

THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL
BOARD OF TRUSTEES
FINANCE AND INFRASTRUCTURE COMMITTEE
Wednesday- March 26, 2014
2:00 p.m. to 4:00 p.m.
The Carolina Inn- Hill Ballroom North

OPEN SESSION

FOR ACTION

1. Designer Selections
 - *Hamilton Hall Envelope Restoration* (Attachment A)
 - *Campus Recreation Master Plan* (Attachment B)
 - *HVAC Controls Upgrade (Hanes Hall, Mitchell Hall, Swain Hall and Steele Building)* (Attachment C)
 - *Ridge Road Pedestrian Improvements* (Attachment D)
Bruce Runberg, Associate Vice Chancellor for Facilities Services
2. Design Approval (Attachment E)
 - *Mary Ellen Jones Building Renovation*
Bruce Runberg, Associate Vice Chancellor for Facilities Services
3. Student Fees (Attachment F)
 - Kevin R. Seitz, Interim Vice Chancellor for Finance and Administration*
 - Winston Crisp, Vice Chancellor for Student Affairs*

FOR INFORMATION ONLY

(No formal action is requested at this time)

1. Carolina Research Venture Fund (Attachment G)
Sallie Shuping-Russell, Board of Trustees
2. Results of Quality Assessment Review (Attachment H)
Phyllis Petree, Director, Internal Audit
3. Financial Update
Kevin Seitz, Interim Vice Chancellor for Finance and Administration
4. Development Report (Attachment I)
David Routh, Vice Chancellor for University Advancement
5. Campus Overview (Attachment J)
 - *Auxiliaries, Meredith Weiss, Associate Vice Chancellor for Business Services and Administration*
 - *Energy Services, Phil Barner, Director of Energy Services*

Committee Members

Steve Lerner, Chair

Peter Grauer, Vice Chair

Jefferson (Jeff) Brown

Donald (Don) Williams Curtis

Christy Lambden

Sallie Shuping-Russell

Kevin Seitz, Interim Vice Chancellor for Finance and Administration

ATTACHMENT A

DESIGNER SELECTION – HAMILTON HALL ENVELOPE RESTORATION

This project will address the Hamilton Hall exterior façade deficiencies identified in an earlier assessment report.

The project budget is \$1,500,000 and will be funded by University funds.

This project was advertised on January 27, 2014. Ten (10) proposals were received. Five (5) firms were interviewed on February 27, 2014. Members of the Board of Trustees did not participate in the interviews.

The committee recommended the selection of the three firms in the following priority order:

- | | |
|--------|-----|
| 1. XXX | XXX |
| 2. XXX | XXX |
| 3. XXX | XXX |

The firms were selected for their past performance on similar projects, their knowledge of exterior envelope repairs, the strength of their proposed staff and their understanding of the project.

RECOMMENDED ACTION

A motion to approve the three firms in the following priority order:

- | | |
|--------|-----|
| 1. XXX | XXX |
| 2. XXX | XXX |
| 3. XXX | XXX |

ATTACHMENT B

DESIGNER SELECTION – CAMPUS RECREATION MASTER PLAN

This project will develop a comprehensive master plan to improve the Campus Recreation facilities. The master plan will evaluate the existing outdoor and indoor facilities and identify improvements to meet the needs of the program.

The project budget is \$200,000 with funding by University funds.

This project was advertised on January 7, 2014. Ten (10) proposals were received. Four (4) firms were interviewed on February 26, 2014. Members of the Board of Trustees did not participate in the interviews.

The committee recommended the selection of three firms in the following priority order:

- | | |
|--------|-----|
| 1. XXX | XXX |
| 2. XXX | XXX |
| 3. XXX | XXX |

The firms were selected for their past performance on similar projects, the strength of the proposed staff and their understanding of the project.

RECOMMENDED ACTION

A motion to approve the three firms in the following priority order:

- | | |
|--------|-----|
| 1. XXX | XXX |
| 2. XXX | XXX |
| 3. XXX | XXX |

ATTACHMENT C

DESIGNER SELECTION – HVAC CONTROLS UPGRADE AT HANES, MITCHELL, SWAIN HALLS, AND STEELE BUILDING

This project will upgrade the existing pneumatic HVAC controls at Hanes, Mitchell, and Swain Halls and Steele Building.

The project budget is \$463,000 and will be funded by State appropriations.

This project was advertised on January 16, 2014. Six (6) proposals were received. Three (3) firms were interviewed on February 27, 2014. Members of the Board of Trustees did not participate in the interviews.

The committee recommended the selection of three firms in the following priority order:

- | | |
|--------|-----|
| 1. XXX | XXX |
| 2. XXX | XXX |
| 3. XXX | XXX |

RECOMMENDED ACTION

A motion to approve the three firms in the following priority order:

- | | |
|--------|-----|
| 1. XXX | XXX |
| 2. XXX | XXX |
| 3. XXX | XXX |

ATTACHMENT D

DESIGNER SELECTION – RIDGE ROAD PEDESTRIAN SAFETY ZONES MASTER PLAN

This project will develop a comprehensive master plan to improve the pedestrian safety on Ridge Road from Manning Drive to Country Club Road. Advance Planning for improvements to the area between Boshamer Stadium and Country Club Road will be part of this project.

The project budget is \$200,000 and will be funded by University funds.

This project was advertised on January 24, 2014. Three (3) proposals were received. Three (3) firms were interviewed on March 4, 2014. Members of the Board of Trustees did not participate in the interviews.

The committee recommended the selection of the three firms in the following priority order:

- | | |
|--------|-----|
| 1. XXX | XXX |
| 2. XXX | XXX |
| 3. XXX | XXX |

The firms were selected for their past performance on similar projects, the strength of the proposed staff and their understanding of the project.

RECOMMENDED ACTION

A motion to approve the three firms in the following priority order:

- | | |
|--------|-----|
| 1. XXX | XXX |
| 2. XXX | XXX |
| 3. XXX | XXX |

ATTACHMENT E

FOR DESIGN APPROVAL – MARY ELLEN JONES BUILDING RENOVATION

This project will renovate the upper 6 floors of Mary Ellen Jones Building as new research laboratory and office space. In addition, the project will address deferred maintenance items which include: HVAC, electrical, plumbing, life safety code, accessibility and exterior envelope issues. A new elevated plaza is proposed to connect the 3rd floor of Mary Ellen Jones Building to the walkway at Thurston Bowles Building.

The project budget is \$77.4M and will be funded by University funds.

The Board of Trustees reviewed the project at its January 2014 meeting.

The design has been reviewed by the Design Review Committee.

The Chancellor's Buildings and Grounds Committee approved the project at its February 2014 meeting.

RECOMMENDED ACTION

A motion to approve the design.

The University of North Carolina at Chapel Hill
Student Fee Advisory Subcommittee
2014-15 Fees
Fees All Undergraduate Students Pay - Summary List

	Approved					Requested		
	2009-10	2010-11	2011-12	2012-13	2013-14	\$ Incr.	2014-15	% Incr.
General Fees	\$ 1,404.66	\$ 1,464.64	\$ 1,488.11	\$ 1,490.96	\$ 1,514.13	\$ 10.86	\$ 1,524.99	0.7%
Debt Service Fees	180.50	207.85	207.85	185.85	185.85	-	\$ 185.85	0.0%
Application Fees	70.00	70.00	80.00	80.00	80.00	-	80.00	0.0%
Special Fees	51.00	51.00	51.00	51.00	51.00	-	51.00	0.0%
Miscellaneous Fees	124.25	126.93	133.68	142.42	166.04	22.41	188.45	13.5%
Total Fees	\$ 1,830.41	\$ 1,920.42	\$ 1,960.64	\$ 1,870.23	\$ 1,917.02	\$ 33.27	\$ 2,030.29	1.8%
Prior Year Dollar Increase	\$ 138.67	\$ 90.01	\$ 40.22	\$ (90.41)	\$ 46.79			
Prior Year Percentage Increase	8.2%	4.9%	2.1%	-4.6%	2.5%			

The University of North Carolina at Chapel Hill
Student Fee Advisory Subcommittee
Listing of Fee - All Undergraduate Students Pay
2014-15 Fees

