

The Governor's Commission on the Governance of Public Universities in North Carolina

REPORT





Cover Letter

June 26, 2023

Dear North Carolinians,

Over the past eight months, the 15-member Governor's Commission on Public University Governance in North Carolina (the Commission), has dedicated many hours to listening, learning, and studying the governance structure of the public university system that we love dearly. Each of us from this diverse commission of bipartisan leaders has our own story to tell of the way the University of North Carolina System has impacted our own lives and careers as well as those for whom we care.

When Governor Roy Cooper directed the creation of the Commission through Executive Order 272, we recognized the unprecedented opportunity our group had to provide recommendations on how to shape a university governance structure that upholds the principles of diversity, transparency and accountability. Between December 2022 and June 2023, the Commission engaged in deep study and review of public university governance both in the state and nationally. In line with Commission duties prescribed by Executive Order 272, the Commission engaged subject matter experts on the status of public university governance, sought feedback from a diverse group of stakeholders, and conducted analysis of board diversity in the state. We are deeply grateful to all the experts who provided testimony and insights as well as to the many stakeholders who engaged with us through our forums and public comments. Your ideas and hopes for a more representative University of North Carolina governance system significantly informed our work.

This thorough review, combined with lively debate and discussion between Commission members with such varied backgrounds, life experiences, and expertise led us to the development of seven key recommendations. In line with Governor Cooper's charge last December to the Commission, we recommend that any appointments allocated to the Office of the Governor not take effect until the Governor's term of office expires in January 2025. The Commission's recommendations are motivated primarily by the principle that the governing boards of the UNC System and its institutions should reflect, represent and be accountable to the people they serve. Today, nearly 250 volunteer citizens have the privilege of serving our state as members of the UNC System Board of Governors or as trustees of the 17 constituent institutions. While our state is rich in all types of diversity, that diversity and that strength is not reflected in our governance today in the manner contemplated by existing state law. To draw on the rich talents and many voices and views, we recommend the following:

1) The UNC Board of Governors should create a new Center of Higher Education Governance to optimize the use of good governance principles in higher education throughout America and to assist the Board of Governors (BOG) and Boards of Trustees (BOTs) in enhancing existing governance practices in North Carolina. The Center could be located on the campus of one of the UNC System constituent institutions or within the UNC System Office and should be provided with the staffing needed to accomplish its goals and adequately serve existing and future members of UNC System governing bodies. The Commission further recommends that the Center have a bi-partisan advisory board appointed in part by the General Assembly and in part by the Governor.

The responsibilities of the Center should include:

- 1) Provide thought leadership on higher education governance in North Carolina and throughout the United States.
- 2) Develop programs and classes on higher education governance for students and the public.
- 3) Develop and deliver a consistent orientation program to all new members of the BOG and BOTs.
- 4) Develop and deliver consistent continuing education for members of governing boards on current issues facing higher education.
- 5) Develop and provide training programs for interested prospective governing board members and, to assist appointing authorities, maintain a database of trained, interested individuals including their qualifications, skills, and experience. The Center would encourage individuals that are representative of the diversity of the state to indicate their interest in serving and to allow themselves to be listed in the database. Previous state employees, such as retired faculty and university administrators, who may not have been eligible to serve during their careers, would be encouraged to indicate their interest. The database may also include all current and previous members of the BOTs and the BOG as those individuals would be presumed to have the interest and experience needed to serve on other boards where eligible.
- 6) Provide recommendations to the BOTs and the BOG on ways to strengthen policies related to ethical behavior and conflicts of interest, as well as guidelines to clarify board member responsibilities and roles.
- 7) Provide recommendations designed to clarify and enhance the division of responsibilities between the BOG and the BOTs as well as the division of responsibilities between each campus administration and the Office of the President.
- 8) Provide recommendations on how to ensure clear and consistent rules and procedures for board operations, such as the use of consent agendas, voting procedures, etc.
- 9) Produce an annual report of the work of the Center, including demographic data on the makeup of the BOG and each BOT.
- 10) Develop and regularly publish a newsletter providing information about the issues facing governing boards in North Carolina as well as detailing actions taken. This communication tool would serve to keep each BOT aware of what is considered by the BOG and other BOTs, as well as to keep the BOG aware of what is considered by the BOTs. This newsletter would be available to constituent groups of the University as well as the public with the purpose of creating maximum awareness and transparency regarding actions considered and acted upon by governing boards.

2) The General Assembly should increase the size of the Board of Governors from the current 24 to 32 appointed members.¹ The enlarged BOG would enable additional opportunities to increase diversity pursuant to N.C. General Statutes §116-7(a). To ensure geographic diversity, the Commission recommends that 16 members be selected at-large and that 16 members be selected equally from each of the eight North Carolina Prosperity

¹ This number is not inclusive of ex-officio members.

Zones.² In addition, the Commission recommends that the BOG include as non-voting ex-officio members the State Superintendent of Public Instruction and the President of the Community College System (or their designees) to enhance collaboration across the education continuum. Finally, the Commission recommends that the BOG include, in addition to the current student representative (who would be allowed to vote on all matters other than the election of the officers of the Board of Governors),³ two non-voting ex-officio members--the Chair of the Faculty Assembly and the Chair of the Staff Assembly.

3) The General Assembly should select all members of the Board of Governors who are not ex officio members in the following manner: The majority party in the House and in the Senate should select 12 members each. The largest minority party in the House and Senate should select 4 members each. This selection requirement will ensure a more bi-partisan BOG with greater diversity of political thought and reduce the perception of political influence in university governance.

4) The General Assembly should increase the size of each of the institutional Boards of Trustee (other than the North Carolina School of Science and Math) to 15 members not including ex-officio members. The Commission recommends that the members of the BOTs be selected in the following manner: 7 members to be selected by the BOG; 4 members to be selected by the General Assembly; and 4 members to be appointed by the Governor. Further, the Commission recommends that, in addition to the existing student member of each BOT, that two non-voting ex-officio members be added to each BOT--the campus Chair of the Faculty Senate and the campus Chair of the Staff Assembly. The Commission believes these changes would ensure more diversity of thought and would increase public confidence in the BOTs while reducing the perception of political influence in university governance. Any appointments allocated to the Governor should not take effect until after January 1, 2025.

5) The General Assembly should increase the length of the terms of members of the Board of Governors and Boards of Trustees from 4 years to 8 years.⁴ Members appointed to either the Board of Governors or a Board of Trustees would be limited to one full term on the board to which the individual is appointed.⁵ Governance works best when individuals who are capable, qualified, of high integrity, and focused on the university are free to use their skills and exercise their judgment to oversee the enterprise. With a governance system involving so many individuals, freedom to build consensus and act with principle is essential particularly given the scope and breadth of policy decisions to be understood and made. Longer board terms help build expertise and experience on the board to better serve students and the state. But a single eight-year term also allows more new members to join boards more frequently and add fresh thinking of value to the enterprise. Further, by removing the opportunity for reappointment, single terms may help provide immediate insulation from and lessen the perception of political influence over members by their appointing authority.

² The North Carolina Prosperity Zones are described on several sites of the North Carolina Department of Commerce at: <https://www.commerce.nc.gov>. Each Prosperity Zone contains at least one UNC institution.

³ This limitation on the voting rights of the student member seems appropriate because the student member's typical term is one year whereas BOG officers typically serve two-year terms and may serve longer.

⁴ It is the intent of the Commission to maintain the current system of staggering Board member terms.

⁵ This limitation would not apply to any individual's ability to serve at different times on multiple boards at either the System or campus levels.

6) To enhance transparency and accountability of board members, all general business meetings of the Board of Governors and each Board of Trustees should be livestreamed and recorded. All committee meetings and full board meetings should be publicly noticed and held in locations that can accommodate a reasonable number of members of the public. In addition, all members of the BOG and BOTs should be required to establish institutional email accounts and use those institutional accounts for all correspondence related to their role as a member of a governing board. This will enable the public and other stakeholders to contact and provide input to governing board members. The process for appointment of new members of the BOG and/or any BOT and filling vacancies should be transparent and publicly disclosed in advance of the selection process. The disclosures regarding the process should include seats available for selection, the appointing authority, the process for receiving and considering nominees, and the timeline for the process. Further, at the time of the disclosure of the process, information regarding the demographic characteristics, skills, and qualifications of existing members of the board or boards with appointment should be made public. . Public transparency and accountability for action is enhanced when the public has easy access to members of governing boards and knowledge of public meetings at which important governance decisions are made. Further, public confidence in our governing boards and their decisions is enhanced by transparency and accountability.

7) Any individual who has been serving as a registered lobbyist or as a member of the General Assembly should have a required “cooling-off” period before serving on a governing board. Serving on a governing board as a registered lobbyist or recent member of the General Assembly creates the perception of a closeness to an appointing authority as well as potential conflicts of interest. A “cooling-off” period will reduce the risk of real or perceived conflicts of interests and will reduce the perception of political influence in university governance. The Commission recommends that the “cooling-off” period be one year after the individual’s term in the legislature ends or after the individual ceases to be a registered lobbyist.

In order to maintain the strength of these institutions and all they impact, the Commission believes that a university governance structure that embodies the great diversity of our state and is centered on accountability will promote and protect the state’s vital institutions for years to come. We hope policymakers will seriously consider these recommendations, which will ultimately ensure the health of our state’s higher education system and develop the well-trained, diverse workforce needed to continue the state’s great legacy of economic prosperity for all.

Sincerely,

Thomas W. Ross

Margaret Spellings

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Acknowledgments

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Overview

On November 1, 2022, Governor Roy Cooper issued Executive Order 272⁶ establishing the Governor's Commission on the Governance of Public Universities in North Carolina. The Governor believes that a strong public higher education system is a vital part of North Carolina's economic and workforce development. It plays a critical role providing an affordable, world class education to North Carolinians and serves as a major economic driver across the state.

To govern the North Carolina higher education system, the UNC Board of Governors was established in 1971 to be a nonpartisan body of leaders that would promote the university system's essential role to "communicate knowledge to address the needs of society." Each of the seventeen UNC institutions also has a Board of Trustees to advise the Board of Governors and the institution's chancellor on matters pertaining to that institution. Per General Statute, the Board of Governors and some of the members of each Board of Trustees are selected by the General Assembly in a tightly controlled process led by the Speaker of the House and the President Pro Tempore of the Senate. The other members of the Boards of Trustees are selected by the Board of Governors.

A spate of controversies over the last few years has led to questions about how to best promote effective university governance. Instability within the system can have significant impacts on campus leadership, turnover and academic experience for students, and can threaten the university's reputation and the state's economy and communities.

To address these concerns, the Governor's Executive Order sought recommendations from the Commission "on how to improve existing governance, by recommending

- **Who should appoint the members of the Board of Governors and the members of each Board of Trustees;**
- **How to ensure that the composition of the Board of Governors and each Board of Trustees reflects the regional, ethnic, racial, gender, political, and economic diversity of the state; and**
- **A proposed set of principles and responsibilities that should apply to members of the Board of Governors and members of each Board of Trustees."**

Additionally, the Executive Order charged the Commission to call upon subject matter experts concerning public university governance in North Carolina and elsewhere and receive testimony from individuals possessing experience with the University of North Carolina governance system.

⁶ Executive Order 272 is found in Appendix 1 of this report.

The Governor appointed former University Presidents Thomas W. Ross, Sr. (2011-2016) and Margaret Spellings (2016-2019) to serve as Commission Co-Chairs. The Governor appointed an additional thirteen commissioners that represent diverse geographic, political, racial, and gender backgrounds. Collectively, the Commission brings together individuals with expertise as members of the Board of Governors and as Trustees of the constituent institutions, elected state legislators, community leaders, faculty members, and former students at UNC institutions.⁷

In his charge to the Commission at its first meeting on December 14, 2022, Governor Cooper encouraged Commission members to use their diversity of backgrounds, experience, and expertise to make recommendations that will allow North Carolina to continue to be seen as a leader and retain its national competitiveness. Governor Cooper also asked that if any recommendation made by the Commission to vest the Office of the Governor with the authority to make appointments to the Board of Governors or Boards of Trustees not to take effect until the Governor's current term of office expires in January 2025.

The Commission met five times from December 2022 to June 2023 to hear from experts with knowledge about higher education governance structures across the U.S. and university accreditation requirements with respect to governance, as well as from representatives of UNC System faculty, staff, and student organizations.⁸ Early in the work of the Commission, commissioners were asked by Co-Chairs Ross and Spellings to submit answers to a brief survey questionnaire⁹ to collect their initial ideas on how to strengthen the diversity of the governing boards, the processes used for selecting governors and trustees, the appointment of additional members from varying backgrounds, and the scope of the responsibilities and duties that should be expected of governing board members. The Commission also hosted six public forums in locations across North Carolina to secure additional perspectives on how the governance system of the UNC System might be strengthened. The meeting locations included Wilmington (February 21), Greensboro (February 28), Charlotte (March 13), Greenville (March 20), Asheville (April 4), and Durham (April 11).

⁷ Brief biographies of the Commission's members are found in Appendix 2 of this report.

⁸ The agendas of the Commission's meetings are found in Appendix 3 of this report.

⁹ The questionnaire is found in Appendix 4 of this report.

The History and Evolution of UNC Governance

The Governor's Executive Order charged the Commission "with evaluating the current governance structure of the University of North Carolina System and of each constituent institution. . . ." In order to evaluate the current structure, the Commission felt it necessary to review the recent history and evolution of the UNC System governance structures. This section briefly details the history as relevant to the work of the Commission. It is not meant to serve as an expansive history of all UNC System governance. Also noteworthy is rather than detailing any recent issues or concerns raised by the handling of various issues within the UNC System, the Commission's work was guided by the approach that institutions are strengthened by periodic review. This section provides a brief history of the UNC System starting with the North Carolina Higher Education Reorganization Act of 1971 and overviews of the legislative procedure for selecting Board of Governors members and selecting a qualified and diverse Board of Governors.

Prior to 1971, North Carolina's universities were administratively independent. By 1971, the sitting Governor and reform-minded legislators concluded that additional reorganization was needed to address a persistent set of challenges, including the need to rationalize the allocation of scarce resources among diverse institutions, preserve the recognized quality of the flagship institution in Chapel Hill, reduce unnecessary duplication in academic programs, and discourage independent political advocacy by campuses in seeking funding from the General Assembly. Although the contentious 1971 restructuring that brought all the then existing public colleges and universities together¹⁰ did not entirely resolve these issues to the satisfaction of all, the pyramidal structure created in 1971 did bring some level of "order to North Carolina's far-flung network of public colleges and universities."¹¹

The Higher Education Reorganization Act of 1971 thus accomplished a "redefinition" of the University of North Carolina. Each public university and other existing public institutions of higher education became part of the UNC System, each with its own board of trustees (BOT). The Board of Trustees for the entire system became the Board of Governors (BOG) and the number of board members was reduced. The statutory allocation of powers as between the system board and the constituent institution boards was described as follows:

To the Board of Governors of the University, the General Assembly granted virtually all powers of government over the sixteen constituent institutions. . . Separate institutional boards of trustees were retained (or established for the six institutions of the six-campus university), one for each of the sixteen institutions, but they were to hold virtually no powers independently, but only such powers as might be delegated by the board of governors.¹²

The new statute defined the role of the President of the UNC System and vested the office with broad powers to manage the affairs and execute the policies of the UNC System and its constituent institutions. Institutional Chancellors would report to the President

¹⁰ The North Carolina School of Science and Math was added to the UNC System as an "affiliated school" in 1985, becoming the seventeenth constituent institution by action of the General Assembly in 2007.

¹¹ Barbara Solow, *Reorganizing Higher Education in North Carolina: What History Tells Us About Our Future* (Raleigh: North Carolina Center for Public Policy Research, 1999): pp. 10-11.

¹² See note 5. Sanders, "The University of North Carolina: The Legislative Evolution of Public Higher Education (1993) . . .," p. 26.

and be responsible for administering institutional affairs according to the direction of the President, the BOG, and the institutional BOT. At its first meeting in July 1972, the BOG delegated to the BOTs broad powers to administer institutional affairs, and retained those powers central to the planning and coordination of the multi-campus UNC System: budgeting, mission designation, academic program approval, key personnel decisions, enrollment management, and legislative advocacy.¹³

The Commission did not interpret the Governor's charge to the Commission as requesting re-examination of the soundness of the delegations of authority to the BOTs that have been made and amended over time by the BOG and memorialized in Appendix I §100.1 of the Code and Policies of the University of North Carolina. Most recently, over the period from November 2017 to March 2019, the BOG expanded several delegations of authority from the BOG to the BOTs.¹⁴ We believe continuous review of the distribution of authority between the BOG and the BOTs is a beneficial process that should strengthen the management of the constituent institutions, reduce unnecessary burdens upon the BOG and the Office of the President, and inform the development of stronger orientation programs for new members of the BOG and the BOTs.¹⁵

The Governor's Executive Order calls upon the Commission to recommend a proposed set of principles and responsibilities that should apply to members of the BOG and members of each BOT. UNC Policy §200.7 sets forth the formal expectations for the individual and collective behavior of BOG and BOT members consistent with standards articulated by national governing board groups and other higher education institutions. In early 2019, the BOG reassessed the scope of its policy in response to well-publicized allegations of inappropriate behavior or conflict of interests involving one or more of its members.

In work led by President Spellings and the Committee on University Governance, the BOG reaffirmed in October 2020 the principle that the authority of the BOG and BOTs "is collective, not individual, and only arises from their participation with other members of the board when officially convened."¹⁶ The revised Policy specifically prohibits governors and trustees being involved in the process of reviewing the backgrounds or making assessments of University employees or candidates for University employment "unless specifically directed to do so by the president, by the chief executive officer of the employing institution, or by the Board of Governors."¹⁷ The revised policy also expanded expectations for governors and trustees with respect to ethical conduct, including prohibitions upon BOG and BOT members who also serve as registered lobbyists or practicing attorneys from acting in ways that might be "adverse to the interests of the UNC System, a constituent institution, or a University-affiliated organization."¹⁸ A new section of

¹³ Sanders, "The University of North Carolina . . .", p. 28.

¹⁴ The BOG extended the authority of BOTs to acquire and dispose of real property by purchase or lease; expanded Trustees' authority to approve capital improvement projects funded from non-state revenue sources; and provided for Trustees to render final decisions in cases of the non-reappointment of, and the imposition of disciplinary sanctions upon, members of the faculty.

¹⁵ In 2021 the BOG took the additional step of adopting a new policy (§100.3) to permit a campus to seek waivers from the requirements of University policies, regulations, and guidelines. The BOG also directed each BOT to develop a comprehensive statement of "all delegations of authority by the board of trustees of that institution to any board of trustees committee, the chancellor, or other campus entity, employee, officer or agent" for review and approval by the University President. See BOG Committee on University Governance, July 21, 2021, Item A-4, "Resolution to Amend or Restate Constituent Institution Board of Trustees Delegations," approved by the BOG on July 22, 2021.

¹⁶ UNC Policy Manual, §200.7 (III)(C).

¹⁷ UNC Policy Manual, §200.7 (III)(C)(4)]

¹⁸ UNC Policy Manual, §200.7 (III)(D)(11) and (12).

§200.7 mandates BOG members and Trustees, consistent with generally accepted fiduciary principles, to act in ways consistent with the best interests of the University as opposed to their personal or business interests, “become knowledgeable about issues that affect the University,” and seek “to understand the educational needs and desires of all the State’s citizens, and their economic, geographic, political, racial, gender, and ethnic diversity.”¹⁹

Significantly, the BOG’s revision of §200.7 also included expanded provisions that could lead to the removal or sanctioning of a BOG or BOT member for “any material violation of the duties, responsibilities, and expectations of members” as set forth in the policy. The sanctions short of removal could include public censure, the suspension of voting rights, and the removal from committee assignments. New sections of §200.7 provided procedures for the receipt and consideration of complaints that might be made that a BOG or BOT member had violated the Policy’s requirements with respect to the duties, responsibilities, and expectations of board members.²⁰

The Commission worked from the viewpoint that strong university governance necessitates periodic review of board member roles and responsibilities. Transparency and accountability around these roles and responsibilities ultimately leads to greater trust and value in a governance system.

¹⁹ UNC Policy Manual, §200.7 (III)(E)(5); the final phrase quotes N.C. General Statutes, §116-7 (a).

²⁰ UNC Policy Manual, §200.7 (IV)(D)(E).

Legislative Procedure for Selecting Board of Governors Members

The 1971 reorganization reaffirmed the central role that the General Assembly had played in the selection of those responsible for overseeing four-year higher education in North Carolina. As far back as 1931, the General Assembly had been responsible for the election of the 100-member Board of Trustees charged with governing a new “consolidated University” consisting at the time of the University of North Carolina at Chapel Hill, the N.C. College of Agriculture and Engineering (now NC State University), and the North Carolina College for Women (now UNC Greensboro).

The statutory provisions governing the selection of members of the Board of Governors have been modified in several respects since the 1971 reorganization, but some material provisions have remained the same. Based on current provisions, the Senate and House should each elect half the number of Board seats available in odd-numbered years from slates of candidates made in each house, with each slate “prepared as provided by resolution of each house” and containing “at least twice the number of candidates for the total seats open.” The elections are to be held in each house “within 30 legislative days after appointments to their education committees are complete.”²¹

For the 2023-2024 legislative session, the Senate Resolution²² governing the election of BOG members provided for nominees to be screened by the Senate Select Committee on Nominations and for a slate of no more than 12 individuals to be listed on a ballot to be considered by the full Senate for the 6 available BOG seats. Any ballot not marked for as many nominees as there were positions to be filled was deemed void. To be elected, a nominee must receive the votes of a majority of the Senate present and voting. Each Senator must sign his/her ballot for it to be counted.

In the House, procedures varied over the years with respect to electing BOG members. In 2003, 2005, 2019, and 2021, the House elected a slate of nominees by resolution following review by a committee designated to handle the election. Between 2007 and 2017, the BOG members were elected by ballot based upon a resolution describing the nomination and election process. The reviewing committee would provide for a ballot containing no more than twice the number of BOG seats to be filled and only ballots containing as many votes as seats would be counted. In 2023, however, it appears that the House directly elected six members to the BOG (including five elected to a second term) by resolution,²³ which does not appear to be in line with current statutory requirements.

²¹ N.C. General Statutes, §116-6(c). According to the glossary of terms for the North Carolina General Assembly, a “legislative day” is “a day on which either chamber convenes (or both chambers convene) to conduct official business; see <https://ncleg.gov/Help/Category/Glossary>. In their 2006 study of the Board of Governors, Coble et al. observed that the requirement for presenting double the number of candidates as open seats is frequently not met. Ran Coble, Sam Watts, and Joanne Scharer, *The Statewide UNC Board of Governors: Its Selection, Powers and Relationship to the 16 Local Campus Boards of Trustees* (Raleigh, N.C.: North Carolina Center for Public Policy Research, 2006): pp. 18-20.

²² Senate Resolution 138, 2023-2024 General Assembly.

²³ House Resolution 895, 2023-2024 General Assembly.

Selecting a Qualified and Diverse Board of Governors

The 1971 reorganization formalized the importance placed by the General Assembly in obtaining “the services of the best qualified citizens of the State” and in ensuring that the voices of women, racial minorities, and political minorities would be represented on the BOG. It was intended that all members would serve as “members-at-large, charged with the responsibility of serving the best interests of the whole State.”²⁴

At the time the original legislation establishing the new UNC System in 1972 was passed, the General Assembly “required the election of minimum numbers of women, racial minorities, and members of minority political parties and divided this responsibility equally and alternatively between the House and Senate.” For instance, in 1973, the statute required the Senate to elect at least two women and two members of a minority race, while the House was obligated to elect at least two members of a minority party. In 1975, the Senate took on the obligation to elect minority party members, while the House would elect the required number of women and racial minorities. In 1987, the General Assembly changed the terms of new members of the BOG from eight years to four years.²⁵ It also provided that “[o]f the 16 members elected every two years beginning in 1991, at least two shall be women, at least two other members shall be members of a minority race, and at least two other members shall” represent the largest minority political party in the General Assembly.²⁶ These provisions were continued in 1991 legislation revising the procedures for electing members of the Board of Governors beginning in 1993.²⁷

Generally speaking, these provisions guaranteed at least four women, four racial/ethnic minorities, and four members of the minority party sitting on the BOG at the same time. In 2001, however, in the face of litigation filed in federal court challenging the constitutionality of the statutory requirements for gender, racial, and political diversity on equal protection grounds,²⁸ the BOG requested the General Assembly abandon the specific numeric requirements. Based on this request, the General Assembly revised N.C. General Statutes §116-7(a) with amended language mandating that those selected to the BOG should be “qualified by training and experience to administer the affairs of The University of North Carolina. . . [and] selected based upon their ability to further the educational mission of The University through their knowledge and understanding of the educational needs and desires of all the State’s citizens, and their economic, geographic, political, racial, gender, and ethnic diversity.”²⁹

²⁴ 1991 N.C. Session Laws, Chapter 1244 (HB 1456), N.C. General Statutes, §116-6 and §116-7.

²⁵ The overall length of service possible for Board members elected in 1987 and thereafter was reduced from a maximum of two terms of eight years to a maximum of three terms of four years. Additional provisions dealt with Board members who had previously been elected to two full eight-year terms or a four-year term following an eight-year term. Chapter 228 (Senate Bill 736) of the 1987 N.C. Session Laws modifying N.C. General Statutes §116-6.

²⁶ Chapter 228 (Senate Bill 736) of the 1987 N.C. Session Laws modifying N.C. General Statutes §116-6(e).

²⁷ Chapter 436 (House Bill 923) of the 1991 N.C. Session Laws.

²⁸ On behalf of himself and four other plaintiffs, the lawsuit was brought by Walter Davis, a former member of the Board of Governors and the UNC-Chapel Hill Board of Trustees. According to Coble, et al., 2006: p. 73, n. 11, a similar suit was filed in state court in September 2001.

²⁹ See 2001 N.C. Session Law Chapter 503 (House Bill 1144) amending N.C. General Statutes §116-6 and §116-7(a). The first elections subject to the new statutory language were conducted in 2003.

Commission Review

Between December 2022 and May 2023, the Commission engaged in deep study and review of public university governance both in the state and nationally. In line with Commission duties prescribed by Executive Order 272, the Commission engaged subject matter experts on the status of public university governance, sought feedback from a diverse group of stakeholders, and conducted analysis of board diversity in the state.

Expert Testimony

The Commission invited expert presentations on best practices and personal experience with university governance from governance experts and university faculty, staff, and students. The Commission heard from³⁰:

- **Dr. Kevin Reilly**, Senior Consultant and Senior Fellow at AGB Consulting. Dr. Reilly presented an overview of university governance in other states.
- **Dr. William Link**, Richard J. Milbauer Chair in Southern History at the University of Florida. Dr. Link presented on the history of UNC System governance.
- **Dr. Chris Marsicano**, Assistant Professor of Education Studies and Founding Director of The College Crisis Initiative at Davidson College. Dr. Marsicano presented an overview of current UNC System board membership demographics.
- **Dr. James E. Lyons Sr.**, Senior Consultant at AGB Consulting. Dr. Lyons presented on board member responsibilities.
- **Dr. Belle Wheelan**, President of SACSCOC. Dr. Wheelan presented on the role of governing boards in higher education.
- **Wade Maki**, Chair of the UNC Faculty Assembly.
- **Crystal Woods**, Chair of the UNC Staff Assembly.
- **Ray Palma**, President of the UNC Association of Student Governments.

Public Forums

The Commission held six forums across North Carolina to solicit the public's recommendations on improving the governance structure of public universities. These forums were held in Asheville, Charlotte, Durham, Greensboro, Greenville and Wilmington. Throughout the forums, Commission members heard from current and retired faculty members, current students and alumni, staff members, business leaders, and other members of the public with a vested interest in the UNC System. Interested stakeholders were provided an option to attend each forum either in-person or virtually.

Over the course of the six forums, several themes emerged from the stakeholder feedback. The areas of feedback addressed by attendees included:

- **Desire for greater transparency and accountability of members of the BOG and BOTs;**
- **Desire for more shared governance between members of the BOG, members of the BOTs, administrators, faculty, staff, and students;**
- **Concern that members of the BOG and BOTs are not representative of the geographic, gender, racial, ethnic, and political diversity of the state;**

³⁰ Presentations made to the Commission are included in Appendix 5 of this report.

- **Acknowledgment that the BOG and some BOTs have become more political and a desire to see them become less so; and**
- **Suggestions on strengthening the roles and responsibilities of members of the BOG and BOTs along with changing term lengths and board sizes to minimize politics and increase diversity.³¹**

Data Analysis: Diversity on the Board of Governors (1972-2022) & Boards of Trustees (2020-21)

The Governor's Executive Order raises the question of whether the General Assembly's intentions as expressed in NC General Statutes §116-7(a) have been accomplished in fact. As affirmed in the University of North Carolina Equal Opportunity and Diversity & Inclusion Study completed by the BOG in 2018, diversity and inclusion as represented in the leadership of organizations and as reflected in their employee base have been essential to promoting innovative thinking in complex environments within different economic sectors.³² According to a report published by the UNC System and citing data from McKinsey and Company, organizations led by diverse teams have been found to outperform less diverse ones, promote employee engagement and retention, and are more responsive to understanding and addressing the needs of their customers or constituents.³³ "With innovation being the lifeblood of most organizations' futures, diversity of thought has become a critical factor contributing to business and operational success. This is no less the case in the world of higher education."³⁴

In order to provide effective recommendations, the Commission conducted an analysis of the current and historical diversity of members of the BOG and BOTs³⁵. The Commission also examined the impact of various changes made in the selection of BOG members and trustees over time, including the 1987 reduction of members' terms from eight years to four; the addition of a non-voting student member to the BOG in 1991; transfer of the Governor's appointment authority in 2016 for some members of the BOTs to both houses of the General Assembly upon the recommendation of the leaders of the House and the Senate; and reduction in 2017 of the size of the BOG from 32 to 24 members. Lastly, the Commission conducted an assessment of the consequences of changes that have been

³¹ A detailed presentation overviewing public forum feedback is included in Appendix 6 of this report.

³² The University of North Carolina Equal Opportunity and Diversity & Inclusion Study: Findings and Recommendations Report (January 11, 2018): pp. 15-91.

³³ Equal Opportunity and Diversity (2018): p. 19.

³⁴ Equal Opportunity and Diversity (2018): p. 20.

³⁵ The data reported in this section refers only to the voting members of the Board of Governors (BOG) and do not include the non-voting emeritus and student members. The data used for the years 1972 and 2004 came directly from the *2006 Statewide UNC Board of Governors: Its Selection, Powers, and Relationship to the 16 Local Campus Boards of Trustees* from the North Carolina Center for Public Policy Research (Coble et al., 2006). As a quality assurance process, the College Crisis Initiative (C2i) selected a random sample of board members to recollect and validate the responses. Any errors that were identified were changed. The Commission then collected data for the years 2005 to 2022. Members of the BOG were identified using the minutes of the BOG meetings, the BOG website, and legislative appointment documents. Governors' gender and race/ethnicity were identified using the demographic information provided by NC Voter Look-up, biographical information on the BOG website, and news announcements that used pronouns. Governors' partisan affiliation and registration were identified using the NC Voter Look-up. Any disparities between C2i's raw data and the information presented in the document are due to changes or edits made by report authors with personal knowledge of individual board members. Any additional questions about the collection methodology can be directed to c2i@davidson.edu. The Commission acknowledges the assistance in providing data from Dr. Christopher R. Marsicano and Ms. Rylie Martin of The College Crisis Initiative of Davidson College.

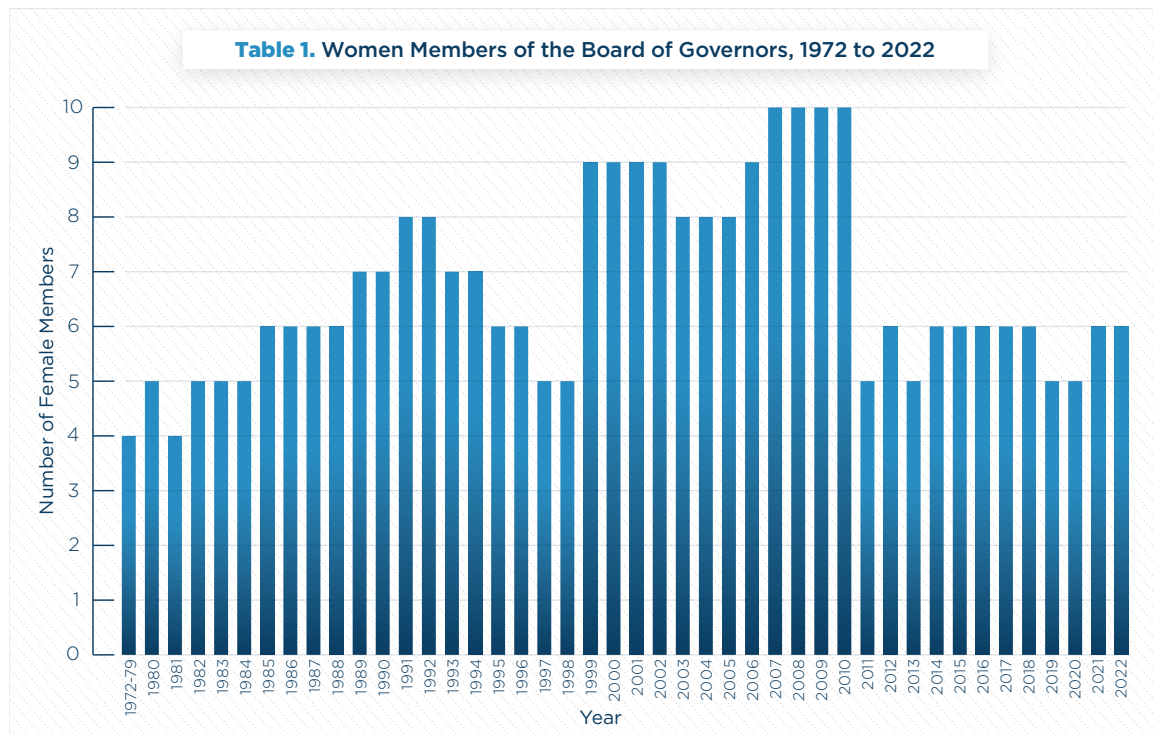
or might be proposed for the selection of BOG and BOT members, including selection of some or all of the BOG members by defined geographical areas, such as congressional districts, regional Councils of Government, or North Carolina Prosperity Zones; methods of selection designed to ensure diversity of gender, race and ethnicity, and political affiliation; limitations upon the appointment of employed lobbyists or former legislators to the BOG; restoration of the Governor's power to appoint some members of the BOTs; restoration of longer terms of office for BOG and BOT members; and the addition of various new ex officio members of the BOG and/or BOTs to enhance the diversity of perspectives present in the governing bodies at the System and campus levels.

