

Approved by the BOT
February 13, 2015

**University of North Carolina School of the Arts
Board of Trustees Meeting
Friday, December 12, 2014
9:00 a.m.**

Open Session Minutes

Trustees Present

Rob King, Chair
Michael Tiemann, Vice Chair
Don Flow, Secretary
Greer Cawood
Charlie Lucas (phone)
Elizabeth Madden
Isaac Green (phone)
Erna Womble
Lynn Eisenberg, BOV Liaison
Zach Saffa, SGA President
Chris Chapman, Foundation Liaison
Phil Nelson, Emeritus

Faculty/Staff Present

Lindsay Bierman, Chancellor
George Burnette, Chief Operating Officer
David Nelson, Provost
Jim DeCristo, Interim Chief Advancement Officer
David English, Vice Provost
Carrie Johnston, General Counsel
James Lucas, Director of Human Resources
Corey Madden, Ex. Director of the Kenan Institute
Betsy Towns, Faculty Council Chair
Patsy Seiler, Staff Council Chair
Amanda Balwah, Asst. Secretary to the BOT
Shannon Henry, Internal Auditor (phone)
David Winkelman, Assistant Dean of Music
Henry Grillo, Associate Dean of Film
Dean Wilcox, Dean of Liberal Arts
Jeff Morgan, Assistant Dean of the High School
Carl Forsman, Dean of Drama
Jamie Call-Blankinship, Interim Dean of D&P
Susan Jaffe, Dean of Dance
Carin Ioannou, Senior Director of Business Affairs
Lauren Partin, Director of Budget
Lisa Ransom, Major Gifts Officer

Trustees Absent

Stephen Berlin
Claire Christopher
Noel 'Skip' Dunn
Mariana Qubein
Justin Poindexter, Alumni Rep.
Sandi Macdonald, Ex Officio
Susan Klutz, Secretary of Cultural Resources
Tom Kenan, Emeritus

Faculty/Staff Continued

Chris Boyd, AVC for Facilities Mgmt.
Brenda Daniels, Asst. Dean of Dance
Carl Forsman, Dean of Drama
Jill Lane, Dean of the High School
Lauren Whitaker, Marketing
Lynda Lotich, Associate Director of the
Kenan Institute
Marla Carpenter, Dir. of Communications &
Marketing
Savannah Stanbery – Ex. Asst. to the Chief
Advancement Officer
Katharine Laidlaw, Executive Producer
Jonas Silver, Director of Alumni Affairs
Jason Czaja, Campus Performance Facilities

Other Guests Present

John Hinton, Winston-Salem Journal Reporter

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Convening Open Session

Chairman Rob King convened the December 12, 2014 meeting of the University of North Carolina School of the Arts Board of Trustees at 9:01 a.m. A quorum was confirmed. Chairman King reminded all members of the Board of their duty under the *State Government Ethics Act* to avoid conflicts of interest and appearances of conflicts of interest as required by this Act.

Approval of Open Session Minutes from September 26, 2014

MOTION: Charlie Lucas moved to approve the Open Session minutes of the September 26, 2014 Board of Trustees meeting. Don Flow seconded and the minutes were unanimously approved.

Report from the Audit Committee

Don Flow reported that the Audit Committee met on Tuesday, December 2, 2014. Shannon Henry, Director of Internal Audit, led a discussion of external audits and informed the committee that the Office of State Auditor's 2014 financial statement audit report is complete and UNCSA received a clean audit. The audit of student financial aid is still underway, but the Auditor does not anticipate any findings at this time. UNCSA's Housing Corporation, Program Support Corporation and Foundation all received clean audits for 2014.

The Committee also discussed the 2013-2014 Business Continuity/IT Disaster Recovery Audit. The audit identified that the University has a good internal control structure as there are documented business continuity, IT disaster recovery and pandemic plans in place. It was also noted that the University's continuity of operations plan template is a great foundation for business continuity planning.

The audit also identified a couple deficiencies in practices that need improvement to mitigate the risks of unpreparedness. The University's plan for IT Disaster Recovery does not address University systems outside of the accounting information system, and it does not test the Continuity of Operations Plan. UNCSA responded positively to the audit issues and is in the process of implementing corrective measures.

Report from the Endowment Fund Board

Chairman King reported that Carin Ioannou presented the Investment Summary ending September 30, 2014. All funds are continuing to do well. There were \$260k in realized gains; this, combined with the Endowments spending rules have allowed for \$682k in funds to be distributed for scholarships and guest artists this year.

Report from the Advancement Committee

Michael Tiemann reported the following highlights from the Advancement Committee meeting:

- Chancellor Bierman welcomed the Committee and provided a brief update of his current projects.
- Fundraising is going well and December has been a strong month thus far. While Annual Fund goals are slightly behind in the \$1500 and up category, Advancement is still ahead in overall fundraising.
- The Fall Appeal letter went to 23,000 households this year, the most that have ever been sent.

