

UNIVERSITY OF NORTH CAROLINA
SCHOOL OF THE ARTS

Board of Trustees Meeting
Friday, April 28, 2017
9:00 a.m.

Open Session Minutes

Trustees Present

Michael Tiemann, Chair
Ralph Womble, Vice Chair
Stephen Berlin
Greer Cawood
Anna Folwell
Phillip Horne
Mark Land
Charlie Lucas
Elizabeth Madden
Sandi Macdonald, Ex Officio
Tom Kenan, Emeritus
Justin Poindexter, Alumni Representative
Tareake Ramos, SGA President
Jim Martin, Foundation Liaison
Anne Sessions, BOV Liaison

Faculty/Staff Present

Lindsay Bierman, Chancellor
David English, Executive Vice Chancellor and Provost
Jim DeCristo, Chief of Staff
David Harrison, General Counsel
Ed Lewis, Vice Chancellor for Advancement
Carin Ioannou, Vice Chancellor for Finance
James Lucas, Director of Human Resources
Corey Madden, Ex. Director of the Kenan Institute
Amanda Balwah, University Secretary
Ward Caldwell, Vice Provost and Dean of Students
Michael Kelley, Dean of D&P
Susan Ruskin, Dean of Filmmaking
Susan Jaffe, Dean of Dance
Martin Ferrell, Headmaster and Dean of High School Programs
Carl Forsman, Dean of Drama
Karen Beres, Interim Vice Provost
Katharine Laidlaw, Chief Marketing Officer

Trustees Absent

Erna Womble, Secretary
Skip Dunn
Rob King

Faculty/Staff (Continued)

Ginger Caston, Executive Asst. to Chief Marketing Officer
Shannon Henry, Director of Internal Audit
Cindy Liberty, Ex. Director of the Foundation
Suzanna Watkins, Director of Summer Programs
Lynda Lotich, Asst. Director of the Kenan Institute
Marla Carpenter, Director of Communications
Lauren Whitaker, News Services Manager
Joan Roggenkamp, Executive Asst. to Chief of Staff
Jackie Riffle, Interim Director of Budget
Hassiem Muhammad, Incoming SGA President
Jeremy Serkin, Customer Relationship Manager
Jason Czaja, Campus Performance Facilities
Claire Machamer, Chief Technology Officer
Erin Baker, Executive Assistant to the Chancellor
Steve Gallagher, Director of Student Engagement
Betsy Towns, Interim Co-Director of CDI
Amy Werner, Annual Fund Manager
Savannah Stanbery, Executive Assistant to the Vice Chancellor for Advancement

Other Guests Present

Beth Lucas

Convene Open Session

Chairman Michael Tiemann convened the April 28, 2017 meeting of the University of North Carolina School of the Arts Board of Trustees at 9:02 a.m. Mr. Tiemann 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 February 2017

MOTION: Steve Berlin moved to approve the Open Session minutes of the February 10, 2017 Board of Trustees meeting. Ralph Womble seconded and the minutes were unanimously approved.

Report from Chancellor Bierman

Chancellor Bierman delivered the following remarks to the Trustees:

Good morning.

I have mixed emotions as I acknowledge this is Charlie Lucas' final meeting as a member of our Board of Trustees. With nearly two decades on the board, and five years as its chair, Charlie's contributions to UNCSA cannot be overstated. He has devoted time, energy and resources to steering this boat we call the School of the Arts. It's a vessel that seems to always be moving full steam ahead even while taking on a bucket or two of water. Charlie led this board, and this institution, through some of the most challenging economic and cultural shifts in recent history. And he did so with a captain's strong grip and clear eyes. And when the winds shifted, he led our efforts to adjust our sails and move toward calmer waters. Today we are on course to realize our vision due to his leadership. While I am sad to see him leave this board, I know that his leadership will steer other organizations toward meeting their goals. I am profoundly grateful for his service and his friendship. Thank you, Charlie.