Gender Diversity on the BOG and BOTs

Over the entire time since the BOG was created, the percentage of women in North Carolina has been approximately 51%. Without regard to partisan control of the General Assembly, women have been dramatically underrepresented on the BOG.

Table 1 displays the number of women serving on the BOG from 1972 through 1979 and thereafter to the end of 2022.³⁶

From the founding of the UNC System in 1972 and up to the present, the number of women serving on the BOG exceeded the original statutory minimums that were in place until 2001, growing to as many as eight in 1991-1992. However, female representation since



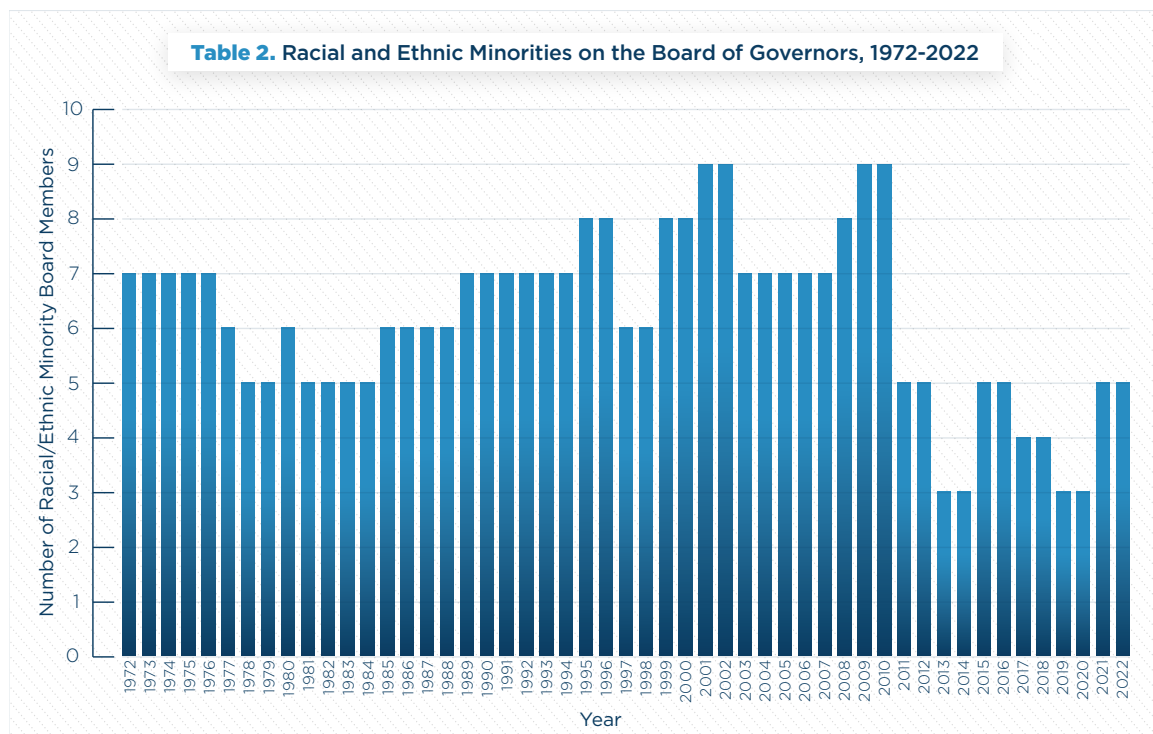
³⁶ The original Board of Governors was formed with the election of 15 persons sitting on the board of Trustees of the Consolidated University, 15 persons elected from among the sitting trustees of the regional universities and HBCU's, and 2 non-voting members elected from among the members-at-large of the North Carolina Board of Education. For the first year, the Governor sat as an ex officio, non-voting Chair. As the staggered terms of these members expired, replacements were selected by the General Assembly. As of 1980 and afterward, the General Assembly was solely responsible for selecting the Board members. See 1971 N.C. Session Laws Chapter 1244 (HB 1456), codified as N.C. General Statutes Chapter 116.

the founding of the UNC System has not matched the state's general population. On the current Board of 24 members, women occupy only 25 percent of the seats, well less than half of what would be expected based on the presence of women in the population generally as well as of undergraduate (58.3 percent) and graduate (62.2 percent) students enrolled in the UNC System in the fall of 2022.³⁷

Women are also underrepresented on the BOTs of the sixteen constituent four-year institutions.³⁸ Data collected by the UNC System Racial Equity Task Force³⁹ showed that 123 of the 190 trustees sitting in 2020-2021 (64.7 percent) were men, while only 67 trustees sitting at the time (35.3 percent) were women.

Racial and Ethnic Diversity on the BOG and BOTs

Notwithstanding the statutory minimums used in the election of members of the BOG prior to 2002, racial minorities were elected to the BOG during these years in numbers that at least approached the percentage of racial minorities in the population. For instance, as shown in **Table 2**, the original BOG included seven racial minorities serving from 1972 to 1976, approximately 22 percent of the Board compared to their presence in the population



³⁷ See <https://www.northcarolina.edu/unc-system-fact-sheets/>

³⁸ Data in this and subsequent sections pertaining to the BOTs do not include the North Carolina School of Science and Math (NCSSM) since the procedure for selecting members to that institution's BOT is significantly different from that used for selecting BOT members to the sixteen four-year campuses. The selection of up to thirty Trustees for NCSSM involves appointments by the Board of Governors to represent Congressional districts; several ex officio appointments of chief academic officers (or designees) from other UNC System institutions and non-UNC colleges or universities; election by the General Assembly upon the recommendation of the leadership of each chamber; and non-voting members selected at the discretion of the Chancellor and the NCCSM Board of Trustees, or serving as the president of the student government. See N.C. General Statutes §116-113.

³⁹ UNC System Racial Equity Task Force Final Report (December 16, 2020), Appendix C, pp. 38-53. Percentages reported here differ slightly from those reported in the Task Force Final Report (p. 35), but were calculated using the raw data.

of 23 percent.⁴⁰ The number of racial minorities on the BOG rose and fell between 1976 to 2001, when it reached an all-time high of nine members. At that point, racial minorities comprised 28.1 percent of the BOG compared to their presence in the general population of 28.9 percent. As of the end of 2022, the number of racial minorities on the 24-member BOG was five, 21 percent compared to their presence in the population of 39.5 percent (2020 Census). As is the case with representation of women on the BOG, racial minorities are currently dramatically underrepresented when compared to their presence in the population at large and among the undergraduate and graduate students enrolled in UNC System institutions.⁴¹

The same pattern of minority representation is also seen on the BOTs. Data collected by the UNC System Racial Equity Task Force⁴² showed that 130 of the 190 trustees sitting in 2020-2021 (68.4 percent) were white, while only 60 trustees sitting at the time (31.6 percent) were racial or ethnic minorities. When the six minority-serving institutions⁴³ are excluded from the calculation, the disparity in racial representation on the BOTs is even more striking, with 104 of the 119 trustees (87.3 percent) sitting in 2020-2021 on the remaining ten BOTs being white.

Geographic Diversity on the Board of Governors

Nationally, geographic representation is a common criterion specified in the appointment of the members of higher education governing boards. According to data collected by the Education Commission of the States, as of 2023, 27 boards or commissions in 23 states require some form of geographic representation on their higher education boards.⁴⁴ Although the 2001 statutory amendment addressing the diversity of the BOG specified that geographic diversity would be an appropriate criterion for appointment, the term was not defined. In its study of the question in 2006, the North Carolina Center for Public Policy Research examined the relative presence of voting members of the BOG from the western, eastern, and Piedmont regions of the state. Compared to the distribution of population

⁴⁰ https://www2.census.gov/library/publications/decennial/1970/population-volume-1/1970a_nc-01.pdf, p. 60. All of the non-white minorities serving on the Board of Governors during this initial period were African Americans. The first Native American appointed was Ruth Dial Woods who served for eight years beginning in 1985 and then again for four years beginning in 1999. Since that time, two Native Americans have served, along with one Asian. As of 2022, no Hispanics had ever been appointed to the Board of Governors. Hispanics currently constitute 10.7 percent of the population and between 6.0 percent (graduate) and 9.4 percent (undergraduate) of the UNC system student body. Asians constitute 3.3 percent of the population and roughly 5 percent of the student body at UNC System institutions. <https://www.northcarolina.edu/unc-system-fact-sheets/>

⁴¹ According to the 2022 Fact Sheet published by the UNC System, White students constituted 53.6 percent of the undergraduate population and 52.4 percent of the graduate population in the fall semester of 2022. Domestic racial and ethnic minorities and non-resident aliens (or students whose race or ethnicity was unknown) comprised the remainder. See <https://www.northcarolina.edu/unc-system-fact-sheets/>.

⁴² UNC System Racial Equity Task Force Final Report (December 16, 2020), Appendix C, pp. 38-53. Percentages reported here differ were calculated using the raw data.

⁴³ The historically minority-serving institutions includes the five Historically Black Colleges and Universities (Elizabeth City State University, Fayetteville State University, North Carolina A&T University, North Carolina Central University, and Winston-Salem State University) and UNC Pembroke, a state-designated American Indian-serving institution.

⁴⁴ The most common form of geographic representation uses the state's congressional districts, often requiring at least one from each district and occasionally specifying no more than two. However, other states use defined geographic areas, judicial districts, counties, or other arrangements to assure geographic diversity. See <https://www.ecs.org/50-state-comparison-postsecondary-governance-structures/>.

among the three regions, the Center found that the Piedmont was overrepresented on the Board, while the east and west were underrepresented.⁴⁵

Table 3 updates the Center’s analysis for the voting BOG members using the Center’s definition of the east and west of North Carolina, but also defining four sub-regions of the Piedmont—the Triad, the Triangle, the Charlotte Area, and other counties in the Piedmont.

Table 3. Geographic Distribution of Board of Governors in Six North Carolina Regions,^A Compared to the Distribution of North Carolina Population^B by Region, 2003-2022

Region	2003		2013		2022	
	BOG Members	Geographic Ideal ^C	BOG Members	Geographic Ideal	BOG Members	Geographic Ideal
East	6	10	10	9	7	7
West	5	7	5	7	4	5
Triad	4	5	3	5	2	4
Triangle	13	4	10	5	8	4
Charlotte Area	4	4	3	4	3	3 ^D
Other Piedmont	0	2	0	2	0	1
Total	32	32	31^E	31	24	24

^A The East and West regions of North Carolina used here are identical to those defined by Ran Coble, Sam Watts, and Joanne Scharer, *The Statewide UNC Board of Governors: Its Selection, Powers, and Relationship to the 16 Local Campus Boards of Trustees* (Raleigh, N.C.: North Carolina Center for Public Policy Research, 2006, p. 68). The Triad was defined here as consisting of the ten Piedmont counties of Alamance, Caswell, Davie, Davidson, Forsyth, Guilford, Montgomery, Randolph, Rockingham, and Stokes. Although Surry and Yadkin are often included as part of the Triad, they are excluded here as they were defined as part of the West region defined by Coble et al. The Triangle was defined as consisting of the Piedmont counties of Chatham, Durham, Orange, and Wake. Although Johnston County is often included as part of the Triangle, it was excluded here since it was categorized by Coble et al. as being part of the East region, not the Piedmont. The Charlotte Area was defined as consisting of the counties of Cabarrus, Mecklenburg, and Union. The Other Piedmont region was defined as consisting of the Piedmont counties not included as part of the Triad, Triangle, or the Charlotte Area.

^B Population estimates from the 2000 U.S. Census were used for the 2003 comparison; population estimates from the 2010 U.S. Census were used for the 2013 comparison; population estimates from the 2020 U.S. Census were used for the 2022 comparison

^C The “Geographic Ideal” is as defined by Coble et al. to be the number of members of the Board of Governors that would be expected if the distribution of members of the Board by region approximated the distribution of population by region. This number was rounded down from 3.6 to maintain the number of Board of Governors included in the analysis to equal 24.

^D This number was rounded down from 3.6 to maintain the number of Board of Governors included in the analysis to equal 24.

^E In both 2003 and 2013, the Board of Governors contained 32 members. For the 2013 analysis, only 31 members were included as one board member lived out of state at the time of his election. In 2022, the Board contained 24 members.

⁴⁵ Coble et al., 2006: pp. 68-69.

The results for 2003 show that virtually all of the regions of the state were underrepresented on the BOG except the Triangle which had more than three times as many BOG members than would otherwise be justified by the population there. In 2013, the degree of the Triangle's overrepresentation had been narrowed while the remaining regions came closer to having the number of BOG members approximate their population. A similar conclusion can be made with respect to the BOG's composition in 2022, with the Triangle claiming 33 percent of the BOG's 24 members, twice the number of members as would be justified by its 16 percent share of the state's population. However, the west, east and Charlotte regions claimed their "fair share" of the BOG's total membership, with the Triad now underrepresented.⁴⁶

Political Diversity on the Board of Governors and Boards of Trustees

According to data collected by the Education Commission of the States, a handful of states set limitations either on the specific number or percentage of members from one political party or the other.⁴⁷ In North Carolina, the original authorizing legislation that created the BOG provided for a certain minimum number of members to be selected from "the political party to which the largest minority of the members of the General Assembly belong . . ."⁴⁸

As the selection of the BOG evolved over time to the point where the General Assembly was electing all of the new members,⁴⁹ this provision came to mean that a minimum of four members of the BOG would represent the minority party in the General Assembly. . . Until this provision was repealed in 2001, this meant that the minority party members would be Republicans, except in 1995-1996 as a result of the 1994 general elections which resulted in Republicans holding 92 of the General Assembly's 170 seats. Democrats remained in control as the majority party from the 1996 elections until 2010 when the Republicans captured 99 of the 170 seats. Elections from 2011 to the present to the Board of Governors reflect this fundamental shift in legislative control.

As shown in [Table 4](#), members of the minority party⁵⁰ in the General Assembly have generally occupied four to eight seats on the BOG when it contained 32 members, except for the brief period from 1995-1998 when Democrats lost majority control of the General Assembly.

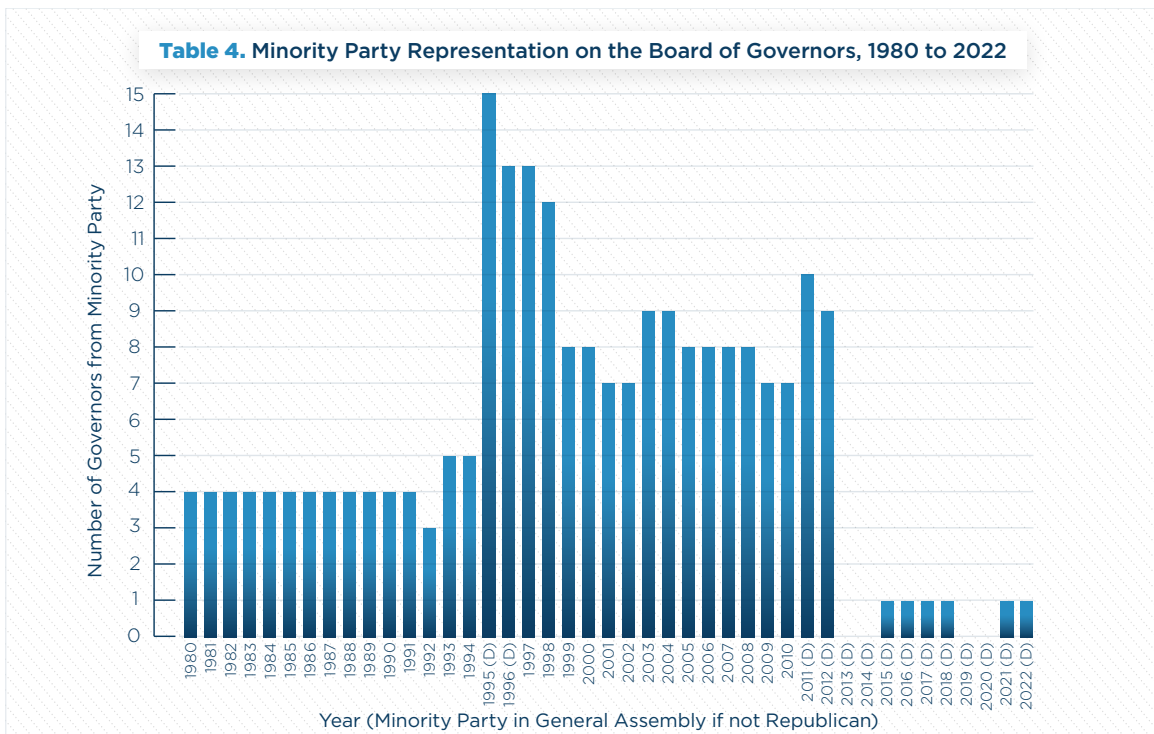
⁴⁶ For readers who might want to confine the analysis of the west to the 23 counties in the North Carolina mountains, the conclusions do not change substantially. In 2003, 4 of 32 members of the Board of Governors hailed from the mountains (all from Asheville); based on the population, 3.5 would have been expected. In 2013, 3 of 31 members resided in the mountains (again, all from Asheville) while population alone would have required 3.6. In 2022, the mountains were represented by 2 members, while population alone would justify 2.6.

⁴⁷ <https://www.ecs.org/50-state-comparison-postsecondary-governance-structures/>.

⁴⁸ N.C. General Statutes §116-6.

⁴⁹ See note 31.

⁵⁰ Party affiliation was primarily determined by current voter registration. However, if the individual was identified in news reports as affiliated with one party or the other at the time of his/her election to the Board of Governors, we relied upon the press accounts even if they might have been registered as unaffiliated at the time or subsequently. Similarly, if an individual had held partisan office in the General Assembly prior to their service on the BOG, we used their party affiliation even if they were registered as unaffiliated later. Unlike Coble et al. (2006): pp. 53-56, we did not include unaffiliated members with the minority party members, and we changed the minority party designation as a result of the 1994 and 2010 elections as they affected minority party status in the General Assembly in 1995-1996 and 2011-2012 and thereafter, respectively.



The minority party representation on the BOG consisted of from seven to nine members until 2011 when the majority party in the General Assembly switched from Democrat to Republican. From 2013 to 2022, only one Democrat was on the BOG at any one time.

With respect to partisan representation on the BOTs, voter registration data presented to the Commission at its meetings in December 2022 and February 2023 by the Davidson College Crisis Initiative (C2i) showed that three of the sixteen BOTs have Republican majorities, and two have Democratic majorities. On the eleven remaining BOTs, there are varying percentages of Republicans (from 24 percent to 46 percent), Democrats (from 8 percent to 38 percent), and unaffiliated members (from 8 percent to 46 percent).⁵¹ Overall, 37 percent of all BOT members are Republicans, 29 percent are Democrats, and 22 percent are unaffiliated.⁵² Notably, 30 percent of BOT members appointed by the BOG have been Republicans, while 38 percent were Democrats, and 18 percent unaffiliated. Of the Trustees elected by the General Assembly upon the recommendation of the Speaker of the House and the President Pro Tempore of the Senate, 63 percent have been Republicans, 11 percent Democrats, and 22 percent unaffiliated.⁵³

⁵¹ Davidson College Crisis Initiative, “Board Level Political Affiliations, Peer Comparisons, and Community College Trustee Demographics,” (Presentation to the UNC Governance Task Force on February 7, 2023): p 8.

⁵² Davidson College Crisis Initiative (C2i), “The Demographics of Public University Trustees in North Carolina,” (Presentation to the UNC Governance Task Force on December 14, 2022), p. 11. These percentages were calculated by C2i including 11% of trustees whose party voter registration could not be determined and include ex officio student BOT members.

⁵³ Davidson College Crisis Initiative, “The Demographics of Public University Trustees . . .,” (December 14, 2022): p. 11.

Terms of Appointment and Length of Service on the Board of Trustees

Assuring gender, racial, and geographic diversity on the BOG is important for bringing diverse perspectives to the work of the Board in overseeing a large and complex institution. The same can be said of the length of time that members are able to serve on the BOG. Longer terms for the members of the BOG and opportunities for members to serve additional terms may “increase continuity in higher education policymaking, better accommodate a steep learning curve for Board members, and diminish unwanted partisan political influence over Board selection when the . . . [political leadership] . . . changes hands. Longer terms would allow Board members to develop a sense of institutional memory, give them more time to become acquainted with the complexities of university governance, and facilitate thinking and planning by Board members over a longer term.”⁵⁴

When the original BOG was formed in 1972, the new System encouraged stability and continuity, both by design and in practice. The initial members were assigned staggered terms such that no more than eight members would face re-election in each of the odd-numbered years from 1973 to 1979. As terms came to an end, the General Assembly would elect their successors for renewable eight-year terms, but it appears to have been common practice for Board members to be re-elected to subsequent terms. Of the 32 members sitting on the BOG in 1980, only one had not served previously, meaning that virtually everyone had received an initial reappointment. As shown on Table 5, Board members elected prior to 1980 served for an average of 11.8 years.

Re-election of governors was a seemingly common practice of the General Assembly in the period from 1980 to 1988 with BOG members serving an average of 10.0 years. In 1987, however, effective with the 1989 elections, the General Assembly decided to reduce the term of office from eight years to four, with BOG members limited to three consecutive terms.⁵⁵ As shown in Table 5, over time the average length of service dropped to 6.2 years, about 44 percent shorter than for Board members who served before the reduction in the length of the Board term.

Table 5. Average Years of Service on the UNC Board of Governors, 1972-2022

1972-1979 ^A	1980-1988 ^B	1989-2022 ^C
11.8 years	10.0 years	6.2 years
N=32	N=20	N=127

^A The original members of the Board of Governors were elected in 1972 with staggered terms to be filled by the General Assembly beginning in 1973.

^B Starting in 1980, the General Assembly appointed all new members of the Board of Governors to eight-year terms.

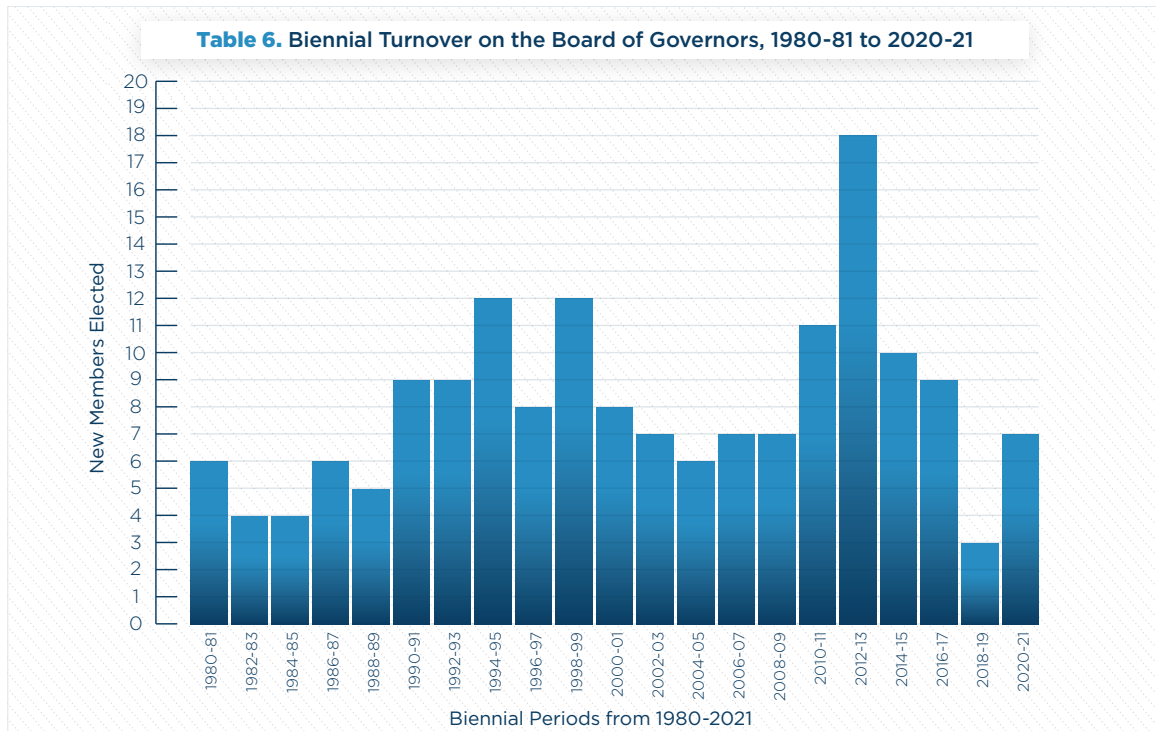
^C Members of the Board of Governors were elected to four-year terms in 1989 and thereafter as the result of legislative action taken in 1987 by the General Assembly.

Length of service can also clearly be linked to changes in partisan control of one or both houses of the General Assembly. As shown in Table 6, the number of new members joining the BOG in each biennium clearly spiked following pivotal elections, such as those

⁵⁴ Coble et al. (2006): p. 38.

⁵⁵ Chapter 228 (Senate Bill 736) of the 1987 N.C. Session Laws. Previously, those elected to eight-year terms were limited to two consecutive terms.

occurring in 1994 when Republicans gained control of the House and those in 1998 when the elections gave the Democrats majority control of both houses. By far, the largest turnover on the BOG followed the Republican victories in 2010, with 11 new members elected in 2011 and another 18 joining the Board over the 2012-2013 biennium.



Ex Officio Representation on the Board of Governors

Although the BOG as established in 1972 contained no ex officio member (voting or non-voting) to represent different perspectives relevant to the mission and operation of the UNC System, the General Assembly acted in 1987 to grant emeritus non-voting status to “any person who has not attained the age of 70 years, and who has served at least one full term as chairman of the Board of Governors.” Presumably, the provision was added to ensure the continuing contributions of persons who had demonstrated leadership on the BOG.⁵⁶ In 1991, the General Assembly acted to add a student to serve as a non-voting ex officio member.⁵⁷ The move was hardly revolutionary, at least by today’s standards. As of 2023, the Education Commission of the States reports that from one to three students occupy voting positions on 32 higher education boards in 24 states. On only eight boards in seven states which permit students to sit on a higher education board does the position not bestow voting rights to the student; this includes North Carolina’s boards for governance of the university and the community colleges. Three boards serving public

⁵⁶ 1987 N.C. Session Laws Chapter 228 (Senate Bill 736) §116-6(f). The age restriction was lifted in 1991. At the same time, the General Assembly amended the statutes to grant emeritus non-voting status to “any person who has served at least one term as a member of the Board of Governors after having served as Governor of North Carolina. . . .” 1991 N.C. Session Laws Chapter 220 (Senate Bill 822); N.C. General Statutes §116-6.1 (g). The only person to have met these criteria was the late Governor James E. Holshouser Jr. who served one term as Governor from 1973-1977 before being elected by the General Assembly to serve on the Board of Governors from 1979 to 1990. He served as an emeritus member until his death in 2013.

⁵⁷ Chapter 220 (Senate Bill 822) adding N.C. General Statutes §116-6.1(a). The law provided for the student post to be filled by the person serving as president of the UNC Association of Student Governments or his/her designee. Unsuccessful efforts to grant voting privileges to the student member are discussed by Coble et al. (2006): pp. 64-67.

higher education systems in Arizona and California provide for one voting and one non-voting student member.⁵⁸

Voting and non-voting ex officio governing board members other than students are fairly common in higher education. Several states place governors and K-12 chiefs as well as other senior statewide officials (such as the lieutenant governor or state treasurer) on their governing boards in both voting and non-voting roles. Faculty and staff representatives are granted ex officio status on occasion, typically in non-voting roles. Particularly for community colleges, ex officio board members may include representatives who reflect the concerns of different economic sectors (e.g., business, industry, agriculture, health sciences) to find well-prepared prospective employees, or others who can ensure the presence of perspectives relating to economic development.⁵⁹

Screening and Qualifying Prospective Members of the Board of Governors

Citizen governance of higher education can only be as effective as the breadth and depth of the expertise, experience, and diverse perspectives of citizens selected to serve on governing boards. Although the practice is still relatively rare, several states have used specially appointed commissions to identify and screen prospective candidates to serve as regents or trustees, and to maintain pools of potential appointees from which the appointing authority may select. This type of structure may serve to “make the appointing authority more careful in exercising its responsibilities” and help call “attention to special skills or other balances that would help the institution.”⁶⁰

The 2006 study by the North Carolina Center for Public Policy Research noted at the time that such systems had been set in place by Maryland, Minnesota, Virginia, and North Dakota either through executive order as a result of statutory creation, or as provided for in the state’s constitution.⁶¹ Since that time, other states have adopted similar approaches that may be worth consideration in North Carolina to assist the General Assembly to elect highly qualified and diverse members to the BOG and the BOTs of the constituent institutions.⁶²

⁵⁸ <https://www.ecs.org/50-state-comparison-postsecondary-governance-structures/>.

⁵⁹ <https://www.ecs.org/50-state-comparison-postsecondary-governance-structures/>.

⁶⁰ Clark Kerr and Marian Gade: *The Guardians: Boards of Trustees of American Colleges and Universities: What They Do And How Well They Do It* (Washington, D.C., The Association of Governing Boards, 1989); p. 42.

⁶¹ Coble et al. ,2006: p. 36.

⁶² More detailed descriptions of some of these appointment systems are found in Appendix 5 of this report.

Recommendations of the Commission

Having heard testimony from university governance experts, held six public forums to hear from faculty, staff, students, business leaders, and general members of the public across North Carolina, and conducted rigorous data analysis, the Commission submits the following recommendations, in line with Executive Order 272, to improve the governance structure of the UNC System. The Commission recognizes that these holistic and interlocking recommendations would involve partnership between the Board of Governors, the majority and minority parties in the General Assembly, and the Office of the Governor.

The Commission's recommendations are motivated primarily by the principle that the governing boards of the UNC System and its institutions should reflect and represent the people they serve and enhance accountability to the citizens they serve. Today, nearly 250 volunteer citizens have the privilege of serving our state as members of the UNC System Board of Governors or as trustees of the 17 constituent institutions. While our state is rich in all types of diversity, that diversity and that strength is not reflected in our governance today. To draw on the rich talents of many voices and views, we recommend the following:

1) The UNC Board of Governors should create a new Center of Higher Education

Governance to optimize the use of good governance principles in higher education throughout America and to assist the Board of Governors (BOG) and Boards of Trustees (BOTs) in enhancing existing governance practices in North Carolina. The Center could be located on the campus of one of the UNC System constituent institutions or within the UNC System Office and should be provided with the staffing needed to accomplish its goals and adequately serve existing and future members of UNC System governing bodies. The Commission further recommends that the Center have a bi-partisan advisory board appointed in part by the General Assembly and in part by the Governor.

The responsibilities of the Center should include:

- Provide thought leadership on higher education governance in North Carolina and throughout the United States.
- Develop programs and classes on higher education governance for students and the public.
- Develop and deliver a consistent orientation program to all new members of the BOG and BOTs.
- Develop and deliver consistent continuing education for members of governing boards on current issues facing higher education.
- Develop and provide training programs for interested prospective governing board members and, to assist appointing authorities, maintain a database of trained, interested individuals including their qualifications, skills, and experience. The Center would encourage individuals that are representative of the diversity of the state to indicate their interest in serving and to allow themselves to be listed in the database. Previous state employees, such as retired faculty and university administrators, who may not have been eligible to serve during their careers, would be encouraged to indicate their interest. The database may also include all current and previous members of the BOTs and the BOG as those individuals would be presumed to have the interest and experience needed to serve on other boards where eligible.

- Provide recommendations to the BOTs and the BOG on ways to strengthen policies related to ethical behavior and conflicts of interest, as well as guidelines to clarify board member responsibilities and roles.
 - Provide recommendations designed to clarify and enhance the division of responsibilities between the BOG and the BOTs as well as the division of responsibilities between each campus administration and the Office of the President.
 - Provide recommendations on how to ensure clear and consistent rules and procedures for board operations, such as the use of consent agendas, voting procedures, etc.
 - Produce an annual report of the work of the Center, including demographic data on the makeup of the BOG and each BOT.
 - Develop and regularly publish a newsletter providing information about the issues facing governing boards in North Carolina as well as detailing actions taken. This communication tool would serve to keep each BOT aware of what is considered by the BOG and other BOTs, as well as to keep the BOG aware of what is considered by the BOTs. This newsletter would be available to constituent groups of the University as well as the public with the purpose of creating maximum awareness and transparency regarding actions considered and acted upon by governing boards.
- 2) **The General Assembly should increase the size of the Board of Governors from the current 24 to 32 appointed members.**⁶³ The enlarged BOG would enable additional opportunities to increase diversity pursuant to N.C. General Statutes §116-7(a). To ensure geographic diversity, the Commission recommends that 16 members be selected at-large and that 16 members be selected equally from each of the eight North Carolina Prosperity Zones.⁶⁴ In addition, the Commission recommends that the BOG include as non-voting ex-officio members the State Superintendent of Public Instruction and the President of the Community College System (or their designees) to enhance collaboration across the education continuum. Finally, the Commission recommends that the BOG include, in addition to the current student representative (who would be allowed to vote on all matters other than the election of the officers of the Board of Governors),⁶⁵ two non-voting ex-officio members--the Chair of the Faculty Assembly and the Chair of the Staff Assembly.
- 3) **The General Assembly should select all members of the Board of Governors who are not ex officio members in the following manner:** The majority party in the House and in the Senate should select 12 members each. The largest minority party in the House and Senate should select 4 members each. This selection requirement will ensure a more bi-partisan BOG with greater diversity of political thought and reduce the perception of political influence in university governance.

⁶³ This number is not inclusive of ex-officio members.

⁶⁴ The North Carolina Prosperity Zones are described on several sites of the North Carolina Department of Commerce at: <https://www.commerce.nc.gov>.

⁶⁵ This limitation on the voting rights of the student member seems appropriate because the student member's typical term is one year whereas BOG officers typically serve two-year terms and may serve longer.