Detailed Listing of General Fees

	Approved					Requested		
	2009-10	2010-11	2011-12	2012-13	2013-14	\$ Incr.	2014-15	% Incr.
Athletic Fee	\$ 265.00	\$ 271.00	\$ 274.50	\$ 274.50	\$ 279.00	\$ -	\$ 279.00	0.0%
Educational & Technology Fee	409.00	435.26	435.26	435.26	444.86	-	\$ 444.86	0.0%
Student Health Fee	406.00	421.00	429.00	429.00	436.00	7.00	\$ 443.00	1.6%
Student Activity Fees	324.66	337.38	349.35	352.20	354.27	3.86	\$ 358.13	1.1%
Total General Fees	\$ 1,404.66	\$ 1,464.64	\$ 1,488.11	\$ 1,490.96	\$ 1,514.13	\$ 10.86	\$ 1,524.99	0.7%

Detailed Listing of Debt Service Fees

	Approved					Requested		
	2009-10	2010-11	2011-12	2012-13	2013-14	\$ Increase	2014-15	% Increase
Rams Head Rec Center Debt Fee	\$ 42.50	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ -	\$ 35.00	0.0%
Union & IM Fields Debt Fee	64.00	80.75	80.75	58.75	58.75	-	58.75	0.0%
Student Dining Debt Fee	74.00	92.10	92.10	92.10	92.10	-	92.10	0.0%
Total Debt Services Fees	\$ 180.50	\$ 207.85	\$ 207.85	\$ 185.85	\$ 185.85	\$ -	\$ 185.85	0.0%

Detailed Listing of Special Fees

	Approved					Requested		
	2009-10	2010-11	2011-12	2012-13	2013-14	\$ Increase	2014-15	% Incr
Administrative Computing Fee	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	-	\$ 50.00	0.0%
Assoc of Student Govmnt Fee	1.00	1.00	1.00	1.00	1.00	-	1.00	0.0%
Total Special Fees	\$ 51.00	\$ 51.00	\$ 51.00	\$ 51.00	\$ 51.00	\$ -	\$ 51.00	0.0%

Detailed Listing of Miscellaneous Fees

	Approved					Requested		
	2009-10	2010-11	2011-12	2012-13	2013-14	\$ Increase	2014-15	% Incr
Registration Fee	\$ 13.00	\$ 13.00	\$ 13.00	\$ 13.00	\$ 13.00	\$ -	\$ 13.00	0.0%
Student Transit/Safe Ride Fee	104.25	106.75	113.50	122.24	145.74	19.41	165.15	13.3%
Student ID Fee	7.00	7.18	7.18	7.18	7.30	3.00	10.30	41.1%
Total Miscellaneous Fees	\$ 124.25	\$ 126.93	\$ 133.68	\$ 142.42	\$ 166.04	\$ 22.41	\$ 188.45	16.8%

UNC-CH General Fees Compared to UNC Systems Schools

Total General Fees	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Total Increase FY09-10 to FY14-15	Total % Increase FY09-10 to FY14-15
Average of Other Campus	\$1,478.58	\$1,540.19	\$1,623.30	\$1,713.25	\$1,807.72	\$1,887.26	\$ 408.68	28%
% of Average of Other Campuses	95%	95%	92%	87%	84%	81%		
UNC Asheville	1,719.85	1,831.50	1,897.50	2,020.50	2,145.00	2,269.00	549.15	32%
Western Carolina University	1,661.00	1,751.00	1,865.00	1,988.00	2,040.00	2,100.00	439.00	26%
Appalachian State University	1,681.00	1,711.00	1,801.00	1,918.00	2,038.00	2,087.00	406.00	24%
UNC School of The Arts	1,670.00	1,724.00	1,770.00	1,881.00	1,982.00	2,074.00	404.00	24%
North Carolina A&T State University	1,444.75	1,538.00	1,637.50	1,743.50	1,856.50	1,977.17	532.42	37%
UNC Charlotte	1,475.00	1,532.00	1,633.00	1,739.00	1,852.00	1,972.00	497.00	34%
UNC Wilmington	1,599.80	1,605.40	1,681.20	1,690.70	1,791.70	1,907.81	308.01	19%
Winston-Salem State University	1,512.16	1,553.16	1,653.16	1,693.16	1,773.16	1,888.16	376.00	25%
North Carolina Central University	1,477.21	1,547.42	1,647.89	1,755.03	1,869.09	1,869.09	391.88	27%
East Carolina University	1,481.00	1,551.00	1,651.00	1,737.00	1,807.00	1,807.00	326.00	22%
UNC Pembroke	1,425.00	1,466.00	1,554.00	1,554.00	1,642.00	1,748.00	323.00	23%
UNC Greensboro	1,324.00	1,410.00	1,501.00	1,599.00	1,683.00	1,746.00	422.00	32%
Elizabeth City State University	1,350.00	1,435.10	1,481.10	1,567.38	1,651.65	1,720.76	370.76	27%
Fayetteville State University	1,152.00	1,227.00	1,277.00	1,429.00	1,522.00	1,572.00	420.00	36%
North Carolina State University	1,206.00	1,220.30	1,299.20	1,383.55	1,462.65	1,570.92	364.92	30%
UNC - Chapel Hill	\$1,404.66	\$1,464.64	\$1,488.11	\$1,490.96	\$1,514.13	\$1,524.99	120.33	9%

Athletics Fee	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Total Increase FY09-10 to FY14-15	Total % Increase FY09-10 to FY14-15
Average of Other Campus	\$ 454.36	\$ 475.72	\$ 502.74	\$ 532.74	\$ 572.06	\$ 609.48	\$ 155.12	34%
% of Average of Other Campuses	58%	57%	55%	52%	49%	46%		
North Carolina Central University	548.24	583.88	624.38	674.38	748.88	748.88	200.64	37%
UNC Charlotte	477.00	489.00	553.00	615.00	683.00	747.00	270.00	57%
UNC Asheville	605.00	620.00	620.00	660.00	700.00	730.00	125.00	21%
North Carolina A&T State University	502.00	532.00	562.00	600.00	663.00	723.00	221.00	44%
Appalachian State University	559.00	569.00	639.00	649.00	668.00	701.00	142.00	25%
UNC Greensboro	461.00	489.00	541.00	589.00	622.00	696.00	235.00	51%
Winston-Salem State University	579.00	579.00	579.00	579.00	579.00	694.00	115.00	20%
Western Carolina University	567.00	617.00	688.00	688.00	688.00	688.00	121.00	21%
UNC Pembroke	577.00	595.00	595.00	595.00	624.00	655.00	78.00	14%
UNC Wilmington	420.65	433.75	438.55	438.55	538.55	654.66	234.01	56%
East Carolina University	496.00	526.00	566.00	601.00	631.00	631.00	135.00	27%
Elizabeth City State University	463.00	493.10	493.10	525.15	585.54	623.60	160.60	35%
Fayetteville State University	410.00	450.00	450.00	550.00	618.00	618.00	208.00	51%
UNC - Chapel Hill	\$ 265.00	\$ 271.00	\$ 274.50	\$ 274.50	\$ 279.00	\$ 279.00	14.00	5%
North Carolina State University	150.50	159.00	192.00	227.00	232.00	232.00	81.50	54%
UNC School of The Arts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%

