as possible. The committees benefit from having a combination of experienced veterans and fresh eyes, maintaining continuity and bringing new perspectives to the table. Chair Owens stated that he hopes trustees will take the opportunity to work on all four committees and in doing so contribute across the board to the success of NC State.

Chair Owens reported that the Board of Trustees has two seats on the Endowment Board – one is held by the Chair, and the other by the Chair of the Advancement Committee. He reported that the Board of Trustees for the Endowment Fund has selected the Conservation Fund, supported by the law firm of Sutherland, Asbill & Brennan, to manage land-use negotiations for Hofmann Forest. He stated that this group was chosen from among 14 submissions and brings deep experience and decades of achievement in environmental protection and economic vitality.

Chair Owens referred to the strategic plan and that he is looking forward to furthering the goals outlined in the plan.

CHANCELLOR’S REPORT – Randy Woodson
Chancellor Woodson began by giving a commencement update. He reported that 5,392 degrees – 103 associates, 3,703 bachelor’s, 1,329 master’s, 178 doctoral and 79 Doctor of Veterinary Medicine degrees - were awarded. A total of 138 valedictorians were recognized for earning perfect 4.0 grade-point averages during their academic careers at NC State. With the 3,462 degrees conferred last December, NC State awarded a total of 8,854 degrees in the 2014-15 academic year.

Chancellor Woodson reported that there will be 4250 new freshman this fall, and he noted the following statistics:

- Average SAT (Critical Reading + Math) is 1243.
- Average ACT is 27.6.
- Average HS GPA is 4.44.
- 51% are in the top 10% of their high school class.
- 16.3% are out-of-state or international.
- 48% are female.

Chancellor Woodson reported that in the College of Education, Dr. Mary Ann Danowitz agreed to serve as interim dean, as the university conducts a national search for that position. She began serving in that capacity at the beginning of July 2015. He reported that deans’ searches are underway for the positions in the College of Textiles, Poole College of Management, and soon, a search will be launched for the College of Education and for the Vice Chancellor for Finance and Administration. Chancellor Woodson stated that Dr. William Ditto will be the new Dean for the College of Sciences taking over for Dan Solomon, who is retiring after more than 30 years. Dr. William Ditto is currently dean of the College of...
Natural Resources at the University of Hawaii at Manoa, where he is also a professor of physics and astronomy.

Chancellor Woodson reported that Dr. Alan Rebar will be the new Vice Chancellor for Research, Innovation and Economic Development. He stated that Dr. Rebar is internationally recognized for his work in clinical laboratory medicine, with areas of expertise in comparative hematology, diagnostic cytology and toxicologic pathology. Dr. Rebar will be on campus and in place by early September. Chancellor Woodson thanked Mladen Vouk for his leadership as Interim Vice Chancellor for the Office of Research, Innovation and Economic Development.

Chancellor Woodson reminded the Board that Mr. Charlie Leffer, Vice Chancellor for Finance and Administration, is retiring this fall. He noted that there will be a national search for that position.

Chancellor Woodson stated that searches for faculty to join the eight new clusters in the Chancellor’s Faculty Excellence Program will begin soon. He noted that shortly selections of cohort No. 4 of the University Faculty Scholars Program will be underway. This program recognizes and rewards emerging academic leaders among our faculty.

Chancellor Woodson took a moment to honor and remember former Chancellor Bruce Poulton, who passed away on June 19 at age 88. He was NC State’s 10th chief executive officer and was an important part of many of NC State’s successes. He noted that he had an instrumental role in the master planning for and development of Centennial Campus. He also led a major expansion of the university’s research budget. Among his other achievements were the broadening of NC State’s liberal arts offerings, the expansion of the College of Textiles and celebration of the university’s 100th anniversary in 1987.

Chancellor Woodson reported that the new B.S. in Biomedical and Health Sciences Engineering joint degree with UNC-Chapel Hill has been approved. UNC Chapel Hill students can begin to participate in Chapel Hill’s portion of the program in Fall 2015. He reported that a MOU was signed recently for new NC Central & NC State Dual Degrees. They are a B.S. in Electrical Engineering and B.S. in Physics.

Chancellor Woodson reported that this fall is the launch of new University College. The University College will promote the academic success of all students, and especially exploratory and transitional students. University College brings together the First Year College, unaffiliated academic departments in the Division of Academic and Student Affairs (DASA), interdisciplinary undergraduate degree programs not currently housed in a college and provides an administrative home for interdisciplinary minors and certificates not currently housed in a college. The University College provides a home for exploratory and transitional students, promotes the academic success of all students, including high-achieving students, who benefit from academic advising, tutoring, honors, scholars, undergraduate research and other University College high impact programs. It also aligns the operational oversight of unaffiliated academic departments and programs in DASA. The University College will help with Goal 1 of NC State’s Strategic Plan - To enhance the success of our students through educational innovation.

Chancellor Woodson provided a Talley Student update. He reported that after more than two years of renovation, Talley Student Union is open for all to see. He noted that Talley has already become a destination for students and visitors to gather at NC State, but there’s more to do so that it will be fully functional when students return in the fall. When the student union is fully finished it will house a variety of dining options, including the new 1887 Bistro. Talley will also be the new home of the LGBT Center, Multicultural Student Affairs, Student Government, Greek Life, and the University Bookstore along with many of the other services that make student life at NC State exceptional.

Chancellor Woodson stated that Reynolds Coliseum renovations have been underway for three months and are on schedule. Over 3,000 seats have been removed, and are for sale as souvenirs. He reported that the renovations have unearthed quite a bit of history and that the most iconic is the Tartan floor with the unique Block S, which was the trademark of the Coliseum after the Wolfpack’s first National
Championship. He reported that demolition will conclude soon, and work will begin to transform Reynolds, moving the permanent basketball floor to the south end and turning the north end into the NC State Athletic Hall of Fame and Walk of the Champions. Women’s basketball, volleyball, and the ROTC programs will get new offices in the facility, when it opens again in fall 2016.

Chancellor Woodson shared some statistics from the Alumni Association. He reported that in the last five years, membership in the Alumni Association has grown by 25 percent, revenue is up 20 percent, every affinity contract has been renegotiated with significant revenue increases and their quasi endowment has grown from about $3 million to almost $8 million.

COMMITTEE REPORTS

University Affairs Committee- Susan Ward

Chair Ward reported that the committee recommended several degree-related items that require approval by the full board. The committee recommended discontinuation of three degree programs. The three degree programs are: M.Ed. and M.S. in Business and Marketing Education (Distance Education); Ph.D. in Counseling and Counselor Education; and Ph.D. in Science Education. She reported that the first discontinuation is because of long-term and persistent low enrollment, very few degrees awarded and because the program is unlikely to grow sufficiently to have a critical mass of students. She noted that the other two discontinuations are because of re-characterization of Ph.D. degrees to be more signature to the College of Education. Those two Ph.D. programs will continue and be housed under unique umbrella Ph.D. degree programs as part of the comprehensive re-characterization. She reported that teach out plans assure that students can continue in their degree program until they graduate or transfer into another program in the college. Chair Ward made a motion for the approval of the Request for Authorization to discontinue these three degree programs. Dr. Prestage seconded the motion. The motion passed.

Chair Ward reported that as a part of the re-characterization of Ph.D. programs in the College of Education, the committee approved changing the title of three Ph.D. programs. They are: 1) Ph.D. in Curriculum and Instruction to be re-titled as Ph.D. in Teacher Education and Learning Sciences; 2) Ph.D. in Educational Research and Policy Analysis to be re-titled as Ph.D. in Educational Leadership, Policy and Human Development; and the 3) Ph.D. in Mathematics Education to be re-titled as Ph.D. in Learning and Teaching in STEM. These title changes more closely align with the current research, teaching, and programs in the departments, are broader in scope to serve as umbrella Ph.D. programs, and are more inclusive of other doctoral programs in the departments. Chair Ward made a motion to approve the three degree title changes. Mr. Cabaniss seconded the motion. The motion passed.

Chair Ward reported that the committee approved the Request for Authorization to establish two new graduate degree programs for which the Board approved the authorization to plan at the September and November 2013 meetings. These degree programs are: Doctorate of Design and the M.S. in Forensic Science. The proposal for the M.S. in Forensic Science is an outcome of efforts to create a Forensic Science Institute (currently in its final stages of planning) and Cluster in Forensic Sciences. This degree program is consistent with a strategic area of interest in NC State’s Strategic Plan: Safety and Security. The Doctorate of Design will target practicing designers and professionals currently holding a master’s degree who wish to develop a high level of expertise to support their existing and future design activities. Chair Ward made a motion for the approval of the request for authorization to establish these two graduate degree programs. Mrs. Goodnight seconded the motion. The motion passed.

Chair Ward reported that the committee also approved the request to continue the Center for Integrated Pest Management in the College of Agriculture and Life Sciences.

Chair Ward reported that in the Provost’s update, the committee was notified of the merging and renaming of two departments in the College of Education: 1) the Department of Curriculum, Instruction and Counselor Education and the Department of Elementary Education merged to become: the Department of
Teacher Education and Learning Sciences; 2) the Department of Leadership, Policy and Adult and Higher Education was re-named the Department of Educational Leadership, Policy and Human Development.

Chair Ward stated that in closed session, the committee approved a head coach employment agreement, a non-salary compensation request, and conferral of tenure to two new faculty members.

With no further business in open session, Mr. Jenkins made the motion, seconded by Mr. Clark, at 4:20 p.m., to go into closed session to consider the qualifications, competence, performance and conditions of appointment of public office or employee or prospective public officer or employee. The motion passed.

Reconvene in Open Session

With no further business in open session, Chair Owens adjourned the meeting at 5:25 p.m.

Respectfully submitted,

_______________________              _____________________
Assistant Secretary    Secretary

Approved:              _____________________
Chair of the Board
In accordance with the State Government Ethics Act, it is the duty of every [Board] member to avoid both conflicts of interest and appearances of conflict.

Does any [Board] member have any known conflict of interest or appearance of conflict with respect to any matters coming before the [Board] today?

If so, please identify the conflict or appearance of conflict and refrain from any undue participation\(^2\) in the particular matter involved.

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1. N.C.G.S. §138A-15 (e): “At the beginning of any meeting of a board, the chair shall remind all members of their duty to avoid conflicts of interest and appearances of conflict under [Chapter 138A].” There is no set language required by the Act. Specific language can and should be tailored to fit the needs of each covered board as necessary.

2. “A public servant shall take appropriate steps, under the particular circumstances and considering the type of proceeding involved, to remove himself or herself to the extent necessary, to protect the public interest and comply with this Chapter, from any proceeding in which the public servant’s impartiality might reasonably be questioned due to the public servant’s familial, personal, or financial relationship with a participant in the proceeding.” See N.C.G.S. §138A-36 (c). If necessary, the Chairman or individual member involved should consult with his ethics liaison, legal counsel, or the State Ethics Commission to help determine the appropriate response in a given situation.
Governing Board Certification Form
Academic Year 2015-16

As Chairman of the Governing Board at North Carolina State University, I attest that:

1) Responsibility for the administration of the athletics program has been delegated to the Chief Executive Officer of the Institution.

2) The Chief Executive Officer has the mandate and support of the board to operate a program of integrity in full compliance with NCAA, ACC and all other relevant rules and regulations.

3) The Chief Executive Officer, in consultation with the Faculty Athletics Representative and the Athletics Director, determines how the institutional vote shall be cast on issues of athletics policy presented to the NCAA and the ACC.

Date Presented to the Governing Board: ____________________________

Signed: ____________________________________________________
(Chairman of the Governing Board)

Signed: ____________________________________________________
(CEO of Member Institution)

Please return completed form before October 16, 2015 to:

Commissioner John D. Swofford
Atlantic Coast Conference
4512 Weybridge Lane
Greensboro, NC 27407
The Chancellor’s Report
September 2015

New Semester Begins
Thousands of NC State students recently returned to campus for the new academic year, including around 4,250 incoming freshmen and transfer students, and 2,800 new graduate students. Wolfpack Welcome Week gave both new and returning students a chance to celebrate NC State, from the yearly convocation pep rally to the 4th annual Packapalooza, which brought out dozens of sponsoring organizations, hundreds of vendor booths, and thousands of current and former students for a Wolfpack extravaganza.

NC State Recognized for Gluten-Free Options
Udi’s Gluten Free, one of the world’s foremost innovators in gluten-free foods, listed NC State’s University Dining as No. 4 on its list of “Top 10 Gluten-Free Accommodating Colleges.” In addition to general offerings, NC State was recognized for its technological accessibility options, including iPad hubs, email reminders, and blog posts that allow students to search what potential allergens might be in their food.

French-American Climate Talks at NC State
NC State recently took part in the French American Climate Talks (FACTS) Symposium, an event held in partnership with the Office for Science & Technology in the Embassy of France. The FACTS symposium focused on climate smart-agriculture, and engaged the NC State community and stakeholders in the Triangle to enhance public awareness of the ways that climate change affect all of our lives. Moderated panels included participants from NC State, the private sector, the United States government, and scientists from France.

NC State Startup Helps Users Quit Smoking
Conceived by four undergraduates through the Engineering Entrepreneurs Program, NC State startup Nicotrax creates smart cigarette cases to help users stop smoking. The case can track the time, the location, and even who is nearby when users reach for a cigarette, and sends that information to a smartphone app that learns to interrupt with a reminder when smoking is likely to take place. This disruption helps smokers break their habit. The NC State grad’s leading the business are fellows in the Entrepreneurship Initiative, and have recently partnered with Raleigh-based DX Labs to help fine-tune the product.

Top Inventors Recognition
Zhen Gu, an assistant professor in NC State and UNC-Chapel Hill’s joint biomedical engineering program, has been named one of MIT Technology Review’s “Innovators Under 35” for his work on developing novel drug-delivery systems for treating cancer and diabetes. The annual list highlights exceptionally talented young innovators from around the world. Gu’s multidisciplinary research has created dozens of technologies and techniques aimed at delivering the right drug to the right place at the right time to maximize the impact of therapeutic medications.
Deconstruction Begins on Harrelson Hall
After more than 50 years as one of NC State’s more unique buildings, Harrelson Hall is being deconstructed. Most of the building will be recycled or reused, with work continuing throughout the next academic year before the building’s complete removal. Equipment that can’t be used by NC State will be donated to Habitat for Humanity. After Harrelson is dismantled, the location will become a greenspace with footpaths, with the Science Commons classroom building as its eventual replacement.

WolfAlert System Recognized
NC State’s Environmental Health and Safety department recently won the Campus Safety, Health and Environmental Management Association’s institutional marketing campaign Award of Excellence for its WolfAlert Emergency Communication Campaign. The campaign was launched in 2010 and uses various communication tools to keep students, staff, and faculty informed of emergency situations. Innovative use of video shorts, bus posters, new employee orientation, text messaging are among the methods used to ensure the system is effective and the Wolfpack remains safe.

Team of Engineering Students Tackle Birth Control Regimens
A team of NC State engineering students has created PurpleSticker, a birth control reminder tool that was recognized as one of the top new ventures at this year’s Lulu eGames and that has already attracted the interest of investors. The team developed an electronic sticker that attaches to the packaging of oral contraceptives and sends reminders to a phone using Near Field Communication. When the package is broken to take out a pill, the disruption to the sticker ends reminders for the day. This way, women can skip a reminder if they are busy or in public without worrying about forgetting to take their medication later in the day.

NC State Vet School Continues Dog Olympics Tradition
Next week NC State’s College of Veterinary Medicine will hold its 24th Annual Dog Olympics, continuing its work to educate pet owners about their canine companions and supporting local shelters. Competitions for dogs of all ages and sizes will be held throughout the day, and demonstrations will provide dog-lovers with information about how to take care of and train their pets. An Olympic Village will highlight 13 shelters and breed rescue groups, and there will be more than 20 vendors offering canine-related goods and services. All proceeds will support the rescue groups in attendance.

NC State Looks to the Future of Ecology
NC State biologist Rob Dunn’s team uses special warming chambers to study how global warming will affect insect populations in local forests, and is always looking for ways to get more people involved. Just last year, they received funding from the National Science Foundation for a partnership with the historically black Shaw University, ensuring African-American students have a chance to understand ecology research firsthand. Historically, minorities are poorly represented in the field, and the project works to change that. Its first year was such a success that it was funded through 2015, and Dunn’s team is now expanding the project to include middle school classrooms across the country. By doing so, they hope to give students from all walks of life early exposure to what scientific research is really like.
Strategic Planning

Goal 1: Student Success

While balancing access with quality, NC State must ensure that our students make timely progress toward an NC State degree, and along the way, must provide educational opportunities that inspire them to lead, to serve, to challenge, to take responsibility, to build problem-solving skills, and to engage with complex problems.

- From an applicant pool of over 20,000 prospective students, NC State admitted 50% with a goal of enrolling 4,250 freshmen. The class boasts a weighted GPA of 4.41 and an SAT score of 1248. More than half of admitted students were in the top 10% of their class. Broad diversity continues to be a key objective in recruitment and enrollment efforts within the University.

- Retention and six-year graduation rates are at an all-time high. The retention rate now stands at 94 percent, and the six-year graduation rate is 76 percent. NC State awarded 5,506 degrees at the 2014 Spring commencement ceremony, including 3,402 bachelor’s degrees, 1,312 master’s degrees, 177 doctoral degrees and 81 Doctorates of Veterinary Medicine. With the 3,652 degrees granted last December 2013, NC State awarded a total of 8,708 degrees in the 2013-2014 academic year, the most in the UNC System.

- The Poole College of Management sent its first students (a total of three) in its International Business Dual Degree program to complete the final two years of their undergraduate studies in Germany and France. These students will receive a Bachelor of Science in business administration from NC State and a Bachelor of Science from the partner institution. This program is offered through collaboration between Poole College and the International Partnership of Business Schools. Poole College’s dean, Ira Weiss, Stephen J. Zelnak Chair, is serving his second term as president of IPBS.

- In-state DVM tuition and fees at NC State are the lowest in the nation. According to the most recent American Veterinary Medicine Association survey, the median debt of a NC State DVM student graduating with debt was $120,000, compared with the national figure of $160,000. Recent gifts to endow scholarships in veterinary
medicine promise to further reduce this debt number in the future.

- Continuing their record of excellence, NC State students won a number of prestigious scholarships and fellowships:
  - NC State has had five Fulbright winners in each of the last two years.
    - 2014 winners were Jason Syphrett, Kathleen Griffin, Rui Brelvi, Brian Gaudio and Gabrielle Schroeder.
    - 215 winners were Erin Adamson, Angle Cruz, Volodymyr Dorosh, Maurtia Harris and Elizabeth Ramsey.
  - Undergraduates Jim Turner, Eric Alexy and Mithi De Los Reyes were named Goldwater Scholars.
  - Brian Gaudio and Abe Dreschler, recent graduates from the College of Design’s Architecture program, were granted the Turan and Linda Duda Travelling Fellowship and launched the project “Within Formal Cities, a project to share stories and designs from informal communities in South America.
  - Undergraduate student Evan Gearino and graduate student Tara DiCassio, both pursuing degrees in International Studies, were named recipients of the Boren Award. Each will receive funding to travel abroad for the purpose of studying a less common language deemed crucial to international relations.
  - Undergraduate student Karli Moore won the Udall Scholar award. Karli, a chemistry major and Park Scholar, is focused on enhancing Native American health care. An NC State student also received Honorable Mention.
  - Caroline Hansley, a previous Udall Scholar and undergraduate pursuing a degree in Interdisciplinary Studies, won a City of Raleigh Youth Award for Outstanding Environmental Stewardship at this year’s City of Raleigh Environmental Awards and State Energy Conference.
  - Natalia von Windheim, an undergraduate studying materials science and engineering, was named a University Innovation Fellow by Epicenter, an NSF-funded program directed by Stanford University and the National Collegiate Inventors and Innovators Alliance. She is one of 110 fellows from across the country working to increase student engagement and entrepreneurship, innovation, creativity, design thinking, and venture
Mia De los Reyes, a physics and mathematics major, was one of 22 students nationwide named an Astronaut Scholar by the Astronaut Scholarship Foundation. The $10,000 scholarship is the nation’s largest monetary award given to undergraduate STEM students based solely on merit.

Callie Pierce, CVM Class of 2016, is the recipient of a national Poultry Scholars Award from the American Association of Avian Pathologists Foundation.

Patrick Brinson, CVM Class of 2015, is a recipient of the Scholarship for Excellence in Bovine Medicine sponsored by Zoetis and the American Association of Bovine Practitioners Foundation.

Fourteen students who received their undergraduate degrees at NC State were selected to receive NSF Graduate Research fellowships to fund their continuing education.

Eric Whitmire, a student in computer science and engineering, received the National Defense Science and Engineering Fellowship.

Two students were named Benjamin A. Gilman International Scholars. Alexander Hazeltine will be studying in Germany and William Harris will be going to Hong Kong.

Magreth Mushi and Savera Tanwir, graduate students in the NC State Computer Science Department, received 2014 Google Anita Borg Memorial Scholarships.

Six NC State nuclear engineering undergraduate students were awarded scholarships and three nuclear engineering graduate students received fellowships from the US Department of Energy.

An NC State graduate student in industrial design has won the International Bicycle Design Competition (IBDC) award for his innovative bicycle light, ALIGHT. This light is stretchable and emits a green light. However, on stops it emits red and while turning left or right it emits yellow creating better visibility while breaking the communication gap between bicyclists and traffic.
• The NC State Aerial Robotics Club was named World Champion at the 12th annual International Student Unmanned Air Systems competition in Patuxent River, Maryland. The competition featured contests involving flight autonomy, imagery of targets, and in-flight retasking.

• An NC State team of Biomedical Engineering students -- Jennifer Haley, Titus John, David Lee, Jennifer Price, and Ryan Pilgrim – received an honorable mention in the National Institutes of Health DEBUT (Design by Biomedical Undergraduate Teams) Challenge competition. The team invented the TBeye Tool app, which is an objective, rapid, mobile concussion screening tool designed for in-field use.

• James Dieffenderfer’s VitalFlo Spirometer won the first prize of $150,000 in the 2014 CIMIT-MGH-APF Primary Healthcare national competition. Dieffenderfer’s team is developing a low-cost, compact, handheld spirometer that communicates to a cell phone and server to enable the patient, caregiver, and physician to collaborate in the management of asthma or COPD. The VitalFlo project is the product of an ASSIST sponsored project in the Product Innovation Lab, which brings MBS, Engineering, and Industrial Design students together to work on product ideas. Dieffenderfer is a BME PhD student who does his research in the ECE Department and completed his undergraduate studies at NC State.

• An NC State undergraduate student team, the Vascular Visionaries, won the NCEES Engineering Award for Connecting Professional Practice and Education. The team was one of five selected for awards in a national competition by the National Council of Examiners for Engineering and Surveying.

• A group of Biomedical Engineering students from North Carolina State University has been awarded a $7,500 scholarship by the National Council of Examiners for Engineering and Surveying (NCEES). The team is made up of recent NC State graduates from the Joint Department of Biomedical Engineering of NC State and UNC-Chapel Hill. The team developed a topical ointment that increases visibility of veins suitable for IV therapy, making drug delivery more efficient and beneficial to patient health.

• Ayse Karanci, an NC State Ph.D. candidate in the Department of Civil, Construction, and Environmental Engineering won a Student Educational Award from the American Shore & Beach Preservation Association (ASBPA) at their annual conference on October 16. The ASBPA Student Educational Award is given annually to an undergraduate or graduate student who, through his or her research, is furthering the state of science of coastal or riverine systems as it relates to the goals
and mission of the ASBPA. The award included an invitation to present at the ASBPA conference. Ms. Karanci's presentation titled "Modeling Overwash on a Barrier Island: Land Cover Implementation" focused on numerical modeling of storm induced breaching and overwash along the North Carolina Outer Banks.

- Ten students, freshmen, sophomores and juniors in Textile and Apparel, Technology and Management (TATM), were invited to the White House for First Lady Michele Obama's Reach Higher Initiative. The TATM program from NC State was selected due to the program's and the students' strong base in technology.

- Educational Research and Policy Analysis Ph.D. recipient, Dr. Stephany Dunstan, was awarded a Dissertation of the Year Award by the Association for the Study of Higher Education. Her work, "The Influence of Speaking a Dialect of Appalachian English on the College Experience" was also chosen as a winner of the 2014 Emerald/International Higher Education Teaching and Learning Association Outstanding Doctoral Research Award.


- Tyson Huffman, an undergraduate student studying pulp and paper sciences in the College of Natural Resources, spent almost a year working with citizens in Rwanda to build and streamline a manufacturing facility to produce 1,000 feminine hygiene products a day from local banana tree stem waste. Providing affordable, assessable feminine products allows local women to attend school and work full time.

- “Artist’s Backyard” a project taken on by Landscape Architecture students at NC State, transformed a barren patch of ground between Turlington and Owen residence halls into a beautiful common area, and won the 2014 Sir Walter Raleigh Award for Community Appearance.
• Fashion and Textile Management alumnus, Sharon Bui ’13, cofounded a business while a student using $250 making custom gowns for sororities and weddings. It is now nearing $1 million in revenues and she also appeared on the network television program Shark Tank, on March 6.

• NC State students organized the nationally recognized Krispy Kreme Challenge, which in its 11th year raised $200,000 for the North Carolina Children’s Hospital. Additionally, the 3rd annual student-organized Dance Marathon raised over $67,000 for Duke Children’s Hospital.

• In September, NC State launched the Andy and Jane Albright Entrepreneurs Living and Learning Village. The new community will provide students who have entrepreneurial interests with the opportunity to live, learn, and collaborate with like-minded peers. This marked the opening of the first named Living and Learning community at NC State and the first to be housed on Centennial Campus.

• NC State has launched its new Quality Enhancement Program, TH!NK, which promotes higher-order skills in critical and creative thinking. This is done through the delivery of workshops and creation of a faculty learning community to provide support in delivering classroom experiences for students as well as the use of pedagogical strategies specifically designed to cultivate students’ higher-order thinking skills in first year courses across campus.

• The Sustainability Fund was awarded $30,000 to grant five project proposals this year, including a bike-sharing program, the starting of the NC State chapter of Food Recovery Network, the development of a community garden with a passive solar greenhouse and apiary, a solar energy sculpture, and a solar trash compactor, which is a pilot to test whether such compactors are an effective way to reduce costs and waste on campus. All projects were proposed and enacted by NC State students.

• The innovative Life Sciences First Year Program enrolled its first group of students. Students take a common set of first-year courses that prepare them for any of the life sciences programs across the College of Sciences and the College of Agriculture and Life Sciences. The program includes specialized advisors and a course that develops critical and creative thinking skills.

• NC State researchers have won a $1.2 million grant from the National Science Foundation to improve educational software by enabling it to assess facial expression, body language, speech and other cues to better respond to a student’s emotional state during the learning process. The ultimate goal is to develop a
software tool to support the learning process by assessing a student’s verbal and nonverbal cues and using that information to customize how the program responds to each student.

Goal 2: Scholarship and Research

NC State’s research culture permeates every aspect of our essence as a university. It structures our thought, informs our teaching, and directs our engagement beyond the campus. It is the foundation on which we build an innovative learning environment that engages our faculty, undergraduates, and graduate students alike. NC State’s research quality determines our impact on the work force, on the economy, on the advance of knowledge, and on the human condition.

- Record Breaking Funding
  - New sponsored awards passed $300 million for the first time with a record breaking total of $304.5 million, not counting the $140 million PowerAmerica Manufacturing Institute or the $25 million Consortium for Nonproliferation Enabling Capabilities.
  - NC State surpassed its industry awards with a total of $35.8 million.
  - Faculty-submitted proposals reached a high of $1.32 billion.

- Dr. Craig Yencho, professor of horticulture received a $12.4 million grant from the Gates Foundation to fund his work on increasing sweet potato crop yield in African countries, with a goal of reducing hunger, vitamin A deficiency, and poverty in sub-Saharan Africa. Faculty members from the College of Sciences are also part of the grant.

- Dr. Ruoying He, distinguished professor in the Department of Marine, Earth and Atmospheric Sciences, and Dr. Dave Eggleston, a professor in that department, made several deep-sea dives in a U.S. Navy-owned submersible to the bottom of the Gulf of Mexico to learn more about what lives near the “cold seeps” found in these extreme environments.

- Dr. Terry Gates, a joint postdoctoral researcher with NC State and the North Carolina Museum of Natural Sciences, along with a colleague at Brigham Young University, discovered a new species of dinosaur, Rhinorex condrupus, as they studied some previously unearthed fossil remains. The researchers estimate that the dinosaur was about 30 feet long and weighed more than 8,500 lbs.

- NC State physicist Dr. Harald Ade, along with colleagues at the Hong Kong University of Science and Technology, found that temperature-controlled aggregation in a family of new semi-conducting polymers is the key to creating
highly efficient organic solar cells that can be mass produced more economically. Their findings also open the door to experimentation with different chemical mixtures that comprise the active layers of the cells.

- Amanda Traud, a Ph.D. student in biomathematics, used statistical tools to map social connections in prairie dogs to uncover relationships that escaped traditional observational techniques, shedding light on prairie dog communities that may help limit the spread of bubonic plague and guide future conservation efforts. The work was done with researchers at the National Evolutionary Synthesis Center.

- New findings from the lab of Dr. Gavin Williams, an NC State chemist, may turn an enzyme that acts as a specialized “wrench” in antibiotic assembly into a set of wrenches that will allow for greater customization. By modifying this enzyme, scientists hope to be able to design and synthesize stronger, more adaptable antibiotics from less expensive, natural compounds.

- In a study co-authored by Dr. Fred Wright, a professor of statistics and biological sciences and director of NC State’s Bioinformatics Center, researchers from NC State, UNC-Chapel Hill and other institutions have taken the first steps toward creating a roadmap that may help scientists narrow down the genetic cause of numerous diseases. Their work also sheds new light on how heredity and environment can affect gene expression.

- Several public science projects in NC State’s Your Wild Life laboratory attracted significant attention. They included a tracking project that shed new light on the movement of house cats and the discovery that an Asian camel cricket had spread largely unnoticed throughout the U.S.

- Dr. Stephen Reynolds, Alumni Distinguished Undergraduate Professor of Physics, continued his work with the groundbreaking NuSTAR satellite. Reynolds is one of the few theorists working with the NuSTAR team, and has been instrumental in guiding the interpretation of hard X-ray observations of supernova remnants, gamma-ray bursts, and pulsar wind nebulae with this unique instrument. NuSTAR, which stands for Nuclear Spectroscopic Telescope ARray, is the first X-ray satellite capable of making true images of more energetic, or “harder” X-rays, including those produced by radioactive titanium.

- Dr. Mohammad Pour-Ghaz, a professor in the Department of Civil, Construction, and Environmental Engineering, has developed a new “sensing skin” made of copper to help detect compromises, like cracks, in critical infrastructure such as nuclear facilities, dams and bridges.

- President Barack Obama reappointed Dr. Paul Turinsky, professor of nuclear engineering at NC State, to the U.S. Nuclear Waste Technical Review Board.
Turinsky has held a position on the board since 2012 and has taught at NC State since 1980, serving several stints as head of the Department of Nuclear Engineering. His reappointment was announced on June 12. Turinsky also serves as chief scientist at the U.S. Department of Energy’s Consortium for Advanced Simulation of Light Water Reactors, a position he has held since 2010. From 1973 to 1980, he worked in a variety of positions for Westinghouse Electric and was an assistant professor of nuclear science and engineering at Rensselaer Polytechnic Institute from 1970 to 1973.

- NC State researchers, Dr. Ran Mo, Dr. Zhen Gu and Tianyue Jiang and a team of international researchers from UNC-Chapel Hill, and China Pharmaceutical University, have developed a new anti-cancer drug that is delivered to the cancer cell before triggering its death. It works by using graphene strips as "flying carpets" to deliver two anticancer drugs sequentially to cancer cells. Each drug targets the distinct part of the cell where it will be most effective.

- Dr. Zhen Gu, faculty in the Joint Department of Biomedical Engineering at NC State and UNC-Chapel Hill, received a Pathway to Stop Diabetes Research Award from the American Diabetes Association for his research project titled "Bio-inspired Synthetic Pathway for Closed-Loop Delivery of Insulin and Glucagon." Dr. Gu is hypothesizing that artificial synthetic insulin vesicles will be able to regulate the release of insulin at high blood glucose levels and inhibit its release with normal glucose range. This $1.625 million award supports five years of research relevant to any diabetes type, diabetes-related disease state, or diabetes complication.

- At the Plants for Human Health Institute in Kannapolis, NC, NC State researchers have developed fruit juice-infused peanut flour that could reduce a deadly allergic reaction to peanuts. The results have shown promise and will be tested in human blood samples and in mice.

- NC State Biomedical Engineering faculty member Dr. Fran Ligler was selected to chair a newly formed National Research Council Panel on Review of the Material Measurement Laboratory at the National Institute of Standards and Technology. Dr. Ligler’s duties may include being invited to testify before Congressional subcommittees.

- A multi-disciplinary team led by Department of Civil, Construction, and Environmental Engineering researchers Drs. Sankar Arumugam, Kumar Mahinthakumar, and Joe DeCarolis, along with Dr. Ning Lu received a $1.2M National Science Foundation grant to understand how seasonal to interannual climate forecasts could be utilized to improve water and power systems management. A paradigm shift in water and power systems management is targeted that promotes various proactive strategies to ensure the reliability of both systems.
Dr. Richard Kim, distinguished professor in the Department of Civil, Construction & Environmental Engineering, is President-Elect of the Korean-American Scientists and Engineers Association (KSEA). KSEA has over 6,000 voting members. Dr. Kim will serve as the 44th President between July 1, 2015, and June 30, 2016. He will chair the 2015 US-Korea Conference on Science, Engineering, and Entrepreneurship in Atlanta, Georgia, between July 29 and August 1, 2015, under the theme of "Pursuing Excellence with a Servant's Heart."

Dr. James Lester, distinguished professor in the Department of Computer Science and Director of the Center for Educational Informatics and Dr. Roger Azevedo, Professor of Psychology, have been awarded $1,365,603 by the National Science Foundation (NSF) to support their research proposal entitled “The Effectiveness of Intelligent Virtual Humans in Facilitating Self-Regulated Learning in STEM with MetaTutor.”

The Center for Geospatial Analytics opened a cutting-edge Open Source Geospatial Research and Education Laboratory (OSGeoREL) at NC State, serving as the North American node of the worldwide network of International Cartographic Association - Open Source Geospatial Foundation (ICA-OSGeo) laboratories and the go-to place for open source geospatial solutions in the nation.

The Carolina Ballet premiered an unprecedented two ballets featuring original scores by Art + Design Professor J. Mark Scearce: "Dracula" and "Masque of the Red Death" played eleven performances throughout the month of October 2014 in downtown Raleigh at the Duke Energy Center for the Performing Arts.


Goal 3: Interdisciplinary Scholarship Addressing Grand Challenges

The history and mission of NC State call for us to address the major challenges that confront the world. Addressing complex problems with many disciplinary aspects requires assembling teams of scholars with varied skills and diverse perspectives. We will maximize the impact of NC State’s research by concentrating our research resources in areas where we have strategic strengths and by creating a culture of collaboration and interdisciplinarity that will enrich not only our research activities, but also our teaching and engagement.

The Chancellor’s Faculty Excellence Program is promoting research at the intersections of traditional disciplines. The 12 original clusters formed to date
have made 41 of the 44 planned hires. The additions bring leaders in interdisciplinary work to NC State to address society’s grand challenges. A call for new proposals went out in October 2014. Forty-nine pre-proposals were received; thirteen clusters were invited to submit full proposals. Eight new clusters, receiving a total of 33 new positions, were announced in April 2015: Carbon Electronics, Emerging Plant Disease and Global Food Security, Global Water, Sanitation and Hygiene, Leadership in Public Science, Microbiomes and Complex Microbial Communities, Modeling the Living Embryo, Sustainable Energy Systems and Policy, and Visual Narrative.

- The Virtual Martin Luther King Project with the help of Marvin Blanks, a noted MLK actor, re-created Dr. King’s famous White Rock Speech. This project is a digital humanities research study by communications professors, Dr. Matt May and Dr. Victoria Gallagher, to understand how oral recordings are perceived given alternate viewpoints and settings.

- Dr. Fredrick Semazzi, professor in the Departments of Marine, Earth and Atmospheric Sciences and Mathematics, is leading an international initiative to pair the latest weather and climate research with real economic-development planning, efforts that position him among the most important researchers in the world at the intersection of climate and policy. The initiative brings together hundreds of climate researchers, internet providers, infrastructure developers and other groups of people who live near a large lake in East Africa to provide the underpinning research for gauging the area’s changing climate and make that information accessible for policy makers and residents as the region grows.

- Dr. Alyson Wilson, associate professor of statistics, was named principal investigator of the Laboratory for Analytic Sciences at NC State. The laboratory was created in 2013 through a partnership with the National Security Agency (NSA) to bring together some of the brightest minds from government, academia and industry to address the most challenging big-data problems.

- The NSF Engineering Research Center FREEDM Center entered its 7th year under a 10-year $40 million grant. FREEDM, a multi-university center led by NC State’s College of Engineering, is meeting the challenges of energy distribution and management in the new paradigm of multiple sources of generated energy flowing into the energy grid—essentially creating the “Internet” for energy. Researchers are developing next-generation solid-state transformers as well as new energy storage devices. FREEDM has also received a five-year, $9 million grant from the US DOE to design solar energy plug-and-play systems that require
little or no customization.

- The NSF Nanoengineering Research Center ASSIST, a $20 million grant with the potential for extension to 10 years and $40 million in support led by NC State’s College of Engineering, is in its third year of operation. Researchers in ASSIST have made excellent progress towards the goal of creating self-powered wearable sensors for monitoring health and environment. These devices would potentially revolutionize health monitoring and health care delivery. ASSIST recently announced the development of a new, wearable sensor that uses silver nanowires to monitor electrophysiological signals, such as electrocardiography (EKG) or electromyography (EMG). The new sensor is as accurate as the “wet electrode” sensors used in hospitals, but can be used for long-term monitoring and is more accurate than existing sensors when a patient is moving. Long-term monitoring of electrophysiological signals can be used to track patient health or assist in medical research, and may also be used in the development of new powered prosthetics that respond to a patient's muscular signals.

- Engineering researchers at NC State & UNC-Chapel Hill have uncovered a novel approach to creating inhalable vaccines using nanoparticles that shows promise for targeting lung-specific diseases, such as influenza, pneumonia and tuberculosis. The work reveals that a particle’s surface charge plays a key role in eliciting immune responses in the lung. Using the Particle Replication in Nonwetting Templates (PRINT), the researchers were able to specifically modify the surface charge of protein-loaded particles while avoiding disruption of other particle features, demonstrating PRINT's unique ability to modify particle attributes independently from one another.

- Engineering researchers from NC State have found a way of binding peptides to the surface of gallium nitride (GaN) in a way that keeps the peptides stable even when exposed to water and radiation. The discovery moves researchers one step closer to developing a new range of biosensors for use in medical and biological research applications. The idea is that, when exposed to radiation, the intensity of the light emitted by the GaN would change, depending on the number of analytes bound to the peptides on the surface. This would allow researchers and clinicians to monitor the presence of different molecules in a biological system.

- If you’re passing through the Amsterdam Central train station you may be pleasantly surprised to see a vibrant rainbow projected on the large arch that spans over its platforms. It’s the “Rainbow Station” project by artist Daan Roosegaarde – and it was made possible by technology adapted specifically for
the project through collaboration with NC State researcher Michael Escuti and ImagineOptix Corporation, the company he founded to pioneer patterned liquid crystal optic technologies. What Escuti developed was a “spectral filter,” based on a type of technology called geometric phase holograms. In layman’s terms, it’s a filter that takes in bright white light and turns it into a rainbow, “dispersing” the colors in a precise, controlled way. Spectral dispersing elements are essential to applications in fields such as astronomy, optical telecommunications, chemical and biological sensing, semiconductor fabrication, and nanotechnology.

- A team of researchers led by NC State’s College of Engineering has found that stacking materials that are only one atom thick can create semiconductor junctions that transfer charge efficiently, regardless of whether the crystalline structure of the materials is mismatched – lowering the manufacturing cost for a wide variety of semiconductor devices such as solar cells, lasers and LEDs.

- Engineering researchers from NC State have developed a new lithography technique that uses nanoscale spheres to create three-dimensional (3-D) structures with biomedical, electronic and photonic applications. The new technique is significantly less expensive than conventional methods and does not rely on stacking two-dimensional (2-D) patterns to create 3-D structures.

- Powered lower limb prosthetics hold promise for improving the mobility of amputees, but errors in the technology may also cause some users to stumble or fall. New research examines exactly what happens when these technologies fail, with the goal of developing a new generation of more robust powered prostheses. The research is led by Dr. Helen Huang, senior author of a paper on the work and an associate professor in the joint biomedical engineering program at NC State and UNC-Chapel Hill.

- Security technology developed by NC State computer science researchers, called TIMA, has been sub-licensed to Samsung through CellSentry Inc., an NC State start-up with support from the NC State Office of Technology Transfer. The TIMA technology is one of the core components and part of the innermost security layer of the Samsung Knox platform deployed in their mobile phones and tablets.

- Engineering researchers have developed a new way to transfer thin semiconductor films, which are only one atom thick, onto arbitrary substrates, paving the way for flexible computing or photonic devices. The technique is much faster than existing methods and can perfectly transfer the atomic scale
thin films from one substrate to others, without causing any cracks. At issue are molybdenum sulfide (MoS2) thin films that are only one atom thick, first developed by Dr. Linyou Cao, an assistant professor of materials science and engineering at NC State. MoS2 is an inexpensive semiconductor material with electronic and optical properties similar to materials already used in the semiconductor industry.

- Researchers in the College of Engineering have developed technology that allows cyborg cockroaches, or biobots, to pick up sounds with small microphones and seek out the source of the sound. The technology is designed to help emergency personnel find and rescue survivors in the aftermath of a disaster. The researchers have also developed technology that can be used as an "invisible fence" to keep the biobots in the disaster area. The biobots are equipped with electronic backpacks that control the cockroach's movements. Bozkurt's research team has created two types of customized backpacks using microphones. One type of biobot has a single microphone that can capture relatively high-resolution sound from any direction to be wirelessly transmitted to first responders. The second type of biobot is equipped with an array of three directional microphones to detect the direction of the sound. The research team has also developed algorithms that analyze the sound from the microphone array to localize the source of the sound and steer the biobot in that direction. The system worked well during laboratory testing.

- College of Engineering researchers have developed a suite of technologies that can be used to enhance communication between dogs and humans, which has applications in everything from search and rescue to service dogs to training our pets. The team has developed a platform for computer-mediated communication between humans and dogs that opens the door to new avenues for interpreting dogs' behavioral signals and sending them clear and unambiguous cues in return.

- Researchers in the College of Engineering have developed a technique that co-opts an immune system already present in bacteria and archaea to turn off specific genes or sets of genes – creating a powerful tool for future research on genetics and related fields. The technique works by hijacking a microbe's own CRISPR-Cas system. The system normally protects bacteria from invaders such as viruses by creating small strands of RNA called CRISPR RNAs, which match DNA sequences specific to a given invader. In the most common type of CRISPR-Cas system, called a Type I system, a CRISPR RNA and a set of proteins tightly latch onto a matching sequence of DNA. Once bound, the proteins signal for
another protein called Cas3 that cuts up the DNA.

- "Uncovering Southwest Raleigh" is a collaborative project developed by NC State’s College of Design, Poole College of Management and the College of Humanities and Social Sciences along with the City of Raleigh. The group worked closely with the community to understand current and future forces affecting change and develop strategies to enable the residents of Southwest Raleigh and the city to enhance and promote a healthy, creative and economically sustainable future for the district. The project uncovered ways in which Southwest Raleigh’s assets play an increasing role in highlighting the district as a desirable place to live, play, learn, work and create in relation to such important issues as transportation, business attraction and retention, cultural engagement and more. A final report was presented to the Raleigh City Council with the hope that the city will work with the University to develop a strategy to support the project on an ongoing basis.

- Professor of Landscape Architecture Andy Fox and Assistant Professor of Architecture, David Hill began an initiative that addresses “recovery planning and design for various levels of natural hazard response” called the Coastal Dynamics Lab, a collaborative series of courses and projects between architecture and landscape architecture, with interdisciplinary views built into the curriculum. They won additional funding from The Clinton Global Initiative, The American Institute of Architects and The Association of Collegiate Schools of Architecture.

- The Textile Protection and Comfort Center (TPACC) received a $1.5 M research award from the DHS/FEMA Assistance to Firefighter Grants Program to develop advanced fire blocking materials for wildland fire shelters. These materials will be designed to increase fire protection in shelters deployed as a last line of defense in wildland firefighting operations. TPACC’s new Dynamic Fire Protection Lab will be used to test the new fire blocking materials in full-scale prototype shelters exposed in the laboratory to controlled simulations of wildland fire and heat.

- The Textile Protection and Comfort Center (TPACC) opened the new Dynamic Fire Protection Laboratory featuring a large capacity state-of-the-art fire test chamber for Radman™ and many other advanced full-scale testing systems for firefighter protective materials and gear. The new research facility greatly increases research capabilities, ensuring that NC State will continue to be the most advanced academic center for research on firefighter personal protective equipment far into the future.
The College of Textiles Nonwovens Institute secured two master agreements, meaning that it now has three masters research agreements – one with a German company, one with an Indian company, and one with a U.S. company.

Faculty in the colleges of Veterinary Medicine, Agriculture and Life Sciences and Education have three recently funded grants shared with the College of Agriculture and Life Sciences funding interdisciplinary work.
- Identification of proteins secreted by human lung stem cells; Ke Cheng, Michael Goshe.
- 3D printing of a highly efficient biofuel-cell for electricity generation powering implantable medical devices Denis Marcellin-Little, Wenqiao Yuan and Ola Harrysson.
- The developmental nature of gut integrity in swine Anthony Blikslager, Jack Odle

Goal 4: Organizational Excellence

An excellent university is pervasively excellent. The standard of excellence applies to all NC State faculty and staff and to all departments, institutes, centers, and units. But excellence is not a static target. Achieving excellence requires constant attention, self-assessment, inclusion, and the courage to change and adapt.

- The Southern Association of Colleges and Schools re-affirmed NC State’s accreditation. Staff prepared 92 compliance reports documenting NC State’s effectiveness in all areas, from academic programs to administrative procedures. In addition, a Quality Enhancement Plan (QEP) was prepared that focuses on strengthening students’ critical and creative thinking skills.

- Donor Giving boosts university endowment to an all-time high of $885 million.
  - Increase of 76% over 5 years
  - Bond ratings:
    - Moody’s: Aa1, Stable
    - S&P: AA, Stable

- The Chancellor hosts monthly lunches to speak with students, allowing them to ask questions, voice concerns, and speak directly in a personal setting with the Chancellor. These lunches also allow Chancellor Woodson to get more student perspectives in an informal setting.
• The Chancellor also began offering students the opportunity to schedule meetings with him in a one-on-one setting to discuss issues they feel are particularly important. Meet with the Chancellor sessions allow students greater opportunity to voice their opinions and concerns about issues that affect them as part of the NC State community.

• The Chancellor continued annual visits to each college on campus, meeting with students, faculty, staff, and leadership, allowing the chancellor to get a first-hand look at current work and initiatives, and give the colleges the opportunity to share concerns or issues.

• Each month, the Chancellor communicates to the NC State community through a letter on his homepage discussing topics that are important to the university.

• At the start of the 2014-2015 academic year, NC State launched a redesign of its central website. The new layout was designed to give users an innovative, purposeful Web experience regardless of whether they are using mobile or desktop devices. It merged the university’s news features for more unified engagement of internal and external audiences and created a more effective navigational structure with centralized topics and a unity bar for easy access to important resources, making it easier for students to find the most frequently used pages from any part of the site.

• NC State developed a second three-year implementation plan (FY 2015 to FY 2017) for "The Pathway to the Future: NC State’s 2011-2020 Strategic Plan." Released to the campus in October 2014, this plan has a greater level of detail than the first three-year implementation plan (FY 2012 to FY 2014) and includes an number of actions designed to stabilize and institutionalize several major strategic initiatives, especially those connected to student success and faculty excellence, while also ensuring that we will have the resources available to make additional strategic investments in the coming years.

• The College of Veterinary Medicine has been re-accredited by the American Veterinary Medical Association – Council on Education for seven years, the maximum accreditation status achievable.

• The College of Veterinary Medicine received an $8 million DVM student scholarship endowment which will more than double endowed scholarship giving. The College also received a $3 million research endowment for supporting faculty grants and a $5 million endowment to create prestigious professorships which will attract new
leaders to the college.

- The newly created College of Sciences finishes its inaugural year with 3,700 students, 400 active research projects, nearly 25,000 total living alumni, 610 faculty, staff, and postdoctoral researchers, 9 elected Fellows of the American Association for the Advancement of Science, 2 elected members of the National Academy of Sciences, 57,000 K-12 students served annually at The Science House, and $50 million in annual research expenditures. Fundraising totals for the College of Sciences in 2013-14 surpassed $5.6 million, up 124 percent from 2012-13 when the College's development staff was part of the College of Physical and Mathematical Sciences. The College of Sciences held its official launch event, the “State of the Sciences” at Hunt Library. The event involved individuals from the university, Raleigh, and beyond, and featured a special presentation by Dr. Neil deGrasse Tyson.

- The North Carolina Cooperative Extension service developed a strategic plan for restructuring the organization by targeting its strengths, improving access to services across the state, and refocusing resources to support core areas of attention.

- The Office of International Affairs announced their intention to grow the study abroad program by 50 percent. To meet this goal, $1 million will be raised in new endowment funds for scholarships and more effort will be made to help students integrate global experiences into their degree programs. The Office will also work to increase the number of minority students studying abroad by 50 percent. NC State has more than 1,000 students each year study abroad.

- Steve and Judy Zelnak give $4 million to endow the Stephen P. Zelnak Jr. Dean’s Chair in the Poole College of Management. The endowment, the first endowed Dean’s Chair at NC State, provides the dean with discretionary funds for use in growing the college.

- NC State has been named a National Center of Academic Excellence in Information Assurance/Cyber Defense Research for the academic years 2014-2019 by the National Security Administration (NSA). NC State was first designated in 2008 for a five-year period. This is a continuation of that designation. The NSA Centers of Academic Excellence (CAE) Information Assurance/Cyber Defense (IA/CD) program is designed to promote security education and research in higher education. NC State’s CAE IA/CD designation identifies the university as a top institution for cyber security research. The designation benefits NC State by attracting students to enroll in the university, attracting industry to hire NC State graduates, and helping to form
collaborations between NC State and industry and government. NC State is one of three universities in the state to be designated as a National Center of Academic Excellence, and one of two in the state to be designated as a National Center of Academic Excellence in Research.

