MEMBERS PRESENT: David Sprinkle, Ward Russell, Mona Edwards, Randall Kaplan

MEMBERS NOT PRESENT: Charles Blackmon, Brad Hayes

OTHERS PRESENT: Charlie Maimone, Vice Chancellor for Business Affairs; Michael Jung, Interim General Counsel; Waiyi Tse, Chief of Staff; Scott Millman, Executive Director for Campus Enterprises; Jorge Quintal, Associate Vice Chancellor for Facilities; Macea Whisette, Executive Assistant to the Vice Chancellor for Business Affairs; Shannon Bennett, Assistant Secretary to the Board of Trustees

PROCEEDINGS:
Sprinkle called the meeting to order at 10:01 a.m. A quorum was confirmed.

Sprinkle read the Conflict of Interest Statement from the State Government Ethics Act and the board’s duty to avoid COI and appearances of COI, if any should be identified. None were identified.

Sprinkle advised the committee of its charge, stating that the Business Affairs Committee will consider items and make recommendations to the Board of Trustees for action on issues within the purview of business affairs, including fiscal matters; physical plant, auxiliary services, and child care centers; property and buildings; campus security; and traffic and parking.

Edwards moved and Russell seconded that the Educational Quality and Fiscal Affairs Committee Minutes of May 4, 2016 be approved. They were approved unanimously with no additions or corrections.

DISCUSSION ITEMS:

BAC-1 Millennial Campus Overview

Charlie Maimone introduced Scott Millman to conduct the presentation. Millennial campuses are geographic areas where institutions join with education, industry, government, and other private partners to discover, invent, and produce new innovations and transform communities. Millennial Campus Authority is granted by NC General Statute 116-198, Article 21B: The Board of Governors may act “on recommendation made by the President of the University of North Carolina after consultation by the President with the Chancellor and the Board of Trustees of a constituent institution, to designate real property held by, or to be acquired by, a constituent institution as a ‘Millennial Campus’ of the institution.”

An institution seeking Millennial Campus designation is required by the Board of Governors to have the administrative, legal, and fiscal capability to create and maintain such a campus. Additionally, the designation should enhance the institution’s research, teaching, and service
missions and enhance the economic development of the region served by the institution. The Millennial Campus designation will allow the institution to enter into agreements with private sector firms to develop the properties and facilities and to be exempt from the provisions of the Umstead Act. Additionally, the designation will allow the institution to issue bonds to finance development of the properties and keep all revenues related to leasing space in the properties.

UNCG already has two Millennial Campuses. The next Millennial Campus designation will apply to the Gate City corridor. Designation is geographic and approved based on the area submitted. Committee members agreed that considering the impact on the community and the university, seeking the designation was in the best interest of all. Maimone clarified that this designation only increases the university’s flexibility to complement the new strategic plan.

BAC-2 Transitioning from McIver to New Nursing and STEM Building

Charlie Maimone presented on the McIver transition. The McIver Building is 130,000 square feet with 18 departments occupying it. The transition plan includes the implementation of three guiding principles: academic instruction and support services with heavy student interaction will be concentrated in the center of campus, administrative functions will be relocated further out from the center of campus, and academic administration and other administrative services will be relocated to the edge of or off campus. The transition plan takes into consideration the specific needs of departments currently housed in the McIver Building.

The transition plan includes the permanent relocation of the Theatre Department. The following locations have been identified as areas for relocation: 812 Lily Avenue, 326 S. Tate Street and 328 S. Tate Street, and the properties have been purchased by the Capital Facilities Foundation. The purchase cost of all three spaces was $1.2 million, an additional $3.2 million will be needed to cover renovations. The spaces will provide a combined 11,576 assignable square feet. Additionally, the transition plan includes the permanent relocation of administrative units to 840 Neal Street. This property consists of two buildings which are currently owned by UNCG. The estimated cost of renovation is $4.9 million, providing 23,543 assignable square feet. Of the 18 departments currently residing in McIver, permanent spaces have not been determined for four units. These departments will be housed in the new building.

The new building will only hold academic instruction and academic support, increasing our academic instruction and support space by 26%.

ACTION ITEMS:

BAC-3 Master Lease for Theatre Department Properties

Recommended Action: The Board of Trustees of The University of North Carolina at Greensboro authorizes the University administration to proceed with this project and to approve the resolution that allows UNCG to enter into a 30 year master lease arrangement with the CFF for the Theatre Department facilities.

