

DRAFT OPEN SESSION MINUTES

April 26, 2019

University of North Carolina School of the Arts
Hanes Student Commons, Eisenberg Social Hall
Winston-Salem, North Carolina

***denotes voting Trustee**

TRUSTEES PRESENT

*Ralph Womble, Chair
*Erna Womble, Vice Chair
*Greer Cawood
*Skip Dunn (phone)
*Anna Folwell
*Phillip Horne
*Greer Hutchison, SGA President
*Rob King
*Mark Land
*Elizabeth Madden
*Michael Tiemann
Al Crawford, Ex officio Alumni Representative

TRUSTEES ABSENT

*Steve Berlin, Secretary
*Pete Brunstetter
*Skip Dunn
Susi Hamilton, Ex officio
Peter Juran, Foundation Liaison
Sandi Macdonald, Ex officio
Sue Henderson, BOV Liaison
Tom Kenan, Emeritus

STAFF PRESENT

Lindsay Bierman, Chancellor
Matt Horvat, Chair of Staff Council
Wade Wilson, Chair of Faculty Council
David Harrison, VC for Institutional Integrity
and General Counsel

Joan Roggenkamp, Ex. Assistant to the
Chief of Staff
Jim DeCristo, VC for Economic
Development & Chief of Staff
David English, Ex. Vice Chancellor and
Provost

Michael Smith, VC for Finance and Administration
Ed Lewis, Vice Chancellor for Advancement
Shannon Henry, Chief Audit, Risk and Compliance Officer
Lynda Lotich, Asst. Director of the Kenan Institute
Karen Beres, Vice Provost & Dean of Academic Affairs
Ward Caldwell, Vice Provost & Dean of Student Affairs
Claire Machamer, Vice Chancellor for Strategic Communications
Scott Zigler, Dean of Drama
Dean Wilcox, Dean of Liberal Arts
Brian Cole, Dean of Music
Susan Jaffe, Dean of Dance
Michael Kelley, Dean of Design & Production
Jeremy Serkin, Digital Media CRM
Elizabeth White, Web Producer
Ginger Caston, Office of Academic Affairs
Jackie Riffle, Director of Budget
Erin Baker, Ex. Assistant to the Chancellor

Katherine Johnson, Director of Media Relations and Communications
Lauren Whitaker, Media Relations Manager
Sharon Fogerty, Community and Summer Programs
Wiley Hausam, Managing Director of Performance Facilities
Lisa McClinton, AVC for Finance and Controller
Savannah Stanberry, Ex. Asst. to the Vice Chancellor for Advancement
Paul Razza, Director of Admissions
Denise Wuthrich, Flute Instructor, Community Music School
Cameron McManus, Artistic Director, Community Music School
Marla Carpenter, Director of Communications
Jason Czaja, Campus Performance Facilities
Matt Buie-Nervik, Campus Performance Facilities
Suzanna Watkins, Director of Educational Outreach and Summer Programs

CONVENE OPEN SESSION

Chairman Ralph Womble convened the April 26, 2019 meeting of the University of North Carolina School of the Arts Board of Trustees at 9:00 a.m. Chairman Womble reminded all members of the Board of their duty under the State Government Ethics Act to avoid conflicts of interest and appearances of conflicts as required by this act.

APPROVAL OF MINUTES

MOTION: Rob King moved to approve the minutes from the February 7, 2019 meeting as presented. Greer Cawood seconded and the minutes were unanimously approved.

REPORT FROM CHANCELLOR BIERMAN

Chancellor Bierman's report highlighted the institutional priority, and key pillar of the School's comprehensive campaign, COMMUNITY. He emphasized the importance of arts education and the life-changing effect it can have on low-income students and impoverished communities:

UNCSA works hard to bring the arts to our local community. For years, our Preparatory Dance program has provided after-school pre-professional training to children from the third grade through middle school, taught by our School of Dance faculty and alumni. The program is now expertly led by Susan Brooker, artistic advisor, teacher and examiner for American Ballet Theatre National Training Curriculum. The 120 students currently enrolled in Preparatory Dance are learning a lot more than ballet positions. They're nurturing their creativity and developing discipline that will serve them well in their academic studies, artistic pursuits, and lifetime goals

Our Community Music School, another hugely successful long-established program, currently reaches 365 youth and 26 adults – ranging in age from 5 to 80 – all taught by our expert music faculty and alumni. Under the leadership of alum Cameron MacManus, we have added a new Mini Maestros program for very young children, ukulele group classes, Royal Conservatory method music theory training, and a Preparatory Track for students who are interested in auditioning at a conservatory.