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- A lot of upcoming partnerships and events with alumni are coming up. UNCSA is on track to beat the UNC system alumni participation growth rates for the third year in a row.
- Savannah Stanbery, the new Executive Assistant to the Chief Advancement Officer/Development Associate started December 1, 2014.
- Numerous events are planned for this year in conjunction with the 50th Anniversary of the school. Everyone is encouraged to look up all the exciting events and exhibits happening at the New Winston Museum, as well as those listed on the UNCSA event webpage.
- Liaisons from the Board of Visitors, as well as the Foundation Board, provided updates. The Foundation Board Guest Artist Luncheon Series will take place on February 18th from 12:00-1:30 p.m. at Forsyth Country Club. The luncheon will raise money for a Guest Artist Endowment.
- The next issue of the UNCSA Magazine is set to go out late January.
- Corey Madden, Executive Director of the Thomas S. Kenan Institute for the Arts, provided a report detailing the Institute's programs and goals, including developing a strategic plan to align with UNCSA's strategic plan.

Report from the Finance Committee

Chairman King reported that Carin Ioannou presented the Financial Analysis through October 31, 2014. Everything is running smoothly. He then called on David English and Zach Saffa, co-chairs of the Tuition and Fees Committee. Dr. English explained that the tuition and fees proposal is for the biennium – 2015-16 and 2016-17. Any approvals made by the Board of Trustees will then be submitted to General Administration, and then the Board of Governors for Approval.

The average tuition and fee increase over the next two years are as follows:

	2015-2016	2016-2017
Undergraduate Resident	1.91%	1.17%
Undergraduate Non-resident	3.78%	2.18%
Graduate Resident	3.52%	2.28%
Graduate Non-resident	4.63%	3.35%

Tuition increases range from 1.4% to 4.3% in year one and from 1.4% to 4.1% in year two. General fees are increases 3.6% in year one and 2.6% in year two.

Mr. Saffa went on to explain how well the committee worked together during this three-month process.

MOTION: The Finance Committee moved to approve the proposed tuition and fee increases as presented by the Tuition and Fees Committee. Charlie Lucas seconded and the motion was unanimously approved.

Chris Boyd gave a construction update. Late January is the target date for the Library opening of the first three floors; the fourth floor will open a few months later due to complex issues regarding compact shelving.

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Report from the Personnel Committee

The Personnel Committee did not meet and there was no business to report.

Report from the Educational Planning Committee

Greer Cawood called on David Nelson to deliver the Student Affairs report in Ward Caldwell's absence, as well as the Academic Affairs update. He reported the following:

- The Clery Report of crime statistics is reported each year. It is a federal requirement tied to Federal Financial Aid. This year, UNCSA added information about judicial hearings and Title IX review that took place in order to give everyone a comprehensive review of what we are doing to keep the campus safe.
- Dr. Nelson commended everyone for working together to improve retention rates on our campus. The numbers came out at 89%, which is a significant improvement over past years, and right behind UNC-Chapel Hill and NC State, respectively.
- A search committee for the new Dean of Design and Production is underway. Susan Jaffe, Dean of Dance, is chairing this committee served by faculty and staff from Design and Production, as well as other areas of campus.
- Jill Lane, Dean of the High School, will be stepping down after this academic year to return to teaching. A search committee will soon be formed to find a replacement for her position.

Zach Saffa, SGA President, informed the Trustees that participation remains steady this academic year. Building access has been a concern for students and SGA was able to work with staff to extend the hours of the Hanes Commons and the Fitness Center by two hours on select days. In addition, the group has worked with campus officials on safety concerns, including improved lighted, repaired fixtures and the reopening of the tunnel from campus to the Center Stage upperclassman apartments.

Other SGA events and involvement include:

- Membership on the Tuition and Fees Committee
- Involvement with the Strategic Planning Committee
- BOG planning
- More campus-wide conversations addressing the concerns of students
- September Town Hall Meeting
- October Social Event
- Stress-Less Weekend featuring yoga, a healthy eating class and pancake study break
- SGA one-on-one luncheon with Chancellor Bierman and thirteen students

Report from the Governance Committee

Chairman King reported that the Governance Committee reviewed the Board of Governors Legislative Policy Agenda and Legislative Budget Agenda for Operating, Repair & Renovations, and Capital Projects. If anyone would like a copy, please see Jim DeCristo.

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Report from Chancellor Bierman

Chancellor Bierman delivered his second report to the Board of Trustees. In it, he thanked the Trustees for their leadership in the community and the advocacy they do on behalf of UNCOSA.

He noted the incredible accomplishments of current students, alumni, faculty and staff, and went on to discuss vacancies in key leadership positions that will set the course for UNCOSA over the next half century. Chancellor Bierman went on to discuss his #1 priority – increasing fundraising capacity, and announced that Edward J. Lewis, III will become UNCOSA’s new Chief Advancement Officer as of February 1st. He also thanked Jim DeCristo for his service and dedication over the past several months as he served as both the Interim Chief Advancement Officer and Director of Economic and External Affairs.

Move to Closed Session

MOTION: Michael Tiemann moved to go into Closed Session to prevent the premature disclosure of an honorary degree, scholarship, prize or similar award under N.C.G.S. 143-318.11(a)(2), and to consider the qualifications, competence, performance, or condition of appointment of a public officer or employee or prospective public officer or employee under N.C.G.S. 143-318.11(a)(6). Charlie Lucas seconded and the motion was unanimously approved.

Return to Open Session

Chairman King reported that the Board discussed Trustee nominations and honors to be announced at a later date.

Closing Remarks/Adjournment

With no further business to discuss, the December 12, 2014 meeting of the Board of Trustees adjourned at 10:19 a.m.

Respectfully submitted by:
Amanda G. Balwah
Assistant Secretary to the Board of Trustees