- NC State joined Partnership for a Healthier America to improve campus health. It was one of 20 universities selected.

- NC State and UNC-Chapel Hill formed an agreement to waive overhead fees associated with using shared research facilities, allowing researchers from each university to take advantage of specialized instruments and technologies at the lowest possible rates. The agreement will allow for more effective and efficient research and innovation.

- In October 2014, the Alumni Association held its annual Evening of the Stars Gala. Winners of the College Distinguished Alumni Awards, the Wolfpack Club’s Ronnie Shavlik Award and the Alumni Association Awards were honored for their exceptional service and dedication.

- Every year, the Alumni Association honors faculty who excel in the classroom, laboratory and in the field. In May 2014, 26 faculty members received recognition and $84,000 in monetary rewards during an awards ceremony designed to celebrate faculty dedication to NC State’s core values—teaching, research and extension.

- Each May, the Alumni Association presents four students with The Mathews Medal, given to seniors who have made significant contributions based on leadership and service to NC State University. The 2014 recipients were Lauren Caddick, Caroline Hansley, Russel Mau and Alycia McLamb. The 2015 recipients were Molly Basdeo, Austin Bath, Alex Parker, and Laura Sandtner.

- The University’s transit system, Wolfline, carried 2.9 million passengers during the fiscal year beginning July 1, 2013 through June 30, 2014. It expects to reach the 3 million passenger mark for July 1, 2014 - June 30, 2015. The system is comparable to ridership levels of a mid-sized metropolitan system.

- Shared Services
  - Centralized Onboarding Center for new staff hires: enhanced new hire experience and increased compliance.
• Space
  • University Space Principles updated for better utilization of classrooms
  • Transitioned data for 1,400 buildings and 40,000 rooms to new software system to better evaluate space usage

Goal 5: Engagement and Partnerships

As the world has changed, NC State’s reach has expanded beyond our borders and across the globe, challenging us to be locally responsive to the needs of our community and our state while globally engaged in solving the grand challenges facing our global community.

• NC State received a $24 million grant to establish a Consortium for Nonproliferation Enabling Capabilities (CNEC). Working with 9 other universities and research institutions, NC State will lead an effort to better identify and analyze tools for dealing with potentially dangerous nuclear material, and develop replacements for currently used radiological sources.

• The College of Agriculture and Life Sciences was one of nine universities to win one of President Obama’s “100,000 Strong in the Americas” grants of $25,000. The grant is meant to encourage U.S. Students to gain exposure to Western Hemisphere cultures through study abroad, and the NC State grant will fund the development of a study abroad program in Costa Rica for agriculture and crop science students.

• A new partnership between SAS and NC State was announced that supports academic opportunities for NC State professors and students and bolsters the university’s reputation as a top research institution. The partnership builds on existing relations between SAS and NC State, two of the State’s largest employers, and follows SAS CEO Jim Goodnight’s gift to expand the Goodnight Scholar Program.

• Dr. Moise and Vera Khayrallah endowed the Moise A. Khayralla Center for Lebanese Diaspora studies in the College of Humanities and Social Sciences at NC State with $8.1 million. It marks the largest single gift in the college’s history, it is also the first privately endowed center at NC State and the world’s first center on Lebanese culture and history outside of Lebanon.

• The Randall B. Terry Charitable Foundation gifted $16 million to the NC State College of Veterinary Medicine to fund scholarships, research, and endowed professorships.
- Duke Energy gave $1.5 million to the university to support the FREEDM Center and an additional $1 million to support programs and scholarships that will help attract and retain underrepresented groups to STEM fields through partnerships with the College of the Engineering and K-12 outreach programs.

- The Northeast Leadership Academy at NC State received a 3-year, $2 million grant from the U.S. Department of Education and an award for effectiveness from the University Council for Educational Administration and a 2014 Exemplary Educational Leadership Preparation Program Award.

- The state of North Carolina awarded $2 million to the Friday Institute for Educational Innovation to develop a Digital Learning Transition Plan to convert North Carolina K-12 education systems from textbook-based learning approaches to digital learning approaches by 2017.

- Eastman Chemical donated a library of dyes that was created by Max Weaver (of Eastman Chemical). This makes the College of Textiles Max A. Weaver Dye Library the largest collection of dyes in the world.

- The College of Design’s Natural Learning initiative has partnered with Blue Cross and Blue Shield of North Carolina to provide around $100,000 in grants to improve outdoor play and learning areas and to train future teachers in outdoor learning. Each space will be designed to increase and sustain young children’s active play and learning and set the stage for in-depth engagement and lifelong healthy behaviors.

- The Poole College of Management launched the NC State Entrepreneurship Clinic in downtown Raleigh, where faculty and students work with the public to provide consulting services to area startups and fuel newly applied research in entrepreneurship and commercialization. The clinic gives students hands-on experiences, faculty opportunities for research, and Raleigh citizens free access to some of the innovative minds coming out of NC State.

- NC State hosted the 2014 North Carolina Literary Festival at Hunt Library. The free public event is put on by the Duke University Libraries, the University of North Carolina at Chapel Hill Libraries, and the NC State Libraries. The event features scholars and authors addressing various aspects of literature and literacy, and this year’s theme was “The Future of Reading.” The College of Education hosted the festival’s children and families’ literacy activities staffed with 100 volunteers made up of students, faculty and staff.
• Agile Sciences, an NC State spinoff company located on Centennial Campus, landed two new patents and a $1.5 million grant from the National Institutes of Health (NIH) to further its work. The company, founded by Dr. Christian Melander, Howard J. Schaeffer distinguished professor of chemistry, and Dr. John Cavanagh, the William Neal Reynolds distinguished professor of molecular and structural biochemistry, develops compounds that fight antibiotic-resistant bacteria.

• Dr. Holly Menninger was named the first director of public science for the College of Sciences, overseeing a series of initiatives designed to build science literacy beyond the NC State campus. Dr. Menninger will coordinate all aspects of the College’s public science efforts, including citizen science, or scientific research conducted by the public; K-12 and informal science education; science communication; and innovation in public science.

• Hundreds of middle-school students will receive substantially reduced tuition to an NC State science education program, thanks to a generous donation from the Biogen Idec Foundation. The foundation’s $300,000 gift will support Imhotep Academy (part of The Science House K-12 outreach program) by covering 87 percent of the program’s tuition for about 600 of the academy’s middle-school students over the next three years. Students who receive the tuition award are known as Biogen Idec Foundation Scholars.

• NC State’s College of Humanities and Social Sciences hosted Ambassador Karl Eikenberry, Congressman David Price, Duke University President Richard Brodhead, and UNC System President Tom Ross to discuss The Heart of the Matter, a report from the American Academy of Arts & Sciences on the importance of the humanities and social sciences for a prosperous, safe and vibrant nation. The college then partnered with the North Carolina Humanities Council to host a follow-up event to bring organizations from around the state to Research Triangle Park to guide North Carolina’s response to the national report.

• The Institute for Nonprofits worked with the City of Raleigh and HQ Raleigh to organize “A New Economy of Purpose,” a session to highlight social entrepreneurship in the region. The event included a panel discussion with Chancellor Woodson, Raleigh Mayor Nancy McFarlane, David Gergen (co-director of the Center of Public Leadership and professor of public service at Harvard Kennedy School) and John Replogle, president and CEO of Seventh Generation.

• Several parking spaces along Salisbury Street in downtown Raleigh represent a first for the city – they are home to Raleigh’s first parklet – a miniature park designed to
fit within the actual parking spots. Raleigh City Council approved the idea in 2013, allowing sponsors to pay to convert parking spaces into miniature parks. The NC State College of Design raised more than $17,000 through a Kickstarter campaign to build the park.

- A $600,000 grant from the WalMart U.S. Manufacturing Innovation Fund as part of its “Made in America” program as awarded to NC State. The goal is to increase manufacturing jobs in the U.S. by supporting research and development of a U.S. manufacturing system that integrates digital printing and cut & sew assembly.

- The Zeis Textile Extension center provided $61 million in direct economic development savings to North Carolina and other companies. It professionally trained 1,200 students in 6 Sigma across the state and throughout the U.S., with 100 U.S. companies serving for professional training and product development.

**Facilities**

- This year marked the 30th anniversary of Centennial Campus, providing a time to reflect on how the campus has redefined what it means to integrate academia, industry and government by providing a place where people can come together to live, learn, and work in a collaborative space.

- The opening of Phase II, LEED Silver-certified, Wolf Ridge Apartments brought the total capacity of NC State housing on Centennial Campus to nearly 1,200 students. Allowing students to live, learn, and work on Centennial helps create a unique environment for students to integrate NC State innovation into their daily experience.

- Construction was completed on the new Close-King Indoor Practice Facility. It is a well-appointed, state-of-the-art facility that will benefit the football program, track and field, cross country, men’s and women’s soccer and baseball, among others. The $14 million facility, supported entirely with funds raised by the Wolfpack Club, will provide student-athletes with a place to train regardless of the weather and will demonstrate NC State’s commitment to top-tier athletics.

- The 1920-era Yarbrough Steam Plant renovation was completed, upgrading efficiency by replacing boilers and mechanical systems and improving the building’s insulation and ventilation. The building is now LEED certified at the silver level, marking the sixth LEED certification on campus.

- A new Visualization Studio has opened at D.H. Hill Library on the second-floor stacks. This studio offers the only environment with a 360-degree view. The view is
serviced by three LCD projects and offers seating for up to 24 people. The room was designed and built by Renaissance Computing Institute of Chapel Hill. This studio offers a larger view as the one in Hunt Library only offers a 270-degree view.

- A $28 million hotel with 7,500 square feet of meeting space on Centennial Campus next to Lake Raleigh was announced. The hotel will operate under the Marriott Autograph Collection and is expected to open in 2016. The hope is for the new hotel to draw regional, national and international conferences specifically related to education, science and technology to NC State.

- A $35 million renovation of Reynolds Coliseum commenced in Spring of 2015. Renovation includes interior renovations, accessibility upgrades, HVAC upgrades including air conditioning, life safety upgrades, and new code-compliant restrooms. North end interior renovation will house Athletics Walk of Fame, and office space for several Athletic programs.

- The new Gregg Museum, a $9.5 million renovation/addition to the former chancellor’s residence, broke ground in the Spring of 2015. Renovation of the existing 7,000 GSF structure and the construction of a 16,700 GSF addition will provide galleries, administrative offices, meeting spaces, and collections storage and processing for the new museum.

- Textiles Innovation Center: This 103,265 square foot facility will break ground in the fall of 2015. It will provide space for the Nonwovens Institute, Product Innovation Pilot Facility, plus rentable office space.

**Legislative and Budget Efforts**

**2014 Legislative Session**

- **Budget**
  - **Total budget (projected 2014-2015):** $1.415 billion
  - **Budget Reductions:** Over the past 10 years, reductions in state appropriations have cut more than $274 million from NC State's annual budgets. $163 million of those reductions are recurring.
    - Clean fiscal audit

- **Legislative**
  - **Students:** In-state tuition for military-affiliated students
  - **Employees**
• Allow UNC faculty and staff to take 3 classes per year
• Health insurance program to contain Affordable Care Act costs
• SPA Salary Increase ($1,000) and approved EPA Salary Increase
• 40 Hours Special Leave (Will not expire)

**Rankings and Recognition**

- *U.S. News & World Report*
  
  - NC State was listed among the top 100 national universities, up six spots from last year to #95.
  
  - NC State also advanced among Public Institutions, moving to #43.
  
  - Once again, NC State was listed among the top 50 best value schools, coming in at #46.
  
  - Graduate Program in Statistics ranked 15th nationally.
  
  - Listed at #18 on the list of best colleges for veterans.
  
  - The College of Veterinary Medicine was ranked as third in the nation, yet again.
  
  - NC State’s Agricultural Engineering program ranked #9 among all in the nation. NC State’s graduate Engineering Programs ranked #29 overall.
  
  - The Poole College of Management ranked in the top 50 for Graduate Economics, the top 75 for Undergraduate studies, the top 10 for Online MBA programs and the Top 65 for Full-Time MBA Programs.
  
  - NC State’s Online Graduate Computer Information Technology program was ranked at #7 in the Nation, and its Online Graduate Engineering programs came in at #11.
  
  - NC State was listed in the top 50 Plant and Animal Science Universities Globally, coming in at #31.
• **Princeton Review**
  
  o NC State was ranked #4 Best in Overall Public University Value.
  
  o For the fourth consecutive year, NC State has been recognized as one of the “Top 25 Undergraduate Schools to Study Game Design for 2014,” with NC State’s Video Game Design Program ranking 23rd.
  
  o NC State is listed as a Top 25 Impact School.
  
  o Student Health was ranked #16 in the Nation.
  

• **Bloomberg BusinessWeek**
  
  o NC State’s Poole College of Management advanced nine places to #86 in a ranking of best undergraduate Business Schools, with especially strong marks on student and employer ratings.
  
  o The professional MBA program was ranked in the Top 20 among all part-time face-to-face programs in the nation.

• **Diverse Issues in Higher Education**
  
  o No. 4 for graduating African American students with master’s degrees in mathematics and statistics
  
  o No. 5 for graduating Hispanic students with doctoral degrees in the physical sciences
  
  o No. 13 for graduating Native American students with bachelor’s degrees in the biological and biomedical sciences
  
  o No. 15 for graduating African American students with bachelor’s degrees in the biological and biomedical sciences
- Fiske Guide to Colleges 2015 ranked NC State as #13 in its list of Best Buy Public Colleges in the US, Canada, and the UK.

- *Money* magazine ranks NC State 79th out of 665 public and private colleges in the nation’s best values in higher education. The ranking is based on educational quality, affordability and alumni earnings. Duke ranked 32nd and UNC-Chapel Hill ranked 40th.

- INSIGHT Magazine awards NC State its Higher Education Excellence in Diversity Award, recognizing universities whose diversity and inclusion efforts show a broad understanding of diversity, including gender, race, ethnicity, military service, disability, and membership in the LGBT Community.

- The Chronicle of Philanthropy awarded NC State its highest ranking to date - #171 among all groups giving. NC State also ranked #48 among all colleges and universities, and #25 among public universities.

- NC State was named to the 2014 President’s Higher Education Honor Roll.

- NC State was classified as a community engaged institution by the Carnegie Foundation for the Advancement of Teaching. The classification was based in part upon institutionalized practices of community engagement that foster a spirit of giving back at NC State.

- The James B. Hunt Jr. Library was awarded the 2014 Stanford Prize for Innovation in Research Libraries, the library profession’s most prestigious award, for its role as an innovative model for the academic library as high-technology research platform.

- University Police received accreditation from the International Association of Campus Law Enforcement Administrators (IACLEA) and The Commission on Accreditation for Law Enforcement Agencies (CALEA).

- City of Raleigh Environmental Awards and State Energy Conference
  - Award of Excellence from the North Carolina Department of Environmental and Natural Resources, recognizing NC State’s progress and leadership in campus energy efficiency.
- Excellence in Promoting the Utilities Savings Initiative Principles Award at NC Sustainable Energy Conference.

- City of Raleigh Regional Award recognized the NC Solar Center at NC State’s Renewable Energy Technologies Diploma Series for excellence in environmental stewardship and design.

- The John Cotton Dana Award recognized on a national stage NC State’s campaign to promote the opening of Hunt Library. The Award is sponsored by the H.W. Wilson Foundation, EBSCO, and the Library Leadership and Management Association, and recognized the campaign for its playful voice and public engagement.

- The Council for Advancement and Support of Education honored NC State with a gold award for the use of social media to promote the Hunt Library, a silver award for the Hunt Library website, and a silver award for the popular research blog, the Abstract.

- NC State received the 2014 APPA Sustainability award in recognition of sustainability excellence in campus educational facilities. APPA, a national educational facilities organization, selected NC State for its sustainable practices, processes and leadership in facilities management, including maintenance and operations, energy and utility use, and planning and construction.

- The Department of Physics was named one of the four recipients of the 2015 Award for Improving Undergraduate Physics Education. The award, handed out by the American Physical Society's Committee on Education, recognizes physics departments that are committed to inclusive, high-quality physics education for all undergraduate students.

- NC State was one of nine North Carolina universities or colleges that made the National Board of Professional Teaching Standards’ Top 50 public and private universities and colleges with the highest number of alumni who are newly certified National Board teachers.

- NC State ranks third in the Top Masters in Education Best Value Rankings. The rankings highlight the lowest priced, highest quality, regionally accredited online education degree programs. Top Masters in Education, a leading resource for educators looking to enhance their own educational foundation, has published its first annual ranking of the best value schools for Online Masters in Educational and Instructional Technology degree programs.
The Association of Public Land Grant Universities (APLU) named NC State an Innovation & Economic Prosperity University, acknowledging the university’s work with public and private sector partners in North Carolina to support economic development through entrepreneurship, technology transfer, community development, and talent and workforce development. 13 other universities hold this title – none are in North Carolina.

Foodservice Director Magazine named NC State to its Healthy 15 list of dining operations that create healthy food service environments for employees and guests. The dining service was recognized for its accurate recipe testing, reporting of nutritional data, and menu management. Several other innovative NC State dining programs were also recognized.

Poets & Quants, a news web site devoted to the coverage of business schools, ranked the Jenkins MBA online program among the top 20, nationwide, an elite group that includes some of the most selective schools in the country.

The JC Raulston Arboretum ranks 8th on the list of the 50 Most Stunning University Gardens and Arboretums by the website Best Masters Programs. The Sarah P. Duke Gardens at Duke University ranked 4th.

WKNC 88.1, NC State’s student radio station, ranked 8th among the top 20 college radio stations by Best College Review.

Lonnie Poole Golf Course was named to the Top 30 college courses in America by Golfweek Magazine. The course was also an NCAA Golf Championship Regional Site in May 2014.

The University was awarded the Best Workplace for Commuters, Triangle Region, Longevity Award - 10 years in recognition of our 10 years of ranking as a Best Workplace for Commuters.

Individual Recognitions

- Three members of the faculty in the College of Engineering at North Carolina State University have been awarded the distinction of Fellow by the American Association for the Advancement of Science (AAAS). Dr. Justin Schwartz is the head of the Department of Materials Science and Engineering (MSE) and Kobe Steel Distinguished Professor; Dr. Nancy Allbritton is professor and chair of the Joint NC State-UNC-Chapel Hill Department of Biomedical Engineering; and Dr. Mohammed Zikry is Zan Prevost Smith
Distinguished Professor in the Department of Mechanical and Aerospace Engineering.

- David Dorman, professor of toxicology, has been elected as a Fellow of the American Association for the Advancement of Science (AAAS).

- Dr. Joseph DeSimone, William R. Kenan, Jr. Distinguished Professor of Chemical and Biomolecular Engineering at NC State and Chancellor’s Eminent Professor of Chemistry at the UNC-Chapel Hill, has been elected to the Institute of Medicine, one of the highest honors in the fields of health and medicine a U. S. scientist can receive.

- Dr. Laura Bottomley, director of the Women in Engineering program and The Engineering Place in the College of Engineering at NC State, was named to the American Society for Engineering Education (ASEE) Academy of Fellows. She was honored at the ASEE Annual Conference and Exposition Awards Ceremony June 16 in Indianapolis, Ind.

- Eighteen faculty were named as the 2014-15 University Faculty Scholars, top NC State early- and mid-career faculty who will receive $10,000 in donated funds for each of the next five years to support their academic endeavors. The recognition and reward program is part of the university's strategic initiative to invest in and retain top faculty. A total of sixty scholars have been named since the program was established in 2012.

- Dr. Rob Dunn, associate professor of biological sciences, was named as an Atlantic Coast Conference Distinguished Lecturer. Each year, five faculty from ACC institutions are chosen for this honor, which includes a $5,000 award and invitations to speak at ACC schools over the following year. Dr. Dunn was selected for this distinction based on his scholarly achievements, his prospective impact upon students and faculty at the institutions hosting his lecture and the potential he offers for stimulating cross-university collaborations.

- Dr. Bradley Kirkman, Gen. (Ret.) H. Hugh Shelton Distinguished Professor of Leadership, was elected a Fellow of the Society of Organizational and Industrial Psychology and a Fellow of the American Psychological Association.

- The National Academy of Inventors (NAI) has named Dr. Jagdish Narayan, John C. C. Fan Distinguished Chair in Materials Science and Engineering, and
Dr. Nancy Allbritton, professor and chair of the Joint NC State - UNC Department of Biomedical Engineering, as 2014 NAI Fellows. Election to NAI Fellow status is a high professional distinction accorded to academic inventors who have demonstrated a highly prolific spirit of innovation in creating or facilitating outstanding inventions that have made a tangible impact on quality of life, economic development, and the welfare of society. Selected by their peers, nominees must be a named inventor on at least one patent issued by the United States Patent and Trademark Office and must be affiliated with a university, non-profit research institute or other academic entity.

- Dr. Jerome Cuomo, co-inventor of the rewritable magneto-optic disk, was elected to the National Academy of Inventors (NAI). Dr. Cuomo is Distinguished Research Professor of Materials Science and Engineering at North Carolina State University.

- Dr. Robert Evans, head of the Department of Biological and Agricultural Engineering, was named to the International Drainage Hall of Fame in honor of his internationally recognized contributions to drainage, drainage water management, stream and wetland restoration, riparian buffers, and nonpoint source pollution control.

- Dr. David Muddiman, distinguished professor of chemistry, was elected as president of the United States Human Proteome Organization. The group engages in scientific and educational activities to encourage the use of technologies for proteomics and spread proteome knowledge. Dr. Muddiman also received the Award in Chemical Instrumentation from the American Chemical Society.

- Dr. Richard Spontak, Alumni Distinguished Professor of Chemical and Biomolecular Engineering and Materials Science and Engineering at NC State, has been inducted as a Fellow of the Royal Society of Chemistry, which consists of the most eminent scientists, engineers and technologists from the UK and the Commonwealth.

- Robin Abrams, head of the School of Architecture, has been selected as one of the 2015 Jury of Fellows from the American Institute of Architects (AIA). With a total membership of more than 85,000, less than four percent are chosen for this honor. The 2015 Fellows will be honored at an investiture ceremony at the AIA Convention 2015 in Atlanta.
Dr. Xiangwu Zhang, professor and inaugural University Faculty Scholar in the College of Textiles, was named Yanguang Chaired Professor at the Wuhan Textile University.

Dr. Jay Narayan, professor of materials science and engineering, received the 2014 O. Max Gardner Award, the most significant honor given to faculty by the University Of North Carolina Board Of Governors.

Dr. George Hess, an Alumni Distinguished Undergraduate Professor of Conservation and Ecology in the Department of Forestry and Environmental Resources received 2014 Board of Governors Award for Excellence in Teaching.

Dr. Roger Narayan, professor of biomedical engineering, and Dr. David Buchwalter, associate professor of biological sciences, were both designated as Core Fulbright U.S. Scholars. They will travel to the University of Otago in New Zealand and to the University of Sao Paulo in Brazil, respectively, for their research.

Dr. Warren J. Jasper, professor and program director in textile engineering, was awarded a Fulbright Specialist Grant in Engineering Education at the Shenkar College of Engineering, Design and Art in Israel. He will give lectures on Six Sigma Quality and communicating color between disciplines, as well as setting up a semester abroad program between Shenkar and NC State (which does not currently have a semester study abroad program in the Middle East).

Dr. Arnab Maity, assistant professor of statistics, received the Noether Young Scholar Award from the American Statistical Association. The award honors accomplished young researchers in nonparametric statistics.

Dr. James LeBeau, assistant professor in the Department of Materials Science and Engineering and Dr. Michael Kudenov, assistant professor in the Department of Electrical and Computer Engineering at NC State, received U.S. Air Force Office of Scientific Research Young Investigator Program awards.

Dr. Linyou Cao, an assistant professor in the Department of Materials Science and Engineering at NC State, has been awarded the Young Investigator Program (YIP) Award from the Army Research Office. The three-year award $150,000 grant will support Cao’s research on the electron-phonon coupling...
in two-dimensional materials.

- Dr. Reade Roberts, assistant professor in the Department of Biological Sciences, was named one of seven recipients of the prestigious Beckman Young Investigators grant, which provides research funding to promising young faculty in the life sciences. Roberts will use the four-year, $750,000 grant to study the genetics of African cichlid fish, one of the most rapidly evolving vertebrates on the planet.

- Dr. Cheryl Cass, director of undergraduate programs and teaching assistant professor in the Department of Materials Science and Engineering at NC State, was recently named the winner of the National Academic Advising Association’s (NACADA) Outstanding New Advisor Award – Faculty Academic Advising.

- Susan D’Amico, coordinator of engineering K-12 outreach extension for The Engineering Place (EP) at North Carolina State University, and Cynthia Carpenter, Rocky Mount Middle School science teacher, have received the Middle School K-12/University Partnership Best Practices award from the American Society for Engineering Education (ASEE). The two were recognized for establishing STEM education in Nash-Rocky Mount Public Schools.

- Dr. Justin Schwartz, Kobe Steel Distinguished Professor and department head of the Department of Materials Science and Engineering at North Carolina State University, has been awarded the Institute of Electrical and Electronics Engineers Council (IEEE) on Superconductivity Award for Significant and Sustained Contributions to Applied Superconductivity. The award recognizes researchers who have made “contributions in the field of applied superconductivity over a period of time of more than 20 years.”

- Dr. Carol Hall, the Camille Dreyfus Distinguished University Professor of Chemical and Biomolecular Engineering at North Carolina State University, has been selected to receive the 2015 Foundations of Molecular Modeling and Simulation (FOMMS) Medal. FOMMS is an international conference showcasing the applications and theory of computational quantum chemistry, molecular science, and engineering simulation.

- Dr. Bob Patterson, professor of crop science, was recognized with the City of Raleigh Environmental Awareness Award for leadership in teaching about the environment.

- Dr. Paul Zia was selected as a Titan of the Industry by the Precast/Prestressed Concrete Institute (PCI). According to PCI, Titans of the Industry are individuals "who have had a profound effect on the
precast/prestressed concrete industry.”

- Dr. Hugh Devine was awarded the 2014 Cooperative Ecosystem Studies Units (CESU) National Network Award. This prestigious award is presented biannually to recognize individuals who have contributed substantially to better management of the National Park system. Dr. Devine is an Alumni Distinguished Graduate Professor in the Department of Parks, Recreation & Tourism Management and the associate director of the Center for Geospatial Analytics in the College of Natural Resources.

- Dr. Blair D Sullivan has been selected by the Gordon and Betty Moore Foundation for a $1.5 million Moore Investigator Award – one of only 14 nationally – as part of its Data-Driven Discovery Initiative. Dr. Sullivan’s work focuses on transforming theoretical algorithms into practical tools that could be used in fields ranging from biomedical science and social media research to business analytics and online retailing.

- Dr. Natasha Olby, professor of neurology, is the recipient of the 2014 Faculty Achievement Award from the American Association of Veterinary Clinicians.

- Dr. Eleanor Hawkins, professor of internal medicine, is the recipient of the 2014 American College of Veterinary Internal Medicine (ACVIM) Distinguished Service Award.

- Jonathan Fogle, assistant professor of immunology, is one of 10 scientists to receive a grant from the Creative and Novel Ideas in HIV Research (CNIHR) program to investigate questions related to long-term survival with HIV infection, and the prevention of HIV transmission. The CNIHR program is a joint initiative of the National Institutes of Health, the Centers for AIDS Research, and the International AIDS Society.

- Gigi Davidson, director of Clinical Pharmacy Services at NC State’s Veterinary Hospital, has been named the recipient of the U.S. Pharmacopeial (USP) Convention’s 2015 Beal Award for Distinguished Volunteer Service—the organization’s highest award. Davidson also represents the USP as a member of the 14-member U.S. Food and Drug Administration Pharmacy Compounding Advisory Committee, a group charged with implementing the compounding provisions of the Drug Quality and Security Act of 2013.

- Elizabeth Lennon is the recipient of the 2014 Young Investigator Award presented by the American Veterinary Medical Association and the American Veterinary Medical Foundation. This marks the third time in the last four years that a College of Veterinary Medicine doctoral student received the national AVMA/AVMF honor that recognizes the scientific advancements of a veterinary graduate student who is pursuing advanced research training through doctoral or post-doctoral programs or is in the early stages after training.
Dr. Seiche Genger is a recipient of the 2015 Reed Rumsey Clinical Research Award for the Advancement of Avian Medicine presented by the American Association of Avian Pathologists. This is the fourth time in five years a College of Veterinary Medicine researcher received the national honor.

Dr. Page Wages, CVM Class of 2005, is a finalist in "America’s Favorite Veterinarian" poll sponsored by the American Veterinary Medical Foundation.

Dr. Gail Jones, Alumni Distinguished Graduate Professor of science education, received the top award for the Association for Science Teacher Education, the Outstanding Science Teacher Educator of the Year. The organization considers excellence in teaching, development of teacher education programs, science curricular development, leadership in science education, leadership outside science education, and research.

The North Carolina School Counselor Association selected NC State education professor Dr. Stanley Baker as 2014 Counselor Educator of the Year.

Dr. Sasha Newell, assistant professor of anthropology, won the Amaury Talbot Prize for African Anthropology. The award from the Royal Anthropological Institute recognizes the most valuable work of African Anthropology submitted each year.

Sociolinguists Dr. Walt Wolfram and Dr. Jeffrey Reaser, both professors of English, new book is released compiling all of their linguistics and dialect research that they have conducted in North Carolina. The book is also the first linguistics book ever published with QR codes. The codes provide links to websites showcasing the different dialects in North Carolina.

Assistant professor of Art + Design and Art2Wear co-director, Justin LeBlanc, was one of the top 3 finalists on the hit fashion reality show, Project Runway. As a result, LeBlanc was selected as one of the Project Runway All-Stars, a selection of the best of all contestants in the show to date. LeBlanc has become a fashion icon and superstar. He featured two new lines at the Raleigh Contemporary Art Museum in 2015.

The College of Sciences awarded named professorships to three of its faculty: Dr. H. Thomas Banks in the Department of Mathematics; Dr. Montserrat Fuentes in the Department of Statistics; and Dr. David Muddiman in the
Department of Chemistry. The professorships were made possible by gifts from generous donors.

- Five faculty members in the College of Sciences were honored by the university with professorships of distinction that recognize outstanding scholarly work. Dr. Jacqueline Krim, and Dr. Harald Ade in the Department of Physics; Dr. Ruoying He, in the Department of Marine, Earth, and Atmospheric Sciences; Soumendra Lahiri in the Department of Statistics; and Ralph C. Smith in the Department of Mathematics.

- Two members of NC State’s Institute for Advanced Analytics were honored with named positions; Dr. Michael Rappa was named the Goodnight Director of the Institute for Advanced Analytics and Dr. Christopher Healey, professor of computer science, was named the Goodnight Distinguished Professor of Advanced Analytics.

- Dr. Joshua Pierce, assistant professor of chemistry, and Dr. Ana-Maria Staicu, assistant professor of statistics received the National Science Foundation Faculty Early Career award for contributions in their respective fields. The CAREER Award is one of the highest honors given to young faculty in science and engineering.

- Dr. David Ambaras, associate professor of history with a specialty in modern Japan, received a fellowship with the National Humanities Center, where he will spend the 2014-2015 academic year and a fellowship from the American Council of Learned Societies, where he was one of only 20 associate professors chosen nationally.

- Dr. Brent Sirota, associate professor of history with a specialty in early modern England, received a National Endowment for the Humanities Fellowship at the Huntington Library in Pasadena, CA, where he will spend the 2014-2015 academic year.

- Dr. Steven Vincent, professor of history, will spend the fall as a fellow at Princeton’s School of Historical Studies, Institute of Advanced study – one of the world’s leading centers for theoretical research and intellectual inquiry. He will spend the spring semester as a fellow at the Collegium de Lyon Institute for Advanced Studies.

**Athletic Excellence**

- NC State had its highest finish to date in this year’s Learfield Sports Directors Cup, finishing 27th in the final standings released in 2015. The newest ranking builds upon our upward trajectory. In 2014, NC State ranked 34th which was up 55 spots since 2009-2010.
• Nine teams finished their seasons ranked in the top 25 of their sport’s final rankings.

• Ten new members were inducted into the NC State Athletic Hall of Fame. The 2014 Athletic Hall of Fame class brings the total number of individuals honored to 30, representing 10 varsity sports. This year’s class includes 4-sport Athlete Jack McDowall, Baseball Coach Sam Esposito and other Wolfpack Legends.

• The NCAA’s Graduation success rate showed NC State student-athletes performing exceptionally well, posting the second highest mark in program history at 81 percent, continuing an upward trend over the last five years. Additionally, NC State student-athletes posted its highest Federal Graduation Rate, 71 percent.

• The NC State football program made a remarkable turnaround in 2014. The Wolfpack improved their win total by five games, tied for the second-biggest improvement among Power 5 schools. NC State won four of its final five games, including a victory in the Bitcoin St. Petersburg Bowl.

• NC State baseball player Carlos Rodon set the school record for highest ever MLB draftee. Rodon went to the Chicago White Sox as the third overall pick.

• Former NC State basketball player T.J. Warren was drafted #14 in the NBA draft. He became the 15th first round NBA Draft pick in NC State Basketball history.

• NC State’s Women’s Golf Team tied for 10th at the NCAA Women’s Golf final, marking the best finish in school history. Golfer Augusta James led the pack shooting just four over for the tournament.

• The NC State Men’s Swimming and Diving team won the ACC Championship, breaking school and conference records to take home its 25th ACC title.

• NC State Wrestler, Nick Gwiazdowski, won the NCAA Wrestling Championships in the 285-pound division, becoming the sixth NCAA wrestling champion in university history.

• Alum and basketball star Eddie Biedenbach was inducted into the NC Sports Hall of Fame for being an outstanding player and coach.

Leadership Changes

• Dr. Alan Rebar, senior associate vice president for research at Purdue University, has been named Vice Chancellor of Research, Innovation, and Economic
Development. He will be taking over from Dr. Mladen Voulk, who served as interim Vice Chancellor following the departure of Terri Lomax.

- Dr. Dan Solomon, dean of the College of Sciences, announced in September that he would stepping down after 34 years in various leadership positions at the university, including 15 years as a dean. Dr. William Ditto, dean of the College of Natural Sciences at the University of Hawaii at Manoa, will step into his position.

- Dr. Maureen Grasso joined NC State as dean of the Graduate School in July 2014.

**Selected Presentations**

- Chancellor Woodson typically has dozens of speaking engagements every month with a wide variety of constituencies. Below are selected presentations to external audiences.

- Sampson County Friends of Agriculture keynote – Value of Agriculture in Sampson Co. and NC. (2014)


- National Engineering Forum dinner remarks (2014)

- INPREE Social Entrepreneurship Launch panel discussion – (2014)

- Appalachian Energy Summit panel discussion (2014)

- Board of Governors Campus Security Initiative, Initiative Co-chair, Committee charge and policy discussion (2014)

- Southern Governors Association Annual Meeting, panel discussion, Creating Communities of Innovation. (2014)

- Greater Raleigh Chamber Summer Leadership Conference, keynote PowerAmerica (2014)


- Council on Competitiveness, Pillars of Competitiveness discussion (2014)

- Food Systems Leadership Institute Annual Meeting, dinner remarks (2014)
- Wells Fargo Raleigh Board of Directors, guest speaker (2014)
- University-Industry Consortium Annual Fall Meeting, remarks (2014)
- Simon Award panel discussion, Internationalization (2014)
- Ag-biotech Summit, remarks (2014)
- Council on Scientific Society, panel, Future of the Research University (2014)
- Accelerate Energy Productivity 2030, remarks and panel discussion (2014)
- Danville Regional Foundation Institute for Advanced Learning and Research, panel discussion (2015)
- Engineering Deans Institute, panel discussion (2015)

###
CALL TO ORDER
Tom Cabaniss, Chair of Committee

ROLL CALL
Tom Cabaniss, Chair of Committee

READING OF STATE GOVERNMENT ETHICS ACT CONFLICT OF INTEREST STATEMENT
Tom Cabaniss, Chair of Committee

1. RESPONSIBILITIES OF THE COMMITTEE
   A. Review Committee Responsibilities as established in Bylaws
      Finance and Administration
      Mary Peloquin-Dodd, Associate Vice Chancellor for Finance and Administration
      and University Treasurer
   B. Review Draft Agenda/Plan of Work for the Year
      Finance and Administration
      Tom Cabaniss, Chair, Audit, Risk Management and Finance Committee
      Mary Peloquin-Dodd, Associate Vice Chancellor for Finance and Administration
      and University Treasurer

2. APPROVAL OF MINUTES
   Approval of April 16, 2015 Minutes

3. ACTION ITEMS
   A. Internal Audit Charter Review and Approval
      Internal Audit
      Cecile Hinson, Director, Internal Audit

Denotes full Board approval required
4. INFORMATIONAL REPORTS

A. Internal Audit Update
   Cecile Hinson, Director, Internal Audit

B. Intercollegiate Athletics Financial and Budget Review
   Athletics Department
   Deborah Yow, Director
   Diane Moose, Senior Associate Director

C. University Compliance Program Objectives and Roadmap
   Office of General Counsel
   Eileen Goldgeier, Vice Chancellor and General Counsel
   Robert Hoon, Deputy General Counsel

D. Finance and Legislative Update
   Finance and Administration
   Charles D. Leffler, Vice Chancellor for Finance and Administration
   Chancellor’s Office
   Kevin Howell, Assistant to the Chancellor, External Affairs

5. COMMITTEE DISCUSSION

6. ADDITIONAL INFORMATIONAL MATERIALS

A. NC State Investment Fund Performance

B. NC State Intermediate Term Fund Performance

ADJOURN

✓ Denotes full Board approval required
Appendix 1

NC State Board of Trustees’ Delegations of Authority, Assignments and Guidelines

I. Audit, Risk Management and Finance Committee Delegated Authority and Assignments

a. Audit

i. Provide oversight of the internal audit function.
   This responsibility is evidenced by:
   Annual certification letters from Chair of ARMF Committee and Internal Auditor
   Recognition of Internal Auditor reporting responsibility to both the Chancellor and the Chair of ARMF

ii. Review and approve the annual internal audit plan at the beginning of the audit cycle.
   This responsibility is evidenced by:
   Annual presentation of audit plan by Director of Internal Audit for approval

iii. Receive quarterly activity reports from the internal auditor.
    This responsibility is evidenced by:
    Quarterly reports
    Twice yearly updates regarding progress against the audit plan
    Special reports on audit issues or findings

iv. Receive direct verbal and/or written reports from the university’s internal auditor regarding out of the ordinary reviews and findings that may involve senior level university employees, trustees or affiliates.
   This responsibility is evidenced by:
   Quarterly reports include discussion of significant audit issues or findings. Significant findings are be brought to Board’s attention in a timely manner.

v. Review a comparison of the annual internal audit plan to the actual internal audits performed.
   This responsibility is evidenced by:
Twice yearly update by Internal Auditor regarding progress against the audit plan

vi. Provide oversight of the annual financial statement audit.  
See the following items viii and ix.

vii. Assure that the university is performing self-assessments of operating risks and evaluations of internal controls on a regular basis.  
This responsibility is evidenced by:  
Internal Auditor performs continuous risk assessment process year-round which results in twice yearly updated audit plan presented to Committee.  
Internal Auditor reports annually to the Committee the results of the University’s Assessment of Internal Controls over Financial Reporting letter and summary report which are provided to the State Controller. Further, the Chancellor certifies the institutions self-assessment activities and results in his annual compliance letter to the President.

viii. Meet with representatives of the State Auditor’s Office to review the annual state auditor’s report and the university’s corrective action, if any.  
This responsibility is evidenced by:  
Annual presentation of audited financial statement and management letter

ix. Review audit reports of University-associated entities.  
This responsibility is evidenced by:  
Annual presentation of associated entities financial reports

b. Finance. Advise the Chancellor with respect to the development of budget estimates for the university, and with respect to the execution and administration of the budget as approved by the General Assembly and the Board of Governors.  
This responsibility is evidenced by:  
Updates on legislative budget situation  
Information about overall university budget and periodic budget status updates  
Advisory role regarding specific budget issues  
Annual update on University Debt  
Annual reporting on Intercollegiate Athletics Financials and Budgets

c. Risk Management

i. Provide oversight of the risk management and compliance functions.  
This responsibility is evidenced by:  
Receive informational reports as needed regarding risk management and compliance issues that may impact the University.

ii. Receive annual reports on risk management, compliance and legal issues.  
This responsibility is evidenced by:  
Annual reports on compliance by Office of General Counsel, Office of Information Technology, and Environmental Health and Public Safety
d. Policy Development

i. Recommend to the Board of Trustees for approval policies regarding the preservation, maintenance and management of institutional trust funds.

*This responsibility is evidenced by:*

- Quarterly updates on investment performance of NC State Investment Fund, Inc.
- Advisory role regarding debt management
- Approval of special obligation bond issuance
- Periodic reports on Institutional Trust Funds

ii. Upon recommendation of the chancellor, recommend to the Board of Trustees for approval policies related to the maintenance of campus security.

*This responsibility is evidenced by:*

- Advisory role and approval of recommendations to full Board regarding Campus Security
Board of Trustees  
North Carolina State University  
Audit, Risk Management, and Finance Committee  
Agenda Topics for FY15-16 (listed alphabetically)

SEPTEMBER 2015  
**Approval of Bonds/Debt (if needed)  
Enterprise Risk Management & Compliance Update  
Finance and Budget Update  
Intercollegiate Athletics Finance and Budget Reporting (Annual)  
*Internal Audit Charter Review (Annual)  
Internal Audit Update  
*Minutes Approval  
Investment Performance Review  
Review of Committee Responsibilities (Annual)  
Review of Draft Agenda Items for the Year (Annual)

NOVEMBER 2015  
**Approval of Bonds/Debt (if needed)  
Enterprise Risk Management & Compliance Update  
Finance and Budget Update  
Internal Audit Update  
Investment Performance Review  
*Minutes Approval

FEBRUARY 2016  
**Annual Financial Report/Audit (State Auditors attend)  
Annual Report on Endowment and Investments (Annual)  
Budget/Legislative Priorities  
Enterprise Risk Management & Compliance Update  
Finance and Budget Update  
Internal Audit Update  
*Minutes Approval

APRIL 2016  
Associated Entities Review (Annual)  
Enterprise Risk Management & Compliance Update  
Finance and Budget Update  
Internal Audit Update  
*Internal Audit Yearly Plan Review for FY 2014 (Annual)  
Investment Performance Review  
*Minutes Approval  
University Debt Update (Annual)

Except as noted, all update reports are as needed.

*denotes action item  
**denotes Requires Full Board Approval
NC STATE BOARD OF TRUSTEES
AUDIT, RISK MANAGEMENT AND FINANCE COMMITTEE
2015 – 2016 PLAN OF WORK (Annual Calendar)

September

- Approval of Bonds/Debts (NC State Pol 01.05.01, Appendix 1, l.b, l.d.i) (as needed)
  Desired outcome and measure of success: Consider and recommend bond resolution approval to BOT when presented.
- Budget Outlook/Legislative Priorities (as needed)
  Desired outcome and measure of success: Receive informational report on Legislative budget priorities and understanding possible impacts to University
- Enterprise Risk Management and Compliance Update (NC State Pol 01.05.1, Appendix 1, I.a.vii, I.c.i, I.c.ii)
  Desired outcome and measure of success: Receive information report of University any known risks
- Finance and Budget Update (UNC Pol, Ch. 100.1, Appendix 1 (V) (NC State Pol 01.05.1, Appendix 1, l.b, l.d.i)
  Desired outcome and measure of success: Receive informational reports on budget, institutional trust funds and investments to better understand resources and priorities that impact the University.
- Intercollegiate Athletics Finance and Budget Reporting (Annual) (UNC Pol, Ch. 1100.1.1(R) I.B)
  Desired outcome and measure of success: Receipt of financial indicators contained in the NCAA Dashboard “Presidential View” with both annual and 5-year information as well as review of annual budget including major sources of revenue and expenses.
- Internal Audit Charter Review (Req by Internal Audit Act)
  Desired outcome and measure of success: Review the Internal Audit Charter to be compliant with the Internal Audit Act
- Internal Audit Update (NC State Pol 01.05.1, Appendix 1, I.a.ii, I.a.iv, I.a.v)
  Desired outcome and measure of success: Receive informational reports quarterly on current activity, so that Trustees are aware of any issues that could impact the University. In addition, Trustees would receive bi-annual report on the activities by the Internal Audit Office in reference to the annual plan, and offer guidance when needed.
- Investment/Institutional Fund Performance Review (NC State Pol 01.05.1, Appendix 1, l.d.i)
  Desired outcome and measure of success: Inform Trustees of Investment Fund valuation and changes to market affecting the same via written materials provided at each meeting.
- Policy Approvals (NC State Pol 01.05.1, Appendix 1, l.d.ii) (as needed)
  Desired outcome and measure of success: Recommend appropriate policies to the full Board for approval.
- Review of Committee Responsibilities (Annually)
  Desired outcome and measure of success: Understand Committee scope and develop an effective plan of work for the year.

November

- Approval of Bonds/Debts (NC State Pol 01.05.01, Appendix 1, l.b, l.d.i) (as needed)
  Desired outcome and measure of success: Consider and recommend bond resolution approval to BOT when presented.
- Budget Outlook/Legislative Priorities (as needed)
Desired outcome and measure of success: Receive informational report on Legislative budget priorities and understanding possible impacts to University

- Enterprise Risk Management and Compliance Update (NC State Pol 01.05.1, Appendix 1, I.a.vii, 1.c.i, 1.c.ii)
  Desired outcome and measure of success: Receive information report of University any known risks,

- Finance and Budget Update (UNC Pol, Ch. 100.1, Appendix 1 (V) (NC State Pol 01.05.1, Appendix 1, I.b, I.d.i)
  Desired outcome and measure of success: Receive informational reports on budget, institutional trust funds and investments to better understand resources and priorities that impact the University.

- Internal Audit Update (NC State Pol 01.05.1, Appendix 1, I.a.iii, I.a.iv, I.a.v)
  Desired outcome and measure of success: Receive informational reports quarterly on current activity, so that Trustees are aware of any issues that could impact the University. In addition, Trustees would receive bi-annual report on the activities by the Internal Audit Office in reference to the annual plan, and offer guidance when needed.

- Investment Performance Review (NC State Pol 01.05.1, Appendix 1, I.d.i)
  Desired outcome and measure of success: Inform Trustees of Investment Fund valuation and changes to market affecting the same via written materials provided at each meeting.

- Policy Approvals (NC State Pol 01.05.1, Appendix 1, I.d.ii) (as needed)
  Desired outcome and measure of success: Recommend appropriate policies to the full Board for approval.

**February**

- Annual Financial Report (600.2.4, II., H) (NC State Policy 01.05.1, Appendix 1, I.a.viii)
  Desired outcome and measure of success: Receive a clean audit opinion from the State Auditor’s Office when reviewing the University Financial Statement.

- Annual Report on Endowment and Investments (Annual) (NC State Pol 01.05.1, Appendix 1, I.d.i)
  Desired outcome and measure of success: To provide Committee with more understanding about University Endowment and Investments and progress over time.

- Budget Outlook/Legislative Priorities (as needed)
  Desired outcome and measure of success: Receive informational report on Legislative budget priorities and understanding possible impacts to University

- Enterprise Risk Management and Compliance Update (NC State Pol 01.05.1, Appendix 1, I.a.vii, 1.c.i, 1.c.ii)
  Desired outcome and measure of success: Receive information report of University any known risks,

- Finance and Budget Update (UNC Pol, Ch. 100.1, Appendix 1 (V) (NC State Pol 01.05.1, Appendix 1, I.b, I.d.i)
  Desired outcome and measure of success: Receive informational reports on budget, institutional trust funds and investments to better understand resources and priorities that impact the University.

- Internal Audit Report (as required by BOG) (NC State Policy 01.05.1, Appendix 1, I.a.iii, I.a.v)
  Desired outcome and measure of success: Inform Trustees of Investment Fund valuation and changes to market affecting the same via written materials provided at each meeting.
Internal Audit Update (NC State Pol 01.05.1, Appendix 1, I.a.iii, I.a.iv, I.a.v)
Desired outcome and measure of success: Receive informational reports quarterly on current activity, so that Trustees are aware of any issues that could impact the University. In addition, Trustees would receive bi-annual report on the activities by the Internal Audit Office in reference to the annual plan, and offer guidance when needed.

Policy Approvals (NC State Pol 01.05.1, Appendix 1, I.d.ii) (as needed)
Desired outcome and measure of success: Recommend appropriate policies to the full Board for approval.

April

Associated Entities Review (NC State Policy 01.05.1, Appendix 1, I.a.ix)
Desired outcome and measure of success: To inform Committee on the activities and broad overview of annual performance of associated entities as reported to UNC General Administration.

Budget Outlook/Legislative Priorities (as needed)
Desired outcome and measure of success: Receive informational report on Legislative budget priorities and understanding possible impacts to University

Enterprise Risk Management and Compliance Update (NC State Pol 01.05.1, Appendix 1, I.a.vii, 1.c.i, 1.c.ii)
Desired outcome and measure of success: Receive information report of University any known risks,

Finance and Budget Update (UNC Pol, Ch. 100.1, Appendix 1 (V) (NC State Pol 01.05.1, Appendix 1, I.b, I.d.i)
Desired outcome and measure of success: Receive informational reports on budget, institutional trust funds and investments to better understand resources and priorities that impact the University.

Internal Audit Yearly Plan Review and Approval(NC State Policy 01.05.1, Appendix 1, I. a.ii)
Requires Committee Approval Desired outcome and measure of success: .

Investment/Institutional Trust Performance Review (NC State Pol 01.05.1, Appendix 1, I.d.i)
Desired outcome and measure of success: Inform Trustees of Investment Fund valuation and changes to market affecting the same via written materials provided at each meeting.

Policy Approvals (NC State Pol 01.05.1, Appendix 1, I.d.ii) (as needed)
Desired outcome and measure of success: Recommend appropriate policies to the full Board for approval.