UNC-CH General Fees Compared to UNC Systems Schools

Education and Technology Fee	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Total Increase FY09-10 to FY14-15	Total % Increase FY09-10 to FY14-15
Average of Other Campus	\$ 294.21	\$ 317.70	\$ 344.93	\$ 371.23	\$ 395.14	\$ 411.55	\$ 112.75	38%
% of Average of Other Campuses	139%	137%	126%	117%	113%	108%		
Western Carolina University	343.00	363.00	387.00	510.00	544.00	544.00	201.00	59%
UNC School of The Arts	355.00	400.00	426.00	453.00	484.00	524.00	169.00	0%
Appalachian State University	363.00	363.00	383.00	420.00	489.00	495.00	132.00	36%
UNC Asheville	248.35	284.35	324.35	384.35	409.00	473.00	224.65	90%
UNC Charlotte	308.00	342.00	376.00	401.00	425.00	450.00	142.00	46%
UNC - Chapel Hill	\$ 409.00	\$ 435.26	\$ 435.26	\$ 435.26	\$ 444.86	\$ 444.86	35.86	9%
North Carolina State University	386.00	394.50	394.50	394.50	409.50	427.91	41.91	11%
Winston-Salem State University	341.46	366.46	406.46	406.46	416.46	416.46	75.00	22%
North Carolina A&T State University	317.75	336.00	362.50	379.50	394.50	405.17	87.42	28%
North Carolina Central University	334.92	351.67	376.67	401.15	401.15	401.15	66.23	20%
UNC Wilmington	397.50	397.50	397.50	397.50	398.50	398.50	1.00	0%
UNC Greensboro	292.00	301.00	330.00	361.00	386.00	397.00	105.00	36%
UNC Pembroke	207.00	216.00	276.00	276.00	321.00	351.00	144.00	70%
East Carolina University	162.00	202.00	262.00	302.00	342.00	342.00	180.00	111%
Fayetteville State University	241.00	251.00	275.00	275.00	300.00	310.00	69.00	29%
Elizabeth City State University	185.00	197.00	197.00	207.00	207.00	238.05	53.05	29%

Student Health Fee	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Total Increase FY09-10 to FY14-15	Total % Increase FY09-10 to FY14-15
Average of Other Campus	\$ 229.91	\$ 239.90	\$ 250.67	\$ 266.25	\$ 277.60	\$ 289.73	\$ 59.82	26%
% of Average of Other Campuses	177%	175%	171%	161%	157%	153%		
UNC School of The Arts	673.00	701.00	718.00	765.00	820.00	857.00	184.00	0%
UNC - Chapel Hill	\$ 406.00	\$ 421.00	\$ 429.00	\$ 429.00	\$ 436.00	\$ 443.00	37.00	9%
UNC Asheville	211.00	244.00	270.00	293.00	316.00	346.00	135.00	64%
North Carolina State University	245.62	245.62	257.62	267.62	277.02	310.00	64.38	26%
North Carolina A&T State University	212.00	227.00	243.50	268.50	278.50	303.50	91.50	43%
Western Carolina University	245.00	245.00	260.00	260.00	278.00	296.00	51.00	21%
UNC Greensboro	226.00	252.00	257.00	265.00	273.00	275.00	49.00	22%
Appalachian State University	236.00	256.00	256.00	268.00	268.00	268.00	32.00	14%
Elizabeth City State University	200.00	213.00	227.00	238.35	250.27	250.27	50.27	25%
Winston-Salem State University	187.00	187.00	207.00	247.00	247.00	247.00	60.00	32%
North Carolina Central University	198.00	203.94	213.91	227.85	242.66	242.66	44.66	23%
East Carolina University	230.00	230.00	230.00	235.00	235.00	235.00	5.00	2%
UNC Charlotte	166.00	170.00	178.00	181.00	187.00	214.00	48.00	29%
UNC Wilmington	176.00	181.00	181.00	190.50	190.50	190.50	14.50	8%
UNC Pembroke	128.00	128.00	146.00	146.00	160.00	160.00	32.00	25%
Fayetteville State University	115.00	115.00	115.00	141.00	141.00	151.00	36.00	31%

UNC-CH General Fees Compared to UNC Systems Schools

Student Activity Fees	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Total Increase FY09-10 to FY14-15	Total % Increase FY09-10 to FY14-15
Average of Other Campus	\$ 495.65	\$ 508.47	\$ 523.63	\$ 543.03	\$ 562.91	\$ 576.51	\$ 80.85	16%
% of Average of Other Campuses	66%	66%	67%	65%	63%	62%		
UNC Asheville	655.50	683.15	683.15	683.15	720.00	720.00	64.50	10%
UNC School of The Arts	642.00	647.00	626.00	663.00	678.00	693.00	51.00	8%
UNC Wilmington	605.65	593.15	644.15	664.15	664.15	664.15	58.50	10%
Appalachian State University	523.00	523.00	523.00	581.00	613.00	623.00	100.00	19%
Elizabeth City State University	502.00	532.00	564.00	596.88	608.84	608.84	106.84	21%
North Carolina State University	423.88	421.18	455.08	494.43	544.13	601.01	177.13	42%
East Carolina University	593.00	593.00	593.00	599.00	599.00	599.00	6.00	1%
UNC Pembroke	513.00	527.00	537.00	537.00	537.00	582.00	69.00	13%
Western Carolina University	506.00	526.00	530.00	530.00	530.00	572.00	66.00	13%
UNC Charlotte	524.00	531.00	526.00	542.00	557.00	561.00	37.00	7%
North Carolina A&T State University	415.00	443.00	469.50	495.50	520.50	545.50	130.50	31%
Winston-Salem State University	404.70	420.70	460.70	460.70	530.70	530.70	126.00	31%
Fayetteville State University	386.00	411.00	437.00	463.00	463.00	493.00	107.00	28%
North Carolina Central University	396.05	407.93	432.93	451.65	476.40	476.40	80.35	20%
UNC Greensboro	345.00	368.00	373.00	384.00	402.00	378.00	33.00	10%
UNC - Chapel Hill	\$ 324.66	\$ 337.38	\$ 349.35	\$ 352.20	\$ 354.27	\$ 358.13	33.47	10%

Carolina Research Venture Fund

March 2014

Transformation of ideas from the lab to the commercial marketplace is one of the most important benefits UNC-CH can provide to the people of North Carolina and the world. As we have moved into the top ten research institutions in the nation, it becomes increasingly incumbent upon us to move this new knowledge from the confines of campus into the marketplace. Toward this purpose, two years ago the Board of Trustees, through its Finance and Audit Committee, asked the Administration to develop a plan through which we could facilitate development of certain research assets to commercialization, in order to maximize their overall return to the University.

Initially it was thought that such an effort would need to be coordinated through the UNC-CH Foundation, which would hold equity in start-up companies on behalf of the University. Chancellor Holden Thorp and Trustee Sallie Shuping-Russell presented the concept to the Foundation Board and it was approved in May 2011. Since then, a committee of trustees, administrators, and faculty has worked to develop the separate organizational structure through which Carolina can help fund promising technologies. The program, separate from the UNC Foundation, is called the Carolina Research Venture Fund (CRVF).

Many concepts were considered during the past two years. These ranged from modest seed grants to raising a full-scale venture capital fund. The final plan, presented here, is smaller and more focused. That is, providing support at the earliest stages of commercialization – prior to where the commercial market will get involved – and supporting only technology coming from research conducted at UNC-CH where the University has an intellectual property position. It is not intended to replace or usurp other efforts – either within the University or external -- to fund technology spin-outs at UNC. There are several such efforts throughout campus and rather than appear to compete with them this plan is intended to support them.

Purpose

The purpose of CRVF is two-fold: (1) a strategic purpose to maximize the research assets by getting them into the marketplace and (2) an investment purpose to get sufficient return on the investments which can be reinvested into the CRVF, making it an evergreen fund. Because of this two-fold mission– and because the initial funds will not come from the Investment Fund – the CRVF does not have to receive a “venture capital” level of return. Its return goal will be to generate return of capital and provide sufficient excess return to enable CRVF to become an evergreen fund.

In this way CRVF can continue to support further research commercialization efforts indefinitely into the future.

From a strategic point of view, CRVF provides Carolina with a means of supporting faculty research commercialization, generating additional revenue through increased grant support, and creating new companies that can bring new technologies and jobs to North Carolina. Having a mechanism for supporting faculty-founded enterprises is becoming increasingly important in recruiting outstanding researchers to the University. Top researchers are also most likely to secure outside research grants, which are becoming an increasingly important revenue source to Carolina. Equally important, it provides a means to get technology into the marketplace – the original intent of the Dole-Bayh Act. By starting young companies or providing additional areas of growth to existing firms, CRVF creates new technologies and grows the job market within North Carolina. Thus, it provides a direct benefit to the State of North Carolina in a way that only major research institutions can.