You've heard a lot about our strategic action plan over the past two years, and what it will take to attract the best students and faculty, sustain the highest standards of academic and artistic excellence, and support creative innovation and entrepreneurship into the next half century. We may be artists and dreamers, but we're also scrappy, pragmatic realists. We have to be. To realize our vision, and live up to our own expectations, we must accept and overcome chronic budget deficits, staff shortages, limited bandwidth, political interference, public scrutiny, and tough competition, not to mention conflicting priorities and agendas. To thrive in the current environment for public universities--especially at small arts-based conservatories like UNCSA--it takes an unwavering dedication to student success and an unshakable faith in the founding institutional mission and purpose, which we all share. For many of our faculty and staff, and our devoted volunteers, including so many in this room, it takes selflessness and sacrifice, and they deserve our highest gratitude and respect.

It also takes real money. Much more than the state can be expected to provide. And certainly much more than anyone in my position has ever told you we'll need. This isn't a tough-minded former corporate executive talking, this is a newly hardened administrator almost three years into a job that I love but at times find myself wondering how to make our alumni and supporters fully

understand the magnitude of the challenges we face. We're in the fortunate position of having raised more money in the past four quarters than at any time in our history. And I have no doubts about our ability to raise a lot more. But as we lean into the initial phase of a comprehensive campaign, and while everyone chomps at the bit for Ed and me to announce a specific fundraising goal, I'm going to take Ralph Womble up on his suggestion to offer a hard dose of reality about our current and future financial needs.

First - a little bit of history and background. Back in 1963, the North Carolina General Assembly appropriated \$325,000 to establish a public arts conservatory. A few months later, local volunteers raised \$850,000 in a two-day phonathon, and the city donated a cast-off high school, gymnasium, and a field house that had been built in 1929. Over the years we've benefitted from various public bond referendums, we've raised enough private money to establish a few endowed faculty positions, hire renowned guest artists, and offset tuition and fees with small scholarship awards. It has become a source of pride and badge of honor to make do with what we can piece together. But the truth is we've never had a rock-solid financial foundation. We must change that. We can't rely so heavily on state appropriations, not for our basic operational needs, much less to stake our claim as a premier arts conservatory. Currently, state appropriations account for 64 percent of our budget. I'll be honest: the fear of budget cuts is what keeps me up at night, because even a single-digit percentage reduction would quell the momentum we've generated to a grinding halt. Like other small schools in the UNC system that run on razor-thin margins, UNCSCA must maintain our exemption from further cuts, and transition over the long term from being state-supported to state-supplemented.

If only we could make up the difference through tuition and fees, like private colleges and universities. These account for 31 percent of our budget—extremely low compared to our private peers, where that number often exceeds 70% of budget. But I'm loathe to increase tuition any more than we absolutely must to offset escalating costs and unfunded state mandates. Our students and parents pay their fair share already, and we can't expect them to foot the bill for deferred maintenance, much less for new initiatives and capital projects. Low tuition gives us a strong competitive advantage against similar colleges and universities where tuition, fees, and expenses can easily exceed \$70,000 a year (even our out of state students pay a fraction of that). We also have a moral imperative to make good on the state's constitutional mandate 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."

Free of expense? Not in my lifetime, but we need to ramp up our private support to maintain a margin of excellence in the years ahead. Many schools like NC State can count on more than 30% of their budget to come from individual, alumni, and corporate support; ours hovers around 6%. The good news is that there's nowhere to go but up! And that's a great starting point for the school's first major campaign since the 90s.

D R A F T

So how much can we raise, and what do we need? Needs and initiatives driven by our strategic plan add up to \$652 million over the next five years. Almost half of that, \$303 million, is projected unfunded deficit. I'd love for that to be our goal, but we all know it would be too much to expect, even from Ed Lewis and his team. What I can tell you is that no matter what campaign goal we announce, my personal aim will be to raise as much as we can, regardless of whether we're in campaign mode. That's not just best practice for any leading university or nonprofit, it should be considered mission critical by every stakeholder.