University Debt Update (NC State Pol 01.05.1, Appendix 1, I.b, I.d.i)
Desired Outcome: Receive informational report regarding the University Debt, and debt standings/rating
Measure of Success: Knowledgeable regarding University Debt, standings and ratings

July

New Trustee Orientation
Chair Clark opened the meeting at 1:08 p.m. in the Winslow Hall Conference Room. Committee members present for the meeting were:

Mr. Jimmy D. Clark, Chair  
Mr. Tom Cabaniss  
Mr. Rusty Mau  
Ms. Barbara Mulkey  
Mr. John Sall  
Ms. Susan Ward  

Others present were:  

Mr. Ben Jenkins, BOT Chair  
Dr. Warwick Arden, Provost and Executive Vice Chancellor  
Ms. Eileen Goldgeier, Vice Chancellor and General Counsel, Office of General Counsel  
Ms. Tabitha Groelle, Business Officer, Treasurer’s Office  
Ms. Cecile Hinson, Director of Internal Audit  
Dr. Marc Hoit, Vice Chancellor, Office of Information Technology  
Mr. Robert Hoon, Deputy General Counsel, Office of General Counsel  
Mr. Kevin Howell, Assistant to the Chancellor, External Affairs  
Ms. Lori Johnson, Director, Strategic Debt and Real Estate Management  
Mr. Charles Leffler, Vice Chancellor for Finance and Administration  
Dr. Michael Mullen, Vice Chancellor and Dean for the Division of Academic and Student Affairs  
Ms. Mary Peloquin-Dodd, Associate Vice Chancellor for Finance and Administration and University Treasurer  
Ms. Jill Tasaico, Senior Director, Foundations Accounting and Investments  
Ms. PJ Teal, Assistant to the Chancellor, Chancellor’s Office

Chair Clark 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 Committee at this meeting. There being none, the meeting continued.

A motion was made by John Sall and seconded by Rusty Mau to approve the minutes from the February 19, 2015 meeting as presented. They were approved unanimously.

Cecile Hinson presented the Internal Audit Annual Audit Plan for Fiscal Year 2016. The plan includes specific operational and information technology audits and allows time for investigative audits, follow-up of audit issues reported in prior year audit reports, special assignments, and ongoing consulting engagements. Ms. Hinson referenced the Risk Assessment and Audit Planning process illustrated in the materials. Ms. Susan Ward made a motion to accept the Plan as presented, John Sall seconded. The Committee unanimously approved the FY 2016 Audit Plan.

Vice Chancellor Charles Leffler and Kevin Howell provided a legislative update to the Committee. They included an analysis comparing the Board of Governor’s proposed biennial budget for the UNC System to
the Governor's Budget for fiscals 2015-2016 and 2016-2017. Differences included full enrollment funding adjustments under the BOG budget in both years of the biennium with full funding in only the first year of the Governor's Budget. The second year of the biennium under the Governor's proposal includes an additional $30.9 million. The Office of State Budget Management reserve offsets enrollment funding. Funding for the North Carolina Research Campus was requested under the BOG’s proposal but there is no funding allocated under the Governor's budget. Other significant actions in the Governor’s budget proposal include a 2% management flexibility reduction and a $17.9 million reduction in funding for UNC fundraising across the system. This cut would impact NC State by $5.8 million, if enacted.

They also discussed Legislative priorities for capital. The primary initiative for NC State is the Engineering Building Oval, the fourth building, to complete the Oval. This is a $154 million project for which $77 million in funding has been requested. They discussed the Plant Sciences initiatives that is part of NC State’s priorities list, but did not make the list of BOG’s priorities.

Mr. Howell also discussed various bills being presented and confirmed the importance of NC State continuing an open dialogue with legislators.

Dr. Michael Mullen, Vice Chancellor and Dean for the Division of Academic and Student Affairs (DASA), discussed the Division’s strategic goals and approach to risk management. The top national issues include Title IX, Cleary Act, sexual assaults, substance abuse, fraternities and diversity. He stated that the mission of DASA is best supported with the tag line “We Support the Success of the Whole Student”.

He also provided an overview of the organizational mission and structure of DASA. He discussed DASA’s risk assessment model, which was created through interviews with DASA staff. They identified five goals for their division; promoting student success is the basis of four of the five goals. He provided a list of the Top 10 DASA strategic risks, from 87 total risks identified, providing examples of the types of risk that the Division continually monitors. The Committee discussed the various areas of student related risks.

Ms. Lori Johnson, Director of University Strategic Debt Management, provided a debt update to the Committee. She reviewed a ten year history of the University’s Outstanding Debt, by amount, type, and purpose. There are currently six bond issues. The largest of the bond issues includes funding for Talley and Wolf Ridge. Current debt outstanding is about $560 million and about 92% of the total is in the form of fixed or synthetically fixed rate debt. The top three purposes for which the bonds were issued were housing, Talley Student Union and energy savings.

Ms. Johnson also discussed possible borrowing plans for the next five years which include projects such as the Reynolds Coliseum Project, Engineering Oval, and student facilities. Based on current expectations, debt is likely to increase during the next 10 years, but debt service is expected to remain at or just below NC State’s desired threshold of 4% of annual operating expenses.

University Treasurer, Mary Peloquin-Dodd presented an Annual Review of Associated Entities to satisfy the annual Associated Entity review required by the Board of Governors. She stated that all fiscal year end audits have been sent to General Administration and she had copies of the Audits available at the table should anyone on the Committee wish to look at them.
Ms. Peloquin-Dodd also educated the Committee about the difference between Total Net Assets, which are reported to General Administration, and total endowment of the University and Associated Entities. As of June 30, 2014, total net assets were $1.4 billion and total endowments were $885.1 million.

Ms. Cecile Hinson provided a status of Internal Audit activities since the February meeting. There were two reports issued and two reports are in progress. Two audits are also in progress, both were on this year's plan and will more than likely continue into next year. In addition, one investigation is underway along with nine follow-up audits.

Ms. Peloquin-Dodd referenced the NC State Intermediate Term Fund performance that was included in the reference materials, noting that the performance was better than the STIF short term investments. Both the University and the associated entities participate in the NC State Intermediate Term Fund.

The Committee had a general discussion.

With no further business, the Committee adjourned at 2:35 p.m.

Submitted by ________________________________
Secretary to the Committee

Approved ________________________________
Chair of the Committee
INTERNAL AUDIT DIVISION

INTERNAL AUDIT CHARTER

MISSION

The mission of the Internal Audit Division (IAD) is to support the University in the successful achievement of its strategic goals. This is accomplished by serving as an independent partner to University leadership, faculty, and staff in the identification and balancing of their units’ risks through objective, flexible, and proactive audit and consultation services. IAD provides independent evaluation of the effectiveness of risk management, control, and governance processes and makes recommendations for improvement.

SCOPE OF WORK

IAD’s scope of work includes assessing whether:

- Risks are appropriately identified and managed across the University
- University governance processes support the organization’s strategies and objectives
- Financial, process, and information technology controls are effective and efficient
- Policies, regulations, rules, and other guidance and training are consistent in their information, effective, and do not create undue bureaucracy or inefficiencies
- University units are compliant to University, UNC-General Administration (UNC-GA), State, and Federal requirements, related processes are administered correctly, and issues are recognized and addressed properly and promptly
- Significant financial, managerial, and operating information is accurate, reliable, secure, and timely
- Actions of University personnel are in compliance with policies and applicable laws and regulations
- University resources are acquired economically, used efficiently, and adequately protected
- Quality and continuous improvement are fostered in the University’s processes

INDEPENDENCE AND ACCOUNTABILITY

All internal audit activity must be free from undue influence or interference in the selection of activities to be examined, determination of the scope or methodology of work, and in communication of the results in accordance with the international standards of independence as set forth by the Institute of Internal Auditors (IIA).

The Director of Internal Audit (Director) reports functionally and administratively directly to the Chancellor. The Director is also accountable to the Board of Trustees (BOT) through its Audit, Risk Management and Finance Committee (Committee) as required by the University of North Carolina (UNC) Board of Governors (BOG) and the IIA standards. The Director communicates and interacts directly and independently with the Committee. In addition, the Director has...
informational reporting accountability to the Provost and Executive Vice Chancellor and the Vice Chancellor for Finance and Administration.

RESPONSIBILITY

The Director has the responsibility to ensure IAD achieves the following:

- Maintain compliance with North Carolina General Statute (GS) Chapter §116-40.7 (which establishes the independent audit function at state universities); NC GS Chapter §143 Article 79, The NC Internal Audit Act; and audit-related requirements from the UNC BOG
- Establish a risk assessment process to support the development of a risk-based audit plan and a risk-based approach to individual engagements
- Submit, at least annually, a risk-based audit plan to the Chancellor and the Committee for approval and implement that audit plan
- Continually re-evaluate the audit plan based on changing conditions and emerging issues and revise as necessary to ensure that the highest risk items are given priority
- Consider the scope of work of the external auditors and regulators, as appropriate, for the purpose of providing optimal audit coverage to the organization
- Appropriate and necessary interactions with the various external audit-related governance groups occur as needed, including interactions with UNC-GA, the state’s Council of Internal Audit, Office of the State Auditor (OSA), Office of the State Controller, and the State Bureau of Investigation
- Appropriate and necessary interactions with the various internal audit- and investigation-related units occur as needed, including interactions with Office of the General Counsel, University Police Department, Employee Relations, Office of Information Technology, and Student Conduct
- Investigate suspected fraudulent activities and notify the Chancellor, the Committee, and other management of any significant results; assist OSA or other external investigators with investigation of allegations as necessary
- Issue audit reports or engagement letters as appropriate to the Chancellor and other management summarizing the results of audit or consulting activities
- Report recent activities and high-risk issues to the Committee at regular quarterly meetings
- Perform consulting services, beyond internal auditing’s assurance services, to assist management in meeting its objectives and to proactively address issues
- Coordinate with other control and monitoring functions both internal and external regarding areas such as risk management, compliance, security, legal matters, environmental health, and external audits and investigations
- Keep the Chancellor, the Committee, the Provost and Executive Vice Chancellor, and the Vice Chancellor for Finance and Administration informed of emerging trends and successful practices in the internal auditing profession
- Educate the campus-community on University policies, State and Federal regulations, best practices, and the importance of effective internal controls
- Participate on various committees, task forces, and system development projects to provide guidance, proactively address potential issues and internal control weaknesses, improve inefficiencies, and increase effectiveness
- Evaluate and assess significant University functions and new or changing services, processes, operations, major systems, and control processes coincident with their development, implementation, and/or expansion
• Develop and maintain a continuous improvement and quality assurance program covering all aspects of IAD’s activities
• Perform all their duties in conformance with the international standards of the IIA

AUTHORITY

The Director is authorized to:

• Have direct and unrestricted access to senior management and the BOT
• Have (and delegate to the IAD staff as appropriate) unrestricted, independent access to all personnel, units, functions, records, and property relevant to the performance of engagements and risk assessment activities
• Allocate resources, set frequencies, select subjects, determine scopes of work, and apply the techniques required to accomplish audit objectives
• Obtain the necessary assistance of personnel in units of the organization where they perform audits as well as other specialized services from within or outside the organization as needed

The Director and staff of the IAD are not authorized to:

• Perform any operational duties for the organization or its affiliates
• Initiate or approve accounting transactions external to the IAD
• Make decisions that are the responsibility of management

To Be Approved by the NC State University Board of Trustees
Audit, Risk Management and Finance Committee
September 10, 2015
FISCAL YEAR 2015

OUR MISSION
Our mission is to support the University’s successful achievement of its strategic goals by serving as a partner in identifying and balancing risks through objective, flexible, and proactive audit and consultation services.

Fiscal Year 2015 Engagement Coverage of Top 10 University Strategic Risk Areas as of 6/30/15

- Technology Disruption (9)
- Research Scandal (6)
- Loss of Research Grants (3)
- Other Areas (8)
- Data Breach (13)
- Employee Misconduct (11)

OUR VALUES
Teamwork  We each view the University and Division’s success as primary
Integrity  We hold ourselves to the same high standards to which we hold others
Accountability  We hold ourselves and others accountable and expect them to do the same
Service  We give back to the University and local community

ENGAGEMENT METRICS
Each year in April, the Board of Trustees reviews and approves a new Audit Plan (Plan) for the coming fiscal year. That Plan is a “snapshot in time” of the current audit risks identified as of February 1 (the end of our planning year) selected to be addressed during the following fiscal year. It is subject to change as we use ongoing analysis throughout the year to weigh emerging areas of risk, management requests, and potential investigations received throughout the year against the audits on the approved Plan. The impact of this is that some audits on the Plan will be replaced by or postponed for new audits that carry higher or more immediate risk. This results in a more responsive, comprehensive audit process.
Team members visit faculty and staff across the University throughout the year to discuss their unit's strategic plans, goals, and risk posture; new and on-going activities related to their academic, research, and outreach missions; and, potential concerns or emerging risks to both strategic and tactical goals at the unit and University level. This process supports the identification of potential audit and consulting engagements and is used as an objective tool in the development of our Annual Audit Plan.
PROGRAMS AND INITIATIVES

- Increase proactive support of University compliance management strategies by working more closely with the Compliance Steering Team and the Compliance Working Group in a consultative/advisory capacity
- Increase proactive support of the University’s management of its Top 10 University Strategic Risks
- Develop a program to facilitate individual University units in the identification of their unique risks and creation of management strategies to address them
- Develop a data analytics program for high risk data sets. These data sets will be monitored continuously for potential non-compliant or fraudulent activity. Monitoring will be non-duplicative of activities already covered by management with data analytic and reporting capabilities and will be shared eventually with central administration and University unit business offices for independent use in their own risk management and monitoring efforts.

ENHANCING THE STUDENT EXPERIENCE

Two student interns from the College of Management’s Internal Auditing concentration program were added to the team this year: Sandra Soto and Benjamin Horne. An internship experience in the NC State University Internal Audit Division provides a student with total immersion in the "real world" of auditing. The student is assigned to an audit project and, with the coaching and mentorship of a senior auditor, performs all aspects of that project from risk assessment and planning to developing audit findings and writing the report. This is more exposure to the full audit project life-cycle than many auditors receive in their first two years of corporate or
public experience. The students also had the opportunity to obtain experience on a consulting project. In addition, the interns used TeamMate Electronic Workpapers to document their work and were exposed to other TeamMate modules such as Time & Expense. This experience positions the student ahead of many new graduates and even some experienced junior auditors; thus, improving their ability to compete for jobs in the market place.

After her internship, Sandra joined the Internal Audit Division team as a part-time auditor and graduated with honors in Spring 2015 with a Bachelor of Science in Accounting and a concentration in Internal Audit. She continues to work part-time making significant contributions to our work in the Internal Audit Division.

Ben graduated in Spring 2015 and will be returning to NC State University in Fall 2015 as a graduate student pursuing his Master’s Degree in Accounting.

**STAFF UPDATES**

**Awards**

**Nancy L. Burgart**, Senior Auditor, won the 2015 University Awards for Excellence for the Chancellor’s Unit. Throughout her 17 year state career, Nancy has always been dedicated to excellence. However, over the last two years, she surpassed even her normally exceptional standards by voluntarily assuming the duties of the Division’s two vacant manager positions. She managed two interns and a junior auditor, helped prioritize the Division’s workload, and managed two complex investigations while simultaneously leading numerous consulting engagements with campus units seeking assistance. The Internal Audit Division is privileged to have Nancy as a dedicated member of our team; to us, she is always a winner!

**New Staff**

**Marie C. Knobloch**, Operational Audit Manager, joined our team in November 2014. Marie comes with Internal Audit and Six Sigma experience in the private sector having worked for ABB, Quest Diagnostics, Talecris Biotherapeutics, and Farmers Insurance among others. Marie has a Bachelor of Science in Business Administration with a concentration in Accounting from Boston University and a Master of Business Administration in International Management from Thunderbird School of Global Management. Marie is a Certified Public Accountant (CPA).

**S. Neil Holloway**, Senior Auditor, joined our team in February 2015. Previously, he worked as a financial management consultant for IBM and a performance auditor for the U.S. Department of Defense, Office of the Inspector General. Neil earned his Bachelor of Science in Accounting from Juniata College. He is a Project Management Professional (PMP), a Certified Government Financial Manager (CGFM), and a Certified Fraud Examiner (CFE).

**William H. Ogle**, Senior Information Technology Auditor, joined our team in April 2015. Will previously worked for the Mississippi Department of Human Services as the Lead Security Engineer, performing Information Technology Audit and Information Technology Security Engineering to meet state and federal compliance
requirements. Will has a Bachelor of Arts Degree in Criminal Justice from Thomas Edison State College and a Master’s of Science Degree with a concentration in Information Technology Security Management from Colorado Technical University.

M'Shiela R. Hawthorne, Junior Auditor, joined our team in December 2014. She has a Bachelor of Science Degree in Accounting with a concentration in Internal Audit from NC State University. M'Shiela worked on the team previously as a student intern.

CONTINUOUS IMPROVEMENT

The Internal Audit Division will continue to focus on quality improvement through the following goals:

- Recruit and hire an Information Technology Audit Manager
- Continue to provide meaningful training that supports Division initiatives/work and ensures that Continuing Professional Educational requirements related to staff and management certifications are met
- Continue to improve the audit process to ensure maximum consistency, efficiency, and effectiveness in our work and work products
- Process improvement for the risk assessment process
- Expanding our student internship program

COMMUNITY OUTREACH

Each year the Internal Audit Division identifies opportunities to reach out to those in need within both our local and global communities. Our team raises funds for charitable causes throughout the year and, at least once per year, has a team “Volunteer Day.” That day our whole team performs a volunteer activity, selected unanimously, in the local community.

- This year Denise Hall was Internal Audit Division’s State Employees Combined Campaign (SECC) Team Captain and ensured Internal Audit Division had a 100% participation rate
- Nancy Burgart facilitated the donation of funds to buy Girl Scout cookies for the troops overseas
- The entire team volunteered with three other small groups at the Food Bank of Central and Eastern NC to sort 6,000 pounds of potatoes into individual family-sized bags, equating to 5,052 meals, for those in need across 34 NC counties
## NC STATE UNIVERSITY INTERNAL AUDIT DIVISION

### FISCAL YEAR 2015 YEAR END SUMMARY

**AS OF JUNE 30, 2015**

<table>
<thead>
<tr>
<th>Engagement</th>
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<th>Top 10 University Strategic Risks</th>
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<tbody>
<tr>
<td><strong>Audits</strong></td>
<td></td>
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</tr>
<tr>
<td>Non-Instructional Summer Salary Compliance Audit - Summer 2013 Effort Reporting with Travel</td>
<td>No - Carried forward from prior year</td>
<td>6 - Loss Research Grants 9 - Research Scandal</td>
<td>Closed</td>
<td>The objective of the audit was to determine if the Summer 2013 Effort Reports accurately reflected effort for researchers who both worked and traveled during the Summer 2013 and were in compliance with Federal and University requirements for researchers to certify effort expended against grants, including any travel. No issues. Report issued: 2/4/15. Audit closed: 2/4/15.</td>
</tr>
<tr>
<td>Cooperative Extension Service - Poultry Extension Investigation</td>
<td>No - Carried forward from prior year</td>
<td>10 - Employee Misconduct</td>
<td>Closed</td>
<td>The objective of the audit was to investigate allegations from an external source of employee misuse/diversion of state funds. 3 issues were reported related to account oversight and improper deposits of funds. Report issued: 12/15/14. Audit closed: 5/1/15.</td>
</tr>
<tr>
<td>College of Agriculture and Life Sciences - 4-H Extension Horse Husbandry Investigation</td>
<td>No - Carried forward from prior year</td>
<td>10 - Employee Misconduct</td>
<td>Complete - In Follow-up</td>
<td>The objective of the audit was to investigate allegations from an external source concerning misuse of 4-H Extension Horse Husbandry funds. 3 issues were reported related to disclosure of protected personnel data, disclosure of financial data, and undefined roles and responsibilities. Report issued: 4/2/15.</td>
</tr>
<tr>
<td>Non-Instructional Summer Salary Performance Audit - Effectiveness of Training</td>
<td>No - Carried forward from prior year</td>
<td>6 - Loss Research Grants 9 - Research Scandal</td>
<td>In Process - Report &amp; Issues in draft process</td>
<td>The objective of the audit is to review the effectiveness of the mandatory summer salary training for both faculty who receive summer pay from contracts and grants and for the individuals involved with approving and processing such payments.</td>
</tr>
<tr>
<td>Data Security Controls Related to Peripheral Devices</td>
<td>Yes</td>
<td>5 - Data Breach</td>
<td>In Process - Report &amp; Issues in draft process</td>
<td>The objective of the audit is to review the effectiveness of logical security controls over University data processed or stored on peripheral devices (printers, scanners, copiers, etc.).</td>
</tr>
<tr>
<td>Audit of Controls Over the Usage of Restricted Gifts</td>
<td>No - Carried forward from prior year</td>
<td>10 - Employee Misconduct</td>
<td>In Process - Fieldwork</td>
<td>The objective of the audit is to evaluate the adequacy and effectiveness of controls over restricted gift expenditures. Expenditures will be tested to determine if they follow restrictions set by the donor and are compliant with University guidelines.</td>
</tr>
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### NC STATE UNIVERSITY INTERNAL AUDIT DIVISION

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<tr>
<td>College of Sciences - Mathematics Grant Funds Investigation</td>
<td>No - Added</td>
<td>9 - Research Scandal</td>
<td>In Process - Reporting</td>
<td>The objective of the audit is to investigate allegations from an internal source concerning several anomalies with a Mathematics grant.</td>
</tr>
<tr>
<td>Employee Time and Leave Management</td>
<td>Yes</td>
<td>10 - Employee Misconduct</td>
<td>In Process - Fieldwork</td>
<td>The objective of the audit is to test compliance to Fair Labor Standards Act requirements relating to employee compensatory time and overtime hours earned.</td>
</tr>
</tbody>
</table>
| University Information Technology Network Perimeter                       | No - Added                             | 5 - Data Breach 7 - Technology Disruption | In Process - Planning      | The objective of the audit is to determine the effectiveness of security controls for protecting the University network from well-known external threats. This audit will review security controls over gateway devices used to provide access from external sources to the University network excluding the wireless network. Other audits in the series include:  

*University Network Firewall Protection Service Audit (FY12 Audit Plan; completed)*  
*WolfTech Active Directory: Security and Operational Controls (FY13 Audit Plan; completed)*  
*University Applications Web Interface Security Controls (FY14 Audit Plan, returned to continuous risk assessment)*  
| College of Agriculture and Life Sciences - Equipment Investigation        | No - Added                             | 10 - Employee Misconduct          | In Process - Fieldwork      | The objective of the audit is to investigate allegations from an internal source of potential theft of equipment and supplies.                        |
| Nanofabrication Facility Investigation                                     | No - Added                             | 10 - Employee Misconduct          | In Process - Fieldwork      | The objective of the audit is to investigate allegations from an internal source regarding potential related party transactions.                     |
| The Future Renewable Electric Energy Delivery and Management Systems       | Yes                                    | 9 - Research Scandal              | Returned to Continuous Risk Assessment | The objective of the audit was to test financial expenditures within the FREEDM Center to determine compliance to Federal, State, and University requirements and ensure appropriate internal controls are in place. |
| The Future Renewable Electric Energy Delivery and Management Systems (FREEDM) Center - Financial Controls | Yes                                    | 9 - Research Scandal              | Returned to Continuous Risk Assessment | The objective of the audit was to determine if the enhanced travel reimbursement process (implemented 2/2013) is functioning effectively with appropriate internal controls to ensure compliance to University requirements. |
| Travel Reimbursement Audit                                                | Yes                                    | 10 - Employee Misconduct          | Returned to Continuous Risk Assessment | The objective of the audit was to determine if the enhanced travel reimbursement process (implemented 2/2013) is functioning effectively with appropriate internal controls to ensure compliance to University requirements. |

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<td>Prior Years Audit Follow-Up</td>
<td></td>
<td></td>
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<tr>
<td>Office of State Auditor Single Audit Report Fiscal Year 2013 - Student Financial Assistance Compliance Cluster Portion - Follow-up</td>
<td>Yes</td>
<td>N/A</td>
<td>Closed</td>
<td>The objective of the audit was to follow-up on the implementation of corrective actions by the Office of Registration and Records relating to recommendations made by the Office of the State Auditor as documented in a letter dated February 18, 2014. The recommendations related to untimely notice to lenders of changes in enrollment status. Audit closed: 8/22/14.</td>
</tr>
<tr>
<td>Office of State Auditor Single Audit Report Fiscal Year 2013 - Research and Development Compliance Cluster Portion - Follow-up</td>
<td>Yes</td>
<td>N/A</td>
<td>Closed</td>
<td>The objective of the audit was to follow-up on the implementation of corrective actions by the Office of Sponsored Programs and Regulatory Compliance Service (SPARCS) relating to recommendations made by the Office of the State Auditor as documented in a letter dated February 18, 2014. The recommendations related to lack of controls over required reporting of Federal grant data. Audit closed: 8/22/14.</td>
</tr>
<tr>
<td>Martin County Cooperative Extension Service (CES) - Travel Reimbursement Investigation - Follow-up</td>
<td>Yes</td>
<td>10 - Employee Misconduct</td>
<td>Closed</td>
<td>Follow-up issues in prior Internal Audit report. The objective of the original audit was to investigate an internal allegation of potential misuse of assets at the Martin County CES Office. 1 issue was reported related to misuse of grant funds. The allegation was substantiated. Original report issued: 6/10/13. Audit closed: 11/18/14.</td>
</tr>
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<tr>
<td>Academic and Student Affairs - Information Technology (IT) General Controls - Follow-up</td>
<td>Yes</td>
<td>5 - Data Breach</td>
<td>In Process</td>
<td>Follow-up issues in prior Internal Audit report. The objective of the original audit was to evaluate the effectiveness of governance over processes and procedures that apply to the overall Academic and Student Affairs IT operations. 10 issues were reported related to IT oversight and strategic planning; IT project management practices; improvements for division-wide IT efficiency and effectiveness; physical and logical security; and procedure documentation. Original report issued: 6/23/11. Number of Audit Issues Remaining Open: 4 (corrective actions in progress) Number of Audit Issues Closed: 6</td>
</tr>
<tr>
<td>University Network Firewall Protection Service Audit - Follow-up</td>
<td>Yes</td>
<td>5 - Data Breach 7 - Technology Disruption</td>
<td>In Process</td>
<td>Follow-up issues in prior Internal Audit report. The objective of the original audit was to review University firewall services to ensure appropriate protection of critical computer systems and sensitive data, adherence to University requirements, and external regulatory and compliance mandates. 12 issues were reported related to physical security and environmental protection controls; overall University firewallsing policy and strategy; logical access control; and documentation of standards and procedures. Original report issued: 9/13/12. Number of Audit Issues Remaining Open: 7 (corrective actions in progress) Number of Audit Issues Closed: 5</td>
</tr>
<tr>
<td>Office of the State Auditor Information Technology - Audit Letter Issued to the Vice Chancellor for Information Technology - Follow-up</td>
<td>Yes</td>
<td>5 - Data Breach</td>
<td>In Process</td>
<td>Follow-up issues in prior Internal Audit report. The objective of the original audit was to follow-up on the implementation of corrective actions by the Office of Information Technology relating to recommendations made by the Office of the State Auditor as documented in a letter dated December 18, 2012. There were 2 recommendations related to passwords and system administrator access controls and improvement suggestions noted by the Office of the State Auditor during the annual financial statement audit. Number of Audit Issues Remaining Open: 1 (corrective action in progress) Number of Audit Issues Closed: 1</td>
</tr>
</tbody>
</table>

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<tr>
<td>Office of Information Technology - Infrastructure, Systems, and Operations - Virtual Computing Services - Follow-up</td>
<td>Yes</td>
<td>5 - Data Breach 7 - Technology Disruption</td>
<td>In Process</td>
<td>Follow-up issues in prior Internal Audit report. The objective of the original audit was to evaluate the Office of Information Technology Virtual Computing Services environment to ensure appropriate implementation of management, process, and technical controls. 7 issues were noted related to inadequate security controls and process weaknesses. Original report issued: 11/6/13. Number of Audit Issues Remaining Open: 6 (corrective actions in progress) Number of Audit Issues Closed: 1</td>
</tr>
<tr>
<td>Office of Information Technology - WolfTech Active Directory - Security and Operational Controls - Follow-up</td>
<td>Yes</td>
<td>5 - Data Breach 7 - Technology Disruption</td>
<td>In Process</td>
<td>Follow-up issues in prior Internal Audit report. The objective of the original audit was to verify adequate security and effective operational controls for the WolfTech Active Directory service. WolfTech is the official University information technology directory service used for central administration and security of Microsoft-based personal computers and servers deployed across the University. 12 issues were noted related to the overall active directory strategy; physical security; disaster recovery; operational monitoring; technical security weaknesses; and documentation of standard procedures. Original report issued: 2/18/13. Number of Audit Issues Remaining Open: 8 (corrective actions in progress) Number of Audit Issues Closed: 4</td>
</tr>
<tr>
<td>Center for Marine Sciences and Technology 3rd Party Lodging Allegation - Follow-up</td>
<td>Yes</td>
<td>10 - Employee Misconduct</td>
<td>In Process</td>
<td>Follow-up issues in prior Internal Audit report. The objective of the original audit was to investigate an allegation from an internal source related to non-compliances to the state's policies related to third-party lodging. 5 issues were noted related to University guidance; non-salary compensation; non-compliance; and delegated authority. Original report issued: 4/29/14. Number of Audit Issues Remaining Open: 1 (corrective action in progress) Number of Audit Issues Closed: 4</td>
</tr>
</tbody>
</table>

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<tr>
<td>Controls over Purchase Cards (PCards) - Follow-up</td>
<td>Yes</td>
<td>10 - Employee Misconduct</td>
<td>In Process</td>
<td>Follow-up issues in prior Internal Audit report. The objective of the original audit was to review both the University-level and Departmental-level purchase card processes, internal controls, and compliance with College/University policy and funding source requirements. This included reviewing PCard purchases for compliance to University Trust Fund Guidelines and NCSU Basic Spending Guidelines by Fund Source which define how and what expenditures can be processed by the various types of funds. We also evaluated whether the internal controls provide reasonable assurance that PCard purchases meet University Policies, Regulations, and Rules; guidelines; and best practices. 4 issues were noted related to assignment of responsibility and authority; internal controls and guidance; ineffectiveness of reports; and non-compliance. Original report issued: 8/13/14. Number of Audit Issues Remaining Open: 4 (corrective actions in progress) Number of Audit Issues Closed: 0</td>
</tr>
<tr>
<td>Office of the State Auditor Fiscal Year 2015 Financial Statement Audit - Information Technology Controls Segment - Follow-up</td>
<td>No - Added</td>
<td>5 - Data Breach</td>
<td>In-Process</td>
<td>Follow-up issues in prior Internal Audit report. The objective of the original audit was to follow-up on the implementation of corrective actions by the Office of Information Technology relating to recommendations made by the Office of the State Auditor. 4 issues were noted related to administrative rights; vulnerability scanning; documentation of policies; and test logs. Number of Audit Issues Remaining Open: 4 (corrective actions in progress) Number of Audit Issues Closed: 0</td>
</tr>
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</table>

### Consulting Engagements

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<tr>
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<tbody>
<tr>
<td>SAS &quot;Data Use Roadmap&quot; Functional Team</td>
<td>No</td>
<td>N/A</td>
<td>Closed</td>
<td>Director was a member of a team that helped develop a roadmap for NC State for building the tools to make better use of our data and make more informed decisions.</td>
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<tr>
<td>University Information Technology Strategic Advisory Committee (ITSAC) and Security Subcommittees</td>
<td>Yes</td>
<td>N/A</td>
<td>In Process</td>
<td>Director is a member of the ITSAC, the University-wide, top-level committee of non-Information Technology personnel whose focus is on ensuring that the University makes the best possible decisions in advancing the use of technology to meet its mission, vision and goals. The committee also ensures that changes, new directions, and planning is done in a coordinated and collaborative fashion. Additional consulting activities are performed by the Information Technology Auditor who provides objective, independent input to several of the ITSAC subcommittees.</td>
<td></td>
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</tr>
<tr>
<td>Workers Compensation Benefits - Office of the State Auditor</td>
<td>No - Carried forward from prior year</td>
<td>N/A</td>
<td>In Process</td>
<td>Director is consulting with the Office of the State Auditor and the State Bureau of Investigation in regards to an investigation of allegations.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cooperative Extension Service</td>
<td>Yes</td>
<td>N/A</td>
<td>In Process</td>
<td>Training provided relating to University policies; best practices in business and financial activities/transactions; use of Internal Audit self-assessment tools on Internal Audit's website; and, awareness of common issues. On-site reviews as necessary. Additional ad hoc consulting at District Meetings as requested.</td>
<td></td>
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</tr>
<tr>
<td>Center for Applied Aquatic Ecology</td>
<td>No - Added</td>
<td>10 - Employee Misconduct</td>
<td>In Process</td>
<td>Director is consulting with the Department Head and Employee Relations regarding internal allegations related to employee conduct.</td>
<td></td>
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</tr>
<tr>
<td>Student Development, Health and Wellness Risk Assessment</td>
<td>No - Added</td>
<td>N/A</td>
<td>In Process</td>
<td>Director and Operational Audit Manager are consulting with the Vice Provost of Student Development, Health and Wellness, to evaluate strategic risk within the Department.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Power America Institute Security and Compliance</td>
<td>No - Added</td>
<td>5 - Data Breach 7 - Technology Disruption</td>
<td>In Process</td>
<td>Information Technology Auditor is consulting with Office of Information Technology Security and Compliance in the development of a security compliance program for the Power America Institute.</td>
<td></td>
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</tr>
<tr>
<td>University-Wide Information Technology Risk Assessment</td>
<td>No - Added</td>
<td>5 - Data Breach 7 - Technology Disruption</td>
<td>In Process</td>
<td>Director is working with the Office of Information Technology Security and Compliance to ensure a comprehensive risk assessment of the University Information Technology environment with particular focus on risks related to sensitive data.</td>
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## NC State University Internal Audit Division

### Fiscal Year 2015 Year End Summary

**As of June 30, 2015**

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<th>On Original Fiscal Year 2015 Audit Plan</th>
<th>Top 10 University Strategic Risks</th>
<th>Status</th>
<th>Auditor Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office of Information Technology Security Roadmap</td>
<td>No - Added</td>
<td>5 - Data Breach 7 - Technology Disruption</td>
<td>In Process</td>
<td>Information Technology Auditor is providing advisory and consulting services for the Office of Information Technology Security and Compliance to assist in the development of the Security Roadmap.</td>
</tr>
<tr>
<td>Security Controls Over University Research Data</td>
<td>Yes</td>
<td>5 - Data Breach 6 - Loss Research Grants 7 - Technology Disruption 9 - Research Scandal</td>
<td>Returned to Continuous Risk Assessment</td>
<td>Internal Audit was to assist Office of Information Technology Security and Compliance in an initiative to assess the current state of Research Data Security. This initiative is on hold in Security and Compliance due to other high-risk issues and will be restarted later.</td>
</tr>
<tr>
<td>Sponsored Programs and Regulatory Compliance Service (SPARCS) - General Information Technology Controls Assessment</td>
<td>Yes</td>
<td>5 - Data Breach 7 - Technology Disruption 9 - Research Scandal</td>
<td>Returned to Continuous Risk Assessment</td>
<td>Internal Audit was to assist SPARCS in evaluation of the general information technology controls related to the critical systems within SPARCS; this will include assessment of logical security controls over sensitive data and disaster recovery planning for critical systems. SPARCS initiative under way now to assess and improve SPARCS Information Technology systems.</td>
</tr>
</tbody>
</table>

**Special Assignments**

<table>
<thead>
<tr>
<th>Engagement</th>
<th>On Original Fiscal Year 2015 Audit Plan</th>
<th>Status</th>
<th>Auditor Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vice Chancellor for Finance &amp; Administration Search Committee</td>
<td>No - Added</td>
<td>N/A</td>
<td>Director is a member of the search committee for the new Vice Chancellor for Finance and Administration.</td>
</tr>
<tr>
<td>Internal Controls Self Assessment</td>
<td>No - Added</td>
<td>N/A</td>
<td>Director participates in the annual assessment of internal controls across the University to support the University's annual certification to UNC-General Administration and the Office of the State Controller.</td>
</tr>
<tr>
<td>Data Analytics</td>
<td>No - Added</td>
<td>N/A</td>
<td>Senior Internal Auditor is using data analytics software to develop recurring (continuous) audits that quickly identify anomalies, trends, and suspicious activity. This will supplement current audit activities with more efficient analysis and quicker turnaround of corrective actions. Effort will compliment, but not duplicate, analytics processes already in place across the University.</td>
</tr>
</tbody>
</table>

### Key:

- **Closed**
- **In Process**
- **Not Started**
- **On-Hold**
- **Complete - In Follow-up**
- **Returned to Continuous Risk Assessment**
A. EXECUTIVE SUMMARY

This document reflects the goals and results for the last several years within the framework of the University of North Carolina System of Higher Education’s commitment to ensuring integrity and transparency as it relates to Intercollegiate Athletics. Reported to the Chancellor and Board of Trustees of NC State University, as well as the President and Board of Governors of the University of North Carolina System, this document provides the information needed to understand the operations of NC State Intercollegiate Athletics and its relationship with the University.

In compliance with UNC Policy on Academic Activities of Student-Athletes (1100.1), Financial indicators of Campus Athletics Departments (1100.1.1[R]), and Academic Integrity (700.6.1.[R]) the following has been included in this report: The NCAA Dashboard reports (Attachment A); the Fiscal Year 2015-16 Athletics Operating Budget (Attachment B); athletically related student fee data (Attachment C); NC State Student Aid Association Audited Financial Statements (Attachment D); “Booster” Club Operating Procedures (Attachment E) and “Booster” Club Financial Information (Attachment F).

NC State began holding Inter-collegiate athletic contests in 1892, is a charter member (1953) of the Atlantic Coast Conference and a Division I Football Bowl Subdivision program. NCAA rules compliance, academic integrity, sound financial planning, Student Athlete Welfare, as well as appropriate University oversight are required. The NC State Athletics Department is not a separately incorporated entity. Rather, it operates as an auxiliary unit within the normal University structure in every way as all other auxiliaries operate.

B. NCAA PRESIDENTIAL DASHBOARD INDICATORS for 2013-2014:

The NCAA Presidential Dashboard provides seven (7) key financial indicators (Attachment A). These indicators compare NC State with the Atlantic Coast Conference (ACC), Football Bowl Series (FBS), and other public universities, as well as those programs with budgets greater than $50 million.

Key Points are as follows:
1. Athletics Generated Revenues as a percentage of Total Athletics Revenue
• 90.5% of NC State Athletic Revenues were generated through Ticket Sales, Conference Distributions, Scholarship Funds, Media Rights, Apparel (Uniforms and Equipment Agreements), Parking and Concessions Shares at various events, etc. NC State is slightly above the 75 percentile as compared to ACC Insitutions. (Attachment: A-1)

• The remaining 9.5% of NC State Athletic Revenue was funded by Student Fees in exchange for thousands of student tickets to various athletic contests.

• The greatest increases in revenue generation over the past 5 years have been Media Rights and Apparel/Uniforms and Equipment Contracts at 93.9%; Conference Distributions at 107.4%; Scholarship Funding at 38.5% (mandatory University increases; loss of out of state tuition waiver, as well as changes in NCAA Legislation generated the need for increased funding); Parking & Concession Shares at 21.2%; as well as other increases in smaller categories.

• Ticket Sales and Suite Sales combined have remained level over the past 5 years. Increases in ticket revenue have been offset by the loss in Suite Revenue Shares from the PNC Arena. The drop in suite revenue was caused by two (2) NHL strikes and the economic downturn from which recovery has been slow.

2. **Net Revenues**

• For 2013-14, NCAA Report reflects NC State Athletics revenues exceeded expenditures by $6.5 million. (Attachment: A-2) Certain capital payments are not included as expenditures in the NCAA report.

3. **Total Expenditures**

• Expenditures for Fiscal Year 2014 total $63.9 million, as reported on the NCAA Division I Financial Annual Report. (Attachment: A-3).

• $63.9 million ranks in the 25th Percentile of the ACC and is below the conference average by approximately $9 million.

• Over the past 5 years expense budgets have increased approximately 39.4%, the largest increases are in the area of student athlete welfare and travel.
  - 93% increase in Student Athlete Welfare provisions, including the areas of Sports Medicine, Nutrition, Academic Support; Student Athlete Development and Leadership Training, and NCAA Compliance oversight and education.
  - 86% increase in Recruiting and Team Travel expenses, allowing student athletes to compete and return expeditiously to attend class, and travel safely.

4. **Salaries and Benefits as a Percentage of Total Athletic Expenditures**

• Salaries and benefits: Mandatory, regulatory and sports program increases, ensure Student Athletes are receiving skilled instruction; proper guidance from experienced coaching staff and other professionals whose roles are critical in the development and consistent implementation of sound policies and practices related to risk management, compliance, student athlete welfare and safety. Annually, Salaries and Benefits are approximately 42.1% of total expenditures. (Attachment: A-4)

• NC State Athletics provides 100% compensation to all coaches and staff through the Athletic Operating Fund to best ensure transparency. No salaries or salary supplements are paid via third party relationships.
5. **Athletics Expenses per Student Athlete**
   - Expenditures of $123,472 per Student Athlete at NC State is also in the 50th Percentile of the ACC. (Attachment: A-5)
   - NC State supports 23 sports and approximately 550 student athletes (unduplicated number), a number of which participate on more than one team.

6. **Athletics Expenditures as a Percentage of Institutional Expenditures**
   - Per the Delta Report on Academic Spending versus Athletic Spending: Who Wins? “Athletic Budgets typically represent 5% to 11% of total academic Spending.”
   - The ratio of Athletic Expenditures as a Percentage of Institutional Expense for Fiscal Year 2014 is 5%. (Attachment: A-6).
   - This rate is equal to the average of the ACC and has grown from 4.1% over the last 5 years, since 2010.

7. **Athletic Expenditures Rate of Change vs University Expenditures Rate of Change**
   - NC State Athletics rate of change was 0.8% which falls in the 50th percentile of the ACC. (Attachment: A-7)

C. **FISCAL YEAR 2015-2016 OPERATING BUDGETS**

1. **Revenue Budget**
   - NC State Athletics Operations Revenue Budget for Fiscal Year 2016 is approximately $72 million dollars; an increase of 1.8% due to additional revenue received from the concert, hosting the NCAA Men’s Basketball Tournament and scholarship funding. (Attachment: B-1)
   - Scholarship needs increased approximately $900,000 from FY15 to FY16. Those increases primarily relate to the new NCAA legislation allowing Athletic Scholarships to include full cost of attendance.

2. **Expense Budget**
   - NC State Athletics Operations Expense Budget for Fiscal Year 2016 is $72 million; an increase of 1.8%. (Attachment: B-1)
   - Salaries and Benefits increased due to mandatory increases (State Legislative increase and cost of benefit increases), as well as retention increases to ensure our most skilled staff remain available for our Student Athletes.
   - Sports Supplies, Team Travel, Recruiting Travel, etc. also increased.
   - Increases in Sports Medicine include adding an additional training position and converting a Graduate Assistant Trainer to full-time Sports Medicine Staff to protect the health of our student athletes.
   - Athletics pays $3 million annually in Facility Debt payments from Operations and Facility Repair & Enhancement Funds. An additional $2.56 million annually of Facility Debt payments is funded by Student Fees rather than those Student Fees being used for Athletic Operations. Total facility debt paid by Athletics totals $5.5 million.


- The Operating Reserve has grown from $1 million in 2010 to $4.5 million by year end 2015. While this growth provides more stability, we recognize the need to continue to grow the reserve to ensure funding is available as operational costs continue to grow.

**D. STUDENT FEES**

1. **Student Fee Rate**
   - NC State Intercollegiate Athletic Student Fee is $232 or 10.3% of all student fees (with the exception of debt service) at NC State with $222 funding Athletic Operations and $10 funding the Facilities Repair and Enhancement Fund. (Attachment: C-1)
   - This fee is the lowest in the UNC System and ranks in the middle of the ACC.
   - Being sensitive to the cost of higher education, NC State Athletics has not requested a fee increase since 2012-13 and has not submitted an increase for the next two (2) academic years.

2. **Revenue Generated from Student Fees**
   - In Fiscal Year 2015-16, the $232 fee for Intercollegiate Athletics will generate approximately $6.7 million or approximately 9.2% of the Operating Revenue Budget.

**E. OTHER ATHLETICALLY RELATED REPORTING REQUIREMENTS**

1. **Booster Club Organization**
   - Audited Financial Statements of the NC State Student Aid Association (Wolfpack Club) as of June 30, 2014 are attached (Attachment D). This report includes a signed audit report and Management Letter from the independent auditors.
   - “Booster” Club Operating Procedures (Attachment E).
   - Financial Information of the NC State Student Aid Association (Attachment F).
4.4B
Attachment: A-2
North Carolina State University

11. Salaries and benefits (%)

<table>
<thead>
<tr>
<th>Current Year</th>
<th>2014</th>
<th>25th Percentile</th>
<th>50th Percentile</th>
<th>75th Percentile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atlantic Coast</td>
<td>42.1</td>
<td>35.5</td>
<td>35.4</td>
<td>37.7</td>
</tr>
<tr>
<td>FBS</td>
<td>42.1</td>
<td>31.4</td>
<td>35.0</td>
<td>38.0</td>
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<tr>
<td>Public</td>
<td>42.1</td>
<td>31.7</td>
<td>35.2</td>
<td>38.1</td>
</tr>
<tr>
<td>SEM and up</td>
<td>42.1</td>
<td>32.3</td>
<td>35.9</td>
<td>38.2</td>
</tr>
</tbody>
</table>

*Note: After saving and confirming a peer group, click the button above to load the data into the dashboard.
NC State University  
Department of Athletics  
UNC-CA Financial Reporting for Intercollegiate Athletics  
Report to Board of Trustees

Intercollegiate Athletics Annual Budget  
Fiscal Year 2015-16

<table>
<thead>
<tr>
<th>Operation</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Cash Reserve</strong></td>
<td>$4,509,027</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
</tr>
<tr>
<td>Conference</td>
<td>23,284,774</td>
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<tr>
<td>Ticket Sales and Suite Sales</td>
<td>16,828,402</td>
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<tr>
<td>Scholarships</td>
<td>11,900,000</td>
</tr>
<tr>
<td>Student Fees</td>
<td>6,397,227</td>
</tr>
<tr>
<td>Media Rights &amp; Uniform/Equipment/Apparel Contracts</td>
<td>4,950,000</td>
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<tr>
<td>Parking &amp; Concessions Shares</td>
<td>2,754,827</td>
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<tr>
<td>Partial Facility Debt Reimbursement</td>
<td>1,441,383</td>
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<tr>
<td>Vaughn Towers Expense Reimbursement</td>
<td>659,000</td>
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<tr>
<td>Naming Rights and Facility Enhancement Funding</td>
<td>-</td>
</tr>
<tr>
<td>Game Guarantees</td>
<td>200,000</td>
</tr>
<tr>
<td>Other (Concert, NCAA Host, etc)</td>
<td>3,349,617</td>
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<tr>
<td><strong>Total Revenue</strong></td>
<td>71,755,230</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Operation</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td><strong>Expenditures</strong></td>
<td></td>
</tr>
<tr>
<td>Salaries &amp; Benefits: Sports Programs</td>
<td>19,033,874</td>
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<tr>
<td>Salaries &amp; Benefits: Support Units</td>
<td>8,471,620</td>
</tr>
<tr>
<td>Salaries &amp; Benefits: Administration</td>
<td>2,857,782</td>
</tr>
<tr>
<td>Scholarships</td>
<td>11,900,000</td>
</tr>
<tr>
<td>Travel: Teams, Recruiting, etc.</td>
<td>6,841,973</td>
</tr>
<tr>
<td>Facility Support (Maintenance Contracts; Housekeeping; Building Repairs; Rental of Property &amp; Equipment; Service Contracts; etc)</td>
<td>4,677,175</td>
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<tr>
<td>Contracted Services/Officials/Game Guarantees</td>
<td>3,115,706</td>
</tr>
<tr>
<td>Sports Equipment and Supplies</td>
<td>2,211,430</td>
</tr>
<tr>
<td>Capital Expenditures (Repairs &amp; Enhancements)</td>
<td>251,000</td>
</tr>
<tr>
<td>Memberships/Subscriptions/Insurance, etc</td>
<td>2,083,082</td>
</tr>
<tr>
<td>Communications/Printing/Postage/Advertising</td>
<td>1,692,368</td>
</tr>
<tr>
<td>Utilities</td>
<td>1,449,600</td>
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<tr>
<td>Game Day Staffing &amp; Parking</td>
<td>1,231,930</td>
</tr>
<tr>
<td>University Admin Fees</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Ticket Processing</td>
<td>688,611</td>
</tr>
<tr>
<td>Transfers</td>
<td></td>
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<tr>
<td>Academic Support Program</td>
<td>1,734,297</td>
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<tr>
<td>Facility Debt</td>
<td>1,323,492</td>
</tr>
<tr>
<td>Campus Transfers (Band, Dance Team, Ambassador Program, etc)</td>
<td>335,406</td>
</tr>
<tr>
<td>Other</td>
<td>747,500</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>71,646,846</td>
</tr>
<tr>
<td><strong>Net Operating Income</strong></td>
<td>118,384</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operation</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer to Facilities Repair &amp; Enhancements</td>
<td>-</td>
</tr>
<tr>
<td><strong>Ending Cash Reserve</strong></td>
<td>$4,627,411</td>
</tr>
</tbody>
</table>

dbm 8/12/2015
NC State University
Department of Athletics
UNC-GA Financial Reporting for Intercollegiate Athletics
Report to Board of Trustees

Intercollegiate Athletics Annual Budget
Fiscal Year 2015-16

<table>
<thead>
<tr>
<th>Facilities Repair &amp; Enhancement Fund</th>
<th>$ 2,165,408</th>
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</thead>
</table>

### Beginning Cash Reserve

**Revenue**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer from Operations</td>
<td>-</td>
</tr>
<tr>
<td>Ticket Surcharge for Facilities</td>
<td>415,000</td>
</tr>
<tr>
<td>Student Fees</td>
<td>270,000</td>
</tr>
<tr>
<td>Naming Rights and Facility Enhancement Funding</td>
<td>150,000</td>
</tr>
<tr>
<td>Media Rights</td>
<td>200,000</td>
</tr>
<tr>
<td>Other (Concert, NCAA Host, etc)</td>
<td>19,000</td>
</tr>
</tbody>
</table>

**Total Revenue**

| = Sum of all Revenue amounts                     | 1,054,000 |

### Expenditures

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facility Debt</td>
<td>1,036,162</td>
</tr>
<tr>
<td>Capital Expenditures (Repairs &amp; Enhancements)</td>
<td>1,355,000</td>
</tr>
<tr>
<td>Facility Support (Maintenance Contracts; Housekeeping; Building Repairs; Rental of Property &amp; Equipment; Service Contracts; etc)</td>
<td>370,000</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
</tr>
</tbody>
</table>

**Total Expenditures**

| = Sum of all Expenditure amounts                                             | 2,761,162 |

| Net Operating Income                                                        | (1,707,162) |

### Ending Cash Reserve

| = Beginning Cash Reserve - Net Operating Income                             | $ 458,246  |
NC State University  
Department of Athletics  
UNC-GA Financial Reporting for Intercollegiate Athletics  
Report to Board of Trustees  

Intercollegiate Athletics Annual Budget  
Fiscal Year 2015-16  

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercollegiate Athletics Student Fee per FTE</td>
<td></td>
</tr>
<tr>
<td>Operations</td>
<td>$ 222</td>
</tr>
<tr>
<td>Facilities Repair and Enhancement Fund</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>$ 232</td>
</tr>
</tbody>
</table>

Student Fee Revenue  
Operations           $ 6,397,227
Facilities Repair and Enhancement Fund   275,000

$ 6,672,227  

Student Fee Revenue as a Percentage of Total Revenue  9.2%
To the Officers  
NC State Student Aid Association, Inc.  
Raleigh, North Carolina

We have audited the financial statements of NC State Student Aid Association, Inc. for the year ended June 30, 2014, and have issued our report thereon dated September 16, 2014. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 3, 2014. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Organization are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2014. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimated allowance for depreciation of property and equipment is based on the estimated useful lives of the individual assets used in operations. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

- Management’s estimate of the functional expenses among programs is based on allocations of costs by either personnel time or cost. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

- Management’s estimate of the value of promises to give is based on their estimated net present value and collectibility. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

- Management’s estimate of noncash donations is based on the fair market value at the date of the gift. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial disclosures are particularly sensitive because of their significance to the financial statement users. The most sensitive disclosures affecting the financial statements were fair value measurements and related party transactions in notes 10 and 15 to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.
NC State Student Aid Association, Inc.
September 16, 2014
Page 2

**Difficulties Encountered in Performing the Audit**

We encountered no significant difficulties in dealing with management in performing and completing our audit.