Governance

CRVF will be organized as a North Carolina Limited Liability Company with a single member, UNC-CH, and a Board, two of whom are appointed by the Chair of the Board of Trustees. The duties of the CRVF Board are to:

1. Establish investment and strategic objectives
2. Select investment manager(s)
3. Monitor investment manager performance
4. Report annually to the UNC-CH Board of Trustees through its Finance and Infrastructure Committee. The Company will also make a report for information to the Trustees' Innovation and Impact Committee.

It will not be the Board's responsibility to be involved in deciding which technologies to support; that will be outsourced to one or more investment managers who are experienced in investing in start-up companies.

The Board will consist of five ex-officio officers who will elect up to three additional members. The ex-officio officers will be

1. Vice Chancellor for Finance and Administration, or his/her designee;
2. A senior member of the UNC Management Co staff – preferable the Director of Private Investments;
3. Two members of the Board of Trustees, appointed by the Chairman of the Board of Trustees. The ex-officio trustee members shall be in different classes of trustees so that their terms do not expire in the same year; and
4. The Chancellor's advisor on Innovation and Technology (or comparable position)

Elected positions will consist of up to three members. These may include trustees, who in this case would not be considered ex-officio, but it is not expected or required that an elected position be a trustee. The term of the elected members shall be four years and individual directors may be re-elected for another four-year term. Individuals serving two consecutive four-year terms are eligible for re-election after one year off the Board.

The Board shall elect its Chairman, whose term is two years. The Chair can be re-elected for an additional two-year term. Legal documents provide additional detail about the Board, its members and terms of office.

Investment Management

The Fund will outsource its investment decision-making to one or more managers unaffiliated with Carolina but experienced in funding very early stage technology and life science companies. Because of our location in Research Triangle Park, existing organizations and resources can be leveraged to provide professional management in a very capital efficient model. As part of this process we will have industry input from potential strategic partners and also from potential venture partners. This will allow us to get early market feedback into the viability of a project before spending a significant amount of capital.

In addition, CRVG will establish its own Venture Capital Advisory Committee (VCAC). This will comprise leading venture capitalists from across the country and within North Carolina. Examples from outside the region include partners or ex-partners from Kleiner Perkins Caulfield & Byers, Greylock, NEA, Polaris, Domain, Andreessen Horowitz, Sequoia, Trident and others. VCAC will provide strategic advice to the Board as needed. It will also discuss with the manager(s) the viability of potential companies and offer advice to address concerns which start-up companies face as they grow. VCAC will also offer a long-term vision for new markets that could underwrite larger impact investments. It is also hoped that these venture firms would provide additional follow-on capital as the UNC-based companies develop.

Process

Under the plan, a technology would be identified through one of the existing University entities (UNC Kickstart, TRACS, Launch the Venture, Blackstone Network, etc), through independent scouting on the campus by the investment manager for technologies or through word-of-mouth. Once identified, the investment manager would evaluate the technology, help develop a business plan, identify the nascent management team, and facilitate introductions to accounting, legal, insurance, HR and other resources needed by young companies. It would also work with the UNC Office of Technology Development (OTD) to license or option the University technology upon which the company was based. During this time the manager would seek input from its internal advisors as well as Carolina's VCAC and others to

assess market attractiveness. CRVF would directly own equity in the new companies derived from its investments in the young firms. This would be different ownership from that received through OTD or other areas of the University via the technology transfer policies.

Currently we are assuming that later rounds of financing would not be supported by CRVF but instead would have investors such as venture capitalists, industry partners, angel capital or perhaps the UNC Management Company's direct investment program. Such details have yet to be determined. However, the University would try to retain the right to one non-dilutive round of financing. The question of CRVF participating in later rounds will remain outstanding until the Fund is operational and we have a better sense of its funds flow, returns, and other factors.

Summary

The University has long considered how best to advance commercialization of its research. Now that UNC-CH is among the top research institutions in America it is incumbent that we find a way to move these ideas into the marketplace. By providing initial capital for young companies, as well as strategic advice through its VCAC, Carolina Research Venture Fund is an important step in accomplishing this goal.

**INTERNAL AUDIT DEPARTMENT'S (DEPARTMENT) EXTERNAL QUALITY
ASSESSMENT REVIEW**

The overall conclusion is that the Department Generally Conforms to the *Internal Standards for the Professional Practice of Internal Auditing* (Standards). This is the highest level of opinion allowed under the Standards.

The review identified opportunities for enhancing conformity with the Standards:

- Reducing the number of hours used to complete and the duration of audits and other projects;
- Expanding information technology audit coverage;
- Assessing, sooner and more frequently, action taken to resolve issues communicated to management and the Board.
- Performing a formal internal assessment of the Internal Audit Program;
- Doing more frequent and formal evaluations of governance and ethic-related programs and issues;
- Considering all elements of the Committee of Sponsoring Organization (COSO) Internal Control Framework when developing audit plans and in individual engagements; and
- Providing more interim reports for projects of long duration.

The report also provides suggestions for continuous improvement and stated that the size of the Internal Audit staff is not sufficient.

Focus for remainder of fiscal year:

- Completing projects in process;
- Improving project management (on-going);
- Assessing the status of remaining issues previously communicated to management;

- Developing an audit plan for 2014/15 that includes audit or consulting projects related to governance and ethics-related programs (on-going);
- Developing school/department audit programs; and
- Expanding engagement level processes to include, more clearly, items such as the control environment, auditee risk assessment, information and communication, and monitoring (on-going).

Some projects (lower relative risk) from the 2013/14 audit plan will need to be re-scheduled.



Development Report

FY 2014 Progress Report

Cash Received:	3/17/14	3/17/13	Variance	% Change
Gifts	\$101,428,596	\$88,998,949	\$12,429,647	14%
Grants	\$ 88,989,151	\$ 95,280,215	(\$6,291,067)	-7%
Total Cash Received:	\$190,417,747	\$184,279,167	\$6,138,580	3%

New Cash and Commitments:

	\$206,444,550	\$195,592,090	\$10,852,460	6%
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Total Cash