Over the past few months, our administration has put forth an ambitious plan to shore up infrastructure, address deferred maintenance, restore organizational health, and build innovative programs that will propel us to the forefront of performing arts and media education in the 21st Century.

Before I share our funding wish list, I need to make an important disclaimer. This is only a starting point, and subject to change with shifting priorities, curricular evolution, and emerging technologies. We'll continue to build this out in more detail to ensure we can more accurately match our donors' philanthropic interests with our institutional needs.

Number one on everyone's list: scholarships. Each year, our admissions team and faculty scour the state and nation to identify the most gifted and qualified students. Very often, these same young artists are being aggressively recruited by other top conservatories – and even programs of lower quality – with larger endowments and deeper pools of scholarship funds. Our average institutional grant is \$5,764 compared to the average for our peer institutions of \$14,677, or the average among public peer institutions of \$7,239.

We must increase our scholarship dollars to ensure that our top prospects choose us instead of Carnegie Mellon, Indiana, Emerson or Southern Cal, and their talent in turn enhances UNCSEA's reputation.

The School of Design and Production needs \$1.3 million in spendable funds per year, or 26 million in endowment, for undergraduate scholarships and graduate assistantships to keep pace with its competitors, who offer a whopping \$19,000 average scholarship. Remember our average is less than \$6,000.

Peer institutions of the School of Music offer average scholarships of \$17,000. To compete, we need \$280,000 per year for 16 undergraduate scholarships, and an additional \$438,000 for graduate assistantships in the Chrysalis Chamber Music Institute. That amounts to an additional 15 million or so in endowment.

Each of our conservatories has demonstrated the need for scholarship funds, and no one articulates the need better than our students. Consider the words of Rickey Watson, who will graduate this year from the School of Drama: "(UNCSEA) not only changed my life, but in fact saved my life."

D R A F T

Composer Jessica Buford, graduating this year from the School of Music, said “(My scholarship) encouraged me to continue the pursuit of my most fervent dream...”

And senior dancer Rebecca Van Dover who said, “My experience at UNCSCA helped me realize all I was capable of. I am so grateful for my scholarship, because I could not have attended School of Dance without it.”

Scholarships are not only important for enrolling the best and most deserving students but also give them a fighting chance of realizing their dreams. More often than not, it takes young artists a few years to build a network and reputation, until their art can sustain them. If they're working four jobs to pay off debt, what time will they have to go to auditions, build a website, or find collaborators? The surest way we can support their success is to keep their debts as low as we can, so they don't have to give in, give up, and follow a path they didn't choose.

Scholarship funding will always be an easy sell. It has such clear and immediate impact. But student success depends on mentored instruction from a strong, accomplished faculty, who are among our greatest--and most undervalued--assets. Most of them are accomplished performing artists, expert technicians, and creative masterminds who maintain solid connections in their industries. Our rigorous training requires instructors who are grounded in the fundamentals of their disciplines and in tune with sweeping changes in their fields. Our expert faculty need our support to remain on the cutting-edge to impart that knowledge to their students. They must have opportunities for professional development and creative exploration.

Our average faculty salary is \$61,000, compared to \$91,000 for faculty at our peer institutions. I know the cost of living in Winston-Salem is lower than in New York, Los Angeles, Boston or Pittsburgh, but I think we can all agree that to be competitive, we must increase salaries so we can recruit and retain exceptional instructors.

Earlier I mentioned endowed faculty positions. We have a few: Brenda Daniels in Dance, Dale Pollock in Film and Joe Mills in Liberal Arts. We need more, and here is some good news: the North Carolina Distinguished Professors Endowment Trust Fund matches eligible gifts dollar for dollar.

The time has never been better to invest in our faculty, particularly as we establish new and innovative programs from the ground up that require specialized training, experience, and expertise.