**Corrected and Uncorrected Misstatements**

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

**Disagreements with Management**

For purposes of this letter, a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor’s report. We are pleased to report that no such disagreements arose during the course of our audit.

**Management Representations**

We have requested certain representations from management that are included in the management representation letter dated September 16, 2014.

**Management Consultations with Other Independent Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the Organization’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

**Other Audit Findings or Issues**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

********

This information is intended solely for the use of the Officers and management of NC State Student Aid Association, Inc., and is not intended to be and should not be used by anyone other than these specified parties.

\[Signature\]

Koonce, Wooten & Haywood, LLP
To the Officers and Directors
NC State Student Aid Association, Inc.
Raleigh, North Carolina

In planning and performing our audit of the financial statements of the NC State Student Aid Association, Inc. as of and for the year ended June 30, 2014, in accordance with auditing standards generally accepted in the United States of America, we considered the Organization’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization’s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Organization’s financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency in the Organization’s internal control to be significant deficiency:

Financial Statement Preparation
Management is responsible for establishing and maintaining internal controls and for the fair presentation of the Organization’s financial position, results of operations, cash flows, and disclosures in the financial statements, in conformity with U.S. generally accepted accounting principles (GAAP). The Organization does not have a system of internal controls that enables management to conclude that the financial statements and related disclosures are complete and presented in accordance with GAAP. As such, management has requested us to prepare a draft of the financial statements, including the required footnote disclosures, as well as financial statement reclassification entries. This outsourcing of services is not unusual for entities of your size and is a result of management’s cost benefit decision to rely on accounting expertise rather than incurring this internal resource cost.

********

This communication is intended solely for the information and use of the Officers, management, and others within the Organization, and is not intended to be and should not be used by anyone other than these specified parties.

Koonce, Wooten & Haywood, LLP
NC STATE STUDENT AID ASSOCIATION, INC.

Financial Statements

June 30, 2014 and 2013
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<th>Page</th>
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<tr>
<td>Statements of Financial Position</td>
<td>2</td>
</tr>
<tr>
<td>Statements of Activities</td>
<td>3</td>
</tr>
<tr>
<td>Statement of Functional Expenses (2014)</td>
<td>4</td>
</tr>
<tr>
<td>Statement of Functional Expenses (2013)</td>
<td>5</td>
</tr>
<tr>
<td>Statements of Cash Flows</td>
<td>6</td>
</tr>
<tr>
<td>Notes to Financial Statements</td>
<td>7-21</td>
</tr>
</tbody>
</table>
The Officers and Directors  
NC State Student Aid Association, Inc.  
Raleigh, North Carolina

INDEPENDENT AUDITOR’S REPORT

We have audited the accompanying financial statements of NC State Student Aid Association, Inc. (a not-for-profit organization), which comprise the statements of financial position as of June 30, 2014 and 2013, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management’s Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of NC State Student Aid Association, Inc. as of June 30, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Raleigh, North Carolina
September 16, 2014

Koonce, Wooten & Haywood, LLP

Raleigh  
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Post Office Box 17806  
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STATEMENTS OF FINANCIAL POSITION
NC STATE STUDENT AID ASSOCIATION, INC.
Statements of Financial Position
June 30, 2014 and 2013

ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
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<tbody>
<tr>
<td><strong>CURRENT ASSETS:</strong></td>
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<td>Cash and Cash Equivalents</td>
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<td>Vaughn Towers</td>
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<td><strong>OTHER ASSETS:</strong></td>
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<td>Cash Restricted for Long-Term Debt</td>
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<td>Notes Receivable</td>
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<td>$116,935,103</td>
<td>$108,486,648</td>
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The accompanying notes are an integral part of the financial statements.
## LIABILITIES AND NET ASSETS

### CURRENT LIABILITIES:

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<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
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<td>Accrued Vacation and Benefits</td>
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<td>Deferred Revenue</td>
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<td><strong>Total Current Liabilities</strong></td>
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### LONG-TERM LIABILITIES:

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<th>Description</th>
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<td>Long-Term Debt</td>
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<td>Due to Donors of Charitable Remainder Trusts and Annuitants</td>
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<td><strong>Total Long-Term Liabilities</strong></td>
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**Total Liabilities**

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### NET ASSETS:

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<th>Description</th>
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<td>Unrestricted</td>
<td>$30,571,528</td>
<td>$26,941,507</td>
</tr>
<tr>
<td>Temporarily Restricted</td>
<td>$31,450,288</td>
<td>$28,342,455</td>
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<tr>
<td>Permanently Restricted</td>
<td>$35,965,968</td>
<td>$34,882,976</td>
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<tr>
<td><strong>Total Net Assets</strong></td>
<td>$97,987,784</td>
<td>$90,166,938</td>
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**Total Liabilities and Net Assets**

<table>
<thead>
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<th>2013</th>
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<td>$116,935,103</td>
<td>$108,486,648</td>
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STATEMENTS OF ACTIVITIES
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<th>CHANGES IN NET ASSETS: SUPPORT AND REVENUE:</th>
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<td>Permanently Restricted</td>
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<td>Special Events</td>
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<td>233,877</td>
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<td>Change in Value of Split Interest Agreements</td>
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<td>Realized/Unrealized Gain on Swap Contracts</td>
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<td><strong>Other Income</strong></td>
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<td>Loss on Sale of Assets</td>
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<td>(773)</td>
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<td><strong>Net Assets Released from Restrictions:</strong></td>
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<td>Facility Improvements</td>
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<td><strong>EXPENSES:</strong></td>
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<td>Program Services:</td>
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<tr>
<td>University Facilities Support</td>
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<tr>
<td><strong>Total Program Services</strong></td>
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<td>Supporting Services:</td>
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<td>Management and General</td>
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<td>Fundraising--Member Services</td>
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<td><strong>Total Supporting Services</strong></td>
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<td>OTHER CHANGES IN NET ASSETS:</td>
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<td>Reclassifications</td>
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<td><strong>CHANGES IN NET ASSETS</strong></td>
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<td><strong>NET ASSETS--Beginning of Year--As Restated</strong></td>
<td>26,941,507</td>
<td>28,342,455</td>
<td>34,882,976</td>
<td>90,166,938</td>
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<tr>
<td><strong>NET ASSETS--End of Year</strong></td>
<td>$30,571,528</td>
<td>$31,450,288</td>
<td>$35,965,968</td>
<td>$97,987,784</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of the financial statements.
<table>
<thead>
<tr>
<th></th>
<th>2013</th>
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<tbody>
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<td><strong>$ 26,941,507</strong></td>
<td><strong>$ 28,342,455</strong></td>
<td><strong>$ 34,882,976</strong></td>
<td><strong>$ 90,166,938</strong></td>
</tr>
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STATEMENT OF FUNCTIONAL EXPENSES
(2014)
NC STATE STUDENT AID ASSOCIATION, INC.
Statement of Functional Expenses
For The Year Ended June 30, 2014

<table>
<thead>
<tr>
<th>Program Services</th>
<th>University Support</th>
<th>University Facilities Support</th>
<th>Total Program Services</th>
</tr>
</thead>
<tbody>
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<td>Scholarships</td>
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<tr>
<td>Facilities Improvements and Support</td>
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<td>Salaries and Wages</td>
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<td>Retirement, Insurance and Other Employee Benefits</td>
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<td>Promotions</td>
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<tr>
<td>Special Events</td>
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<td>Publications</td>
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<tr>
<td>Professional Fees</td>
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<td>Athletic Department Staff Benefits</td>
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<td>Non-Scholarship Expense</td>
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</tr>
<tr>
<td>Postage and Mailing Expenses</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Telephone</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Printing</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Meetings</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>University Advancement and Campaign</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Taxes and Fees</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dues and Subscriptions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Flowers and Gift Remembrances</td>
<td></td>
<td>5,526</td>
<td>5,526</td>
</tr>
<tr>
<td>Stadium Grounds Maintenance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Miscellaneous</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintenance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$9,212,151</strong></td>
<td><strong>$7,279,901</strong></td>
<td><strong>$16,492,052</strong></td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of the financial statements.
<table>
<thead>
<tr>
<th>Supporting Services</th>
<th>Management and General</th>
<th>Fundraising--Member Services</th>
<th>Total Supporting Services</th>
<th>Total Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 1,197,820</td>
<td>$ 2,616,771</td>
<td>$ 3,814,591</td>
<td>$ 20,306,643</td>
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</tbody>
</table>

|                      | $ 453,250              | $ 520,225                  | $ 973,475                | $ 8,876,865    |
|                      |                        |                            |                          | 4,725,191      |
|                      | $ 7,116                | $ 8,168                    | $ 15,284                 | $ 1,615,676    |
|                      | $ 165,291              | $ 189,715                  | $ 355,006                | $ 581,129      |
|                      |                        |                            |                          | 488,735        |
|                      |                        |                            |                          | 488,735        |
|                      |                        |                            |                          | 353,223        |
|                      |                        |                            |                          | 353,223        |
|                      |                        |                            |                          | 333,494        |
|                      |                        |                            |                          | 333,494        |
|                      | $ 108,922              | $ 125,017                  | $ 233,939                | $ 315,867      |
|                      | $ 80,928               | $ 92,887                   | $ 173,815                | $ 310,203      |
|                      | $ 160,001              | $ 160,001                  | $ 320,001                | $ 183,000      |
|                      |                        |                            |                          | 146,760        |
|                      | $ 41,656               | $ 47,812                   | $ 99,468                 | $ 148,269      |
|                      | $ 38,527               | $ 44,220                   | $ 82,747                 | $ 137,130      |
|                      | $ 33,421               | $ 38,359                   | $ 76,790                 | $ 128,019      |
|                      | $ 22,736               | $ 26,096                   | $ 48,832                 | $ 80,926       |
|                      | $ 18,586               | $ 21,332                   | $ 39,918                 | $ 66,153       |
|                      | $ 36,979               | $ 36,979                   | $ 73,958                 | $ 61,282       |
|                      | $ 16,902               | $ 19,399                   | $ 36,301                 | $ 60,159       |
|                      | $ 15,346               | $ 17,614                   | $ 32,960                 | $ 42,848       |
|                      | $ 23,709               | $ 23,709                   | $ 47,418                 | $ 39,291       |
|                      | $ 34,892               | $ 34,892                   | $ 69,784                 | $ 34,892       |
|                      | $ 33,127               | $ 33,127                   | $ 66,254                 | $ 33,127       |
|                      | $ 22,376               | $ 22,376                   | $ 44,752                 | $ 22,376       |
|                      | $ 8,403                | $ 8,403                    | $ 16,806                 | $ 8,403        |
|                      | $ 5,526                |                           | $ 5,526                  | $ 5,526        |
|                      | $ 1,637                | $ 1,879                    | $ 3,516                  | $ 3,516        |
|                      | $ 374                  | $ 429                      | $ 803                    | $ 1,331        |
STATEMENT OF FUNCTIONAL EXPENSES
(2013)
NC STATE STUDENT AID ASSOCIATION, INC.
Statement of Functional Expenses
For The Year Ended June 30, 2013

<table>
<thead>
<tr>
<th>Program Services</th>
<th>University Support</th>
<th>University Facilities Support</th>
<th>Total Program Services</th>
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<td>Scholarships</td>
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<td>$ 5,583,291</td>
<td>$ 8,583,390</td>
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<td>Facilities Improvements and Support</td>
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<td>Salaries and Wages</td>
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<tr>
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<tr>
<td>Retirement, Insurance and Other Employee Benefits</td>
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<tr>
<td>Promotions</td>
<td></td>
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<tr>
<td>Special Events</td>
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<td></td>
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<tr>
<td>Publications</td>
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<td></td>
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<tr>
<td>Bank Charges</td>
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<td>Athletic Department Staff Benefits</td>
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<tr>
<td>Non-Scholarship Expense</td>
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<td>Club Expenses</td>
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<tr>
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<tr>
<td>University Advancement and Campaign</td>
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<tr>
<td>Property Taxes and Fees</td>
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<tr>
<td>Dues and Subscriptions</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Flowers and Gift Remembrances</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stadium Grounds Maintenance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Miscellaneous</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintenance</td>
<td></td>
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</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8,960,599</strong></td>
<td><strong>7,693,900</strong></td>
<td><strong>16,654,499</strong></td>
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</table>

The accompanying notes are an integral part of the financial statements.
<table>
<thead>
<tr>
<th>Supporting Services</th>
<th>Management and General</th>
<th>Fundraising--Member Services</th>
<th>Total Supporting Services</th>
<th>Total Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>2,092,756</td>
<td>3,883,230</td>
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<td>488,866</td>
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<td>368,246</td>
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<tr>
<td>95,490</td>
<td>118,087</td>
<td>213,577</td>
<td>290,122</td>
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<td>47,160</td>
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<td>2,155</td>
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<td>1,643</td>
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<td>3,675</td>
<td>4,470</td>
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</table>
NC STATE STUDENT AID ASSOCIATION, INC.
Statements of Cash Flows
For The Years Ended June 30, 2014 and 2013

<table>
<thead>
<tr>
<th>CASH FLOWS FROM OPERATING ACTIVITIES:</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Changes in Net Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjustments to Reconcile Changes in</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Cash Provided (Used) by</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Activities:</td>
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<td></td>
</tr>
<tr>
<td>Depreciation and Amortization</td>
<td>1,068,188</td>
<td>1,056,574</td>
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<tr>
<td>Realized Gain on Sale of Investments</td>
<td>(940,990)</td>
<td>(1,284,209)</td>
</tr>
<tr>
<td>Increase in Cash Surrender Value of</td>
<td>(2,665)</td>
<td>(16,705)</td>
</tr>
<tr>
<td>Life Insurance</td>
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<td></td>
</tr>
<tr>
<td>Unrealized Gain on Investments</td>
<td>(3,006,638)</td>
<td>(1,763,121)</td>
</tr>
<tr>
<td>Contributions Restricted for</td>
<td>(860,081)</td>
<td>(475,872)</td>
</tr>
<tr>
<td>Permanent Endowment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in Value of Split-Interest</td>
<td>(79,555)</td>
<td>183,420</td>
</tr>
<tr>
<td>Agreements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrealized Gain on Swap Contract</td>
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<td></td>
</tr>
<tr>
<td>Noncash Contributions--Land</td>
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<td></td>
</tr>
<tr>
<td>Loss on Sale of Assets</td>
<td>773</td>
<td></td>
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<tr>
<td>Changes In:</td>
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<td></td>
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<tr>
<td>Pledges Receivable</td>
<td>(474,267)</td>
<td>2,751,981</td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>(90,194)</td>
<td>(29,670)</td>
</tr>
<tr>
<td>Accrued Interest Receivable</td>
<td>7,529</td>
<td>(17,891)</td>
</tr>
<tr>
<td>Prepaid Expenses</td>
<td>(22,487)</td>
<td>(110,789)</td>
</tr>
<tr>
<td>Accounts Payable</td>
<td>582,393</td>
<td>72,333</td>
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<tr>
<td>Accrued Liabilities</td>
<td>23,813</td>
<td>(23,401)</td>
</tr>
<tr>
<td>Deferred Revenue</td>
<td>238,219</td>
<td>(641,350)</td>
</tr>
<tr>
<td>Net Cash Provided (Used) by</td>
<td>4,264,884</td>
<td>(1,723,026)</td>
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<tr>
<td>Operating Activities</td>
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<table>
<thead>
<tr>
<th>CASH FLOWS FROM INVESTING ACTIVITIES:</th>
<th>2014</th>
<th>2013</th>
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<tbody>
<tr>
<td>Proceeds from Sale of Investments</td>
<td>18,580,303</td>
<td>26,344,143</td>
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<tr>
<td>Purchase of Investments</td>
<td>(18,090,179)</td>
<td>(24,131,968)</td>
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<tr>
<td>Purchase of Property and Equipment</td>
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<td>(42,856)</td>
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<tr>
<td>Proceeds from Sale of Property and</td>
<td>14,727</td>
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<td>Land Held for Investment</td>
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<tr>
<td>Receipt on Note Receivable</td>
<td>100,000</td>
<td>100,000</td>
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<tr>
<td>Net Cash Provided (Used) by</td>
<td>(282,958)</td>
<td>2,269,319</td>
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<td>Investing Activities</td>
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<table>
<thead>
<tr>
<th>CASH FLOWS FROM FINANCING ACTIVITIES:</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions Restricted for</td>
<td>860,081</td>
<td>475,872</td>
</tr>
<tr>
<td>Permanent Endowment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments on Obligations Under</td>
<td>(143,356)</td>
<td>(136,888)</td>
</tr>
<tr>
<td>Split-Interest Agreements</td>
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<tr>
<td>Payoff on Swap Contract</td>
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<td></td>
</tr>
<tr>
<td>Issuance of Long-Term Debt</td>
<td>1,250,000</td>
<td>13,687,000</td>
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<tr>
<td>Payments on Long-Term Debt</td>
<td>(1,311,750)</td>
<td>(13,917,818)</td>
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<tr>
<td>Net Cash Provided (Used) by</td>
<td>654,975</td>
<td>(963,834)</td>
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<tr>
<td>Financing Activities</td>
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</tr>
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</table>

| NET INCREASE (DECREASE) IN CASH      | 4,636,901 | (417,541) |

<table>
<thead>
<tr>
<th>CASH AND CASH EQUIVALENTS--Beginning of Year</th>
<th>2014</th>
<th>2013</th>
</tr>
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<tbody>
<tr>
<td>$11,613,514</td>
<td>$12,031,055</td>
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</table>

<table>
<thead>
<tr>
<th>CASH AND CASH EQUIVALENTS--End of Year</th>
<th>2014</th>
<th>2013</th>
</tr>
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<tbody>
<tr>
<td>$16,250,415</td>
<td>$11,613,514</td>
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</table>

<table>
<thead>
<tr>
<th>SUMMARY OF CASH AND CASH EQUIVALENTS:</th>
<th>2014</th>
<th>2013</th>
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</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
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<td>$8,782,671</td>
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<tr>
<td>Cash Restricted for Long-Term Debt</td>
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<td>$2,830,843</td>
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<tr>
<td>$16,250,415</td>
<td>$11,613,514</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</th>
<th>2014</th>
<th>2013</th>
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</thead>
<tbody>
<tr>
<td>Cash Paid During the Year for Interest</td>
<td>$156,393</td>
<td>$326,034</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of the financial statements.
NC STATE STUDENT AID ASSOCIATION, INC.
Notes to Financial Statements
June 30, 2014 and 2013

1. Summary of Significant Accounting Policies

A. Organization:
The NC State Student Aid Association, Inc. (the Association), located in Raleigh, North Carolina was organized to support the athletic program at North Carolina State University (NCSU).

The Association is the sole member of Wolfpack Club Student Housing Foundation, LLC (The Housing Foundation). The financial statements include the Association’s 100% ownership interest in this limited liability company. The effects of all intercompany transactions have been eliminated. In December 2011, property owned and operated by the Housing Foundation was sold and there are no operations for the years ended June 30, 2014 and 2013 other than collections on a note receivable related to the property sale.

B. Basis of Presentation:
Financial reporting standards require not-for-profit organizations to classify resources into three net asset categories according to externally imposed restrictions. Accordingly, net assets of the Association and changes therein may be classified and reported as follows:

Unrestricted Net Assets--Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets--Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Association and/or the passage of time.

Permanently Restricted Net Assets--Net assets subject to donor-imposed stipulations that they be maintained permanently by the Association.

C. Restricted and Unrestricted Revenue:
Contributions of cash and other assets are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

D. Recognition of Donor-Restricted Contributions:
Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction.

E. Program Services:
University Support
The Association helps support the athletic program at NCSU by funding scholarships for student athletes and other Athletic Department expenses.

University Facilities Support
The Association helps support the athletic program at NCSU by funding improvements, renovations and additions to athletic facilities of the University.
NC STATE STUDENT AID ASSOCIATION, INC.
Notes to Financial Statements
June 30, 2014 and 2013

1. Summary of Significant Accounting Policies (Continued)

F. Accounting Estimates:
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

G. Cash and Cash Equivalents:
For the purposes of the statements of cash flows, the Association considers all demand, money market and time deposits to be cash and cash equivalents.

H. Investments:
Investments are measured at fair value on the statements of financial position. Fair value is based on quoted market prices when available. Gains and losses are determined using the specific identification method.

I. Contributions:
The Association recognizes as revenues, contributions received and made, including unconditional, legally enforceable promises to give, in the period in which the Association is notified that a donor has made a promise to give. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Association reports the support as unrestricted.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

J. Accounts Receivable:
Accounts receivable principally consists of amounts due from Vaughn Towers suite and club seats and sales tax refunds. The management of the Association reviews the collectability of the accounts receivable on a periodic basis and establishes an allowance for doubtful accounts based on the history of past write-offs, collections, and current credit conditions. The Association considers accounts receivable to be fully collectible.

K. Property and Equipment:
Property and equipment are recorded at original cost to the Association. Depreciation is provided using the straight-line method over the estimated useful lives of the assets. A capitalization threshold of $500 is utilized.
NC STATE STUDENT AID ASSOCIATION, INC.
Notes to Financial Statements
June 30, 2014 and 2013

1. Summary of Significant Accounting Policies (Concluded)

L. Deferred Revenue:
Suite and club seat rentals in Vaughn Towers at Carter-Finley Stadium and advertising revenue
received in advance of providing the related service have been included in deferred revenue in the
accompanying statements of financial position.

M. Donated Services:
Association members donate time in volunteer service on various committees and boards. No
amounts have been reflected in the financial statements for volunteer hours since these services do not meet
the requirements for recognition in the financial statements.

N. Functional Allocation of Expenses:
The cost of providing the program and supporting services of the Association have been summarized
on the functional basis in the statements of functional expenses. Certain costs have been allocated on the basis
of estimates made by the Association’s management.

O. Tax-Exempt Status:
The Association is exempt from federal and state income taxes under Section 501(a) of the Internal
Revenue Code and is classified under Section 501(c)(3) as a public charity. However, income from certain
activities not directly related to the Association’s tax-exempt purpose is subject to taxation as unrelated
business income. The Association has also been classified as an entity that is not a private foundation within
the meaning of Section 509(a) and qualifies for deductible contributions provided in Section 170(b)(1)(A)(vi).

It is the Association’s policy to evaluate all tax positions to identify those that may be considered
uncertain. All identified material tax positions are assessed and measured by a “more-likely-than-not”
threshold to determine if the benefit of any uncertain tax position should be recognized in the financial
statements. Any changes in the amount of a tax position are recognized in the period the change occurs.

The Association files its Form 990 series tax returns in the U.S. Federal jurisdiction and with the
North Carolina Department of Revenue. The Association’s returns are subject to examination by the Internal
Revenue Service for a period of three years after the respective filing deadlines. In addition, the Association’s
state tax returns for the same years are subject to examination by state tax authorities for similar time periods.

P. Subsequent Events:
The Association has evaluated its June 30, 2014 financial statements for subsequent events through
September 16, 2014, the date the financial statements were issued, and is not aware of any subsequent events
that would require recognition or disclosure in the financial statements.

2. Concentrations of Credit Risk

The Association maintains cash balances at several financial institutions located in Raleigh, North
Carolina, and in several brokerage accounts located in North Carolina. The balances in the financial
institutions are insured by the Federal Deposit Insurance Corporation up to $250,000 at June 30, 2014 and
2013. The balances in the brokerage accounts are insured at varying amounts. The Association’s uninsured
cash balances totaled $13,800,196 and $9,293,392 at June 30, 2014 and 2013, respectively.
3. **Pledges Receivable**

The Association carries its pledges receivable at cost less a discount for pledges receivable due in more than a year and less an allowance for doubtful accounts. On a periodic basis, the Association evaluates its receivables and establishes an allowance for doubtful accounts, based on history of past write-offs and current credit conditions.

Pledges receivable at June 30, 2014 and 2013 are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pledges Receivable</td>
<td>$30,591,581</td>
<td>$29,087,314</td>
</tr>
<tr>
<td>Less Allowance for Uncollectible Pledges</td>
<td>1,529,579</td>
<td>1,461,020</td>
</tr>
<tr>
<td>Less Discount on Pledges</td>
<td>6,029,379</td>
<td>5,067,938</td>
</tr>
<tr>
<td></td>
<td>23,032,623</td>
<td>22,558,356</td>
</tr>
<tr>
<td>Less Current Portion</td>
<td>4,937,192</td>
<td>5,644,601</td>
</tr>
<tr>
<td>Pledges Due After One Year</td>
<td>$18,095,431</td>
<td>$16,913,755</td>
</tr>
</tbody>
</table>

Pledges receivable due in more than one year are reflected at the present value of estimated future cash flows using a discount rate of 6%.

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receivable in less than one year</td>
<td>$5,197,045</td>
<td>$5,948,690</td>
</tr>
<tr>
<td>Receivable in one to five years</td>
<td>15,301,162</td>
<td>16,040,656</td>
</tr>
<tr>
<td>Receivable in more than five years</td>
<td>10,093,374</td>
<td>7,097,968</td>
</tr>
<tr>
<td></td>
<td>30,591,581</td>
<td>29,087,314</td>
</tr>
<tr>
<td>Less allowance for uncollectible pledges</td>
<td>1,529,579</td>
<td>1,461,020</td>
</tr>
<tr>
<td>Less discount on pledges</td>
<td>6,029,379</td>
<td>5,067,938</td>
</tr>
<tr>
<td>Net Pledges Receivable</td>
<td>$23,032,623</td>
<td>$22,558,356</td>
</tr>
</tbody>
</table>

Under the Vaughn Towers Management and Use Agreement dated March 2013, Goal Line Drive and Wolfpack Pride campaign pledge revenues totaling $7,206,915 were committed to be paid to NCSU to retire certain facility debt and other obligations related to NCSU's athletic facilities. Payments in the amount of $1,441,383 are due annually over five years through May 2017. The remaining commitment at June 30, 2014 was $4,324,149.
4. Investments

The Association held the following investments at June 30, 2014:

<table>
<thead>
<tr>
<th>Investment</th>
<th>Historical Cost</th>
<th>Market Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketable Equity Securities</td>
<td>$11,119,113</td>
<td>$15,555,350</td>
</tr>
<tr>
<td>Other Marketable Debt Securities</td>
<td>6,929,839</td>
<td>6,966,933</td>
</tr>
<tr>
<td>U.S. Government Obligations</td>
<td>5,087,924</td>
<td>5,097,322</td>
</tr>
<tr>
<td>Alternative Investments</td>
<td>4,182,203</td>
<td>5,328,010</td>
</tr>
<tr>
<td>Mutual Funds</td>
<td>1,841,745</td>
<td>2,016,875</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$29,160,824</strong></td>
<td><strong>$34,964,490</strong></td>
</tr>
</tbody>
</table>

The Association held the following investments at June 30, 2013:

<table>
<thead>
<tr>
<th>Investment</th>
<th>Historical Cost</th>
<th>Market Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketable Equity Securities</td>
<td>$10,248,665</td>
<td>$12,321,911</td>
</tr>
<tr>
<td>Other Marketable Debt Securities</td>
<td>6,450,998</td>
<td>6,427,101</td>
</tr>
<tr>
<td>U.S. Government Obligations</td>
<td>6,075,438</td>
<td>6,056,210</td>
</tr>
<tr>
<td>Alternative Investments</td>
<td>4,341,157</td>
<td>5,048,264</td>
</tr>
<tr>
<td>Mutual Funds</td>
<td>1,567,666</td>
<td>1,653,500</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$28,683,924</strong></td>
<td><strong>$31,506,986</strong></td>
</tr>
</tbody>
</table>

Investment income (loss) consists of the following:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest</td>
<td>$310,048</td>
<td>$392,659</td>
</tr>
<tr>
<td>Dividends</td>
<td>446,637</td>
<td>573,941</td>
</tr>
<tr>
<td>Realized Gain on Sale of Investments</td>
<td>940,990</td>
<td>1,284,209</td>
</tr>
<tr>
<td>Unrealized Gain (Loss) on Investments</td>
<td>3,006,638</td>
<td>1,763,121</td>
</tr>
<tr>
<td>Investment Expenses</td>
<td>(291,331)</td>
<td>(263,538)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$4,412,982</td>
<td>$3,750,392</td>
</tr>
</tbody>
</table>

5. Investments Held Under Gift Annuities and Charitable Remainder Trusts

The Association has been named as a beneficiary in gift annuities and charitable remainder trusts in which the Association is the trustee. When the Foundation receives assets in connection with an annuity or charitable remainder trust, the assets are recorded at fair value, generally invested in stocks and fixed income securities, while a liability is recorded at the present value of the expected future payments to be made to the beneficiary. The discount rate and actuarial assumptions used in determining the present value of the expected future payments are based on applicable Internal Revenue Service discount rates and life expectancy assumptions. The Change in Value of Split-Interest Agreements on the Statements of Activities includes the change in market value of the investments, the change in present value of future payments to donors, actual payments made to donors, and contributions of split-interest agreements received. During the years ended June 30, 2014 and 2013, payments to donors totaled $143,356 and $136,888, respectively.
5. **Investments Held Under Gift Annuities and Charitable Remainder Trusts (Continued)**

Investments held under gift annuities and charitable remainder trusts consist of the following:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Equivalents</td>
<td>$48,114</td>
<td>$29,069</td>
</tr>
<tr>
<td>Fixed Income Securities</td>
<td>683,859</td>
<td>668,055</td>
</tr>
<tr>
<td>Equities</td>
<td>551,393</td>
<td></td>
</tr>
<tr>
<td>553,806</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Real Estate</td>
<td>156,744</td>
<td>152,870</td>
</tr>
<tr>
<td>Alternative Investments</td>
<td>165,926</td>
<td>149,710</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,606,036</strong></td>
<td><strong>$1,553,510</strong></td>
</tr>
</tbody>
</table>

6. **Beneficial Interest in Charitable Remainder Trust**

The Association is the beneficiary of a trust created by donors, the assets of which are not solely distributable to the Association upon termination. The Association has legally enforceable claims to its allocated portion of assets, including the right to income there from. Net realized and unrealized gains (losses) related to the beneficial interests are reported as changes in permanently restricted net assets based on explicit donor stipulations.

7. **Note Receivable**

In December 2011, the Housing Foundation sold its dormitory and obtained a note receivable for $500,000 as partial payment on the sale, to be received in annual payments of $100,000, maturing in December 2016. At June 30, 2014 and 2013, the note balance was $300,000 and $400,000, respectively. Interest is at zero percent and current maturities of the note in the amount of $100,000 are included in current assets at June 30, 2014 and 2013.

8. **Cash Surrender Value of Life Insurance Policies**

The Association was the owner and beneficiary on whole life insurance policies covering twelve and ten individuals at June 30, 2014 and 2013, respectively.

9. **Long-Term Debt**

**Bond Indentures--Vaughn Towers**

In March 2013, the Association refinanced bonds originally issued in 2004 to finance the construction of the Vaughn Towers press box at Carter-Finley Stadium. The refinancing was with Branch Banking & Trust Company (BB&T) through a $12,660,000 Series 2013 bond, issued through the North Carolina Capital Facilities Finance Agency. The bond pays interest monthly at a variable rate based on the monthly London Interbank Offered Rates (LIBOR). The variable rate was 1.167% and 1.2% at June 30, 2014 and 2013, respectively. Principal payments of $1,055,000 are due annually until the bond matures in September 2024. The outstanding bond principal was $11,605,000 and $12,660,000 at June 30, 2014 and 2013, respectively.
9. Long-Term Debt (Continued)

Notes Payable--North End Zone
In November 2012, the Association refinanced the existing notes payable originally issued to finance the stadium expansion of the North End Zone area of Carter-Finley Stadium to one note payable to Branch Banking and Trust Company (BB&T). Annual principal payments of $256,750 are payable until the note matures in November 2016. Interest is payable monthly at a rate equal to the One Month LIBOR (0.151% at June 30, 2014) plus 1.15% per annum. The Association must maintain a cash flow coverage ratio of 1.00 times debt service. The outstanding note balance was $770,250 and $1,027,000 at June 30, 2014 and 2013, respectively.

Notes Payable--Indoor Practice Facility
In May 2014, the Association entered into multiple note agreements with Branch Banking and Trust Company (BB&T) in order to finance the construction of a new Indoor Practice Facility for the football program at NCSU. The total financing available through the notes payable is $14,000,000. The notes mature at various times through May 2026 and bear interest at fixed rates (ranging from 1.84% to 2.75%) and variable rates (One Month LIBOR plus 0.9%). The Association must maintain a debt service coverage ratio of 1.00 to 1.00, maintain unrestricted liquid assets of $4,000,000 until such point that the credit available and outstanding total to less than $10,000,000, and meet certain pledge targets. The notes payable are collateralized by pledges and cash received from the related capital campaign. The total outstanding balance of the notes payable was $1,250,000 at June 30, 2014.

Long-term debt consists of the following at June 30, 2014 and 2013:

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vaughn Towers Project--Series 2013 Bond</td>
<td>$11,605,000</td>
<td>$12,660,000</td>
</tr>
<tr>
<td>Note Payable--BB&amp;T (North End Zone)</td>
<td>$770,250</td>
<td>$1,027,000</td>
</tr>
<tr>
<td>Notes Payable--BB&amp;T (Indoor Practice Facility)</td>
<td>$1,250,000</td>
<td>$1,250,000</td>
</tr>
<tr>
<td>Less Amount Classified as Current Liability</td>
<td>$13,625,250</td>
<td>$13,687,000</td>
</tr>
<tr>
<td>Amount Due After One Year</td>
<td>$12,313,500</td>
<td>$12,375,250</td>
</tr>
</tbody>
</table>

Maturities of long-term debt are as follows:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>June 30</td>
<td>$1,311,750</td>
<td>$2,561,750</td>
<td>$1,311,750</td>
<td>$1,055,000</td>
<td>$1,055,000</td>
<td>$6,330,000</td>
</tr>
<tr>
<td></td>
<td>$</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$13,625,250</td>
</tr>
</tbody>
</table>
NC STATE STUDENT AID ASSOCIATION, INC.
Notes to Financial Statements
June 30, 2014 and 2013

10. Fair Value Measurements

The Association follows ASC 820, *Fair Value Measurements and Disclosures*, as amended, with respect to fair value measurements of its financial assets. This standard defines fair value as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. The standard also establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available.

The hierarchy is broken down into three levels. Level 1 inputs are quoted market prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and inputs (other than quoted prices) that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. Categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2014 and 2013. There were no transfers or reclassifications between Level 2 or Level 3 during the years ended June 30, 2014 or 2013.

Government and corporate bonds and notes, common and preferred stocks, and mutual funds are held in brokerage accounts and valued at readily available, quoted prices in principal active markets that are considered to be representative of fair value. The Association classifies these investments within Level 1 of the valuation hierarchy.

Alternative investments represent hedge fund, limited partnership and similar interests held by the Association in funds that invest in public and private securities and follow a variety of investment strategies. Terms and conditions of these investments, including liquidity provisions, are different for each fund. The valuation of these securities is determined by external pricing based on secondary markets. The Association believes that the carrying amount of its alternative investments is a reasonable estimate of the fair value of such investments at June 30, 2014 and 2013.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Association believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.
10. Fair Value Measurements (Continued)

In accordance with ASC 820, the table below includes the major categorization for debt and equity securities on the basis of the nature and risk of the investments at June 30, 2014:

<table>
<thead>
<tr>
<th>Assets: Investments:</th>
<th>Fair Value Measurements at Reporting Date Using</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quoted Prices in Active Markets for Identical Assets (Level 1)</td>
<td>Significant Other Observable Inputs (Level 2)</td>
<td>Significant Unobservable Inputs (Level 3)</td>
</tr>
<tr>
<td></td>
<td>June 30, 2014</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| Marketable Equity Securities | $15,555,350 | $15,555,350 | $ | $
| Other Marketable Debt Securities | 6,966,933 | 6,966,933 | | 5,328,010 |
| Alternative Investments | 5,328,010 | | | |
| U.S. Government Obligations | 5,097,322 | 5,097,322 | | |
| Mutual Funds | 2,016,875 | 2,016,875 | | |
| Investments held under Gift Annuities and Charitable Remainder Trusts | 1,606,036 | 1,283,366 | 322,670 | |
| Beneficial Interest in Charitable Remainder Trust | 63,033 | 49,335 | 13,698 | |
| Total Assets | $36,633,559 | $30,969,181 | $5,664,378 | |

<table>
<thead>
<tr>
<th>Liabilities:</th>
<th></th>
</tr>
</thead>
</table>
| Due to Donors of Charitable Remainder Trusts and Annuities | $1,518,907 | $ | $1,518,907 | $

In accordance with ASC 820, the table below includes the major categorization for debt and equity securities on the basis of the nature and risk of the investments at June 30, 2013:

<table>
<thead>
<tr>
<th>Assets: Investments:</th>
<th>Fair Value Measurements at Reporting Date Using</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quoted Prices in Active Markets for Identical Assets (Level 1)</td>
<td>Significant Other Observable Inputs (Level 2)</td>
<td>Significant Unobservable Inputs (Level 3)</td>
</tr>
<tr>
<td></td>
<td>June 30, 2013</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| Marketable Equity Securities | $12,321,911 | $12,321,911 | $ | $
| Other Marketable Debt Securities | 6,427,101 | 6,427,101 | | |
| Alternative Investments | 5,048,264 | | | 5,048,264 |
| U.S. Government Obligations | 6,056,210 | 6,056,210 | | |
| Mutual Funds | 1,653,500 | 1,653,500 | | |
| Investments held under Gift Annuities and Charitable Remainder Trusts | 1,553,510 | 1,250,930 | 302,580 | |
| Beneficial Interest in Charitable Remainder Trust | 47,714 | 37,260 | 10,454 | |
| Total Assets | $33,108,210 | $27,746,912 | $5,361,298 | $

<table>
<thead>
<tr>
<th>Liabilities:</th>
<th></th>
</tr>
</thead>
</table>
| Due to Donors of Charitable Remainder Trusts and Annuities | $1,673,973 | $ | $1,673,973 | $
Deferred Revenue

Deferred revenue of $2,754,378 at June 30, 2014 represents $2,472,069 of suite and club seat rentals in Vaughn Towers for the upcoming seasons and $282,309 of unearned advertising revenue.

Deferred revenue of $2,516,159 at June 30, 2013 represents $2,340,425 of suite and club seat rentals in Vaughn Towers for the upcoming seasons and $175,734 of unearned advertising revenue.

Scholarship Expenses

Direct payments for scholarship expenses for the periods July 1, 2013 through June 30, 2014 and July 1, 2012 through June 30, 2013, were made to the University scholarship trust account. Indirect payments which were deposited with the University and were applied as a reduction against the Association’s scholarship liability amounted to $500,424 and $474,918 for June 30, 2014 and 2013, respectively. The Association had prepaid $12,406 and $15,867 to the University for scholarships at June 30, 2014 and 2013, respectively.

Retirement Plans

The Association has a non-contributory defined benefit pension plan covering full-time employees after 12 months of service with 1,000 or more hours of service. The expense of the plan for the years ended June 30, 2014 and 2013 amounted to $277,167 and $231,553, respectively. The plan was fully funded at June 30, 2014 and 2013.

A comparison of accumulated plan benefits and plan net assets for the defined benefit plan is presented below.

<table>
<thead>
<tr>
<th></th>
<th>December 31, 2013</th>
<th>December 31, 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actuarial present value of accumulated plan benefits</td>
<td>$3,461,713</td>
<td>$2,915,112</td>
</tr>
<tr>
<td>Net assets available for plan benefits--insured</td>
<td>$3,702,205</td>
<td>$3,054,613</td>
</tr>
</tbody>
</table>

The assumed rate of return used in determining the actuarial present value of accumulated plan benefits was eight percent. Rate of compensation increase was assumed to be five percent. Normal retirement age is 65.

The Association also has a tax deferred 403(b) plan to benefit all employees. Under the terms of the plan, the Association matches 100% of the first five percent of employee contributions. Expenses related to this plan totaled $68,549 and $67,896 for employer contributions made for 2014 and 2013, respectively.

The Association has established a supplemental retirement plan for the executive director. The plan became fully vested on January 1, 2013, due to certain employment conditions being met at that date. The liability for this plan was $230,445 and $202,099 at June 30, 2014 and 2013, respectively. A portion of the plan assets were distributed to the executive director after vesting under the trust agreement.

Administrative expenses for all retirement plans total $34,833 and $48,929 for the years ended June 30, 2014 and 2013, respectively.
14. Lease Commitments

The Association renewed a non-cancelable operating lease for office space in June 2014. The lease expires in October 2020. The annual rental for the premises included in the determination of the changes in net assets was $401,198 and $409,190 for the years ended June 30, 2014 and 2013, respectively. During the years ended June 30, 2014 and 2013, the Association donated use of a portion of the office space to the NCSU Athletic Department valued at $90,995 and $88,792, respectively.

Future minimum rental commitments for non-cancelable operating leases at June 30, 2014 are as follows:

<table>
<thead>
<tr>
<th>Year Ending June 30</th>
<th>2015</th>
<th>$411,264</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016</td>
<td>421,469</td>
</tr>
<tr>
<td></td>
<td>2017</td>
<td>432,091</td>
</tr>
<tr>
<td></td>
<td>2018</td>
<td>471,523</td>
</tr>
<tr>
<td></td>
<td>2019</td>
<td>499,293</td>
</tr>
<tr>
<td>Thereafter</td>
<td></td>
<td>514,357</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$2,749,997</strong></td>
</tr>
</tbody>
</table>

15. Related Party Transactions

In the course of providing support to the athletic program at NCSU, the Athletic Department of the University becomes a related party. The Association provided the following forms of support to the Athletic Department during the periods ended June 30, 2014 and 2013:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding of Scholarships for Student Athletes</td>
<td>8,876,865</td>
<td>8,583,390</td>
</tr>
<tr>
<td>Salaries, Benefits, and Administrative Overhead</td>
<td>2,554,710</td>
<td>2,110,609</td>
</tr>
<tr>
<td>Athletic Department Staff Benefits</td>
<td>183,000</td>
<td>212,000</td>
</tr>
<tr>
<td>Non-Scholarship Contributions</td>
<td>146,760</td>
<td>165,209</td>
</tr>
<tr>
<td>Stadium Grounds Maintenance</td>
<td>5,526</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>11,766,861</td>
<td>11,071,208</td>
</tr>
</tbody>
</table>

Facility Improvements:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vaughn Towers Expenses</td>
<td>1,939,005</td>
<td>2,322,240</td>
</tr>
<tr>
<td>Facility Debt Obligations</td>
<td>1,441,383</td>
<td>1,441,383</td>
</tr>
<tr>
<td>North End Zone Expenses</td>
<td>824,242</td>
<td>853,654</td>
</tr>
<tr>
<td>Lonnie Poole Golf Expenses</td>
<td></td>
<td>500,000</td>
</tr>
<tr>
<td>Baseball Stadium</td>
<td>220,000</td>
<td>161,986</td>
</tr>
<tr>
<td>Dail Basketball Facility</td>
<td>47,700</td>
<td>152,300</td>
</tr>
<tr>
<td>Soccer Expenses</td>
<td>150,000</td>
<td>150,000</td>
</tr>
<tr>
<td>Building Futures</td>
<td>1,575</td>
<td>1,728</td>
</tr>
<tr>
<td>Swimming Facility</td>
<td>100,000</td>
<td></td>
</tr>
<tr>
<td>Indoor Practice Facility</td>
<td>1,286</td>
<td></td>
</tr>
<tr>
<td><strong>Total Facility Improvements</strong></td>
<td>4,725,191</td>
<td>5,583,291</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$16,492,052</td>
<td>$16,654,499</td>
</tr>
</tbody>
</table>
15. Related Party Transactions (Continued)

   The Association was due $12,406 and $15,867 from the Athletic Department of the University at
   June 30, 2014 and 2013, respectively.

16. Temporarily Restricted Net Assets

   Temporarily restricted net assets are as follows:

   
   
<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facility Improvements:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wolfpack Pride, Goal Line Drive, Vaughn Towers and North End Zone</td>
<td>$14,166,343</td>
<td>$16,267,336</td>
</tr>
<tr>
<td>Championship Commitment</td>
<td>5,021,099</td>
<td></td>
</tr>
<tr>
<td>Baseball, Tennis, Softball, Golf, Swimming, Soccer and Basketball</td>
<td>1,087,385</td>
<td>1,157,364</td>
</tr>
<tr>
<td>University Athletics Building Improvements</td>
<td>128,644</td>
<td>133,010</td>
</tr>
<tr>
<td>Building Futures Campaign</td>
<td>11,046,817</td>
<td>10,784,745</td>
</tr>
<tr>
<td></td>
<td>$31,450,288</td>
<td>$28,342,455</td>
</tr>
</tbody>
</table>

17. Permanently Restricted Net Assets

   Permanently restricted net assets are as follows:

   
   
<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowment Fund--Scholarships</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$35,965,968</td>
<td>$34,882,976</td>
</tr>
</tbody>
</table>

18. Endowment Fund

   The Association’s endowment fund provides long-term scholarship support through annual earnings.
   As required by U.S. generally accepted accounting principles, net assets associated with endowment funds are
   classified and reported based on the existence or absence of donor-imposed restrictions.

   The State of North Carolina enacted the North Carolina (NC) Uniform Prudent Management of
   Institutional Funds Act (UPMIFA), the provisions of which apply to endowment funds existing on or
   established after that date. Absent donor stipulations to the contrary, the provisions of this state law do not
   impose either a permanent or temporary restriction on the income or capital appreciation derived from the
   original gifts.

   For the years ended June 30, 2014 and 2013, the Association has classified as permanently restricted
   net assets the original value of gifts donated to the permanent endowment. Gains and losses will be classified
   as unrestricted net assets until those amounts are appropriated for expenditure by the Association in a manner
   consistent with the standard of prudence described in UPMIFA.
18. **Endowment Fund (Continued)**

Changes in endowment assets for the year ended June 30, 2014 are as follows:

<table>
<thead>
<tr>
<th>Endowment Net Assets--Beginning of Year</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ (6,291,263)</td>
<td></td>
<td>$</td>
<td>$ 34,882,976</td>
<td>$ 28,591,713</td>
</tr>
</tbody>
</table>

**Investment Return:**
- Investment Income, net: 264,504
- Realized Gain on Sale of Investments: 870,575
- Net Appreciation on Investments: 2,875,308
- Total Investment Return: 4,010,387

**Contributions:** 860,081
**Change in Value of Split-Interest Agreements:** 222,911
**Increase in CSV of Life Insurance Policies:** 964

**Appropriation of Endowment Assets for Expenditure:** (1,673,319)

<table>
<thead>
<tr>
<th>Endowment Net Assets--End of Year</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ (3,953,231)</td>
<td></td>
<td>$</td>
<td>$ 35,965,968</td>
<td>$ 32,012,737</td>
</tr>
</tbody>
</table>

Changes in endowment assets for the year ended June 30, 2013 are as follows:

<table>
<thead>
<tr>
<th>Endowment Net Assets--Beginning of Year</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ (8,106,082)</td>
<td>$ 67,226</td>
<td>$ 34,453,636</td>
<td>$ 26,414,780</td>
<td></td>
</tr>
</tbody>
</table>

**Investment Return:**
- Investment Income, net: 338,370
- Realized Gain on Sale of Investments: 493,260
- Net Appreciation on Investments: 2,243,199
- Total Investment Return: 3,074,829

**Contributions:** 475,872
**Change in Value of Split-Interest Agreements:** (46,532)
**Increase in CSV of Life Insurance Policies:** 3,148

**Appropriation of Endowment Assets for Expenditure:** (1,263,158)

<table>
<thead>
<tr>
<th>Endowment Net Assets--End of Year</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ (6,291,263)</td>
<td></td>
<td>$</td>
<td>$ 34,882,976</td>
<td>$ 28,591,713</td>
</tr>
</tbody>
</table>

**Funds with Deficiencies**

From time to time, the fair value of assets associated with donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Association to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature are reported in unrestricted net assets were $3,953,231 and $6,291,263 as of June 30, 2014 and 2013, respectively. These deficiencies resulted from unfavorable market fluctuations.
NC STATE STUDENT AID ASSOCIATION, INC.
Notes to Financial Statements
June 30, 2014 and 2013

18. Endowment Fund (Concluded)

Investment Return Objectives and Strategies
The Association’s investment policies include several investment objectives relative to its long-term investments, including permanent endowment funds. These objectives include (1) preservation of capital, (2) prudent investment of capital, (3) production of reasonable earnings and (4) low-risk growth in principal of invested capital. To achieve these objectives, the Association has employed the investment strategy of diversifying amongst various fund managers. The investment composition at any given time is dependent upon a number of factors, including the amount available for investment and current market conditions.