- 4) **The General Assembly should increase the size of each of the institutional Boards of Trustee (other than the North Carolina School of Science and Math)⁶⁶ to 15 members not including ex-officio members.** The Commission recommends that the members of the BOTs be selected in the following manner: 7 members to be selected by the BOG; 4 members to be selected by the General Assembly; and 4 members to be appointed by the Governor. Further, the Commission recommends that, in addition to the existing student member of each BOT, that two non-voting ex-officio members be added to each BOT — the campus Chair of the Faculty Senate and the campus Chair of the Staff Assembly. The Commission believes these changes would ensure more diversity of thought and would increase public confidence in the BOTs while reducing the perception of political influence in university governance. Any appointments allocated to the Governor should not take effect until after January 1, 2025.
- 5) **The General Assembly should increase the length of the terms of members of the Board of Governors and Boards of Trustees from 4 years to 8 years.⁶⁷ Members appointed to either the Board of Governors or a Board of Trustees would be limited to one full term on the board to which the individual is appointed.⁶⁸** Governance works best when individuals who are capable, qualified, of high integrity, and focused on the university are free to use their skills and exercise their judgment to oversee the enterprise. With a governance system involving so many individuals, freedom to build consensus and act with principle is essential particularly given the scope and breadth of policy decisions to be understood and made. Longer board terms help build expertise and experience on the board to better serve students and the state. But a single eight-year term also allows more new members to join boards more frequently and add fresh thinking of value to the enterprise. Further, by removing the opportunity for reappointment, single terms may help provide immediate insulation from and lessen the perception of political influence over members by their appointing authority.
- 6) **To enhance transparency and accountability of board members, all general business meetings of the Board of Governors and each Board of Trustees should be livestreamed and recorded.** All committee meetings and full board meetings should be publicly noticed and held in locations that can accommodate a reasonable number of members of the public. In addition, all members of the BOG and BOTs should be required to establish institutional email accounts and use those institutional accounts for all correspondence related to their role as a member of a governing board. This will enable the public and other stakeholders to contact and provide input to governing board members. The process for appointment of new members of the BOG and/or any BOT and filling vacancies should be transparent and publicly disclosed in advance of the selection process. The disclosures regarding the process should include seats available for selection, the appointing authority, the process for receiving and considering nominees, and the timeline for the process. Further, at the time of the disclosure of the process, information regarding the demographic characteristics, skills, and qualifications of existing members of the board or boards with appointment should be made public. Public transparency and accountability for action is enhanced when the public has easy access to members of governing

⁶⁶ See note 34.

⁶⁷ It is the intent of the Commission to maintain the current system of staggering Board member terms.

⁶⁸ This limitation would not apply to any individual's ability to serve at different times on multiple boards at either the System or campus levels.

boards and knowledge of public meetings at which important governance decisions are made. Further, public confidence in our governing boards and their decisions is enhanced by transparency and accountability.

- 7) **Any individual who has been serving as a registered lobbyist or as a member of the General Assembly should have a required “cooling-off” period before serving on a governing board.** Serving on a governing board as a registered lobbyist or recent member of the General Assembly creates the perception of a closeness to an appointing authority as well as potential conflicts of interest. A “cooling-off” period will reduce the risk of real or perceived conflicts of interests and will reduce the perception of political influence in university governance. The Commission recommends that the “cooling-off” period be one year after the individual’s term in the legislature ends or after the individual ceases to be a registered lobbyist.

These recommendations were approved by the Commission on June 12, 2023.⁶⁹

Conclusion

North Carolina has long been recognized as a national leader in higher education. The 17 institutions in the University of North Carolina System are responsible for educating nearly 250,000 students annually, employing thousands of North Carolinians, and have an estimated economic impact of \$27.9 billion on the state. The reputation of these institutions, along with continued state investment enables them to recruit the world’s most talented students (undergraduate and graduate), faculty, staff and administrative leaders. Each year, these talented individuals contribute to novel research and discoveries that save lives, result in innovations that better outcomes for many, and enable the creation of new businesses that add jobs and economic value to the state.

In order to maintain the strength of these institutions and all they impact, the Commission believes that a university governance structure that embodies the great diversity of our state and is centered on accountability will promote and protect the state’s vital institutions for years to come. As state higher education systems across the country are grappling with new governance, political, and educational challenges, North Carolina can be seen as at the forefront of effective public university governance that upholds the core principles of democracy. By implementing the proposed recommendations, policymakers in this state will demonstrate that North Carolina is committed to ensuring the health of state’s higher education system and developing the well-trained, diverse workforce needed to continue the state’s great legacy of economic prosperity for all.

⁶⁹ Alternative suggestions provided by Commission members for improving the governance structure of the UNC System can be found in Appendix 7.



Appendix I

State of North Carolina

ROY COOPER
GOVERNOR

November 1, 2022

EXECUTIVE ORDER NO. 272

**ESTABLISHING THE GOVERNOR'S COMMISSION ON THE
GOVERNANCE OF PUBLIC UNIVERSITIES IN NORTH CAROLINA**

WHEREAS, North Carolinians continually strive to be better educated, healthier, and more financially secure so they may live purposeful and abundant lives; and

WHEREAS, the 17 institutions in the University of North Carolina System are responsible for educating 244,500 students annually, employ thousands of North Carolinians, and have an estimated economic impact of \$27.9 billion on the state; and

WHEREAS, the University of North Carolina System is a national leader in scientific and social science research, bringing in billions of dollars in grants to North Carolina; and

WHEREAS, the research and discoveries from the University of North Carolina System's campuses save lives, result in innovations that improve lives, and enable the creation of new businesses that add jobs and economic value to the state; and

WHEREAS, the University of North Carolina System's campuses are located throughout the state and use the services of many private sector businesses, all of which add significantly to the economy of the state; and

WHEREAS, Article IX, Section 8 of the North Carolina Constitution makes clear that a public university system is a fundamental part of the composition of the State of North Carolina; and

WHEREAS, Article IX, Section 9 of the North Carolina Constitution instructs that the benefits of this system be extended, as far as practicable, to the people of the state free of expense; and

WHEREAS, North Carolina has been a national leader in public higher education since the University of North Carolina at Chapel Hill became the first public university in the nation to open its doors in 1795; and

WHEREAS, in 1971, the General Assembly passed legislation consolidating the University of North Carolina into a sixteen-campus system, with a constituent high school added in 2007, and establishing a board of governors to govern the system (the "Board of Governors"); and

WHEREAS, each institution has a board of trustees which advises its Chancellor and the Board of Governors on matters concerning the institution, and is comprised of members selected by the Board of Governors and General Assembly; and

WHEREAS, the University of North Carolina System is dedicated to the service of North Carolina and its people; and

WHEREAS, the University of North Carolina System is the state's crown jewel by virtue of the system's excellent academic reputation, training of North Carolina's workforce, and advancement of health care, agriculture, and technology; and

WHEREAS, the University of North Carolina System includes five (5) Historically Black Colleges and Universities that have been recognized nationally for their academic programs and general excellence; and

WHEREAS, a stable, affordable, high-quality public university system is critical to the educational and economic future of North Carolina and its residents; and

WHEREAS, in 1971 when the University of North Carolina System was formed, and again in 1991, the General Assembly sought to ensure, through legislation, that the members of the Board of Governors of the University of North Carolina System would be diverse in terms of experience and thought, and that the board would include North Carolinians from various backgrounds; and

WHEREAS, such diversity of experience and thought in members of the governing board is consistent with the very nature of an institution focused on higher learning; and

WHEREAS, pursuant to Article III of the North Carolina Constitution and N.C. Gen. Stat. §§ 143A-4 and 143B-4, the Governor is the chief executive officer of the state and is responsible for formulating and administering the policies of the executive branch of state government; and

WHEREAS, the undersigned, as the state's Chief Executive Officer, seeks recommendations on how to ensure that the composition of the Board of Governors of the University of North Carolina System and the Board of Trustees of each constituent institution is reflective of the diversity of the state and is best suited to assure the success of the University of North Carolina System in the 21st century; and

WHEREAS, a diverse commission comprised of members from various backgrounds who reflect the regional, ethnic, racial, gender, and political diversity of the state will assist in identifying the best governance strategies to improve the quality of higher education for all students in North Carolina.

NOW, THEREFORE, by the authority vested in me as Governor by the Constitution and the laws of the State of North Carolina, **IT IS ORDERED**:

Section 1: Establishment and Purpose

- a. The Governor's Commission on the Governance of Public Universities in North Carolina ("Commission") is hereby established. The Commission is charged with evaluating the current governance structure of the University of North Carolina System and of each constituent institution and making recommendations to the Office of the Governor on how to improve existing governance, by recommending 1) who should appoint the members of the Board of Governors and the members of each Board of Trustees; 2) how to ensure that the composition of the Board of Governors and each Board of Trustees reflects the regional, ethnic, racial, gender, gender, political, and economic diversity of the state; and 3) a proposed set of principles and responsibilities that should apply to members of the Board of Governors and members of each Board of Trustees.
- b. Commissioners shall deliver a report to the Office of the Governor no later than eight (8) months from the date of this Executive Order providing the assessment and

recommendations specified in Section 1(a) herein and making any additional recommendations as requested by the Governor regarding support for and oversight of the State's public universities.

Section 2: Duties

The Commission shall have the following duties and functions:

- a. Engage subject matter experts who can provide information to the Commission on the status of public university governance in North Carolina and best practices elsewhere.
- b. Receive testimony from individuals with experience and perspective on the governance structure of the University of North Carolina System and of each constituent institution.
- c. Make recommendations, consistent with Section 1, regarding the structure and composition of the Board of Governors and the Board of Trustees, including who should make appointments to these governing bodies.

Section 3: Membership

- a. The Commission shall be comprised of at least fifteen (15) members appointed by the Governor. These members shall include individuals with (i) experience with the University System; (ii) general experience with higher education governance; (iii) experience with higher education governance best practices; or (iv) other relevant experience that would be valuable to the Commission.
- b. All members will serve at the pleasure of the Governor.
- c. The Governor shall select co-Chairs and a Vice Chair from the members serving on the Commission. The Commission may elect other officers as it deems necessary.

Section 4: Meetings and Quorum

The Commission shall meet at least four (4) times before producing the report identified in Section 1 and shall also meet upon the call of one of the Commission Chairs, the call of the Commission Vice Chair if a Commission Chair position is vacant, or upon the written request of a majority of the Commission members. A simple majority of the Commission's members shall constitute a quorum to conduct official business.

Section 5: Administration

- a. The Commission may create sub-committees.
- b. The Office of the Governor shall provide staff and administrative support services for the Commission.
- c. Commission members shall serve without compensation but may receive a per diem allowance and reimbursement for travel and subsistence expenses from available state funds in accordance with state law and Office of State Budget and Management policies and regulations.

Section 6: Effect and Duration

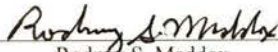
This Executive Order is effective immediately and shall remain in effect until December 31, 2024, unless otherwise extended, modified, or rescinded by subsequent Executive Order.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed the Great Seal of the State of North Carolina at the Capitol in the City of Raleigh, this the 1st day of November, in the year of our Lord two thousand twenty-two.



Roy Cooper
Governor

ATTEST:



Rodney S. Maddox
Chief Deputy Secretary of State



Members of Commission on the Governance of Public Universities in North Carolina

- ❖ **Thomas W. Ross, Sr. of Davidson as co-chair.** Ross is the former President of the Volcker Alliance, President Emeritus of the University of North Carolina System, and President Emeritus of Davidson College. He previously served as a Superior Court Judge and director of the Z. Smith Reynolds Foundation.
- ❖ **Margaret Spellings of Texas as co-chair.** Spellings serves as President and CEO of Texas 2036, a non-partisan, non-profit organization building long-term, data-driven strategies to secure Texas' prosperity through the state's bicentennial and beyond. Previously, she served as the U.S. Secretary of Education and White House Chief Domestic Policy Advisor under President George W. Bush; President of the George W. Bush Presidential Center; and President Emeritus of the University of North Carolina System.
- ❖ **Representative John R. Bell IV of Goldsboro as a member at-large.** Representative Bell is a native of Mount Olive, North Carolina and a graduate of the University of North Carolina at Wilmington with a Bachelor of Arts in Criminal Justice and Sociology. He is serving his fifth term representing the citizens of House District 10 which includes Greene, Johnston, and Wayne counties. Bell has served as House Majority Leader since August 2016.
- ❖ **W. Louis Bissette, Jr. of Asheville as a member at-large.** Bissette is an attorney with the law firm of McGuire Wood & Bissette in Asheville, where he served two terms as Mayor. He currently serves on the Board of Trustees of Wake Forest University and UNC Asheville, and he is a former member of the Board of Trustees of Western Carolina University and the Board of Governors of the University of North Carolina System, serving as Chairman from 2015 to 2018.
- ❖ **Dr. Nicole Dobbins of Summerfield as a member at-large.** Dobbins is an Associate Professor of Special Education in the Department of Educator Preparation at North Carolina A&T State University. Her research involves equitable and inclusive educational strategies with emphasis on differentiation through the application of Universal Design for Learning. Dr. Dobbins is currently the Vice Chair of the UNC Faculty Assembly and the NC A&T State University Faculty Senate. She is committed to ensuring faculty have a voice in shared governance through advocacy, communication and collaborative efforts.
- ❖ **Representative John Fraley of Mooresville as a member at-large.** Former Representative Fraley served in the North Carolina House of Representatives from 2015-2020. Fraley is a graduate of UNC-Chapel Hill. He is a current member of the UNC Board of Governors and serves as Board Chair of myFutureNC.
- ❖ **Isaiah Green of Massachusetts as a member at-large.** A recent graduate of UNC Asheville, Green is the former student member of the UNC System Board of Governors and the former Student Body President at UNC Asheville. During his time in both of these positions, he worked collaboratively with university and community leaders to ensure students had a voice and were kept engaged in institutional governance.

Members of Commission on the Governance of Public Universities in North Carolina

- ❖ **Ann Goodnight of Raleigh as a member at-large.** Goodnight has been an advocate for children and education for more than 25 years. She is a co-founder and board member of Cary Academy and a trustee of North Carolina State University. She serves as Chair of the Goodnight Educational Foundation, an active board member for myFutureNC, and serves on the board of directors of the GSK Foundation. In addition, Mrs. Goodnight also serves on the boards of the YMCA of the Triangle and the NC Science Festival.
- ❖ **Dr. Clifford A. Jones, Sr. of Charlotte as a member at-large.** Jones has served as the Senior Pastor of Friendship Missionary Baptist Church in Charlotte since 1982. Jones previously served on the Winston-Salem State University Board of Trustees.
- ❖ **Gary Locklear of Pembroke as a member at-large.** Locklear is a retired Superior Court Judge. He is currently working part-time with the Robeson County Attorney's Office. Locklear has previously served on the UNC Pembroke Board of Trustees.
- ❖ **Senator Gladys A. Robinson of Greensboro as a member at-large.** Robinson has just been elected to her seventh term in the North Carolina Senate. She is 1st Vice Chair of the North Carolina Legislative Black Caucus. Robinson previously served on the UNC Board of Governors for 10 years and now serves as the North Carolina/South Carolina Co-chair of the National Black Caucus of State Legislators Region V and the Governor's State Health Coordinating Council.
- ❖ **Karen A. Popp of Chapel Hill as a member at-large.** Popp is a partner at the global law firm Sidley Austin LLP, where she is an international lawyer and co-leader of her practice group. Popp is the former Chair of UNC Charlotte's Board of Trustees and Foundation Board. She was the President of the UNC Law Alumni Association and a founding member of the Higher Education Works Foundation. Popp was the first female student body president in the UNC System. Popp has previously served as a commercial litigator at Sullivan & Cromwell in New York City, Associate White House Counsel to President Clinton, attorney in the Office of Legal Counsel at the U.S. Department of Justice, and a federal prosecutor in New York City.
- ❖ **Hon. Cressie Thigpen, Jr. of Raleigh as a member at-large.** Thigpen served as a Special Superior Court Judge and on the North Carolina Court of Appeals. He served as the first African-American President of the North Carolina State Bar in 1999. He is a former Chair of the North Carolina Central University Board of Trustees and previously served on the UNC-Chapel Hill Board of Trustees.
- ❖ **John L. Townsend, III of New York as a member at-large.** A native of Lumberton, Townsend moved to New York in 1982 where he spent his professional career at Donaldson, Lufkin & Jenrette, Goldman Sachs, and Tiger Management. He has served on the Board of Trustees of UNC-Chapel Hill and currently serves as the chair of the UNC Investment Fund which manages the endowments of UNC-Chapel Hill and other System institutions. Townsend also serves as Chair of the current UNC-Chapel Hill Capital Campaign, which will conclude this year.
- ❖ **Brad Wilson of Raleigh as a member at-large.** Wilson is CEO Emeritus of Blue Cross Blue Shield of North Carolina. He served on the UNC Board of Governors for 16 years and served as Chair of the Board for 4 years. A graduate of Appalachian State University, Wake Forest Law School, and Duke University, he has served as an Executive in Residence at Wake Forest University and NC A&T State University. He also served as an adjunct faculty member at UNC-Chapel Hill.



STATE OF NORTH CAROLINA
OFFICE OF THE GOVERNOR

Governor's Commission on the Governance of Public Universities in North Carolina
December 14, 2022
9:00 am – 3:30 pm
OSBM Commission Room, 5th Floor, Department of Administration
Agenda

Meeting materials are available online at: <https://governor.nc.gov/news/events/meeting-governors-commission-governance-public-universities-north-carolina>

9:00 - Call to Order, Conflict of Interest Statement, and Opening Remarks

- *Tom Ross and Margaret Spellings, Co-Chairs*

9:15 - Remarks to the Commission

- *Governor Roy Cooper*

9:30 – Swearing-In of Commission Members

9:45 – Introductions of Commission Members

10:00 – Overview of University Governance in Other States

- *Dr. Kevin Reilly, Senior Consultant and Senior Fellow, AGB Consulting*

11:30 – Break

11:45 – History of UNC System Governance

- *Dr. William Link, Richard J. Milbauer Chair in Southern History, University of Florida*

12:15 – Overview of Current UNC System Board Membership

- *Dr. Chris Marsicano, Assistant Professor of Educational Studies, Davidson College*

12:30 - Lunch

1:15 – University Governance Board Member Responsibilities

- *Dr. James E. Lyons Sr., Senior Consultant, AGB Consulting*

2:15 – Commission Workplan Discussion

- *Co-Chairs Ross and Spellings*

3:00 – Briefing on Public Records and Open Meetings Requirements

- *Greg Moss, Assistant General Counsel, Office of the Governor*

3:30 - Adjourn



STATE OF NORTH CAROLINA
OFFICE OF THE GOVERNOR

Governor's Commission on the Governance of Public Universities in North Carolina
February 7, 2023 | 9:00 am – 3:00 pm
5th Floor Board Room, Department of Environmental Quality

Commission Members: Tom Ross, Co-chair | Margaret Spellings, Co-chair | State Rep. John Bell IV | W. Louis Bissette, Jr. | Dr. Nicole Dobbins | John Fraley | Isaiah Green | Ann Goodnight | Dr. Clifford A Jones, Sr | Gary Locklear | State Sen. Gladys Robinson | Karen Popp | Cressie Thigpen, Jr | John L Townsend III | Brad Wilson

AGENDA

Meeting materials are available online at: <https://governor.nc.gov/news/events/meeting-governors-commission-governance-public-universities-north-carolina-1>

- 9:00am** **Call to Order, Conflict of Interest Statement, and Introductions**
 - *Tom Ross and Margaret Spellings, Co-Chairs*
- 9:15am** **Presentation of Requested Information**
 - *Dr. Chris Marsicano, Assistant Professor of Educational Studies, Davidson College*
- 10:00am** **Review of Synthesis of Member Questionnaires**
 - *Ross / Spellings*
- 11:30am** **Lunch**
- 12:15pm** **SACSCOC Presentation: The Role of the Governing Board**
 - *Dr. Belle Wheelan, President, SACSCOC*
- 1:15pm** **Presentation of Requested Information**
 - *Eric Fletcher, General Counsel, Office of the Governor*
- 1:45pm** **Public Session Game Plan**
 - *Minda Watkins*
- 2:15pm** **Invited Testimony**
 - *Wade Maki (UNCG), Chair, UNC Faculty Assembly*
 - *Crystal Woods (NCSSM), Chair, UNC Staff Assembly*
 - *Ray Palma (UNCCH), President, UNC Association of Student Governments*
- 3:00pm** **Adjourn**

Ethics Awareness and Conflict of Interest Reminder

In accordance with the State Government Ethics Act, it is the duty of every Commission member to avoid both conflicts of interest and the appearances of conflicts of interest. If any Commission member has any known conflict of interest or is aware of facts that might create the appearance of such conflict, with respect to any matters coming before the Commission today, please identify the conflict or the facts that might create the appearance of a conflict to ensure that any inappropriate participation in that matter may be avoided. If at any time, any new matter raises a conflict during the meeting, please be sure to identify it at that time.



STATE OF NORTH CAROLINA
OFFICE OF THE GOVERNOR

Governor's Commission on the Governance of Public Universities in North Carolina
May 4, 2023 | 9:00 am – 3:00 pm
5th Floor Conference Room, Department of Environmental Quality

Agenda

Meeting materials are available online at: <https://governor.nc.gov/news/events/meeting-governors-commission-governance-public-universities-north-carolina-1>

- | | |
|-----------------------|--|
| 9:00-9:15am | Call to Order, Conflict of Interest Statement, Welcome Remarks
• <i>Tom Ross and Margaret Spellings, Co-Chairs</i> |
| 9:15-10:00am | Readouts from Public Forums
• <i>Ziev Dalsheim-Kahane</i>
• <i>Additional Comments: Karen Popp, Lou Bisette, Tom Ross</i> |
| 10:00-10:30am | Data Analysis
• <i>Phil Dubois</i> |
| 10:30-12noon | Discussion of Draft Recommendations
• <i>Tom Ross Margaret Spellings</i> |
| 12noon-12:45pm | Lunch |
| 12:45-2:00pm | Discussion of Draft Recommendations Cont'd
• <i>Tom Ross Margaret Spellings</i> |
| 2:00-2:30pm | Report Mechanics (delivery date, distribution, communications)
• <i>Tom Ross</i> |
| 2:30-2:45pm | Next Steps
• <i>Tom Ross Margaret Spellings</i> |
| 2:45pm | Adjourn |

NOTE: Next Meeting: Monday, June 12

Ethics Awareness and Conflict of Interest Reminder

In accordance with the State Government Ethics Act, it is the duty of every Commission member to avoid both conflicts of interest and the appearances of conflicts of interest. If any Commission member has any known conflict of interest or is aware of facts that might create the appearance of such conflict, with respect to any matters coming before the Commission today, please identify the conflict or the facts that might create the appearance of a conflict to ensure that any inappropriate participation in that matter may be avoided. If at any time, any new matter raises a conflict during the meeting, please be sure to identify it at that time.

Governor's Commission on the Governance of Public Universities in North Carolina Questionnaire

1. Given what the data shows about underrepresentation of various groups (women, Hispanic, African American, partisan, and regional especially), to what extent do you support specific ways to strengthen diversity considering the requirements of the [statute](#) and what types of approaches would you support? (e.g., Congressional District requirements, qualifications for appointment, appointment of individuals recommended by outside groups, etc.) Note: additional information being gathered regarding the potential limits on what is possible under the NC Constitution and other laws.
Click or tap here to enter text.

2. How can the Commission make the case that greater diversity is a strength and that it can add value to the enterprise with a special focus on the public and elected legislative leaders?
Click or tap here to enter text.

3. To what extent should appointment practices and expected outcomes at both the Board of Governors and institutional trustee levels be similar?
Click or tap here to enter text.

4. What types of diversity in leadership roles (chairs, vice-chairs, committee chairs etc.) should be prioritized?
Click or tap here to enter text.

5. The selection process for Board of Governors and institutional trustees is clearly in the scope of our work. Should any specific types of qualifications or disqualifications be considered as in some states?
Should we speak to issues like length of term, board size, or other factors that can encourage diversity and independence?
Click or tap here to enter text.

6. Should we consider recommendations about additional members (ex-officio or otherwise to be added at the Board of Governors or institutional level) as other states have done to establish a greater connection with other key factors such as the state superintendent of schools, community college leaders or workforce system leaders?
Click or tap here to enter text.

Governor's Commission on the Governance of Public Universities in North Carolina Questionnaire

7. Should we consider recommendations regarding the vetting, interviewing, and election process of legislatively appointed members?

Click or tap here to enter text.

8. Should we consider multiple appointing authorities – majority and minority leaders in both house of the General Assembly, the Governor, others for either the BOG or institutional trustees?

Click or tap here to enter text.

9. Are their specific ideas you have about the responsibilities and duties of governing board members that should be included in our report?

Click or tap here to enter text.

10. As we gather input from key stakeholders, what questions might we pose to focus that input on productive and future oriented recommendations while avoiding complaints about prior actions?

Click or tap here to enter text.

11. As we consider dates for future meetings, please indicate your availability below.

February 7, 2023

May 4, 2023

May 5, 2023

June 12, 2023

June 13, 2023

12. We will need commission support to host public input sessions. Please indicate your top three preference of cities from the dropdown options below:

preferred=top 3 | NOT preferred=can't attend | optional=willing to attend

Raleigh/Durham/Chapel Hill Choose an item.

Charlotte Choose an item.

Wilmington Choose an item.

Greenville Choose an item.

Asheville Choose an item.

Greensboro Choose an item.

*Feel free to suggest other cities for consideration.

Click or tap here to enter text.

Governor's Commission on the Governance of Public Universities in North Carolina Questionnaire

13. Please list other questions the commission might consider.

Click or tap here to enter text.

14. Please list specific groups or individuals who should be invited to submit recommendations.

Click or tap here to enter text.

15. Other comments?

Click or tap here to enter text.



The Governor's Commission on the Governance of Public Universities in North Carolina

Public University System Boards Selection and Composition

Dr. Kevin P. Reilly, Senior Consultant and Senior Fellow
AGB Consulting

14 December 2022

Expert guidance, proven solutions.

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The information in this presentation was prepared for the California State University (CSU) System Board of Trustees in November 2022. It is based on a survey of 25 university system governing boards conducted by the National Association of System Heads (NASH) earlier in Fall, 2022. The analysis of the survey responses and the report of them on which this presentation is based are the work of Jane Wellman, a consultant to the CSU System Board. I am grateful to CSU, to NASH and its Executive Director, Rebecca Martin, and to Jane Wellman for permission to use this information.



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Board Composition

- Range in size between 6 and 25 members, with an average of 12
- **3 Major Categories:** Public, Designated, and Ex Officio
- **Public** Trustees have no pecuniary or other material interest in the system
 - The majority of members in all systems

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Board Composition Cont'd

- **Designated** Trustees average 13% of members across the systems
 - Appointed or elected from specific stakeholder groups: students, faculty, and alumni
- **Ex Officio** Trustees hold seats on the board by virtue of the office they hold
 - Smallest category of trustees

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Public Trustees

- All voting members
- Appointed by Governor and confirmed by state senate in 22 of 25 systems
- 3 systems have elected board – Colorado, Nebraska, North Carolina
 - 2 by statewide popular election, 1 (YOU!) by the state legislature

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Public Trustees

- In 17 of the 25 systems, drawn from a statewide pool
 - Serve statewide interests?
- In 8 other systems, based on geography, typically by congressional district
- Terms range between 4 and 12 years, with an average of 8
- Governor's discretion

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Public Trustees

- In a few states, law or board by-laws provide for boards to suggest desirable attributes
- Governor retains discretion
- Informal suggestions

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Designated Trustees

- Appointed or elected from stakeholder groups
- Some selected by Governor from lists prepared by constituent groups
- Many student trustees elected or appointed by student government
- Some can vote, others are advisory

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Designated Student Trustees

- 11 of 25 systems have voting student trustees
- 10 have non-voting student trustees
- 4 have no student trustees – Colorado, Georgia, Idaho, Mississippi

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Designated Student Trustees

- 14 of the boards with student trustees have 1 student, in 8 cases voting and 6 cases non-voting
- 3 boards have 2 student trustees – 2 boards where both students have a vote, 1 where only 1 student votes (Maryland)
- 2 boards have 3 student trustees, and 1 has 4! – Nebraska, with all 4 non-voting and elected by students
- Typically serve 1-or-2-year terms

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Designated Faculty Trustees

- Relatively rare
- Of 25 boards, 18 have none, while 5 have non-voting faculty trustees
- Only two boards have voting slots for them
- Most systems have faculty advisors who “sit” with the board, while not being members

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Designated Alumni Trustees

- Only the CSU System has a statutorily designated slot for an alumni trustee (1 voting, 2-year term)
- 1 other system has 2 voting alumni in ex officio slots
- But of course, many trustees are alumni

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Ex Officio Trustees

- 11 of 25 boards have them, mostly elected officials
- 4 systems hold seats for the Governor, all voting
- 2 others for the Superintendent of Public Instruction and additional office holders
- 2 California systems have the most ex officio members
 - Governor, Lt. Governor, Speaker of the Assembly, Superintendent of Public Instruction, and the System Head, all voting
- No language limiting their role

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The Big Question

Do you dance with the one who “*brung ya*” or should you have a lot of dance partners?

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The Statutes' Answer

"...All members shall be deemed members-at-large, charged with the responsibility of serving the best interests of the whole state."

"Members shall be selected based upon their ability to further the educational mission of the university through their knowledge and understanding of the educational needs and desires of all the state's citizens, and their economic, geographic, political, racial, gender, and ethnic diversity."

AGB

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The UNC System

in Historical Perspective

William A. Link

University of Florida

UNC

- Chartered 1789; first meeting of trustees late 1789
- University opened Jan 15, 1795
- February 12, 1795: Hinton James became first student to enroll
- 1st year: 41 students, 3 faculty members
- 1798: first graduating class

UNC enrollments

- 230 students in 1850 increased to 456 in 1858.
- From 1850 to 1860, 3,480 students matriculated, and 571 graduated.
- By the end of the decade over one-third of the student body came from states other than North Carolina.

FACULTY 1795 - 1992			
Year	Number of Faculty	Year	Number of Faculty
1795	3	1895	18
1800	4	1900	20
1805	2	1905	49
1810	3	1910	57
1815	4	1915	57
1820	8	1920	70
1825	10	1925	169
1830	8	1930	212
1835	7	1935	264
1840	7	1940	312
1845	8	1945	414
1850	7	1950	399
1855	11	1955	570
1860	11	1960	783
1865	8	1965	1149
1870	0	1970	1469
1875	7	1975	1745
1880	13	1980	1891
1885	19	1985	1911
1890	14	1990	2180
		1992	2249

STUDENT ENROLLMENT AT THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL 1795-1993		
YEAR	NUMBER OF STUDENTS	PERCENT GROWTH
1795	41	-----
1805	57	39.02%
1815	83	45.61%
1825	122	46.99%
1835	104	-14.75%
1845	156	50.00%
1855	324	107.69%
1865	128	-60.49%
1875	68	-46.88%
1885	204	200.00%
1895	351	72.06%
1905	680	93.73%
1915	1,059	55.74%
1925	2,734	158.17%
1935	3,052	11.63%
1945	2,480	-18.74%
1955	6,575	165.12%
1965	12,419	88.88%
1975	20,615	66.00%
1985	22,021	6.82%
1993	24,299	10.34%

Early governance: 1821 legislation

- Elected by joint ballot of the legislature
- 65 member board of trustees, chaired by governor
- 1835: creation of 7-member Executive committee

Civil War and Reconstruction

- In 1858, the university boasted an enrollment of 461, making it the largest institution, after the University of Virginia, of higher learning in the South.
- By 1865, total enrollment had declined to 60.

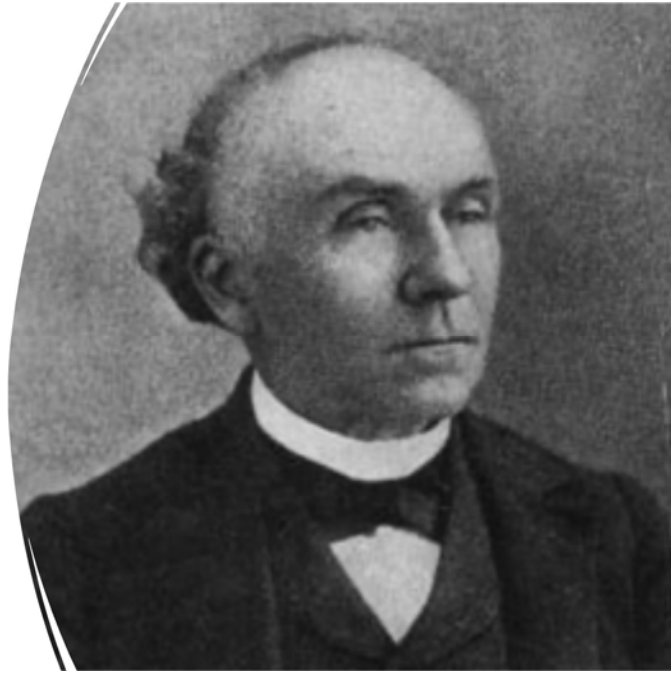
Civil War and Reconstruction

- 1868: David Lowry Swain and the faculty tendered their resignations
- Before this could be done, however, a new state constitution was adopted.
- Shift from trustees' control to state board of education



William
Woods
Holden, 1818-
1892

Solomon
Pool, 1832-
1901



Civil War and Reconstruction

- 1868 constitution (Article IX, Section 9) required the General Assembly to "provide by taxation and otherwise for a general and uniform system of public schools, wherein tuition shall be free of charge to all of the children of the State between the ages of six and twenty-one years."
- Feb 1871 to Sept 1875 UNC closed



The Modern University of North Carolina

- EK Graham's declaration that the university should make itself "co-extensive with the boundaries of the State," which meant making UNC in a "warm, sensitive touch with every problem in North Carolina life, small and great."
- Bargain with NC political power structure

Depression and University Consolidation

REPORT ON A SURVEY
of the
Organization and Administration
of the
State Government of North Carolina

Submitted to
GOVERNOR O. MAX GARDNER

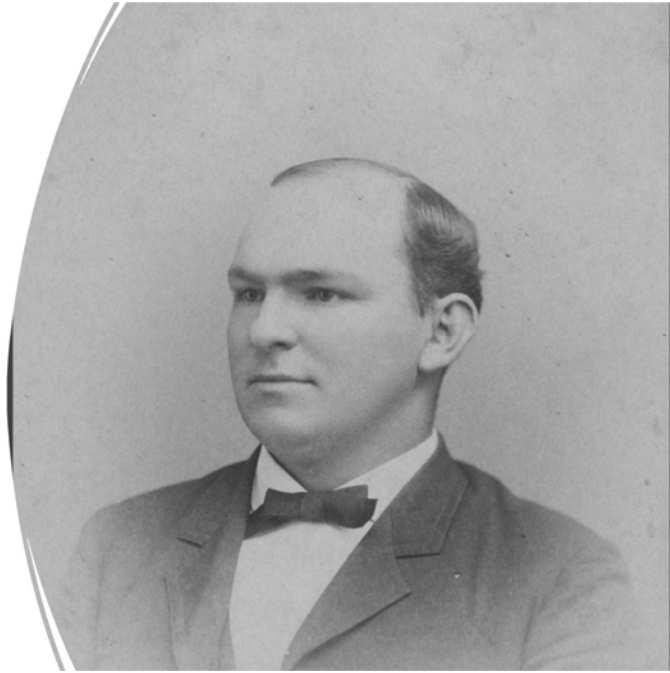
BY
INSTITUTE FOR GOVERNMENT RESEARCH
OF
THE BROOKINGS INSTITUTION
WASHINGTON, D. C.
1930

Digitized by Google

Original from
CORNELL UNIVERSITY

North Carolina senior public colleges: Greensboro

- State Normal & Industrial School founded in 1891
- 1897: State Normal & Industrial College
- 1919-1931: North Carolina College for Women
- Impact of Charles D. McIver (1860-1906)



State Normal graduating class, 1893



NC State

- Founded 1887 under Morrill land-grant act
- Open in 1889, with 72 students, six faculty
- North Carolina College of Agriculture and Mechanic Arts
- Courses in agriculture, horticulture, pure and agricultural chemistry, English and bookkeeping, and mathematics and practical mechanics
- Name change 1917: North Carolina State College of Agriculture and Engineering
- Known as “State College”

UNC consolidation

- 1931 legislative enactment
- 1931-32 Survey Committee
- In May 1932, the survey committee proposed that a new, consolidated university, with a single president and administration, be located in Chapel Hill.
- Proposed to reduce the roles of the Raleigh and Greensboro campuses
- Consolidation commission then attempted to implement proposal

Controversy

- Its most controversial proposal was that State College's schools of agriculture and engineering should be moved to Chapel Hill and that the Raleigh campus should be transformed into a junior college.
- Once the report went to the consolidation commission, however, the commission ignored the survey committee's controversial recommendations about State College.