Our newest community education program, Acting Out, has made its mark on the local theater scene in just five years. Drama faculty member Janine Hawley has passionately nurtured our program of after-school and evening classes to a current whopping enrollment of 170 children in grades 1 through 12, who receive the same caliber of instruction found in our high school and undergraduate Drama classes. Acting Out classes provide a toolbox of skills that transcend building confidence as an actor. Theater skills help improve communication, promote physical awareness, relieve stress, develop friendships and encourage empathy.

The impact of our Acting Out program reaches far beyond the students who are enrolled. For the past three years, they have partnered with Parkland High School, an arts magnet school here in Winston-Salem, to offer the "Bravo Bowl," a monologue competition and workshops. Our Acting Out students regularly visit the Open Arms Community House on Sprague Street, right here in our neighborhood, where they perform and offer tutoring to primarily Hispanic elementary and high school students.

While our community schools bring learners of all ages to our doorstep, our numerous service initiatives send UNCSA students into the wider community, using their artistic talents to reach thousands of students across Forsyth County and six other counties in North Carolina. Through programs like Artist Corps, Pluck Project outreach, Happy Hills Arts, and more, we are giving back to taxpayers who so generously support this institution, and cultivating artist-citizens who change lives through the transformative and healing power of the arts.

Artist Corps began in our School of Music, as a unique, federally-funded branch of AmeriCorps. We are now privately funded, and have members from each of our five conservatories. That includes D&P stage management alumna Anne Louise Wolf, who teaches voice and speech in our School of Drama as adjunct faculty. She's developed a pre-phonics arts integration and instruction project aimed at removing a roadblock to learning for children whose native language is not English. Many sounds in the English language do not exist in other languages and dialects, and young learners can't differentiate between them, which negatively impacts their ability to build vocabulary and eventually learn to read. Anne Louise's method teaches these children to see and feel the sounds, using music to activate overlapping brain areas for

language learning and to develop and strengthen fine listening skills. The Wolf Method is in its second year of service at Easton Elementary School in two pre-K classrooms, currently instructing 25 students on a daily basis.

Another example of the work we're doing in the community is the Pluck Project. Our senior contemporary dancers – we affectionately call them Plucksters – teach weekly dance classes in five local schools, reaching 86 students in middle school and high school. And this year, Plucksters extended their reach into Charlotte-Mecklenberg, where they teach in seven schools, reaching 300 elementary, middle and high school students each week.

Dance is also at the heart of Happy Hills Arts, a placed-based arts and culture program for at-risk children in the historic neighborhood on the eastern border of our campus. A partnership between the Happy Hill Neighborhood Association, the School of Dance and the Kenan Institute, the pilot program in the Summer of 2017 provided dance classes daily to 10 to 20 children for six weeks, taught by alumni brother and sister Monica and Jerome Johnson.

The children were exposed to a range of new concepts and experiences, such as self-expression through movement and combining words and movement to express thoughts, feelings and ideas. They were able to absorb and process new information in a fun and enjoyable setting while also laying the groundwork for enhanced focus and creativity. By the end of the third week, significant improvement was apparent in the behavior and demeanor of the students. The dance classes provide a safe haven that helped break down emotional barriers and create an environment to enhance learning.

The ARCH project stands for Artists Reaching Children in Hospitals. Through this project, Drama alumnus and clown expert Dikki Ellis teaches circus skills to our high school Drama students, who go on to visit Brenner Children's Hospital several times a year to entertain and interact with young patients, lifting their spirits and providing a respite from the anxiety of being hospitalized. It's a touching experience to see how the children's faces light up when our emerging artists share a magic trick or teach the secrets of plate spinning.

A.J. Fletcher Opera Institute, which carries out its original vision of bringing opera to the masses by performing one-act operas for children to schools in Forsyth, Surry, Randolph, Guilford, Davidson and Wake Counties. In a partnership with Piedmont Opera, Fletcher Fellows perform in 33 schools from September through March, educating more than 11,000 elementary school students about opera as an art form.