Group: Grand Total All Groups	Dollars Current FY	Dollars Previous FY	Percent Change	Grants Current FY	Grants Last FY	Percent Change
Academic Affairs	\$34,116,011	\$34,280,181	0%	\$13,296,358	\$13,847,592	-4%
Ackland Art Museum	\$705,744	\$479,220	47%	\$36,500	\$101,000	-64%
College of Arts & Sciences	\$15,651,017	\$14,571,909	7%	\$11,079,709	\$11,011,951	1%
Graduate School	\$168,302	\$190,396	-12%			0%
Kenan-Flagler Business School	\$7,453,055	\$9,044,355	-18%	\$458,808	\$412,530	11%
Morehead Planetarium and Science Center	\$569,728	\$886,453	-36%	\$131,433	\$51,000	158%
NC Botanical Garden	\$538,101	\$548,970	-2%			0%
School of Education	\$2,927,036	\$448,093	553%	\$246,357	\$604,345	-59%
School of Government	\$1,089,390	\$898,921	21%	\$265,886	\$253,218	5%
School of Information & Library Science	\$307,448	\$221,446	39%	\$45,600	\$90,024	-49%
School of Journalism & Mass Communication	\$2,116,988	\$2,752,245	-23%	\$42,388	\$70,569	-40%
School of Law	\$1,116,613	\$2,092,722	-47%	\$301,864	\$82,000	268%
School of Social Work	\$503,720	\$592,742	-15%	\$211,800	\$1,111,966	-81%
University Library	\$968,870	\$1,552,707	-38%	\$476,014	\$58,989	707%
Health Affairs	\$33,839,373	\$21,426,034	58%	\$70,244,723	\$77,150,033	-9%
Eshelman School of Pharmacy	\$3,848,761	\$1,197,067	222%	\$2,830,042	\$2,070,979	37%
Frank Porter Graham Child Development Institute	\$59,983	\$12,312	387%	\$4,276,763	\$3,515,272	22%
Gillings School of Global Public Health	\$10,971,321	\$2,761,859	297%	\$7,930,021	\$11,142,965	-29%
Health Affairs	\$12,945	\$16,170	-20%	\$7,021,707	\$7,752,634	-9%
Health Sciences Library	\$50,325	\$298,967	-83%	\$0	\$6,000	-100%
Institute for the Environment	\$225,280	\$156,292	44%	\$335,677	\$265,108	27%
Lineberger Comprehensive Cancer Center	\$3,085,371	\$2,575,313	20%	\$7,561,185	\$7,324,766	3%
Medical Foundation	\$8,304,849	\$8,565,267	-3%			0%
Nutrition Research Institute	\$443,383	\$118,456	274%			0%
School of Dentistry	\$2,530,466	\$1,713,107	48%	\$963,578	\$606,469	59%
School of Medicine	\$3,477,639	\$3,443,622	1%	\$38,295,092	\$40,834,040	-6%
School of Nursing	\$829,050	\$567,602	46%	\$1,030,658	\$3,631,801	-72%
Other	\$18,517,952	\$17,228,191	7%	\$5,448,080	\$4,282,593	27%
Administrative Units	\$525,215	\$210,913	149%			0%
Carolina Center for Public Service	\$1,949,155	\$27,285	7044%			0%
Carolina Performing Arts	\$563,695	\$655,918	-14%	\$0	\$800,000	-100%
Chancellor	\$1,383,433	\$3,063,274	-55%			0%
Department of Athletics	\$2,181,542	\$1,002,986	118%			0%
Friday Center	\$36,605	\$38,475	-5%			0%
GAA Alumni Center	\$330	\$445	-26%			0%
Morehead-Cain Foundation	\$2,678,389	\$1,355,947	98%			0%
Office of International Affairs	\$158,756	\$691,006	-77%	\$0	\$115,300	-100%
Provost	\$580,029	\$722,768	-20%	\$4,690,941	\$2,792,930	68%
Scholarships & Student Aid	\$4,890,665	\$6,266,593	-22%			0%
Sonja Haynes Stone Center for Black Culture and History	\$50,611	\$50,364	0%			0%
Student Affairs	\$763,530	\$422,691	81%			0%
Unallocated	\$190,217	\$1,116,883	-83%			0%
University Development Office	\$2,206,893	\$1,274,870	73%			0%
University Press	\$13,000	\$81,744	-84%			0%
WUNC-FM	\$345,887	\$246,031	41%	\$757,139	\$574,363	32%
Grand Totals:	\$86,473,336	\$72,934,407	19%	\$88,989,161	\$95,280,218	-7%
Ed Foundation as of 1/31/14	\$14,955,260	\$16,064,542	-7%			



Commitments

Sites	Prior FYTD Total Committed	Total Committed	Gifts	Private Grants	Total Current	Pledges	Irrevocable Gifts	Revocable Gifts	Total Future
Academic Affairs	\$48,732,693	\$60,075,355	\$26,824,466	\$13,296,358	\$40,120,824	\$9,596,522	\$2,921,008	\$7,437,000	\$19,954,531
Ackland Art Museum	\$529,427	\$531,627	\$493,262	\$36,500	\$529,762	\$1,865	\$0	\$0	\$1,865
College of Arts & Sciences	\$24,847,231	\$27,390,383	\$11,381,491	\$11,079,709	\$22,461,199	\$2,584,555	\$394,629	\$1,950,000	\$4,929,183
Graduate School	\$208,711	\$141,593	\$120,802	\$0	\$120,802	\$20,791	\$0	\$0	\$20,791
Kenan-Flagler Business	\$10,979,860	\$11,988,524	\$6,695,744	\$458,808	\$7,154,552	\$2,090,085	\$1,093,886	\$1,650,000	\$4,833,972
Morehead Planetarium and	\$871,350	\$667,006	\$522,153	\$131,433	\$653,586	\$3,420	\$0	\$10,000	\$13,420
NC Botanical Garden	\$652,431	\$459,170	\$453,315	\$0	\$453,315	\$5,855	\$0	\$0	\$5,855
School of Education	\$890,612	\$3,150,117	\$2,818,259	\$246,357	\$3,064,616	\$13,501	\$0	\$72,000	\$85,501
School of Government	\$1,042,969	\$1,362,816	\$942,689	\$265,886	\$1,208,575	\$154,241	\$0	\$0	\$154,241
School of Information &	\$494,287	\$2,720,403	\$166,153	\$45,600	\$211,753	\$8,650	\$100,000	\$2,400,000	\$2,508,650
School of Journalism &	\$1,968,622	\$5,473,402	\$899,424	\$42,388	\$941,812	\$4,526,591	\$0	\$5,000	\$4,531,591
School of Law	\$2,743,725	\$2,298,517	\$874,810	\$301,864	\$1,176,674	\$171,843	\$0	\$950,000	\$1,121,843
School of Social Work	\$1,797,813	\$2,048,720	\$498,309	\$211,800	\$710,108	\$6,119	\$1,332,494	\$0	\$1,338,612
University Library	\$1,705,655	\$1,843,076	\$958,056	\$476,014	\$1,434,070	\$9,006	\$0	\$400,000	\$409,006
Health Affairs	\$110,235,892	\$113,514,785	\$24,784,333	\$70,244,723	\$95,029,056	\$6,653,541	\$1,088,188	\$10,744,000	\$18,485,729
Eshelman School of	\$3,518,183	\$6,646,793	\$3,801,296	\$2,830,042	\$6,631,338	\$15,455	\$0	\$0	\$15,455
Frank Porter Graham Child	\$3,634,840	\$4,336,452	\$59,689	\$4,276,763	\$4,336,452	\$0	\$0	\$0	\$0
Gillings School of Global	\$14,302,103	\$18,873,224	\$6,118,161	\$7,930,021	\$14,048,182	\$3,825,042	\$0	\$1,000,000	\$4,825,042
Health Affairs	\$8,053,258	\$7,034,632	\$12,925	\$7,021,707	\$7,034,632	\$0	\$0	\$0	\$0
Health Sciences Library	\$300,663	\$390,432	\$48,087	\$0	\$48,087	\$2,345	\$0	\$340,000	\$342,345
Institute for the Environment	\$959,204	\$569,981	\$133,470	\$335,677	\$469,147	\$100,834	\$0	\$0	\$100,834
Lineberger Comprehensive	\$11,568,973	\$12,222,850	\$2,710,312	\$7,561,185	\$10,271,497	\$255,517	\$48,837	\$1,647,000	\$1,951,353
Medical Foundation	\$9,937,280	\$11,207,666	\$6,653,361	\$0	\$6,653,361	\$1,807,305	\$0	\$2,747,000	\$4,554,305
Nutrition Research Institute	\$15,192	\$310,174	\$310,174	\$0	\$310,174	\$0	\$0	\$0	\$0
School of Dentistry	\$2,385,238	\$8,337,764	\$1,738,696	\$963,578	\$2,702,274	\$609,190	\$1,016,300	\$4,010,000	\$5,635,490
School of Medicine	\$49,289,660	\$41,214,890	\$2,392,951	\$38,295,092	\$40,688,043	\$3,796	\$23,051	\$500,000	\$526,847
School of Nursing	\$6,271,298	\$2,369,927	\$805,211	\$1,030,658	\$1,835,869	\$34,059	\$0	\$500,000	\$534,059
Other	\$25,733,505	\$22,610,357	\$14,818,050	\$5,448,080	\$20,266,130	\$1,090,739	\$0	\$1,253,488	\$2,344,227
Administrative Units	\$15,427	\$525,873	\$525,153	\$0	\$525,153	\$720	\$0	\$0	\$720
Carolina Center for Public	\$25,830	\$1,948,721	\$1,947,496	\$0	\$1,947,496	\$1,225	\$0	\$0	\$1,225
Carolina Performing Arts	\$1,408,838	\$576,830	\$532,568	\$0	\$532,568	\$44,263	\$0	\$0	\$44,263
Chancellor	\$374,262	\$136,433	\$136,433	\$0	\$136,433	\$0	\$0	\$0	\$0
Department of Athletics	\$941,989	\$2,215,744	\$2,178,062	\$0	\$2,178,062	\$37,682	\$0	\$0	\$37,682
Friday Center	\$1,801	\$35,910	\$35,825	\$0	\$35,825	\$85	\$0	\$0	\$85
GAA Alumni Center	\$245	\$330	\$330	\$0	\$330	\$0	\$0	\$0	\$0
Morehead-Cain Foundation	\$1,293,560	\$4,346,416	\$2,568,604	\$0	\$2,568,604	\$702,812	\$0	\$1,075,000	\$1,777,812
Office of International Affairs	\$293,864	\$151,416	\$150,896	\$0	\$150,896	\$520	\$0	\$0	\$520
Provost	\$4,543,889	\$5,258,041	\$542,786	\$4,690,941	\$5,233,727	\$24,314	\$0	\$0	\$24,314
Scholarships & Student Aid	\$14,035,282	\$3,352,805	\$3,125,265	\$0	\$3,125,265	\$49,052	\$0	\$178,488	\$227,540
Sonja Haynes Stone Center	\$43,781	\$46,571	\$45,331	\$0	\$45,331	\$1,240	\$0	\$0	\$1,240
Student Affairs	\$426,314	\$528,995	\$462,453	\$0	\$462,453	\$66,542	\$0	\$0	\$66,542
Unallocated	\$94,449	\$191,096	\$107,815	\$0	\$107,815	\$83,281	\$0	\$0	\$83,281
University Development	\$1,420,704	\$2,244,770	\$2,172,170	\$0	\$2,172,170	\$72,600	\$0	\$0	\$72,600
University Press	\$81,744	\$13,000	\$13,000	\$0	\$13,000	\$0	\$0	\$0	\$0
WUNC-FM	\$731,526	\$1,037,406	\$273,863	\$757,139	\$1,031,002	\$6,403	\$0	\$0	\$6,403
Total	\$184,702,090	\$196,200,497	\$66,426,849	\$88,989,161	\$155,416,010	\$17,340,803	\$4,009,196	19,434,488	\$40,784,487