UNC consolidation

- The new, reconstituted UNC board of trustees, with 100 members and a twelve-member executive committee, met in July 1932 and adopted these recommendations. It ordered the election of a single consolidated university president and the appointment of three vice-presidents—later, deans of administration, and, after that, chancellors—to administer the campuses.
- Engineering school fight
- Greensboro and co-education



Frank Porter
Graham,
1886-1972

Transforming UNC

- 1961-62: Carlyle Commission
- 1963: NC legislature to create a community college system and elevate existing state-supported two-year colleges in Charlotte, Asheville, and Wilmington to four-year institution.
- These campuses joined the existing Consolidated University schools (Chapel Hill, N.C. State, and Woman's College, now UNCG) to form the UNC System.

Governance

- UNC campuses under UNC Board of Trustees
- All other institutions: under State Board of Higher Education



William
Friday, 1920-
2012

White Teachers' Colleges

- Western Carolina: founded as high school, 1889; became Western Carolina Teachers' College, 1929. Made a "regional university" in 1967
- Appalachian State: founded 1899, became Appalachian State Teachers College
- North Carolina School of Science and Math
- UNC School for the Arts
- East Carolina: founded 1909, became a university in 1967

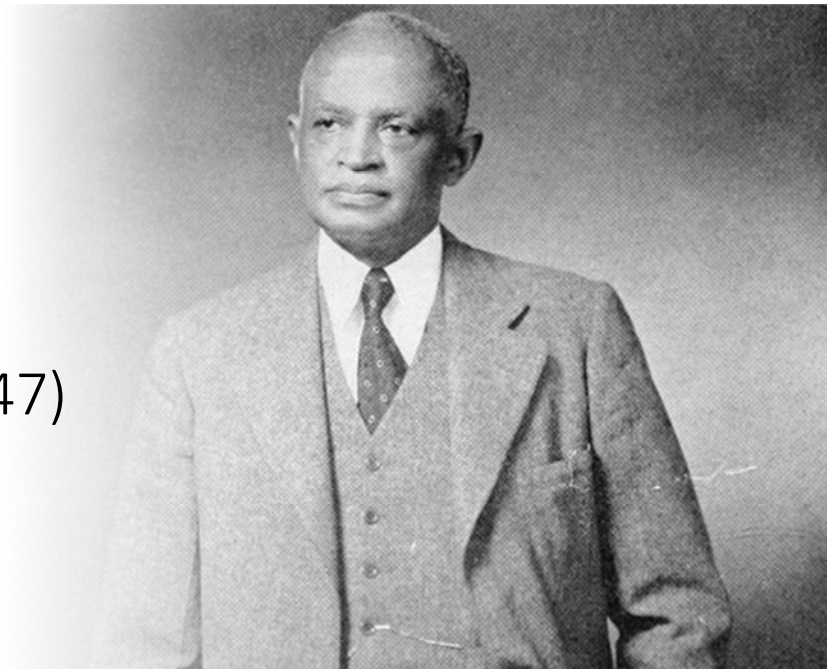


Leo Jenkins (1913-
1989)

Historically Black Colleges and Universities

- 5 HBCUs:
- Greensboro, Elizabeth City, Fayetteville State, Winston-Salem State, NC College for Negroes (NC Central)
- Pembroke State (1941); Pembroke State College for Indians

James E.
Shepard
(1875-1947)



Challenges going forward

- Absorbing campuses
- Desegregation
- Medical education

Since 2004...

- 2006 – The NC School of Science and Mathematics (NCSSM) was added as the 17th UNC System institution (and the only constituent high school in the System)
- 2015 – Limited Board of Governors members to serving no more than three full four-year terms; created a new process for the Board of Governors to select a UNC System President
- 2016 – Removed the four gubernatorial appointments to the Boards of Trustees and replaced with two appointments to each Board of Trustees from the House and two from the Senate
- 2017 – Reduced the number of members of the Board of Governors from 32 to 24



A Brief Report Prepared for the

Governor's Commission on the Governance of Public Universities in North Carolina

By Dr. Christopher R. Marsicano and Rylie Martin, Davidson College

Wednesday, December 14, 2022

Summary and Key Findings

The College Crisis Initiative (C2i) at Davidson College collected demographic data on nearly all trustees of public universities in North Carolina. Early results from the data collected suggest a majority of the board members at UNC System institutions are white. A majority are men and a plurality are Republicans. Political affiliation and racial composition of board members varies greatly by appointing organization (Board of Governors, Senate, House, Student Government, etc). The demographics of system trustees do not perfectly mirror the demographics of the state's population or public university student enrollment. Key findings from the report include:

- The majority of system trustees are men. Two out of three institutional trustees (67%) and three out of four Board of Governors members (76%) are men.
- White individuals make up a significant majority of system trustees. Three out of four (76%) of the Board of Governors, compared to three out of five (61%) of institutional trustees are White.
- Republicans are the plurality of all system trustees. There is only one registered Democrat on the Board of Governors. The House and Senate appointed an even number of Republicans to the BOG (8 each). The majority (64%) of Board of Governors members are registered Republicans.
- System trustees do not reflect the gender makeup of the state population or UNC System enrollment. While women make up a majority of the population (51%) and UNC System enrollment (59%), women hold fewer than one-third of institutional trustee seats (32%) and one-fourth (24%) of BOG seats.
- While the proportion of white UNC System students (55%) is lower than that of the general population (62%), white trustees make up 61% of institutional trustees and 76% of Board of Governors members. There are zero Hispanic or Asian members of the Board of Governors.
- North Carolina's partisan registration is fairly evenly distributed among the population with Democrats (34%), Republicans (30%), and unaffiliated voters (36%) all accounting for around one third of voting registrations. Nearly 3 out of every 5 legislative appointees, however (Board of Governors - 64%, NCGA-appointed trustees - 63%) are Republicans. Democrats are far under represented in the BOG (4% vs. 34%) and NCGA appointed trustees (11% vs. 34%).



2

Background

Governance of the public universities in the state of North Carolina is shared between the UNC System Board of Governors (BOG), representing the 17-institution UNC System, and the boards of trust (institutional trustees) at each constituent university and the North Carolina School of Science and Math (NCSSM). The UNC System Board of Governors consists of 25 members, with 24 appointed by the North Carolina General Assembly and 1 ex-officio student member. NC public universities have 8 members elected by the NC Board of Governors, 4 by the legislature (2 Senate, suggested by the President Pro Tempore; 2 House, suggested by Speaker), and 1 student (SGA President), totalling 13 institutional trustees. Prior to 2016, the Governor appointed four seats to every institutional board. The North Carolina General Assembly (NCGA) shifted those appointing powers to the House Speaker and Senate President Pro Tempore (PPT) as part of House Bill 17. On November 1, 2022, Governor Roy Cooper announced a commission to study higher education governance in North Carolina. The commission is jointly led by former UNC System Presidents Tom Ross and Margaret Spellings. Part of the commission's charge is "to ensure that the composition of the Board of Governors and each Board of Trustees reflects the regional, ethnic, racial, gender, political, and economic diversity of the state." This initial report, written using data from the College Crisis Initiative (C2i) at Davidson College, describes the demographic characteristics of institutional trustees and the BOG before comparing those demographic characteristics to those of the general state population and student enrollment at UNC System institutions.

Data Collection Procedure and Methods

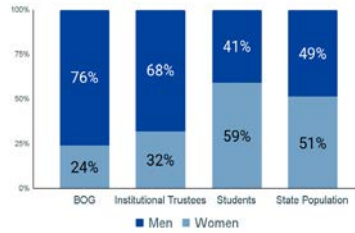
The [College Crisis Initiative](#) (C2i) is a student-oriented research lab at Davidson College dedicated to understanding how colleges and universities respond and innovate during times of crisis. C2i collects data on COVID-19/public health, natural disaster responses, campus infrastructure, and equity and governance. As a part of C2i's equity and governance research agenda, C2i student researchers at Davidson College and Vanderbilt University collected demographic data for 2,029 trustees for all public R1 and R2 universities in the United States between November 2021 and February 2022. Given that not all North Carolina public institutions fit those Carnegie Classifications, C2i researchers collected race, gender, selection method to board, political affiliation, appointment details, and relation to institution for the remaining 143 board members at UNC System institutions from December 5-December 12, 2022. When merged with the data that C2i collected over the last year, the final dataset included 212 board of trustees and 25 board of governors members (n=237). We confine gender to a male/female binary and race and ethnicity to five categories as used in the U.S. Census - Black, Asian, Hispanic, white, and other. Political affiliation data come from the North Carolina Voter Lookup. These data should be considered provisional and subject to change pending quality assurance measures.

The dataset contains information from the UNC System universities and the UNC System Board of Governors. The dataset does not include the NCSSM. To gather information on the race and gender of the board member, C2i used the bios and photos on institutional websites and news announcements. We also validated the race and gender of the board member using the demographic information provided in the NC Voter Lookup database, if they were provided. As an additional quality assurance process, C2i randomly selected a subset of board members to recollect and compare against original responses for all

data points. For all board members, C2i compared our findings for selection method and appointment year with the NC BOG 2022-2023 Board of Trustee Roster document (Page 25 of the minutes from the July 20, 2022 BOG meeting). When the method of appointment (BOG, Speaker, PPT) conflicted between the C2i dataset and the Board of Trustee Roster, C2i consulted legislative actions appointing members to institutional boards for confirmation. C2i categorized student members as "Student" instead of ex-officio, but they are ex-officio members. C2i refers to members of institution-level boards of trust as "institutional trustees" and members of the Board of Governors and institutional trustees collectively as "system trustees".

Once completing the data collection process, we undertook a descriptive study not only to understand the demographic makeup of UNC System trustees, but also the extent to which those trustees reflect the diversity of North Carolina's state population and UNC system student enrollment. We focus on descriptive representation - the idea that the demographic characteristics of representative bodies like the BOG and boards of institutional trustees mirror those they serve, in this case the students of the UNC System and the state of North Carolina. We gathered enrollment data from the Integrated Postsecondary Education Data System (IPEDS) of the National Center for Education Statistics in the U.S. Department of Education. State demographic data come from the U.S. Census Bureau.

Figure 1: Gender representation among the UNC Board of Governors, institutional trustees at public universities, public university student enrollment, and the population of North Carolina.



Findings

Gender

Two-thirds (162/237, 68.35%) of all system trustees at UNC System institutions are men. Two out of three institutional trustees (143/212, 67.45%) and three out of every four members of the Board of Governors (19/25, 76%) are men. All but one of the trustees at N.C. State are men. Only one institution, UNC-Greensboro, has a majority women board. The Board of Governors appoints the majority of women institutional trustees (44/69, 63.77%), but still appoints nearly twice as many men (84/128, 65.63%) as

women (44/128, 34.38%). Among institutional trustees, nearly seven out of every eight House (28/32, 87.5%) and three out of every four Senate (24/32, 75%) appointees are men.

Figure 1 shows the difference in gender representation among the 25 BOG members and 212 institutional trustees compared with the student population of the UNC System and the state population. Women are a slight majority (51%) of a very evenly split general population. Nearly 3 in 5 (160,858/272,868, 58.95%) students are women. Fewer than 1 in 3 (69/212, 32.55%) institutional trustees and 1 in 4 (6/25, 24%) BOG members are women.

Race and Ethnicity

Nearly two-thirds (63.71%, 151/237) of all system trustees are white. Black board members make up one third (70/212, 33.02%) of institutional trustees. Six of the ten UNC System boards have non-white majorities. All of the six (ECSU, FSU, NC A&T, NCCU, UNCP, WSSU) are minority serving institutions. Of the 17 board members at UNCSA on which C2i has demographic data (including ex officio members, excluding board liaisons), only two are not white.

The Board of Governors is more likely to appoint Black trustees than the House or the Senate. Of the 70 Black board members at system institutions, 44 (62.85%) were appointed by the Board of Governors. Around one-third (44/70, 34.375%) of all Board of Governors appointed trustees are Black. The vast majority of Speaker and PPT appointees are White. A total of three-quarters (24/32, 75%) of all House institutional trustee appointees and three-fifths (20/32, 62.5%) of all Senate institutional trustee appointees are White. The House and Senate also jointly appoint the BOG, 19 of whom are white (19/25, 76%). When combining the BOG appointees with institutional appointees, seven in ten (63/89, 70.79%) of all system trustees appointed by the NCGA are white.

Figure 2: Racial composition of the UNC Board of Governors, institutional trustees at public universities, public university student enrollment, and the population of North Carolina.

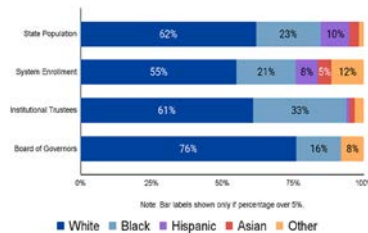


Figure 2 shows the proportion of racial and ethnic groups of the state population, system enrollment, BOG and institutional trustees. Bar labels in the figure only shown if percentages over 5%. While white students are a majority (150,336/272,868, 55.09%), Black students (56,715/272,868, 20.78%) and Hispanic students (21,436/272,868, 7.86%) make up nearly three in ten students in the UNC System. The proportion of white, Black, and Hispanic UNC System students is lower than that of the general population. The other category, which includes the Lumbee tribe, is largest among students. Asian and Hispanic individuals jointly make up around 13% of the state population and enrollment. Fewer than 3% (6/212, 2.83%) of institutional trustees identify as Asian or Hispanic. There are zero Asian or Hispanic members of the BOG, and just two Hispanic institutional trustees.

Political Affiliation

Two in five system trustees (95/237, 40.08%) are Republicans. Around a quarter (63/237, 26.58%) of all trustees are registered Democrats. Just under a quarter (54/237, 22.78%) are registered as unaffiliated. C2i does not have political affiliation information for 25 board members, many of whom live out of state. Over three-quarters of Democrat system trustees (48/62, 77.42%) are appointed by the Board of Governors, while nearly half of Republican system trustees (40/79, 50.63%) are appointed by the Speaker and President Pro Tempore.

Figure 3: Political composition of the UNC Board of Governors, institutional trustees at public universities, public university student enrollment, and the population of North Carolina.

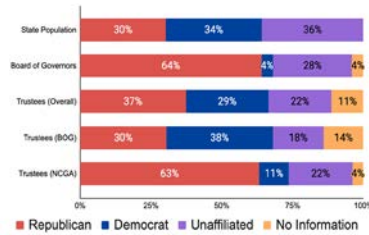


Figure 3 shows the political composition of the state population, UNC System Board of Governors, and institutional trustees. The figure further splits out institutional trustees by appointing body - the BOG or the NCGA. The state population is fairly evenly split among Republicans (30%), Democrats (34%), and Unaffiliated (36%) voters. Nearly 3 out of every 5 legislative appointees (BOG - 16/25, 64%, NCGA-appointed trustees - 40/64, 62.5%) are Republicans. Democrats are far under represented in the

BOG (4% vs. 34%) and NCGA appointed trustees (11% vs. 34%). Just over 3 in 10 (39/128, 30.47%) of BOG trustee appointees are Republicans, nearly identical to 30% of total voter registration. Under 4 in 10 (48/128, 37.5%) of BOG trustee appointees are Democrats, also mirroring total voter registration (34%).

Conclusions

Women are underrepresented on UNC System boards of trust relative to the general population and student enrollment. Women make up over half of student enrollment and the general population, but only one quarter of the BOG and only one third of system trustees.

People of color are underrepresented. For the most part, fewer people of color serve as BOG members or institutional trustees than we would expect given UNC System enrollment demographics and the demographics of the state of North Carolina. This is especially true for the state's nearly 1,000,000 Hispanic people, who are represented by only 2 trustees.

Republicans are overrepresented on the BOG and among institutional trustees. Members of the GOP make up 2 out of every 3 BOG members, despite the fact that only 1 in 3 registered North Carolina voters are Republicans. The institutional trustees appointed by the Speaker and President Pro Tempore are twice as likely to be Republican than a voter drawn at random from the general population. Despite the fact that two-thirds of the BOG are Republicans, the partisan distribution of trustees appointed by the BOG is very similar to the partisan distribution of North Carolina voters.

Dataset Citation

Martin, R., Mirabello, S., Solum, A., C., Marsicano, Christensen, C. R., Buitendorp, M., Thomas, R., Bock, Z., Diaz, D., Francis, A., Gujral, S., Hameed, O., Holland, A., Lagunas, J., Lane, T., Lawton, M., Lewis, A., Li, J., Lilly, E., Mau, D-B, N., McLaren, C., McLaren, T., Moore, A., Munshi, T., Navani, I., Norten, O., Olson, G., Paton, E., Rutherford, C., Tang, M., Tran, H., Vu Nguyen, B., Wachino, C., Webb-Newton, A. (2022). C2i College and University Board Demographics - North Carolina. [Dataset]. The College Crisis Initiative (C2i) at Davidson College.

The Demographics of Public University Trustees in North Carolina

A Presentation to the Governor's Commission on the
Governance of Public Universities in North Carolina



THE COLLEGE CRISIS INITIATIVE
@ DAVIDSON COLLEGE

Noon - 12:15 PM - December 14, 2022



Note: Data in this presentation are provisional and subject to change.

2

Content of Presentation

- General Overview
- Demographic Characteristics of Board Members
 - Gender
 - Race
 - Political Affiliation
- Comparing Board Demographics to Student and State Demographics
- Key Takeaways



THE COLLEGE CRISIS INITIATIVE
@ DAVIDSON COLLEGE

Overview of UNC System Trustees

- There are **17 institutions** in the UNC system under **1 governing board**.
- There are **25 members** of the Board of Governors. **24** are appointed by the NC General Assembly, and **1** is an ex-officio student member.
- NC public universities have **13 institutional trustees** on their boards: **8** elected by the Board of Governors, **4** by the NC General Assembly (2 of whom are appointed by the Senate, 2 by the House), and **1** President of the Student Government Association, ex-officio.
- A 2016 law **transferred the power** to appoint 4 institutional trustees per university **from the Governor to the NC General Assembly**.



Board Demographics: Sex/Gender

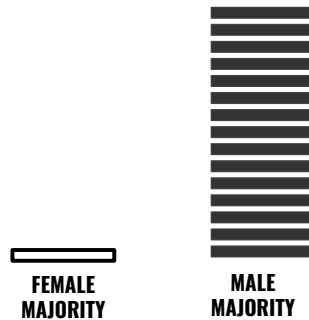
INSTITUTIONAL TRUSTEES



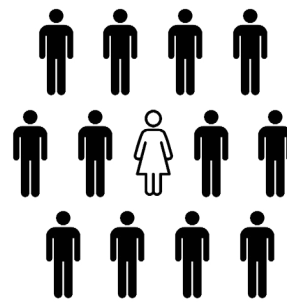
BOARD OF GOVERNORS



Two out of three of the institutional trustees (**67%**) and three out of four of the BOG (**76%**) are **men**.



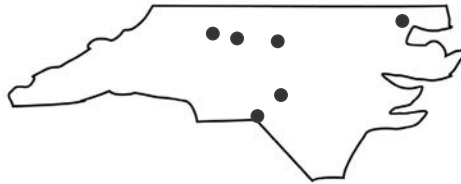
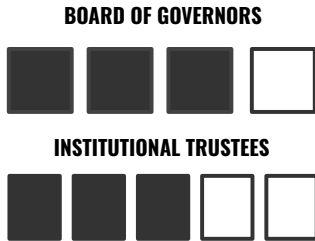
Only **UNC-Greensboro** has a **majority female** board. The 15 remaining boards are majority male.



All but one of the trustees at **N.C. State** are men.



Board Demographics: Race



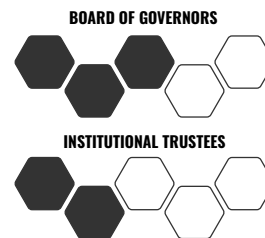
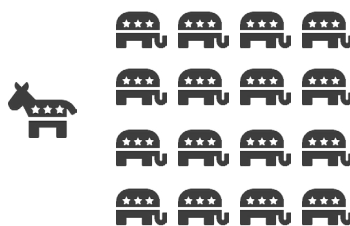
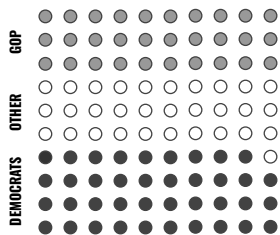
Three out of four (**76%**) of the BOG, compared to three out of five (**61%**) of institutional trustees are **White**.

Six UNC System boards have **non-white majorities**. All of the six (ECSU, FSU, NC A&T, NCCU, UNCP, WSSU) are minority serving institutions.

There are only **two Hispanic** trustees in the UNC System.



Board Demographics: Political Affiliation

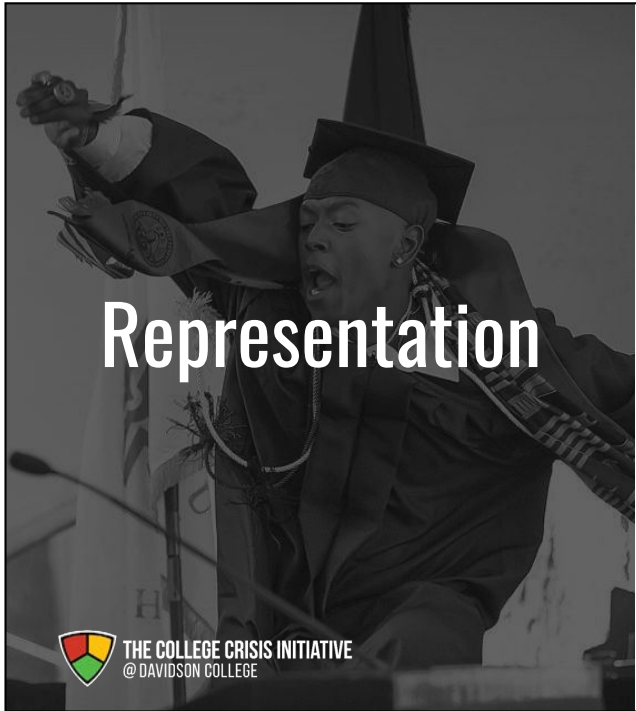


The BOG appointed more Democrats (48, **38%** of those appointed) than Republicans (39, **30%**) as institutional trustees.

There is **one** Democrat on the BOG, appointed by the NC Senate. The House and Senate appointed an even number of Republicans to the BOG (**8** each).

The majority (16, **64%**) of BOG members are registered Republicans, compared to 79 (**37%**) institutional trustees.



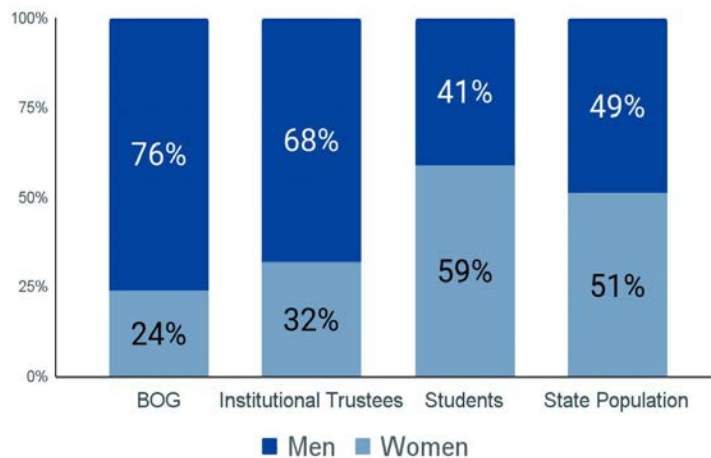


“The Commission is charged with...recommending...how to ensure that the composition of the Board of Governors and each Board of Trustees reflects the regional, ethnic, racial, gender...political, and economic diversity of the state”

- Executive Order No. 272

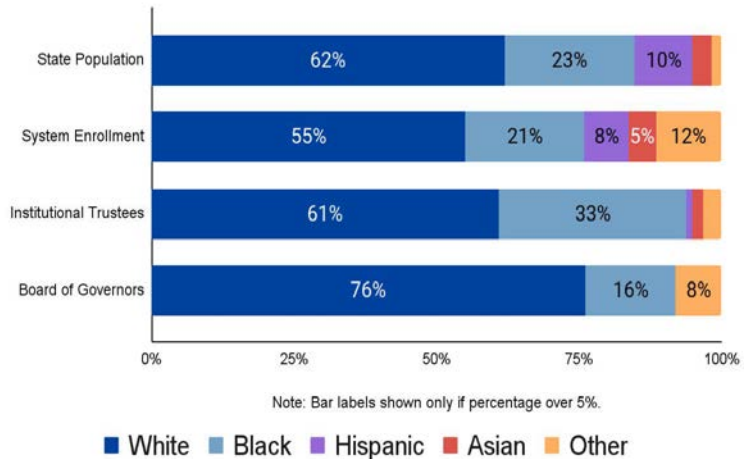
Representation: Sex/Gender

- **Women** are a slight majority (**51%**) of a very evenly split general population. Nearly 3 in 5 (**59%**) students are **women**.
- Fewer than 1 in 3 (**32%**) institutional trustees and 1 in 4 (**24%**) BOG members are **women**.



Representation: Race/Ethnicity

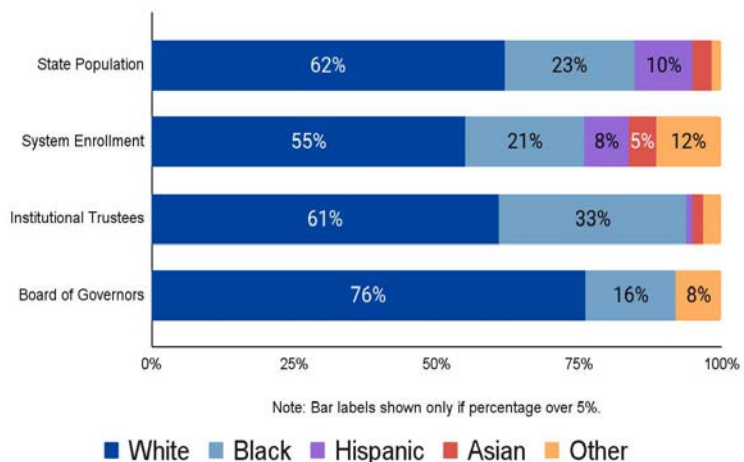
- While **White** students are a majority (**55%**), **Black** students and **Hispanic** students make up nearly **30%** of UNC System enrollment.
- The proportion of **White, Black,** and **Hispanic** UNC System students is lower than that of the general population.
- The **Other** category, which includes the Lumbee tribe, is largest among students.



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Representation: Race/Ethnicity

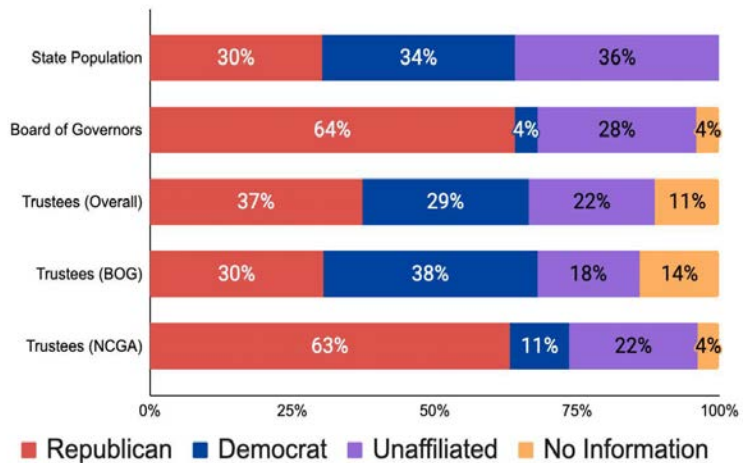
- **Asian** and **Hispanic** individuals jointly make up **13%** of the state population and enrollment.
- **Fewer than 3%** of institutional trustees identify as **Asian** or **Hispanic**.
- There are **zero Asian** or **Hispanic** members of the BOG (according to voter registration).



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Representation: Politics

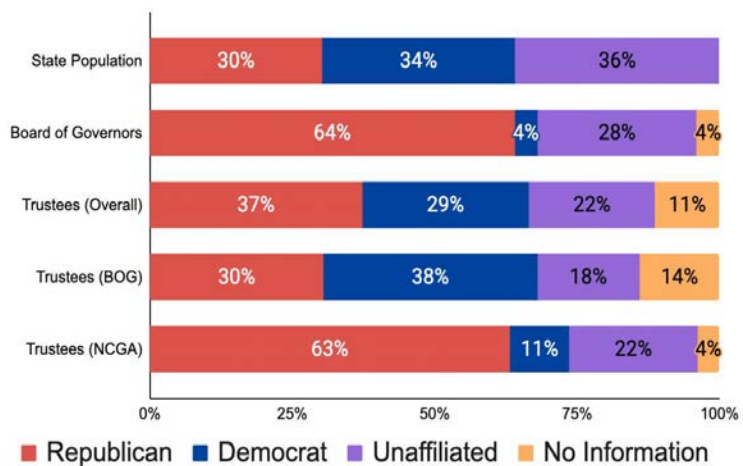
- The state population is fairly evenly split among **Republicans (30%)**, **Democrats (34%)**, and **Unaffiliated (36%)** voters.
- Nearly **3 out of every 5 legislative appointees** (BOG - 64%, NCGA-appointed trustees - 63%) are **Republicans**.
- **Democrats** are far under represented in the BOG (**4% vs. 34%**) and NCGA appointed trustees (**11% vs. 34%**).



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Representation: Politics

- The BOG appoints trustees in a manner that mirrors overall state partisan affiliation.
- Exactly 3 in 10 (**30%**) of BOG trustee appointees are **Republicans**, identical to **30%** of total voter registration.
- Under 4 in 10 (**38%**) of BOG trustee appointees are **Democrats**, also mirroring total voter registration (**34%**).



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Key Takeaways

- **Women are underrepresented** on UNC System boards of trustees relative to the general population and student enrollment. **Women make up over half of student enrollment** and the general population, **but only one quarter of the BOG** and only **one third of system trustees**.
- **People of color are underrepresented.** For the most part, fewer people of color serve as BOG members or institutional trustees than we would expect given UNC System enrollment demographics and the demographics of the state of North Carolina. **This is especially true for the state's nearly 1,000,000 Hispanic people, who are represented by only 2 trustees.**



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Key Takeaways

- **Republicans are overrepresented** on the BOG and among institutional trustees. Members of the GOP make up 2 out of every 3 BOG members, despite the fact that only 1 in 3 registered North Carolina voters are Republicans.
- The **institutional trustees appointed by the Speaker and President Pro Tempore are twice as likely to be Republican** than a voter drawn at random from the general population.
- Despite the fact that two-thirds of the BOG are Republicans, the **partisan distribution of trustees appointed by the BOG is very similar to the partisan distribution of North Carolina voters.**



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 @C2Initiative @ChrisMarsicano @Rylie_Martin_

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<https://collegecrisis.org/>

c2i@davidson.edu

16

Collection Methodology

- C2i collected demographic information from the NC Board of Governors website, institutional web pages, and news announcements.
- Race and gender were determined using bios and photos (C2i used the Census categories for race and gender).
- Political affiliation information came from the NC Voter Search database.
- C2i validated the race and gender of the board member using the demographic information provided in the NC Voter Search database.
- Selection method and appointment year were checked against internal NC Board of Governors documents.



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About C2i

- C2i is a student-oriented research lab at Davidson College dedicated to understanding how colleges and universities respond and innovate during crisis.
- C2i currently employs 29 undergraduate student employees who act as data collectors, policy analysts, and data scientists.
- 12 peer-reviewed publications using C2i data in the last year
- 5 data collections on COVID-19/public health, infrastructure, natural disasters, and equity & governance this semester



About Davidson College

“Davidson’s primary purpose is to help students develop humane instincts and disciplined, creative minds for lives of leadership and service in an interconnected and rapidly changing world.”

- 1,973 undergraduate students
- 21 men’s and women’s NCAA D1 sports teams
- Top producer of Fulbright students for 7 years





Governor's Commission on the Governance of Public Universities in North Carolina

Foundational Aspects of Trusteeship

Dr. James E. Lyons, Sr. Senior Consultant
AGB Consulting

14 December 2022

Expert guidance, proven solutions.

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AGB Principles of Trusteeship: How to Become a Highly Effective Board Member

- The important work of board governance is critical and complex, requiring all board members to be knowledgeable and well-prepared for today's challenges and opportunities.
- Principles of Trusteeship describes three fundamental functions and three principles within each function that are essential for every board member.



Expert guidance, proven solutions.