Some of our partnerships transcend the arts, like the event we hosted at the Stevens Center recently for Love Out Loud, a collective of 50 Christ-centered churches and 120 local community organizations working together for the flourishing of our city. On a Friday evening in February, people of all ages, all races, and all Christian denominations came together in the Stevens Center to see a free performance of "Union: The Musical," the story of the Memphis Sanitation Worker's Strike of 1968, Martin Luther King Jr.'s last campaign and one of the defining moments in American democracy.

In addition to the 100s of student performances we offer to our community each year, we also enrich the cultural life of our community through the newly launched UNCSA Presents, our

performing arts series at the Stevens Center. Through this series of nationally touring concerts, plays and other events, we are strategically programming to attract new and diverse audiences into the Stevens Center, reinforcing its position as the cultural heart of downtown, a destination for enlightenment, entertainment and enrichment.

REPORT FROM THE FINANCE COMMITTEE

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

- Jackie Riffle, Director of Budget, reported that for the fourth quarter of the 2018-19 fiscal year, the School has requested to spend up to \$14.48M. The campus, as of March 31, 2019, has spent \$36.45M, which is 71.57% of the annual budget. If the annual budget was expended evenly throughout the year, the University would be at approximately 75%. Therefore, expenditures are on target.
- Ms. Riffle updated the Committee on year-end planning and one-time funding allocations that are currently underway. Through March 31st, the University has awarded more than \$750,000 in one-time funds for items like computer refresh, technology upgrades in the different schools, new patrol cars, and Title IX/Diversity training.
- Enrollment for 2018-19 has grown by 31 students compared to last year, bringing UNCSA's FTE to 1,273.
- Michael Smith, Vice Chancellor for Finance and Administration, gave a brief update on significant projects occurring at UNCSA, include Performance Place, Semans Academic and Administration Building, the Dance Locker Room, and a number of HVAC and roof projects. Mr. Smith also gave a brief update on other ongoing projects including: 1605 Chapel Street, Parking Study, Wayfinding/Signage study, and numerous smaller R&R initiatives.
- Mr. Smith provided a starring update. UNCSA's new Chief Information Officer, Terry Harmon, who was serving as the interim, started on March 11, 2019. Additionally, Debra Carley, who retired from UNC-Greensboro, is currently serving as the Interim Director of Human Resources. First and second round interviews for a permanent Director of Human Resources have occurred and the position should be filled by June 1, 2019. UNCSA is searching for a Director of Purchasing and Auxiliary Services. Candidates will be interviewed over the next week, and the position should also be filled by June 1, 2019.

REPORT FROM THE AUDIT, RISK, AND COMPLIANCE COMMITTEE

Rob King reported the following from the Audit Risk and Compliance Committee:

- During FY19, the Enterprise Risk Management (ERM) Steering Committee and Risk Owners focused on five strategic risks as priorities for the academic year. The priority risks focus on: recruiting and retaining faculty talent; attracting quality students; the condition of facilities and residence halls; attracting diverse faculty, staff, and students to advance brand and reputation; and balancing rigor, intimacy, transparency and diversity in a way that promotes and excellence and open-mindedness. These risks were

captured and detailed in an ERM report. This year was management's first full year of ERM activities, and it has been a success. There are opportunities to develop Key Risk Indicators (KPIs) that will enable management to better track progress with regard to mitigating activities and better predict and prevent risk events from occurring. Immediate next steps include facilitating a Bowtie Risk Analysis, which examines opportunities to prevent risk events from occurring, and opportunities to react should risk events occur.

- Greg Gleghorn provided an IT Information Security update.
 - Seven new information security regulations have been submitted for approval by General Counsel and the Chancellor.
 - Sixteen out of seventeen scheduled business impact analysis interviews have been completed.
 - Phishing and impersonation attempts have been reduced with constant monitoring, tweaking, and optimizing of Microsoft's advanced threat protection.
 - Michael Smith, Vice Chancellor for Finance and Administration, provided a Director of Human Resources search update. On campus interviews were conducted with eight candidates, and two finalists were identified. The committee has submitted a recommendation to Mr. Smith and an offer will be made soon.
- The Committee discussed Internal Audit Activity.
 - The follow-up report concerning deficiencies as it relates to contracting with vendors is in the draft phase. Two of the three findings have been resolved and management has identified compensating controls associated with lingering risks. Once evidence of these controls has been reviewed and documented, the follow-up report will be released.
 - A review of Environmental Health and Safety has begun. The review will focus on Life Safety protocols with an emphasis on the quantity and quality of these protocols and related activities, and other matters of compliance. The review will include a campus-wide survey of faculty and staff that will serve as a micro engagement level risk assessment to identify potential risk exposures.

