

UNIVERSITY OF NORTH CAROLINA
SCHOOL OF THE ARTS

Board of Trustees Meeting
Friday, September 22, 2017
9:00 a.m.

Open Session Minutes

Trustees Present

*Michael Tiemann, Chair
*Ralph Womble, Vice Chair
*Erna Womble, Secretary
*Steve Berlin
*Greer Cawood
*Skip Dunn
*Anna Folwell
*Phillip Horne
*Rob King
*Mark Land
*Elizabeth Madden
*Hassiem Muhammad, SGA President
Tom Kenan, Emeritus
Anne Sessions, BOV Liaison

Faculty/Staff Present

Lindsay Bierman, Chancellor
David English, Executive Vice Chancellor and Provost
Jim DeCristo, Vice Chancellor for Econ. Dev. & Chief of Staff
David Harrison, General Counsel
Ed Lewis, Vice Chancellor for Advancement
James Lucas, Director of Human Resources
Shannon Henry, Director of Internal Audit
Amanda Balwah, University Secretary
Wade Wilson, Chair of Faculty Council
Corey Madden, Ex. Director of the Kenan Institute
Wiley Hausam, Managing Director of Performance Facilities
Ward Caldwell, Vice Provost and Dean of Students
Michael Kelley, Dean of D&P
Dean Wilcox, Dean of Liberal Arts
Susan Ruskin, Dean of Filmmaking
Brian Cole, Dean of Music
Susan Jaffe, Dean of Dance
Martin Ferrell, Headmaster and Dean of High School Programs
Karen Beres, Interim Vice Provost
Katharine Laidlaw, Chief Marketing Officer

Trustees Absent

*Pete Brunstetter
Sandi Macdonald, Ex Officio
Jim Martin, Foundation Liaison

Faculty/Staff (Continued)

Ginger Caston, Ex. Asst. to Chief Marketing Officer
Cindy Liberty, Ex. Director of the Foundation
Suzanna Watkins, Dir. of Summer Programs
Lynda Lotich, Asst. Dir. of the Kenan Institute
Marla Carpenter, Director of Communications
Lauren Whitaker, News Services Manager
Joan Roggenkamp, Ex. Asst. to Chief of Staff
Jackie Riffle, Director of Budget
Jeremy Serkin, Customer Relationship Manager
Jason Czaja, Campus Performance Facilities
Claire Machamer, Chief Technology Officer
Erin Baker, Ex. Assistant to the Chancellor
Elizabeth White, Web Producer
Delores Harris, Title IX Coordinator
Chris Placco, Campus Architect
Nancy Polk, Interim Director of the Teaching and Learning Center
Chris Boyd, Assoc. Vice Chancellor for Facilities Management
Cheryl Rickard, Temporary Assistant in the Office of the Provost
Allen Carnes, Assoc. Vice Chancellor of Business Operations
Savannah Stanbery, Ex. Asst. to the V.C. for Advancement

Other Guests Present

Al Crawford, Alum (phone)

Convene Open Session

Chairman Michael Tiemann convened the September 22, 2017 meeting of the University of North Carolina School of the Arts Board of Trustees at 9:00 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 April 2017

MOTION: Ralph Womble moved to approve the Open Session minutes of the April 28, 2017 Board of Trustees meeting. Rob King seconded and the minutes were unanimously approved.

Oath of Office

Ginger Caston, Notary Public, administered the Oath of Office to Mr. Hassiem Muhammad, the new Student Government Association President.

Report from Chancellor Bierman

Chairman Bierman presented the Stevens Center Conceptual Master Plan developed by Robert A.M. Stern Architects based in New York City. Stern developed the plan in conjunction with DLR Group, based in Charlotte. Renovations to the 10-story building will include a second balcony and the elimination of some seats.

The current seating capacity of the Stevens Center is 1,366, and the concept plan will reduce seating to 1,024 seats, increasing two levels of seating to three, including a “necklace-style” mezzanine composed of modular boxes, providing more leg room and street-level access to orchestra-level seating. A center aisle on the orchestra level will also be accessible directly from the street level via a ramp, allowing someone in a wheelchair, or with a disability, the ability to sit in the center of the orchestra.