Spending Policy and How the Investment Objectives Relate to Spending Policy
The Association has a policy of appropriating for distribution each year the net earnings from investments. In establishing this policy, the Association considered the long-term expected return on its endowment. Accordingly, the Association expects the current spending policy to sustain its endowment and investment return objectives.

19. Supplemental Disclosure of Noncash Investing Activities

The Association received noncash donations with the following estimated market values:

<table>
<thead>
<tr>
<th>Item</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Athletic Department Staff Benefits</td>
<td>$183,000</td>
<td>$212,000</td>
</tr>
<tr>
<td>Auto Expenses</td>
<td>109,000</td>
<td>99,000</td>
</tr>
<tr>
<td>Non-Scholarship Contributions</td>
<td>55,766</td>
<td>76,416</td>
</tr>
<tr>
<td>Computer Expenses</td>
<td>36,112</td>
<td>6,600</td>
</tr>
<tr>
<td>Promotional Items</td>
<td>28,870</td>
<td>35,086</td>
</tr>
<tr>
<td>Doctors/Treatment for Athletes</td>
<td>25,000</td>
<td>25,000</td>
</tr>
<tr>
<td>Office Supplies and Expense</td>
<td>19,333</td>
<td>12,319</td>
</tr>
<tr>
<td>Professional Fees</td>
<td>10,000</td>
<td>10,929</td>
</tr>
<tr>
<td>Special Events and Clubs</td>
<td>2,900</td>
<td>19,956</td>
</tr>
<tr>
<td>Land Held for Investment</td>
<td></td>
<td>25,000</td>
</tr>
<tr>
<td>Travel and Meetings</td>
<td></td>
<td>6,906</td>
</tr>
<tr>
<td>Printing and Supplies</td>
<td></td>
<td>3,664</td>
</tr>
<tr>
<td>Total</td>
<td>$469,981</td>
<td>$532,876</td>
</tr>
</tbody>
</table>

20. Commitments

Construction Contract:
The Association has entered into an agreement with a general contractor to construct an indoor practice facility near Carter-Finley Stadium for $13,695,883. The Association has not made any payments on the contract as of June 30, 2014.

University Support:
The Association has agreed as a part of the Amended and Restated Vaughn Towers Management and Use Agreement to make five annual installments to the University through May 2017 in the amount of $1,441,383 in order for the University to retire certain facility debt and obligations related to athletic facilities. The remaining commitment at June 30, 2014 was $4,324,149.
20. **Commitments (Continued)**

   The Association has agreed to fund a portion of the University's financing of the Reynolds Coliseum Renovation Project in the amount of $20,000,000. The University has agreed to accept land which the Association has held for investment as a partial payment of $7,000,000 on the commitment. The land is to be transferred to the University once the project financing reaches $7,000,000 or September 2023, whichever is earlier.

21. **Prior-Period Adjustment**

   The Association previously omitted the investments held under charitable gift annuities and remainder trust, beneficial interest in charitable remainder trust, and the amount due to donors related to the annuities and remainder trusts. Accordingly, a net adjustment of $46,532 was made as of June 30, 2013 to record the investments held under the annuities and remainder trusts, the beneficial interest in a charitable remainder trust and the related amount due to donors related to the annuities and remainder trusts. A corresponding entry was made to reduce previously reported net assets. The effect of the restatement on net assets for the year ended June 30, 2012 was $72,567.

22. **Reclassifications**

   Certain amounts for 2013 have been reclassified to conform with the 2014 financial statement presentation. Such reclassifications have no effect on changes in net assets or cash flows as previously reported.
Cash Handling Procedures

August 2014

A. Mailed Payments
1. Mail is picked up daily by the assigned intern. It is then sorted and delivered by the Administrative Assistant to Bobby Purcell or her designated fill-in to the appropriate staff member as indicated on the envelope.
2. One Membership staff person then opens the mail designated for further processing and sorts it by payment type - cash/check or credit card payment.
3. Processing responsibilities rotate so cash/check payments are delivered to membership staff assigned to cash/check processing and credit card payments are delivered to membership staff assigned to credit card processing.
4. Payments are processed as indicated on payment slip and filed in folder containing daily work in preparation for reconciliation.

B. Walk-in Payments
1. Staff member meeting with donor records the payment information including donor name, AD Number, Allocation, payment amount and any other pertinent information needed in order to process the payment.
2. Staff member taking cash then delivers the request to the Membership staff person handling cash payments at that time.
3. Payments are processed as indicated on payment slip and filed in folder containing daily work in preparation for reconciliation.

C. Special Events Payments
1. Staff member working the Special Event collects cash payment along with the donor information on a payment slip. This includes donor name, AD Number, Allocation, payment amount and any other pertinent information needed in order to process the payment.
2. The cash and donor information slip are filed in a lockbox or cash folder and kept securely until the staff member returns to the office and delivers the payment to the Membership staff person handling cash payments at that time.
3. Payments are processed as indicated on payment slip and filed in folder containing daily work in preparation for reconciliation.

D. General Processing and Reconciliation
1. Payments are processed by Membership staff member assigned to cash at that time.
2. If at any time, the cash amount received by the Membership staff member is over $300, the cash is processed in our donor software but given to Katherine Wofford, the Wolfpack Club Business Manager, for immediate bank deposit. A slip is created by the Membership staff member with the cash amount, date it was given to Katherine, how it was posted and what batch it was posted in, and filed in their folder containing daily work in preparation for reconciliation.
3. Cash payments are posted in batches that contain other cash payments and checks. When the payments are reconciled, a "Batch Report" from the database is printed out with the donor name, account number, allocation designation, payment type, payment amount and check number, if applicable. The Batch Report is checked against all payments (check or cash) in the corresponding daily work folder.
4. Once reconciled, the Receipts on the Batch Report are reprinted and forwarded to Katherine Wofford, along with the folder containing the payments, for deposit.
5. The original Batch Report is filed in the Membership area for future auditor inspection.
Card Handling Procedures

A. Mailed Payments
   1. Mail is picked up daily by the assigned intern. It is then sorted and delivered by the
      Administrative Assistant to Bobby Purcell or her designated fill in to the appropriate staff
      member as indicated on the envelope.
   2. One Membership staff person then opens the mail designated for further processing and
      sorts it by payment type – cash/check or credit card payment.
   3. Processing responsibilities rotate so cash/check payments are delivered to membership staff
      assigned to cash/check processing and credit card payments are delivered to membership
      staff assigned to credit card processing.
   4. Payments are processed as indicated on payment slip and filed in folder containing daily
      work in preparation for reconciliation.

B. Telephone Payments
   1. Staff member receiving call takes payment information over the phone and records the
      payment information including donor name, AD Number, Allocation, payment amount,
      credit card number and expiration date, and any other pertinent information needed in
      order to process the payment.
   2. Staff member taking payment information then delivers the request to the Membership
      staff person handling credit card payments at that time.
   3. Payments are processed as indicated on payment slip and filed in folder containing daily
      work in preparation for reconciliation.

C. Walk-in Payments
   1. Staff member meeting with donor records the payment information including donor name,
      AD Number, Allocation, payment amount, credit card number and expiration date, and any
      other pertinent information needed in order to process the payment.
   2. Staff member taking payment information then delivers the request to the Membership
      staff person handling credit card payments at that time.
   3. Payments are processed as indicated on payment slip and filed in folder containing daily
      work in preparation for reconciliation.

D. Online Payments
   1. Donor logs into his/her Wolfpack Club membership online and chooses to make a payment
      specified by the donor.
   2. The donor enters his/her credit card information.
   3. These payments are imported into the donor database several times during each business
      day or the next business day where only the last four digits of the card and expiration date
      are revealed. A list of online transactions is generated with each import and filed in folder
      containing daily work in preparation for reconciliation.

E. Scheduled Credit Card Payments
   1. The donor can opt to establish a payment plan using a credit card.
   2. The donor can set up a payment plan online by entering his/her credit card information with
      no staff contact. These payment plans are imported into the database on a daily basis. Once
      imported, only the last four digits of the card and expiration date are revealed.
   3. The donor can elect to have a staff member set up a payment plan by providing the entire
      credit card information and expiration date over the phone of in person. Once the plan is
established, the card information is shredded. Once the plan is established, only the last four digits of the card and expiration date are revealed.

F. Online Special Events
1. Individuals sign up for various special events online through our website portal. It is hosted by InviteRight (see Media Hooks for InviteRight Information) with charges processed by Authorize.net. This is a separate merchant account from our donation processing.
2. An email is sent for each person who signs up for an event once the charge is processed online.
3. The corresponding database special event entry is entered manually.
4. No credit card information is available other than the card type, last 4 digits, and expiration date.
5. These transactions are reconciled separately from donations (see Section G. below).

G. General Processing and Reconciliation
1. Payments are processed by Membership staff member assigned to credit cards at that time.
2. Once payments are processed, only the last four digits of the card and expiration date are revealed.
3. All imported/processed payments are filed in folder containing daily work in preparation for reconciliation.
4. When the payments are reconciled, a “Batch Report” from the database is printed out with the donor name, account number, allocation designation, and payment amount. The only credit card information included is the card type and last 4 digits of the number. A listing from the credit card processor, Authorize.net, is also printed out by date range to make sure that all charges processed actually posted into the database. The Batch Report is checked against the charged information in the folder as well as the Authorize.net listing.
5. Once reconciled, the Receipts on the Batch Report are reprinted and forwarded to Katherine Wofford along with the folder with individual donor payment information for deposit and/or direction to the appropriate funds on the banking side.
6. The original Batch Report is filed along with the Authorize.net printout in the Membership area for future auditor inspection.
Disbursements Procedures:
All disbursements in excess of $300.00 require a purchase order approved by the controller prior to purchase. Purchases of less than $300.00 may be made from petty cash or by NC State Student Aid Association credit card. The petty cash and credit card are maintained by the business manager in a secure locked location—the controller has a key to the location and provides access in the business manager’s absence. All credit card and cash disbursements are reviewed by the controller.

1. Purchase order applications are initiated by staff and submitted to the controller for approval within five business days. After approval, the purchase may be initiated.
2. Staff member receiving goods or services must approve of invoice from supplier by initialing the invoice and indicating which expense category the payment is to be allocated to. After approving invoice, staff member submits the invoice to the business manager.
3. The business manager inputs all invoices into the accounts payable system for future payment.
4. Travel and expense reports are to be turned into the executive director’s assistant by ten AM on Wednesday for payment in the next check run. Travel expenses are reviewed and approved by the controller before payment. Travel expense reimbursement checks are issued each Wednesday.
5. All approved invoices are paid weekly when due. All checks are written by the business manager, signed by the business manager, and cosigned by the controller. The controller reviews all invoices prior to cosigning the checks and indicates his approval by initialing the invoice.
6. No contracts may be entered into without the controller or executive director’s approval (this includes debt obligations, rent, leases, and services).
7. Gas credit cards are provided to staff members with courtesy cars. Credit card receipts must be attached to travel expense reports (with destinations and member call reports attached). Gas credit cards are matched monthly with invoices from gas companies.
8. A general purpose credit card is kept in a locked drawer by the business manager. Staff members wishing to buy primarily incidental items must request the credit card from the business manager with appropriate explanation. All credit card purchases are reviewed by the controller.
9. A fidelity bond is maintained covering the actions of all staff members.
MARKET COMMENTARY

The world equity markets were essentially flat for the quarter and the year, as Global Equities as an asset class was up 0.35% for the quarter and 0.71% for the one-year period. The Greek debt crisis at the end of June was the major contributing factor for the lower return for the quarter as investors sold off equities. The US Fixed Income asset class, as reflected by the Barclays US Aggregate Index, was down 1.68% for the quarter and up 1.86% for the year. During the second quarter, the Federal Reserve indicated to the market that investors should expect long-term interest rates to rise in 2015, which was the major factor leading to the decline in the quarter. The U.S. Long Treasury Bond market sold off as the Barclays US Treasury Bond 20+ Year Index was down 9.07% for the quarter. The international equity markets slightly outperformed the U.S. equity markets for the quarter as the MSCI ACWI ex US was positive 0.53% versus the Russell 3000, up 0.14%. In the month of April alone, the international equity index was up 5.05% before the reversal in May and June. The energy sector rebounded off the bottom for the quarter as the S&P Goldman Sachs Commodity Index was up 8.73% for the quarter, which made it one of the quarter’s best performing asset classes.

The Fund is invested with several managers in a wide variety of asset classes. The largest manager, UNCMC, manages 89% of the Fund’s assets. UNC Investment Fund (UNCIF) produced a 1.0% return for the three months and 9.3% return for the 12 months ended June 30, 2015. The NCSIF employs additional private equity managers, who oversee 4% of the portfolio, and who produced a strong 3.2% for the three months and 15.8% for the 12 months ended June 30, 2015. The Fund’s Liquid Policy Portfolio (LPP), managed by Blackrock, at 6% of the portfolio, returned –0.2% for the three months and 2.7% for the 12 months ended June 2015.

Overall, we believe the Fund’s return of 1.0% for the quarter and 9.0% for the year ended June 30, 2015 were both favorable and competitive as a whole, and overall long-term performance continues to meet the Fund’s objectives.

PERFORMANCE

<table>
<thead>
<tr>
<th>June 30, 2015</th>
<th>$677 million</th>
<th>Participants: 9</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>QTD</td>
<td>CYTD</td>
</tr>
<tr>
<td>Fund</td>
<td>1.0%</td>
<td>5.0%</td>
</tr>
<tr>
<td>Policy Index (1)</td>
<td>0.8%</td>
<td>2.2%</td>
</tr>
<tr>
<td>UNCIF</td>
<td>1.0%</td>
<td>6.0%</td>
</tr>
<tr>
<td>Global Index (2)</td>
<td>-0.3%</td>
<td>1.0%</td>
</tr>
<tr>
<td>BNY E+F Median (3)</td>
<td>0.4%</td>
<td>2.8%</td>
</tr>
</tbody>
</table>

Note 1: Policy Index = UNCIF’s Strategic Investment Policy Portfolio Index (SIPP). For the 10 year period, Policy Index = Blended Historical Benchmark.
Note 2: Global Index = 70% ACWI; 30% Barclay’s Aggregate
The Fund is managed as a broadly diversified portfolio with exposure to seven primary asset classes and many sub-strategies within each asset class. The Fund seeks to diversify exposure to the sub-strategies through the use of multiple investment managers that utilize a variety of investment approaches. The purpose of diversification is to provide reasonable assurance that no single security, class of securities, or investment manager has a disproportionate impact on the Fund's aggregate results. At times, the Fund invests in passive strategies.

In working toward the Fund's investment strategy, through UNCMC, the Fund invests in a number of niche managers that can employ different types of hedging strategies such as short-selling and derivative investing to help reduce the volatility of the Fund. The focus on controlling volatility preserves capital and benefits Fund participants through the power of compounding.

The UNCMC was established on January 1, 2003 as an exempt 501 (c)(3) organization. It is a professionally-staffed asset management company created to provide investment services to the University of North Carolina at Chapel Hill and its affiliated entities, to the constituent institutions of the UNC system and system affiliated foundations, associations, trusts, and endowments.

With nearly 40 employees, UNCMC has two teams, Investment Management and Operations. The Investment Management team manages all public and private investments of the UNCIF. Their responsibilities include evaluating and monitoring investment managers, recommending changes to investment objectives and asset allocation, monitoring risk, and implementing investment decisions approved by Chapel Hill Investment Fund's (CHIF) Executive Committee. The Operations Team performs all administrative, legal, compliance, accounting, and performance reporting duties.
**FUND HISTORY AND PHILOSOPHY**

As a pooled fund for the collective investment of operating funds, the NC State Intermediate Term Fund (ITF) consists of Participants’ excess cash balances, which are defined as funds not needed for normal operating purposes. Generally, the ITF will not include operating funds needed within the next year, endowed funds or those funds that are specifically excluded by law or contractual agreement.

The decision to invest funds takes into account various factors including duration, credit, concentration, and manager risk, along with total return, suitability, and the experiences, quality and capability of external managers.

The primary investment objectives of the ITF are: 1) Preservation and safety of principal; 2) Liquidity; and 3) Maximization of returns within acceptable levels of risk. Because of concerns about potential changes in monetary policy and rising interest rates, duration is limited. The investment policy calls for an average weighted maturity between one and five years, with an overall credit rating in general of A+/A as rated by a nationally-recognized rating agency. However, for any mutual funds selected by the ITF, their respective approved investment policy guidelines supersede those of the ITF.

The ITF was established on July 3, 2014 with an initial investment of $122 million. Two additional investments were made during the year bringing the total invested to $173.83 million. The ITF can be compared with the State Treasurer’s Short-Term Investment Fund (STIF) on both a total return and on an SEC yield basis. The cash return on the ITF is higher than other operating cash for the University and other participants.

In order to provide a buffer for changes in the NAV of the different investments, some of the excess earnings are being used to create a loss reserve. FMV fluctuates on a day-to-day basis.

The fiscal year-to-date total return of 1.04% exceeds the policy index and is similar to the Barclays US Univ 1-5 Year Index of 1.24%. Note that the Fund’s SEC yield is higher than the policy index indicating that interest and dividends earned on the ITF investments are higher.

**ASSET EXPOSURE**

- Securitized Assets: 21.86%
- Obligations of the US Government: 19.93%
- Municipal Bonds: 6.82%
- High Yield: 2.31%
- Foreign Bonds: 7.92%
- Derivatives: 3.83%
- Cash & Cash Equivalents: 5.82%

**ALLOCATION BY MANAGER**

Managers:
- JP Morgan’s Short Term Fund is based on bottom-up fundamental analysis, while retaining a high quality bias.
- Vanguard’s Short Term Fund has a low tracking error and is a low cost portfolio option consisting primarily of investment grade corporates.
- PIMCO’s Low Duration Fund seeks maximum total return based on a combination of top-down secular views and bottom-up fundamental analysis.
- BlackRock’s Unconstrained Fund is based on fundamental analysis that will seek to exploit market inefficiencies through a variety of fixed income securities and exposures.

**PERFORMANCE**

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**ALLOCATION BY MANAGER**

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**Fourth Quarter Fiscal Year 2015**

The information comprising this report has not been audited and is subject to change. This report is based on information available at the time of distribution.
BOARD OF TRUSTEES
NORTH CAROLINA STATE UNIVERSITY

Buildings and Property Committee
Time: 2:45 – 4:15 p.m., September 10, 2015
Primrose Hall Conference Room
Ramsey, Chair
Members: Clark, Jenkins, Murphy, Prestage, Washington

AGENDA

CALL TO ORDER
Randy Ramsey, Chair, Buildings and Property Committee
- Roll Call
- Reading of the State Government Ethics Act

1. 2015-2016 COMMITTEE PLAN OF WORK
Randy Ramsey, Chair, Buildings and Property Committee
- Review Plan of Work for Academic Year

2. COMMITTEE RESPONSIBILITIES AND PROCEDURES
Steven Arndt, Associate Vice Chancellor for Facilities
- Review of Committee Responsibilities and Procedures

3. CONSENT AGENDA
Minutes
Randy Ramsey, Chair, Buildings and Property Committee
- Approval of April 17, 2015 meeting minutes

Property Matters
Ralph Recchie, Real Estate Director
✓ Disposition by Lease – for ± 130 acres on Spring Hill of Centennial Campus from the State of North Carolina to the Board of Trustees of the Endowment Fund for North Carolina State University for a nominal sum and a term of 99 years.
✓ Disposition by Deed and Easement – for 31,134 sf along Hillsborough Street to the City of Raleigh for the purpose of streetscape improvements from Gardner Street to Rosemary Street, 4,233 sf by deeded Right of Way conveyance, 1,281 sf in permanent easements and 25,263 sf in temporary construction easements.

Designer Selections
Steve Arndt, Associate Vice Chancellor for Facilities
- Bragaw Window Replacement, Central Campus Precinct
- Centennial Biomedical Campus Chilled Water Expansion
- Centennial Campus Thermal Utilities & Infrastructure
- Tucker Hall Renovation, Central Campus Precinct
- Approval of Designer Selections Less Than $500,000

✓ Requires full board approval

Materials will be distributed to committee members at the meeting
Acceptance of Completed Buildings and Projects

Steve Arndt, Associate Vice Chancellor for Facilities

- The University and the Office of State Construction have accepted the attached list of completed buildings and projects with dollar values greater than $2,000,000. The University has accepted the attached list of completed buildings and projects with dollar values less than $2,000,000. All are recommended to the Buildings and Property Committee for formal acceptance. This listing represents buildings and projects received since the April 17, 2015 meeting.

***END OF CONSENT AGENDA ITEMS***

4. PROPERTY MATTERS (Received after Full Board Mailing) TAB 4

5. SITE REVIEW AND APPROVAL TAB 5

Lisa Johnson, University Architect

- Sigma Phi Epsilon House 5.5.A

6. PLAN REVIEW AND APPROVAL TAB 6

Lisa Johnson, University Architect

Plan Review

- Sigma Phi Epsilon House 5.6.A
- Approval of Plans and Specifications of Formal Projects less than $2 million 5.6.A.1

7. INFORMATIONAL REPORTS TAB 7

- Wake County Emergency Communications Center (Dave Rainer) 5.7.A.1
- Harrelson Hall Demolition Update (Lisa Johnson) 5.7.A.2
- Capital Projects Update (Steve Arndt) 5.7.A.3
- Status of Projects in Planning (Lisa Johnson) 5.7.A.4

ADJOURN
September
- Accept Completed Buildings and Projects (NC State Pol 01.05.1, App 1.II.a.vi) **(Acceptance)**
- Acquisition and Disposition of Interests in Real Property (UNC Pol. Ch. 100.1, App.1 (VI)), (NC State Pol 01.05.1, App 1.II.a.vii) **(Consider and approve property matters in a timely fashion to avoid adverse impact to the business of the University.)**
- Architect Selection (NC State Pol 01.05.1, App 1, II.ii) and Construction Managers at Risk Selection (NC State Pol 01.05.1, App 1, II.iii) **(Participate in designer, developer, and CMR selection interviews and approve selections in a timely manner to avoid impacts to project schedules.)**
- Building Site, Plan and Specification Approval (NC State Pol 01.05.1, App 1, III.iv.v) **(Review of project design plans for responsiveness to the vision of the physical master plan. Review and approve design projects in a timely manner to avoid impact to project design and construction schedule.)**
- Capital Projects Update (UNC Pol. Ch. 100.1, App.1 (VI)) **(Receive periodic updates and comment as warranted.)**
- Projects in Planning Status **(Receive periodic updates and comment as warranted.)**
- Review Committee Responsibilities **(Annually)**

November
- Accept Completed Buildings and Projects (NC State Pol 01.05.1, App 1.II.vi) **(Acceptance)**
- Acquisition and Disposition of Interests in Real Property (UNC Pol. Ch. 100.1, App.1 (VI)), (NC State Pol 01.05.1, App 1.II.vi) **(Consider and approve property matters in a timely fashion to avoid adverse impact to the business of the University.)**
- Architect Selection (NC State Pol 01.05.1, App 1, II.ii) and Construction Managers at Risk Selection (NC State Pol 01.05.1, App 1, II.iii) **(Participate in designer and CMR selection interviews and approve selections in a timely manner to avoid impacts to project schedules.)**
- Building Site, Plan and Specification Approval (NC State Pol 01.05.1, App 1, III.iv.v) **(Review of project design plans for responsiveness to the vision of the physical master plan. Review and approve design projects in a timely manner to avoid impact to project design and construction schedule.)**
- Capital Projects (UNC Pol., Ch. 100.1, App.1 (VI) and Centennial Campus Update) **(Receive periodic updates and comment as warranted.)**
- Projects in Planning Status **(Receive periodic updates and comment as warranted.)**

Desired outcomes and measures of success are highlighted
February
- Accept Completed Buildings and Projects (NC State Pol 01.05.1, App 1.II.vi) **(Acceptance)**
- Acquisition and Disposition of Interests in Real Property (Policy Manual, Ch. 100.1, App.1 (VI)), (NC State Pol 01.05.1, App 1.II.vi) (Consider and approve property matters in a timely fashion to avoid adverse impact to the business of the University.)
- Architect Selection (NC State Pol 01.05.1, App 1, II.ii) and Construction Managers at Risk Selection (NC State Pol 01.05.1, App 1, II.iii) (Participate in designer and CMR selection interviews and approve selections in a timely manner to avoid impacts to project schedules.)
- Building Site, Plan and Specification Approval (NC State Pol 01.05.1, App 1, III.iv.v) (Review of project design plans for responsiveness to the vision of the physical master plan. Review and approve design projects in a timely manner to avoid impact to project design and construction schedule.)
- Capital Projects Update (Policy Manual, Ch. 100.1, App.1 (VI)) (Receive periodic updates and comment as warranted.)
- Projects in Planning Status (Receive periodic updates and comment as warranted.)

April
- Accept Completed Buildings and Projects (NC State Pol 01.05.1, App 1.ii.vi) **(Acceptance)**
- Acquisition and Disposition of Interests in Real Property (Policy Manual, Ch. 100.1, App.1 (VI)), (NC State Pol 01.05.1, App 1.II.vi) (Consider and approve property matters in a timely fashion to avoid adverse impact to the business of the University.)
- Architect Selection (NC State Pol 01.05.1, App 1, II.ii) and Construction Managers at Risk Selection (NC State Pol 01.05.1, App 1, II.iii) (Participate in designer and CMR selection interviews and approve selections in a timely manner to avoid impacts to project schedules.)
- Building Site, Plan and Specification Approval (NC State Pol 01.05.1, App 1, III.iv.v) (Review of project design plans for responsiveness to the vision of the physical master plan. Review and approve design projects in a timely manner to avoid impact to project design and construction schedule.)
- Capital Projects Update (Policy Manual, Ch. 100.1, App.1 (VI)) and Centennial Campus Update (Receive periodic updates and comment as warranted.)
- Parking and Transportation Ordinances (NC State Pol 07.60.01), (NCGS §116-44.4, §20-137.7) **(Approval)**
- Physical Master Plan Update (UNC Pol. Ch. 100.1, App 1 (VI)), (NC State Pol. 01.05.1, App 1, II.a.i) (Receive annual update and comment as warranted.)
- Projects in Planning Status (Receive periodic updates and comment as warranted.)

Desired outcomes and measures of success are highlighted
01.05 BUILDINGS AND PROPERTY COMMITTEE

The Buildings and Property Committee has the following delegated authority:

   1.1 To maintain a master plan for the physical development of North Carolina State University.
   1.2 To select architects or engineers for buildings and improvements requiring such professional services.
   1.3 To select Construction Managers-at-Risk for buildings and improvements requiring such professional services.
   1.4 To approve building sites.
   1.5 To approve plans and specifications.
   1.6 To accept all completed buildings and projects.
   1.7 To approve all proposals involving acquisition or disposition of any interest in real property and for which authority has not been delegated to the Chancellor, provided that if the proposal involves an interest in real property valued at $50,000 or more, the matter shall be recommended by the Committee to the full Board of Trustees for its approval and forwarding to the Board of Governors.

2. Policy Development
   2.1 Buildings and Property. Upon the recommendation of the Chancellor, to recommend to the Board of Trustees the adoption of policies applicable to the control, operation and supervision of campus buildings and property pursuant to applicable provisions of State law and policies of the Board of Governors.
   2.2 Traffic and Parking Regulations. To review campus parking and traffic regulations and policies and on recommendation of the Chancellor to recommend changes to the Board of Trustees.
Agenda Item / Issue: Consent Agenda

Requested / Required Action: Approval of the items contained in the Consent Agenda to include committee meeting minutes for April 16, 2015, property matters, designer selections, and acceptance of completed buildings and projects.

Suggested Motion: Move approval of the Consent Agenda.

Responsible University Unit: Office of Finance & Business
University Presenter/Contact: Steven A. Arndt, Associate Vice Chancellor for Facilities
Minutes

Meeting No.: 14-15: 4

Location: Primrose Hall Conference Room

Time: 2:45 – 3:30 p.m.

Committee Members Present:
Mr. Randall Ramsey, Chair
Mr. Jimmy Clark
Ms. Gayle Lanier
Mr. Bob Mattocks
Mr. Wendell Murphy
Mr. John Sall

Present from the University:
Mr. Charles Leffler, Vice Chancellor, Finance and Business
Mr. Michael Harwood, Associate Vice Chancellor, Centennial Campus Development
Mr. Steven Arndt, Associate Vice Chancellor, Facilities
Mr. Marvin Malecha, Dean, College of Design
Mr. Brent McConkey, Assistant General Counsel, Office of General Counsel
Mr. Robert Hoon, Deputy General Counsel, Office of General Counsel
Ms. Lisa Johnson, University Architect
Ms. Lori Johnson, Director, Strategic Debt Management
Mr. Ralph Recchie, Director, Real Estate
Ms. Cathy Reeve, Director, Transportation
Ms. Lynn Burris, Executive Assistant, Facilities Division

CALL TO ORDER
Chair Ramsey called the meeting to order at 2:45 p.m.

ROLL CALL
Chair Ramsey called the roll. All were present.

STATE GOVERNMENT ETHICS ACT
At the beginning of the meeting, Chair Ramsey 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 with respect to any
matters coming before the Buildings and Property Committee at this meeting. The committee members had no conflicts of interest or appearances thereof.

**CONSENT AGENDA**

**Minutes**
Chair Ramsey asked whether there were any corrections to the February 19, 2015 meeting minutes. There being none, Chair Ramsey declared the minutes stand approved as drafted.

**Property Matters**
Chair Ramsey asked Mr. Recchie to present the one property matters that requires full board approval. Mr. Recchie noted the second property item on the agenda - 5.1.B.2, the Distributed Antenna System at Wolf Ridge, no longer needs approval from the full board. The Office of Information Technology has found another solution to the issue that does not involve a lease.

Recchie presented the following property item that requires full board approval:

- Disposition by Right of Way – to the City of Raleigh and NC DOT of +/- 3 ac. to accommodate the future Pullen Rd. / Centennial Parkway intersection.

Recchie noted that this includes two areas being considered for possible university signage on the Centennial Parkway entrance. Chair Ramsey asked when this will be built and Recchie reported the Catholic Diocese Cathedral will be finished approximately two years from now and the road will take several months after that. In response to Mr. Sall’s question, Cathy Reeve answered the Wolfline will run this route and there will be a bike lane. Mr. Leffler said this zoning has been talked about a long time ago and it is a big accomplishment creating this connection of the campuses. This demonstrates the good partnership of the City of Raleigh, Centennial Campus Development Office, Real Estate Office and Transportation. Mr. Sall commented a direct route would be more logical. Mr. Recchie explained due to the topography of the land and plans for a future school building on the site by the Catholic Diocese, this route is the best location.

Chair Ramsey called for a motion and a second to recommend to the full board approval of the one item as outlined by Mr. Recchie. Mr. Clark made the motion, which Mr. Sall seconded. Ramsey asked if there was any further discussion on the motion. There being none, he called for a vote. He announced the motion passed.

Chair Ramsey asked Mr. Recchie to present the one property matters that requires approval by the Building and Property committee only.
Recchie presented the following:

- Acquisition by Lease for Distance Education & Learning Technology Applications (DELTAG) for +/- 6,400 sf of space on Centennial Campus (CC) to be used for proctoring and associated offices. The likely location for this use will be the Venture Complex and will be for a term of 10 years at a rate to be negotiated but not to exceed market value.

Chair Ramsey called for a motion and a second for approval by the Building and Property committee of the one item as outlined by Mr. Recchie. Ms. Lanier made the motion, which Mr. Sall seconded. Ramsey asked if there was any further discussion on the motion. There being none, he called for a vote. He announced the motion passed.
**Designer Selections**

Chair Ramsey asked Mr. Arndt to discuss the designer selections. Mr. Arndt presented two designer selections and requested approval for nine designer selections that are less than $500,000. Ms. Lanier described Harrelson Hall as an iconic building and asked when it was being demolished. Ms. Johnson responded it will be in summer 2016. Ms. Lanier expressed her desire that something as iconic as Harrelson be built in its place to carry on the legacy. The building was on the 1958 Master Plan and opened in 1961. A study in 2002 showed it was deficient in many areas and had ADA issues. Mr. Leffler noted that when Harrelson was demolished, Ms. Lanier is to receive the Harrelson Hall model building from the wall map in Primrose Conference Room. Mr. Mattocks asked when Centennial Campus would be all built out. Mr. Harwood said that the campus has 9 million square feet capacity and is currently at the 4 million square foot threshold, almost half way. Chair Ramsey called for a motion and a second to approve the selections as outlined by Mr. Arndt. Mr. Sall made the motion, which Mr. Mattocks seconded. Ramsey asked if there was any further discussion on the motion. There being none, he called for a vote. He announced the motion passed.

**Acceptance of Completed Buildings and Projects**

Chair Ramsey asked Mr. Arndt to present the completed buildings and projects for acceptance. Arndt requested acceptance of five completed projects with a combined value of just under $1 million. The list included acceptance of the construction and safety improvements at the Morrill Entrance and elevator modernization at the Phytotron.

Chair Ramsey called for a motion and a second to accept as outlined by Mr. Arndt. Mr. Sall made the motion, which Mr. Mattocks seconded. Ramsey asked if there was any further discussion on the motion. There being none, he called for a vote. He announced the motion passed.

**PARKING AND TRANSPORTATION**

Chair Ramsey asked Ms. Reeve to present the Proposed Revision to Policy 7.60.1 Parking and Transportation Ordinances for 2015-2016. Reeve said the proposed changes are mostly clarifications. There will be a two per cent increase in parking fees. The majority of employees will see increases between $.50 and $.75 before pre-tax and the student impact will be $2-$6 annual increase. Transportation is budgeting for planned improvements in parking decks including scheduled major repairs and to complete a five year security plan camera installation. There are plans to upgrade visitor paylot equipment to meet new compliance rules and to complete the second phase of visitor parking improvements with additional pay-by-space visitor locations. Also there may be potential increased costs to construct the Farmer’s Market Park & Ride lot.

Chair Ramsey inquired how many new spaces will be at the Farmer’s Market Park & Ride lot. Reeve responded 90 new spaces but the project overall increase is 200. The university can use excess spaces available spaces during the week when the Farmer’s Market is not busy and the Farmer’s Market can use the additional spaces during the weekends. Maintenance of the spaces will be done by the Farmer’s Market. Ms. Lanier inquired about the carpool permit requirement going from two to three persons. Reeve explained there is a tiered system. A two person carpool permit is available with the cost split between riders split the cost who will still receive 12 free parking passes throughout the year. These permits are typically used by two persons residing in
the same location. There is a reduced rate for a three person carpool. Mr. Leffler reminded the committee that this is an ordinance that goes to the Secretary of State and once signed, goes into law. Chair Ramsey thanked Ms. Reeve for the report.
Chair Ramsey called for a motion and a second to accept as outlined by Ms. Reeve. Mr. Murphy made the motion, which Mr. Sall seconded. Ramsey asked if there was any further discussion on the motion. There being none, he called for a vote. He announced the motion passed.

**PHYSICAL MASTER PLAN UPDATE**
Chair Ramsey asked Ms. Johnson to present the Physical Master Plan update. Ms. Johnson distributed materials for this presentation showing Capital Priorities, Planning Studies and Transportation Impacts.

**Capital Priorities**

**North Campus Precinct**

Engineering Building Oval will finish off the Oval, the academic core on Centennial Campus unifying College of Engineering and that part of campus. Responding to Mr. Sall, Johnson stated that the reason for the name change from EBIV and EBV was that most of the programs for those two buildings were combined into one building. The name change helped resolve some of the confusion.

The 199,000 gross square foot (GSF) Plant Science Building will house interdisciplinary research, including 19,000 GSF rooftop BSL2 and BSL3 (biosafety). About half of the faculty will be permanent and the other half rotating dependent upon current research initiatives.

Harrelson Hall is scheduled for demolition in summer 2016. There will be site restoration to a grassy area until the new Science Common Building, housing interdisciplinary science teaching, is built. The building will be about 88,000 GSF and will be the front door to the science complex of buildings that include Cox and Dabney Halls. Chair Ramsey asked about storm water issues with the grassy area. Ms. Johnson explained that storm water management will be incorporated in the site restoration design. Resources were identified to fund the Broughton Hall Renovation and Addition through schematic design. Broughton was vacated at the completion of EBIII and is being used for swing space. Plans call for renovating 45,000 GSF, building a 120,000 GSF addition and tying it together with an atrium. Budget includes improving campus infrastructure and a pedestrian bridge.

**Planning Studies**

**Central Campus Precinct**

Wake County Emergency Operations Center (EOC) is a collaboration with Environmental Health & Safety and Wake County to build an emergency operations center located near the Public Safety Building. The top two floors of the three story building will house the EOC and NC State will have use of the ground floor. Mr. Leffler commented we are interested in hosting
as it will function as backup for 911 calls and emergency coordination efforts.

Ms. Johnson showed concept drawing for the 4 level, 28,400 GSF Case Commons. Located next to Case Athletic Building but not connected to it, it will have 62 student beds. Approximately half of the beds will be for student athletes and the others for non-athletes plus a resident director apartment and two resident assistant rooms.

The Carmichael Addition and Renovation will unify the recreation complex with a new entrance and improve Cates Avenue streetscape with improved wayfinding and visibility of activities. Plans call for additional fitness and functional training spaces to address demand plus deferred maintenance and code deficiencies will be addressed.

Centennial Biomedical Campus (CBC)

Study to renovate the CVM Equine & Farm Animal Hospital built in 1982. This phased construction project (to keep costs down) has plans that include separate outpatient and inpatient services, expanding air conditioning and ventilation, improving biosecurity and process flows, and providing an overall better client experience. Renovation is necessary to support the growing Equine Sports Animal Program and provide sufficient space for lameness evaluation, rehab facilities and orthopedic surgery.

The 135,000 GSF CVM Education Building will house teaching labs, flexible classrooms, faculty offices, seminar rooms with animal exam capabilities and is designed for today’s teaching methods.

Data Center III still in study. Data Center I is currently housed on Hillsborough St. in a building built in 1948 which can’t be renovated to accommodate the technology needed.

Transportation Impacts

Centennial Campus Precinct

Ms. Johnson showed diagram for the planned Pullen Road Extension with includes bike lanes and multi-use paths. This is scheduled for completion in spring 2018.

The Western Blvd – Avent Ferry Pedestrian Tunnel is a Wake County 2020 project that will tie the campus together.

West Campus Precinct

This project will impact the University Club, Golf Short Course practice and Brickhaven buildings and cause some issues such as displaced functions. We are still talking to the City with regard to the Ligon St. tunnel. Originally this one lane tunnel was to be widened. This is something we want to keep in the project, particularly as it is a safety concern.

Mr. Sall asked why is the Plant Science building planned to be located on Centennial Campus. Ms. Johnson replied that from an interdisciplinary research collaboration standpoint Centennial
Campus is the best location for this building plus it will bring together faculty now located in ten to twelve buildings across campus. Mr. Sall also asked about the possibility of Biology being located in the new Science Commons Building. Ms. Johnson replied that no detailed space programming has been done for the building; that will happen after the new dean is on board. She noted that there is a possibility that SCALE-UP style biology teaching spaces will be in the building.

**PLAN APPROVAL**
Chair Ramsey asked Ms. Johnson to present the Approval of Plans and Specifications of Formal Projects less than $2 million.

Chair Ramsey called for a motion for approval of the Plans and Specifications of Formal Projects less than $2 million for the four projects as outlined by Ms. Johnson. Mr. Sall made the motion, which Ms. Lanier seconded. Ramsey asked if there was any further discussion on the motion. There being none, he called for a vote. He announced the motion passed.

**INFORMATIONAL REPORTS**
Chair Ramsey recognized Mr. Harwood to present the Centennial Campus update. Mr. Harwood present the following actions since the November 20, 2014 report.

Alliance One Building has its first tenant moving in.

North Shore Residential development is starting back up. Initial grading activities are starting up. There will be several construction phases with the pool and four units on the left side to be the first section completed.

The groundbreaking for the Hotel and Conference Center is scheduled for Wednesday, April 22 and large equipment work will begin in June. Mr. Leffler commented this is a milestone event, it is a long time in coming. Mr. Harwood remarked this has always been on the Master Plan. The hotel, named The State View Hotel is a Marriott Autograph with 164 rooms and 9000 sq. ft. of meeting space. Mr. Harwood responded that the hotel will be able to expand and add 75 more rooms to Mr. Murphy’s inquiry.

Flex Building (CBC) ground lease and space lease negotiations are underway. This has been in the plans since 2007.

Textiles Innovation Center has a new name – Center for Textiles Innovation (CTI). The design is almost complete with grading activities to start in May 2015.

Town Center RFQ is to be issued after the hotel construction is underway and the developer selection process is to begin in mid-2015.

Leasing activity of note includes ABB is moving from Venture II and will occupy three floors of Alliance staring May 2015. The Institute for Advanced Analytics will relocate from Venture II and expand into Alliance in July 2015 and in June 2015, Power America is to occupy the second
floor of Venture Place.

Significant Capital Projects:

Note that these building are 20+ years old: Partners I HVAC renovation is almost complete. Research II HVAC renovation has been delayed to address air exhaust issues and Research III HVAC upgrade is out for bids.

Chair Ramsey recognized Mr. Arndt to present the update about Capital Projects. Arndt reported the Gregg Museum groundbreaking ceremony was Tuesday, April 14. The $122 million Talley Student Center project is wrapping up, currently doing fire alarm inspections and other punch list items. A formal ribbon cutting will be later this fall. The contracts for Reynold Coliseum were signed this week and we have received bids for the Carmichael locker rooms.

Chair Ramsey recognized Ms. Johnson to provide an update on Projects in Planning. Ms. Johnson noted the ever dwindling list and commented that Broughton Hall is still on the list as there is no further funding for it.

Mr. Leffler stated he received information from Kevin Howell that the governor released his proposed $3 billion bond package and $77 million for the EB Oval was included. This is good news.

Ms. Lanier asked to recognize two members who will be rolling off the committee after this meeting, Mr. Bob Mattocks and Mr. John Sall. She said she appreciated their contribution to the committee over the years and when she was the chair. Chair Ramsey led a round of applause for them and wished them well.

There being no additional business, the meeting adjourned at 3:45 p.m.
Respectfully submitted,

Steven A. Arndt
Secretary to the Committee

cc: Charles Leffler, Vice Chancellor, Finance & Business
    P.J. Teal, Assistant Secretary of the Trustees

Approved: ___________________________  ___________________________

Committee Chair  Date
DISPOSITION
OF REAL PROPERTY

DISPOSITION BY LEASE

GRANTEE
The Board of Trustees of the Endowment Fund for North Carolina State University

GRANTOR
State of North Carolina for North Carolina State University.

LOCATION
Spring Hill on Centennial Campus, Raleigh, NC

SIZE
+/- 130 ac.

RATE
Nominal Sum

TERM
99 Years

USE
The 99 year ground lease of + 130 ac. of State of North Carolina land comprising Spring Hill on Centennial Campus to the Board of Trustees of the Endowment Fund for North Carolina State University, would facilitate private development of office and laboratory buildings in the fulfillment of the mission of Centennial Campus. The acreage could accommodate many separate privately funded developments for years to come.
STATE OF NORTH CAROLINA
Department of Administration
*DISPOSITION OF REAL PROPERTY

Institution or Agency: North Carolina State University Date: August 12, 2015

The Department of Administration is requested, as provided by GS 146-28 to dispose of the real property herein described by (sale), (lease), (rental), or (other specify): Lease

The disposition is recommended for the following reasons: The 99 year ground lease of ± 130 ac. of State of North Carolina land comprising Spring Hill on Centennial Campus to the Board of Trustees of the Endowment Fund for North Carolina State University, would facilitate private development of office and laboratory buildings in the fulfillment of the mission of Centennial Campus. The acreage could accommodate many separate privately funded developments for years to come.

Description of Property: ± 130 Ac. on Spring Hill of Centennial Campus

Term: 99 years

Estimated value: N/A

Where deed is filed, if known: Wake County, North Carolina

If deed is in the name of agency other than applicant, state the name.

Rental income, if applicable, and suggested terms: Nominal Sum

Funds from the disposal of this property are recommended for the following use: To support further development and improvements on the Centennial Campus.

Action recommending this transaction was taken by the Board of Trustees at its meeting held on ____________.

Signature ____________________________

Chancellor

*The term "real property" includes timber rights, mineral rights, etc. (GS 146-64)
TRANSMITTAL OF REQUEST FOR ACQUISITION/DISPOSITION OF REAL PROPERTY

Form Number PO-2
Preparation Date August 12, 2015

Request The 99 year ground lease of + 130 ac. of State of North Carolina land comprising Spring Hill on Centennial Campus to the Board of Trustees of the Endowment Fund for North Carolina State University, would facilitate private development of office and laboratory buildings in the fulfillment of the mission of Centennial Campus. The acreage could accommodate many separate privately funded developments for years to come.

Institution NORTH CAROLINA STATE UNIVERSITY

RECOMMENDED BY CHANCELLOR, NCSU (Chancellor's Signature)

RECOMMENDED BY COMMITTEE ON BUILDINGS AND PROPERTY (Chairman's Signature)

RECOMMENDED BY BOARD OF TRUSTEES, NCSU (Chairman's Signature)

RECOMMENDED BY BOARD OF GOVERNORS (Secretary's Signature)
DISPOSITION
OF REAL PROPERTY

EASEMENT

GRANTOR  State of North Carolina NC State University

GRANTEE  City of Raleigh

LOCATION  2801, 2721, 2711 Founders Dr., 2720, and 2806 Hillsborough St., Raleigh, NC

SIZE  +/- 31,135 sf. (.7148 ac.) of Right of Way, Permanent Utility Easements, Permanent Drainage Easements, and Temporary Construction Easements

RATE  To be determined by the State Property Office

TERM  Perpetual Easements (Fee Simple Easements)

USE  This section of the project will run along Hillsborough St. for approximately .5 miles. The proposed improvement will affect at least three (3) separate properties owned by the State of North Carolina on behalf of NC State University. The properties are located at 2801, 2721, 2711 Founders Dr., 2720, and 2806 Hillsborough St. which have been designated as Parcels #21, #22, and #25 on the City of Raleigh's project plans.

The easements will involve +/- 4,233 sf. for the purpose of new R/W, +/- 1,281 sf. as PUE, +/- 358 sf. as PDE, and 25,263 sf. as TCE. Note that the temporary areas should convert back to the land owner at the completion of the project.
STATE OF NORTH CAROLINA
Department of Administration
*DISPOSITION OF REAL PROPERTY

Institution or Agency: State of North Carolina

The Department of Administration is requested, as provided by GS 146-28 to dispose of the real property herein described by (sale), (lease), (rental), or (other specify): Fee Simple Easement

The disposition is recommended for the following reasons: City of Raleigh has requested acquisition of several easements from NC State University for the proposed construction involving phase #2 of the Hillsborough Street Streetscape Project. This section of the project will run along Hillsborough Street located between Shepherd St. and Gardner St. in Raleigh, NC.

Description of Property: This section of the project will run along Hillsborough St. for approximately .5 miles. The proposed improvement will affect at least three (3) separate properties owned by the State of North Carolina on behalf of NC State University. The properties are located at 2801, 2721, 2711 Founders Dr., 2720, and 2806 Hillsborough St. which have been designated as Parcels #21, #22, and #25 on the City of Raleigh’s project plans.

The easements will involve +/- 4,233 sf. for the purpose of new R/W, +/- 1,281 sf. as PUE, +/- 358 sf. as PDE, and 25,263 sf. as TCE. Note that the temporary areas should convert back to the land owner at the completion of the project.

Term: Perpetual

Estimated value: To be determined through coordination with the State Property Office.

Where deed is filed, if known: Wake County Register of Deeds. Recorded in Deed Books 95-246, Deed Book 10515-275, and Deed Book 929-513. (Parcels #21, #22, and #25 respectively.)

If deed is in the name of agency other than applicant, state the name. N/A

Rental income, if applicable, and suggested terms: N/A

Funds from the disposal of this property are recommended for the following use.

Action recommending this transaction was taken by the Board of Trustees at its meeting held on

Signature
Chancellor

*The term "real property" includes timber rights, mineral rights, etc. (GS 146-64)
TRANSMITTAL OF REQUEST FOR ACQUISITION/DISPOSITION OF REAL PROPERTY

Form Number: PO-2 Preparation Date: July 30, 2015

Request: Disposition by easements containing +/- 31,135 sf. (.7148 ac.) to the City of Raleigh for phase #2 of the proposed Hillsborough Street Streetscape project. The easements will be for new right of way, permanent utility & drainage easement, and temporary construction easement areas (R/W, PUE, PDE, and TCE), in regard to the construction of the project.