REPORT FROM THE GOVERNANCE COMMITTEE

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

- Jim DeCristo, Chief of Staff, provided a brief update on the progress of our ERM initiative. A summary of the effort in FY19 is included in the board materials. UNCSA will continue to work on the 5 risk areas in FY20.
- David Harrison, General Counsel, provided an annual report of policy changes made under the delegated authority of the Chancellor. There was only one policy change this year – the Purchasing Policy was changed to updated procedures to reflect changes in Spending Guidelines and the discontinuation of Small Purchase Orders.
- The committee reviewed the current terms of Board members and there are currently no vacancies.
- Legislative reappointments are in process for Anna Folwell and Phillip Horne. The Committee continues to work to identify potential candidates for future openings.

- The Governance Committee reviewed and approved the BOT three-year calendar. The dates can be found at the end of the Governance section of the board materials.

MOTION: The Governance Committee moved to approve the Board of Trustees Meeting Calendar for 2019-2022 as presented. The motion was unanimously approved.

REPORT FROM THE ENDOWMENT FUND BOARD

Ralph Womble, Endowment Board Chair, reported the following:

- Lisa McClinton, Controller, reviewed the investment summary as of February 28, 2019, as well as the Flash Report from the UNC Investment Fund. Ms. McClinton stated the Endowment summary shows the Fund overall net earnings of 3.1% for the current fiscal year through February 2019. Since the last report dated, endowments show a net increase in the market value of approximately \$1.4 million. There have been no new endowment gifts. Ms. McClinton also informed the Board that the overall gain increased to 3.9% per the most recent report dated March 31, 2019, and it looks as if UNCSA is on track to meet overall net earnings of 5% by June 30, 2019.

REPORT FROM THE ADVANCEMENT COMMITTEE

Mark Land reported the following from the Advancement Committee:

Fundraising Report

- As of March 31, Unrestricted Revenue and Temporarily Restricted Revenue are ahead of budget projections. Temporarily Restricted Scholarship revenue is slightly under goal; however, we expect to reach that goal by the end of the fiscal year.
- Permanently Restricted Revenue is below budget projections. This is a result of a gift that is on hold due to a life event with the donor.
- On the state side, the Thomas S. Kenan Institute for the Arts is on track to meet and exceed its fundraising goals.
- Day of Giving 2019 results:
 - Total Donors: 606 (Alumni Donors: 272; First-Time Donors: 131)
 - Total Raised (with challenges) \$93,735.37
 - Many thanks to Tom Kenan Of providing challenge matching gifts

Comprehensive Campaign

- Campaign meetings during the family phase of the campaign since September 2018:
 - 42 total board members have been visited or sent gift acknowledgements
 - 9 Board of Trustees members
 - 23 Foundation Board Members
 - 10 Board of Visitors members
- The Corporate and Foundation phase of the campaign has begun. Several local and regional institutions are been solicited.

Staffing

- The search for the Associate Vice Chancellor for Advancement has been reopened. Five applications have been received so far.

Events

- NextNow 2019 exceeded the \$50,000 scholarship fundraising goal, with a net revenue of almost \$60,000. This year's event was the most attended of all four NextNow events, with 330 registered guests.
- The Scholarship Luncheon also had the most attendees we've had to date with 220 registered guests, representing more than 50 scholarships and endowments – the most that have every attended this event.

Alumni Relations

- Amy Werner, Manager of Alumni Relations, has implemented several alumni events across the country this year in conjunction with other UNCSA programs such as the Giannini Society, with the goal of building alumni relationships.

UNCSA Foundation Board

- The Finance Committee approved the first draft of the FY20 budget.
- The Endowment Distribution increased by approximately \$328,000 from FY19 to FY20.

UNCSA Board of Visitors

- Sue Henderson, Chair of the Board of Visitors, reported that the Advocacy Committee led a group of board members to Arts Day on Wednesday, March 27th to advocate for the arts on behalf of UNCSA.
- The spring Board meeting was April 11-12 and focused on the campaign pillar of innovation. During the meeting, the board approved the following new members: Annamarie D'Souza, Jennifer Grosswald, and Judy Watson. The board also approved the new Chair-Elect, Anne, Rainey Rokahr.