All of the state-of-the-art improvements, including the construction, furnishings, new rigging systems, lighting, and audio/visual equipment, are expected to cost \$35.2 million. Chancellor Biermann acknowledged that getting to the construction phase of the project will take time as funds need to be raised. UNCSCA’s ultimate goal is to turn the venue into a “world-class performing arts venue that benefits the students who train and perform there; partner organizations such as the Winston-Salem Symphony, Piedmont Opera, and the National Black Theatre Festival; and the local economy.”

UNCSCA plans to conduct a market study by a national firm to learn what has changed in the market in recent years, and what program mix is most attractive to potential ticket holders in the area.

MOTION: Greer Cawood moved to approve the Stevens Center Conceptual Master Plan as presented, and to begin the process of raising funds for the transformation of this important piece of history and the UNCSCA campus. Skip Dunn seconded and the motion was unanimously approved.

Report from the Audit Committee

Steve Berlin, Audit Committee Chair, reported that the Audit Committee met on Tuesday, September 19th, and discussed the following:

- **External Audits and Reviews**
 - The 2017 audit of the UNCSA Foundation's financial statements resulted in a clean opinion – no issues to report.
 - The Office of State Auditor's Annual Financial Statement Audit is underway:
 - There are no issues or concerns to date and the audit is scheduled to conclude in October.
- **Results of 2016-2017 Internal Audit Activity**
 - Internal Audit's completed audits and advisory services resulted in reports that produced **14** findings and **20** recommendations in various departments campus-wide.
 - UNCSA has implemented **77%** of Internal Audit's recommendations. UNCSA continues to meet or exceed internal audit's target recommendation implementation rate of **70%**.
 - The renegotiated MOU between WSSU & UNCSA for internal audit services resulted in additional resources allowing for a full-time auditor dedicated to UNCSA. The hiring process is underway and the new auditor will be on campus this fall.
- **Approval of the 2017-2018 Internal Audit Plan**
 - The committee approved the internal audit plan for the 2017-2018 fiscal year as presented. The plan includes audits of Human Resources Operations, Compliance, Title IX, and Environmental Health and Safety – Life Safety.
 - The plan also includes time for audit follow-ups, unplanned investigations, and other advisory and consulting services.
- **Other Business**
 - The Ethics Committee had its first meeting, which went well. The Ethics Committee strives to establish consistency in managing ethical risks and conflicts of interest, and to facilitate compliance with standards.
 - A new Ombudsman has been put in place at UNCSA; the Ombudsman serves as a listening post for employees while remaining neutral and maintaining confidences. UNCSA Faculty and Staff seem very receptive to the Ombudsman and are happy to have someone in the role. He currently has 5 open cases.
 - The Audit Committee members were reminded to complete the annual risk assessment questionnaire sent by the Chief Auditor.

The Committee has one item to discuss in Closed Session.

Report from the Endowment Fund Board

Michael Tiemann, Chair of the Endowment Fund Board, reported that Lisa McClinton, Controller, reviewed the Investment Summary as of June 30, 2017. Currently, the unrealized gains are \$400k. All endowments are above corpus and doing well since the 2016 market downturn.

Report from the Advancement Committee

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

- **FY17 Overview:**
 - \$18,253,008 was raised in FY17. While this 97% increase over the previous year includes the anonymous \$10 million gift, there is an overall increase in giving outside of this gift.
 - Return on Investment: \$1 spent = \$10.47 raised.

- Annual Fund dollars raised in FY16 was \$628,346, which was nearly \$100,000 over our goal of \$530,000.
- The market value of our combined State and UNCSA Foundation endowments is \$56,487,769 as of 6/30/17.
- Overall one-year donor retention rate from FY16 to FY17 is 47.08%. The 2016 industry standard is 45%.
- 997 total new donors; 124 new alumni donors.

- **FY18 Year-to-Date Fundraising:**
 - We are slightly behind in our variance from projection for unrestricted revenue. This is due to the staffing transition. We will work to make this up as soon as our new Manager of Annual Giving arrives.
 - We are on track to meet our goals in Temporarily Restricted and Permanently Restricted revenue.

- **Staffing**
 - Corynn Kolberg joined the Advancement team in July as a Major Gifts Officer.
 - As many of you know, Amy Werner moved into the role of Manager of Alumni Relations this past July.
 - Advancement has hired a new Annual Giving Manager. Jaclyn Day will begin on September 25. All current positions in the division are filled.