Institution NORTH CAROLINA STATE UNIVERSITY

RECOMMENDED BY CHANCELLOR, NCSU __________________________ (Chancellor's Signature)

RECOMMENDED BY COMMITTEE ON BUILDINGS AND PROPERTY __________________________ (Chairman’s Signature)

RECOMMENDED BY BOARD OF TRUSTEES, NCSU __________________________ (Chairman's Signature)

RECOMMENDED BY BOARD OF GOVERNORS __________________________ (Secretary's Signature)
Bragaw Window Replacement
Total Project Scope – $1,300,000 – (Housing Receipts)

06/10/15 Advertised in NC Purchase Directory

07/07/15 Closing date for submittals
(19 proposals received)

07/24/15 Appointment of Selection Committee
By Steven Arndt, Secretary – Buildings and Property Committee

07/24/15- Selection Committee review:
08/18/15 NA, Trustee
Lisa Johnson, University Architect
Angkana Bode, Project Manager, Capital Project Management
Lisa Maune, Associate Director, Design & Construction Services
Pete Fraccaroli, Director of Facilities, IT, and Asset Management, Campus Life
Steve Nettles, Senior Facilities Manager, Campus Life

07/24/15 Short list recommendation by Selection Committee:
MHA Works, PA – Durham, NC
Rotman Architecture, PA – Raleigh, NC
Swanson Stewart Architects, PA – Durham, NC

07/28/15 Short list approved by Randall Ramsey

08/07/15 Pre-interview briefing of Designers

08/18/15 Designers interviewed. Recommendation in priority order:
Rotman Architecture, PA – Raleigh, NC
Swanson Stewart Architects, PA – Durham, NC
MHA Works, PA – Durham, NC
Centennial Biomedical Campus Chilled Water Expansion
Total Project Scope – $3,626,000 (Current Funding $200,000 Thermal Assessments)

01/27/15 Advertised in NC Purchase Directory

02/17/15 Closing date for submittals
(10 proposals received)

03/02/15 Appointment of Selection Committee
By Steven Arndt, Secretary – Buildings and Property Committee

03/02/15- Selection Committee review:
03/25/15 NA, Trustee
Lisa Johnson, University Architect
Damian Lallathin, Project Manager, Capital Project Management
Charles Marshall, Assistant Director of Construction, Capital Project Management
Carolyn Axtman, Assistant Director of Design, Capital Project Management
Jeff Hightower, Director, Utility Infrastructure Planning
Alan Daeke, Assistant Director for Utility Services
Others who assisted in review and short listing process
Henry Hardy, Capital Project Management

03/12/15 Short list recommendation by Selection Committee:
Affiliated Engineers, Inc. – Chapel Hill, NC
RMF Engineering – Raleigh, NC
SEBESTA – Raleigh, NC

03/12/15 Short list approved by Randall Ramsey

03/19/15 Pre-interview briefing of Designers

03/25/15 Designers interviewed. Recommendation in priority order:
RMF Engineering – Raleigh, NC
Affiliated Engineers, Inc. – Chapel Hill, NC
SEBESTA – Raleigh, NC
Centennial Campus Thermal Utilities & Infrastructure
Total Project Scope – $7,000,000 (Current Funding $1,350,000/CCDO Fund)

02/23/15  Advertised in NC Purchase Directory

03/27/15  Closing date for submittals
          (9 proposals received)

04/16/15  Appointment of Selection Committee
          By Steven Arndt, Secretary – Buildings and Property Committee

04/16/15- Selection Committee review:
05/04/15  Randall Ramsey, Trustee
          Lisa Johnson, University Architect
          Steven Bostian, Project Manager, Capital Project Management
          Cameron Smith, Director, Capital Project Management
          Carolyn Axtman, Assistant Director of Design, Capital Project Management
          Charles Marshall, Assistant Director of Construction, Capital Project Management
          Alan Daeke, Assistant Director for Utility Services
          Jeff Hightower, Director for Utility Services
          Others who assisted in review and short listing process
          Henry Hardy, Capital Project Management

04/13/15  Short list recommendation by Selection Committee:
          Affiliated Engineers – Chapel Hill, NC
          McKim & Creed – Raleigh, NC
          RMF Engineering – Raleigh, NC

04/16/15  Short list approved by Randall Ramsey

04/23/15  Pre-interview briefing of Designers

05/07/15  Designers interviewed. Recommendation in priority order:
          RMF Engineering – Raleigh, NC
          Affiliated Engineers – Chapel Hill, NC
          McKim & Creed – Raleigh, NC
**Tucker Hall Renovation**
Total Project Scope – $1,405,000 (Housing Receipts)

05/26/15  Advertised in NC Purchase Directory

06/23/15  Closing date for submittals
           (10 proposals received)

07/08/15  Appointment of Selection Committee
           By Steven Arndt, Secretary – Buildings and Property Committee

07/08/15-  Selection Committee review:
08/03/15
           NA, Trustee
           Lisa Johnson, University Architect
           Bill Davis, Project Manager, Capital Project Management
           Cameron Smith, Director, Capital Project Management
           Carolyn Axtman, Assistant Director of Design, Capital Project Management
           Pete Fracaroli, Director of Facilities, IT, and Asset Management, Campus Life
           Kathleen Ruppe, Associate Director, Campus Life
           Scott Scherer, Facility Planner, Campus Life

07/08/15  Short list recommendation by Selection Committee:
           Engineered Design, Inc. – Cary, NC
           Hallam ICS – Raleigh, NC
           RDK Engineers – Durham, NC

07/13/15  Short list approved by Randall Ramsey

07/27/15  Pre-interview briefing of Designers

08/03/15  Designers interviewed. Recommendation in priority order:
           RDK Engineers – Durham, NC
           Engineered Design, Inc. – Cary, NC
           Hallam ICS – Raleigh, NC
### Approval of Designer Selections Less than $500,000

**Note:** The projects below are submitted to the Trustees’ Buildings and Property Committee for formal approval of designer selections for projects less than $500,000 that are not on the OESAD list. This listing represents designers selected since April, 2015.

<table>
<thead>
<tr>
<th>Project</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Athletics Murphy Center Media Study</td>
<td>$49,900</td>
</tr>
<tr>
<td>Designer: Anthony James Partners, Richmond, Virginia</td>
<td></td>
</tr>
<tr>
<td>Fund Source: Athletics</td>
<td></td>
</tr>
<tr>
<td>Carmichael FCAP Study</td>
<td>$47,500</td>
</tr>
<tr>
<td>Designer: Davis Kane Architects, Raleigh, NC</td>
<td></td>
</tr>
<tr>
<td>Fund Source: Departmental</td>
<td></td>
</tr>
<tr>
<td>DH Hill Faculty Research Commons</td>
<td>$47,400</td>
</tr>
<tr>
<td>Designer: RND, Durham, NC</td>
<td></td>
</tr>
<tr>
<td>Fund Source: Departmental</td>
<td></td>
</tr>
<tr>
<td>CVM Main Building Dining Study</td>
<td>$37,500</td>
</tr>
<tr>
<td>Designer: New City Design Group, Raleigh, NC</td>
<td></td>
</tr>
<tr>
<td>Fund Source: Dining &amp; Catering Operations</td>
<td></td>
</tr>
<tr>
<td>Talley Student Center Retail Space</td>
<td>$30,000</td>
</tr>
<tr>
<td>Designer: McGahey Design, Garner, NC</td>
<td></td>
</tr>
<tr>
<td>Fund Source: Departmental</td>
<td></td>
</tr>
<tr>
<td>Bragaw Hall Breezeway Window Replacement</td>
<td>$25,000</td>
</tr>
<tr>
<td>Designer: Swanson + Stewart Architects, Raleigh, NC</td>
<td></td>
</tr>
<tr>
<td>Fund Source: Departmental</td>
<td></td>
</tr>
<tr>
<td>Pulp &amp; Paper Labs Air Handler Replacement Study</td>
<td>$25,000</td>
</tr>
<tr>
<td>Designer: Affiliated Engineers PC, Chapel Hill, NC</td>
<td></td>
</tr>
<tr>
<td>Fund Source: Repair and Renovation</td>
<td></td>
</tr>
<tr>
<td>Engineering Oval Marketing Video</td>
<td>$25,000</td>
</tr>
<tr>
<td>Designer: Clark Nexsen, Raleigh, NC</td>
<td></td>
</tr>
<tr>
<td>Fund Source: Departmental Funds</td>
<td></td>
</tr>
<tr>
<td>Spring Hill Area Planning</td>
<td>$25,000</td>
</tr>
<tr>
<td>Designer: Stewart, Raleigh, NC</td>
<td></td>
</tr>
<tr>
<td>Fund Source: Centennial Campus Operations</td>
<td></td>
</tr>
<tr>
<td>MERC/Toxicology Parking Deck Maintenance Repairs</td>
<td>$22,950</td>
</tr>
<tr>
<td>Designer: Atlas Engineering, Raleigh, NC</td>
<td></td>
</tr>
<tr>
<td>Fund Source: Departmental</td>
<td></td>
</tr>
<tr>
<td>Project Description</td>
<td>Cost</td>
</tr>
<tr>
<td>------------------------------------------------------------------------------------</td>
<td>----------</td>
</tr>
<tr>
<td>Patterson Hall Waterproofing</td>
<td>$19,600</td>
</tr>
<tr>
<td>Designer: IBI Group of NC, Raleigh, NC</td>
<td></td>
</tr>
<tr>
<td>Fund Source: Departmental</td>
<td></td>
</tr>
<tr>
<td>Lonnie Poole Clubhouse Parking Lot</td>
<td>$12,425</td>
</tr>
<tr>
<td>Designer: Royal Contracting, Raleigh, NC</td>
<td></td>
</tr>
<tr>
<td>Fund Source: Departmental</td>
<td></td>
</tr>
<tr>
<td>GIS ADA Path Network</td>
<td>$8,060</td>
</tr>
<tr>
<td>Designer: Spatial Analysis, Inc., Morrisville, NC</td>
<td></td>
</tr>
<tr>
<td>Fund Source: GIS Software Platform</td>
<td></td>
</tr>
<tr>
<td>Heifer Facility Renovation Study</td>
<td>$7,750</td>
</tr>
<tr>
<td>Designer: JGM Consulting Agricultural, Gainesville, FL</td>
<td></td>
</tr>
<tr>
<td>Fund Source: Departmental</td>
<td></td>
</tr>
<tr>
<td>Poulton Deck Condition Evaluation Study</td>
<td>$7,300</td>
</tr>
<tr>
<td>Designer: Atlas Engineering, Raleigh NC</td>
<td></td>
</tr>
<tr>
<td>Fund Source: Departmental</td>
<td></td>
</tr>
<tr>
<td>DH Hill Erdahl Cloyd Asbestos Abatement Design</td>
<td>$7,100</td>
</tr>
<tr>
<td>Designer: RND Architects, P.A., Durham, NC</td>
<td></td>
</tr>
<tr>
<td>Fund Source: Departmental</td>
<td></td>
</tr>
<tr>
<td>Composting Facility Feasibility Study</td>
<td>$5,700</td>
</tr>
<tr>
<td>Designer: Coker Composting &amp; Consulting, Blue Ridge, VA</td>
<td></td>
</tr>
<tr>
<td>Fund Source: Departmental</td>
<td></td>
</tr>
<tr>
<td>GIS Development Server Web Viewer Application</td>
<td>$5,000</td>
</tr>
<tr>
<td>Designer: Little Diversified Architectural Consulting Inc., Durham, NC</td>
<td></td>
</tr>
<tr>
<td>Fund Source: GIS Software Platform</td>
<td></td>
</tr>
<tr>
<td>FM Interact Software System Support Applications</td>
<td>$3,000</td>
</tr>
<tr>
<td>Designer: Little Diversified Architectural, Durham, NC</td>
<td></td>
</tr>
<tr>
<td>Fund Source: FM Systems</td>
<td></td>
</tr>
</tbody>
</table>
# Buildings and Property Committee
## Board of Trustees
### Acceptance of Completed Buildings and Projects

<table>
<thead>
<tr>
<th>Code/Item</th>
<th>Project#</th>
<th>Location</th>
<th>Title</th>
<th>Project Cost</th>
<th>University Acceptance</th>
</tr>
</thead>
<tbody>
<tr>
<td>NA /NA</td>
<td>201411095</td>
<td>CVM Library Room A-102</td>
<td>Add six small testing rooms</td>
<td>$129,840</td>
<td>1/28/2015</td>
</tr>
<tr>
<td>NA /NA</td>
<td>201411058</td>
<td>Polk Hall (1st, 2nd, 3rd floors)</td>
<td>Fire Protection Sprinkler Expansion</td>
<td>$504,132</td>
<td>1/29/2015</td>
</tr>
<tr>
<td>NA /NA</td>
<td>201411093</td>
<td>JC Raulston Arboretum Rose Garden</td>
<td>Add stone paths, stone columns, stone wall and metal trellises</td>
<td>$151,722</td>
<td>3/17/2015</td>
</tr>
<tr>
<td>NA /NA</td>
<td>201311113</td>
<td>CVM Student Services &amp; Development Office Suite</td>
<td>Up-fit of existing offices</td>
<td>$231,201</td>
<td>4/15/2015</td>
</tr>
<tr>
<td>40924/304</td>
<td>201411083</td>
<td>DH Hill Erdahl Cloyd Wing</td>
<td>Selective demolition and alteration on ground floor to add a Smoothie Shop</td>
<td>$374,100</td>
<td>4/15/2015</td>
</tr>
<tr>
<td>40824/313</td>
<td>200813015</td>
<td>Talley Student Center</td>
<td>Addition and Renovation Phase 2</td>
<td>$3,430,400</td>
<td>5/7/2015</td>
</tr>
<tr>
<td>NA /NA</td>
<td>201411030</td>
<td>DH Hill Makerspace: Rooms 1222, 1222A &amp; 1228</td>
<td>Upfit of area - electric, HVAC, flooring and drop ceiling</td>
<td>$332,769</td>
<td>6/1/2015</td>
</tr>
<tr>
<td>NA /NA</td>
<td>201212096</td>
<td>Various locations throughout campus</td>
<td>Fume Hood Monitors Phase 2</td>
<td>$161,561</td>
<td>6/4/2015</td>
</tr>
<tr>
<td>40824/313</td>
<td>200813015</td>
<td>Talley Student Center</td>
<td>Phase 2 - Stewart Theater</td>
<td>$1,500,000</td>
<td>6/15/2015</td>
</tr>
<tr>
<td>41024/314</td>
<td>201220011</td>
<td>CBC</td>
<td>Facilities Operations Support Building</td>
<td>$1,619,212</td>
<td>6/16/2015</td>
</tr>
<tr>
<td>40824/304</td>
<td>201220002</td>
<td>Partners I</td>
<td>HVAC Renovation</td>
<td>$3,614,722</td>
<td>6/16/2015</td>
</tr>
<tr>
<td>NA /NA</td>
<td>201411059</td>
<td>Monteith Research Center</td>
<td>Clean Room up-fit renovate Room 302 to include new class 100 clean room</td>
<td>$216,289</td>
<td>7/1/2015</td>
</tr>
<tr>
<td>NA /NA</td>
<td>201511029</td>
<td>Schaub Parking Lot Improvement</td>
<td>Reconfiguring western entrance into Schaub parking lot, repave, add sidewalk, and 3 rain gardens.</td>
<td>$251,940</td>
<td>7/30/2015</td>
</tr>
<tr>
<td>41324/350</td>
<td>201312115</td>
<td>Roof Replacement - McKimmon Center</td>
<td>Remove existing roof and install new roof and insulation and coverboard.</td>
<td>$1,020,353</td>
<td>7/15/2015</td>
</tr>
<tr>
<td>41324/311</td>
<td>201411070</td>
<td>Erdahl Cloyd Wing, Sprinkler Addition</td>
<td>New fire sprinkler for the first and second floor.</td>
<td>$439,087</td>
<td>8/11/2015</td>
</tr>
<tr>
<td>41424/312</td>
<td>201411020</td>
<td>Talley Retail Space</td>
<td>Construction of three tenant upfits on the second floor beside the atrium.</td>
<td>$481,623</td>
<td>8/7/2015</td>
</tr>
</tbody>
</table>

**TOTAL** $14,651,458

September 10, 2015
### Agenda Item / Issue: 5.5.A Site Review and Approval/Sigma Phi Epsilon House - South Campus

**Requested / Required Action:** Site Review & Approval

**Functions:** The Sigma Phi Epsilon fraternity house is planned for Lot 2 at NC State’s Greek Village. The house will be 2 stories with a walkout lower level, and will have 45 beds. Other spaces will include a house director’s suite, library, leadership training room, classroom/study lounge, faculty office, chapter room, and a commercial kitchen with servery. The gross square footage for the house is approximately 19,200 square feet and construction cost is estimated to be $3 million. The project is scheduled to break ground in early 2016.

**Project Scope:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design/Consultant Costs</td>
<td>$350,000</td>
</tr>
<tr>
<td>Construction</td>
<td>$2,982,600</td>
</tr>
<tr>
<td>Contingency/Other Project Costs</td>
<td>$175,400</td>
</tr>
<tr>
<td><strong>Total Project Budget</strong></td>
<td><strong>$3,508,000</strong></td>
</tr>
</tbody>
</table>

**Design Team:** Hager Smith Design, PA – Lead Designer

**Master Plan Summary:** The Greek Village master plan envisions creating a sense of community with houses facing in towards a large campus green/community space. Each house will connect to the campus path system. There will be on-street parking but the majority of the parking for the residents will be behind the houses.

**Recommendation:** Reviewed by CDRP on July 29, 2015

**Suggested Motion:** Move approval of site for the Sigma Phi Epsilon House

**Funding Source:** Private Funding - $3,508,000

**Responsible University unit**

**University Presenter/Contact:** Office of Finance and Business, Facilities Division
Lisa Johnson, University Architect
EXISTING SITE PHOTOS

GREEK VILLAGE DRIVE LOOKING TOWARDS KAPPA DELTA

GREEK VILLAGE DRIVE LOOKING TOWARDS SIGMA NU

REAR PARKING LOT VIEW FROM KAPPA DELTA TOWARDS SIGMA NU

REAR PARKING LOT VIEW

SIGMA PHI EPSILON
FIRST FLOOR PLAN

LIBRARY

PARLOR/
GAME ROOM

CHAPTER
ROOM

SIGMA PHI EPSILON
GREEK VILLAGE
<table>
<thead>
<tr>
<th>Agenda Item / Issue:</th>
<th>5.6.A Plan Review/Sigma Phi Epsilon House - South Campus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requested / Required Action:</td>
<td>Plan Review</td>
</tr>
<tr>
<td>Functions:</td>
<td>The Sigma Phi Epsilon fraternity house is planned for Lot 2 at NC State’s Greek Village. The house will be 2 stories with a walkout lower level, and will have 45 beds. Other spaces will include a house director’s suite, library, leadership training room, classroom/study lounge, faculty office, chapter room, and a commercial kitchen with servery. The gross square footage for the house is approximately 19,200 square feet and construction cost is estimated to be $3million. The project is scheduled to break ground in early 2016.</td>
</tr>
<tr>
<td>Project Scope:</td>
<td>$ 350,000 Design/Consultant Costs</td>
</tr>
<tr>
<td></td>
<td>$ 2,982,600 Construction</td>
</tr>
<tr>
<td></td>
<td>$ 175,400 Contingency/Other Project Costs</td>
</tr>
<tr>
<td></td>
<td>$ 3,508,000 Total Project Budget</td>
</tr>
<tr>
<td>Design Team:</td>
<td>Hager Smith Design, PA – Lead Designer</td>
</tr>
<tr>
<td>Master Plan Summary:</td>
<td>The Greek Village master plan envisions creating a sense of community with houses facing in towards a large campus green/community space. Each house will connect to the campus path system. There will be on-street parking but the majority of the parking for the residents will be behind the houses.</td>
</tr>
<tr>
<td>Recommendation:</td>
<td>Reviewed by CDRP on July 29, 2015</td>
</tr>
<tr>
<td>Funding Source:</td>
<td>Private Funding - $3,508,000</td>
</tr>
<tr>
<td>Responsible University unit</td>
<td>Office of Finance and Business, Facilities Division</td>
</tr>
<tr>
<td>University Presenter/Contact:</td>
<td>Lisa Johnson, University Architect</td>
</tr>
</tbody>
</table>
5.6.A.1

Approval of Plans and Specifications of Formal Projects
Less than $2,000,000

**Note:** The projects below are submitted to the Trustees’ Buildings and Property Committee for formal acceptance of plans and specifications. This listing represents projects received since April 16, 2015 meeting.

<table>
<thead>
<tr>
<th>Project</th>
<th>Construction Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CVM Main Building</strong></td>
<td>$ 1,750,000</td>
</tr>
<tr>
<td>Project #201411066</td>
<td></td>
</tr>
<tr>
<td>CVM Anatomy Lab Renovation</td>
<td></td>
</tr>
<tr>
<td>Designer: BBH Design, Raleigh, NC</td>
<td></td>
</tr>
<tr>
<td>Fund Source: CVM Trust Fund</td>
<td></td>
</tr>
</tbody>
</table>

| **Research Building II**       | $ 1,463,718           |
| Project #201320016             |                       |
| HVAC Renovations – Package B   |                       |
| Designer: Sigma Engineered Solutions, Morrisville, NC | |
| Fund Source: Centennial Trust Fund |                 |

| **4H Millstone History & Learning Center** | $ 1,115,875 |
| Project #201411075                  |             |
| New Building, SECU                  |             |
| Designer: Hobbs Architects, PA, Pittsboro, NC | |
| Fund Source: Foundations            |             |

| **Biltmore Hall**                 | $ 1,091,291       |
| Project #201420003                 |                 |
| First Floor Labs Renovations      |                 |
| Designer: BHDP Architecture, Raleigh, NC |           |
| Fund Source: Provost F&A           |                 |

| **College of Textiles**           | $ 1,064,000       |
| Project #201311132                |                 |
| Fire Alarm System Replacement     |                 |
| Designer: RDK Engineers, Durham, NC |           |
| Fund Source: Repair and Renovations |         |

| **Winston Hall**                  | $ 760,848        |
| Project #201420009                 |                 |
| HVAC Renovations                   |                 |
| Designer: Apogee Consulting Group, PA, Raleigh, NC | |
| Fund Source: Repair and Renovations |             |

Office of the University Architect
September 10, 2015
## Approval of Plans and Specifications of FormalProjects

### Less than $2,000,000

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Cost</th>
</tr>
</thead>
</table>
| **DH Hill Library, Erdahl Cloyd Wing**  
   2nd Floor, Faculty Research Commons  
   Designer: Roughton Nickelson DeLuca (RND), Durham, NC  
   Fund Source: Library F&A | $475,000 |
| **Bragaw Hall**  
   Breezeway Window Replacement  
   Designer: Swanson + Stewart Architects, Raleigh, NC  
   Fund Source: Housing Receipts | $296,230 |
| **Schaub Parking Lot**  
   Parking Lot Improvements  
   Designer: ESP Associates, P.A., Raleigh, NC  
   Fund Source: Departmental | $232,790 |
| **Engineering Building II**  
   1230 Classroom Refresh  
   Designer: Little Diversified Architectural Consultants, Durham, NC  
   Fund Source: Departmental | $202,777 |
| **Reynolds Coliseum Parking Deck**  
   Yearly Assessment and Repairs  
   Designer: Atlas Engineering, Raleigh, NC  
   Fund Source: Departmental | $194,530 |
| **MRC/Toxicology Parking Decks**  
   Maintenance Repairs  
   Designer: Atlas Engineering, Raleigh, NC  
   Fund Source: Departmental | $191,400 |
| **Dan Allen Parking Deck**  
   Expansion Joint Replacement and Masonry Repairs  
   Designer: FDH, Raleigh, NC  
   Fund Source: Departmental | $134,977 |

Office of the University Architect  
September 10, 2015
<table>
<thead>
<tr>
<th>Project Name</th>
<th>Cost</th>
<th>Design/Source</th>
</tr>
</thead>
</table>
| Campus Storm Water | $ 100,000 | Project #201320022
| | | Fund Source: Repair and Renovations
## Capital Projects at a Glance
### as of July 31, 2015

### NORTH CAROLINA STATE UNIVERSITY

<table>
<thead>
<tr>
<th>Code/Item</th>
<th>Project Name</th>
<th>Bid</th>
<th>Expected Acceptance</th>
<th>Total Project Budget</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>41424 314</td>
<td>CC Thermal Utilities &amp; Infrastructure (CW to CTI--Phase 1)</td>
<td>Design</td>
<td>8/18/15</td>
<td>5/2/16</td>
<td>650K</td>
</tr>
<tr>
<td>41224 319</td>
<td>Farmers Market Park &amp; Ride Lot</td>
<td>Design</td>
<td>8/28/15</td>
<td>12/30/15</td>
<td>$998K</td>
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<tr>
<td>41324 353</td>
<td>Winston Hall HVAC</td>
<td>Design</td>
<td>10/19/15</td>
<td>8/12/16</td>
<td>$1.0M</td>
</tr>
<tr>
<td>41424 305</td>
<td>Cox Hall Scale Up Classrooms</td>
<td>Design</td>
<td>10/22/15</td>
<td>4/27/16</td>
<td>1.875M</td>
</tr>
<tr>
<td>41324 309</td>
<td>Greek Infrastructure Phase II</td>
<td>Design</td>
<td>10/28/15</td>
<td>11/30/16</td>
<td>$6M</td>
</tr>
<tr>
<td>41424 306</td>
<td>Harrision Hall Demolition</td>
<td>Design</td>
<td>12/17/15</td>
<td>9/19/16</td>
<td>$3.5M</td>
</tr>
<tr>
<td>41424 318</td>
<td>Bragaw Window Replacement</td>
<td>Design</td>
<td>1/13/16</td>
<td>8/1/16</td>
<td>$1.53M</td>
</tr>
<tr>
<td>41424 317</td>
<td>Tucker Hall Renovation</td>
<td>Design</td>
<td>1/29/16</td>
<td>8/1/16</td>
<td>$1.4M</td>
</tr>
<tr>
<td>41424 307</td>
<td>Patterson Business Center Renovation</td>
<td>Design</td>
<td>4/20/16</td>
<td>11/25/16</td>
<td>$2M</td>
</tr>
<tr>
<td>41424 321</td>
<td>CVM 3B Lab</td>
<td>Design</td>
<td>7/12/16</td>
<td>5/9/17</td>
<td>$2.5M</td>
</tr>
<tr>
<td>41324 353</td>
<td>MRC Cleanroom Renovations</td>
<td>Design</td>
<td>8/26/16</td>
<td>6/5/17</td>
<td>$1.75M</td>
</tr>
<tr>
<td>41224 370</td>
<td>Energy Performance Contracting #4</td>
<td>Design</td>
<td>11/7/16</td>
<td>10/27/17</td>
<td>$10M</td>
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<tr>
<td>41324 310</td>
<td>CVM Anatomy Lab Renovation</td>
<td>Construction</td>
<td>8/8/15</td>
<td></td>
<td>$1.75M</td>
</tr>
<tr>
<td>41424 303</td>
<td>Lee Hall Stairwell Upgrade</td>
<td>Construction</td>
<td>8/10/15</td>
<td></td>
<td>$500K</td>
</tr>
<tr>
<td>41424 302</td>
<td>Research III HVAC</td>
<td>Construction</td>
<td>8/28/15</td>
<td></td>
<td>$500K</td>
</tr>
<tr>
<td>41324 356</td>
<td>Ricks Hall</td>
<td>Construction</td>
<td>9/15/15</td>
<td></td>
<td>$3.64M</td>
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<tr>
<td>41124 353</td>
<td>OH Hill Fire Alarm Upgrades</td>
<td>Construction</td>
<td>9/30/15</td>
<td></td>
<td>$922K</td>
</tr>
<tr>
<td>41324 302</td>
<td>Re-Use Water Line Extension</td>
<td>Award</td>
<td>12/26/15</td>
<td></td>
<td>$1.82M</td>
</tr>
<tr>
<td>41324 353</td>
<td>Park Alumni Center HVAC</td>
<td>Construction</td>
<td>12/29/15</td>
<td></td>
<td>$976K</td>
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<tr>
<td>41224 315</td>
<td>HB 1292 Utility Savings</td>
<td>Construction</td>
<td>12/31/15</td>
<td></td>
<td>$1.1M</td>
</tr>
<tr>
<td>41424 304</td>
<td>Millstone 4-H History &amp; Learning Center</td>
<td>Construction</td>
<td>1/16/16</td>
<td></td>
<td>$1.5M</td>
</tr>
<tr>
<td>41324 301</td>
<td>Carmichael Gym Locker Rooms</td>
<td>Award</td>
<td>2/19/16</td>
<td></td>
<td>$7.6M</td>
</tr>
<tr>
<td>40824 304</td>
<td>Research II HVAC</td>
<td>Award</td>
<td>3/1/16</td>
<td></td>
<td>$2M</td>
</tr>
<tr>
<td>41224 352</td>
<td>Centennial Campus Substation Expansion</td>
<td>Award</td>
<td>4/21/16</td>
<td></td>
<td>$3.56M</td>
</tr>
<tr>
<td>41324 305</td>
<td>Biltmore 1st Floor Labs</td>
<td>Award</td>
<td>4/29/16</td>
<td></td>
<td>$1.9M</td>
</tr>
<tr>
<td>40824 313</td>
<td>Gregg Museum</td>
<td>Construction</td>
<td>6/28/16</td>
<td></td>
<td>$9.6M</td>
</tr>
<tr>
<td>41224 311</td>
<td>Reynolds Coliseum Renovation</td>
<td>Construction</td>
<td>8/15/16</td>
<td></td>
<td>$35M</td>
</tr>
<tr>
<td>41024 314</td>
<td>Facilities Operations Support - CBC</td>
<td>Complete</td>
<td>6/16/15</td>
<td></td>
<td>$2.1M</td>
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<tr>
<td>40824 313</td>
<td>Talley Student Center Addition and Renovation</td>
<td>Complete</td>
<td>7/31/15</td>
<td></td>
<td>$122M</td>
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<tr>
<td>41324 307</td>
<td>3501 Avent Ferry Road Renovation</td>
<td>On Hold</td>
<td></td>
<td></td>
<td>Project canceled</td>
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<tr>
<td>41424 312</td>
<td>Engineering Building Oval</td>
<td>On Hold</td>
<td></td>
<td></td>
<td>Designer Selected; On Hold</td>
</tr>
</tbody>
</table>
### STATUS OF PROJECTS IN PLANNING

**Trustees' Buildings and Property Committee**
and **Campus Design Review Panel**

<table>
<thead>
<tr>
<th>PROJECT NAME</th>
<th>SCOPE</th>
<th>DATE SELECTED</th>
<th>PHYSICAL ENVIRONMENT COMMITTEE</th>
<th>TRUSTEE'S SPC SITE SELECTION</th>
<th>CAMPUS DESIGN REVIEW PANEL</th>
<th>TRUSTEE'S SPC REVIEW</th>
<th>PLAN REVIEW</th>
<th>CONSTRUCTION</th>
<th>DURATION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FIRM NAME</strong></td>
<td><strong>DATE</strong></td>
<td><strong>REVIEW</strong></td>
<td><strong>APPROVAL</strong></td>
<td><strong>REVIEW</strong></td>
<td><strong>APPROVAL</strong></td>
<td><strong>REVIEW</strong></td>
<td><strong>RECOMMENDATION</strong></td>
<td><strong>REVIEW</strong></td>
<td><strong>APPROVAL</strong></td>
</tr>
<tr>
<td>137 Sigma Phi Epsilon House</td>
<td>$3,000,000</td>
<td>Hager Smith</td>
<td>2012</td>
<td>9/10/15</td>
<td>7/29/15</td>
<td>9/10/15</td>
<td>Early, 2016</td>
<td></td>
<td></td>
</tr>
<tr>
<td>126 Broughton Hall Addition &amp; Renovation</td>
<td>$60,000,000</td>
<td>O'Brien Atkins</td>
<td>11/19/08</td>
<td>9/20/12</td>
<td>9/20/12</td>
<td>9/20/12</td>
<td>P</td>
<td>P</td>
<td></td>
</tr>
</tbody>
</table>

- **Upcoming Projects**
  - Case Common Residential Hall $15,000,000
  - Engineering Building Oval $154,000,000

- **Approved Projects**
  - 007 The Shores Residential Project - Phase I $25,000,000
  - 074 Center for Marine Sciences & Technology (CMAST) Guest House $1,500,000
  - 081 Centennial Biomedical Campus Flex Building $10,000,000
  - 095 Alliance Center $27,500,000
  - 100 Shroy Dairy Retail Facility $2,400,000
  - 106 Yates Mill Multipurpose Building $250,000
  - 112 Taylor Student Center Addition and Renovation $120,000,000
  - 113 Dan Allen Gateway $171,000
  - 115 Iwamoto Tennis Center Weight room Addition $500,000
  - 123 Gregg Museum of Art and Design $7,500,000
  - 127 Biltmore Hotel ( Aloft Hotel) $15,000,000
  - 132 Delta Gamma House $3,500,000
  - 130 Indoor Practice Facility $14,000,000

- **Completed Projects**
  - 074 Center for Marine Sciences & Technology (CMAST) Guest House $1,500,000
  - 081 Centennial Biomedical Campus Flex Building $10,000,000
  - 095 Alliance Center $27,500,000
  - 100 Shroy Dairy Retail Facility $2,400,000
  - 106 Yates Mill Multipurpose Building $250,000
  - 112 Taylor Student Center Addition and Renovation $120,000,000
  - 113 Dan Allen Gateway $171,000
  - 115 Iwamoto Tennis Center Weight room Addition $500,000
  - 123 Gregg Museum of Art and Design $7,500,000
  - 130 Indoor Practice Facility $14,000,000

---

**Agenda**

- **5.7.A.4**

**Updated August 12, 2015**
<table>
<thead>
<tr>
<th>SUBMITTAL NUMBER</th>
<th>PROJECT NAME</th>
<th>SCOPE</th>
<th>DESIGNER</th>
<th>PHYSICAL ENVIRONMENT COMMITTEE</th>
<th>TRUSTEE'S BPC SITE SELECTION</th>
<th>CAMPUS DESIGN REVIEW PANEL</th>
<th>TRUSTEE'S BPC REVIEW</th>
<th>PLAN</th>
<th>CONSTRUCTION</th>
<th>DURATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>136</td>
<td>Brickyard West ADA Path</td>
<td>$100,000</td>
<td>Surface 678</td>
<td>12/1/14</td>
<td>1/28/15</td>
<td>NA</td>
<td>April, 2015</td>
<td>June, 2015</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
BOARD OF TRUSTEES
NORTH CAROLINA STATE UNIVERSITY
AGENDA

University Advancement and External Affairs Committee
1:00 p.m.-2:30p.m., September 10, 2015
Chancellor's Conference Room- Holladay Hall
Jimmy Clark, Chair
Members: Ann Goodnight, Ben Jenkins, Stan Kelly, Wendell Murphy, Randy Ramsey

CALL TO ORDER
Jimmy Clark, Chair of Committee

ROLL CALL
Jimmy Clark, Chair of Committee

READING OF STATE GOVERNMENT ETHICS ACT CONFLICT OF INTEREST STATEMENT
Jimmy Clark, Chair of Committee

1. RESPONSIBILITIES OF THE COMMITTEE

   A. Review Committee Responsibilities as established in Bylaws
      University Advancement & External Affairs
      Jimmy Clark, Chair, University Advancement and External Affairs Committee

   B. Review Draft Agenda/Plan of Work for the Year
      University Advancement & External Relations
      Jimmy Clark, Chair, University Advancement and External Affairs Committee
      Brian Sischo, Vice Chancellor for University Advancement

2. APPROVAL OF MINUTES

   Approval of April 16, 2015 Open Session Minutes

3. INFORMATIONAL REPORTS

   A. University Advancement and Fundraising Update
      Brian Sischo, Vice Chancellor for University Advancement

   B. Alumni Association Update
      Benny Suggs, Associate Vice Chancellor for Alumni Relations and Executive Director, Alumni Association
4. COMMITTEE DISCUSSION

A. Social Media Strategy & Campaign Communications Update
   Brad Bohlander, Associate Vice Chancellor for University Communications, and
   Amy Feriozzi, Director, Development Communications and Donor Relations,
   Advancement Services

B. Case Commons Project Overview and Facility Naming Opportunities
   Debbie Yow, Director of Athletics, Chris Boyer, Senior Associate Director of
   Athletics, Bobby Purcell, Executive Director, Wolfpack Club, and Phillip Wood,
   Associate Executive Director, Wolfpack Club

5. Closed Session

A. Approval of April 16, 2015 Closed Session Minutes*
B. Request approval for Naming Specific University Facilities and Programs J

RECONVENE OPEN SESSION

ADJOURN

* Committee Approval
 J Full Board Approval
Responsibilities of the Committee

Review Committee Responsibilities

Review Draft Agenda/Plan of Work for the Year
IV. External Affairs and University Advancement Committee
Delegated Authority and Assignments

a. Development and Advancement Activities

i. Approve all university fundraising campaigns.

ii. Advise the chancellor and vice chancellor for university advancement on the formation of campaign steering committees.

iii. Advise the chancellor and vice chancellor for university advancement on the priority, timing, direction, funding and management of capital and other fundraising campaigns.

iv. Recommend to the Board of Trustees for approval the naming of all facilities and programs, owned, operated or controlled by the university.

v. Advise the chancellor in all areas pertaining to development, advancement services, university communications and alumni relations.

vi. Receive nominations for the Watauga Medals and recommend nominees for approval to the Board of Trustees.

b. External Affairs

i. Receive regular reports on University Communications activities and initiatives.

ii. Receive regular reports on NC State Alumni Association activities.

iii. Receive regular reports on the activities of the state legislature.

b. Policy Development

i. Upon the recommendation of the chancellor, recommend to the Board of Trustees for approval policies related to the relationship between the university and its affiliated foundations and the coordination of all fundraising activities intended to benefit the university.

ii. Upon the recommendation of the chancellor, recommend to the Board of Trustees for approval policies including but not limited to such matters as the conduct of fundraising campaigns, and the use and application of privately donated funds for any activity whose sponsorship may implicate or obligate the university.

iii. Upon the recommendation of the chancellor, recommend to the Board of Trustees for approval policies regarding fundraising activities intended to benefit the Endowment Fund and various affiliated foundations.

iv. Recommend naming guidelines for endowed funds, and facilities and programs funded in whole or in part by private monies.

v. Upon recommendation of the chancellor, recommend to the Board of Trustees for approval policies regarding the awarding of the Watauga Medal.
NC STATE BOARD OF TRUSTEES
UNIVERSITY ADVANCEMENT AND EXTERNAL AFFAIRS COMMITTEE
2015 – 2016 PLAN OF WORK

September
- Fund Raising Reports (NC State Pol. 01.05.01, App IV.a)
- Review Campaign Priorities (NC State Pol.01.05.01, App IV.a.iii) (Approval)
- Naming Specific University Facilities and Programs (NC State Pol. 01.05.01, App IV.a.iv) (Approval)
- University Advancement FY’15 Report
- Review Committee Responsibilities and Work Plan (Annually)

November
- Fund Raising Reports (NC State Pol. 01.05.01, App IV.a) Provide periodic updates
- Fund Raising Naming Plans (NC State Pol. 01.05.01, App IV.a.i.,a.iii) (Approval)
- Alumni Engagement Update (NC State Pol.01.05.01, App IV.a.vii)
- Campaign Update (NC State Pol. 01.05.01, App IV.a.iii)
- Watauga Medal Nominations (NC State Pol.01.05.01, App IV.a.vi) (Approval)
- Naming Specific University Facilities and Programs (NC State Pol. 01.05.01, App IV.a.iv) (Approval)

February
- Fund Raising Reports (NC State Pol. 01.05.01, App IV.a) Provide periodic updates
- Fund Raising Naming Plans (NC State Pol. 01.05.01, App IV.a.i.,a.iii) (Approval)
- Campaign Update (NC State Pol.01.05.01, App IV.a.iii)
- University Communications/Brand Update (NC State Pol.01.05.01, App IV.a.vii )
- Naming Specific University Facilities and Programs (NC State Pol. 01.05.01, App IV.a.iv) (Review all proposals to name facilities or programs as recommended by the Special Donor and Honorary Committees) (Approval)

April
- Fund Raising Reports (NC State Pol. 01.05.01, App IV.a) Provide periodic updates
- Fund Raising Naming Plans (NC State Pol. 01.05.01, App IV.a.i.,a.ii) (Approval)
- Campaign Update (NC State Pol.01.05.01, App IV.a.iii)
- External Affairs Update (NC State Pol. 01.05.01, App IV.b.iii)
- Naming Specific University Facilities and Programs (NC State Pol. 01.05.01, App IV.a.iv) (Review all proposals to name facilities or programs as recommended by the Special Donor and Honorary Committees) (Approval)
Approval of Minutes

Approval of April 16, 2015
Open Session Minutes
Chair Jim Owens called the session to order and read the State of North Carolina's Government Ethics Act.

Ron Prestage made a motion to approve the April 16 minutes, seconded by Randy Ramsey, and the motion carried.

Chair Owens asked VC Sischo for a University Advancement update, and VC Sischo provided handouts of organizational updates, which included University Development and University Advancement organizational charts. He then introduced AVC for Alumni Relations, Benny Suggs, as the Interim AVC for Development, following Laurie Reinhardt-Plotnik's termination on April 3. VC Sischo shared that an expedited search was set to launch, with Associate Vice Chancellor for Finance and Administration and University Treasurer, Mary Peluquin-Dodd, chairing the search committee. VC Sischo went on to say that our hope was to have the new AVC for University Development selected during the summer and ready to hit the ground running in September.

VC Sischo also announced that Keith Oakley, Executive Director for College Advancement in the College of Agricultural and Life Sciences, would be helping during this interim period as an advisor and to step in when VC Sischo or AVC Suggs are unavailable. Further, VC Sischo shared that Bill Crouch, a consultant with Jerold Panas, Linzy & Partners, has been engaged to conduct an internal program review and assessment, and AVC Suggs has begun a similar analysis. Mr. Crouch's review will include a thorough analysis of the Annual Giving program,
whose call center is currently contracted with the firm RuffaloCODY, due to poor ROI. Mr. Crouch plans to complete his review in May and share his findings with VC Sischo.

VC Sischo then led a review of the organizational chart for his direct reports and the colleges, pointing out that dotted-line reports fall under the NCSU Foundation and that those without dotted-line reporting lines fall under their respective college's foundation. He noted that of particular concern is the fact that there are 7 vacancies out of 19 positions in Central Development. Also, the Corporate and Foundation Relations (CFR) role has been vacant for nearly 2 years, but searches are underway to fill that position, along with vacant Executive Director of Gift Planning role.

Randy Ramsey noted we've had a lot of turnover and inquired as to reasons. VC Sischo noted competition, including from entities previously not a threat (such as The Boys & Girls Club, who offered one of our former development officers 50% more salary than we were able to pay.) He stated that leadership played a role as well. Chancellor Woodson noted that we're also losing people because we're successful, and we face restrictions placed on us by State of North Carolina restrictions which make it easier to hire externally as opposed to internally. He pointed out that it is difficult to retain talent when Board of Governors approval is required; their quarterly meeting schedule means we sometimes lose good candidates who have other offers on the table. Ron Prestage asked about development officers' average length of service, which VC Sischo reported to be about 3 years. Ron Prestage then asked if burnout were a factor, and VC Sischo stated burnout was less a factor than competition and poor fits.

VC Sischo then provided an update on fundraising results, sharing handouts with figures from gifts, pledges, and campaign commitments. Chancellor Woodson mentioned that Governor McCrory is talking up the Engineering Oval project as a funding priority, and VC Sischo noted record-breaking results by GALC, along with outstanding results by Vet Med (including a $5M gift that closed a day ago and wasn't included in the handouts). Corporate and foundation giving is down significantly, underscoring the need to fill the CFR position. Nevertheless, VC Sischo believes we are poised for a record fiscal year. In relation to the campaign, we are hoping to reach the $900M mark by fall and possibly hit the $1B mark by end of calendar year.

VC Sischo then commended AVC Brad Bohlander for the successful rollout of the new university brand, which culminated in the first ever "Brand Camp." He congratulated AVC Benny Suggs on the Alumni Association's achievement of highest social media ranking and the fact that they topped their most recent monthly membership goal by 21%. Noting our growing success with social media, Chancellor Woodson noted that we've received 112,000 "likes" on the university's Facebook page.

Chair Owens then asked VC Sischo and Assistant VC Jeffreys to present on the topic of "Financing Fundraising and Advancement at NC State." VC Sischo made a distinction between development and advancement, the latter of which includes University Communications, the Alumni Association and Advancement Services.

VC Sischo and Assistant VC Jeffreys noted that while the percentage of state appropriated monies to Central Development had dropped 9%, from 69% to 60%, the amount of our budget has increased through fundraising. They then shared which parts of our programming are state funded vs. which are not. For instance, the Alumni Association has revenue that other UA departments don't due to merchandise sales. Due to the uncertain nature of state funding, VC Sischo stated that our long term goal should be to wean ourselves from state support of development in favor of
more vigorous fundraising. Chancellor Woodson noted that our goal is to keep the state from taking the $6M from us they're proposing to do, but reminds us that we can and need to be creative about how we spend our monies.

Chair Owens then invited VC Sischo to share a campaign communications overview. AVC Brad Bohlander gave a presentation and said that while we're playing a bit of catch up, we are in a good position. He said we must make sure we have strong themes, which we will test in the market. We will look to implement crowdfunding, social media, etc., as it no longer makes sense to print thousands of documents as opposed to creating and storing them electronically. Chair Owens asked if "Think and Do" is present in all of our communications and brand imaging, which AVC Bohlander confirmed. Chair Owens stated that he wants to be sure that we're driving the same thematic and key words universally. Bob Mattocks noted that the paradigm has shifted and now NC State is the school of choice, particularly because a job is practically a guarantee upon graduation. Continuing that theme, Ron Prestage stated that we can make the claim that NC State students can graduate and get a job, often having secured jobs prior to graduation. He also said that one of our biggest selling points is the practical application of our curriculum, high starting salaries and STEM programs.

Chair Owens made a motion to move to a Closed Session, seconded by Randy Ramsey, and the motion carried.

In Closed Session, the Committee reviewed and approved two proposals to name specific university facilities.

Returning to open session, with no further business, the meeting adjourned 2:43pm.

Respectfully submitted,

Jim Owens
Chair
Informational Reports

University Advancement and Fundraising Update

Alumni Association Update
<table>
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<tr>
<th>Department</th>
<th>2022-23 FY</th>
<th>2023-24 FY</th>
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Monthly gift receipts by source.
### Annual Giving Progress and Comparison Report - June 2015

**University Advancement - Annual Giving**

#### Reporting Period: June 1, 2014 - June 30, 2015

<table>
<thead>
<tr>
<th>Percent Change</th>
<th>By Donor</th>
<th>By Gift</th>
<th>Average FY14</th>
<th>Average FY15</th>
<th>Change %</th>
<th>Change 3%</th>
<th>Total Donations</th>
<th>Total Donations (FY11-13)</th>
<th>Actual Matched Gifts</th>
<th>Need for Unmatched</th>
<th>FY15 Goals</th>
<th>FY15 Goals - FY11 Growth %</th>
<th>FY12 Goals - FY11 Growth %</th>
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<td>1.42%</td>
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<td>1,424</td>
<td>1,430</td>
<td>1,414.2</td>
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<td>1.42%</td>
<td>2,990,800</td>
<td>2,964,721</td>
<td>2,360,000</td>
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#### Alumni Donors with Matched Gifts

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<tr>
<th>Percent Change</th>
<th>FY14</th>
<th>FY15</th>
<th>Change %</th>
<th>Change 3%</th>
<th>Total Donations</th>
<th>Total Donations (FY11-13)</th>
<th>Actual Matched Gifts</th>
<th>Need for Unmatched</th>
<th>FY15 Goals</th>
<th>FY15 Goals - FY11 Growth %</th>
<th>FY12 Goals - FY11 Growth %</th>
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<td>1.72%</td>
<td>1,466</td>
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<td>1.84%</td>
<td>2,990,800</td>
<td>2,964,721</td>
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#### Overall Performance Year-to-Date

- FY11: 1,414.2
- FY12: 1,430
- FY13: 1,424
- FY14: 1,414.2
- FY15: 1,430

**Report Date: June 30, 2015**
The Division of University Advancement exemplifies NC State’s *Think and Do* attitude. Advancement’s team of dedicated professionals works tirelessly to create and enhance the positive relationships between NC State and its many constituents that enhance a culture of philanthropy and help elevate this remarkable university to unsurpassed levels of support and success.

University Advancement provides the critical foundation of support from key publics ranging from alumni to peer institutions, from donors to the media, from prospective students to campus employees and beyond, that enables NC State to advance the five key goals of the university’s Strategic Plan.

Across its departments of Development, Alumni Relations, Advancement Services and University Communications, built on the core support of its Finance and Administration unit, University Advancement professionals are driving unsurpassed achievements that empower NC State to achieve its strategic goals and be recognized as the nation’s preeminent research enterprise.

University Advancement’s internal theme for FY15 was “Showcasing the Power of Philanthropy,” with an emphasis on demonstrating the impact philanthropy has on NC State, its students and its faculty. This theme was most evident in the Celebration of Philanthropy event (which replaced the Lifetime Giving Gala) and in public gift announcements for several new significant gift commitments.

The University Advancement team is proud to play an important role in NC State’s many past, current and future accomplishments, and is dedicated to fueling the momentum that launches NC State as it strives to even greater heights. Key accomplishments of the past year are highlighted in the sections that follow.

**Record year in fundraising outcomes**
The outstanding efforts and impressive bottom-line results of an effective cross-university development staff form the core of a robust Advancement operation and a strong university. Fiscal year 2015 represented another record-breaking year for development and an unsurpassed year of raising funds for NC State. A few highlights include:

- Gifts and new commitments totaled $208.47 million, the highest total in NC State history.
- Campaign commitments totaled an impressive $723.57 million by the end of the fiscal year, the second full year of the Nucleus Phase of NC State’s most ambitious comprehensive fundraising effort, positioning the University well for the anticipated public launch of the Campaign in Fall 2016.
- Gifts were received from all 100 counties in North Carolina and all 50 U.S. states.
- Annual Giving to the University experienced a 10.5% increase over FY14 and a 177.5% increase over the past five years.
- New commitments to the endowment reached $106.5 million, representing over half of all new gifts and commitments.
- Gift receipts totaled $119 million, driving the fourth straight year of $100-million-plus gift receipts. Of the total, $38 million was designated for endowment.
- NC State inducted 60 new members into its R. Stanhope Pullen Society which recognizes individuals who provide critical support for the university through deferred gifts. http://giving.ncsu.edu/2015/pullen-society-welcomes-new-members/
- The College of Agriculture and Life Sciences finished the year with an astounding $57.2 million in gifts and commitments, and the College of Veterinary Medicine raised over $33 million.
- The College of Engineering secured almost $20 million in new conditional commitments toward a potential new Engineering building, currently being considered by the State Legislature.
- NC State fundraisers secured an impressive number transformational seven- and eight-figure commitments to support key priorities across the university, including:
  - A $16 million gift from The Randall B. Terry Charitable Foundation to fund faculty, students and research in Veterinary Medicine. https://news.ncsu.edu/2015/04/terry-lasting-legacy/
  - A $12.4 million grant to Agriculture and Life Sciences from the Bill & Melinda Gates Foundation for sweet potato research that will improve the health and lives of people in sub-Saharan Africa. https://news.ncsu.edu/2014/09/nc-state-receives-sweet-potato-grant/
  - A $8.1 million gift to create the Molise A. Khayrallah Center for Lebanese Diaspora Studies represents the largest single gift in CHASS history and the university’s first endowed center. https://news.ncsu.edu/2014/10/khayrallah-center/
  - $4.5 million estate gift from NC State University Professor Emeritus Dr. George Kriz and his wife, Rhoda Kriz, to fund multiple endowments within CALS, supporting faculty salary supplements and/or start-up equipment for new faculty members, study leaves to enhance research effectiveness as well as the creation of distinguished professorships.
  - A $2.5 million grant from Duke Energy Foundation for College of Engineering to support research in renewable energy and efforts to attract and retain underrepresented groups in the college. https://news.ncsu.edu/2015/04/renewable-energy-diversity-grant/
  - An eight-figure anonymous gift to fund student scholarships.
  - Seven gifts to CALS of at least seven figures, totaling more than $21.2 million dollars to support a variety of innovative academic and research programs.
Six gifts to Engineering of at least seven figures, totaling over $10.8 million for the support of faculty, students and facilities.