The Division of Finance & Administration



THE UNIVERSITY
of NORTH CAROLINA
at CHAPEL HILL

Auxiliary Services

www.aux-services.unc.edu

Auxiliary Services is committed to providing progressive, creative and innovative services that offer superior quality and outstanding value to the customers we serve. A strategic evidence-based approach is used to leverage in-house and outsourced operations in order to provide the best value to the University.

Business Operations

Jim Clinton

Armored Car
Carolina Copy
Laundromats
Laundry Services
PID Office
UNC One Card

Scott Myers

Carolina Dining Services
Convenience Stores
Vending

Brandon Thomas

Communications & Marketing

Lea Holt

Horace Williams Airport
Printing Services
University Mail Services

Tommy Gunter

Business & Accounting
Human Resources



Mike Freeman
Director



Department Numbers

FY 2013

- **Total Expenditures:**
\$77,000
- **Employees:**
.5 FTE

Armored Car Service

www.armoredcar.unc.edu

Provides armored car service to University departments.

Key Business Numbers and Facts

- 100% receipt supported.
- Outsourced to Loomis, Inc.
- Funds are used to support the department.
- There are 24 operations on campus that use armored car service.

Key Business Operations

- Offers fast, secure, professional and courteous service to the University community.
- Leverages contract pricing for the entire campus.
- Contract management responsibilities are handled by Auxiliary Services.



John Foust

Department Numbers

FY 2013

- Total Expenditures:
\$1.75M
- Employees:
2 FTE
1 temporary

Carolina Copy

www.carolinacopy.unc.edu

Carolina Copy provides copying and printing services and superior on-site support for campus departments at competitive prices.

Key Business Numbers and Facts

- 100% receipt supported.
- Current vendor is Ricoh.
- Funds from operations are used to support the department.
- Currently manages a fleet of approximately 750 copiers.
- Over 30,000,000 impressions in 2013.

Key Business Operations

- Offers fast, professional and courteous service to the University community.
- Negotiates volume pricing.
- Offers top-quality equipment.
- Daily operations are managed by Auxiliary Services and Ricoh.

Major Initiatives Underway

- Conducting a user assessment across campus.
- Using customer and usage data to negotiate a new contract in 2014.
- Educating customers on functionality of multifunctioning device copiers.





Scott Myers

Department Numbers

FY 2013

- Total Expenditures:
\$35.7M
- Employees:
8 FTE
425 contracted
employees

Carolina Dining Services

www.dining.unc.edu

Provide great food, excellent service, outstanding value and exceptional hospitality to engage the campus community through a wide variety of innovative dining, convenience store and catering options and experiences that exceed customer expectations and enhance the academic experience.

Departments:

- Carolina Dining
- Carolina Catering
- Snack & Beverage Vending

Key Business Numbers and Facts

- Carolina Dining Services is 93% receipt and 7% student fee supported.
- Carolina Dining is contracted to Aramark Educational Services.
- All receipts support the dining program.
- Carolina Dining is the only UNC System school with a voluntary meal plan program.
- 6,400 meal plans per semester.
- 4,300,000 transactions annually and averaging 20,000 transactions on peak days.
- Beverage vending is contracted with Pepsi
 - ✓ \$2,300,000 donated to the Carolina Covenant Scholarship over the last 10 years through CDS' Pepsi vending contract.
- Snack vending is contracted with Aramark Refreshments Division.
- Student fees help reduce Dining debt payments.
 - ✓ Student fees are approved by the Student Fee Audit Committee and the University.
- Carolina Catering offers full catering and conference services.

Major Initiatives Underway

- Working with a food service consultant and the campus community to develop a five to ten year Master Dining Plan.
- Updating the point-of-sale system to maintain Payment Card Industry (PCI) compliance.





Marc Baker

Department Numbers

FY 2013

- **Total Expenditures:**
\$358,000
- **Employees:**
.5 FTE

Laundromat

www.laundromat.unc.edu

Provides Laundromat services to the residents of University Housing.

Key Business Numbers and Facts

- 100% receipt supported.
- Equipment maintenance is outsourced to Mac-Gray.
- Funds are used to support Laundromat operations.
- Residential Housing receives \$100,000 annually from Laundromats.
- 22 Residential Laundromats on campus.
- 216 Washers and 336 Dryers.

Key Business Operations

- Offers fast, professional and courteous service to the University Housing community.

Major Initiatives Underway

- Provide online laundry view software through web and mobile technology to allow students to view laundry rooms, check machine availability and receive notifications when cycles are complete.
- Use surveys and focus groups to gather feedback from Housing and students in order to continually improve services.





Marc Baker

Department Numbers

FY 2013

- **Total Expenditures:**
\$39,000
- **Employees:**
.5 FTE

Laundry Services

www.laundry.unc.edu

Provides contract laundry service to University Departments.

Key Business Numbers and Facts

- 100% receipt supported.
- Current vendor is AlSCO, Inc.
- Funds are used to support laundry operations.
- Provides cleaning service to over 100 campus departments for lab coats, towels, bed sheets, etc.

Key Business Operations

- Offers fast, professional and courteous service to the University community.
- Provides negotiated pricing and an efficient billing method for campus departments.
- Leverages volume pricing for campus with one service provider.

Major Initiative Underway

- Transition to a new billing system in PeopleSoft.





Melinda Bakken

Department Numbers

FY 2013

- **Total Expenditures:**
\$150,000
- **Employees:**
4 FTE

Person Identification (PID) Office

www.pid.unc.edu

The mission of the UNC Person Identification (PID) Office is to uniquely identify each individual by providing an identification number to all persons with a University relationship. The PID is the primary record keeping key for all departments within the University. By working with departments across campus and the Affiliated Persons Policy Committee, the Office ensures that every member of the campus community has a unique Person ID Number that may be utilized for all appropriate, University-related activities requiring the identification of individuals.

Key Business Numbers and Facts

- 100% appropriated funding.
- The PID Office is funded through State and Overhead accounts.
- In 2013, 66,640 PIDs were created.

Key Business Operations

- Offers fast, professional and courteous service to the University community.
- Works with all departments to ensure the PID process is done correctly and accurately at the first point of contact.

Major Initiatives Underway

- Reduce duplicate PIDs on campus.
- Support the PeopleSoft implementation.