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Principles of Trusteeship

Three key themes:

- **Understand Governance...**by embracing all of your responsibilities in a structure of shared leadership.
- **Lead by Example...**by upholding the highest standards of integrity.
- **Think Strategically...**by focusing on what matters most to the long-term success of the whole enterprise.

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Expert guidance, proven solutions.

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Principles of Trusteeship

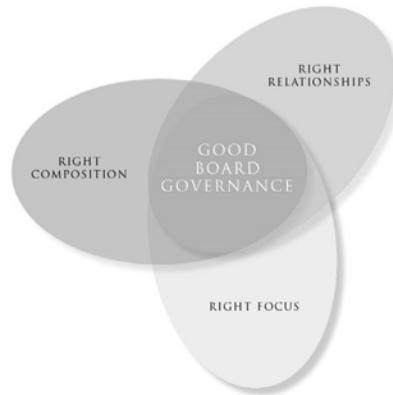
- Understand Governance
 - Embrace the full scope of your responsibilities.
 - Respect the differences between the board's role and the administration's role.
 - Be an ambassador for your institution and higher education.
- Lead by Example
 - Conduct yourself with impeccable integrity.
 - Think independently and act collectively.
 - Champion justice, equity, and inclusion.
- Think Strategically
 - Learn about the mission, constituents, culture, and context.
 - Focus on what matters most to the long-term sustainability.
 - Ask insightful questions and listen with an open mind.

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Good Board Governance



An Anatomy of Good Board Governance in Higher Education, AGB Press (2018)

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Good Board Governance is Simple

- What's needed:
 - The right people are on the board,
 - The board addresses the right issues, and
 - Board Members engage in the right way, among themselves and with others.
- Taken together, these are the enabling conditions of good governance. Yet each can be difficult to achieve and sustain. Simple, but not easy.

An Anatomy of Good Board Governance in Higher Education, AGB Press (2018)

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Summary

- Governing boards act as a body, however, fiduciary duties fall on individual board members.
- Board members MUST be more than names on stationery.
- Board members MUST be fully engaged.
- They must attend meetings, read, and evaluate materials.
- They must ask questions and get answers.
- They must honor confidentiality, avoid conflicts of interest, demonstrate loyalty, and uphold mission.
- And they must ensure legal and ethical compliance.

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The Big Questions

- How well do you think you follow these principles – as an individual and as a Board?
- Where are your strengths, and where are the areas you think you need improvement?
- What do you need to do to make those improvements – as an individual and as a Board?

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Questions



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Board Level Political Affiliations, Peer Comparisons, & Community College Trustee Demographics

A Presentation to the Governor's Commission on the Governance of Public Universities in North Carolina
February 7, 2023



Note: Data in this presentation are provisional and subject to change.

Content of Presentation

- General Overview
- Board Level Political Affiliations
- Comparing NC Boards to Peer Institutions
- Demographics of NC Community College Boards
- Key Takeaways



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Recap of December Meeting

- **Women are underrepresented** on UNC System boards of trustees relative to the general population and student enrollment. **Women make up over half of student enrollment** and the general population, **but only one quarter of the BOG** and only **one third of system trustees.**
- **People of color are underrepresented.** For the most part, fewer people of color serve as BOG members or institutional trustees than we would expect given UNC System enrollment demographics and the demographics of the state of North Carolina. **This is especially true for the state's nearly 1,000,000 Hispanic people, who are represented by only 2 trustees.**



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Recap of December Meeting

The Commission requested the following:

- **Institutional demographics related to political affiliation.**
- Comparisons of **UNC system institution boards** and **boards of other institutions.**
- Data on **community college boards.**



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Presenters for Today's Presentation

Cody L. Christensen



Christopher R. Marsicano



Rylie C. Martin



Board Level Political Affiliation

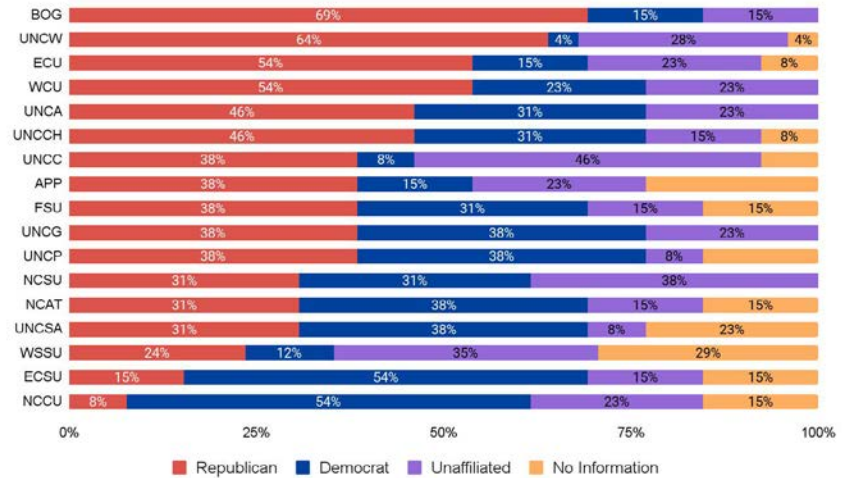


Political affiliation BOG and BOT

8

(As listed on North Carolina voter registration)

- **Three institutional boards** and the **Board of Governors** are majority **Republican**.
- **Two boards** (NCCU, ECSU) are majority **Democrat**.

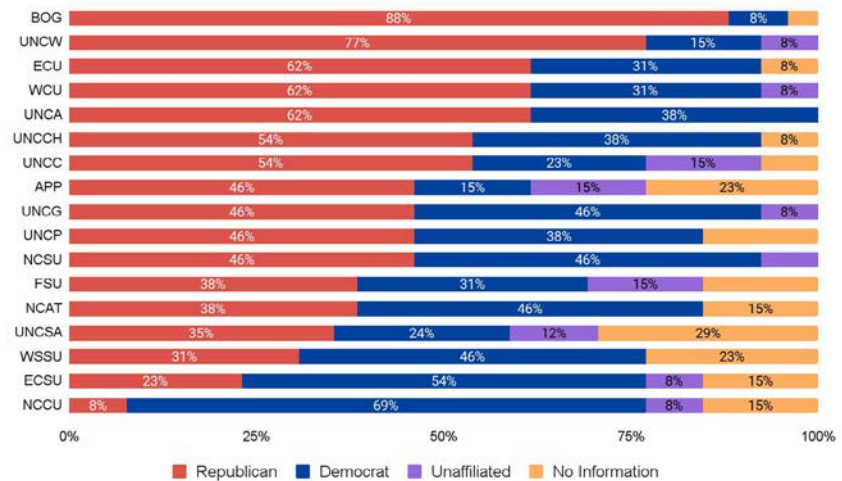


Political affiliation BOG and BOT

9

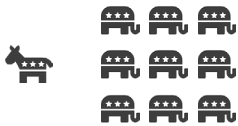
(Including Primary Votes, Excluding No Information)

- Adds **14 Democrats**, **16 Republicans** to the boards.
- Changes the distribution dramatically.



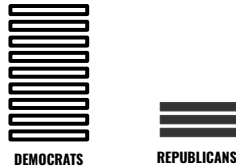
Board Politics: Political Affiliation by Board

BOARD OF GOVERNORS



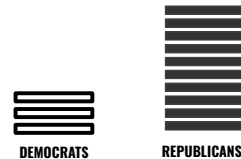
There is **one Democrat** for every **nine Republicans** on the BOG.

NC A&T STATE



NC A&T is the most Democratic board with **9 out of 13 members** registered **Democrats** or voting in Democratic primaries.

UNC-WILMINGTON

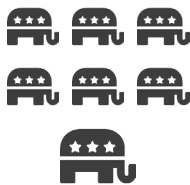


UNC-Wilmington has the most Republicans on its board, with **10 GOP members**, and only 3 non-GOP members.



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Board Politics: Political Affiliation by Board



6 institutional boards (UNCW, ECU, WCU, UNCA, UNCC, UNC-CH) and the **BOG** have **Republican majorities**.



Just **two institutional boards** - NCCU and ECSU have **Democratic majorities**. Both are HBCUs.

50/50

Only **NCSU** and **UNCG** have an **even number** of **Republicans** and **Democrats** (defined as registered with a party or voting in that party's primary most recently).

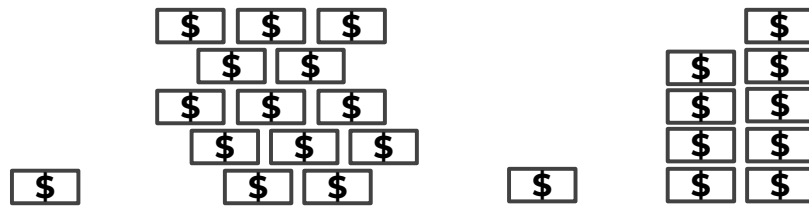


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Board Politics: Political Affiliation by Board

\$117M
vs.
\$1.6B

Appropriations to Democratic majority boards vs. Republican majority boards.



\$13 spent on Republican majority board institutions for every **\$1** spent at Democratic majority board institutions.

\$9 spent on Republican majority board institutions for every **\$1** spent at Democratic majority board institutions, excluding UNC-CH.



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Board Politics: Comparing Peer Institutions

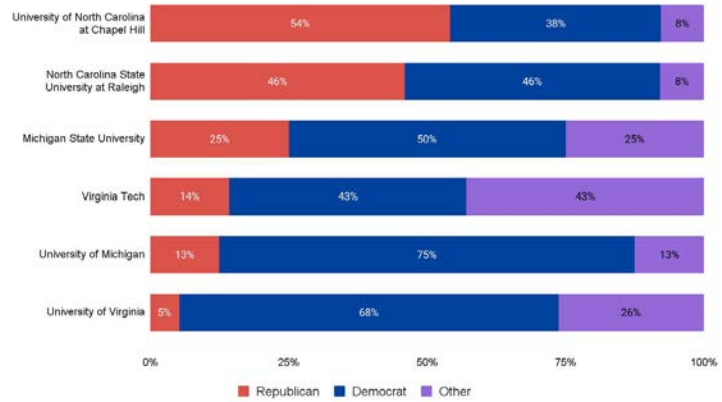
- **Politics difficult to compare across state lines.**
 - Most states do not have open voter registration records a la North Carolina.
- Some states have elected Trustees, e.g. Michigan.
- Workaround: **Campaign Donations**
 - Data from the Center for Responsive Politics



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Board Politics: Comparing Peer Institutions

- UNC-CH is the **only majority Republican** board in the comparison group.
- The **majority** of the Virginia Tech and Virginia boards were appointed by a **Democratic Governor**.
- **Not a true 1:1 comparison.**



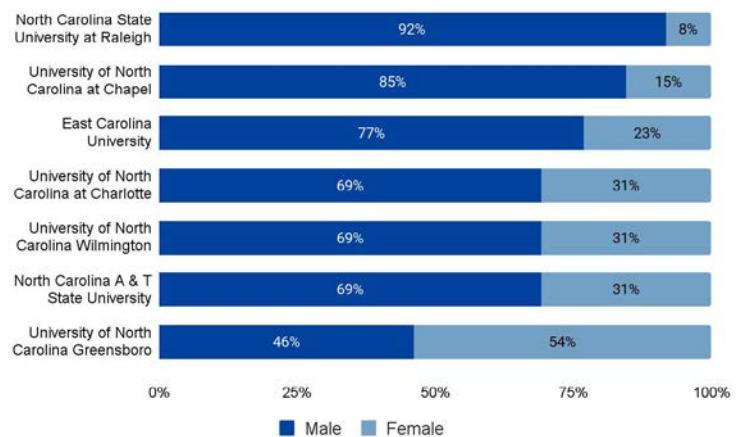
Overview, Sample, and Data

- This analysis focuses on the **seven UNC universities** classified as **Research 1 or Research 2 institutions**.
 - These include: UNC Chapel Hill, UNC Charlotte, UNC Greensboro, UNC Wilmington, North Carolina State at Raleigh, North Carolina A&T State, and East Carolina University.
- We **compare** the demographic characteristics of board members at these universities **to each other and to their peer institutions**.
 - This analysis focuses on the race and gender characteristics of board members.
- Data on board member characteristics were collected during the **2021-22 academic year** by C2i between November 2021-April 2022.



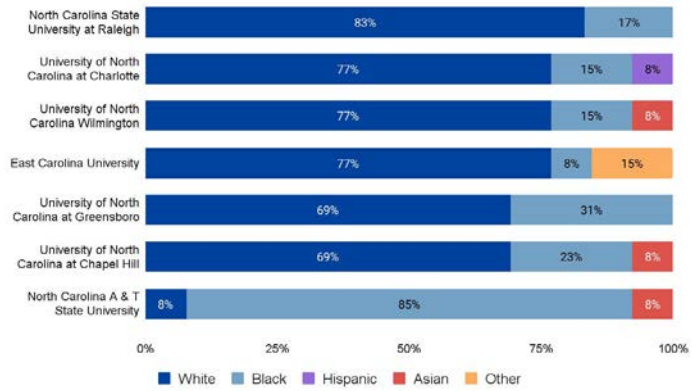
Comparing UNC University Board Members: Gender

- Institution boards in the UNC system are **male-dominated**.
- Only UNC Greensboro had more female board members than males.
- The average board in UNC is **3:1 male**.



Comparing UNC University Board Members: Race

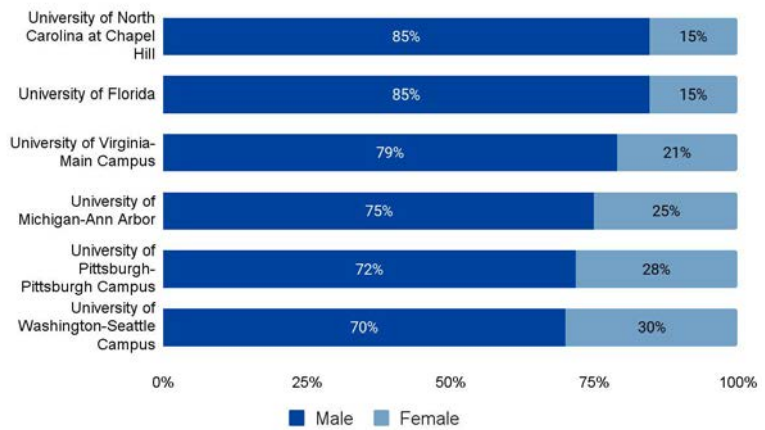
- The **majority** of UNC board members are **White, Non-Hispanic**.
- One exception is the board of NC A&T State.
- In total, **UNC board members are 2:1 white**.
- Excluding NC A&T State, **UNC board members are 3:1 white**.



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Comparing UNC Chapel Hill to its Peers: Gender

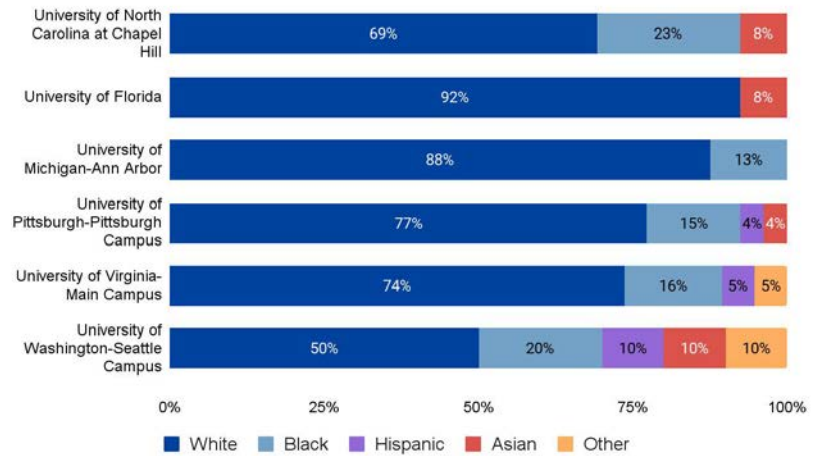
The board of UNC Chapel Hill is **last** (tied) among its peer institutions in terms of **female representation**.



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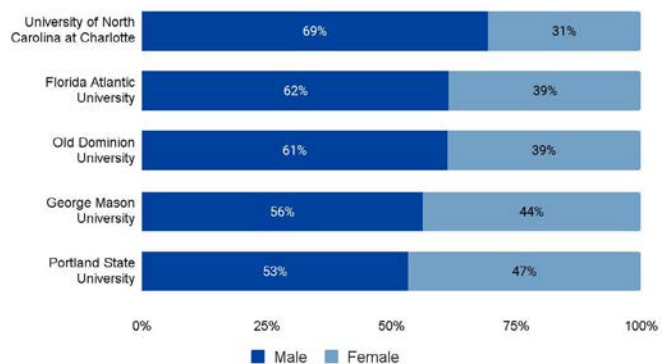
Comparing UNC Chapel Hill to its Peers: Race

The board of UNC Chapel Hill has **greater racial diversity** than many of its peer institutions.



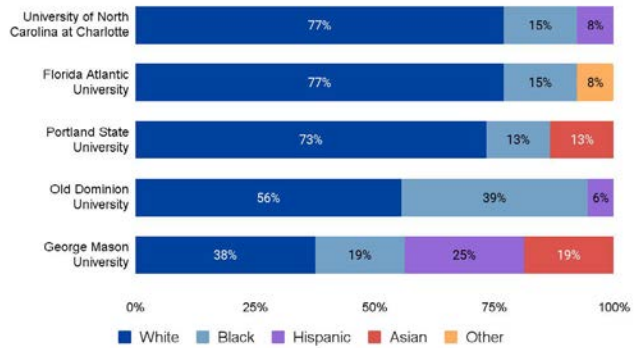
Comparing UNC Charlotte to its Peers: Gender

- The board of UNC Charlotte **ranks last** among its peer institutions in terms of female representation.
- Nearly 7 in 10 board members at UNC Charlotte are male.



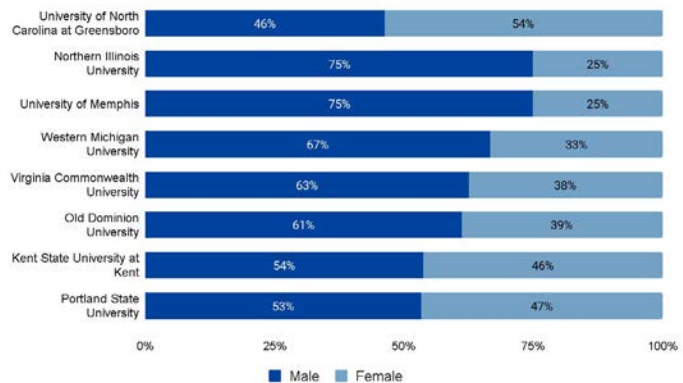
Comparing UNC Charlotte to its Peers: Race

- The board of UNC Charlotte is **ranked last** (tied) in terms of racial diversity.
- 77% of board members at UNC Charlotte are White, Non-Hispanic.



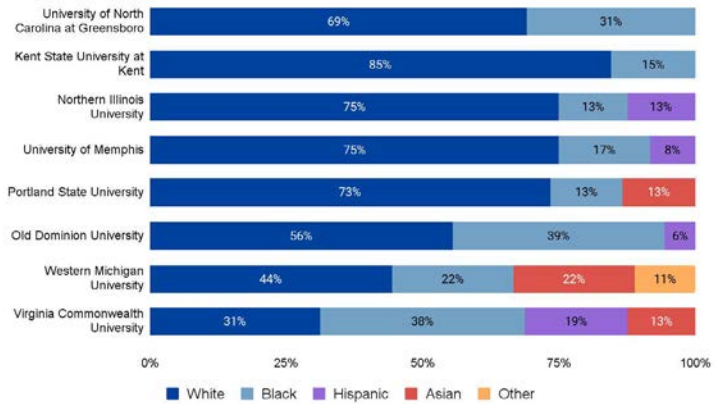
Comparing UNC Greensboro to its Peers: Gender

- The board of UNC Greensboro has **exceptional female representation** relative to its peer institutions.
- Less than half (46%) of its board members are male.
- It is **first among the UNC System** in terms of female representation, and it is also **first among its peer institutions**.
- UNCG was originally a women's college



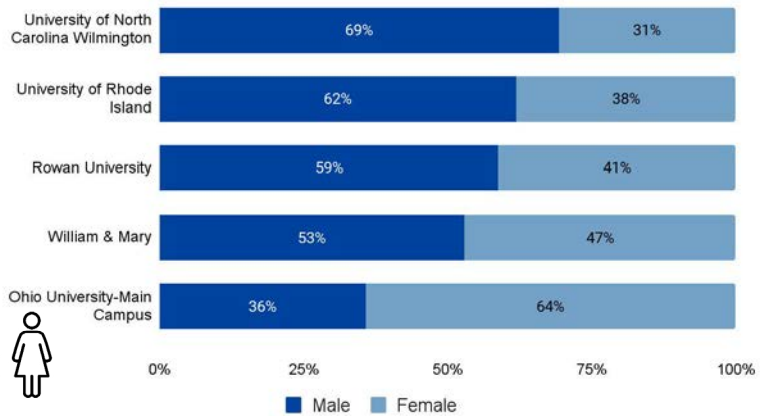
Comparing UNC Greensboro to its Peers: Race

The board of UNC Greensboro is **middle-of-the-pack** in terms of racial diversity, ranking 4th out of 8 in terms of non-White representation.



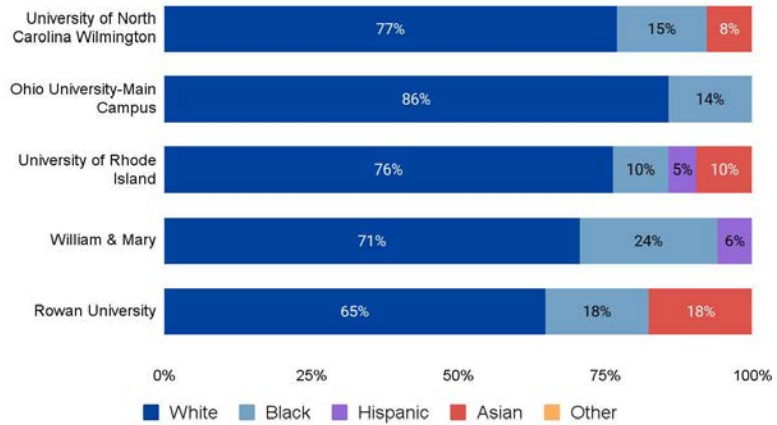
Comparing UNC Wilmington to its Peers: Gender

- The board of UNC Wilmington **ranks last** among its peers in terms of female representation.
- Nearly 7 out of ten members are male.



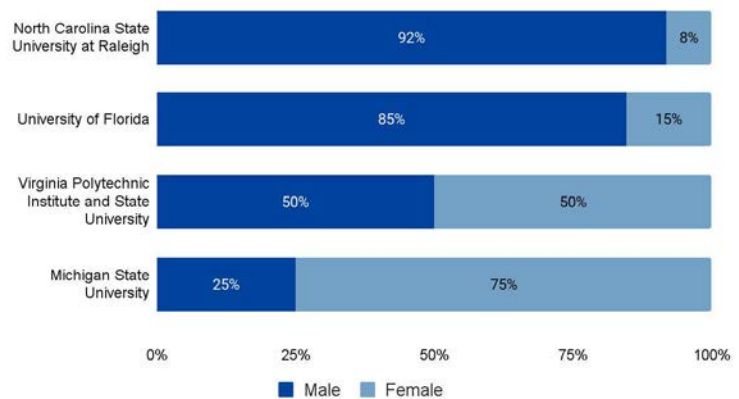
Comparing UNC Wilmington to its Peers: Race

The board of UNC Wilmington ranks **second to last** among its peer institutions in terms of racial diversity.



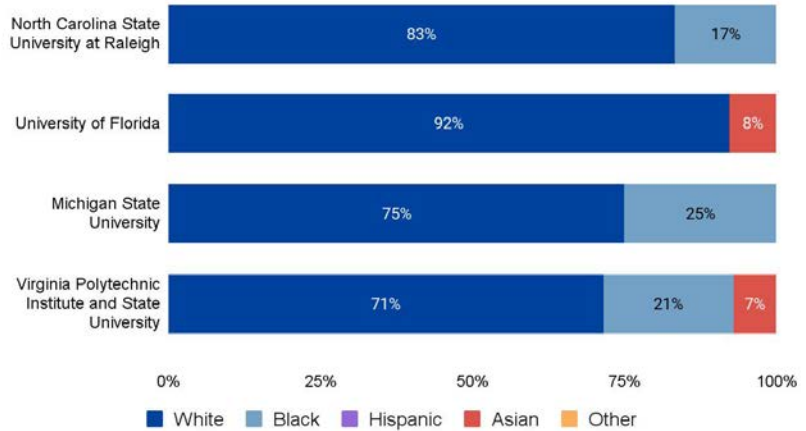
Comparing NC State to its Peers: Gender

- The board of NC State only has a single female board member.
- It **ranks last** among its peers in terms of female representation, and it also ranks last among colleges in the UNC System



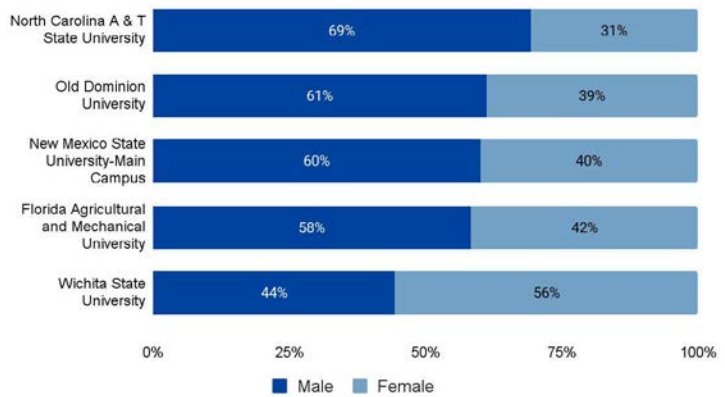
Comparing NC State to its Peers: Race

- The board of NC State is comprised of mostly White, Non-Hispanic members.
- It ranks **second to last** among its peers in terms of **racial representation** on its board.



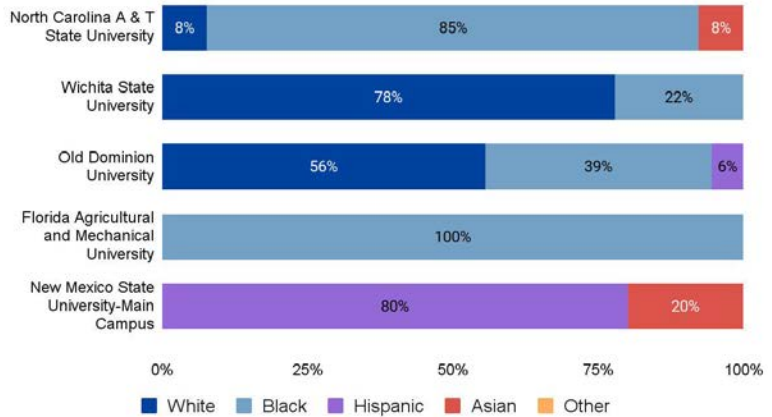
Comparing NC A&T to its Peers: Gender

- The board of NC A&T State **ranks last** among its peer institutions in terms of **female representation**.
- Nearly seven out of 10 members on the NC A&T State board are male.



Comparing NC A&T to its Peers: Race

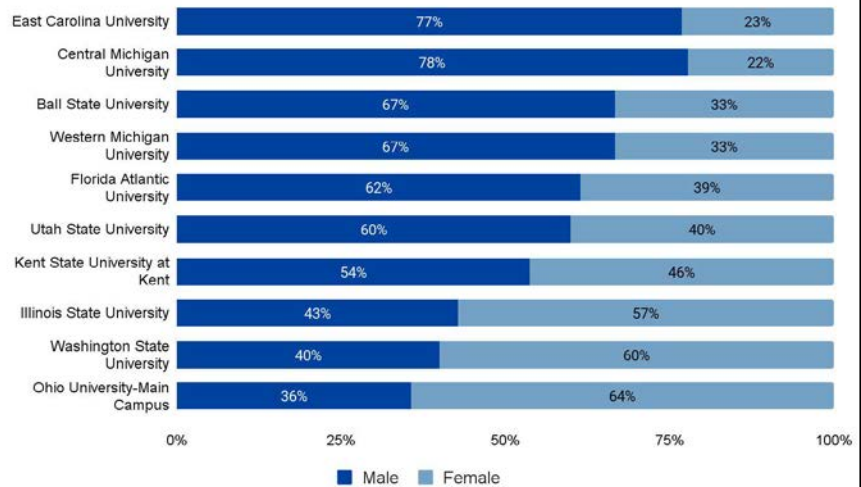
- The board of NC A&T State has a **large share (92%) of non-White members.**
- In general, its peer institutions also have racially-diverse boards.
- Note that **NC A&T State** (and many of its peers) is an **HBCU.**



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Comparing ECU to its Peers: Gender

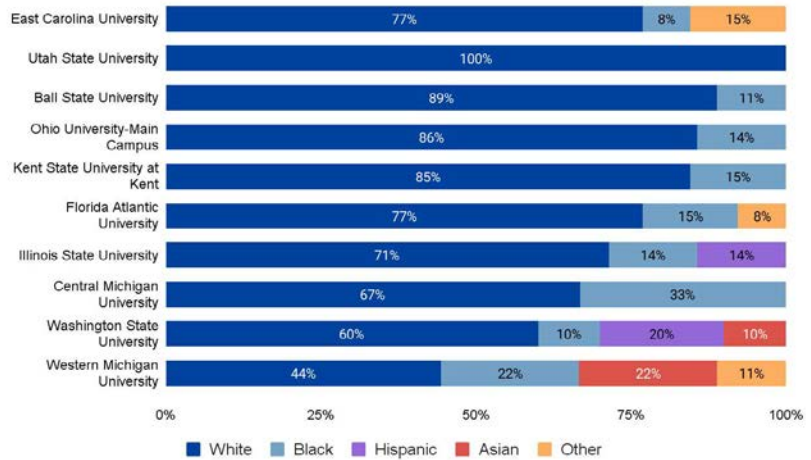
The board of East Carolina is ranked **second to last** among its peers in terms of **female representation.**



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Comparing ECU to its Peers: Race

The board of East Carolina is **middle-of-the-pack** in terms of non-White racial representation, ranking 6th out of 10 among its peer institutions.



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Summary: How do the characteristics of UNC boards rank against their peers?

University	Number of institutions in Peer Group	Gender Diversity Rank among peer Institutions	Racial Diversity Rank among Peer Institutions
East Carolina University	10	Ranks 9th out of 10	Ranks 6th out of 10
North Carolina A&T State University	5	Ranks 5th out of 5	Ranks 3rd out of 5
University of North Carolina at Chapel Hill	6	Ranks 6th out of 6	Ranks 2nd out of 6
University of North Carolina at Charlotte	5	Ranks 5th out of 5	Ranks 5th out of 5
University of North Carolina at Greensboro	8	Ranks 1st out of 8	Ranks 4th out of 8
North Carolina State University at Raleigh	4	Ranks 4th out of 4	Ranks 3rd out of 4
University of North Carolina Wilmington	5	Ranks 5th out of 5	Ranks 4th out of 5

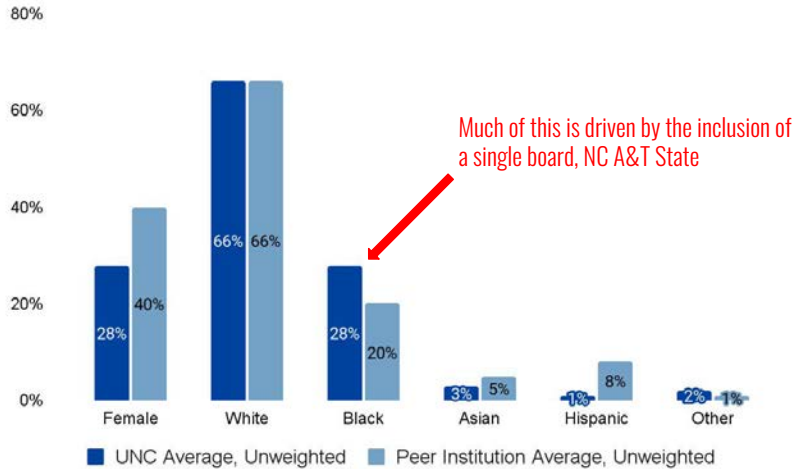
Note: Values highlighted in green indicate the institution board ranks first or second out of the group of public institutions listed as peers with governing boards. Values highlighted in red indicate the institution board ranks last or second to last out of the group of public institutions listed as peers with governing boards.



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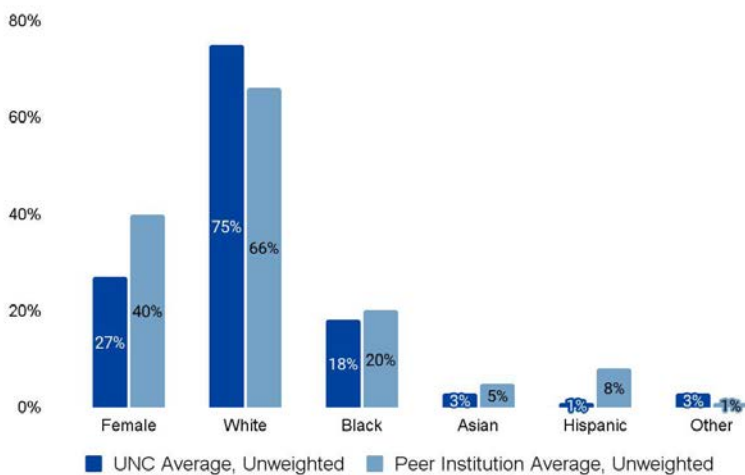
How does the UNC System fair as a group compared to its peers?

On average, the seven R1 & R2 institutions in the UNC system have smaller proportions of female and Hispanic board members, equivalent proportions of White board members, and larger proportions of Black board members.



Excluding NC A&T State

When NC A&T State is excluded, the R1 & R2 institutions in the UNC system have smaller proportions of female, Black, and Hispanic board members, and larger proportions of White board members relative to their peer institutions.





Demographics of NC Community College Boards



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Overview of NC State Board of Community Colleges (SBCC)

- The NC State Board of Community Colleges consists of 22 total members (**21 voting members**).
- **Ex-officio** members:
 - The Treasurer of North Carolina or the Treasurer's designee
 - The Commissioner of Labor or the Commissioner's designee
 - The Lieutenant Governor
- The Governor appoints **4 members from the state**, and one member from each of the **6 Trustee Association Regions**.
- The General Assembly elects **8 members** (4 elected by the House, 4 by the Senate).
- The person serving as president of the North Carolina Comprehensive Community College Student Government Association is an ex-officio, non-voting member of the State Board.