Other highlights include several colleges and units that posted notable rates of increased fundraising over the last fiscal year.

- College of Humanities and Social Sciences - 287% increase.
- College of Textiles - 117% increase.
- Divisions of Academic and Student Affairs (DASA) including ARTS NC State -100% increase.
- College of Education - 81% increase.
- College of Design - 71% increase.
- College of Agriculture and Life Sciences - 66% increase.
- College of Veterinary Medicine - 64% increase.
- College of Sciences - 24% increase.
- Poole College of Management - 12% increase.
- College of Engineering - 7% increase.
- University Libraries - 6% increase.
- Wolfpack Club/Athletics - 38% increase.

- The Our Three Winners scholarship fund, created in February in memory of NC State alumni Deah Barakat and Yusor Abu-Salha and NC State student Razan Abu-Salha, grew to $185,632 from gifts received from 34 states and 6 countries. More than 50 percent (371 of 669) of the donors who supported this fund were first time donors to the university. NC State expects to award the first Our Three Winners scholarships this fall. *One month into FY16, the fund balance grew to $285,000.*

- Regional "councils" of alumni and donors in Charlotte, Richmond and Wilmington were established to assist in the identification and cultivation of prospects in the respective regions.

As a result of a strong, dedicated development team, this philanthropic support is making a tremendous difference in the daily life and future success of NC State.

**Motivating the worldwide Wolfpack**

Actively and effectively engaging tens-of-thousands of NC State alumni in the life of the university is a vital measure of NC State's success. NC State alumni of all ages and walks of life -- spread throughout North Carolina, across the United States and around the globe -- are the foundation the university's broad support and ongoing success. Fortunately, the Alumni Association experienced another outstanding year, meeting and exceeding nearly every strategic goal. A few highlights follow:

- Alumni Association membership reached an all-time high over the year reaching more than 25,000 active members, leading to revenue of more than $630,000.
Over the past five years the association has grown membership by 25% while increasing revenue by 20%.

- The Student Alumni Association's programming and reputation continued to grow, driving its membership to a record high of 3,000 in 2015.
- Outstanding budget management and performance led to growing the Association's quasi endowment to $7.75 million.
- Recognized for being first in Facebook engagement rates and second in adoption rates among all ACC alumni associations.
  - Also ranked number one in the ACC and number five in the NCAA in alumni engagement via social media.
  - The Alumni Magazine staff earned five prestigious awards in the CASE District III competition.
- Successfully moved the Evening of Stars Gala to the fall, honoring 20 alumni at the event. Also successfully moved the Legacy Luncheon to The Brickyard, delighting more than 850 who attended.
- Revitalization and strengthening of alumni networks continued with Atlanta, DC and Austin leading the way by offering a wide range of activities and programming to engage alumni.
- The Alumni Association Student Ambassadors were recognized as the "Outstanding Student Leadership Organization" and for "Outstanding Teamwork/Collaboration by a Student Organization" by the University.
- The Wake County chapter had a very successful year of programming engaging more than 1000 alumni, culminating in Wolfpack Service Day where alumni and their families volunteered at several local community organizations.
- Launched the "State Mates" program to engage alumni couples, with the goal of making it an annual event.
- The Alumni Entrepreneurs Network had a stellar inaugural year including hosting bi-monthly events that averaged 70-80 alumni.
- The 2015 Legacy Admissions sessions drew 400 attendees from more than 50 towns across the state. The sessions saw a 19% increase over 2014 and a 43% increase from 2013.
- Alumni Outreach events in 2015 had great success, driven by enhanced programming at group sports outings, vineyard and brewery tours by bringing university speakers, providing targeted messaging and more assistance to the networks in planning engaging and effective events.
• Launched the Holiday Ornament series featuring the NC State Bell Tower, selling out more than 400 ornaments. As a result, next year, two ornaments will be offered.

• Partnered with NC State Bookstores to rebrand the office NC State class ring program. New materials will launch this fall with the unveiling of the “big ring” at Wolfpack Outfitters inside the Talley Student Union in September.

• Redesigned the alumni blog, Red&WhiteForLife, to be a mobile friendly design aligned with the university's core brand. http://www.alumniblog.ncsu.edu/

• Built and maintained the university’s Homecoming site in 2014, attracting more than 8,000 page views in three weeks.

• The WolfTreks Travel Program identified more than 12 potential donors and garnered more than $67,000 in revenue. http://www.alumni.ncsu.edu/s/1209/interior-hybrid.aspx?sid=1209&gid=1&pgid=318

• Selected 26 students for the 43rd class of Caldwell Fellows.
  http://caldwellfellows.ncsu.edu/2015/02/welcome-the-class-of-2018/

• Negotiated a new insurance affinity partner, doubling revenue and securing a signing bonus.

• Distributed 417 separate email pushes during the fiscal year, announcing events, membership offers, travel programs and more.

• Produced a video with former Gov. Hunt to promote membership that was released this summer.

The Alumni Association’s extraordinary efforts are ensuring a broad range of support that will help ensure a successful Campaign and achieve NC State’s Strategic Plan.

Driving success behind the scenes
Imperative to the success of a strong Advancement operation is the effectiveness of an excellent Advancement Services team. Enabling all areas of University Advancement to be successful, Advancement Services manages the university’s alumni and donor database, works to process gifts and conduct research about donor opportunities, and oversees development communications and donor relations.

The team’s productivity remained high throughout the year and efforts helped lead to record fundraising for NC State. A few highlights follow.

• Campaign Counting guidelines were updated and approved by the Board of Trustees.

• Preliminary Campaign reports were created to track progress by college/unit.

• Worked collaboratively with the colleges and University Communications to create compelling gift announcements including:
- The Zelnak and Khayrallah gift announcements set the new standard and were reinforced by the impressive Celebration of Philanthropy event.
- The Terry Foundation gift announcement made the Associated Press wire and was picked up nationally by the major dailies.

- Conducted a comprehensive wealth screening and major gift modeling project with WealthEngine, and began review and analysis of data.
- Worked closely with chief development officers to build a strategy for prospect development at NC State to support the Campaign.
- Upgraded the Advance system and launched the new SAS Business Intelligence system
- Implemented a new online giving platform – iModules. Its mobile friendly interface offers additional features including a donor portal, email marketing and event management.
- The gift agreement review and approval process was completely revamped to make it donor friendly and efficient for development.
- Implemented process change in the Distinguished Professorships program. NC State currently has 13 distinguished professorships in the queue awaiting the state gift match.
- Development Communications and Donor Relations took the lead in telling the story of philanthropic impact at all levels and working to promote those messages through existing channels within the colleges and units.

Communications that drive and promote success

University Communications completed a watershed year, strongly supporting Advancement and helping the university achieve its Strategic Plan. Throughout the fiscal year, UComm focused its work on: ensuring efforts moved the division and university toward achieving goals; successful implementation of the NC State brand; effective execution of organization and process improvements; improvement of campus-wide collaboration; and laying the groundwork for a successful Campaign. Highlights follow.

- Led the Brand Refresh, creating the platform for ongoing communications success across NC State as well as building a launch pad for successful Campaign communications.
  - Publically launched and continually updated the Brand Site, a living toolkit providing campus all it needs to be on brand. [www.brand.ncsu.edu](http://www.brand.ncsu.edu)
  - Launched the official “brand policy” from the Chancellor.
  - Conducted a brand awareness push including campus-wide communications, social media contests, branded collateral giveaways and Brand Camp.
  - Surveyed NC State staff and faculty about the brand: 93% of respondents reported being very or somewhat familiar with the brand and 85% were able to identify "Think and Do" as a statement of what makes NC State different from and better than the competition.
- Tracked more than 42,000 news stories for the year from print, broadcast and digital formats worldwide, demonstrating a 700 percent increase over four years.
  - Generated an equivalent ad value of $65.6 million.
  - More than 2,000 stories appeared in the Top 100 news outlets.
- Welcomed a new Assistant Vice Chancellor for Marketing Communications, adding a new level of expertise and experience.
- Launched NC State News providing a dynamic format to share stories with key audiences, centralizing four sites while increasing collaboration. [www.news.ncsu.edu](http://www.news.ncsu.edu)
  - 95% increase in total sessions.
  - 51% increase in new visitors.
  - 222% increase in mobile traffic.
  - 114% increase in social traffic.
- The innovative Abstract research blog received 315,000 views, a 300 percent increase over the last three years, leading to story placements in the most significant media worldwide.
- Set new readership records for The Bulletin, more than tripling annual readership from just two years ago to more than one million page views while increasing time on site.
- NC State University's Home Page garnered more than 10.5 million visitors.
- NC State's Core Site generated 20.5 million page views.
  - 63% increase in new visitors.
  - Users spent 21% more time on the site.
  - Average session duration increased 57%.
- Launched redesigned homepage and core site that served as an exemplary model of on-brand communication.
  - 57% increase in average time on site.
  - 14% increase in average pages per session.
  - 67% increase in mobile traffic.
- Increased Facebook likes by 11% and engagement by 80%.
- Launched NC State’s new LinkedIn page and grew it to more than 157,000 followers.
- Grew Twitter follower base by 71% and increased engagement 457%.
- Drove Instagram followers by 106% to 18,000 followers, and more than 250,000 engagements.
- Think and Do focused ads led to more than 3.7 million print and 15.5 million digital impressions.
- Placed a series of ads in leading publications including Forbes, Fortune, Smithsonian, Time, Bloomberg and BusinessWeek reaching more than 1.3 million readers.
- Targeted peer influencers through a series of Chronicle of Higher Education and Inside Higher Ed ads driving more than 2.1 million impressions.
- Placed banners on CNN generating 9 million impressions.
- Executed a Charlotte digital campaign driving 3.3 million impressions.
- Placed high-visibility digital ads in RDU and Charlotte airports driving more than 36 million impressions.
- Produced the Institutional Spots for television and radio, and print ads for football and basketball programs driving tens of millions of impressions.
- Hosted more than 16,000 guests at university events, ensuring all had a quality, positive, on-brand experience.
- Welcomed more than 300 individuals for exclusive dinners and another 1400 guests for private receptions at The Point.
- Served as the chief planners for the many high-profile university-wide events that helped set the stage for the Campaign.
- Garnered 20 top higher education and industry awards and much recognition for excellence spanning areas of the brand, writing, photography, media relations, social media, web and digital, marketing and the institutional spot.

Of course, none of the above accomplishments would be possible without the core support the Advancement’s Finance and Administration team that focused on providing ongoing human resources services, budget administration and support for the NC State University Foundation, among other key functions.

University Advancement began experiencing its true potential over the last year, operating more strategically, efficiently, and collaboratively. The team’s hard work and tireless dedication enabled NC State to advance its strategic goals and helped elevate the university to unsurpassed levels of success. Building on the work of amazing students, faculty and staff, with the continued support of the university and its tremendous alumni and friends, there is almost no limit to what University Advancement, and NC State, can accomplish.

As we look forward, University Advancement will seek to continue leveraging the University’s tremendous overall momentum to engage even greater numbers of alumni, faculty and staff, friends and partners in preparation for the public launch of the University’s most ambitious comprehensive fundraising Campaign in Fall 2016.

Go Pack!
Francine Cronin Named NC State Associate Vice Chancellor for University Development

FOR IMMEDIATE RELEASE

Francine Cronin, senior assistant vice president for capital projects and advancement communications and associate director of university campaigns at the University of Rochester, has been named associate vice chancellor for university development at North Carolina State University. Vice Chancellor of University Advancement Brian Sischo announced the appointment today.

Cronin will begin her new position at NC State in early October.

“Francine Cronin has a proven track record of success across the spectrum of university fund-raising activities, from implementing effective annul giving and major gifts programs to securing planned gifts and managing comprehensive campaigns,” Sischo said. “I’m confident Francine will hit the ground running and will be a great addition to NC State’s University Advancement team.”

Cronin brings with her more than 25 years of experience in university development, and among many accolades has played a leadership role in planning, implementing and managing several successful comprehensive fund-raising campaigns.

“Accessible education contributes greatly to the formation and maintenance of a successful and prosperous multicultural society,” Cronin said. “Fund raising plays a critical role in keeping higher education affordable and accessible. I’m thrilled to be joining the NC State team and excited to bring creativity and innovative fund-raising strategies to a university that has such a large and positive impact across the state, nation and world.”

Cronin has served at the University of Rochester since 2010. During that time, she played a critical role in launching the university’s current $1.2 billion comprehensive campaign, expanded communications effectiveness through new regional networks and helped establish the university’s first faculty/staff giving campaign.

Cronin served as assistant, associate and senior associate vice president for annual giving at Emory University from 2003-10. There, she helped triple annual giving, started an online
giving program and played a major role in the success of Emory’s $1.6 billion comprehensive campaign.

She also served as director of development, director of development and alumni relations and executive director for the Institute of Technology Foundation at the State University of New York Institute of Technology at Utica/Rome. She exponentially grew alumni giving, the number of alumni donors and the number of parent donors during her tenure at SUNYIT.

Cronin began her career as assistant director of the telefund program and director of annual fund programs at Rochester Institute of Technology. There she played a major role in the success of the university’s capital campaign and initiated senior class and faculty/staff giving programs.

Cronin earned her bachelor’s degree in communication from SUNY Geneseo and her master’s degree in career and human resource development from the Rochester Institute of Technology.

- kulikowski -
Board of Trustees Update
Thursday, September 10, 2015

NC State Alumni Association
Benny Suggs
Associate Vice Chancellor - Alumni Relations
Executive Director - NC State Alumni Association

NC STATE
Nationally, only 8% of alumni give back to their alma mater.... However, for those alumni that are members of their respective alumni associations the percentage rises to over 25%.
At NC State that number is 43%
The NC State Alumni Association...

...over the last five years has shown an overall membership increase of 25% and revenue increase of 20%.

...over the last five years has shown an increase in Student Alumni Association membership of 300%.

...leads the ACC in alumni engagement via social media, ranking 5th in the NCAA.

...over the last two years has experienced an increase in attendance at Life Stage events of 109%.

...was named by the Princeton Review as having a nationally ranked top 25 alumni network in 2015.

...provides over $750,000 annually in financial aid to 150 students (including 75 Caldwell Fellows).
Mission Statement

The NC State Alumni Association engages alumni and friends through programs and services that foster pride and enhance a lifelong connection to NC State.
Aggressive Social Media Strategy Implemented

Over a four year period went from last in the ACC to top two in social media engagement results/rankings

Rankings by Engagement Rate:
1. NC State
2. Notre Dame
3. UNC
4. Boston College
5. Pittsburgh
6. Louisville

Rankings by Alumni Adoption Rate:
1. Notre Dame
2. NC State
3. Clemson & UNC
4. Miami & Georgia Tech
5. Duke

Event invitation & pricing strategy constantly reviewed

- Based on event type – who/how to issue invitations
- Email invitations sent to all that fall within the geographic footprint
- Print invitations when budget allows to targeted audience
- Pricing strategies
  - Low cost but not "no value"
  - Membership rewarded with price break
- Early registration for AA members for more popular and/or exclusive type events
Life Stage Programming

Legacy Admission Sessions

Spring 2015
- Charlotte, NC
- Raleigh, NC (May 17 - Talley Student Union)
- Winston Salem, NC (May 30 - Bib's Downtown)

Three sessions each year - one in Raleigh and two rotating in other NC locations (Charlotte, Asheville, Greensboro, Wilmington, Winston Salem)
NC STATE

Spring 2015

Lifstage Programming

Wolfpack Freshman Welcomes

Raleigh
Wilmington
Outer Banks
Greensboro
Yadkinville
Charlotte

Focus on fewer events (six – geographically based in NC)

Nicer locations with nicer meals

Video instead of slides

Less presentation and more networking time
Agenda

Successes for FY15

- Winery events (tours / tastings)
  - Houston area
  - NC (Childress & Ruffaldini)

- Sporting events
  - NC State vs UNC-C in Charlotte
  - Grasshoppers in Greensboro
  - Charlotte Hornets vs Phoenix (T.J. Warren)
  - Boston Red Sox

- NC State faculty presentations:
  - (Walt Wolfram, Sara Spayd, Kate Meurs)

- Job Fairs with Alumni Career Services

NC STATE
2015 Legacy Luncheon

19th Annual Legacy Luncheon
Held Saturday, August 15, 2015
2015 Evening of Stars

Moved to week of Homecoming
Thursday, October 29, 2015
"For the Strength of the pack is the wolf, and the strength of the wolf is the pack."

NC State Alumni
Committee Discussion

Social Media Strategy & Campaign Communications Update

Case Commons Project Overview and Facility Naming Opportunities
Introductions
Project Leadership

Jason Simon
Vice President and Partner
NC State 1992 Communication

Matt Checkowski
Executive Creative Director
NC State 1998 Design
SimpsonScarborough
Building Brands That Endure
What motivates donors to action?

What are the key audiences and associations and perceptions of the university and what barriers exist for giving and engagement?

What is the right level of staffing, resources and alignment to ensure success?
Our Approach
Keys to Success

- Be an extension of the NC State team
- Engagement and consensus building
- Develop a right-sized process that fits NC State best
- Move past anecdotal feedback
- Develop recommendations that are actionable and realistic
- Ensure that the strategy aligns and adds value to overall branding efforts
Phase I
Discovery and Audit

Develop a shared understanding of NC State’s campaign goals and the resources needed across stakeholder groups.

Conduct an audit of Development communications across the University to determine opportunities for alignment, staffing and resources, and tools needed to be successful.
# Phase I
## Discovery and Audit

<table>
<thead>
<tr>
<th>Questions</th>
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Discovery and Audit

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<td><strong>Higher Ed Environmental Scan</strong></td>
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<td>• What are the most effective current Development communications activities?</td>
<td><strong>2-3 day campus visit</strong>&lt;br&gt;• Project planning team discussions&lt;br&gt;• Workshops with Communications and Development Officers&lt;br&gt;• Chancellor interview&lt;br&gt;• 1:1 interviews with Deans&lt;br&gt;• Campus tour and review of key initiatives and stakeholders</td>
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Approach
- Background review
  - Feasibility study
  - DoD communications inventory
  - Current brand strategy
  - Current development communications activity, staffing, and skillset(s) required
- 2-3 day campus visit
  - Project planning team discussions
  - Workshops with Communications and Development Officers
  - Chancellor interview
  - 1:1 interviews with Deans
  - Campus tour and review of key initiatives and stakeholders

Deliverable
- Detailed report that will:
  - Summarize key input(s) and findings across stakeholders
  - Provide detail on environmental scan detailing staffing, resources and tactics
  - Prioritize key communications tactics, channels and other opportunities
  - Recommend staffing approach, levels and resources that maximize the opportunity for success
  - Provide best-practice recommendations for effective development channels, initiatives and materials specifically in “campaign”
Determine the ways in which target donors want to engage, effective channels, and gauge reaction to campaign priorities and messaging themes.

Gather insights to ensure that internal perceptions and priorities match donor realities.
### Phase II
Research and Insight

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• 2-4 online focus groups with donors of varying levels  
• 2 online focus groups with undergraduate alumni LYBUNTS  
• 2 online focus groups with undergraduate alumni lapsed donors  
• 20 In-depth interviews with foundation/corporate relations or other more targeted giving prospects | |  
| • Are there specific areas that have the most appeal for support (research, scholarships, buildings, special opportunity) and how does that vary by age, income or other factors? | Quantitative Research  
• Online survey of Donors and Alumni (n=1,200) | |  
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"Simpson Scarborough"
Phase II
Research and Insight

Questions

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- Are there specific areas that have the most appeal for support (research, scholarships, buildings, special opportunity) and how does that vary by age, income or other factors?
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- What are the most effective channels and tactics and how do people prefer to be reached?
- Where do their philanthropic priorities lie?

Approach

Qualitative Research
- 2-4 online focus groups with donors of varying levels
- 2 online focus groups with undergraduate alumni LYBUNTS
- 2 online focus groups with undergraduate alumni lapsed donors
- 20 In-depth interviews with foundation/corporate relations or other more targeted giving prospects

Quantitative Research
- Online survey of Donors and Alumni (n=1,200)

Deliverable

- Work with NC State to collect data files, scrub for redundancy and code to required spec(s) for secondary factors
- Survey instrument design, development, programming and QA
- Detailed report of both qualitative and quantitative research findings
- All secondary data analysis and delivery of SPSS data in native and Excel formats.
Phase III
Campaign Messaging and Identity

Develop a strategic messaging framework that drives the campaign and a communications plan that outlines timeline and tactics.

Create a campaign identity and design concepts that provide an emotional and visual representation of bringing the strategy to life.

Simpson Scarborough
## Phase III
Campaign Messaging and Identity

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<td>- What personality, tone and visual approach will build excitement?</td>
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<td>- How do we align creative strategies and add dimension to the broader digital-first brand that NC State has established?</td>
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Phase III
Campaign Messaging and Identity

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Approach
- Develop donor audience personas and journeys that illustrate ways in which constituents ideally will engage with NC State
- Identifying opportunities creative and content strategies to meet them where they are and move to an increased relationship and willingness to support.
- Develop a campaign “mantra” that guides all creative development.
- Apply learnings from research and build upon NC State’s current “Think and Do” brand strategy in creative concepts.

Deliverable
- Strategic messaging framework and content strategy
- 2-3 versions of campaign name and identity
- 2-3 campaign design concepts that illustrate how the campaign will come alive through various channels with an emphasis on a digital-first approach
- Campaign communications plan, budget and timeline
Timeline

**Months 1-2**

- Audit & Insight
  - Background immersion
  - Project kick-off and planning discussions
  - Campus visit and workshops
  - Environmental scan and best practices
  - **Deliver audit report**
  - Collect necessary data files and secure focus group participants
  - Draft and approval of moderator and discussion guides

**Months 2 – 3**

- Research & Strategy

**Months 4 – 6**

- Strategy & Creative

**On-Going**

- Support
## Timeline

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<th>Months 2 – 3</th>
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<td><strong>Research &amp; Strategy</strong></td>
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<tr>
<td>Background immersion</td>
<td>Conduct qualitative research IDI’s and FG’s</td>
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<td>Project kick-off and planning discussions</td>
<td><strong>Deliver qualitative research findings and share audit findings</strong></td>
<td>Draft and approval of survey instruments</td>
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<td>Campus visit and workshops</td>
<td>Environmental scan and best practices</td>
<td>Survey instrument programming and QA</td>
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<tr>
<td><strong>Deliver audit report</strong></td>
<td>Draft and approval of moderator and discussion guides</td>
<td>Begin survey data collection</td>
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#### Months 2 – 3
- **Research & Strategy**
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  - **Deliver qualitative research findings and share audit findings**
  - Preliminary messaging strategies and visual approaches
  - Draft and approval of survey instruments
  - Survey instrument programming and QA
  - Begin survey data collection

#### Months 4 – 6
- **Strategy & Creative**
  - Deliver quantitative research findings and secondary data
  - Preliminary and revised campaign naming and identity concepts
  - Strategic messaging framework
  - Creative concepts designed to illustrate the refined and selected identity
  - Develop and deliver communications plan

#### On-Going
- **Support**
### Timeline

#### Months 1-2
- **Audit & Insight**
  - Background immersion
  - Project kick-off and planning discussions
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  - Creative concepts designed to illustrate the refined and selected identity
  - Develop and deliver communications plan

#### On-Going
- **Support**
  - Additional college or unit-based support as needed and scoped
  - Creative support as needed to execute communications plan
  - Resource and extension for University Communications
Central Campus Precinct – MP Impacts
Planning Studies in Progress
Case Commons - Student Housing
Case Commons - Student Housing
Case Commons - Student Housing

28,400 GSF – 4 levels

62-student beds
  • 30-beds student athletes
  • 32-beds non-athletes

Resident director apartment
2 Resident assistant rooms

Gathering space
24-hour desk
Theater/meeting room
Laundry

Funding: receipts and gifts
# Naming Opportunities for Case Commons

<table>
<thead>
<tr>
<th>Opportunity</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Naming Rights to the facility</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Dorm Lobby/Entrance Foyer</td>
<td>$500,000</td>
</tr>
<tr>
<td>1st Floor Social Lounge</td>
<td>$250,000</td>
</tr>
<tr>
<td>Team Meeting/Theatre Room</td>
<td>$250,000</td>
</tr>
<tr>
<td>Study Room</td>
<td>$150,000</td>
</tr>
<tr>
<td>Atrium</td>
<td>$150,000</td>
</tr>
<tr>
<td>Terrace</td>
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</tr>
<tr>
<td>Men’s Basketball Players Room (qty 15)</td>
<td>$100,000 each</td>
</tr>
<tr>
<td>Women’s Basketball Players Room (qty 15)</td>
<td>$100,000 each</td>
</tr>
<tr>
<td>Non-Athlete Rooms (qty 32)</td>
<td>$50,000 each</td>
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**Total**  $11,050,000
UNIVERSITY AFFAIRS COMMITTEE
NORTH CAROLINA STATE UNIVERSITY
September 10, 2015

BOARD OF TRUSTEES
NORTH CAROLINA STATE UNIVERSITY
AGENDA

University Affairs Committee
2:45 p.m. – 4:15 p.m.  September 10, 2015
Winslow Hall Conference Room

Susan Ward, Chair
Members:  Chip Andrews, Tom Cabaniss, Khari Cyrus, Ann Goodnight, Stan Kelly

CALL TO ORDER
Susan Ward, Committee Chair

ROLL CALL

READING OF STATE GOVERNMENT ETHICS ACT CONFLICT OF INTEREST STATEMENT

1. AGENDA
A. Approval of July 15, 2015 University Affairs Committee Minutes 7.1A

2. DISCUSSION ITEMS
A. Review of Committee Responsibilities and 2015-2016 Plan of Work 7.2A
   Susan P. Ward, Chair, University Affairs Committee
   Warwick A. Arden, Provost and Executive Vice Chancellor
B. Fall 2015 Enrollment Report 7.2B
   Louis D. Hunt, Senior Vice Provost, Enrollment Management & Services
C. Annual Report on Intercollegiate Athletics 7.2C
   Katie Sheridan Graham, Assistant Dean and Director, Academic Support Program for Student Athletes

3. REQUESTED ACTION
✓ A. Request for Authorization to Discontinue Degree Programs 7.3A
   Duane K. Larick, Senior Vice Provost for Academic Strategy & Resource Management
   a. M.A. in Literature, English and American, Teacher Education
✓ B. Request for Degree Title Changes 7.3B
   Duane K. Larick, Senior Vice Provost for Academic Strategy & Resource Management
   a. Masters of Parks, Recreation and Tourism Management change to Masters of Parks, Recreation, Tourism and Sport Management

Denotes full Board approval required
C. Request for Authorization to Continue Centers/Institutes  7.3C
   Mladen Vouk, Interim Vice Chancellor for Research, Innovation & Economic Dev.
   a. Center for Environmental and Resource Economic Policy (CEnREP)
   b. Institute for Advanced Analytics (IAA)
   c. Institute for Nonprofit Research, Education and Engagement (INPREE)

4. INFORMATIONAL REPORTS  TAB 7.4
   A. Student Body President Report  7.4A
      Khari Cyrus, Student Body President
   B. Provost Update  7.4B
      Warwick A. Arden, Provost and Executive Vice Chancellor
      a. 2015-2016 Faculty Salary Ranges
      b. Update on Leadership Position Searches

5. CLOSED SESSION  TAB 7.5
   A. Personnel Matters  7.5A
   ✓ B. Honorary Awards  7.5B

6. RECONVENE OPEN SESSION

7. ADJOURN

✓ Denotes full Board approval required
Chair Ward called the meeting to order. A quorum was present.

She 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 University Affairs Committee at this meeting. Hearing none, Chair Ward proceeded with the Committee agenda.

Chair Ward asked if there were corrections to the April 16, 2015 open and closed session committee minutes. Hearing none, she declared the minutes stand approved as drafted.

Dr. Duane Larick, Senior Vice Provost for Academic Strategy and Resource Management, presented several degree-related items for the committee’s recommendation to the full board. He began by presenting the Request for Authorization to Discontinue three degree programs: M.Ed. and M.S. in Business and Marketing Education (Distance Education); Ph.D. in Counseling & Counselor Education; and Ph.D. in Science Education. He explained the first discontinuation is because of long-term and persistent low enrollment, very few degrees awarded and because the program is unlikely to grow sufficiently to have a critical mass of students. The other two discontinuations are because of re-characterization of Ph.D. degrees to be more signature to the College of Education. These two Ph.D. programs will continue and be housed under unique umbrella Ph.D. degree programs as part of the comprehensive re-characterization. Teach out plans assure that students can continue in their degree program until they graduate or transfer into another program in the college. Dr. Prestage moved to recommend to the full board approval of the Request for Authorization to Discontinue the three degree programs as presented by Dr. Larick. Dr. Owens seconded the motion. The motion carried.
Next, Dr. Larick presented three degree title change requests from the College of Education which are part of the re-characterization of Ph.D. programs and reorganization of academic departments in the College. The three requests are: 1) Ph.D. in Curriculum and Instruction to be re-titled as Ph.D. in Teacher Education and Learning Sciences; 2) Ph.D. in Educational Research & Policy Analysis to be re-titled as Ph.D. in Educational Leadership, Policy and Human Development; and the 3) Ph.D. in Mathematics Education to be re-titled as Ph.D. in Learning and Teaching in STEM. Dr. Larick explained that these title changes more closely align with the current research, teaching, and programs in the departments, are broader in scope to serve as umbrella Ph.D. programs, and are more inclusive of other doctoral programs in the departments. Mr. Cabaniss made a motion to recommend to the full board approval of the degree title changes as presented by Dr. Larick. Dr. Owens seconded the motion. The motion carried.

The Request for Authorization to Establish the Doctorate of Design and the M.S. in Forensic Science were presented by Dr. Larick. He noted that the Board approved the authorization to plan these degree programs at the September and November 2013 meetings. The Doctor of Design will target practicing designers and professionals currently holding a master’s degree who wish to develop a high level of expertise to support their existing and future design activities. The proposal for the M.S. in Forensic Science is an outcome of our efforts to create a Forensic Science Institute (currently in its final stages of planning) and our Cluster in Forensic Sciences. This degree program is consistent with a strategic area of interest in NC State’s Strategic Plan: Safety and Security. Dr. Prestage moved to recommend to the full board approval of the Request for Authorization to Establish the two degree programs as presented by Dr. Larick. Dr. Owens seconded the motion. The motion carried.

Interim Vice Chancellor Mladen Vouk presented a request to Continue the Center for Integrated Pest Management. Dr. Owens made a motion to approve the center continuation request. Mr. Cabaniss seconded the motion. The motion carried.

Dr. Larick delivered the Provost Update report on behalf of Provost Arden who was out of the country. He reported that, as mentioned earlier, the College of Education has undergone a reorganization consolidating four of its academic departments into three. The reorganization will result in less administrative structure and more teaching efficiency as a result of redesigning graduate programs. The college’s three academic departments are: Teacher Education and Learning Sciences; Educational Leadership, Policy and Human Development; and Science, Technology, Engineering and Mathematics Education.

A motion was made by Ms. Ward to go into closed session to establish the amount of compensation and other material terms of an employment contract or proposed employment contract and to consider the qualifications, competence, performance, character, fitness, conditions of appointment or conditions of initial employment of an employee or prospective employee. Dr. Prestage seconded the motion. The motion carried.

After coming out of closed session, Chair Ward announced the meeting in open session.

Dr. Prestage made a motion to approve the personnel actions discussed in Closed Session related to the approval of an employment agreement, a non-salary compensation request, and conferral of tenure to two new faculty members. Dr. Owens seconded the motion. The motion carried.

With no further business, Chair Ward announced the meeting adjourned at 3:54 p.m.

Susan P. Ward, Chair
Board of Trustees - University Affairs Committee

Delegated Authority and Assignments
Based on Board of Trustees Bylaws - POL 01.05.01, Appendix 1, Section V

EPA Personnel

Non-salary compensation (ex. temporary housing and house-hunting expenses, club memberships)

Salary matters
- Establish salary ranges for deans and other senior officers
- Recommend EPA salary increases for Board of Governor’s approval that exceed established salary range or result in a salary that is at least 15% and at least $10,000 above previous June 30th salary

Administrative separation and retreat rights

Conferral of permanent tenure
- New faculty hires tenured at a previous institution
- Faculty candidates reviewed through annual reappointment, promotion, and tenure process

Designation of particular Distinguished Professorships as time limited

Conferral of Emeritus status to SAAO Tier I employees

Appoint or extend the contract of the Athletic Director and Head Coaches

Employee Appeals

Hear appeals of discharged or suspended employees

Hear and render a decision on appeals from the disposition of grievances

Academic Programs

Review and recommend academic degree proposals to Board of Trustees

Receive notification of other academic program proposals (ex. certificates, concentrations, and minors)

Student Affairs

Review and recommend campus initiated tuition increases and student fees

Honorary Degrees, Awards and Distinctions

Honorary Degrees and Holladay Medals
- Receive and review nominations
- Recommend nominees to Board of Trustees for approval

Provide advice in Chancellor’s selection of a commencement speaker
**Planning**

Review and recommend changes in the university’s mission statement
Advise chancellor on development of plans to carry out the university’s mission
Review and approve establishment and continuation of Centers and Institutes

**Policy Development**

Recommend policies to Board of Trustees for approval related to:
- Personnel
- Collection of tuition, fees and other monies from students
- Acceptance of cash obligations in lieu of cash from students in payment of tuition and fees
- Administration of scholarships and other financial aid to students
- Provision of student services activities, including government and intercollegiate athletics
- Centers and Institutes

**Reports**

Hear reports from the Chair of Faculty, Chair of Staff Senate, and Student Body President

Jeannette Moore  
Chair, Faculty

Wyona Goodwin  
Chair, Staff Senate

Khari Cyrus  
Student Body President

Hear other miscellaneous reports
- Faculty retention
- Athletic Academic Progress Rates
- Graduation statistics
- Residency for full scholarship undergraduate students
- Students requiring special consideration
September
• Centers and Institutes Requests (UNC Pol. 400.5 (R) (NC State Pol 01.05.01 App. 1, V.f.iii) (as needed)
  Review and approve the establishment and continuation of Centers and Institutes.
• Commencement Speaker – December (NC State Pol 01.05.01 App. 1, V.e.ii)
  Provide advice in Chancellor’s selection of Commencement Speaker.
• Committee Responsibilities and Plan of Work (Annually)
  Review committee’s delegated authority and assignments and develop plan of work for the year.
• Degree Program Proposals (NC State Pol. 01.05.01, App.1, V.c.i) (as needed)
  Review and recommend approval to the BOT.
• Fall Enrollment Report / Progress Toward Enrollment Planning (NC State Pol 01.05.1, App 1, V.f.ii)
  Receive report and comment as warranted.
• Honorary Degree Recommendations (UNC Pol. Ch. 100.1, Appendix 1 (IV) (NC State Pol 01.05.01, App.1, V.e.i)
  Review and review nominations as needed. Recommend nominees for approval to the BOT.
• Personnel Requests (NC State Pol 01.05.01, App 1.V.a.i.ii.iii.iv.vi.vii.viii.ix.b.i.ii) (as needed)
  Approve or recommend approval to the BOG.
• Salary Ranges for Faculty (Annually)
  The Chancellor has delegated authority for faculty salary ranges. Upon the Chancellor’s approval, these ranges are shared with the committee.
• Student Body President Report (NC State Pol 01.05.01 App.1, V.h.i)
  Receive report and comment as warranted.
• UNC Report on Intercollegiate Athletics (UNC Pol. 1100.1) (Annually)
  Receive and review report prior to submission to UNC-GA.

November
• Campus Initiated Tuition Increase and Student Fees (UNC Pol. 100.11, II, 3.A. iii) (NC State Pol. 01.05.01, App. 1, V.d.i)
  Review and recommend approval to the BOT.
• Centers and Institutes Requests (UNC Pol. 400.5 (R) (NC State Pol 01.05.1 App. 1, V.f.iii) (as needed)
  Review and approve the establishment and continuation of Centers and Institutes.
• Degree Program Proposals (NC State Pol. 01.05.01, App.1, V.c.i) (as needed)
  Review and recommend approval to the BOT.
Agenda

NC STATE BOARD OF TRUSTEES
UNIVERSITY AFFAIRS COMMITTEE
2015-2016 PLAN OF WORK

- Distinguished Professorship Update
  Receive information about recently awarded professorships of distinction as applicable.
- Faculty Retention Report
  Receive report and comment as warranted.
- Faculty Senate Report (NC State Pol 01.05.01 App.1, V.h.i.)
  Receive report and comment as warranted.
- Honorary Degree Recommendations (UNC Pol. Ch. 100.1, Appendix 1 (IV) (NC State Pol 01.05.01, App.1, V.e.i)
  Receive and review nominations as needed. Recommend nominees for approval to the BOT.
- Management Flexibility Annual Report (UNC policy 600.3.4)
  Receive and review report prior to submission to UNC-GA.
- Personnel Requests (NC State Pol 01.05.1, App.1.V.a.i.ii.iii.iv.vi.vii.viii.ix.b.i.ii)) (as needed)
  Approve or recommend approval to the BOG.
- Staff Senate Report (NC State Pol 01.05.01 App.1, V.h.i.)
  Receive report and comment as warranted.

February
- Centers and Institutes Overview (Informational report provided every 2 years.)
  Receive report and comment as warranted.
- Centers and Institutes Requests (UNC Pol. 400.5 (R) (NC State Pol 01.05.01 App. 1, V.f.iii)) (as needed)
  Review and approve the establishment and continuation of Centers and Institutes.
- Commencement Speaker – May (NC State Pol 01.05.01 App. 1, v.e.ii)
  Provide advice in Chancellor’s selection of Commencement Speaker.
- Degree Program Proposals (NC State Pol. 01.05.01, App.1, v.c.i) (as needed)
  Review and recommend approval to the BOT.
- Graduation Report
  Receive report and comment as warranted.
- Holladay Medal Recommendations (NC State Pol 01.05.01, App.1, V.e.i)
  Receive and review nominations. Recommend nominees for approval to the BOT.
- Honorary Degree Recommendations (UNC Pol. Ch. 100.1, Appendix 1 (IV) (NC State Pol 01.05.01, App.1, V.e.i)
  Receive and review nominations as needed. Recommend nominees for approval to the BOT.
NC STATE BOARD OF TRUSTEES
UNIVERSITY AFFAIRS COMMITTEE
2015-2016 PLAN OF WORK

- Personnel Requests (NC State Pol 01.05.1, App 1.V.a.i.ii.iii.iv.vi.vii.viii.ix.b.i.ii) (as needed)
  Approve or recommend approval to the BOG.
- Reappointment, Promotion and Tenure Process
  Receive report and comment as warranted.
- Student Body President Report (NC State Pol 01.05.01 App.1, V.h.i.)
  Receive report and comment as warranted.

April
- Centers and Institutes Requests (UNC Pol. 400.5 (R) (NC State Pol 01.05.1 App. 1, V.f.iii) (as needed)
  Review and approve the establishment and continuation of Centers and Institutes.
- Degree Program Proposals (NC State Pol. 01.05.1, APP1, v.c.i) (as needed)
  Review and recommend approval to the BOT.
- Distinguished Professorship Update
  Receive information about recently awarded professorships of distinction as applicable
- Faculty Senate Report (NC State Pol 01.05.01 App.1, V.h.i.)
  Receive report and comment as warranted.
- Honorary Degree Recommendations (UNC Pol. Ch. 100.1, Appendix 1 (IV) (NC State Pol 01.05.01, App.1, V.e.i)
  Receive and review nominations as needed. Recommend nominees for approval to the BOT.
- Nepotism Report (UNC Pol. 300.4.2)
  Receive annual report on university’s compliance with UNC Policy 300.4.2.
- Personnel Requests (NC State Pol 01.05.1, App 1.V.a.i.ii.iii.iv.vi.vii.viii.ix.b.i.ii) (as needed)
  Approval or recommend approval to the BOG.
- Residency for Full Scholarship Undergraduate Students (§ 116-143.6) (NC State Reg 02.70.03)
  Receive report and comment as warranted.
- Staff Senate Report (NC State Pol 01.05.01 App.1, V.h.i.)
  Receive report and comment as warranted.
- Students Requiring Special Consideration (NC State Reg 02.10.04)
  Receive report and comment as warranted.
- Salary Ranges for Senior Academic and Administrative Officers (SAAO) (NC State Pol 01.05.01, App. 1, V.a.ii)
  Review and approve recommended ranges.
Special Meetings (called as needed)
- There may be items that need the committee’s consideration in between the regularly scheduled meetings. In these cases, a special meeting of the committee will be held.

Additional Topics for Discussion
- Topics associated with implementation of the strategic plan
- Updates from the Provost

Desired Outcomes
- To comply with delegated authority and assignments as prescribed by N.C. General Statutes, UNC Board of Governors Policies and NC State University Policies.
- To keep the Board fully informed of major issues and policies associated with the governance of the university.
- To solicit the Board’s input on policy, strategy and goal-setting for the university.
Enrollment Update 2015

Louis Hunt
Enrollment Management and Services

TOTAL ENROLLMENT
Enrollment History
1889 to 2015

Five Year Enrollment Trend

Current enrollment plan emphasizes growth at the graduate level.
UNDERGRADUATE RECRUITMENT AND BRAND AWARENESS

Top Counties in North Carolina by Applications

<table>
<thead>
<tr>
<th>County</th>
<th>Applications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wake</td>
<td>3,047</td>
</tr>
<tr>
<td>Mecklenburg</td>
<td>1,614</td>
</tr>
<tr>
<td>Guilford</td>
<td>949</td>
</tr>
<tr>
<td>Union</td>
<td>564</td>
</tr>
<tr>
<td>Forsyth</td>
<td>480</td>
</tr>
<tr>
<td>Orange</td>
<td>368</td>
</tr>
<tr>
<td>Cumberland</td>
<td>355</td>
</tr>
<tr>
<td>Durham</td>
<td>353</td>
</tr>
<tr>
<td>New Hanover</td>
<td>343</td>
</tr>
<tr>
<td>Iredell</td>
<td>305</td>
</tr>
</tbody>
</table>
Top 10 States Outside of North Carolina by Applications

<table>
<thead>
<tr>
<th>State</th>
<th>Applications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Virginia</td>
<td>840</td>
</tr>
<tr>
<td>Maryland</td>
<td>647</td>
</tr>
<tr>
<td>New Jersey</td>
<td>502</td>
</tr>
<tr>
<td>New York</td>
<td>489</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>484</td>
</tr>
<tr>
<td>Florida</td>
<td>400</td>
</tr>
<tr>
<td>South Carolina</td>
<td>328</td>
</tr>
<tr>
<td>Georgia</td>
<td>286</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>248</td>
</tr>
<tr>
<td>Ohio</td>
<td>209</td>
</tr>
</tbody>
</table>

Top 6 Countries Outside of the U.S. by Applications

<table>
<thead>
<tr>
<th>Country</th>
<th>Applications</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>474</td>
</tr>
<tr>
<td>India</td>
<td>160</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>82</td>
</tr>
<tr>
<td>United Arab Emirates</td>
<td>39</td>
</tr>
<tr>
<td>South Korea</td>
<td>38</td>
</tr>
<tr>
<td>Mexico</td>
<td>38</td>
</tr>
</tbody>
</table>
2015 FRESHMAN CLASS: COMPOSTION AND ACADEMIC ACHIEVEMENT

New Freshman Applications

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Applications</th>
<th>% Accepted</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>15,500</td>
<td>50%</td>
</tr>
<tr>
<td>2007</td>
<td>15,437</td>
<td>35%</td>
</tr>
<tr>
<td>2008</td>
<td>17,681</td>
<td>30%</td>
</tr>
<tr>
<td>2009</td>
<td>18,327</td>
<td>30%</td>
</tr>
<tr>
<td>2010</td>
<td>19,148</td>
<td>30%</td>
</tr>
<tr>
<td>2011</td>
<td>20,104</td>
<td>35%</td>
</tr>
<tr>
<td>2012</td>
<td>20,708</td>
<td>40%</td>
</tr>
<tr>
<td>2013</td>
<td>21,512</td>
<td>45%</td>
</tr>
<tr>
<td>2014</td>
<td>21,033</td>
<td>50%</td>
</tr>
<tr>
<td>2015</td>
<td>21,002</td>
<td>55%</td>
</tr>
</tbody>
</table>
Out-of-State Enrollment Trends

Fall 2015 Freshman Class

Top 10 Majors of Incoming Enrolled Students
- 1,351 Engineering
- 712 Exploratory Studies
- 380 Management
- 340 Life Sciences
- 174 Animal Science
- 111 Psychology
- 75 Political Science
- 72 Chemistry
- 65 Fashion and Textile Management
- 63 Elementary Education
Fall 2015 Freshman Class
Academic Achievement

![Graphs showing average ACT score, high school GPA, and percentage of students in Top 10% of high school class from 2011 to 2015.]

Advanced Placement Credit

16,505 scores submitted.

74% of first year students that intend to enroll submitted AP scores with an average of 5.34 AP exams per student.

3,170 AP scores of 5 were submitted.

<table>
<thead>
<tr>
<th>Total Number of AP Scores Submitted (as of August 4th)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Exam with over 100 scores</strong></td>
</tr>
<tr>
<td>United States History</td>
</tr>
<tr>
<td>English Language and Comp</td>
</tr>
<tr>
<td>Environmental Science</td>
</tr>
<tr>
<td>English Literature and Comp</td>
</tr>
<tr>
<td>Psychology</td>
</tr>
<tr>
<td>Calculus AB</td>
</tr>
<tr>
<td>Statistics</td>
</tr>
<tr>
<td>Calculus AB Sub-Score</td>
</tr>
<tr>
<td>Calculus BC</td>
</tr>
<tr>
<td>Biology</td>
</tr>
<tr>
<td>Government &amp; Politics: USA</td>
</tr>
<tr>
<td>Chemistry</td>
</tr>
<tr>
<td>World History</td>
</tr>
<tr>
<td>Physics 1</td>
</tr>
<tr>
<td>Human Geography</td>
</tr>
<tr>
<td>Physics C: Mechanics</td>
</tr>
<tr>
<td>Economics: Macroeconomics</td>
</tr>
<tr>
<td>Economics: Microeconomics</td>
</tr>
<tr>
<td>Physics B</td>
</tr>
</tbody>
</table>
Dual Enrollment

565 Applications
262 Admitted
132 Will Enroll
1249 Total SAT
28.5 ACT
4.49 HS GPA

Diversity in the Freshman Cohort
STUDENT SUCCESS

First-Term Performance of Freshmen
Retention and Graduation by Ethnicity

As of August 14, 2015

Diversity of the Freshman Cohorts

2004: Unreported category added as option for students
2005: Department of Education mandates change that:
1. Allow students to select five or more ethnicities
2. Add last part question about Hispanic/Latino Heritage

Includes all White students (e.g., International, U.S. Citizen/Non-Citizen)
Actual and Projected Six-Year Graduation Rates

<table>
<thead>
<tr>
<th>Year</th>
<th>Actual</th>
<th>Projected</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>62%</td>
<td>64%</td>
</tr>
<tr>
<td>1996</td>
<td>66%</td>
<td>64%</td>
</tr>
<tr>
<td>1997</td>
<td>67%</td>
<td>65%</td>
</tr>
<tr>
<td>1998</td>
<td>71%</td>
<td>72%</td>
</tr>
<tr>
<td>1999</td>
<td>70%</td>
<td>72%</td>
</tr>
<tr>
<td>2000</td>
<td>72%</td>
<td>72.1%</td>
</tr>
<tr>
<td>2001</td>
<td>71%</td>
<td>72.5%</td>
</tr>
<tr>
<td>2002</td>
<td>74%</td>
<td>72.7%</td>
</tr>
<tr>
<td>2003</td>
<td>73%</td>
<td>72.9%</td>
</tr>
<tr>
<td>2004</td>
<td>73%</td>
<td>73.1%</td>
</tr>
<tr>
<td>2005</td>
<td>75%</td>
<td>73.4%</td>
</tr>
<tr>
<td>2006</td>
<td>75.5%</td>
<td>73.7%</td>
</tr>
<tr>
<td>2007</td>
<td>75.8%</td>
<td>74.0%</td>
</tr>
<tr>
<td>2008</td>
<td>76.0%</td>
<td>74.3%</td>
</tr>
<tr>
<td>2009</td>
<td>76.3%</td>
<td>74.5%</td>
</tr>
<tr>
<td>2010</td>
<td>76.6%</td>
<td>74.8%</td>
</tr>
<tr>
<td>2011</td>
<td>76.9%</td>
<td>75.0%</td>
</tr>
<tr>
<td>2012</td>
<td>77.2%</td>
<td>75.3%</td>
</tr>
<tr>
<td>2013</td>
<td>77.5%</td>
<td>75.5%</td>
</tr>
<tr>
<td>2014</td>
<td>77.8%</td>
<td>75.7%</td>
</tr>
</tbody>
</table>

MOVING FORWARD
COMMON AND COALITION APPLICATIONS

NATIVE EDUCATION FORUM
CHANGE OF DEGREE APPLICATION (CODA)

CHANGE OF DEGREE APPLICATION (CODA)

ACADEMIC POLICY CHANGES
PROFESSIONAL EXPERIENCE PROGRAM

ALICE DAI
Questions?

Louis Hunt
ldhunt@ncsu.edu
University of North Carolina General Administration
2014-2015 Survey on Intercollegiate Athletics

**Question 2.1:** Admissions policy for student athletes, including the definitions utilized for exceptions to campus-based criteria.

NC State Regulation 02.10.04 explains our NC State admission policy and special consideration of admission applications.

http://policies.ncsu.edu/regulation/reg-02-10-04

**Question 3.1:** Fall 2014 and Spring 2015 unduplicated enrollment totals for all freshmen and all recruited freshmen student athletes (RFSAs).