We can recruit the very best students and outstanding faculty, but we'll never realize our vision with inadequate, and in some cases, crumbling facilities. We can't count on bond referendums to meet our needs, much less achieve state of the art. We were nearly left out of the last go-round that funded renovations to the old library and only some of the upgrades needed for Performance Place. That's why a major portion of our comprehensive campaign will focus on improving the spaces where our students perform, work and live every day.

Like the dorms. Paskill Stapleton and Lord, the enrollment marketing firm that we engaged to help with positioning research and recruitment materials, told us that while the state of our college dorms is a drawback now, in the very near future, it will actually deter enrollment. We can no longer accept having our students live in residence halls that are sub-standard and out of date. We've made HVAC and cosmetic improvements over the years, but we have to stop throwing good money after bad. It's time for us to start planning for new dorms designed with our students' particular needs in mind. I've been flatly told that the state is "out of the dorm business" and that we'll have to pursue private funding--an estimated \$30 million--to replace them. Partnering with a civic-minded private developer, or an angel donor, will be our only way forward, and we're taking steps right now to make that happen.

We must also shore up our infrastructure in several critical areas that no one really wants to hear about. Currently, we have servers and networking switches located in basements, beneath leaky laundromats and sharing space with sump pumps. The IT consultant we recently engaged stated this was the worst environment for this equipment that he'd ever seen in the decades of doing this work. Going forward, we must not only remedy our existing problems, but build a solid foundation for future growth. Technology is disrupting and transforming arts, entertainment and education as we know it. It is imperative for us to develop new revenue sources and industry partnerships to keep up with the pace of change. Over the next five years, we estimate that we must invest a minimum of \$5.6 million in technology initiatives and renovations to improve student learning outcomes and increase operational efficiencies.

If any of you know anyone who wants to start an endowment for deferred maintenance, I've got plenty of naming opportunities for you! For a campus built mostly in the 70s, 80s, and 90s, there's no end to the growing list. It will take \$7.5 million per year over the next five years just to catch up on unfunded repairs and renovations, so we can finally get longtime faculty members like Tanya Belov out the broom closet we converted into an office and into a space she can actually use to meet with students. To put that number in perspective, we'll get about \$1.3 million from the state this year to address mostly life and safety issues. The rest must come from private support, bonds, debt, or be put off for another year, and the year after that, and so on.

We're incredibly grateful to the state's taxpayers for approving the NC Connect bond funding last year, which we'll combine with Alex Ewing's generous \$5 million gift to renovate Performance Place, our primary performance venue for the School of Drama and our on-campus learning lab for students in D&P. We'll replace outdated theatrical lighting systems with state-of-the-art equipment, giving D & P students the opportunity to learn on systems that are industry-standard. We'll also give facelifts to Freedman Theatre and Catawba Theatre, including new seating, carpet and fixtures, and we'll upgrade the heating, air conditioning and ventilation systems to improve the patron experience. With additional funding, we can create a world-class performing arts center like those found at our competitors' campuses. Our students deserve that, and so do patrons who attend our top-notch productions.

Likewise, the Stevens Center is overdue for major renovations. Our premiere performance location and the centerpiece of arts development downtown is severely lacking in back stage areas, loading docks, storage, and lobby space. Its façade is dated and in disrepair, and entire floors are unused because they are uninhabitable, or they have been used inconveniently for storage. Imagine an expansive and beautiful lobby and box office area where traffic flows easily and patrons can gather comfortably before shows and during intermission. Imagine housing for guest artists on the upper floors. Imagine a theatre with comfortable seating and leg room. And imagine enough bathrooms to accommodate everyone in a timely procession during intermission!

Ultimately, I want the Stevens Center to be seen as the heart of a “creative corridor” that runs through downtown to our campus. That’s the vision we share with partners like the Arts Council and the Downtown Winston-Salem Partnership. I’m not ready to put a price tag on it yet, but now that the terra cotta has begun to fall from the upper floors, we’ve put up scaffolding to limit our liability while we hurry to figure that out. In the meantime, the shows must go on!