- **Events Update:**
 - This year's Scholarship Luncheon will be held at Forsyth Country Club on Wednesday, March 28.
 - **NextNow 2018: *Unleashed*** will be held on Saturday, April 28, 2018 at The Benton (Convention Center). This year's event features the UNCSA Symphony Orchestra's final concert of the year: *Fantastic Finale: A Celebration of the Class of 2018*.
 - The UNCSA Foundation plans to hold its Guest Artist Luncheon on Wednesday, November 8 in Reynolds Place at the Milton Rhodes Center for the Arts. The featured guest artist will be Warren Jones, 2010 Musical America "Collaborative Pianist of the Year," with students from the A.J. Fletcher Opera Institute. Tickets will go on sale at the end of September/early October for \$75/ticket and \$1,000/table.

- **Upcoming Performances of Note:**
 - We have at least six alumni connected to the Broadway revival of the musical *Once on this Island*. This includes recent graduate Isaac Powell in the lead role (Drama '17), renowned choreographer, and 2001 Dance alumna Camille Brown. Previews begin in November and the show opens in December.
 - A.J. Fletcher Opera Institute Fellows perform scenes from the repertoire. Conducted by guest artist Warren Jones with stage direction by Nic Muni. Tuesday, November 7, 2017 | 7:30 p.m. - 9:30 p.m. at Duke Energy Center for the Performing Arts in Raleigh.
 - Carolina Performing Arts presents *Cold Mountain*, September 28 and October 1 at Memorial Hall. Megan Cleaveland an alumna from the Fletcher Opera Fellows is performing the role of Lila.

- **UNCSA Foundation Board:**
 - The audit is complete with no findings.
 - The UNCSA Foundation is currently working on the 990s, due in November.
 - The Executive Committee approved Budget for FY 2018 after intense vetting by Finance Committee.
 - Lee LaVallee, Mark Oliver, and Michael Ryden retired on September 7, 2017.
 - New Board Members are Bettye Barrett, Art Bloom, Rob Simon, Chrystal Parnell, David Broughton, Jim Ruffin, and Andy Schneider.
 - Board Giving is back up to 100%. Last year the board gave a total of \$238,000.

- **Board of Visitors:**
 - The New Member Orientation scheduled for September 11 was postponed until October 5 due to Hurricane Irma. They will welcome 12 new members.
 - Tomorrow, September 23, the Board of Visitors' Alumni Committee will host a first-ever family fun day at the farm for local alumni. We currently have 125 who have RSVP'd.
 - The Board of Visitors Fall meeting will be October 5-6, 2017.

The committee approved the MOU's for the Chancellor's Discretionary Fund and the Kenan Institute for the Arts Operating Fund. This annual approval process allows for the UNCSA Foundation to have fiduciary responsibility over these funds.

The Committee has one item to discuss in Closed Session.

Report from the Finance Committee

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

- Jackie Riffle, Director of Budget, reviewed the financial reports from June 30 of this year compared to the same time last year, as well as a comparison of the August 31 reports. She indicated our spending is where we need to be for the quarter.
- Jackie Riffle gave an enrollment update. Our enrollment is slightly below our target, which will generate a reduction in our budgeted enrollment funding increase. We will still have an increase in enrollment funding, just not as much as was budgeted.
- Chris Boyd gave a construction update; the summary is included in everyone's board materials. All projects are progressing as planned.

The Committee has one item of business for Closed Session.

Report from the Personnel Committee

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

- **Title IX update**
 - Delores Harris, Title IX Coordinator, gave an update on the events that have taken place thus far for the 2017-2018 school year. The season opened with a Safe U panel that met with students and parents of new and returning students. Delores stated that the Residence Life Coordinators have gone through Title IX training, and she is scheduling Title IX training for the individual schools. She also listed several awareness events for September, October and November.

- **New Hires/Separations**

- James Lucas reported that since the committee last met, we have hired thirty new employees, including Jeff Paton, Sr. Director of Institutional Research and Planning, Frank Brinkley, Chief of Police and Christopher Placco, University Architect. Karen Beres was also promoted to Vice Provost.

