

**Board of Trustees**  
**North Carolina State University**  
**Raleigh, North Carolina**  
**July 17, 2017**

The North Carolina State University Board of Trustees met in regular session by telephone. The call originated from the Chancellor's Conference Room, 12 Holladay Hall, on Monday, July 17, 2017.

Members present:

Jimmy D. Clark, Chair  
Robert F. Andrews III  
Thomas E. Cabaniss  
Ann B. Goodnight  
James A. Harrell, III  
Stanhope A. Kelly  
Wendell H. Murphy  
David R. Nimocks, III  
Ronald W. Prestage, DVM  
Susan P. Ward  
Dewayne N. Washington  
Edward I. Weisiger, Jr.  
Jacqueline Gonzalez, *ex officio*

Chair Jimmy Clark called the meeting to order at 2:00 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 Clark called on Assistant Secretary PJ Teal for the roll call.

**ROLL CALL**

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

**MINUTES**

Mr. Stan Kelly made the motion, seconded by Mrs. Susan Ward, to approve the April 20, 2017, board self-assessment minutes and the open and closed session minutes of the April 21, 2017 meeting of the full board. The motion passed.

**ELECTION OF OFFICERS – NOMINATING COMMITTEE – WENDELL MURPHY**

Mr. Murphy reported that the nominating committee unanimously recommended the following slate of officers for 2017-2018:

Jimmy Clark, Chair  
Tom Cabaniss, First Vice Chair  
Stan Kelly, Second Vice Chair  
Ann Goodnight, Secretary  
PJ Teal, Assistant Secretary

In addition, Trustee bylaws require that the full Board approve one Trustee to serve at-large on the Executive Committee. The Nominating Committee recommends Chip Andrews to serve as the fifth member of the Executive Committee.

Mr. Murphy made a motion for the approval of the new slate of officers, as well as to appoint Chip Andrews to serve on the Executive Committee. It was seconded by Mrs. Ward. The motion passed.

**CHAIR'S REPORT- JIMMY CLARK**

Chair Clark thanked the Board for electing him to serve as Chair. He introduced and welcomed three new members: Jim Harrell III, David Nimocks III, and Ed Weisiger Jr. New Board orientation is scheduled on September 20, 2017 and he invited all Trustees to attend.

Chair Clark reported that as a result of the Self-Assessment feedback, the Board meeting schedule was modified. Beginning with September's meeting, a session before lunch will be added to engage

the board in a discussion of strategic or emerging issues for the university. Suggested topics include student success, distance education, and Greek life.

Chair Clark updated the Board on committee assignments. He noted that they are determined by balancing members' experience and preferences with the Committee plans of work.

Chair Clark informed the Board of proposed revisions to the Board of Trustees Bylaws. The Bylaws have been revised to:

- o Reflect changes in State law regarding appointments of Trustees,
- o Be consistent with the current Board of Governors' delegations of authority to the Trustees, and
- o Reflect current practices of sending information to Trustees electronically, rather than by mailing.

Mr. Cabaniss made a motion, seconded by Mr. Kelly, for the approval of the proposed revisions to the Bylaws. The motion passed.

#### **CHANCELLOR'S REPORT – RANDY WOODSON**

Chancellor Woodson remarked on what a historic year it has been for NC State. The Think and Do the Extraordinary campaign has made excellent progress with \$225 million in new gifts and commitments and \$145 million in cash receipts, exceeding previous records. These gifts are significant since they create more scholarships and gifts to date have created more than 200 endowed professorships. In addition, the endowment is likely to exceed \$1.2 billion as of June 30, 2017, but the Treasurer's Office does not have the final number yet.

This year NC State awarded more than 10,000 degrees at December and May graduations, an all-time high for the university. Chancellor Woodson stated that NC State graduates are getting jobs, and this has been reflected in rankings such as *Money Magazine's* recent ranking on success of graduates. NC State will have more incoming freshmen than expected, with approximately 4,800 new freshmen for the 2017-18 academic year. All housing considerations have been resolved, and the influx of new students shows that NC State is a university in high demand. Chancellor Woodson added that NC State looks forward to such a strong freshman class.