Here in the City of Arts and Innovation, we can and should be leaders in both spheres and our comprehensive campaign will include funding for several initiatives. For centuries, the performing arts have thrived on the success of continuous innovation. We’re seeing that now more than ever with the emergence of immersive theaters, virtual reality movies, multimedia music venues, and social media integration to engage audiences in ever more meaningful ways. To be at the forefront of performing arts and media education, we must boldly embrace innovation in our curriculum, and prepare our students to lead or transform the industries they enter. One way we’ll do that is through the Institute for Performance Innovation, which will be home to graduate programs in animatronics, virtual reality, and gaming. We’ll also do it through our new Choreographic Institute, which supports the creation of ground-breaking works by established and emerging artists. We’re exploring innovative curricula in each of our conservatories, and our campaign will target seed funding of at least \$2 million for developing new initiatives and supporting existing innovations.

And as a state-supported institution, we owe it to North Carolina taxpayers to extend our economic impact and cultural influence beyond Winston-Salem. A decade ago, we were given a studio in High Point, but we’ve never had the money to do anything with it. We plan to turn it into a world-class digital sound stage and creative incubator, the only large-scale, turn-key facility of its kind in the southeast. With a \$10 million initial investment, this studio has the potential to generate revenue for the school and provide tremendous opportunities for our Film students and alumni. And it would position UNCSA at the forefront of the creative economy and technological innovation that’s taking root in the Triad and becoming an economic boon for the nation.

I’ll admit it: I like to dream big, and throw out ideas that might sound overwhelming or impossible to execute with existing time and resources. But I ask you to consider this: look at how much we’ve accomplished in only 50 years with an initial investment of \$1.2 million! As I said earlier, we know we can’t do everything at once. Our comprehensive campaign will address an

ambitious but manageable portion of our list, and we'll continue to broaden our base of support and pursue strategic partnerships to make much of our vision a reality.

Now that you know some of our plans – we're counting on each one of you to help us meet our goals. Believe me, you'll be hearing more and more as we implement the recommendations of the Feasibility Study for the planning and initial phase of our campaign. (I might even ask you for money!) You are our most ardent advocates, some of our most well-connected influencers, and the unequivocal base of moral support that will champion our hard work and stewardship. We thank you from the bottom of our hearts.

Report from the Audit Committee

Steve Berlin, Audit Committee Chair, reported that the Audit Committee met on Tuesday, April 25th, and discussed the following:

Completion of the 2016-2017 Internal Audit Plan

- Internal Audit's completed audits and advisory services have resulted in reports that produced 18 written recommendations and 1 verbal recommendation for improvements in the Information Technology and Human Resources offices.
- The auditors have also conducted numerous consults with University personnel.
- 88% of previous Internal Audit findings have been resolved and the University has implemented 77% of Internal Audit's recommendations. UNCSA continues to meet or exceed Internal Audit's target recommendation implementation rate of 70%
- The WSSU Internal Audit Office has exceeded its contracted hours this year having expended 1,504 hours versus the 940 hours planned through the current period.

Discussion of Internal Audit Reports

- The following audits are in progress:
 - 1 investigation
 - Year-end cash testing and follow-up of previous findings

Other Business

- Memorandum of Understanding (MOU)
 - The agreement with Winston-Salem State University for internal audit service has been renegotiated and renewed.
 - The agreement has been expanded to include a full-time internal auditor dedicated to UNCSA, assistance with the establishment and implementation of the University's enterprise risk management program, and compliance monitoring. This also includes implementation of the Ethics Committee of which the Chief Audit, Risk and Compliance Officer is a part.
 - It is anticipated that the agreement will generate roughly 3,100 hours of internal audit, risk, and compliance services. 2,450 of these hours will be designated for planned audits and investigative or hotline reviews.