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Overview of Institutional Boards

- There are **58** community colleges in North Carolina.
- Each community college's board has **13 members** (they may have additional members if the institution has satellite campuses). The average in the G2i dataset is 14 members.
- **4 trustees** are elected by the **board of education** of the public school board in the administrative area of the institution.
- **4 trustees** are elected by the **board of commissioners** of the county in which the community college is located.
- **4 trustees** are appointed by the **Governor**.
- **1 trustee** is the president of the student government and serves as an ex-officio, non-voting member.



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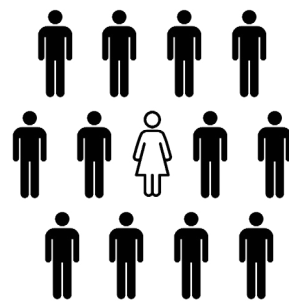
Board Demographics: Sex/Gender



NCSBCC Board of Trustees



Campus Board of Trustees



Almost **70%** of SBCC members are **male**, and over **6/10 (62%)** of the **institutional board of trustees** are **male**.

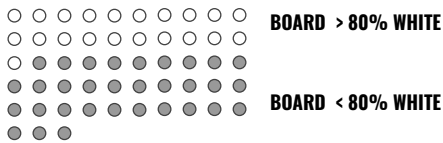
There are only **10** **institutional boards** out of **58** in which the percentage of females is greater than **50%**

All but one of the trustees at **Tri-County Community College** are men.

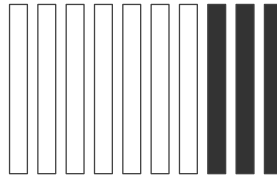


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Board Demographics: Race



Out of the 58 institutional boards, **21 are 80% or more White.**



Around **70%** of both the SBCB trustee members and institutional board members are **White.**



ASIAN BOARD MEMBERS



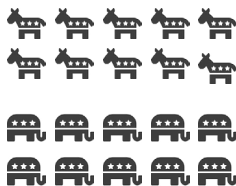
HISPANIC BOARD MEMBERS

Out of 790 total institutional trustee members, there are only **8 Asian** and **11 Hispanic** board members.



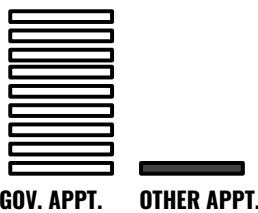
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Board Demographics: Political Affiliation

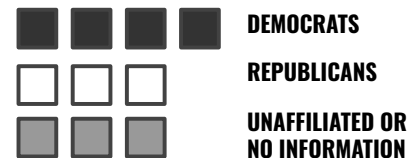


The SBCB is **evenly split** between registered Democrats (45%) and Republicans (45%).

DEMOCRATS



9 of the 10 Democrats on the SBCB were appointed by the Governor.



4 out of 10 (41%) institutional board members are **Democrats**, while **3 out of 10** (31%) institutional board members are **Republicans**.



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Comparing Community Colleges with NC System Universities

- The **Governor** is allowed to appoint community college board members, but may not appoint members to the system universities.
 - The Governor is slightly more likely than County Commissioners or Boards of Education to appoint a non-white voting member to the community college board of trustees.
- **Women and people of color are generally underrepresented** on community college board of trustees and university board of trustees.
- There is only **one (4%) Democrat** on the NC BOG, compared to **ten (45%)** on the State Board of Community Colleges.



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Key Takeaways - Politics by Institution

- **Republicans are a majority on six institutional boards and the Board of Governors. Democrats are the majority on only two boards.** The rest have no majority.
- **Only two** boards - UNCG and NCSU - **have equal numbers of Democrats and Republicans.**
- UNC-CH and NC State are **more Republican** than select peer institutions. UVA, Virginia Tech, Michigan, and Michigan State are all **more Democratic** than UNC-CH and NCSU.
 - Michigan and Michigan State have elected board positions.
 - The majority of UVA and Virginia Tech board members were appointed by a Democratic Governor.



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Key Takeaways - Peer Group Comparisons

- UNC System boards have **less gender and racial diversity** than their peers.
- **Only UNCG led** its peer group **in board gender diversity. UNC-CH** ranked highly in board **racial diversity.**
- All other R1 and R2 institutions are at or near **the bottom of their peer group in either racial diversity, gender diversity, or both.**



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Key Takeaways - Community Colleges

- The State Board and community college boards are both **majority male**.
- The State Board and community college boards are also **majority white**, both at around 70%
 - Hispanic and Asian trustee members at institutional boards are particularly underrepresented.
- The State Board is **evenly split** between registered Democrats and Republicans. The institutional boards are also relatively even, with 41% as registered Democrats and 31% registered Republicans.



 @C2Initiative @ChrisMarsicano @Rylie_Martin_
@SeeChristensen



<https://collegecrisis.org/>

[c2i@davidson.edu](mailto:c2i@ davidson.edu)

Collection Methodology

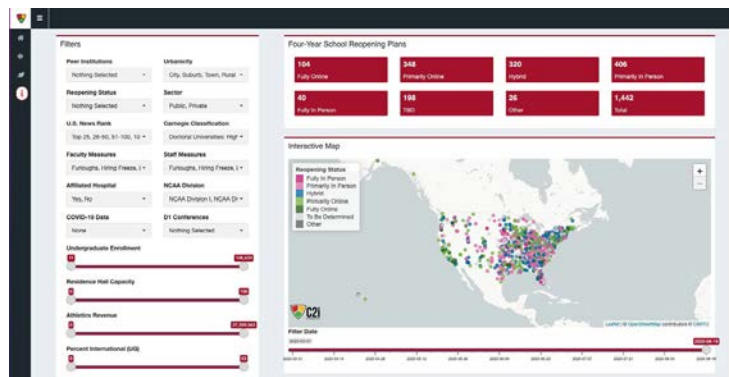
- C2i collected demographic information from the NC Board of Governors and NC State Board of Community Colleges website, institutional web pages, and news announcements.
- Race and gender were determined using bios and photos (C2i used the Census categories for race and gender).
- Political affiliation information came from the NC Voter Search database.
- C2i validated the race and gender of the board member using the demographic information provided in the NC Voter Search database.
- Community college data were collected from January 5-February 7, 2023.



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About C2i

- C2i is a student-oriented research lab at Davidson College dedicated to understanding how colleges and universities respond and innovate during crisis.
- C2i currently employs 32 undergraduate student employees who act as data collectors, policy analysts, and data scientists.
- 12 peer-reviewed publications using C2i data in the last year
- 5 data collections on COVID-19/public health, infrastructure, natural disasters, and equity & governance this semester



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About Davidson College

“Davidson's primary purpose is to help students develop humane instincts and disciplined, creative minds for lives of leadership and service in an interconnected and rapidly changing world.”

- 1,973 undergraduate students
- 21 men's and women's NCAA D1 sports teams
- Top producer of Fulbright students for 7 years



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Governing Boards in Higher Education

Presented by
Dr. Belle S. Wheelan, President
Southern Association of Colleges and Schools Commission on Colleges
February 7, 2023

Members of Board of Trustees

- ▶ Individuals who are appointed or elected to serve an institution or system.
- ▶ Representatives from the entire service area, e.g. state, region, country
- ▶ Governing body of the institution
 - ▶ Seeks best interest of stakeholders
 - ▶ Set and support Mission, Policies and Procedures
 - ▶ Choose, support and regularly evaluate the CEO
 - ▶ Ensure adequate resources (fundraising and friend raising)
 - ▶ Engage in strategic planning with the Administration
 - ▶ Ensure independence of institution

Duties continued

- ▶ Fiduciary responsibility for the institution
 - ▶ Duty of loyalty to the institution
 - ▶ Attend and participate in meetings
 - ▶ Ensure CEO is qualified
 - ▶ Carefully review reports and follow-up with questions as necessary
 - ▶ Follow all state and federal laws that impact the institution

What A Board Member is NOT!!!

Solver of all problems

One who is able to decide anything alone

One who runs the institution



Purposes of Accreditation



QUALITY

Purposes of Accreditation



STANDARDS

Purposes of Accreditation



GATEKEEPER

Principles of Accreditation

Section 1 - Principle of Integrity

Section 2 - Mission

Section 3 - Basic Eligibility Standard

Section 4 - Governing Board

Section 5 - Administration and Organization

Section 6 - Faculty

Section 7 - Institutional Planning and Effectiveness

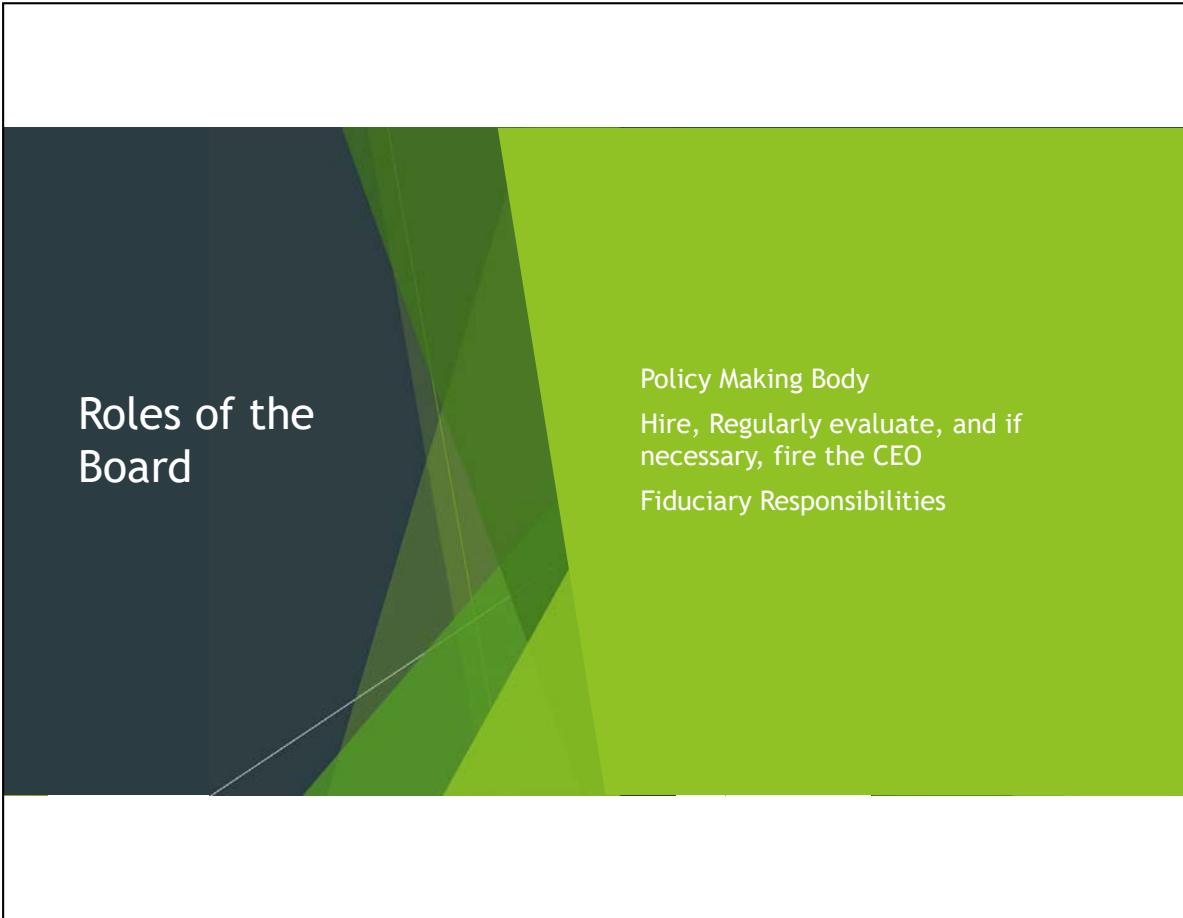
Principles of Accreditation cont'd

- Section 8 - Student Achievement
- Section 9 - Educational Program Structure and Content
- Section 10 - Educational Policies, Procedures, and Practices
- Section 11 - Library and Learning/Information Resources
- Section 12 - Academic and Student Support Services
- Section 13 - Financial and Physical Resources
- Section 14 - Transparency and Institutional Representation

New Principles

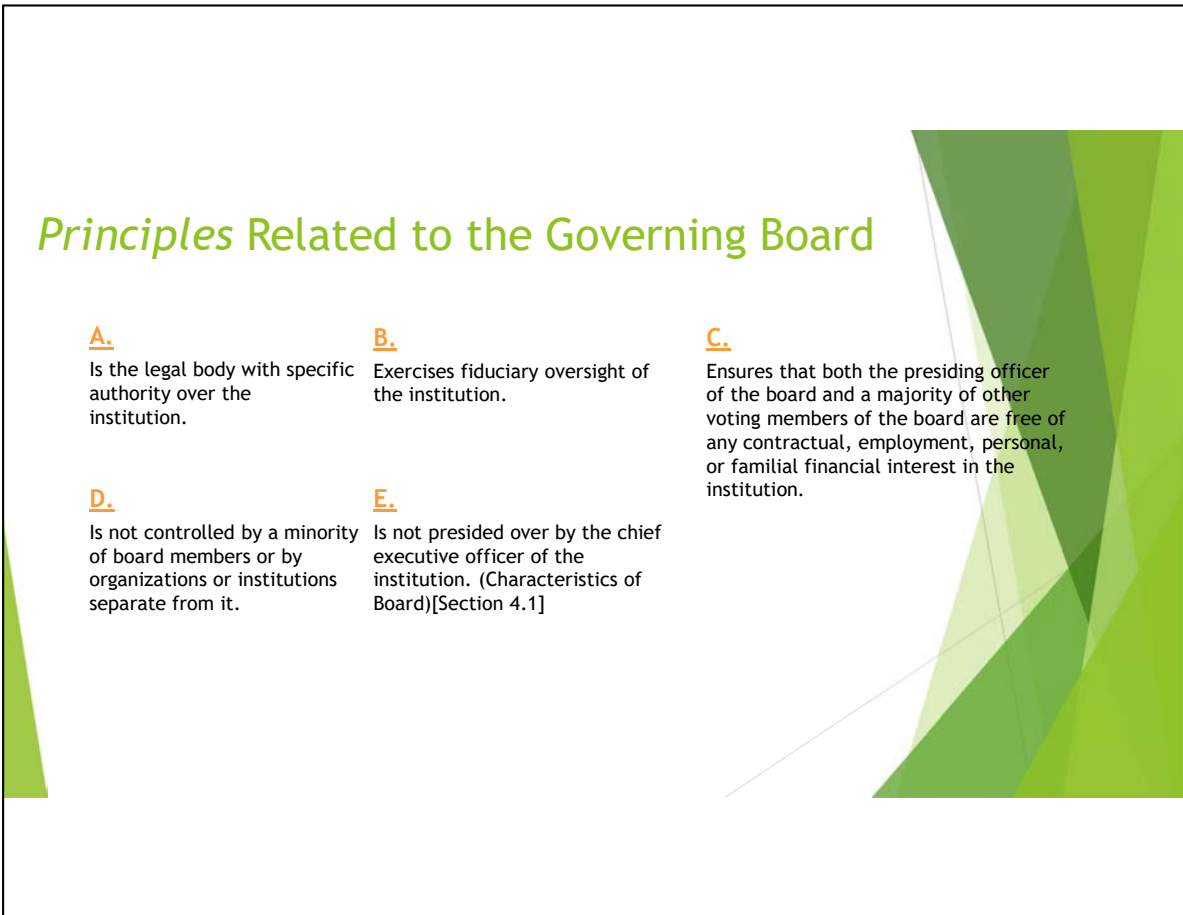
Boards define and regularly evaluate their responsibilities and expectations.

The institution provides information and guidance to help student borrowers understand how to manage their debt and repay their loans.



Roles of the Board

- Policy Making Body
- Hire, Regularly evaluate, and if necessary, fire the CEO
- Fiduciary Responsibilities



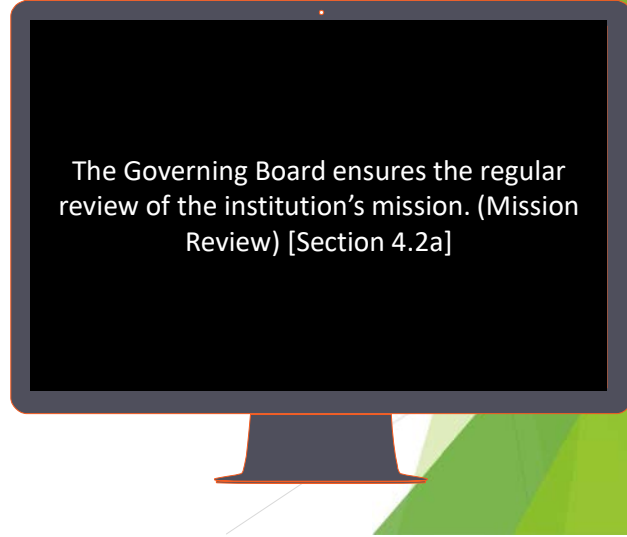
Principles Related to the Governing Board

- A.** Is the legal body with specific authority over the institution.
- B.** Exercises fiduciary oversight of the institution.
- C.** Ensures that both the presiding officer of the board and a majority of other voting members of the board are free of any contractual, employment, personal, or familial financial interest in the institution.
- D.** Is not controlled by a minority of board members or by organizations or institutions separate from it.
- E.** Is not presided over by the chief executive officer of the institution. (Characteristics of Board)[Section 4.1]

Principles Related to the Role of the Governing Board



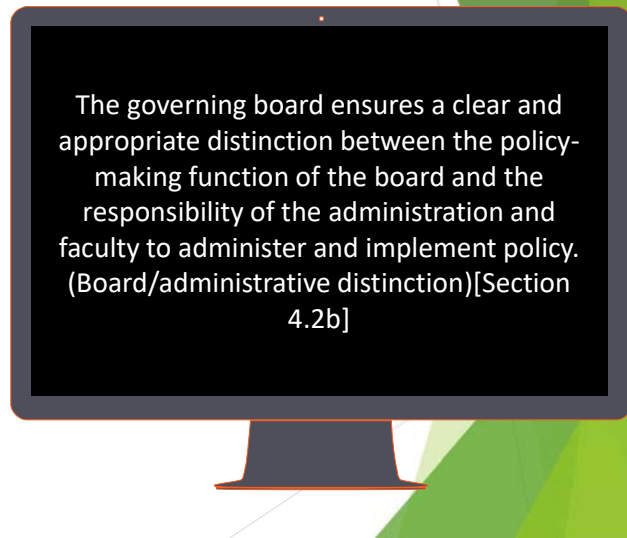
The Governing Board ensures the regular review of the institution's mission. (Mission Review) [Section 4.2a]



Principles Related to the Role of the Governing Board



The governing board ensures a clear and appropriate distinction between the policy-making function of the board and the responsibility of the administration and faculty to administer and implement policy. (Board/administrative distinction)[Section 4.2b]



Principles Related to the Role of the Governing Board



The governing board selects and regularly evaluates the institution's chief executive officer. (CEO evaluation/selection)[Section 4.2c]

Principles Related to the Role of the Governing Board

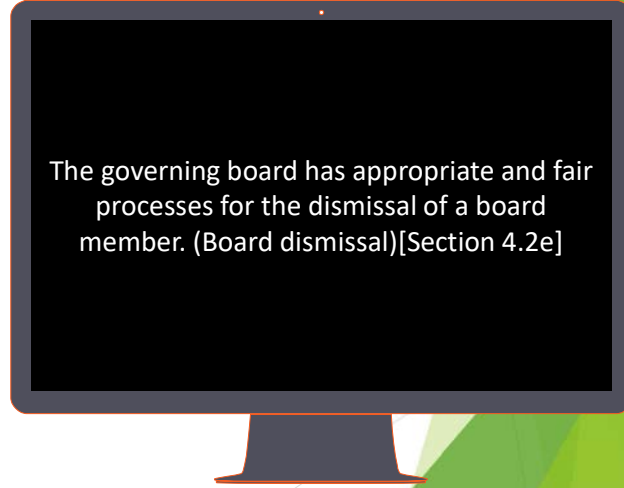


The governing board defines and addresses potential conflicts of interest for its members. (Conflict of interest)[Section 4.2d]

Principles
Related to the
Role of the
Governing
Board



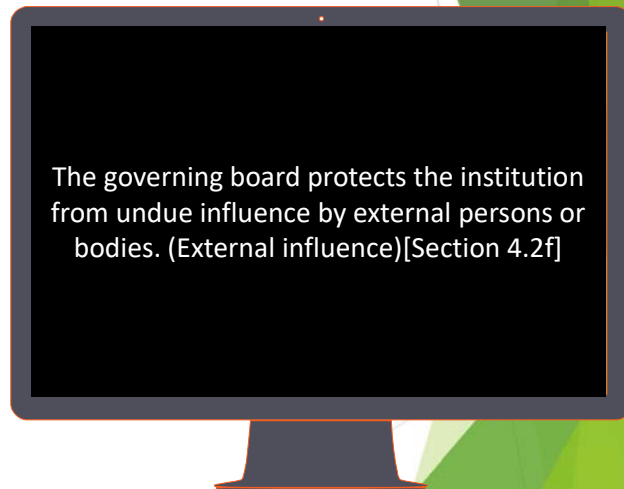
The governing board has appropriate and fair processes for the dismissal of a board member. (Board dismissal)[Section 4.2e]



Principles
Related to the
Role of the
Governing
Board



The governing board protects the institution from undue influence by external persons or bodies. (External influence)[Section 4.2f]



Principles Related to the Role of the Governing Board



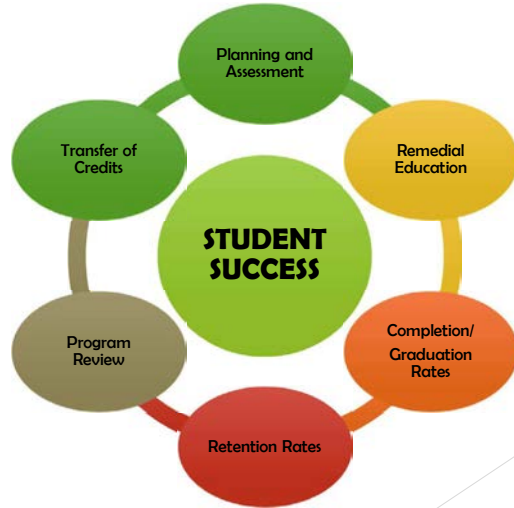
The governing board defines and regularly evaluates its responsibilities and expectations. (Board self-evaluation)[Section 4.2g]

Principles Related to the Role of the Governing Board



If an institution's governing board does not retain sole legal authority and operating control in a multiple-level governance system, then the institution clearly defines that authority and control for the following areas within its governance structure: (a) institution's mission, (2) fiscal stability of the institution, and (3) institutional policy. (Multi-level governance)[Section 4.3]

Institutional Issues



THANKS!
Any Questions



Public Forums Feedback & Themes

GOVERNOR'S COMMISSION ON GOVERNANCE OF PUBLIC
UNIVERSITIES IN NORTH CAROLINA



1

Overview

- ▶ 6 Forums across NC to hear the public's recommendations on improving the governance of public universities
 - ▶ Wilmington
 - ▶ Asheville
 - ▶ Charlotte
 - ▶ Greenville
 - ▶ Greensboro
 - ▶ Durham
- ▶ Heard from faculty representatives, staff representatives, student representatives, business leaders, and other members of the public

2

Areas of Feedback

3

- ▶ Desire for greater transparency and accountability of BOG and BOT members
- ▶ Desire for more shared governance between governors, trustees, administrators, faculty/staff, and students
- ▶ Concern that Governors and Trustees are not representative of the geographic, gender, racial and ethnic, and political diversity of the state
- ▶ Acknowledgement that the BOG has become more political and desire to see it become less so
- ▶ Suggestions on strengthening roles and responsibilities of BOG and BOT members along with changing term lengths and board size to minimize politics and increase diversity

3

Transparency

4

- ▶ Wide agreement from forum participants that BOT meetings should be better publicized to the university community and general public
- ▶ Participants said that BOT meetings should be livestreamed in the same manner as BOG meetings
- ▶ BOG/BOT members are public servants and should have contact information that is publicly available and easy to find
- ▶ BOG meetings should have more time for public comment

4

Faculty, Staff, and Student Representation

5

- ▶ Interest in increasing communication between faculty, staff, students, and trustees/governors.
- ▶ Strong interest in ex-officio representation of faculty and staff on boards. This may require a statutory change.
- ▶ Additional ideas for engagement included representation at the committee level of faculty, staff, and students as subject matter experts and more frequent opportunities to provide comments to the boards.
- ▶ There was also discussion about ways to include retired faculty and graduate students.
 - ▶ Retired faculty come with a wealth of system/institutional knowledge and are connected to the needs of students.
 - ▶ The experiences and needs of graduate students are different from those of undergraduates. On the whole graduate students make up 21% of the student body.

5

Regional Diversity

6

- ▶ Forum participants expressed a need for geographic diversity at the BOG
 - ▶ This was strongest at the Asheville forum, where participants said the western part of the state is left out of important decisions
- ▶ Participants noted that geographic diversity could be attained by requiring at least one governor to come from each congressional district
- ▶ As congressional districts have fluctuated often, participants also suggested using the Councils of Government regions

6

Racial and Ethnic Diversity

7

- ▶ Forum participants mentioned that the racial and ethnic diversity of BOG and BOTs does not match the diversity of the state
- ▶ This diversity is important so that the needs of all students are met
- ▶ There was discussion at multiple forums about the previous racial and gender quotas for BOG members
- ▶ Discussion mentioned that the quotas ran into legal issues, but there was hope that there might be other ways to promote diversity among BOG and BOT members

7

Political Diversity

8

- ▶ Forum participants expressed that BOG policies reflect politics rather than long-term effective governance
- ▶ Commission members that have been on BOG noted that the BOG used to be much less political
- ▶ Forum participants suggested possibility of giving some appointments to members of the minority party in the General Assembly
- ▶ Inclusion of ex-officio members could make BOG and BOTs more focused on effective governance
 - ▶ Ex-Officio positions could include: the Superintendent of Public Instruction, President of the Community College System, and Faculty, Staff, and Student Government/Assembly Representatives

8

Roles and Responsibilities

9

- ▶ Lobbyists present an inherent conflict of interest on the boards
- ▶ Lobbyists should not be on BOG/BOTs, or there should be a cooling off period
- ▶ Better training, potentially through a designated center, is necessary to ensure BOG and BOT members understand the principles of good governance
- ▶ BOG members should visit constituent campuses more often
- ▶ BOT members should be present and available at their campus

9

Term Length and Board Size

10

- ▶ Longer terms and term limits may allow for more independence from the appointing body
- ▶ Consistent discussion at forums about the size of the BOG. Going back to a larger board may allow for more diversity

10

Commission Members' Alternative Suggestions to Improve UNC System Governance Structure

Regarding the Center of Higher Education Governance:

The Center of Higher Education Governance should be located on the campus of one of the UNC System constituent institutions other than UNC-Chapel Hill which now houses several centers.

Place the work of the Center under the Board of Governors:

The UNC Board of Governors (BOG) should expand the scope of work of its existing committees to study and identify the best governance principles being used in higher education and work to implement them with the Board of Governors and each Board of Trustees (BOT) within the UNC System.

This work should include:

Strategic Initiatives Committee

- Bring in thought leaders on higher education governance to identify what is being done differently and well elsewhere and what could be tweaked, changed or added to UNC practices to enhance governance and lead in these practices. (This would be like the recent study done to identify necessary talents and experiences a new Chancellor should have today.)
- Study what characteristics are important to be considered a productive higher education board member and how to develop a database of individuals interested in and qualified for serving listing their qualifications, skills and expertise. This could include previous BOG and BOT members interested in and eligible to serve in other capacities, retired faculty and university administrators, members of the general public and others. (This could also follow along the lines of the recent Chancellor project noted above.)

Governance and Education Planning Committees

- In addition to existing BOG and BOT orientation programs, develop a plan for continual education of existing BOG and BOT members to be updated on best governance practices, current issues facing higher education, current and new practices on ethical practices and conflicts of interest, the division of responsibilities between BOG, BOT, the Office of the President and institutional administration.
- Develop recommendations to ensure clear and consistent rules and procedures for all BOG and BOT board operations such as high level agenda matters, the use of consent agendas, voting procedures, closed sessions, etc.
- Provide an annual report to the NCGA and BOG on the demographic makeup of the BOG, each BOT and the overall BOT in relation to the demographic makeup of the state to provide another source of information to consider in selecting new BOG and BOT members.
- Develop a regular schedule to have the BOT Chair, the Chancellor and BOG Liaison present to the BOG about the issues their institution is facing, actions taken and what may be coming.

**Testimony Before the
Governor's Commission on the Governance
of Public Universities in North Carolina
Raleigh, NC
By Ran Coble
6/1/23**

Thank you all for your public service on this important set of public policy issues. (1) I'm going to tell you about the N.C. Center for Public Policy Research's studies of higher education governance, and particularly our findings relevant to your work; (2) Second, I'll review specific issues and controversies that led to the creation of this Commission and which governing body was involved; and (3) Third, I'll give you my thoughts on what this Commission should consider in its recommendations to the Governor and the legislature.

I'll also be available afterward for any questions or comments you might have. So first, a word about the Center for Public Policy Research.

I. ABOUT THE N.C. CENTER FOR PUBLIC POLICY RESEARCH

I served for 33 years as director of the N.C. Center for Public Policy Research, a private nonprofit formed in 1977 to study public policy issues facing North Carolina and to evaluate the performance of state government programs. Some people called us a government watchdog, others called us a think-tank, and still others called us futurists. We are not a state agency but an independent, non-partisan group with goals of helping citizens understand how state government works and helping citizens evaluate whether state government programs work well.

When I was there, our 24-member statewide Board of Directors was proportioned exactly like the population of North Carolina. It was composed of males and females; blacks, whites, Hispanics, and Native Americans; Democrats, Republicans, and Independents; from the East, West, and Piedmont in the same proportions as the state's population. This gave the Center credibility as being nonpartisan and representing the full diversity of North Carolina's population.

In the area of higher education, the Center completed studies of: (1) how the public universities evaluated and rewarded good teaching published in **1993**; (2) a history of how the 16-campus system was put together in 1971 and 1972 (called **Reorganizing Higher Education in North Carolina: What History Tells Us About Our Future**, published in **1999**); (3) an examination of how public universities are governed in all 50 states (called **Governance & Coordination of Public Higher Education in All 50 States**, published in **2000**), not just in 25 states like one of your previous speakers discussed; (4) a study of governance of higher education in North Carolina (called **The Statewide UNC Board of Governors: Its Selection, Powers, and Relationship to the 16 Local Campus Boards Of Trustees**, published in **2006**); and (5) a study of financial aid policy in both community colleges and public universities (published online in **2015**).

The Center took no government money but received its funds from 5 sources – foundation grants, including the Z. Smith Reynolds Foundation when Tom was there; corporate contributions, including BlueCross BlueShield (thank you Brad), sales of publications; individual donors; and Center members.

II. The Center's Report on Governance of Public Universities

A. Our Process

That fourth study was titled, **"The Statewide UNC Board of Governors: Its Selection, Powers and Relationship to the 16 Local Campus Board of Trustees."** To prepare this report, the Center conducted several hundred interviews – with legislators, university administrators, faculty, students, higher education leaders nationally and in North Carolina, and especially with current and former members of the University of North Carolina Board of Governors and with both winning and losing candidates for the Board. We visited almost all of the campuses in the UNC system. We also attended almost every Board of Governors meeting for five years and had six chancellors of UNC institutions speak at our Board of Directors meetings.

We reviewed all state statutes and Constitutional provisions pertaining to higher education, as well as the University *Code* and administrative manuals governing local campuses. Many of those statutes and Constitutional and code provisions are reprinted in our report.

The Center obtained data from the State Budget Office, the legislature's Fiscal Research Division, the National Center for Education statistics, State Higher Education Executive Officers, UNC-General Administration, and the 16 campuses themselves. We also conducted a comprehensive analysis of governance of higher education in other states, building on our previous reports.

Finally, we sent our draft report to more than 250 reviewers in North Carolina and across the country, inviting their comments and criticisms. Then, over eight months, we responded to their criticisms and comments with changes, additions, deletions, or clarifications. We believe this resulted in a report that is factual, fair, and a lasting contribution to the field of higher education policy analysis, and hopefully a big help to you who serve on this Commission.

B. Praise and Perspective for NC's System of Governance

Let's start first with some praise for the UNC system of governance.

1. First, the basic governance structure is good. We are one of only 24 states fortunate enough to have a statewide Board of Governors setting policy for all its public universities.
2. Second, the structure of North Carolina's university governance system reflects a delicate balance:
 - * Balance between the Governor, the legislature, the UNC System President, and the UNC Board of Governors, though we are losing balance between the legislature and the Governor;
 - * Balance between the UNC System President and Board of Governors and the chancellors and local campus board of trustees; and
 - * Balance among the 3 missions of the University of teaching, research, and public service.
3. Third, the powers given to the Board of Governors in state statutes are the right ones, especially:
 - * the power to prepare a unified budget; and
 - * the power to approve new academic programs and terminate old programs.
4. Fourth, the Board of Governors has stepped up since 1999 in meeting its statutory responsibilities to take a more active role in setting tuition system-wide. Though we have some serious concerns about the number and amounts of increases in tuition over the last 50 years that I'll get to in a minute – still, prior to 1999, the Board just defaulted this task to the legislature so the Board of Governors has made progress in accepting their legal responsibility for tuition policy, but it and the legislature have since raised tuition too often and too much. This puts the state in jeopardy of a lawsuit. I'll tell you why in a minute.

For perspective, you might be interested in knowing that:

1. First, North Carolina has the largest number of *public* four-year historically black colleges and universities, with five such institutions (Alabama has 13 HBUCs, but only two are public four-year institutions).
2. Second, North Carolina is one of only two states where the amount of power given to campus boards of trustees is not spelled out in the state statutes but left to the sole discretion of the UNC Board of Governors (Utah is the other state).
3. Third, North Carolina is one of only seven states that have no central board or agency charged with *planning* or *coordinating* higher education policy for *both* the two-year and four-year public institutions. By contrast, Georgia's Board of Regents governs all four-year and two-year institutions. In North Carolina, the University system is governed by the UNC Board of Governors, the community college system is governed by the State Board of Community Colleges, and the 36 private colleges and universities are each independently governed by campus-level boards of trustees.
4. Lastly, 43 states, including North Carolina, have higher education boards with authority to conduct **master planning** for all of higher education. The General Assembly mandated in **G.S. 116-11(1)** that the Board of Governors “plan and develop a coordinated system of higher education in North Carolina” and that, in consultation with representatives of the State Board of Community Colleges and of the private colleges and universities, the Board of Governors “shall prepare and from time to time revise a long-range plan for a

coordinated system of higher education....” No Board of Governors has ever completed such a master plan for both public and private colleges and universities.