Further, the Board authorizes the administration to seek approvals from the President/Board of Governors and work with the State Property Office as required under State law and Board of Governors regulations.
Under the terms of the lease the University will lease these facilities and operate the facilities as part of the University’s academic program. The University will pay to the CFF rental for these facilities in an amount sufficient to totally amortize the acquisition and renovation of the project or upon future approval of the UNCG Board of Trustees, purchase the facilities from the CFF.

Sprinkle moved to approve and Russell seconded. Motion passed.

**BAC-4**  
**Ground Lease for Salvation Army Boys and Girls Club**

Recommended Action: The Board of Trustees of the University of North Carolina at Greensboro authorizes the University administration to proceed with this project and to approve the resolution that allows UNCG to enter into a 30 year ground lease and lease back arrangement with the CFF for 840 Neal Street.

Further, the Board authorizes the administration to seek approvals from the President/Board of Governors and work with the State Property Office as required under State law and Board of Governors regulations.

Under these terms, the University would ground lease the state property to the CFF for renovation and lease back the project from CFF. The University will pay rental fees to the CFF for these facilities in an amount sufficient to totally amortize only the improvements of the project or, upon future approval of the UNCG Board of Trustees, purchase the improvements from the CFF.

Russell moved to approve and Edwards seconded. Motion passed.

**BAC-5**  
**Reimbursement Resolution for Theatre Department Properties**

Recommended Action: The Board of Trustees approves the resolution for UNCG to be reimbursed for capital expenditures incurred in connection with the renovation of the Theatre Department properties for university operations from the proceeds of certain tax-exempt obligations.

Edwards moved to approve and Russell seconded. Motion passed.

**BAC-6**  
**Reimbursement Resolution for Salvation Army Boys and Girls Club**

The Board of Trustees approves the resolution for UNCG to be reimbursed for capital expenditures incurred in connection with the renovation of the Salvation Army Boys and Girls Club for university operations from the proceeds of certain tax-exempt obligations.

Edwards moved to approve and Russell seconded. Motion passed.

**BAC-7**  
**Delegation to Expand Authority to the Chancellor for Certain Salary Actions for Employees Exempt from the State Human Resources Act**

The Board of Trustees approves the resolution for delegation to the Chancellor and his designees the full authority to approve EHRA salary matters including the full 20% and $15,000 as allowed by the Board of Governors.
Kaplan moved to approve and Russell seconded. Motion passed.

INFORMATION ITEMS:

**BAC-8 Parking Operations and Campus Access Management**

Charlie Maimone introduced Scott Millman to conduct the presentation. POCAM focuses on the optimization, development and implementation of a comprehensive, multimodal transportation plan designed to reduce carbon emissions and dependency on single occupant vehicles. POCAM adopted a transportation plan that included use of bus transit, carpool, bicycle usage, and other alternatives to single occupant vehicles. In 2005, peak utilization of parking was 96% in comparison to 86% in 2015.

POCAM is a self-supported auxiliary with three sources of revenue: parking permit sales, parking fines, and transportation fees. State funds are not used to pay for parking facilities. The BOT has statutory obligation to set parking rates, fines, and regulations. Business Affairs expects to submit a proposal to increase parking fees at a future meeting.

**BAC-9 Quarterly Investment Fund Update**

Ward Russell inquired about the results of the last year compared to the policy index used as it appears that we are off. Charlie Maimone advised that the decline is typical this time of year as the university transitioned from one investment group to another. Additionally, the institution has had a challenging year and requested additional insight from the portfolio manager. This year looks promising.

**BAC-10 Quarterly Facilities, Design & Construction (FDC) Update**

**BAC-11 Quarterly Enrollment and Tuition Update**

**BAC-12 Spartan Village Student Housing Phase II Update**

**BAC-13 Elliott University Center (EUC) Bridge Repairs – Appointment of Designer by Chancellor**

**BAC-14 Jackson Library Roof Replacement-1951 Wing – Appointment of Designer by Chancellor**

**BAC-15 Tower Village Roof Replacement – Appointment of Designer by Chancellor**

**BAC-16 Phillips Hawkins Fire Alarm Upgrades – Appointment of Designer by Chancellor**

The meeting was adjourned at 11:28 a.m.

Respectfully submitted,

Shannon Bennett
Assistant Secretary to the Board of Trustees