Report from the Endowment Fund Board

Michael Tiemann, Chair of the Endowment Fund Board, reported that Carin Ioannou, Vice Chancellor for Business Affairs, reviewed the Investment Summary as of February 28th, 2017. The fund has experienced \$1.5M in realized and unrealized gains since July 1st. This is roughly a \$500k gain in 2 months.

Report from the Advancement Committee

Ralph Womble, Committee Chair, reported the following from the Advancement Committee:

- Fundraising Report:
 - As of March 31, we have secured over \$15.6 million in gifts and pledges for the School.
 - In Unrestricted Revenue, we are well toward the goal of \$530,000 for the year.
 - Temporary Restricted and Permanently Restricted funds have surpassed revenue goals for the year.
 - Advancement is thrilled by the announcement of the William R. Kenan, Jr. Charitable Trust \$1.5 million gift in honor of Tom Kenan at his birthday celebration earlier this month.
 - The 2nd Annual Day of Giving was yesterday, April 27th.
 - April 27th marks the 53rd anniversary of the Dial for Dollars campaign that helped to cement Winston-Salem as the home for UNCSEA.
 - This year's campaign was called "The Arts of Giving." The overall goal was 300 donors, and within that, a goal of 25 alumni from each art school.
 - A challenge grant would unlock \$5,000 in funding for the University if 300 donors contributed.
 - If the art schools reach their alumni goals, then \$1,000 in funding would be unlocked for each school.
 - As of 6:45 a.m., the preliminary numbers indicate a total of 563 donors.
 - Alumni donors include:
 - School of Dance: 38
 - School of Design & Production: 82
 - School of Drama: 82
 - School of Music: 40
 - School of Filmmaking: 18
 - Thanks to Tom Kenan's challenge grant, we were able to unlock an additional \$9,000 in funding for the School.
- Staffing:
 - Interviews for the Major Gifts Officer finished on Wednesday. The Search Committee has made its recommendations to the hiring authority who is now checking references.
 - The reposted Manager of Alumni Relations position closed on April 25. The search committee, comprised of alumni from each art school, will begin the interview process in May.
- Feasibility Study Overview:
 - Feasibility Study results were received April 18th and presented to members of the Foundation Board and Board of Trustees this week.
 - There were 52 participants in the study and 98% said the School was either excellent or good.
 - 87% said the stewardship of their philanthropic dollars was excellent.
 - 89% were positive in their opinion of the Chancellor, approximately 70% were positive in their opinion of the boards, and over half were positive in their opinion of the Office of Advancement to undertake a campaign.
 - 93% said we should move forward with the Campaign.
 - We started counting gifts toward the Campaign in June 2016, in the pre-planning phase. We are currently in the planning phase and will begin implemented

recommendations from the Feasibility Study including the clarification and refinement of the Statement of Need which was shared with the participants.

- Over 70% were supportive of the Statement of Need and agreed with the areas of funding that were outlined.
- Capital Development recommends about an 8-month planning stage. They will send the School a list of potential leaders for the Campaign and a list of those who indicated that it was fine to inform the Advancement Office that they have included UNCSA in their estate plans.
- There was an overwhelming agreement on the Campaign fundraising goal.
- Events Update:
 - NextNow 2017: Classic Meets Cutting Edge was supported by 298 guests. It exceeded the revenue goal of \$50,000, netting a total just under \$73,000 in support of student scholarships.
 - Thank you to those who supported and attended this fundraising event.
 - The Class of 1967 will visit campus May 12-13 for their golden jubilee celebration (Golden Pickles Weekend). Planned events include tours of campus and downtown, a reception with current/former faculty and staff, and participation in the High School Commencement Ceremony on Saturday, May 13th.
- UNCSA Foundation Report:
 - Board Member giving for the fiscal year is at 95%.
 - The Advancement Committee met in March to start planning for the next GALS event. They will continue to steward and cultivate corporate sponsors for this event.
 - The Board Development Committee is working to recruit 7 new members. They have already recruited 5.
 - The Foundation Board and Advancement Committee of the BOT met together to review the Feasibility Study results. This is a significant example for collaboration between boards and among departments.
 - The Foundation will present a revised FY 18 budget to the Finance Committee later this spring.
- Board of Visitors:
 - The spring meeting was April 21st. The Board approved a slate of 12 new members to begin service in fall 2017, including 2 alumni.
 - The Nominating Committee will plan the New Member Orientation for the fall.
 - The Alumni Affairs Committee will be working with Advancement to plan a local alumni event in late September at Chair Anne Sessions' farm. This event will engage local alumni and their families, and also serve as an introduction of the new Alumni Relations Manager.