Thanking the legislature, Chancellor Woodson stated that this biennial budget is the best that he has seen since joining NC State, and, for the first time in seven years, does not include a management flexibility reduction in the first fiscal year. It fully funds enrollment and provides a \$1000 across-the-board salary increase for SHRA employees, and a funding pool equivalent to \$1,000 for EHRA employees paid on State funds. NC State is waiting on final allocation numbers from the UNC System.

The budget also provides \$2 million non-recurring funding for NC State's participation in the National Institute for Innovation in Manufacturing Biopharmaceuticals, which is a Manufacturing USA institute, and funding for Cooperative Extension, which includes \$700,000 in fiscal year 2017-18 and an additional \$100,000 in 2018-19, all recurring. Funding is also provided for the Food Processing Innovation Center at the NC Research Campus in Kannapolis, which is a partnership with the College of Agriculture and Life Sciences. The funded amount is \$5.1 million, \$700,000 continuing for personnel, and the remainder for construction. Chancellor Woodson responded to questions regarding the establishment of the NC Research Campus, and then shared that \$50.5 million was provided for UNC campus repairs and renovations. NC State will receive an allocation that will help with deferred maintenance.

Chancellor Woodson remarked that he has visited with many alumni across the United States and internationally.

Chancellor Woodson then requested approval for a disposition of real property on Centennial Campus. ABB will move into the Center for Textiles Innovation for a 9.6 year lease for \$438,000 per year with a \$2.5+/- escalator.

Mr. Washington made a motion, seconded by Mrs. Ward, to approve the disposition of real property. The motion passed.

## **COMMITTEE REPORTS**

### **UNIVERSITY AFFAIRS COMMITTEE – STAN KELLY**

Mr. Kelly reported that the University Affairs Committee approved the following items:

- Continuation of the William and Ida Friday Institute for Educational Innovation and the Center for Innovation Management Studies;
- Conferral of tenure to three new faculty members who will begin employment this fall; and
- Bonus structures for coaching staff in gymnastics, men's golf and men's tennis in accordance with non-salary and deferred compensation policy 05.15.03.

The Committee also recommended for full Board approval the request to change three degree program titles. The new names more accurately reflect the degree content and align with other program titles nationally. The changes are:

- Masters in Digital Learning and Teaching to Masters in Learning Design and Technology
- Master of Global Innovation Management to Master of Management
- The Graduate Program in Zoology, including the Masters of Zoology, Masters of Science and Ph.D., changing to the Graduate Program in Biology.

Mr. Kelly made a motion, seconded by Mrs. Goodnight, to approve the change in degree program titles. The motion passed.

Mr. Kelly remarked that the Committee recommended for full board approval revisions to Policy 11.35.01 – Code of Student Conduct. The Code is reviewed every three years in consultation with other campus units. The review and proposed revisions include clarifications on the scope of the Code, providing more flexibility to the Office of Student Conduct regarding sanctions, returning authority over the code to the Division of Academic and Student Affairs, updating definitions to be consistent with other policies/rules/regulations and best practices, and various technical revisions.

Mr. Kelly made a motion, seconded by Mr. Harrell, to approve the revisions to Policy 11.35.01 – Code of Student Conduct. The motion passed.

Mr. Kelly stated that Provost Arden informed the Committee of academic program updates including several new certificate programs and two agreements with universities in China. He reported that Susan Nutter, Vice Provost and Director of Libraries, plans to retire this fall. A national search will commence for her replacement. Finally, he notified the Board that effective July 1, the Office of International Affairs has changed to the Office of Global Engagement under the leadership of Dr. Bailian Li who is now Senior Vice Provost for Global Engagement.

Mr. Kelly noted that in closed session, the committee approved a non-salary compensation request, head coach employment agreements for gymnastics, men's golf and men's tennis and endorsed honorary degree nominations which will be considered by the Full Board in closed session at the conclusion of this meeting.

With no further business in open session, Mr. Kelly made the motion, seconded by Harrell, at 2:20 p.m., to go into closed session to prevent the premature disclosure of an honorary award. The motion passed.

**Reconvene in Open Session**

With no further business in open session, Chair Clark adjourned the meeting at 2:30 p.m.

Respectfully submitted,

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Assistant Secretary

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Secretary

Approved:

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Chair of the Board