Not for Oral Presentation

C. The N.C. Center for Public Policy Research’s Record in Achieving Changes in Policy as a Result of Our Studies

So, what was our record of getting policy changes in higher education as a result of our studies and recommendations? Here’s a quick summary:

1. Evaluation of and Rewards for Good Teaching – In **1993-95**, President Spangler, the Board of Governors, and the General Assembly implemented four of the recommendations from our study of evaluating and rewarding good teaching (**1993**).

- President Spangler and the Board of Governors increased evaluation of teaching performance, mandated teaching centers on every campus, established campus-level teaching awards, and established annual system-wide teaching awards for the whole 16-university system. The Board also required extensive training, evaluation, and monitoring of graduate students who teach undergraduates. The N.C. General Assembly appropriated \$250,000 a year in **1993-97** for teaching awards and endowed chairs for teaching.

- In 1995, at our urging, the legislature enacted the first-ever mission statement for the state’s 16 public universities which includes teaching [or instruction], research, and public service, with teaching as first priority. **G.S. 116-1(b)** states, “Teaching and learning constitute the primary service that the university renders to society. Teaching, or instruction, is the primary responsibility of each of the constituent institutions.”

- The law also directed the UNC Board of Governors to instruct the 16 campuses that teaching is primary in making faculty personnel decisions regarding tenure, teaching assignments, and promotions.

- Finally, the law required the Board of Governors to review the procedures used to screen and employ graduate teaching assistants and ensure that all teaching assistants have the ability to teach effectively.

2. Long-Range Planning by Public Universities – In **2006**, we recommended that the UNC Board of Governors become more involved in long-range planning, as state law [**G.S. 116-11**] requires. UNC Board Chairman Jim Phillips and UNC President Erskine Bowles responded with a UNC Tomorrow Task Force that held 11 public forums across the state to ask how the campuses could help solve public problems.

3. Increasing College-Going Rates – In that same **2006** study and in an earlier study of ways to reduce racial gaps in public policy outcomes, we recommended a new college scholarship program to increase North Carolina’s college-going rates, especially for African Americans and Latinos. Gov. Mike Easley responded, and the **2007** state budget included a new debt-free college scholarship program called EARN. Though this program was later repealed, the same goal is being pursued today by the MyFuture NC 2030 effort.

4. Addressing the Shortage of Teachers – In 2007, Erskine Bowles, then just named the new President of the UNC System, used our research on NC’s teacher shortage in his Inaugural Address, saying that improving public schools – including addressing the teacher shortage – was one of his top priorities. The University System then increased its output of teachers from 3,100 to 4,000.

5. Helping Community Colleges Address Key Challenges Facing North Carolina – In response to the Center’s 2008 study and recommendations on the future of community colleges, the 2008, 2009, and 2010 N.C. General Assemblies:

- Appropriated a total of \$26 million to address equipment shortages documented by the Center that had forced community colleges to cancel 98 job training programs in the Great Recession when job retraining was critical.

- Appropriated \$15 million for high-demand, high-cost health care programs to address work force shortages that we documented, such as the need for 9,000 more nurses.

- Appropriated \$60.5 million for growth in enrollment to address weaknesses in the funding formula described by the Center, and to help community colleges provide job training for citizens out of work or changing careers because of the Great Recession;

- Appropriated \$1.85 million for mentoring of minority males, a group needing special attention after their graduation numbers declined for 3 years in a row; and

- Charged the Joint Legislative Education Oversight Committee to study changes necessary to improve financial aid for community college students, in direct response to the Center's findings and recommendations.

6. Making Federal Loan Programs Available to More Students in NC's Community Colleges – In 2009, we were shocked to find that only 20 of North Carolina's 58 community colleges made federal loan programs available to their students. In 2010, we testified before the legislature's Joint Select Study Committee on State-Funded Student Financial Aid, and we recommended requiring all community colleges to participate. The 2010 legislature agreed and passed a law that required all 58 community colleges to make federal loan programs available to their students. As a result, 177,000 more North Carolinians would have been able to obtain a community college education.

But then in 2011, the legislature passed a bill that would have allowed all 58 community colleges to opt out of offering federal loans to their students. The Center then wrote Governor Beverly Perdue and asked her to veto that bill. We pointed out that federal loans are the cheapest and safest way for students to borrow money for college. Federal loans charge 4.5 percent interest compared to the 16 percent interest students were paying on their credit cards for tuition. The Governor vetoed the bill, citing the Center's research.

However, the legislature came back with a legally questionable tactic of dividing what had been a statewide bill into four local bills. A governor cannot veto local bills. Those four local bills allowed a total of 26 community colleges to opt out of offering federal student loans. Luckily, not all chose to opt out. By 2012, 32 community colleges (12 more than when we began) offered federal loans to their students, giving 50,238 more students access to the safest and cheapest way to borrow money for college. This is still unfair to the students in the other 26 schools.

7. Helping Parents and Students Save for College – Our research on financial aid policy also found that families were about to lose a tax deduction that helped them pay for college. Families who were saving for a child's college education in a Parental Savings Trust Fund or 529 College Savings Plan got a deduction on their state income tax, but this was scheduled to expire in January 2012. Our research prompted a successful bipartisan effort in the 2011 legislature to repeal the expiration date and make the 529 Plan more attractive to parents.

In 2006, mutual fund evaluator Morningstar Inc. had rated North Carolina's 529 Plan as one of the worst in the country, and our state then ranked only 44th in citizens' use of the savings plan. But, with changes advocated by the Center, Morningstar raised N.C.'s rating to "above average," and CNN's *Money Magazine* ranked the state's 529 Plan as one of the top 3 in the country. The number of N.C. 529 accounts increased by 16 percent, and the fund value grew by 20 percent. By 2011, N.C.'s Plan had 94,516 account owners with more than \$766 million invested.

8. Ending In-State Tuition for Out-of-State Athletes – In our testimony before a legislative study committee (the legislature's Joint Select Study Committee on State-Funded Student Financial Aid), the Center recommended repealing the statute that gave in-state tuition to out-of-state athletes. The 2010 legislature agreed and repealed the law, saving the state \$15.5 million annually. However, a bill to repeal this provision has been introduced this legislative session.

9. Dedicating 25% of the Proceeds from Tuition Increases to Financial Aid

Before that same legislative study committee, we testified that tuition had been increased at North Carolina's 16 public universities in 9 of the last 10 years, an increase of 144 percent. With another tuition increase authorized in 2010 and student debt rising, the Center recommended that the legislature require that a high percentage of the proceeds from tuition increases be earmarked for student financial aid. The 2010 legislature agreed and required that at least 25 percent of the proceeds from tuition increases be earmarked for need-based financial aid.

10. Consolidating Financial Aid and Loan Forgiveness Programs: Saving State Funds, Helping Parents and Students

In our research on financial aid policy, we found 14 different state programs that used financial aid to address work force shortages in such fields as teaching and nursing. Students receiving aid under those programs have their loan forgiven if they work in the needed occupations in North Carolina. However, parents

and students found it difficult and confusing to apply for 14 different programs, so the Center recommended consolidating them.

A 2010 legislative Working Group on the Consolidation and Simplification of State Student Financial Aid Programs recommended consolidation, so in another bipartisan effort, the 2011 legislature passed legislation combining 12 of the 14 into one program. This made it easier to administer and much simpler for parents and students that dream of a college degree. It also saved taxpayers' money.

Center Studies on Higher Education Won National Awards

From 2006 to 2011, the Center won three prestigious national awards for our research on public universities and community colleges from the national Governmental Research Association (GRA), a nonpartisan group of 33 public policy nonprofits in 22 states. GRA organizations promote transparency in state budgets and provide information to citizens about the performance of government programs.

In 2006, the Center's study of **The Statewide UNC Board of Governors** won the award for **Most Distinguished Research**.

In 2010, we won the award for **Outstanding Policy Achievement** for research that leads to "tangible improvements in public policy." This recognized the Center's results in getting the legislature to address key issues facing **NC's community colleges**.

And, in 2011, the Center's study of **financial aid policy** won the top national award for **Outstanding Policy Achievement**. This recognized the Center's work for getting the legislature to improve students' ability to attend and pay for college."

For 10 consecutive years, the Center won national GRA awards for distinguished research, educating the public, and achieving changes in public policy.

III. Political Considerations: Are Your Goals Long-Term or Short-Term Change?

Now, we got a lot of good response and results from our studies in higher education but not from our study of governance of the UNC System. That's because of a decision we made before developing our recommendations, and you face this same decision now. The question before you is: Do you want to make recommendations for what you think is best for the state and higher education governance in the long term – which is what we did – OR do you temper your recommendations and aim for what might be more acceptable to the Governor and a majority in the General Assembly in the short run? I think either is okay, but it's best to be clear about your political goals before you decide on your recommendations.

My own political instincts are that 3 things argue in favor of adopting a long-term approach. First is sheer timing. You'll be finalizing your report in June and July, and the General Assembly is likely to adjourn in July because they're doing the budget earlier than usual this year. That leaves you only the possibilities of a special session on this topic called by the Governor, or the short session in 2024 when the legislature historically doesn't like taking up new controversial topics.

Second, Gov. Cooper will be in the final year-and-a-half of his tenure at that point, and he faces a Republican super-majority now.

Third, when this Commission was first announced last November, Speaker of the House Tim Moore said, "There is no interest in changing the structure of the UNC System, regardless of whatever report this politically-motivated commission produces." Senate President Pro Tem Phil Berger said the purpose of the Commission was "to enlarge his [the Governor's] power and expand executive control" and "obtain partisan appointments to university boards." That had to be discouraging for the people in this room, not having made a single recommendation yet, so I commend you all for seeing this through and doing such good research and thinking.

IV. Recent Issues and Controversies in Governance of Higher Education

So far, this Commission has not had a comprehensive discussion of the problems you see in higher education governance. You have focused mostly on solutions, but you've not really described the problems you're trying to solve. Nor have you been specific about identifying which governing body is the source of the

problem you're trying to solve. Is it the legislature and existing state statutes, or the UNC Board of Governors, or a particular campus board of trustees, or individual bad apple members of a board? So, **Attachment 1** is my attempt to quickly describe the problem behind some of the solutions you or the press have mentioned and match them to which governing body is responsible. What you owe the public and posterity in your report is a description of the problems and the solutions you propose to those problems.

The first 3 items (#1, 2, and 3) on pages 1 and 2 of the attached table (**See Attachment 1**) list violations of existing laws by the legislature. These are rooted in state statutes, the state Constitution, or legislative practice. First, **G.S. 116-7(a)** requires the legislature to elect members of the Board of Governors who reflect the "economic, geographic, political, racial, gender, and ethnic diversity" of the State. Both the Center's study and the Davidson College study show this statutory requirement has not been met.

The second failure to follow state law by the legislature is that **G.S. 116-6(c)** requires the House and Senate to select from a slate of candidates in each chamber that lists, and again I quote, "at least twice the number of candidates for the total seats open." However, this was not the legislature's practice this year or any year I know of.

The third is a Constitutional imperative. The state Constitution mandates that "The General Assembly shall provide that the benefits of The University of North Carolina and other public institutions of higher education, **as far as practicable**, be extended to the people of the State **free of expense**." Yet, tuition has been increased in about 35 of the last 50 years. That invites a lawsuit that could cost the state millions.

When state statutes or the Constitution are not being followed, the solution is for this Commission and the media to bring the situation to the attention of the public and for the Governor or Attorney General or a private citizen to sue to enforce the law.

The next set of problems (items #4, 5, and 6) also originate from legislative decisions – the decision to exclude the Governor from having the power to appoint any members of the Board of Governors, the decision to take away the Governor's power to appoint some members of the campus Boards of Trustees, and the legislature's decision to elect lobbyists and former legislators to the Board of Governors. I am skeptical the General Assembly will change who makes appointments to the Board of Governors, though I will point out that in 46 states, governors appoint all or some of the members of the statewide higher education boards, with 31 of those 46 states requiring state Senate approval of the gubernatorial appointments. The Center's study recommended involving the Governor in appointments to the Board of Governors.

I do think that if this Commission were to bring to the attention of the public the problems presented by having lobbyists and former legislators on the Board of Governors, with real examples of the conflicts of interest created, that you might be successful in eliciting some changes there.

The next set of problems or issues in the table (items # 7, 8, 9, and 10) originate at the Board of Governors decision-making level. Fairly high rates of turnover among campus Chancellors and system Presidents the last 8 years are a canary in the coal mine for problems in governance. Board of Governors' members seeking positions as campus Chancellors, getting individually involved in the hiring of Chancellors, and making decisions on academic programs at institutions are violations of norms of good governance.

Tom Ross spoke in March to a group of senior lawyers in Raleigh and broached the idea of creating a Center for Higher Education Governance to deal with these kinds of problems, and I think that is a very good idea.

The next set of issues and controversies in the table originate at the campus level (items # 11, 12, 13, and 14) where Boards of Trustees as a whole or individual bad apple board members have violated norms of good governance. The most public of these controversies have involved the UNC-Chapel Hill Board of Trustees and its decisions regarding the Silent Sam Confederate Soldier statue, the failed hiring of Nikole Hannah-Jones at the School of Journalism, and the most recent decision to accelerate the development of a new School of Civic Life and Leadership without the normal months-long approval process and a vote by the faculty to create a new degree program.

Lastly in the table (item #14) is the terrible instance of two East Carolina University campus Trustees and bad apples who tried to influence student government elections at ECU. I think the solution used there of

“naming and shaming” solved that problem, though an explicit Code of Ethics might make justice in such situations quicker and surer.

V. Suggestions for Possible Recommendations by This Commission

Now, because you’re operating in a tight time frame, I thought I could help by giving you suggestions for recommendations you could make to the Governor and the General Assembly.

1. Comply with the State Statute Requiring Diversity of Various Types on the Board of Governors and Campus Boards of Trustees

I think you need a recommendation to increase diversity on all higher education boards. This is important for two reasons. First, the state statute requiring this is not being followed, and second, diversity on the boards was a key part of the Governor’s charge to you in creating this commission.

As I mentioned earlier, **G.S. 116-7(a)** requires the legislature to elect members of the Board of Governors who reflect the “economic, geographic, political, racial, gender, and ethnic diversity of the State.”

The complicating factor in correcting this is the settlement of the lawsuit by the University system with Walter Davis in 2001 on ending quotas on the Board of Governors by setting aside 4 seats each for women, minorities, and the minority political party.

But, having quotas is very different from having a Board that is proportionately representative of the population of North Carolina, and that is what I suggest that you recommend. And, the Davis suit did not cover geographic or economic diversity or the situation now where the largest number of voters are registered Unaffiliated.

Some of the best statutory language on Board composition found by the Center is Kentucky’s. Kentucky’s statute outlines goals for appointments by their Governor to the Kentucky Council on Postsecondary Education. The law expressly directs the Governor to “assure broad geographical and political representation; assure equal representation of the two sexes, inasmuch as possible; assure no less than proportional representation of the two leading political parties of the Commonwealth based on the state’s voter registration; and assure that appointments reflect the minority racial composition of the Commonwealth....”

The Center examined the North Carolina legislature’s record over a 32-year period (1972-2004) and found that the General Assembly consistently failed to elect women and minorities to the Board of Governors in proportion to their numbers in the state’s population. In those 32 years, the legislature filled 1,024 positions on the UNC Board, and only 19 percent were women, while women are 51 percent of the state’s population. The legislature also elected only 21 percent minority Board members in a state that has several minority populations that then totaled 29 percent of the population and now totals 38 percent of the state’s population.

The Center’s research also showed that those elected to the Board of Governors by the legislature were disproportionately Democrats when the Democrats held a majority of seats in the legislature and a majority of registered voters. The Board also came disproportionately from the Piedmont, slighting the Eastern and Western regions of North Carolina.

You also have data on the current Board showing that the Board of Governors is:

- 24% female and 76% male, while the state’s population is 51% female and 49% male. Recent appointments to the Board by the legislature in March and May this year resulted in a Board with 6 women among its 24 members (25%).
- The Board of Governors is 76% white, 16% African-American, and 0% Hispanic, Asian, and Native American, while the state’s population is 62% white, 23% African-American, 10% Hispanic, 3% Asian, 1% Native American, and 2% other for a total minority population of 38%. Recent 2023 appointments leave the Board with four African Americans, (Pearl Burris-Floyd, Joel Ford, Reggie Holley, and Sonja Phillips Nichols) and 1 Asian American (Swadesh Chatterjee).
- The Board of Governors is 64% Republicans, 4% Democrats, and 32% Unaffiliateds, while the state’s population is 30% registered Republicans, 34% registered Democrats, and 36% Unaffiliateds. Recent 2023 appointments leave the Board with only 2 registered Democrats (Joel Ford and Gene Davis).

I suggest you publicize this and then consider recommending that the Governor sue in his individual capacity or that he consider asking the Attorney General to sue for enforcement of the statute.

One thing that Tom did in his talk to the group of Raleigh lawyers that was very helpful to that audience was to list the various kinds of diversity. Here are the types he mentioned and how to perhaps tease them out in your recommendation on diversity.

- **Racial and Ethnic Diversity:** Race is a protected class in discrimination lawsuits. This is the type of diversity that has to deal with the settlement of Walter Davis' lawsuit. That means it is the most difficult area in which to craft a solution, but it's worth a shot as long as you don't recommend quotas. But, that Walter Davis settlement is out of step with the times and does not fit how most North Carolinians think this public governing board should look. You are on the high political ground here.

- **Gender Diversity:** Gender probably is less a legally protected class in NC without a State Equal Rights Amendment so you can get more accomplished here, and it would be a big political payoff for both political parties to do something that gets better representation for more than 50% of the population.

- **Geographical Diversity:** In guaranteeing geographical diversity, the Center Board used Gade and Stillwell's geography textbook called North Carolina: People and Environment. In it, East is east of Raleigh (I-95), west is equivalent to west of Charlotte and Winston-Salem, and Piedmont is east of Charlotte and Winston, and west of Raleigh (**See Attachment 2**). This is the most stable way of adding geographical diversity and the most feasible over time.

In my experience, lack of geographical diversity on the Board of Governors is a big problem, in that too high a proportion of Board of Governors members come from the Triangle, and too many have strong allegiances to UNC-Chapel Hill and NC State and skew both the budget and program priorities to NC State and Carolina.

I would strongly advise against using the 16 Council of Governments regions or the 14 Congressional districts or the 8 Prosperity Zones in defining geographical diversity. The Councils of Governments are regrettably not respected by elected officials. Diversity by Congressional districts would add an additional element of politics infiltrating the process. As was pointed out in a previous Commission meeting, because we redistrict so often, there would be an additional element of turnover and politics added in defining the Congressional districts. And, using the 8 Prosperity Zones is still just too complicated. Keep it simple: use East, West, and Piedmont because that's the way people in North Carolina think in terms of geographical diversity.

- **Political Affiliations Diversity:** On this recommendation in particular, you have to decide whether you want the Commission to go for what it thinks best in the long run, or whether to go for something that the General Assembly might accept. In all candor, the General Assembly isn't likely to go for any statutory inclusion of appointment of Unaffiliateds to the Board of Governors, even though they are now the largest number of registered voters.

The system the Center for Public Policy Research used for political diversity was to base our Board on the percentages of registered voters among Democrats, Republicans, and Unaffiliateds. So when I began in the 1980s, our board had a large majority of Democrats; then in the 1990s, the Democrats and Republicans had about equal numbers, and in the 2000s, it was about even-thirds among Democrats, Republicans, and Unaffiliateds. There also was less controversy over time about what the standard was. The board also got better.

I think that standard is the best for the long term, but I can't imagine a Republican majority or a Democratic majority giving up UNC Board seats to Unaffiliateds – in effect to a “party” that's not really represented in the General Assembly. I guess you could tie Board seats to the percentage of legislators by political party in the House/Senate, and that would increase the number from the minority party, but I still think this is an intractable problem right now, as long as the legislature has sole appointment power.

2. Comply with the State Statute on the Number of Candidates for the Board of Governors To Be Considered by the Legislature

Again, as I mentioned earlier, the General Assembly is not following the state statute in its process for nominating and electing members to the Board of Governors. **G.S. 116-6(c)** requires the House and the Senate to select from a slate of candidates in each chamber that lists “at least twice the number of candidates for the total seats open” on the Board. However, the legislature’s usual practice is to vote up or down on a slate of candidates that has the same number of candidates as there are seats available (**See Attachment 3**).

Our additional finding was that the legislature’s Nominating Committees were and still are not doing their homework to determine the qualifications of the candidates for the Board of Governors or to find out candidates’ views on higher education policy. For example, one candidate for the Board of Governors told me that he spoke with more than 70 legislators in running for a seat, and that only one legislator asked any questions about his qualifications or positions on higher education issues. And, the legislative committees that handle these elections usually meet once for only 10-15 minutes to make their selections. There’s no debate at all.

This could prompt a lawsuit because the legislature again is not following its own law. You have the same policy choice here. You could publicize this in a news release and then consider recommending that the Governor sue in his individual capacity or that he consider asking the Attorney General to sue for enforcement of the statute. However, this one is perhaps harder to explain to the public, but it looks bad for the legislature not to be following its own laws.

3. Comply with the State Constitutional Imperative That the Benefits of Public Universities Be, As Far as Practicable, Free of Expense

Article IX, Section 9 of the State Constitution mandates that “the General Assembly shall provide that the benefits of the University of North Carolina and other public institutions of higher education, *as far as practicable*, be extended to the people of the State *free of expense*.”

Tuition and fees are the most important university policy for most families in North Carolina. For the first 27 years of its existence – from 1972 until 1999 – the UNC Board of Governors *never* recommended a tuition increase to the N.C. General Assembly, with the sole exception of its very first budget request in 1973 when the Board equalized tuition among institutions with comparable missions. The UNC Board of Governors then initiated tuition increases in 1973, 1999, 2000, 2001, and 2002. The legislature approved these increases and added another on its own initiative in 2003. As a result of these cumulative actions, undergraduate tuition for North Carolina residents rose by 71 percent in five years from 1999 to 2004.

The legislature itself then enacted 17 tuition increases from 1974 to 2003 (in 1974, 1975, 1977, 1981, 1983, 1985, from 1989-1998, and 2003).

In 2004 and 2006, the UNC Board approved and the General Assembly agreed to additional tuition increases that were initiated by individual campuses (**See Attachment 4**).

In addition to tuition increases, families and students have seen fee increases, so that athletics fees alone are up to \$279 at Chapel Hill but more than \$900 at Western Carolina and UNC-Asheville. Total fees are almost \$2,800 (\$2,776) at UNC-Asheville.

The good news in this area is that the University System has not increased tuition for in-state students for the last seven years. My sincere compliments to UNC System Presidents Margaret Spellings, William Roper, and Peter Hans on this achievement. This policy decision works in combination with 2 other achievements – the Fixed Tuition Program that I believe was first proposed by Brad Wilson when he was Chair of the Board of Governors, and the NC Promise Tuition Plan, both enacted by the 2016 General Assembly during President Spellings’ tenure. The **Fixed Tuition Program** guarantees in-state students fixed tuition if they are continuously enrolled for 8 consecutive semesters. Mandatory student fee increases are also capped at 3% per year. The **NC Promise Tuition Plan** benefits students at 4 universities (Western Carolina, UNC Pembroke, Fayetteville State, and Elizabeth City State) by charging them \$500 per semester tuition rates.

But overall, there still have been at least 35 tuition increases in the last 50 years, inviting a lawsuit under the state Constitution's provision that higher education should be "free of expense... as far as practicable." Such a lawsuit could cost the state millions of dollars.

The Center's record on these kinds of warnings is good. For example, back in 1990, the Center warned of a possible lawsuit by property tax-poor schools under the State Constitution's guarantee of equal educational opportunities, and in 1994, the *Leandro* decision on exactly this issue came down from the state Supreme Court. A current judicial order requires that the legislature appropriate \$677 million to meet that mandate.

4. Create a New Center for Higher Education Governance Within the UNC System Offices

As I mentioned before, in his speech to the group of Raleigh lawyers, Tom Ross brought up the idea of creating a Center for Higher Education Governance, and I think this is a very good idea. It would help create a diverse pool of qualified candidates for the Board of Governors and campus Boards of Trustees and a database for this. It also could offer an initial orientation program for new Board members. Tom also mentioned developing a Code of Ethics for the boards. To tease it out a bit further, the four functions of such a center would be:

(a) to develop a pool of qualified candidates, with special attention to creating a diverse pool of candidates, who are well-qualified and interested in serving on the UNC System Board of Governors and on Boards of Trustees at the campus level;

(b) to offer an orientation program for new members of the Board of Governors and campus Boards of Trustees;

(c) to offer training and continuing education for existing members of the Board of Governors and campus Boards of Trustees on specific duties and responsibilities of board members in public university governance and, as John Townsend and Ann Goodnight described it, a forum for developing and describing best practices; and

(d) to develop a Code of Ethics that would supply norms and standards for university board members in NC. These norms and standards should be included in all orientations and training activities, along with practical examples of situations that could arise; and

(e) to help clarify the division of responsibilities between the Board of Governors and UNC System President and the campus Boards of Trustees and Chancellors, and the Board of Governors' delegations of responsibilities to the campus Trustees.

I think such a center should be housed in the UNC System offices, not on a particular campus. This will be easier to do once the new education building for the System is built in Raleigh where the Administration Building now stands.

5. Add the Superintendent of Public Instruction and President of the Community College System as Ex-Officio Non-Voting Members of the Board of Governors

I think it's a good idea to add the Superintendent of Public Instruction and the President of the Community College System to the UNC Board of Governors as ex-officio non-voting members. This would increase coordination on such policy questions as the effort to increase college-going rates and graduation rates in the MyFutureNC 2030 goals, and I commend John Fraley and Ann Goodnight for serving on the Board for MyFutureNC. Adding the Superintendent and Community College President as ex-officio non-voting members of the Board of Governors also would aid in joint system efforts like the Articulation Agreement between the university system and the community college system. That latter effort wouldn't have taken so long to implement perhaps if the Community College President had been ex-officio on the UNC Board. Including these two leaders on the UNC Board will be even more relevant after all 3 system leaders are in that same new education building to be built in Raleigh.

The next recommendation may be particularly meaningful to Commission members Isaiah Green and Karen Popp as former student body presidents.

6. Change the Status of the Student Member of the Board of Governors from Non-Voting to a Voting Seat on the Board

The Center's findings and the reasons for this recommendation are:

- 30 central higher education boards in 27 states have a statutory requirement for student members, and on 25 of these boards, the student(s) has the right to vote. Thus, North Carolina's Board of Governors is one of only five boards with student members but without voting privileges.
- It is an inconsistent principle of governance in higher education in North Carolina to grant students a voting seat on the 16 local campus boards of trustees, but not on the statewide Board of Governors.
- Voting rights for the student have been endorsed in the past by the Board of Governors itself and by the boards of trustees of N.C. State University, N.C. Central University, and Winston-Salem State University.
- The N.C. House of Representatives passed legislation by large margins in three separate legislature sessions that would have granted voting rights to the student on the Board of Governors.
- Granting a voting seat to the student representative on the Board of Governors is one way to assure a connection between the Board and its chief customers or consumers – the 242,446 students in the 17-campus system. The student representative is invaluable in gauging the effect of various policies on students and in communicating Board of Governors decisions back to the campuses.
- The student members of the Board have often been especially valuable members. The student representative plays a key role (a) in developing state policy on such issues as tuition and (b) in advocating for the University system with the public and the legislature, such as in previous student participation on public TV special programs on University finances and costs. Student participation in governance also has been very important in building support for the Board's "strategic directions" and in publicly disseminating information about the rationale behind the Board's decisions back to the students. Students have proved they merit voting rights with their history of contributions in governance.

7. Ban Current Registered Lobbyists from Serving on the Board of Governors and the Campus Boards of Trustees, and Enact a Cooling-Off Period of 3 Years After a Lobbyist Is No Longer Registered as a Lobbyist Before Being Appointed to a Board

Increasingly, registered lobbyists have been appointed to the Board of Governors – for example, Darrell Allison, Pearl Burreis-Floyd, Tom Fetzer, Thom Goolsby, Reggie Holley, and David Powers. Lou Bissette on this Commission has advocated for a ban on current lobbyists being on the Board of Governors, and I think that is a good idea. Having members of the Board of Governors or campus Boards of Trustees who are currently lobbyists is rife with problems of lobbyists with multiple masters. This can result in conflicts of interest between their clients and the legislative leaders who appointed them vs. the university system's best interests.

If they stop lobbying and are no longer registered, a cooling-off period of a specified length (I recommend 3 years) might reduce the possibility of conflicts and turn their political experience into an asset for the Board of Governors or the campus Boards of Trustees.

In addition, the governance process is being tainted by Board of Governors candidates making campaign contributions to legislators. This is especially tempting for the lobbyists on the Board. Lobbyists on the Board contributed almost \$426,000 (\$425,720) in the five-year period we examined, and it's probably much more than that now.

8. Require a Cooling-Off Period of 3 Years Before Former Legislators Could Serve on the Board of Governors or Campus Boards of Trustees

Increasingly, former legislators also have been appointed to the Board of Governors – for example, Sen. Harry Brown, Rep. Rob Bryan, Rep. Leo Daughtry, Rep. C.R. Edwards, Sen. Joel Ford, Rep. John Fraley, Sen. Thom Goolsby, Sen. Teena Little, Sen. Helen Marvin, Rep. Art Pope, Sen. Bob Rucho, and Sen. Woody White. This unnecessarily politicizes the Board. Former legislators have divided loyalties to higher education's mission and goals vs. allegiance to the legislative leaders who appointed them.

I'd recommend making the cooling-off period at least 3 years. This would increase the likelihood that maybe 2 election cycles will have gone by after the legislator has left office. The former legislators then are a little less likely to have close relationships with people that are still in power/office in the legislature.

9. Return to Balance in the Separation of Powers Between Branches of Government by Giving the Legislature Half and the Governor Half of the Appointments to the UNC Board of Governors and the Campus Boards of Trustees

The reasons for this recommendation are as follows:

- In only two states – North Carolina and New York – does the legislature elect all voting members of their statewide university governing boards. The NC Center for Public Policy Research study found that in 46 states, governors appoint all or some of the members of statewide public higher education boards. 31 of those 46 states require state Senate approval of the gubernatorial appointments.

The 2022 AAUP report said that there were 17 statewide higher education governing boards in their sample overseeing all or almost all of the baccalaureate institutions in their states and that North Carolina's UNC Board of Governors is "the only statewide governing board solely appointed by the legislature without input from the governor."

In addition, in 2016, the legislature removed the Governor's power to appoint 4 of the 13 members of each local campus's Board of Trustees. Previously, the Governor had appointed 4, the Senate 4, and the House 4, with the elected student body president serving as the 13th voting member.

- The legislature is not doing its job in generating a large pool of applicants for positions on the Board, and the legislature is not doing its job in screening applicants to select the best Board members because it pays little attention to asking applicants about their qualifications for the Board, their demonstrated interest in higher education, their views on higher education policy questions, or their ideas for improving the system. Even if the legislative nominating committees ask for such information, they do not discuss it or seem to use it in their decisionmaking.

- Historically, Governors are more likely than the legislature to appoint a diverse slate of candidates that more accurately reflect the state's demographic make-up by race and ethnicity, gender, geographic region, and political party affiliation.

- This year, the N.C. General Assembly has moved to remove other appointment powers from the Governor and vest appointment power in the legislature. In the 2023 legislative session, there are 3 bills (SB 512, SB 692, and HB 17) to shift some or all of the appointments from the Governor to the legislature on the State Board of Education, Board of Transportation, Utilities Commission, Environmental Management Commission, Coastal Resources Commission, Wildlife Resources Commission, Economic Investment Committee, State Board of Community Colleges, and all local community college boards. All five past living Governors wrote in opposition to these three bills, saying they are unconstitutional (**See Attachment 5**).

In 2016, the state Supreme Court ruled in the *McCrorry v. Berger* lawsuit that a similar limit on a Governor's appointment power was an unconstitutional violation of the separation of powers principle. The court held that... "the legislative branch has exerted too much control over commissions that have final executive authority. By doing so, it has prevented the Governor from performing his express constitutional duty to take care that the laws are faithfully executed."

10. Require the UNC Board of Governors To Adopt a Policy That All Decisions on Creation of New Academic Programs, Schools, or Centers or Abolition of Existing Academic Programs, Schools, or Centers Should Not Originate at the Board of Governors or Campus Board of Trustees Level

Such proposals should instead be reviewed by the faculty, administration, and chancellors at the campus level, with the recommendation and accompanying budgetary information then to be forwarded to the campus Board of Trustees, and finally to the Board of Governors. Decisions on curriculum properly reside first at the campus level.

11. Provide Accessible, Actively-Monitored, Institutional Email Addresses for All Members of the Board of Governors and Campus Boards of Trustees

This will increase access to decision-makers and transparency for the public and make it easier for members of the public, especially parents and students, to contact Board members. It may also create a little counterweight to input that the Board members receive from legislators or from contributors to political campaigns who already weigh in on issues. The email addresses should be publicly available on university campus and System websites.

12. Live-Stream and Record All Campus Boards of Trustees Meetings

This is already done at the Board of Governors level. Adding it at the campus level would augment the recommendation above in increasing access to the decision-making process and providing more transparency in higher education governance.

13. Give the Chairs of the Faculty and Staff Assemblies a Standing Place on the Agendas of Every Meeting of the Campus Boards of Trustees

I think this is an excellent idea, if it is confined to the campus Boards of Trustees and not the system Board of Governors.

I hope these suggested recommendations are helpful for your deliberations and help you develop your recommendations to the Governor and legislature.

VI. A Few Recommendations To Reject for Your Report

Now lastly, here are a few ideas for other possible recommendations that I've heard mentioned but that I would advise against.

1. Do Not Recommend Including the Chairs of the Faculty Assembly and the Staff Assembly as Voting or Ex-Officio Non-Voting Members on the Board of Governors or Campus Boards of Trustees

N.C.G.S. 116-7(b) says that "No member of the General Assembly or officer or employee of the State, the University of North Carolina, or any constituent institution may be a member of the Board of Governors." The next sentence also says no spouses either. This ban is to prevent conflicts of interest that might occur in having employees who might be voting on budgets, curricula, academic programs, salaries and benefits, etc. on these boards. Note that the statute says no employee can be a member of the Board, and that would include as voting or non-voting members. I think this principle applies to both the Board of Governors and the campus Boards of Trustees.