Report from the Finance Committee

Elizabeth Madden, Committee Chair, reported the following from the Finance Committee:

- Lynda Lotich, Associate Director of the Kenan Institute, reviewed minor changes to the Thomas S. Kenan Institute for the Arts' Spending Guidelines.
- Carin Ioannou, Vice Chancellor for Business Affairs, reviewed the financial reports from March 31st of this year compared to the same time last year. She indicated our spending is exactly where we need to be for the quarter.
- Ms. Ioannou gave a Construction Update. All 5 projects are moving along as scheduled.

- The Center Stage Fire Alarm Project, Gray Restroom Renovation, and Dance Locker Room Project are all on target to begin immediately following graduation with completion dates set for August.

Report from the Personnel Committee

Phillip Horne, Committee Chair, reported the following from the Personnel Committee Meeting:

- Delores Harris, Title IX Coordinator, reported on several campus events that occurred to highlight Sexual Assault Awareness Month. Events included: Teal Day, Take Back the Night, The Red Flag Campaign, The Clothes Line Project, and Denim Day.
- James Lucas, Director of Human Resources, reported two new hires since the last Personnel Committee meeting in February 2017. Sixteen retirees were recognized for the 16-17 school year at the Celebration of Excellence Awards Day on April 26th.
- Mr. Lucas provided a Strategic Plan update, noting there are several quality workplace initiatives in place. The Listening Post allows employees to raise questions and engage in conversation with members of Cabinet on a monthly basis, Lunch on Us randomly puts six employees together for lunch with a Cabinet member to discuss campus happenings and to get to know one another. Trustees are welcome to attend. These two initiatives were implemented to address communication and transparency concerns noted in a campus-wide survey.
- Two employees recently traveled to Texas to train with PeopleAdmin representative to implement the onboarding functionality of the software, which will very useful to onboard new faculty, and improve consistency within the hiring process.
- Mr. Lucas provided the annual nepotism report. UNCSA does not have any nepotism concerns.
- The Committee has an item for Closed Session.

Report from the Academic & Student Affairs Committee

Greer Cawood thanked Mark Land for chairing the committee in her absence and reported the following from the Academic and Student Affairs:

- Dr. David English, Provost, presented the UNC Strategic Plan and how it will impact UNCSA. General Administration has provided clear direction about two sets of priorities impacting the system. The first, Areas of Distinction, required each campus to choose two areas that highlight the university. UNCSA's first Area of Distinction is the School of Filmmaking and immersive technologies. The second Area of Distinction is the High School. In 2015, 52% of the students took an AP exam. The average score was above the college threshold of 3.2 to get college credit. The goal is to increase our percentage of high school students taking the AP exams to 55%. Both of these areas are currently in draft form pending approval by General Administration. The Performance Improvement Agreement (PIA) is made up of 9 metrics from the UNC Strategic Plan. This will be the scorecard that the performance of the campus will be evaluated on. The performance review of the Chancellors and System President Spellings will also be based on the PIA. The 5 metrics that fit will into UNCSA priorities are:
 - Enrollment of students from rural counties
 - Improved Completion Rates for Students from Rural Counties
 - Overall Graduation Rate
 - Critical Workforces – UNCSA will use “other” emerging work forces such as animatronics in Design and Production and virtual and augmented reality in Film (We don't have these programs yet but they are in process.)
 - Closing Graduation Gaps on Campus