REPORT FROM THE ACADEMIC AND STUDENT AFFAIRS COMMITTEE

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

David English updated the committee on the Provost transition and Dr. Karin Peterson, the Interim Executive Vice Provost who will start on May 20th. Dr. Peterson has been a faculty member at UNC Asheville for over 20 years, was a Faculty Fellow at the UNC System Office and has been the Interim Provost at UNC Asheville for the last 18 months.

Vice Provost Ward Caldwell reported that student mental health continues to be a focus with the work being done in collaboration with the JED Fund and the Steve Fund. He highlighted a two day workshop conducted last week where a group of 34 faculty, staff, administrators, and students gathered together to outline areas of concentration for future work on equity, diversity

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and inclusivity. 131 high school and 250 college students have applied to graduate. Applications for Fall 2019 are strong. The review of applicants has been streamlined, resulting in earlier notification of acceptance and an increase in enrollment deposits.

Vice Provost Karen Beres updated us on the minor pilot, which resulted in official approval of the Arts Entrepreneurship minor by EPC. The Student Advantage Week Program is currently demonstrating a retention rate of 94%, with 29 out of 31 students making progress toward their degree.

The Student Body President, the High School Student Government President and the Graduate Student Council President gave year end reports and introduced their successors.

Greer Hutchison, Wade Wilson, and Matt Horvat all gave brief year-end reports on the accomplishments of the Student Government Association, Faculty Council, and Staff Council respectively.

REPORT FROM THE PERSONNEL COMMITTEE

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

Nepotism Report

Deb Carley presented the Nepotism report for the 2018-2019 academic year. There were no hires or realignment of supervision that raised any concerns of nepotism for the UNCSA campus.

Policy 610 Revisions

The board members received copies of the proposed revisions to Policy 610: External Professional Activities for Pay Policy. Two revisions have been mandated by the UNC System Office. David Harrison presented background information on each revision and the committee voted to accept the revisions.

- **Primacy of Duties:** This revision limits the amount of time that may be spent on External Activities for Pay during an appointment. Activities should not exceed the equivalent of 20% of the employee's contracted time. Discussion from the board centered on how this time should be measured since UNCSA employees may not fall into a standard 8 to 5 work schedule. Given the sometimes unique working hours for UNCSA employees, the 20% can be interpreted as up to a day of time per week. All external activities for pay must be approved to ensure there is no conflict of commitment for the employee and that the external activity does not interfere with the interests of UNCSA.
- **Exceptions to 610:** Defines the types of activities that would be considered secondary university responsibilities and would not require a notice of intent to engage in external professional activities for pay. These include service on advisory committees, review panels or speaking activities conducted for Federal, State or Local government agencies

and other institutions of higher education where the employee may receive honorarium for service.

MOTION: The Personnel Committee moved to approve the revisions to Policy 610 as presented. The motion was unanimously approved.

Management Flex Report

Deb Carley presented the Management Flex Report for the 2017-2018 fiscal year. The Management Flex Report indicates compliance with the UNC System Office with regard to appropriate salary ranges for administrators, conferral of tenure and analysis of equity issues. UNCOSA is in compliance with UNC System Office standards.

MOTION TO GO INTO CLOSED SESSION

Philip Horne moved that the board 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 North Carolina General Statutes, Section 116-40.7 of the North Carolina General Statutes, The Family Educational Rights and Privacy Act of 1974, Public Law 93-380, as amended by Public Law 93-568, not considered a public record within the meaning of Chapter 132 of the General Statutes, to consult with our attorney in order to consider and give instructions concerning the handling or settlement of a potential claim, judicial action, mediation, arbitration, or administrative procedure, EEOC Charge Claim 435-2019-00392, to consider the qualifications, competence, performance, or condition of appointment of a public officer or employee, or prospective officer or employee, to hear or investigate a complaint, charge, or grievance by or against a public officer or employee, and to prevent the premature disclosure of an honorary degree, scholarship, prize, or similar award. Rob King seconded and the motion was unanimously approved.

REPORT FROM CLOSED SESSION

Chairman Womble reported that the Board considered matters concerning personnel decisions, audit, honorary degrees, and confidential strategic plans.

OTHER BUSINESS

A reception celebrating David English will immediately follow the Trustee meeting on the 4th floor of the library.

ADJOURNMENT

With no further business to discuss, the April 26, 2019 meeting of the Board of Trustees adjourned at 11:50 a.m.