Department Numbers

- **Employees:**
8 full-time Xerox staff

Xerox Printing

www.xeroxprinting.unc.edu

Xerox Printing Operations provides UNC Chapel Hill with the resources, personnel and knowledge to successfully solve any printing, finishing and mailing challenge.

Key Business Operations

- Operation is outsourced to Xerox with oversight from Auxiliary Services.
- 378 average jobs monthly.
- 3,784 jobs in 2013.
- Full-time dedicated production print associates perform copy and print services.
- Document consultation to review job requirements.
- Document design to provide desktop publishing and design service for color, monochrome and web documents.
- File prepress and document re-engineering to optimize and make documents ready for printing.
- Image scanning from photographic originals to hardcopy materials for use in printed documents or web presentment.

Major Initiative Underway

- Will be implementing a new WebCRD™ digital storefront to replace the current 1990's inefficient web interface for ordering, submitting, tracking and retrieving jobs. WebCRD™ is a secure, browser-based, web-to-print e-commerce solution that automates everything from print ordering and fulfillment to job ticketing, production management and cost tracking.





Jim Clinton

Department Numbers

FY 2013

- Total Expenditures:
\$1.1M
- Employees:
6.75 FTE
1 temporary

UNC One Card

www.onecard.unc.edu

The UNC One Card Office provides the University community with a real-time verification system that facilitates the identification of individuals, manages financial transactions, confirms eligibility for events and provides access to campus facilities.

Key Business Numbers and Facts

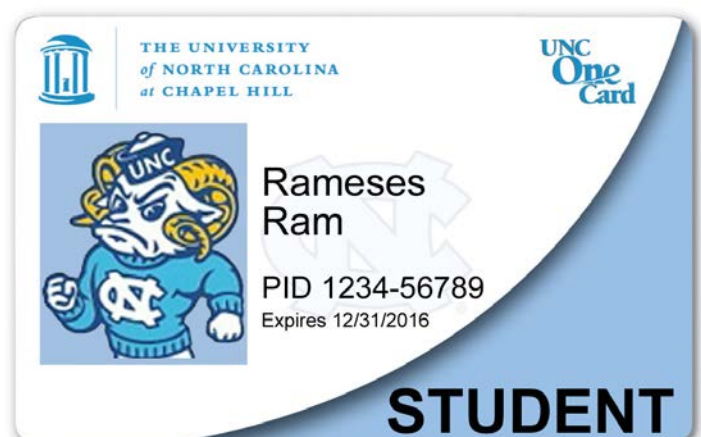
- 72% receipt, 19% student fees and 3% appropriation funded.
- All funds are used to support the One Card program.
- Over 100 point-of-sale terminals on campus.
- Over 1,000 access readers on campus.
- 11,000,000 financial and access transactions annually.

Key Business Operations

- Manages One Card financial transactions on student accounts such as meal plans and campus debit plans.
- Manage One Card access readers on campus, including parking gates.
- Student fees are reviewed and approved by the Student Fee Audit Committee. Departmental fees are approved by the University Fees Committee.

Major Initiatives Underway

- Update aging access and vending readers.
- Ensure Payment Card Industry (PCI) compliance.
- Implement smartphone applications.





James Brandon

Department Numbers

FY 2013

- **Total Expenditures:**
\$1.8M
- **Employees:**
19.5 FTE

University Mail Services

universitymail.unc.edu

University Mail Services delivers mail, posts out-going US mail, takes maximum advantage of discounts available to save the University money, and stays current with rapidly changing technology in the mailing industry.

Key Business Numbers and Facts

- Operations are 100% appropriated; postage inventory is 100% receipt funded.
- UMS' delivery unit services 190 locations within an approximate 10-mile radius of main campus, twice daily, utilizing 560 delivery point locations.
- Collects, processes and distributes approximately seven million pieces of incoming and outgoing United States Postal Service (USPS) and inter-office campus mail yearly.
- Centralized meter operations returned \$23,327 in savings to campus departments in FY 2013 through consolidation and automation discounts for First Class mail.
- UMS saved approximately \$1,000,000 in postage through administration of the permit used to mail over 2.2 million nonprofit pieces for University departments and programs.

Key Business Operations

- Incoming USPS mail is picked up daily and is immediately sorted and delivered to each University department.
- Outgoing USPS mail is collected daily and brought to UMS for posting. All mail is metered on the same day collected, sorted, bar coded and put directly on the outbound USPS truck no later than 6 p.m. the same day.
- UMS works closely with Xerox Printing and 30+ area printing/mailing companies to ensure departments and programs with mailing needs receive cost-effective and quality services.
- Provides professional expertise and knowledge of USPS policies and procedures and is the liaison for all departmental mailing needs.

Major Initiatives Underway

- University Mail Services' Sustainability Initiative is working on establishing and implementing a sustainable process and accompanying policies to reduce waste.

The Division of Finance & Administration



THE UNIVERSITY
of NORTH CAROLINA
at CHAPEL HILL



John Gorsuch
Director

Department Numbers

FY 2013

- **Total Expenditures:**
\$26.6M
- **Employees:**
Permanent: 46
Temporary: 96
Student: 226

Governing Statute

Profits from UNC campus stores are used exclusively for awarding scholarships to defray the expense of students attending the institution.

- The Umstead Act, NC Statute 66-58, Article II, Section c3

Since 1915

UNC Student Stores will celebrate 100 years of serving the University community during the 2014/2015 academic year.

UNC Student Stores

store.unc.edu

Provides course materials, trade books, school supplies, and other merchandise and services to the University community as permitted by State Law. These services are provided in a manner that supports and enhances the academic mission of the University community by: providing valuable products and services, employing students, maintaining self-supporting financial stability, and contributing residual funds to the scholarship and fellowship programs of the University.

Key Business Numbers

- 100% receipt-supported; Student Stores does not receive State funds or student fees.
- Ranked 14th in total net sales (\$27 million) among college owned bookstores in US and Canada for the 2012-2013 fiscal year.
- \$7,850,000 contributed to undergraduate scholarships and graduate fellowships over the last 10 years.
- Net operating income \$796,576 (FY 2013).

Major Initiatives Underway

- Using store data and market research to develop and implement a new, evidence-based, strategic marketing and communications plan to improve the customer experience and increase sales.
- Designing and launching a new e-commerce website.
- Conducting a store layout analysis and redesign in combination with the initiatives above.

Leadership

Accounting

Jim Powell

Course Materials

Kelly Hanner

Operations

Chuck Sockell

Health Affairs, Marketing

Stephanie Berrier

Convenience, Sundries

Ron Woods

Apparel and Supplies

Dawn Colclough

Gifts

Cathy Hyatt

RAM Shop

Frank Penn

The Bull's Head Bookshop

Stacie Smith



Derek Lochbaum
Director

Department Numbers

2013 Expenses:
\$308,864

2013 Scholarship
Donations:
\$3,923,334

A receipt-supported
department

Trademarks and Licensing licensing.unc.edu

Protect and promote the University's brand through the management of its names, logos, landmarks and other distinctive assets. Generate revenue that supports the educational goals of the University and its students thorough the appropriate and active marketing of these valued assets.

Key Business Numbers

- The University established its trademark licensing program in 1982.
- At the conclusion of FY 2012-13, \$3,923,334 was contributed to student scholarships. That was the second best year in the program's history.
- One-hundred percent of the net revenue from the program is directed to need-based (75%) and merit-based (25%) scholarships.
- During the past academic year, more than 2,000 students received need-based and merit-based scholarships that were funded by this contribution.
- The program currently has 338 companies licensed to utilize university marks on products.
- Approximately 70% of trademark revenue comes from apparel items, 30% from non-apparel.
- UNC is ranked ninth nationally, second in the ACC (Notre Dame), in collegiate merchandise sold during the past fiscal year.

Major Initiatives Underway

- A comprehensive trademark portfolio review to ensure adequate protection of marks.
- Recruiting, developing and retaining an engaged licensee base that ensures quality products in diverse channels of distribution.
- Pursuing proper value for the use of University marks.
- Serving as the University's advocate in trademarks, licensing and co-branding partnerships.