- Dr. English also provided the following search updates:
 - Vice Provost and Dean of Academic Affairs – The search committee are being formed now. Dean Wilcox will serve as the chair. The search will move quickly as we hope to have the position filled in the fall.
 - Senior Director of Institutional Research and Planning – Dr. Yang is retiring this month. This position is very important to the school as this person does all of the reporting to the state, federal government and SACS. Claire Machamer will chair the committee which should be formed in the next few weeks.
- Ward Caldwell, Dean of Students, provided an enrollment update, comparing the numbers of accepted students who have paid their deposits this year versus 2015 and 2016. Our deposits are down from last year this time.
- Tareake Ramos gave a final year-end report and introduced the new Student Government Association President (SGA), Hassiem Muhammad. Mr. Ramos noted that 2016-17 was a reflection year where the SGA evaluated what worked well in the past, and what did not. Ramos reflected on his time at UNCSC and thanked key administrators, faculty, staff and Trustees who have helped him and mentored him along the way.
- Karen Beres, Interim Vice Provost, reported on Faculty Affairs. She noted that there were only three candidates for Faculty Rank this year, and a small number of mid-10 year reviews. Contract re-appointments are also underway, with re-appointments in every school. They systems worked well this year because numbers were low. The projections for next year are almost double from this year. Faculty Affairs has adopted a new system from Interfolio for the creation and updating of dossiers for faculty. It will be unveiled in the fall for the faculty involved in reappointment. All faculty members will have a dossier available so they can start updating and adding as they go so it is always available to shape.
- Dr. Beres also reported on the QEP. Jason Romney brought Chris Boneau to campus in March. He is a partner in a press consulting firm that specializes in how to talk to the press. He gave four workshops for students where he set-up mock interviews. The students were given immediate feedback and coaching. The plan is to bring similar people to campus in the future.
- Ms. Cawood thanked Tareake Ramos for his hard work, dedication, and perspective during the Academic and Student Affairs Committee, as well as the full board meetings.
- The committee has items for Closed Session.

Report from the Governance Committee

Charlie Lucas reported the following from the Governance Committee in Chairman Rob King's absence:

- The Committee reviewed facilities usage in the School of Music. This year, under the revised policy, 2 faculty members taught private lessons. We expect to see slightly increased activity next year.
- David Harrison, General Counsel, reviewed policy changes made in FY17 where the authority for these policies is delegated to the Chancellor. A list of policies that were updated is provided in your materials.
- The Committee reviewed the current terms of Board members. Five members (3 Board of Governors appointees and 2 Legislative appointees) and 1 replacement (Board of Governors) nominee have been put forward. We expect to know the outcome of both the Board of Governors and Legislative appointment processes in late May. We continue to search for potential new members and ask that BOT members continue to submit names to the Governance Committee for consideration.

Move to Closed Session

MOTION: Charlie Lucas moved to go into Closed Session to prevent the premature disclosure of an honorary degree, scholarship, prize, or similar award and to consider the qualifications, competence, performance, or condition of appointment of a public officer or employee or prospective public officer or employee.

Ralph Womble seconded and the motion was unanimously approved.

Return to Open Session

Chairman Tiemann reported that the board discussed personnel issues and honorary degrees to be awarded at a later date during Closed Session.

Other Business

Chairman Tiemann thanked Charlie Lucas, Tareake Ramos, and Justin Poindexter for their extraordinary service to the Board of Trustees and UNCOSA. All three were presented with special gifts on behalf of Chancellor Bierman, the University, and the Board of Trustees. Mr. Lucas was also presented with a special proclamation from the Board for 19 years of service to the Trustees and UNCOSA.

Closing Remarks/Adjournment

With no further business to discuss, the April 28, 2017 meeting of the Board of Trustees adjourned at 11:04 a.m.

Respectfully submitted by:

Amanda G. Balwah

Assistant Secretary to the Board of Trustees