2. Do Not Recommend Increasing the Size of the Board of Governors

I do not see any connection to the issues and controversies in my table to solutions that would lead you to increase the number of members on the Board of Governors, unless you feel that is necessary in order to increase diversity on the Board. You have discussed increasing the size to 36 or some number larger than the current 24.

Remember that the Board of Governors had 100 members at the start, then was reduced to 32 members, and now to 24. I have had personal experience with varying sizes for the Board of the Center for Public Policy Research that helped me think about this.

First, we looked for research on the ideal board size but could find no consensus or magic number in the research. I inherited a board of 49 members and no diversity requirement. We gradually decreased the size of the board because it was too large to keep everyone informed and involved. Then we added the requirement that the board must reflect the population of North Carolina in terms of race and ethnicity, gender, geographical regions (East, West, and Piedmont), and political party affiliations, including independents or unaffiliateds. All percentages were based on the percentage in the NC population. When we got to the number of 24 board members, I felt we got it right, and 24 is where the Board of Governors is now. I think the Board of Governors

would be too large for the system President to manage effectively at 36. A number between 24 and your discussed size of 36 – maybe 30, might serve your purpose, but only if increasing the size is tied to a strong recommendation to increase diversity. Personally, I would not recommend changes to the Board size.

3. Do Not Recommend Changes to the Number of Terms or Length of Terms for the Board of Governors

Currently, **G.S. 116-6(e)** says Board of Governors members can serve no more than three full four-year terms, or a total of 12 years. This Commission has discussed changing this to a limit of one eight-year term. I don't think one eight-year term will encourage more people to serve or lead to better governance.

Also, having a bad board member on for 8 years is torture for the President or the Chancellors. With a four-year term, there is a chance that a bad board member will get tired or frustrated and leave, and there would be a chance to defeat him/her if they chose to run for reelection. I also think it's good that the people voting for a second term for board members get a chance to review performance. In my experience with the Center, I once had a Board member indicted before we had term limits, and he didn't want to resign. Shorter terms help avoid that situation. Shorter terms can avoid a public fight over reappointment because it's easier to just thank a Board member for their service as they rotate off at the end of their term.

I do think that 12 years total is too long to ask someone to serve on a Board that meets almost every month plus committee meetings. I think the best practice would be having members of the Board of Governors and campus Boards of Trustees to serve two four-year terms or a total of eight years. But, overall, I'd ask what problem this change would solve, and again, I'd suggest making no recommendation here.

4. Do Not Recommend That North Carolina Adopt a Tiered System of Higher Education Governance Like California

In an earlier presentation, this Commission heard mention of California's three-tiered system of higher education governance. In the first tier, the nine extensive research institutions are governed by the Board of Regents of the 10-campus University of California. In the second tier, the 23 other four-year colleges and universities are governed by the Board of Trustees of the California State University. In the third tier, all 109 community colleges are governed by the Board of Governors of the California Community Colleges.

California's tiered education governance system may be more appropriate for that state, with its 33 four-year public universities and 109 two-year institutions, but the differences in demographics between the two states suggest that such a system would not work better in North Carolina than our current system. California has the largest public higher education enrollment in the nation – three times the enrollment of the UNC System, and it has more than twice the number of public four-year institutions, 33 to North Carolina's 16.

Also, California officials acknowledged its shortcomings to us. The Legislative Coordinator for the California Postsecondary Education Commission told us, "The major advantage here ... is also the major disadvantage – namely, the distinction between the systems.... That division has allowed admissions, funding, and other policies to be carefully shaped to fit each school's mission. But this arrangement also has prevented collaboration between universities in the two systems.... The disadvantage is that they are territorial." And, with such divisions of governance, duplication of programs also has occurred. "For example, most of our teacher education programs are in the California State University system, but the community colleges also offer transfer curricula" in teacher education, she said. "We've urged them to try and avoid duplication and to collaborate, but I'm afraid they do duplicate," she said. Few states other than California have such a tiered system, so I'd recommend that you not fall for the voices at UNC-Chapel Hill or N.C. State that often ask for special governance treatment as "flagship universities."

I want to close with a passage from one of my favorite novels, Norman MacLean's "A River Runs Through It." It is a reminder that the work you do here is important and that the words of your report will have a life long into the future. It says, "Eventually, all things merge into one, and a river runs through it. The river was cut by the world's great flood and runs over rocks from the basement of time. On some of the rocks are timeless raindrops. Under the rocks are the words, and some of the words are [yours]."

**Summary of Suggested Recommendations for the Governor's Commission on the
Governance of Public Universities in North Carolina
by Ran Coble
May 2023**

1. Comply with the state statute requiring diversity of various types on the Board of Governors and campus Boards of Trustees.
2. Comply with the state statute on the number of candidates for the Board of Governors to be considered by the legislature.
3. Comply with the State Constitutional imperative that the benefits of public universities be, as far as practicable, free of expense.
4. Create a new Center for Higher Education Governance and house it within the UNC System offices, not on a particular campus.
5. Add the Superintendent of Public Instruction and President of the Community College System as ex-officio non-voting members of the Board of Governors.
6. Change the status of the student member of the Board of Governors from non-voting to a voting seat on the Board.
7. Ban current registered lobbyists from serving on the Board of Governors and the campus Boards of Trustees, and enact a cooling-off period of 3 years after a lobbyist is no longer registered as a lobbyist before being appointed to the Board.
8. Require a cooling-off period of 3 years before former legislators could serve on the Board of Governors or campus Boards of Trustees.
9. Return to balance in the separation of powers between branches of government by giving the legislature half and the Governor half of the appointments to the UNC Board of Governors and the campus Boards of Trustees.
10. Require the UNC Board of Governors to adopt a policy that all decisions on creation of new academic programs, schools, or centers or abolition of existing academic programs, schools, or centers should not originate at the Board of Governors or campus Board of Trustees level.
11. Provide accessible, actively-monitored, institutional email addresses for all members of the Board of Governors and campus Boards of Trustees.
12. Live-stream and record all campus Boards of Trustees meetings.
13. Give the chairs of the Faculty and Staff Assemblies a standing place on the agendas of every meeting of the campus Boards of Trustees.

A Few Recommendations To Reject for Your Report
by Ran Coble
May 2023

1. Do not recommend including the Chairs of the Faculty Assembly and the Staff Assembly as voting or ex-officio non-voting members on the Board of Governors or campus Boards of Trustees.
2. Do not recommend increasing the size of the Board of Governors.
3. Do not recommend changes to the number of terms or length of terms for the Board of Governors.
4. Do not recommend that North Carolina adopt a tiered system of higher education governance like California.

Attachments

Attachment 1 – Recent Issues and Controversies in Governance of Higher Education in North Carolina

Attachment 2 – Map Showing the Division of North Carolina Counties into East, West, and Piedmont Regions for Purposes of Increasing Geographical Diversity on the Board of Governors

Attachment 3 – 2023 NC Senate and House Ballots for Elections to the UNC Board of Governors, Showing Violation of the Law Requiring Twice the Number of Candidates for the Seats Available on the Board

Attachment 4 – Record of Tuition Increases in the University of North Carolina Since 1970 and 2023-24 Undergraduate Tuition and Fees by Campus in the 16-Campus System

Attachment 5 – April 19, 2023 Letter from the 5 Living Governors to the Senate President Pro-Tempore and Speaker of the House Saying Removal of the Appointment Powers to Various Executive Boards and Commissions by the Legislature from the Office of the Governor Is Unconstitutional

Recent Issues and Controversies in Governance of Higher Education in North Carolina
 by Ran Coble
 June 2023

The Issue	The Responsible Governing Body
<p>1. Not Following the State Statute Requiring Diversity in the Election of Members of the Board of Governors by the Legislature – G.S. 116-7(a) requires the legislature to elect members of the Board of Governors who reflect the “economic, geographic, political, racial, gender, and ethnic diversity” of the State. Both the Center’s study and the Davidson College study show this statutory requirement was not and still is not being met. This is complicated by the settlement of a lawsuit in 2001 between Walter Davis and the University on not requiring quotas by race, gender, and minority political party. Still, the UNC Board of Governors (BoG) is not representative of the population in NC in its proportions of members by gender, race, political affiliation, and geographic region of NC. The BoG is 24% female and 76% male, while the state’s population is 51% female and 49% male. The BoG is 76% white, 16% African-American, and 0% Hispanic, Asian, and Native American, while the state’s population is 62% white, 23% African American, 10% Hispanic, 3% Asian, 1% Native American, and 2% other. The BoG is 64% Republicans, 4% Democrats, and 32% Unaffiliateds, while the state’s population is 30% registered Republicans, 34% registered Democrats, and 36% Unaffiliateds. This could prompt a lawsuit because the legislature is not following the law.</p>	<p>N.C. General Assembly</p>
<p>2. Not Following the State Statute on the Number of Candidates for the Board of Governors To Be Considered by the Legislature – The General Assembly is not following the state statute in its process for nominating and electing members to the Board of Governors. G.S. 116-6(c) requires the House and Senate to select from a slate of candidates in each chamber that lists “at least twice the number of candidates for the total seats open” on the Board. However, the legislature’s usual practice is to vote up or down on a slate of candidates that has the same number of candidates as there are seats. There also have been no questions by Nominating Committee members about the candidates’ qualifications or their views on higher education policy. This could prompt a lawsuit because the legislature is not following the law.</p>	<p>N.C. General Assembly</p>

<p>3. The Number of Tuition Increases over Decades Invites a Lawsuit Under the NC Constitution – Article IX, Section 9 of the State Constitution mandates that “the General Assembly shall provide that the benefits of the University of North Carolina and other public institutions of higher education, <i>as far as practicable</i>, be extended to the people of the State <i>free of expense</i>.” For the first 27 years of its existence – from 1972 until 1999 – the UNC Board of Governors <i>never</i> recommended a tuition increase to the N.C. General Assembly, with the sole exception of its very first budget request in 1973 when the Board equalized tuition among institutions with comparable missions. The Board of Governors then initiated tuition increases in 1999, 2000, 2001, and 2002. And, the legislature itself also enacted tuition 17 increases from 1971 to 2003 (in 1974, 1975, 1977, 1981, 1983, 1985, from 1989-1998, and 2003). Overall, there have been about 35 tuition increases in the last 50 years, <u>inviting a lawsuit</u> under the state Constitution’s provision that higher education should be “free of expense... as far as practicable.”</p>	<p>N.C. General Assembly, UNC Board of Governors, UNC System Presidents, and sometimes Chancellors of individual institutions</p>
<p>4. Exclusion of the Governor from Making Appointments to the Board of Governors and Campus Boards of Trustees – The NC Center for Public Policy Research study found that in 46 states, governors appoint all or some of the members of statewide public higher education boards, with 31 of those 46 states requiring state Senate approval of the gubernatorial appointments. The 2022 AAUP report said that 17 statewide governing boards oversee all or almost all of the baccalaureate institutions in their states and that North Carolina’s UNC Board of Governors is “the only statewide governing board solely appointed by the legislature without input from the governor.” In addition, in 2016, the legislature removed the Governor’s power to appoint 4 of the 13 members of each local campus’s Board of Trustees. Previously, the Governor had appointed 4, the Senate 4, and the House 4, with the elected student body president serving as the 13th voting member.</p>	<p>N.C. General Assembly</p>
<p>5. Lobbyists on the Board of Governors – Increasingly, registered lobbyists have been appointed to the Board of Governors – for example, Darrell Allison, Pearl Burris-Floyd, Tom Fetzner, Thom Goolsby, Reggie Holley, and David Powers. Lobbyists have potential conflicts of interest between their clients’ private interests and the interests of the public UNC System.</p>	<p>N.C. General Assembly</p>
<p>6. Former Legislators on the Board of Governors – Increasingly, former legislators have been appointed to the Board of Governors – for example, Sen. Harry Brown, Rep. Rob Bryan, Rep. Leo Daughtry, Rep. C.R. Edwards, Sen. Joel Ford, Rep. John Fraley, Sen. Thom Goolsby, Sen. Teena Little, Sen. Helen Marvin, Rep. Art Pope, Sen. Bob Rucho, and Sen. Woody White. This unnecessarily politicizes the Board. Former legislators have divided loyalties between higher education’s mission and goals and their allegiance to the legislative leaders who appointed them.</p>	<p>N.C. General Assembly</p>

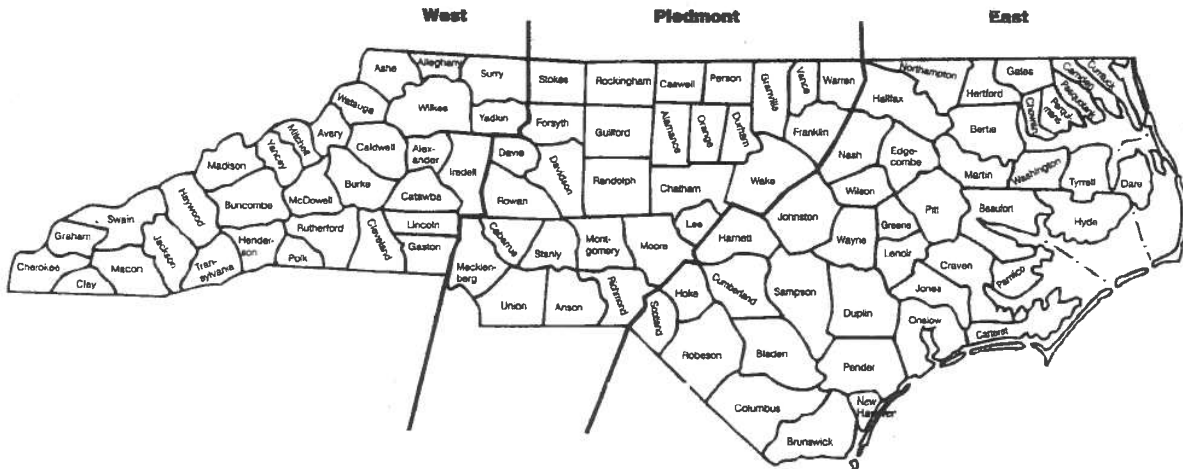
<p>7. Turnover Among Campus Chancellors and System Presidents – There has been a higher rate of turnover among leaders in the UNC System with</p> <ul style="list-style-type: none"> • four UNC System Presidents in the last 7 years • two chancellors at UNC-CH in the last 4 years • five chancellors at UNC-A in the last 8 years • four chancellors at ECU in the last 4 years • new chancellors at FSU, UNC-A, UNC-C, UNC-W, and WSSU • eight Community College System Presidents in the last 8 years. 	UNC Board of Governors and UNC System President
<p>8. Board of Governors Members Seeking Chancellor Positions – Some UNC System Board members have been accused of using their position on the Board to seek appointment as chancellors, and one, Darrell Allison, resigned from the Board of Governors, and then was appointed as Chancellor of Fayetteville State University.</p>	UNC Board of Governors
<p>9. Board of Governors' Closure of Academic Policy Centers – At the legislature's request, the UNC Board of Governors conducted a study of academic centers and institutes in the system, ostensibly to find cost savings, though the centers' funding largely came from private sources. The Board of Governors then closed three policy centers, two of which were headed by faculty members who had been vocal critics of state leaders. The Center for Work, Poverty, and Opportunity at UNC-Chapel Hill Law School, the Institute for Civic Engagement and Social Change at N.C. Central University, and the Center for Biodiversity at East Carolina University were closed. Additionally, the Board of Governors barred campus centers from engaging in litigation. Though this policy technically applied to all centers in the UNC System, its clear target was the Center for Civil Rights at UNC-CH Law School.</p>	N.C. General Assembly and the UNC Board of Governors
<p>10. Change in Chancellor Search Policy – The UNC Board of Governors changed the policy on searches for and appointments of new Chancellors in 2020 when it allowed the System President to submit two candidates for consideration by the campus-based boards, and the boards must return at least one as a finalist. The President will then recommend one of those finalists to the Board of Governors for approval. In the past, the President would select a Chancellor from finalists put forward by each individual university's Board of Trustees. The new policy overrides or at least intrudes on local campus Search and Screening Committees.</p>	UNC Board of Governors and UNC System President

<p>11. Removal of the Silent Sam Confederate Soldier Statue at UNC-CH – After protestors pulled down the Silent Sam Statue from its pedestal in August 2018, the Board of Governors directed the Chancellor to come up with a plan for the statue’s future. UNC-CH Chancellor Carol Folt proposed a plan for relocating the statue, which the Board of Governors rejected. In January 2019, Folt simultaneously announced her resignation and the removal of the remaining parts of the statue. In November 2019, the Board of Governors announced an agreement whereby the UNC System would pay the Sons of Confederate Veterans \$2.5 million to build an off-campus site for the statue. The announcement reportedly came two minutes after the Sons of Confederate Veterans filed suit against the system and the Board of Governors. Later, it was discovered that UNC-CH’s Vice Chancellor for Public Affairs Clayton Somers and others had negotiated the deal days before a lawsuit was even filed. Chancellor Kevin Guskiewicz said he had not been consulted nor had he participated in the settlement discussions. But, in February 2020, after the statue and money had been handed over to the Sons of Confederate Veterans, the judge who had originally approved the settlement in a lawsuit, then overturned it, finding that the deal had been reached before the lawsuit by the Confederate Veterans even had been filed and that the Confederate Veterans group lacked standing to file suit anyway. The statue and most of the money were returned.</p>	<p>UNC Board of Governors. UNC-CH Campus Board of Trustees, and 2 UNC-CH Chancellors</p>
<p>12. Failed Hiring of Nikole Hannah-Jones at UNC-CH School of Journalism – The UNC-CH School of Journalism and Media’s review committee, the School’s faculty, the University Tenure and Promotion Committee, the Dean of the School of Journalism, the University Provost, and the Chancellor all recommended to the UNC-CH Board of Trustees that Nikole Hannah-Jones be offered tenure as an endowed chair at the Journalism School. Hannah-Jones is a graduate of UNC-CH, a 2017 MacArthur “genius award” winner, and a 2020 Pulitzer Prize winner for her work on the 1619 Project. That project was controversial because it said that the purpose of the American Revolution was not independence from England, but rather to perpetuate slavery. Walter Hussman, Publisher of the <i>Arkansas Democrat-Gazette</i> who had donated \$25 million to the Journalism School, objected to the appointment in a series of emails to Chancellor Kevin Guskiewicz, Journalism School Dean Susan King, and Vice Chancellor for Development David Routh. The decision on Hannah-Jones’ job offer and tenure was scheduled for action in November 2020 and January 2021 by the Board of Trustees’ University Affairs Committee, but it was pulled from consideration. Dean King then offered Hannah-Jones an untenured term appointment with an opportunity for tenure review after five years. However, in May 2021, the University’s Faculty Personnel Committee resubmitted Hannah-Jones’ tenure application to the Board of Trustees, and in June 2021, the Trustees voted to offer Hannah-Jones tenure. She declined the offer and accepted an endowed chair position with tenure at Howard University instead.</p>	<p>UNC-CH Campus Board of Trustees</p>
<p>13. Creation of a New School of Civil Life and Leadership at UNC-CH – In January 2023, the UNC-CH Board of Trustees voted to accelerate the development of a new School of Civic Life and Leadership in order to “create the space for free speech [and] a culture of civil and open inquiry,” said Trustee Chair David Boliek. Neither the faculty nor the university’s chief academic officer knew that the Board of Trustees was going to consider this resolution. The UNC Policy Manual says the faculty has the authority to “prescribe the requirements for admissions, programs of study, and the award of academic degrees. The manual also outlines a months-long proposal and approval process to create new degree programs. The N.C. House of Representatives’ and N.C. Senate’s versions of this year’s state budget each included \$2 million a year in both FY 2023-24 and FY 2024-2025 in funding for this new School.</p>	<p>UNC-CH Board of Trustees</p>

<p>14. Interference by Members of the Campus Board of Trustees in Student Elections at ECU – Two members of East Carolina University’s Board of Trustees offered campaign contributions to a former student government president if she would run again and would agree to later support these Trustees in changing the Board’s leadership. In February 2020, the Board of Governors voted to censure Trustee Robert Moore, and Trustee Phil Lewis resigned.</p>	ECU Board of Trustees
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UNC Board of Governors Voting Membership by Geographic Region, 1997-2004

	Population %	Geographic Ideal Membership	Members of the UNC Board of Governors by Region			
			1997-98*	1999-2000	2001-02	2003-04
West	22%	7	5 (16%)	4 (13%)	2 (6%)	5 (16%)
Piedmont	48%	15	19 (59%)	17 (53%)	21 (66%)	21 (66%)
East	30%	10	7 (22%)	11 (34%)	9 (28%)	6 (19%)



* Because there was a vacancy on the Board in 1997-98 and a total of 31 members instead of the full 32, percentages will not add to 100%.

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE
2023 SESSION**

**BOARD OF GOVERNORS
THE UNIVERSITY OF NORTH CAROLINA**

The following ballot lists candidates for the Board of Governors of The University of North Carolina as nominated by the Senate Select Committee on Nominations in compliance with N.C. Gen. Stat. § 116-6, as outlined in Senate Resolution 138.

OFFICIAL BALLOT

Circle the six candidates of your choice.
Ballots will be void if fewer than six candidates are selected.

Harry C. Brown

O. Temple Sloan III

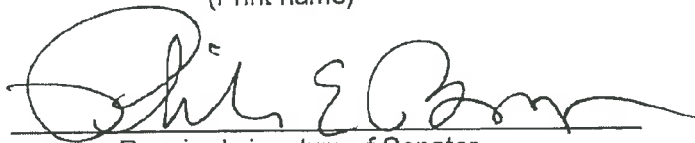
Joel D.M. Ford

Haywood E. White III

Martin L. Holton III

Michael L. Williford

Philip E. BERGEN
(Print name)


Required signature of Senator
(If there is no signature, ballot will be void)

March 15, 2023

2023 UNC BOARD OF GOVERNORS WINNERS

Nominee	Sponsor(s)
Harry C. Brown	Senator Bill Rabon
Joel D.M. Ford	Senator Carl Ford
Martin L. Holton III	Senator Joyce Krawiec
O. Temple Sloan III	Senator Brent Jackson
Haywood E. White III	Senator Michael Lee
Michael L. Williford	Senator Jim Perry

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023**

H

**Simple
Resolution
Adopted**

**HOUSE RESOLUTION 895
Adopted 5/3/23**

Sponsors: Committee on Rules, Calendar, and Operations of the House.

For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Calendar 5/3/2023

May 3, 2023

1 A HOUSE RESOLUTION ELECTING DR. PEARL BURRIS-FLOYD, C. PHILIP BYERS,
2 SWADESH CHATTERJEE, R. GENE DAVIS, JR., H. TERRY HUTCHENS, AND J.
3 ALEX MITCHELL TO THE BOARD OF GOVERNORS OF THE UNIVERSITY OF
4 NORTH CAROLINA.

5 Whereas, G.S. 116-6(a) directs the House of Representatives to elect six members to
6 the Board of Governors of The University of North Carolina this year; and

7 Whereas, the House of Representatives may determine its own procedure; Now,
8 therefore,

9 Be it resolved by the House of Representatives:

10 **SECTION 1.** The following persons are elected to the Board of Governors of The
11 University of North Carolina for terms commencing July 1, 2023, and ending June 30, 2027:

12 (1) Dr. Pearl Burris-Floyd of Gaston County.

13 (2) C. Philip Byers of Rutherford County.

14 (3) Swadesh Chatterjee of Wake County.

15 (4) R. Gene Davis, Jr., of Wake County.

16 (5) H. Terry Hutchens of Cumberland County.

17 (6) J. Alex Mitchell of Chatham County.

18 **SECTION 2.** This resolution is effective upon adoption.



University of North Carolina Tuition Increases, 1970-2004*

	<u>In-State Undergraduate</u>		<u>Out-of-State Undergraduate</u>		<u>In-State Graduate</u>		<u>Out-of-State Graduate</u>	
	<i>Average Tuition</i>	<i>Percent Increase</i>	<i>Average Tuition</i>	<i>Percent Increase</i>	<i>Average Tuition</i>	<i>Percent Increase</i>	<i>Average Tuition</i>	<i>Percent Increase</i>
1970-71	\$255		\$939		\$271		\$939	
1971-72	\$256	1%	\$1,305	39%	\$272	1%	\$1,305	39%
1972-73	\$256	0%	\$1,780	36%	\$272	0%	\$1,780	36%
1973-74	\$266	4%	\$1,780	0%	\$283	4%	\$1,780	0%
1974-75	\$273	3%	\$1,780	0%	\$290	3%	\$1,780	0%
1975-76	\$275	1%	\$1,876	5%	\$292	1%	\$1,876	5%
1976-77	\$275	0%	\$1,876	0%	\$292	0%	\$1,876	0%
1977-78	\$302	10%	\$1,976	5%	\$321	10%	\$1,976	5%
1978-79	\$302	0%	\$1,976	0%	\$321	0%	\$1,976	0%
1979-80	\$302	0%	\$1,976	0%	\$321	0%	\$1,976	0%
1980-81	\$302	0%	\$1,976	0%	\$321	0%	\$1,976	0%
1981-82	\$360	19%	\$2,083	5%	\$382	19%	\$2,083	5%
1982-83	\$360	0%	\$2,083	0%	\$382	0%	\$2,083	0%
1983-84	\$396	10%	\$2,620	26%	\$421	10%	\$2,620	26%
1984-85	\$396	0%	\$2,857	9%	\$421	0%	\$2,857	9%
1985-86	\$403	2%	\$3,184	11%	\$428	2%	\$3,184	11%
1986-87	\$403	0%	\$3,577	12%	\$428	0%	\$3,577	12%
1987-88	\$424	5%	\$3,891	9%	\$451	5%	\$3,891	9%
1988-89	\$424	0%	\$4,225	9%	\$451	0%	\$4,225	9%
1989-90	\$510	20%	\$4,841	15%	\$542	20%	\$4,841	15%
1990-91	\$549	8%	\$5,041	4%	\$583	8%	\$5,041	4%
1991-92	\$654	19%	\$5,844	16%	\$695	19%	\$5,844	16%
1992-93	\$690	6%	\$6,462	11%	\$733	6%	\$6,649	14%
1993-94	\$711	3%	\$6,882	7%	\$755	3%	\$6,882	4%
1994-95	\$734	3%	\$7,329	6%	\$780	3%	\$7,329	6%
1995-96	\$809	10%	\$7,818	7%	\$859	10%	\$7,818	7%
1996-97	\$893	10%	\$8,256	6%	\$948	10%	\$8,256	6%
1997-98	\$919	3%	\$8,336	1%	\$977	3%	\$8,336	1%
1998-99	\$938	2%	\$8,503	2%	\$996	2%	\$8,503	2%
1999-00	\$985	5%	\$8,584	1%	\$1,070	7%	\$8,606	1%
2000-01	\$1,067	8%	\$8,696	1%	\$1,183	11%	\$8,756	2%
2001-02	\$1,286	21%	\$9,646	11%	\$1,452	23%	\$9,898	13%
2002-03	\$1,603	25%	\$10,960	14%	\$1,795	24%	\$11,332	14%
2003-04	\$1,683	5%	\$11,602	6%	\$1,885	5%	\$11,827	4%

* The average tuition figures reported here are the unweighted mean tuition rates for each student category at the 16 campuses of the University of North Carolina.

Source: Fiscal Research Division, N.C. General Assembly

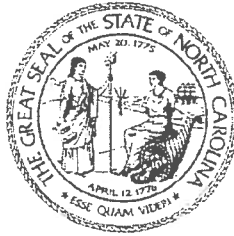
**The University of North Carolina
Tuition and Fees Applicable to All Regular Full-Time Undergraduate Students
2023-24**

	Tuition		General Fees						Debt Service Fee	Total Fees*	Total Resident Tuition & Fees	Total Nonresident Tuition & Fees
	Resident	Nonresident	Athletics	Health Services	Student Activities	Educational and Tech.	Campus Security	Total General Fees				
NC State University	6,535.00	29,407.00	232.00	445.00	707.97	439.28	60.00	1,884.25	476.00	2,360.25	8,895.25	31,767.25
UNC-Chapel Hill	7,019.00	37,360.00	279.00	410.15	394.16	442.30	60.00	1,585.61	146.85	1,732.46	8,751.46	39,092.46
East Carolina University	4,452.00	20,729.00	773.00	319.00	718.00	403.00	60.00	2,273.00	445.00	2,718.00	7,170.00	23,447.00
NC A & T State University	3,540.00	17,200.00	870.00	370.00	714.25	483.06	60.00	2,497.31	588.00	3,085.31	6,625.31	20,285.31
UNC Charlotte	3,812.00	18,474.00	824.00	335.00	650.00	622.00	60.00	2,491.00	720.00	3,211.00	7,023.00	21,685.00
UNC Greensboro	4,422.00	20,168.00	811.00	387.00	600.00	480.00	60.00	2,338.00	707.00	3,045.00	7,467.00	23,213.00
UNC Wilmington	4,443.00	20,111.00	819.55	270.00	709.45	534.94	60.00	2,393.94	376.00	2,769.94	7,212.94	22,880.94
Appalachian State University	4,242.00	21,238.00	801.00	345.00	705.00	593.00	60.00	2,504.00	634.00	3,138.00	7,380.00	24,376.00
Fayetteville State University	1,000.00	5,000.00	858.00	296.00	582.00	393.00	60.00	2,189.00	335.00	2,524.00	3,524.00	7,524.00
NC Central University	3,728.00	16,764.00	862.00	337.66	536.40	448.15	60.00	2,244.21	570.00	2,814.21	6,542.21	19,578.21
UNC Pembroke	1,000.00	5,000.00	801.52	215.49	677.84	533.91	60.00	2,288.76	280.84	2,569.60	3,569.60	7,569.60
Western Carolina University	1,000.00	5,000.00	903.00	365.00	657.00	544.00	60.00	2,529.00	523.00	3,052.00	4,052.00	8,052.00
Winston-Salem State University	3,401.00	14,057.44	780.00	375.00	567.68	436.46	60.00	2,219.14	423.00	2,642.14	6,043.14	16,699.58
UNC Asheville	4,122.00	21,470.00	906.00	415.00	839.00	556.00	60.00	2,776.00	394.00	3,170.00	7,292.00	24,640.00
Elizabeth City State University	1,000.00	5,000.00	899.00	395.00	711.00	326.00	60.00	2,391.00	-	2,391.00	3,391.00	7,391.00
UNC School of the Arts (1)	6,497.00	24,231.00	N/A	908.00	770.00	771.00	60.00	2,509.00	-	2,509.00	9,006.00	26,740.00

(1) Does not include High School

* In addition to the fees above, the Board also authorized a \$1 ASG fee which is not included in the total fees amount.

Approved 2/23/23



April 19, 2023

Dear President Pro Tempore Berger and Speaker Moore:

We write to you as five previous governors of the State of North Carolina to oppose pending legislation to remove executive appointment authority from the Office of the Governor. We respectfully request that you assist us by having this distributed to your members.

We fear that it would inflict real chaos and harm upon the people of our state. The Governor is charged under the state Constitution with carrying out the laws you pass and it is much more difficult to do this effectively with boards that have less than a clear majority of appointees from the Governor. The Governor's appointees direct the very real decisions that affect the lives of North Carolinians every day. They determine where their roads are built, the quality of education their children get, whether their water is clean, how much they pay for electricity and water.

The legislature already has enormous influence over the creation, makeup, and authority of executive-branch boards and commissions with its own share of their appointments. The legislature has also added confirmation of executive branch appointments, in addition to controlling their budgets and writing the laws they carry out. Reassigning more of the selection of all these board members to legislators rather than the state's Chief Executive Officer threatens the constitutional separation of powers.

It now appears that most of this legislation is clearly unconstitutional under the NC Supreme Court's decision in *McCrorry v. Berger* and other cases.

These executive Boards and Commissions have enormous responsibility to carry out the laws, and with staggered terms they often serve beyond the term of the governor who appointed them. This continuity plus the statewide impacts of their decisions provide stability, both for everyday people and for the industries that want to make North Carolina home.

For example, the governor is the state's top economic development recruiter. Attracting businesses frequently involves provision of access roads and timely partnerships with community colleges to provide targeted workforce training. These partnerships occur early in the recruitment process, and the stripping of gubernatorial appointees to the D.O.T. Board or state and local community college boards puts our state at an unmanageable disadvantage.

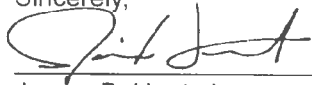
Not printed or paid for at government expense

For background, the bills we reference are S512, S692, and H17. Among the gubernatorial appointments reduced or eliminated are the Utilities Commission, the Environmental Management Commission, the State Board of Education, the Economic Investment Committee, the Public Health Commission, the Board of Transportation, the Coastal Resources Commission, the Wildlife Resources Commission, the Railroad Commission, the state Board of Community Colleges, and all local community college boards. Each of these has direct authority for the operational policies and standards of important executive branch departments and agencies in accordance with the laws.

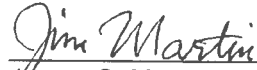
As the governors who served as the state's chief executives for four decades, we care deeply about North Carolina and its future. Our state has thrived and prospered with the work these gubernatorial appointees have carried out over the years. A dramatic shift in who chooses the people who carry out the laws threatens progress, and people's livelihood.

Thank you for considering our concerns. We ask that you preserve the continuity of our state and its constitutional standard for separation of powers, and turn away from this legislation.

Sincerely,



James B. Hunt, Jr.
1977 - 1985; 1993 - 2001



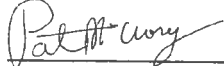
James G. Martin
1985 - 1993



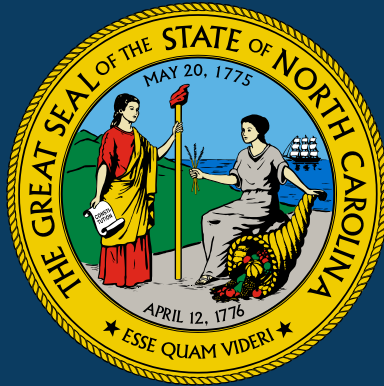
Michael F. Easley
2001 - 2009



Beverly E. Perdue
2009 - 2013



Patrick L. McCrory
2013 - 2017



**The Governor's
Commission
on the Governance of
Public Universities
in North Carolina**

REPORT