Leadership

The Director of the Office of Trademarks and Licensing, Derek Lochbaum, is the lone, full-time employee of the office. Since the inception of the program, the University has partnered with domestic and international licensing agencies to aid in the management of the program. The Collegiate Licensing Company (CLC) serves as the University's domestic, licensing agent, while CLC International assists with the international program.



Phil Barner
Director

Department Numbers

- 2013 Total Operating Expenditures: \$92 million
- Total Number of UNC Employees: 155

Energy Services

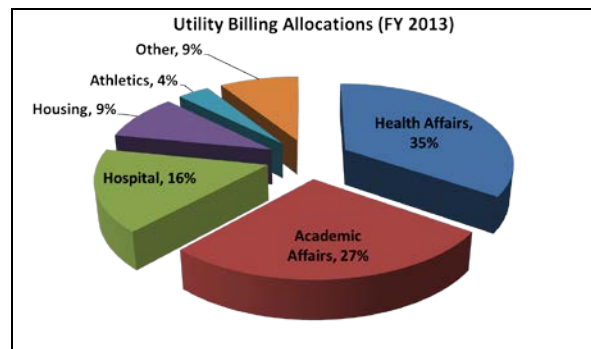
www.energy.unc.edu

Provides reliable, safe, cost effective, innovative, and sustainable energy and water resources to serve and meet the ever changing needs of the teaching, research, and administrative facilities within the University and UNC Hospitals.

Key Business Numbers

Utility Operations

- district energy system with combined heat and power
- two steam plants, three electric sub-stations, four chilled water plants
- significant underground distribution system infrastructure
- ability to generate a third of the campus electrical demand
- sources of cash in 2013 – utility billings, work order billings
- uses of cash in 2013 – purchased fuels, utility services from outside providers, plant repairs and maintenance, salaries and benefits, supplies and services and debt service
- conservative budgeting and rate setting process to ensure all costs are recovered – excess applied to future capital projects



Key Business Operations

- utility rates are presented at annual customer meeting

Two Major Initiatives Underway

- new chilled water plant (replacement and capacity)
- additional electric generation (resiliency)
- new business intelligence decision modeling software

Leadership

Director leads the unit. Managers for Cogeneration Systems, Chilled Water Systems, Electric Distribution Systems, and Water, Wastewater, and Stormwater Systems. Associate Director heads business operations.



Mary Beth Koza
Director

Department Numbers

FY 2013

Total Operating Expenditures:
\$5.5M

- State Expenditures 2.9M
- Overhead (F&A) 1.5M
- Receipts .64 M

50 UNC Employees

Department of Environment, Health & Safety

www.ehs.unc.edu/

Support the University's core mission of teaching, research and service by providing comprehensive environmental, health and safety services to the University community. This includes education through training and consultation, maintaining a safe environment through recognizing and controlling health and safety hazards, ensuring a process of regulatory compliance and minimizing future potential liabilities.

With the breadth and depth of UNC research always expanding, the process of EHS compliance management is ongoing and ever changing, requiring a robust and adaptive management system.

The department continued its emphasis on an integrated management system and utilizes the Plan - Do - Check - Act (PDCA) model. This ensures continuous improvements by incorporating a process of ongoing monitoring, reviews, and revisions of procedures and policies.

Major Initiatives Underway

- Increase the awareness and importance of laboratory safety across the campus.
- Support the radiological licensing of all equipment, commissioning, and move in activities for Marsico Hall.
- Utilize the EHS Management system, which incorporates the 2014 EHS department Goals (<http://www.ehs.unc.edu/ehs/ar.shtml#2014>), and the University Safety Committees (<http://ehs.unc.edu/committees>) to support an adaptable, efficient, risk minimizing, compliance system.

Safety Culture = individual accountability + organizational design

Leadership Team

Chemical Safety Officer, Biological Safety Officer, Radiation Safety Officer, Environmental Affairs Manager, Fire Marshall, Workplace Safety Manager, Occupational Hygiene Manager and University Occupational Health Medical Director



Chief Jeff B. McCracken

Department Numbers

FY 2013

- **Operating Expenditures:**
\$31,546,000
- **Employees:**
210 Permanent
115 Temporary

Public Safety

<http://www.dps.unc.edu/>

The Department of Public Safety (DPS) provides critical infrastructure to support the University mission, including police, security, transportation and parking services. The department practices community oriented policing and partners with students, faculty, staff and other stakeholders to optimize services provided to the University community.

Key Business Data

Police: Provides 24/7/365 patrol and investigation to maintain and improve safety of the campus community. Responsible for public safety at all campus locations and events such as commencement, football and dignitary visits. Emphasis on student safety outreach and education.

Personnel: 53 Sworn Officers; 20 Sworn Reserves; 7 civilian; 2 K9

Operating Budget: \$6.3M. Funding Sources: \$5.8M State/Overhead, \$489K Receipts.

Security: Provides about 100,000 hours per year of contract security for campus venues such as gyms, Ackland Art Museum, Alumni Center and Friday Center.

Personnel: 35 permanent and permanent part-time; 50 temporary

Operating Budget: \$1.0M, nearly 100% Receipt funded.

Transportation: Provides on-campus transit (P2P) plus access to campus via local (Chapel Hill Transit) and regional carriers (Triangle Transit, etc).

Personnel: 17 permanent; 15 temporary

Operating Budget: \$8.7M. Funding: \$4.0M Dept; \$3.3M Student; \$1.3M DPS; \$153K State

Parking: Manages scarce parking resources to best meet the needs of all user groups including students, faculty, staff, hospital patients, families and millions of visitors per year.

Personnel: 76 permanent, 30 temporary

Operating Budget: \$15.5M. 100% Receipt funded (primarily parking permits/visitor parking)

Two Major Initiatives Underway

Clery Act Compliance: Strengthening UNC's Clery program and unifying Clery response as Clery reporting and compliance becomes more complex and comprehensive.

Support of UNC Master Development Plan (MDP): Transportation and parking are key components of the MDP. DPS broadened and improved transit options by building five parking decks (plus a major deck expansion project currently underway) and three park and ride lots. DPS uses ongoing long-range planning to meet the requirements of UNC's MDP.

Leadership

Jeff McCracken: Chief of Police and Director of Public Safety; Valerie Fearington: Executive Assistant to the Director; George Hare: Deputy Director; Cheryl Stout: Associate Director for Parking and Transportation Operations; Than Austin: Associate Director for Transportation Planning and Strategy; Wilhelmina Steen: Assistant Director for Fiscal Services; Todd Arnold: IT Manager; Ollie Bowler: Professional Standards Commander

The Division of Finance & Administration



THE UNIVERSITY
of NORTH CAROLINA
at CHAPEL HILL



Cindy Pollock Shea

Department Numbers

FY 2013

- Operating Expenditures:
\$209,000
- State appropriated
- Employees:
2 FTEs
4 student interns

Sustainability Office

sustainability.unc.edu

Catalyze the development and implementation of sustainable policies, practices, curriculum and behaviors that support the triple bottom line of environmental quality, economic prosperity and societal well-being.

Key Business Numbers

- Energy saving measures resulted in a 33% reduction in energy use per square foot since 2003.
- Investments in reclaimed water, harvested rainwater, and water efficiency reduced Carolina's potable water use by 60% per square foot since 2000.
- Two new laboratory buildings - the Koury Oral Health Sciences Building and the Genome Sciences Building - are certified LEED Gold.
- 330 UNC courses offer sustainability-related content.
- Expanded recycling and composting programs and a growing number of "Carolina Green Certified" events are reducing the campus waste stream.
- The first pan-campus theme, a three-year focus on "Water In Our World," encourages collaboration and engagement to address the many dimensions of water in our lives.
- \$778 million in research funding provides more opportunities for students and faculty to address the greatest challenges of our times.
- 25% of food purchased by Carolina Dining Services (CDS) is obtained within 250 miles of campus or is third party certified.

Major Initiatives Underway

- Making the Workplace More Sustainable
- Campus-wide sustainability tracking and assessment
- Peer-to-peer sustainability education
- Are You Carolina Green?