The Personnel Committee also reviewed progress within the Strategic Plan. Human Resources is in the final stages of implementing the new Onboarding process through PeopleAdmin. HR is vetting the process through UNCSCA's Digital Media Department. Once approved by Digital Media, HR will roll out the software with training for the University's Business Officers.

Report from the Academic & Student Affairs Committee

Greer Cawood, Committee Chair, reported the following from the Academic and Student Affairs:

- Ward Caldwell provided updates, including information about the great community engagement work being done through ArtistCorps. Now in its third year, 25 members are serving at 17 sites using arts-integration, arts exposure, and arts instruction as educational interventions with underserved children. In the last year, ArtistCorps members served close to 17,000 service hours.
- The Committee also received an update on enrollment. The Fall Headcount was 1,268 students, which is 13 students under the target number of 1,283. We discussed strategies and resources that have been identified to support the current recruitment cycle.
- Dr. David English, Provost, introduced the Committee to several new key administrators for the school: Wiley Hausam, Managing Director of Performance Facilities, Dr. Jeff Paton, Senior Director of Institutional Research and Planning, Dr. Nancy Polk, Interim Director for Teaching Effectiveness, and Frank Brinkley, the new Chief of Police.
- Karen Beres told the Committee about the New Faculty Academy, which provides resources and support for new faculty, including our 10 new full-time faculty, across the academic year.
- Academic and Student Affairs also received updates and participated in discussions on the Strategic Action Plan initiatives: Enhancing the Living Learning Environment, Launching Transformative Programs and Curricula, and Being a Creative Incubator
- The Committee was introduced to SGA and high school student government leadership.

Student Body President, Hassiem Muhammad, advised the Board of the energy of the Student Government Association members, and provided updates on the three initiatives they are currently working on

- Relief for victims of Hurricanes Harvey and Irma through efforts to include a blood drive and clothing drive
- Increasing conversation and facilitating a stronger relationship between Campus Police and the students (involving faculty and staff). He mentioned the idea of potential projects for students, Campus Police, faculty and staff, and ways to address the needs of the local community.
- OneCard access – doors with OneCard access versus locked access.

Report from the Governance Committee

Rob King, Committee Chair, reported the following from the Governance Committee:

- The committee reviewed the current terms of Board members. There are currently no vacancies. Without any unforeseen changes, we should not have to suggest appointments or reappointments until the spring of 2019. We are always interested to

know your recommendations for potential future candidates. Please refer recommendations to me for consideration, as Chair of the Governance Committee.

- There is a motion from the Committee to revise the UNCSA BOT bylaws. The revisions are in your Board materials. Most of the changes were technical in nature to bring the bylaws in to compliance with changes in the law. The one substantial change was the addition of a 2 year term limit on Board officer positions.

MOTION: The Governance Committee brought a recommendation in the form of a motion to approve the recommended revisions to the bylaws, which include title changes and other technical revisions, as well as a substantial change to impose 2-year term limits on Board officer positions. Erna Womble seconded and the motion was unanimously approved.

The Committee has one item to discuss in Closed Session.

Move to Closed Session

MOTION: Steve Berlin moved to go into Closed Session to prevent the disclosure of information that is privileged or confidential pursuant to the Privacy of State Employee Personnel Records Act, Article 7 of chapter 126 of the N.C.G.S. to discuss state employee personnel records, Section 116-40.7 of the N.C.G.S. to discuss internal auditor's work papers, NC Administrative Code, Title 01, Chapter 20, Subchapter D to discuss a designer selection, to prevent the disclosure of other information that is not considered a public record within the meaning of Chapter 132 of the General Statutes, and to consider the qualifications, competence, performance, or condition of appointment of a public officer or employee or prospective public officer or employee. Rob King seconded and the motion was unanimously approved.

Return to Open Session

Chairman Tiemann reported that the board discussed a personnel matter, as well as a designer selection. The Board also reviewed the qualifications of Al Crawford, a lighting director and UNCSA alum who graduated from the School of Design and Production, a candidate for the Board of Trustees' Alumni Representative position.

MOTION: Erna Womble made a motion to approve the appointment of Al Crawford as UNCSA's new Alumni Representative to the Board of Trustees. Ralph Womble seconded and the motion was unanimously approved.

Closing Remarks/Adjournment

With no further business to discuss, the September 22, 2017 meeting of the Board of Trustees adjourned at 10:53 a.m.

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