<table>
<thead>
<tr>
<th>2015 UNC-GA Athletics Report</th>
</tr>
</thead>
<tbody>
<tr>
<td>OIRP Tables</td>
</tr>
</tbody>
</table>

**Question 3**
- Total number of enrolled freshmen: 4419
- Total number of enrolled freshmen receiving MCR exceptions: 19
- Total number of enrolled recruited freshmen student-athletes: 148
- Total number of enrolled recruited freshmen student-athletes receiving MCR Exceptions: 3

Created by Office of Institutional Research and Planning
July 29, 2015
S:\UPA\IR\Athletics\GA\2015\GA Tables Internal 2015_07_29.xlsx
**Question 4.1:** Enrollment totals by NCAA sport for all recruited freshmen student athletes (RFSAs) in Fall 2014 and Spring 2015 and the number of recruited freshmen student athletes (RFSAs) below one or more of the Minimum Admission Requirements (MARs) or Minimum Course Requirements (MCRs).

<table>
<thead>
<tr>
<th>Sport</th>
<th># of RFSAs by Sport</th>
<th># of RFSAs below minimum HS GPA only (2.5)</th>
<th># of RFSAs below minimum SAT or ACT only (800 or 17)</th>
<th># of RFSAs receiving an MCR exception only</th>
<th># of RFSAs below more than one requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men's Baseball</td>
<td>15</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Men's Basketball</td>
<td>4</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Men's Football</td>
<td>30</td>
<td>0</td>
<td>3</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Men's Golf</td>
<td>3</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Men's Soccer</td>
<td>10</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Men's Swimming</td>
<td>7</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Men's Tennis</td>
<td>3</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Men's Track &amp; Cross Country</td>
<td>14</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Men's Wrestling</td>
<td>15</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Women's Basketball</td>
<td>4</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Women's Golf</td>
<td>1</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Women's Gymnastics</td>
<td>4</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Women's Softball</td>
<td>4</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Women's Soccer</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Women's Swimming</td>
<td>3</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Women's Tennis</td>
<td>2</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Women's Track &amp; Cross Country</td>
<td>15</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Women's Volleyball</td>
<td>6</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Mixed Rifle</td>
<td>2</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Total</td>
<td>148</td>
<td>2</td>
<td>6</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

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August 28, 2015
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Question 5.1: Academic information for recruited freshmen student athletes (RFSAs) in revenue sports at your campus.
   - Number of RFSAs in MFB, MBB, WBB
   - Average HS NCAA Core Course GPA
   - Average SAT/ACT scores.

2015 UNC-GA Athletics Report
OIRP Tables

Question 5

<table>
<thead>
<tr>
<th>Sport</th>
<th>Total Number of RFSAs</th>
<th>Average HS NCAA Core Course GPA</th>
<th>Average SAT</th>
<th>Average ACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men's Basketball</td>
<td>4</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Men's Football</td>
<td>30</td>
<td>3.09</td>
<td>976</td>
<td>21</td>
</tr>
<tr>
<td>Women's Basketball</td>
<td>4</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
</tbody>
</table>

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Question 6.1: Does your institution have a specific policy regarding admission of graduate student athletes?

No, North Carolina State University does not have a specific or separate policy for admission of student athletes into graduate degree programs.

Question 7.1: Does your institution allow for exceptions to the regular admission policy for graduate students?

No, NC State does not allow exceptions to the regular graduate admissions policy for graduate student athletes.

Question 8.1: Did your institution have any graduate student athletes participate in intercollegiate athletics during Fall 2014 or Spring 2015?

Yes.
**Question 8.2:** Fall 2014 and Spring 2015 unduplicated enrollment totals for all graduate students and all graduate student athletes.

<table>
<thead>
<tr>
<th></th>
<th>Campus Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of enrolled graduate students</td>
<td>11101</td>
</tr>
<tr>
<td>Total number of enrolled graduate student-athletes</td>
<td>6</td>
</tr>
</tbody>
</table>

2015 UNC-GA Athletics Report
OIRP Tables

Question 8.2

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2015_07_29.xlsx
**Question 8.3:** Enrollment totals by NCAA sport for graduate student athletes (GSAs) in Fall 2014 and Spring 2015 by sport.

<table>
<thead>
<tr>
<th>Sport</th>
<th># of GSAs by Sport</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men's Baseball</td>
<td>0</td>
</tr>
<tr>
<td>Men's Basketball</td>
<td>1</td>
</tr>
<tr>
<td>Men's Football</td>
<td>1</td>
</tr>
<tr>
<td>Men's Golf</td>
<td>0</td>
</tr>
<tr>
<td>Men's Soccer</td>
<td>0</td>
</tr>
<tr>
<td>Men's Swimming</td>
<td>0</td>
</tr>
<tr>
<td>Men's Tennis</td>
<td>0</td>
</tr>
<tr>
<td>Men's Track &amp; Cross Country</td>
<td>3</td>
</tr>
<tr>
<td>Men's Wrestling</td>
<td>0</td>
</tr>
<tr>
<td>Women's Basketball</td>
<td>2</td>
</tr>
<tr>
<td>Women's Gymnastics</td>
<td>0</td>
</tr>
<tr>
<td>Women's Softball</td>
<td>0</td>
</tr>
<tr>
<td>Women's Soccer</td>
<td>0</td>
</tr>
<tr>
<td>Women's Swimming</td>
<td>0</td>
</tr>
<tr>
<td>Women's Tennis</td>
<td>0</td>
</tr>
<tr>
<td>Women's Track &amp; Cross Country</td>
<td>2</td>
</tr>
<tr>
<td>Women's Volleyball</td>
<td>0</td>
</tr>
<tr>
<td>Mixed Rifle</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>9</td>
</tr>
</tbody>
</table>

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August 28, 2015
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**Question 9.1:** Please enter the following academic information for graduate student athletes (GSAs) in revenue sports at your campus.
- Enter the number of GSAs in MFB, MBB, WBB
- Average undergraduate GPA from previous institutions

<table>
<thead>
<tr>
<th>Sport</th>
<th>Total Number of GSAs by Sport</th>
<th>Average Undergraduate GPA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men's Football</td>
<td>1</td>
<td>*</td>
</tr>
<tr>
<td>Men's Basketball</td>
<td>1</td>
<td>*</td>
</tr>
<tr>
<td>Women's Basketball</td>
<td>2</td>
<td>*</td>
</tr>
</tbody>
</table>

Created by Office of Institutional Research and Planning
August 28, 2015
S:\UPA\IR\Athletics\GA\2015\GA Tables External 2015_08_28.xlsx
**Question 10.1:** Number of majors for all recruited student athletes who are enrolled and have achieved at least junior academic standing (including graduate student athletes) as of Fall 2014.

<table>
<thead>
<tr>
<th>Question 10</th>
<th>Undergraduate Number of Declared Majors</th>
<th>Graduate Number of Declared Majors</th>
</tr>
</thead>
<tbody>
<tr>
<td>01 - agriculture, agriculture operations, &amp; related sciences</td>
<td>6</td>
<td>0</td>
</tr>
<tr>
<td>03 - natural resources &amp; conservation</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>04 - architecture &amp; related services</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>05 - area, ethnic, cultural, gender, &amp; group studies</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>09 - communication, journalism, &amp; related programs</td>
<td>28</td>
<td>1</td>
</tr>
<tr>
<td>11 - computer and information sciences &amp; support services</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>13 - education</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>14 - engineering</td>
<td>32</td>
<td>0</td>
</tr>
<tr>
<td>15 - engineering technologies &amp; engineering-related fields</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>16 - foreign languages, literatures, &amp; linguistics</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>19 - family and consumer sciences / human sciences</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>23 - English language and literature/letters</td>
<td>8</td>
<td>0</td>
</tr>
<tr>
<td>24 - liberal arts and sciences, general studies, &amp; humanities</td>
<td>7</td>
<td>2</td>
</tr>
<tr>
<td>26 - biological &amp; biomedical sciences</td>
<td>19</td>
<td>3</td>
</tr>
<tr>
<td>27 - mathematics and statistics</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>30 - multi/interdisciplinary studies</td>
<td>24</td>
<td>0</td>
</tr>
<tr>
<td>31 - parks, recreation, leisure, &amp; fitness studies</td>
<td>67</td>
<td>0</td>
</tr>
<tr>
<td>38 - philosophy &amp; religious studies</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>40 - physical sciences</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>42 - psychology</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>44 - public administration &amp; social service professions</td>
<td>6</td>
<td>0</td>
</tr>
<tr>
<td>45 - social sciences</td>
<td>16</td>
<td>0</td>
</tr>
<tr>
<td>50 - visual &amp; performing arts</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>52 - business, management, marketing, &amp; related support services</td>
<td>43</td>
<td>0</td>
</tr>
<tr>
<td>54 - history</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>XX - undecided</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>286</strong></td>
<td><strong>9</strong></td>
</tr>
</tbody>
</table>

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August 20, 2015
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Question 11.1: Most recent (2005-2008 cohorts) Graduation Success Rate or Academic Success Rate report.

See ATTACHMENT A

Question 12.1 - Per UNC Academic Integrity Regulation and Guidelines, please provide information for the following questions related to academic integrity. Student athlete data for 12.2, 12.3, and 12.4 should include Summers I and II 2014, Fall 2014, and Spring 2015.

Question 12.2: Please provide a summary of findings for the analyses of student athlete clustering in course sections.

For the current reporting period, 3267 sections were reviewed. The review included 220 sections from Summer 1; 171 sections from Summer 2; 1499 sections from Fall 2014; and, 1377 sections from Spring 2015. Of those sections, 161 had student-athletes making up 25% or more of the total enrollment. While all sections were reviewed, these 161 were flagged in accordance with UNC Policy 700.6.1.

Of the flagged sections, 0 were found to be irregular.

Question 12.3: Provide summary data on findings of student athlete transcript reviews for any student athlete who enrolls in three or more flagged sections per academic year.

Using the course enrollment data set created in step one of this review process and outlined in question 12.4, student athletes that had enrolled in two or more sections of courses where enrollment of student athletes accounted for 25% or more of the total were flagged for transcript review. Using this criterion, 114 transcripts were flagged for review. The review was conducted by the University Registrar and results shared with the Athletics Roundtable. The number of transcripts reviewed was increased due to the fact that many student athletes major in Sports Management or Parks, Recreation, and Tourism.

The review attempted to identify patterns of course taking behavior that was inconsistent with the student's curricular intent; courses with unusually high grades; and students that were near NCAA eligibility thresholds. Findings of this review were discussed at the Athletics Roundtable, but no transcript irregularities were found.
Question 12.4: Short description summarizing the campus review process and how your campus determined “irregularities.”

Enrollment Management and Services (EMAS) uses a custom SQL script using SAS Business Analytics software to identify and analyze all courses taken by student athletes. This process has been used at NC State for over a decade.

The first step of this process identifies all students with athletic participation codes in PeopleSoft (nonparticipating students, such as managers and trainers are excluded). Once the athlete population is identified, a “course enrollment data set” is created. This data set aggregates course performance data by term and course section, and calculates GPA data for athlete and non-athlete populations enrolled in each section. The following data elements are loaded into an MS-Excel spreadsheet for review:

- Term (Summer 1, 2014; Summer 2, 2014; Fall 2014; Spring 2015)
- Course (includes course prefix, number, and section)
- Course Title
- Course Meeting Pattern
- Course Start and End Times
- Instructor
- Location
- Delivery Mode
- Total Number of Non-Student-Athletes enrolled in section
- Calculated course GPA for Non-Student-Athletes enrolled in section
- Total Number of Student-Athletes enrolled in section
- Calculated course GPA for Student-Athletes enrolled in section
- Total Number of Students enrolled in section
- Calculated course GPA for all Students enrolled in section
- Number of Men’s Basketball players enrolled in section (if any)
- GPA of Men’s Basketball players enrolled in section (if any)
- Number of Men’s Football players enrolled in section (if any)
- GPA of Men’s Football players enrolled in section (if any)
- Percentage of Athletes enrolled in section
- Percentage of Non-Athletes enrolled in section

Using this spreadsheet, staff from EMAS and Registration and Records reviewed the data looking for irregularities. Data of particular interest includes: courses with large enrollments of student athletes; courses where athletes outperform non-athletes; courses with high GPAs; courses with large enrollments of football or men’s basketball players; and, courses delivered via Distance Education.
**Question 12.5:** Provide the results of your campus analysis of Average Cumulative Student Athlete GPA and Average Cumulative Non Student Athletes GPA. (This comparison is for Spring 2015 only)

<table>
<thead>
<tr>
<th></th>
<th>Student-Athlete GPA - Spring 2015</th>
<th>Non-Student Athlete GPA - Spring 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Cumulative GPA for Spring 2014 only</td>
<td>2.888</td>
<td>3.120</td>
</tr>
</tbody>
</table>

Created by Office of Institutional Research and Planning
July 29, 2015
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**Question 13.1:** Provide an explanation of your institution’s reporting structure for athletics compliance and whether and to whom the athletics compliance director reports outside of the department of athletics. If there has been no change to the reporting structure from what was reported last year, please enter “no change to reporting structure.”

No change to NC State’s athletics compliance reporting structure.

**Question 13.2:** Upload file containing athletics compliance reporting structure.

See ATTACHMENT B
Question 13.3: Especially effective practices employed at your institution that reinforce the integral connection between academics and athletics.

Class Attendance Policy for Student-Athletes

- NC State implemented a targeted class attendance policy in fall 2010 to monitor the class attendance of student-athletes considered most at-risk for graduation. The class attendance policy was developed in partnership with and at the recommendation of the University’s Council on Athletics. [See Attachment C]

- If a student-athlete has more than two unexcused absences, the student-athlete will be suspended from athletics competitions for a specific percentage of the season.

- Class attendance of all student-athletes is monitored through communication between ASPSA staff and faculty and through regularly scheduled appointments between student-athletes and their academic coordinators. Student-athletes who have excessive absences and are underperforming in the classroom may be added to the class attendance policy at any time during the semester upon recommendation by ASPSA or the Faculty Athletics Representative.

Student Athlete Course Enrollment Monitoring

- Since 2001, the Academic Support Program for Student-Athletes (ASPSA) monitors the percentage of enrollment of student-athletes in every section of every class each semester (including summers). The established threshold is no more than 25% student-athletes in any section of any class. The percentage of enrollment is based on the number of student-athletes enrolled in the course as compared to the overall capacity of the course. A daily report by the Office of Registration and Records provides enrollment information for student-athletes in every section of every class.

- Once the enrollment period for student-athletes begins (October for Spring Registration/March for Summer/Fall Registration), an Academic Coordinator in the Academic Support Program for Student-Athletes is responsible for generating the list of courses by percentage and reviewing the rosters of any courses with enrollment close to or greater than 25% student-athletes. The ASPSA Academic Coordinators work with the student-athletes and appropriate campus academic advisors to make adjustments if there are courses with enrollment greater than 25% student-athletes.

- In the event there are more than 25% student-athletes and after additional research it is determined that moving student-athletes from the particular course could impact the student’s path to graduation, an ASPSA staff member contacts the department to discuss the issue. If approval is granted, there are instances where there are more than 25% student-athletes in a particular course. In most cases, the courses are required for graduation and are limited in the times the course is offered (or semesters).

NC State Postseason Certification Policy

- In an effort to encourage active engagement by student athletes in all terms of attendance, NC State has implemented the Post Season Certification Policy, which states student-athletes are required to meet all appropriate NCAA continuing eligibility requirements to be eligible to participate in postseason competitions that occur between regular terms (including summer) (e.g. 6 hours, 18 hours, 24 hours, percentage towards degree, grade point average).
o The Post Season Certification Policy was developed by the Provost’s Roundtable and most recently updated in Fall 2008. [See ATTACHMENT D]

Eligibility Team

o Academic and Athletic staff members meet bi-weekly to coordinate the initial and continuing eligibility review process and discuss issues related to athletics eligibility. The group is proactive in analyzing the effectiveness and efficiency of NC State’s eligibility review process.

o Team includes Senior Associate Athletic Director for Compliance, Assistant Dean and Director of the Academic Support Program for Student Athletes, Associate Athletic Director for Compliance, Faculty Athletics Representative, Chair of the Faculty Academic Committee and the Eligibility Coordinator.

Reconnect Program

o NC State’s Reconnect Program officially began in January of 2008 and is managed by the Academic Support Program for Student Athletes. The Reconnect Program is designed to help former student athletes return to school to complete their undergraduate degree.

o Former Student Athletes are eligible to return to NC State to take classes on a full or part-time basis and receive aid to cover their expenses. An Academic Coordinator works with returning students to help create a plan for graduation, including providing assistance with the re-admission process, connecting program participants with their campus advisor and discussing course selection, as needed. Students involved in the Reconnect Program also have access to tutoring services as Case Academic Center.

**Question 14.1.** Financial information provided to your Board of Trustees regarding "booster" club activities.

Response for question 14.1 provided by Department of Athletics and included in materials for Audit and Finance Committee.

**Question 14.2.** Provide "booster" club's operating procedures.

Response for question 14.2 provided by Department of Athletics and included in materials for Audit and Finance Committee.

**Question 14.3.** Annual audit review of your "booster" club organization.

Response for question 14.3 provided by Department of Athletics and included in materials for Audit and Finance Committee.
## Graduation Success Rate Report

### 2005 - 2008 Cohorts: North Carolina State University

<table>
<thead>
<tr>
<th>Men's Sports</th>
<th>Women's Sports</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sport</strong></td>
<td><strong>Sport</strong></td>
</tr>
<tr>
<td>GSR</td>
<td>Fed Rate</td>
</tr>
<tr>
<td>Baseball</td>
<td>67 24</td>
</tr>
<tr>
<td>Basketball</td>
<td>78 55</td>
</tr>
<tr>
<td>CC/Track</td>
<td>86 73</td>
</tr>
<tr>
<td>Fencing</td>
<td>- -</td>
</tr>
<tr>
<td>Football</td>
<td>70 63</td>
</tr>
<tr>
<td>Golf</td>
<td>100 78</td>
</tr>
<tr>
<td>Gymnastics</td>
<td>- -</td>
</tr>
<tr>
<td>Ice Hockey</td>
<td>- -</td>
</tr>
<tr>
<td>Lacrosse</td>
<td>- -</td>
</tr>
<tr>
<td>Mixed Rifle</td>
<td>100 100</td>
</tr>
<tr>
<td>Skiing</td>
<td>- -</td>
</tr>
<tr>
<td>Soccer</td>
<td>77 64</td>
</tr>
<tr>
<td>Swimming</td>
<td>91 83</td>
</tr>
<tr>
<td>Tennis</td>
<td>70 67</td>
</tr>
<tr>
<td>Volleyball</td>
<td>- -</td>
</tr>
<tr>
<td>Water Polo</td>
<td>- -</td>
</tr>
<tr>
<td>Wrestling</td>
<td>67 62</td>
</tr>
<tr>
<td>Men's Non-NCAA Sponsor. Sports</td>
<td>- -</td>
</tr>
</tbody>
</table>
NC STATE UNIVERSITY ATTENDANCE POLICY FOR AT-RISK STUDENT-ATHLETES

BACKGROUND
A central theme of the mission of the NC State University Athletics Department is to prepare student-athletes to compete at the highest level and to inspire them to be leaders now and for the future by providing the best environment to achieve their athletic, academic, and personal aspirations.

Due to competition schedules, student-athletes must miss an occasional class. These absences are anticipated and are usually excused in accordance with university policy [REG 02.20.3].

However, an excessive number of unexcused absences cannot be permitted for academically at-risk student-athletes. Further, a number of departments have attendance policies that do not differentiate between excused and unexcused absences (e.g., English). Once the established absence limit has been exceeded, students automatically fail the course.

In April 2010, the Council on Athletics recommended a class attendance policy be implemented for student-athletes and also a policy for academic appointments. The following permanent policy is endorsed by the Council on Athletics. In September of 2014, the Council on Athletics reviewed and updated the policy to clarify certain elements of the policy. This document contains the revised policy as approved by the Council on September 26, 2014.

STUDENTS SUBJECT TO THE POLICY:

- All incoming freshmen reviewed by the Special Committee (subject to policy for the first year of enrollment).

- Incoming freshmen recommended by the Faculty Academic Committee based on a review of academic records and risk factors known to impact graduation. Factors to be reviewed include: High School Grade Point Average, Test Scores, Core GPA, and Summer School Performance.

- All incoming scholarship 2-year college transfers (who were non-qualifiers) requiring advocacy for admissions (subject to the policy for the first year of enrollment).

- Returning student-athletes with eligibility remaining based on the following scale:

  - 2nd – 4th semester: < 2.35 TGPA
  - 5th semester and beyond: < 2.20 TGPA

  Any student-athlete not subject to the policy who is missing class excessively, is not completing assignments, is not attending tutor sessions, or has a progress report of any "D" grade or lower in a particular course is subject to being added to the at-risk group. The Faculty Academic Committee of the Council may place a student-athlete who fits this description under the policy at any time during the semester. Students added to the policy through this process, will be required to meet with the Director of the Academic Support Program for Student-Athletes (ASPSA) and the Sport Supervisor. These student-athletes will be required to attend all remaining classes in that course and will be considered on zero tolerance.
(next reported official absence (as defined by this policy) will result in suspension from competition).

NOTIFICATION PROCESS:
The Director of ASPSA will notify all head coaches, sports supervisors, the Faculty Athletics Representative, and the Chair of the Faculty Academic Committee in writing prior to the first day of the semester with names of student-athletes subject to the attendance policy, as well as the policy outline and purpose.

The student-athlete will also be informed in writing if he/she is included in this group and the policy will be explained to him/her. Each student subject to the policy will be asked to sign a statement indicating they have read and understood the policy.

Parents/Legal guardians of student-athletes subject to the policy will be notified via mail using the permanent home address on file. They will be provided with a copy of the policy as well as the opportunity to provide contact information so they can be notified of each official absence reported.

CLASS ATTENDANCE POLICY
A. ATTENDANCE CHECKS:
The Academic Support Program for Student-Athletes will use the following methods to monitor class attendance:

1. Random Class Checks
2. Communication (e.g., progress reports, telephone calls) with Professors

If an instructor reports a student as absent or if a student is reported absent by the class checker, the student will be notified via email. If a student did attend this class, then he/she should refer to section C (below) to file an official appeal. If no appeal is made within 48 hours, then the official absence notification will be used.

The instructor may define absences for the purpose of academic credit as he or she sees fit. The intent and purpose of this policy is to encourage the student-athlete to be physically present in the instructional environment (classroom, laboratory, etc.). Attendance for the purpose of this policy will be considered in the light of the policy’s intent and purpose.

NOTE: Faculty have the discretion to create their own attendance policy for each of their classes which may be more restrictive. These policies are noted on the respective course syllabus. Students must be aware of the class attendance policy for each of their courses. Further, students must communicate directly with their instructors regarding excused absences.

B. PENALTIES FOR VIOLATIONS OF THE POLICY:
The following penalties pertain to the number of unexcused classes missed per course in a semester.

1. First unexcused absence:
Reported in writing to student-athlete, Head Coach, parent/guardian and Sport Supervisor and the student's academic adviser.
2. **Second unexcused absence:**
   Reported in writing to the Sport Supervisor, Head Coach, Director of Athletics, Faculty Athletics Representative, the Chair of the Faculty Academic Committee, the student-athlete, and parent(s)/guardian(s). All will be reminded in writing that **a third unexcused absence will result in a suspension from 5% of the competition schedule OR 1 competition (whichever is less).** The student-athlete will also be required to meet with the Director of ASPSA and the Sport Supervisor.

3. **Third unexcused absence:**
   The student-athlete **will be suspended from 5% of the competition schedule or 1 competition, whichever is less** and will be required to meet with the Director of Athletics. The student-athlete, Head Coach, parent(s)/guardian(s) and Sport Supervisor will be notified in writing of the suspension and that **each subsequent absence will result in the suspension from an additional 10% of the competition schedule in the current schedule. The penalty may be carried over to the next year’s schedule if needed.**

   ** If it is determined a student did not follow the appropriate class check-in procedures including signing in with a class checker and leaving without attending class, this may result in the reporting of an official absence. Information will be reviewed by the Director of ASPSA and the Faculty Athletics Representative.

C. **PROCESS TO APPEAL OFFICIAL ABSENCES:**
   If a student-athlete receives the official absence notification and believes the information is inaccurate, incomplete or the result of other extenuating circumstances, he/she has 48 hours from the time of e-mail notification to declare to the Director of ASPSA that he/she can provide documented proof of attendance or documentation that the student was physically present for instruction. The documentation must be provided within five business days to the Director of the Academic Program for Student Athletes in order for the absence to be removed from his/her file. Appeals will be reviewed by the Director of ASPSA in consultation with the Faculty Athletics Representative and the Chair of the Faculty Academic Committee. The student-athlete shall remain eligible for competition until the appeal is reviewed and a final decision rendered.
D. **SUSPENSION SPECIFICS:**

1. The suspended event(s) will be the next event(s) in the schedule, including post-season events. A student-athlete suspended for violating the class attendance policy will not be permitted to travel unless he/she completes the requirements of the penalty prior to completion of the contest. If the event from which the student-athlete is suspended is a home competition, the student-athlete may dress out for the game and sit on the bench, if the coach permits. The student-athlete will not be permitted to miss class for any practice/preparation on the day of competition unless he/she completes the penalty prior to completion of the contest.

2. In the event ASPSA's first report indicates a student-athlete has already accumulated three (3) or more unexcused class absences the student-athlete, Head Coach, parent(s)/guardian(s) and Sport Supervisor will be notified in writing that the student will be considered on zero tolerance such that the next reported absence will result in a suspension from 5% of competition OR one competition, whichever is less. The student-athlete will also be required to meet with the Director of Academic Support Program for Student-Athletes and the Sport Supervisor. Each subsequent absence will result in the suspension from an additional 10% of the competition schedule per absence.

E. **HEAD COACH RULES:**

Coaches may have a more stringent class attendance policy, but it must be communicated to the team in writing at the beginning of the school year, after concurrence with the Sport Supervisor and notification to the Director of the ASPSA.
Postseason Certification between Terms – NC State Policy
NC State student-athletes are required to meet **ALL** appropriate NCAA continuing eligibility requirements to be eligible to participate in postseason competitions that occur between regular terms (including summer) (e.g. 6 hours, 18 hours, 24 hours, percentage towards degree, grade point average).

*Please note: Any late (LA) grades or incompletes (IN) with potential impact on a student-athlete’s postseason eligibility will be reviewed by the Faculty Athletics Representative and the Chair of the Faculty Academic Committee of the Council on Athletics to ensure the grades were issued in compliance with university policies and procedures.*

Timing of Certification
Per Bylaw 14.1.10.2.2, NC State is required to certify a student-athlete’s eligibility for a postseason event occurring between regular terms (including summer) based on the grades available at 5:00pm local time (Raleigh) on the day prior to the start of the postseason event.

*(Policy reviewed by the Provost’s Roundtable Fall ’06, Revised Spring ’07, Revised Fall ’08)*

Appeals Process
Once a student-athlete is determined to be ineligible for postseason competition between terms for failing to meet the NC State Post-Season Certification Policy, an appeal request may be submitted to Roby Sawyers, Faculty Athletics Representative (FAR), who is the liaison between the Athletics Department and the NC State Faculty. The appeals process is for student-athletes not meeting the eligibility requirements who have exceptional circumstances. The request from the Head Coach must be submitted in writing to the FAR documenting the circumstances.

Appeals will be reviewed by the Faculty Athletics Representative and the Chair of the Faculty Academic Committee of the Council on Athletics in an expedited manner. Information to be considered during the review includes:

- Documentation of exceptional circumstance
- Academic Update Report (provided by ASPSA)
- Study hall, tutoring, PAC attendance reports (provided by ASPSA)

Appeal decisions will be communicated to Compliance and the Head Coach by the ASPSA staff.
APPENDIX D
UNIVERSITY OF NORTH CAROLINA
REQUEST FOR AUTHORIZATION TO DISCONTINUE A DEGREE PROGRAM

Date: June 5, 2015

Constituent Institution: North Carolina State University

CIP Discipline Specialty Title: English/Language Arts Teacher Education

CIP Discipline Specialty Number: 13.1305 Level: B M X I D

Title of Authorized Program: Literature, English and American, Teacher Education

Degree Abbreviation: MA

Date of Proposed Discontinuation: month June year 2015

Does the discontinuation of the program involve the discontinuation of an off-site or online delivery of the program? Program X Site or Online

If the program to be discontinued is offered at off-campus sites, please list them.

1. (city) (county) (state)
2. (city) (county) (state)
3. (city) (county) (state)

Explain why the program is being discontinued. If the program addresses high priority needs, how will those needs be addressed by other programs? Describe steps to be taken to allow students enrolled in the program to complete their courses of study.

The MA in Literature, English and American, Teacher Education has no student enrollments. Students interested in teacher licensure pursue a concentration within the MA in Teaching or the MS or MEd in Curriculum & Instruction.

CIP 13.1305 Literature, English and American, Teacher Education, MA program is listed in the UNC-GA Academic Program Inventory. This program is not in the NC State program inventory; as such, there are no students in the program and no teach-out plan is required. We are requesting that the UNC-GA Academic Program Inventory be updated.

Consequences of Discontinuation
How many faculty members will be reassigned? None
How many staff will be reassigned? None
How many EPA non-faculty will be reassigned? None
How much funding is to be reallocated based on this discontinuation? None

Name, title, telephone, and e-mail of contact person for this notification of discontinuation: Dr. Ellen Vasu, Associate Dean for Academic Affairs, College of Education 919 515 5908

Signature of Chancellor (or designee): ________________________________
Routing for On-Campus Approval of Graduate Degree Actions for New Degree Programs, New Certificate Programs, New Minor Programs, Change in Degree Program Title or Discontinuation of Existing Degree Programs

Type of Action: Enter "X" for Action Type(s) and list Title and Prefix(s) as indicated

- New Degree Program
- New Certificate Program
- New Minor Program
- Change in Degree Program Title
- Change in Certificate Program Title
- Change in Minor Program Title
- Change in Course Prefix
- Program Discontinuation

Routing of Action: Indicate by date when the following occurs

3/18/2015
- Dept Head endorses (signature required on action)

3/26/15
- College Graduate Studies Committee recommends (signature required on action)

3/26/15
- College Dean endorses (signature required on action) Action submitted to Graduate School (if needed, after signature by DELTA)

5/21/15
- Recommended by Vice Provost, DELTA (if DE degree) (signature required on action)

5/21/15
- Substantive Change Review committee informed (SACS notified if necessary) (includes UPA & Office of Scholarships & Financial Aid)

5/7/15
- Administrative Board of the Graduate School recommends

6-7/15
- Graduate Operations Council informed

6/13/15
- Dean of the Graduate School approves (signature required on action)

9/4/15
- Presented to Vice Provosts Pending

9/9/15
- Deans' Council recommends (signature required on action)

9/9/15
- Provost approves (signature required on action)

9/4/15
- Recommended by Chancellor's Executive Officer's (EOM)

10/12/15
- University Council informed Pending

10/18/15
- Presented to Board of Trustees subcommittees (Academic & Personnel and Finance & Planning)

10/18/15
- Chancellor approves (signature required on action and appendices)

10/18/15
- Submitted to UNC-General Administration by Graduate School

Notes: See attached explanation for proposed change
Department of Parks, Recreation and Tourism Management  
College of Natural Resources  
Request for Change in Degree Program for Masters of Parks, Recreation & Tourism Management

Explanation for Proposed Change

The Department of Parks, Recreation and Tourism Management (PRTM) is requesting a change in the degree program title for our Masters of Parks, Recreation and Tourism Management. The PRTM department received approval in 2010 to modify the Masters degree from an on campus (face-to-face) degree delivery program to a degree program delivered entirely online. At that time, all required courses in the program were developed to include content specific to parks, recreation, tourism and sport organizations and environments. Each course name also included the term “sport” to reflect the diversified content (e.g., Conceptual Foundations in Parks, Recreation, Tourism & Sport; Advanced Fiscal Management for Parks, Recreation, Tourism & Sport; Data Management and Evaluation in Parks, Recreation, Tourism & Sport).

Over the past four years we have witnessed increasing interest among prospective students from sport organizations and those from other industries with a desire to transition into sport management. However, when they discover the degree title does not include the term sport, they often move on to other universities with sport specific degree programs. Many of our current and past students have also commented on their desire to have sport included in their degree title.

Prior to development of the program we contracted the NC State Center for Urban Affairs and Community Services to assess the demand for a Distance Master’s degree targeted at professionals working in parks, recreation, tourism and sport management. Of the 465 people who responded to the marketing survey, 80% indicated some level of interest (48% yes, 32% maybe) in a distance masters degree focused on parks, recreation, tourism and sport management. Slightly more than half of respondents indicated interest in sport management or recreation management. About a third had an interest in park management and about a quarter were interested in tourism management. Moreover, it is our belief that a minor revision of the degree program title to include the term sport (i.e., Masters of Parks, Recreation, Tourism and Sport Management) would increase the number of prospective applicants and more accurately reflect the degree content and focus.
MEMORANDUM

TO: Mladen Vouk
Interim Vice Chancellor for Research, Innovation and Economic Development

FROM: W. Randolph Woodson
Chancellor

SUBJECT: Recommendation to continue the Center for Environmental and Resource Economic Policy (CEnREP) under Regulation 10.10.04

DATE: July 28, 2015

In response to your Memorandum dated July 27, 2015, authorization is hereby granted to forward the request to continue the Center for Environmental and Resource Economic Policy (CEnREP) to the Board of Trustees for approval.

WRW/mh

cc: Richard Linton, Dean, College of Agricultural and Life Sciences
    Jeff Cheek, Associate Vice Chancellor, Research Administration
    Jonathan Horowitz, Assistant Vice Chancellor for Research Development
    Larisa Slark, Coordinator – Centers and Institutes, SPARCS
    Laura Taylor, Director, CEnREP
MEMORANDUM

TO: W. Randolph Woodson
Chancellor
NC State University

FROM: Mladen Vouk
Interim Vice Chancellor for Research, Innovation and Economic Development
NC State University

SUBJECT: Recommendation to continue the Center for Environmental and Resource Economic Policy (CEnREP) under Regulation 10.10.04

DATE: July 27, 2015

The Center for Environmental and Resource Economic Policy (CEnREP) was authorized in November 2001 by the UNC Board of Governors to link economics to science, agriculture and technology with the goal of improving public and private management of environmental resources. To accomplish this goal, the Center performs research that evaluates the economic consequences of policy-related changes in environmental economics at the national and state levels. In accordance with NC State Regulation 10.10.04, a Periodic review of the Center was conducted by a team of experts and a site visit was completed in November 2014 for activities in academic years 2010 - 2014. Following the receipt of the Review Team’s report, as well as detailed responses from the Center and the College of Agricultural and Life Sciences (CALS), this memo requests your approval of continuance.

The Report delivered by the Review Team supports the mission and direction of the Center and shows that the Center’s activities are important and valuable, and consistent with the mission and strategic plan of NC State. The Review identified a plethora of strengths, including (i) excellent leadership, (ii) impact on graduate education, and (iii) national recognition as a focal point for outstanding research and training. The Review Team provided a number of recommendations to strengthen the Center, including steps to further support Center activities and extend its reach across the University. The recommendations of the Review Team have been evaluated and by the Center and CALS, and a strategic planning process is underway to maximize the impact and value of the Center.

The Office of Research, Innovation and Economic Development recommends that CEnREP should continue as a University Center as sanctioned by the Board of Trustees, and request your approval of this recommendation.

MAV/mh

cc: Richard Linton, Dean, College of Agricultural and Life Sciences
Jeff Cheek, Associate Vice Chancellor, Research Administration
Jonathan Horowitz, Assistant Vice Chancellor for Research Development
Larisa Slark, Coordinator – Centers and Institutes, SPARCS
Laura Taylor, Director, CEnREP
MEMORANDUM

TO: Mladen Vouk
Interim Vice Chancellor for Research, Innovation and Economic Development

FROM: W. Randolph Woodson
Chancellor

SUBJECT: Recommendation to continue the Institute for Advanced Analytics (IAA) under Regulation 10.10.04

DATE: June 12, 2015

In response to your Memorandum dated June 11, 2015, authorization is hereby granted to forward the request to continue the Institute for Advanced Analytics (IAA) to the Board of Trustees for approval.

WRW/mh

cc: Jeff Cheek, Associate Vice Chancellor, Research Administration
Jonathan Horowitz, Assistant Vice Chancellor for Research Administration
Larisa Slark, Coordinator – Centers and Institutes, SPARCS
MEMORANDUM

TO: W. Randolph Woodson
    Chancellor
    NC State University

FROM: Mladen Vouk
      Interim Vice Chancellor for Research, Innovation and Economic Development
      NC State University

SUBJECT: Recommendation to continue the Institute for Advanced Analytics (IAA) under Regulation 10.10.04

DATE: June 11, 2015

The Institute for Advanced Analytics (IAA) was authorized in April 2007 by the NC State Board of Trustees to promote graduate education in the emerging field of analytics. The Institute’s objective is to educate the citizens of North Carolina and beyond in the concepts, methods, software tools, and applications of analytics that have direct and practical relevance to industry. In accordance with NC State Regulation 10.10.04, a Periodic review of all Centers and Institutes must be performed every five years. Given that the primary mission of IAA is instruction, the Institute was reviewed by a team of experts assembled by the NC State Graduate School and a site visit was completed in October 2013 for activities in academic years 2008 - 2014. Following the receipt of the Review Team’s report, as well as a detailed response from the Institute, this memo requests your approval of continuance.

The Report delivered by the Review Team supports the mission and direction of the Institute and shows that the Institute’s activities are important and valuable, and consistent with the mission and strategic plan of NC State. The Review identified a plethora of programmatic strengths, including (i) an excellent leadership team and staff, (ii) an instruction program committed to producing graduates that are prepared to participate in the workforce and serve the needs of industry and government, and (iii) exemplary student support mechanisms. The Review Team provided a number of recommendations to strengthen the Institute, including steps to stabilize faculty involvement in the Institute and tie the Institute more closely to additional units and activities within the University. The recommendations of the Review Team have been evaluated and generally accepted by the Institute and the Graduate School, and discussions regarding implementation are underway with the Provost and Chancellor.

The Office of Research, Innovation and Economic Development and the Provost recommend that IAA should continue as a University Institute as sanctioned by the Board of Trustees, and request your approval of this recommendation.

MAV/mh

cc: Jeff Cheek, Associate Vice Chancellor, Research Administration
    Jonathan Horowitz, Assistant Vice Chancellor for Research Development
    Larisa Slark, Coordinator – Centers and Institutes, SPARCS
MEMORANDUM

TO: Mladen Vouk
Interim Vice Chancellor for Research, Innovation and Economic Development

FROM: W. Randolph Woodson
Chancellor

SUBJECT: Recommendation to continue the Institute for Nonprofit Research, Education and Engagement (INPREE) under Regulation 10.10.04

DATE: August 3, 2015

In response to your Memorandum dated July 31, 2015, authorization is hereby granted to forward the request to continue the Institute for Nonprofit Research, Education and Engagement (INPREE) to the Board of Trustees for approval.

WRW/mh

cc: Jeffery Braden, Dean, College of Humanities and Social Sciences
Richard Clerkin, Executive Director
Jeff Cheek, Associate Vice Chancellor, Research Administration
Jonathan Horowitz, Assistant Vice Chancellor for Research Development
Larisa Slark, Coordinator – Centers and Institutes, SPARCS
MEMORANDUM

TO: W. Randolph Woodson
    Chancellor
    NC State University

FROM: Mladen Vouk
    Interim Vice Chancellor for Research, Innovation and Economic Development
    NC State University

SUBJECT: Recommendation to continue the Institute for Nonprofit Research, Education and Engagement (INPREE) under Regulation 10.10.04

DATE: July 31, 2015

The Institute for Nonprofit Research, Education and Engagement (INPREE) was authorized in April 2009 by the NC State Board of Trustees to enhance the capacity and leadership of nonprofit organizations through research, education and engagement. In accordance with NC State Regulation 10.10.04, a Periodic review of the Institute was conducted by a team of experts and a site visit was completed in May 2015 for activities in academic years 2009-2014. Following the receipt of the Review Team’s report, as well as a consensus response from the Institute and the College of Humanities and Social Sciences (CHASS), this memo requests your approval of continuance.

The Report delivered by the Review Team supports the mission and direction of the Institute and shows that the Institute’s activities are important and valuable, and consistent with the mission and strategic plan of NC State. The Review Team cited the Institute as being highly regarded at a national level, and highlighted the impact of the undergraduate Minor in Nonprofit Studies on NC State students as well as the local community. The Review Team provided a number of recommendations to strengthen the Institute, including steps to extend its reach across the University via the engagement of additional scholars as well as a re-doubling of scholarly efforts to raise further the Institute’s national profile. The recommendations of the Review Team have been evaluated and approved by the Institute and CHASS, and a process is underway to implement these recommendations.

The Office of Research, Innovation and Economic Development recommends that INPREE should continue as a University Institute as sanctioned by the Board of Trustees, and request your approval of this recommendation.

MAV/mh

cc: Jeffery Braden, Dean, College of Humanities and Social Sciences
    Richard Clerkin, Executive Director
    Jeff Cheek, Associate Vice Chancellor, Research Administration
    Jonathan Horowitz, Assistant Vice Chancellor for Research Development
    Larisa Slark, Coordinator – Centers and Institutes, SPARCS
SBP REPORT TO THE BOARD OF TRUSTEES
University Affairs Committee
September 10, 2015

National Initiatives

National Campus Leadership Council
For the 2015-2016 academic year, NC State Student Government will be partnering with the National Campus Leadership Council (NCLC) on multiple initiatives. In June, Student Body President Khari Cyrus attended the NCLC Presidential Leadership Summit located in Washington, D.C. The NCLC provides a venue for student body presidents and their teams to come together and confront exigent issues facing our generation. NCLC works with a broad network of more than 600 current and former student body presidents to share best practices, identify innovative solutions, and generate expertise to ensure young leaders are effective stakeholders and spokespeople on campus and beyond. http://www.nationalcampusleaders.org/about/

Mental Health Awareness
In conjunction with the 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. Student Body President Khari Cyrus will work with the NCLC Mental Health Working Group to identify best practices for addressing mental health in higher education.

Local, State, and National Governance
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.
Student Life and Campus Events

Wolfpack Welcome Week
Beginning on August 14th, 2015 nearly 6,000 new first year and transfer students descended on campus to participate in almost 100 events throughout Wolfpack Welcome Week. These events included University Recreation’s RecFest, Student Government's Respect the Pack, Union Activities Board Late Night Target Run, Convocation, Packapalooza, and many more.

Respect the Pack
On August 18th, 2015 Student Government hosted the 5th annual Respect the Pack, in partnership with the GLBT Center, the Arts Village, Office of Institutional Equity and Diversity, Multicultural Student Affairs Center, and Student Leadership and Engagement. The event is an opportunity for students to learn about the state of diversity at NC State and allows students to demonstrate their commitment to enhancing diversity. Chancellor Randy Woodson and Student Body President Khari Cyrus spoke at the event and challenged students to become advocates for diversity and inclusion.

Packapalooza
On August 22nd, 2015 members of the NC State community and the surrounding areas participated in the 4th annual Packapalooza street festival and were introduced to Hillsborough Street. Student organizations, campus departments, colleges, vendors, and community partners all participated in making this the best Packapalooza thus far. At this event, the NC State chapter of Habitat for Humanity in conjunction with Student Leadership and Engagement announced their “Build a Block” initiative in which 11 houses will be built in the next two years with the hopes of serving those from our community.

Wear Red Fridays
Student Government is preparing for weekly Wear Red Fridays, where the NC State community is encouraged to wear red and show their support for our great university. Student Government will distribute prizes to students who wear red and spirit citations to those who fail to show their Wolfpack pride. For the first time, Student Government will extend Wear Red Fridays to NC State’s Centennial Campus.
Student Government Initiatives

Student Government Rebranding

NC State Student Government underwent a rebranding initiative to coincide with the opening of Talley Student Union. The Student Government logo, website, and governing documents were updated to ensure that in its 95th year, the organization was still serving students through ethical and accountable public service.

First Year Leadership Program

Student Government developed a new initiative entitled the First Year Leadership Program (FYLP) to assist first year students in developing leadership skills. Students in the program will be mentored by student leaders from Fraternity and Sorority Life, Union Activities Board, Inter Residence Council, Student Media, and many other student organizations.

Student Ticket Policy - Football

Student Government worked with the Student Ticketing Advisory Committee to make updates to the student ticket policy. The committee established a new student gate at Carter-Finley stadium and a competition will be held amongst the student body to name the gate. Student Government will continue to distribute parking passes and will add a distribution location in Talley Student Union to encourage students to explore the new space.

Wolfpack Pick Up

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.

With Wolfpack Pride,

Khari Cyrus
Student Body President, 2015-2016

4251H Talley Student Union
Raleigh, NC 27695-7318
ncsu.edu/sg | 919.922.1664 [c]
sbp@ncsu.edu
PROVOST UPDATE
## North Carolina State University
### Proposed-Faculty Salary Ranges
**Effective July 1, 2015 - June 30, 2016**

<table>
<thead>
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<th>College/Division</th>
<th>Discipline**</th>
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# North Carolina State University

**Proposed-Faculty Salary Ranges**

*Effective July 1, 2015 - June 30, 2016*

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## Proposed-Faculty Salary Ranges

**Effective July 1, 2015 - June 30, 2016**

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## Proposed-Faculty Salary Ranges
### Effective July 1, 2015 - June 30, 2016

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## North Carolina State University

**Proposed-Faculty Salary Ranges**

*Effective July 1, 2015 - June 30, 2016*

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North Carolina State University

Proposed-Faculty Salary Ranges
Effective July 1, 2015 - June 30, 2016

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## Proposed-Faculty Salary Ranges
### Effective July 1, 2015 - June 30, 2016

### 9-mo Salary Basis

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*MIN: This is an aspirational minimum for current faculty. Hiring offers below this minimum -- or above the maximum -- require authorization as an exception.

**DISCIPLINE: Colleges should use the discipline of best fit when hiring a specific faculty position. For example, if Textiles is hiring a chemical engineer, the relevant range from Engineering should be used. If hiring in a discipline not included on this listing, HR may be asked to conduct a targeted market analysis.
Report from the Chair of the NC State University Faculty to the North Carolina State University Board of Trustees, submitted August 12, 2015

The Faculty Senate continued to discuss and provide input on the items mentioned by David Zonderman in his March 19 report to the Board of Trustees. Most of the matters have come to a close; University College has been created in the Division of Academic and Student Affairs, the university now makes decisions on internal transfer of students who are changing majors (formerly processed at the departmental level), the new campus timetable (class times) is currently being used as we schedule spring classes, and the Faculty Ombuds (Roy Baroff) now has a nearby off-campus office.

The proposed changes to Post Tenure Review were presented by the Personnel Policy Committee at the last senate meeting on April 21, and a spirited discussion that continued into the summer (via email) ensued. The revisions were finalized over the summer and included a compromise on suggestions made by the Faculty Senate. The other three committees (Academic Policy, Governance, and Resources & Environment) also made progress reports to the Senate at the last meeting; reports from all committees are posted on the Faculty Senate website.

Several resolutions were passed at the last two Senate meetings: Resolution for a University Standing Committee on Lectures and Speakers (to create it); Resolution on Board of Governors Teaching Award (recommending that non-tenure track faculty be eligible); Resolution on Funding Library Collections (recommending increased funding for collections and databases); Resolution on Funding Library Services (recommending restoring library staff to levels adequate to allow D.H. Hill and Hunt libraries to function at past levels). A Statement of Concern on Chancellor Search Policies was endorsed.

The Faculty Senate Executive Committee voted to reduce the number of senate committees from four to three beginning with the 2015/2016 academic year. Resources & Environment and Academic Policy remain the same; Personnel Policy has been combined with Governance to even out
the committee workload and to allow 11 to 12 senators per committee rather than 8 or 9. The committee name is Governance and Personnel Policy.

Three Issues of Concern that will continue to be discussed by Faculty Senate committees are Grant Administrative Delays, Grade Distributions for a Course Varying by Section, and Faculty Involvement in the Process of Degree Consolidation or Elimination. One new Issue of Concern that came in over the summer is Phone & Internet Cost Hikes to Departments.

A flowchart to explain Faculty Governance and Representation in the UNC System was created over the summer to help new senators understand the multiple layers of governance, and it is posted on the Faculty Senate website (last link at: http://www.ncsu.edu/faculty_senate/).

The Faculty Senate used temporary chambers during the last part of the Spring 2015 semester; the sprinkler installation was completed over the summer and we were able to return to the Faculty Senate Chambers on August 12, 2015.

The first Executive Committee meeting (August 20) and Senate Meeting (August 25) of this year will occur after the date of this report.

Respectfully Submitted by:
Jeannette A. Moore, Ph.D.
Professor of Animal Science and Alumni Distinguished Undergraduate Professor
Chair of the NC State University Faculty, 2015-2017
September 10, 2015

Honorable Trustees,

The NC State Staff Senate started off its 21st year with a staff retreat at the Lonnie Poole Club House. Guests included Chancellor Woodson; the Staff Forum Chairs from UNC Chapel Hill and UNC Pembroke; and Dr. Jeanette Moore, the incoming Chair of the Faculty at NC State. Each guest shared a few words with the Senators regarding the importance of shared governance, not only within the university, but across the UNC system. We were able to secure gift funds to purchase Staff Senate T-shirts, which were distributed to all Senators during the retreat. The shirts will be worn during Staff Senate-hosted events.

We had several exciting events happen since our new session began in July:

- The Staff Senate continues to be involved with Packapalooza, by helping with the event and providing volunteers.
- In October, we will kick off our Bountiful Harvest Food Drive. This drive will help raise non-perishable and non-food items for the NC State food pantry as well as the North Carolina Food Bank.
- In November, we will be partnering with the U.S. Marine Corps in gathering donations for the annual Toys 4 Tots drive. The Senate also recognizes our US military members on campus and across the state by displaying American flags on the lawn of the Court of Carolina (in front of the 1911 Building).
- For the 3rd year in a row, the Staff Senate plans to host a Staff Alumni Social during Homecoming week.
- The Staff Senate will also be hosting a series of Lunch and Learn sessions across campus with topics of interest to staff.
- Employee forums are continuing to take place in divisions and colleges. In particular, Facilities has held seven forums in order to allow employees on different shifts to attend and talk with their Associate Vice Chancellor.
- The Staff Senate will continue its participation and involvement in community engagement projects, such as Habit for Humanity and volunteering at the NC State Food Pantry, etc, as well as supporting the State Employees Combined Campaign and the University’s own campaign fundraising efforts.

Respectfully Submitted,

Wyona Goodwin
Chair, NC State Staff Senate
2015-2016