

OPEN SESSION MINUTES

March 2, 2023 | 9:00 a.m. | SAAB 306
University of North Carolina School of the Arts
Winston-Salem, North Carolina

TRUSTEES PRESENT

*Denotes voting Trustee

*Mark Land, Chair
*Peter Juran, Vice Chair
*Rhoda Griffis, Secretary
*Jeffery Bullock
*Greer Cawood
*Skip Dunn
*Kayli Kimerer, SGA President
*Nia Franklin
*Graydon Pleasants
*Ralph Womble

Clare Jordan, BOV Liaison

TRUSTEES ABSENT

*Anna Folwell
*Ches McDowell
*Kyle Petty
Tom Kenan, *emeritus*
Sandi Macdonald, *ex officio*
Beth Petty, *ex officio Alumni Representative*
Secretary Reid Wilson, *ex officio*

STAFF PRESENT

Brian Cole, Chancellor
Jim DeCristo, VC and Chief of Staff
David Harrison, VC and General Counsel
Lissy Garrison, VC for Advancement
Wendy Emerson, Interim VC for Finance and Administration
Amanda Balwah, AVC and University Secretary
Patrice Goldman, Associate General Counsel
Angela Mahoney, AVC and Director of HR
Steve Cochrane, Chair of Staff Council
Travis Andrews, IT Helpdesk
Steve Martin, Assoc. Vice Chancellor for Facilities
Jeremy Serkin, CRM Manager - Strategic Communications
Katherine Johnson, Director of Media Relations and Communications - Strategic Communications
Frank Brinkley, Chief of Campus Police

Endalyn Taylor Outlaw, Dean of Dance
Michael Kelley, Dean of Design & Production
Martin Ferrell, Dean and Headmaster of the High School
Rod Isom, Chief Audit Officer
Camilla Norris, Employee Relations Manager
Lauretta Baldwin, Benefits & Leave Manager
Tanya Dunlap, Ex. Asst. to the VC for Advancement
Kevin Bitterman, Ex. Director of the Kenan Institute

Cindy Liberty, Ex. Director of the UNCSA Foundation
Rebecca Nussbaum, Director of Community Engagement
Adam Witmer, Video Content Producer
Ginger Caston, Ex. Asst. to the Chief of Staff
Lynda Lotich, Assoc. Director of the Kenan Institute

CONVENE OPEN SESSION

Chairman Mark Land convened the March 2, 2023 meeting of the University of North Carolina School of the Arts Board of Trustees at 9:00 a.m. A quorum was confirmed. Chairman Land 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. Mr. Land welcomed Nia Franklin to her first Board of Trustees meeting.

OATH OF OFFICE

Amanda Balwah, Notary Public, administered the Oath of Office to Nia Franklin, who was recently appointed to the Board of Trustees by the UNC Board of Governors.

APPROVAL OF MINUTES

MOTION: Ralph Womble moved to approve the open session minutes from the December 2, 2022 meeting as presented. Peter Juran seconded, and the minutes were unanimously approved.

REPORT FROM CHANCELLOR COLE

Chancellor Cole welcomed everyone to the third meeting of the academic year and the first of 2023. He noted that the spring semester is halfway over and the campus is looking forward to resting and recharging during spring break next week.

Chancellor Cole welcomed Nia Franklin to the board. Ms. Franklin earned her Masters in Music in 2017 from UNCSA. She is now an accomplished actress, composer, singer, and former Miss America.

He went on to provide an update on UNCSA's Equity, Diversity, Inclusion, and Belonging (EDIB) pillar of the strategic plan. As part of that effort, it was determined that UNCSA must build a sustainable infrastructure by hiring a Chief Diversity Officer. We will soon welcome Dr. Afeni McNeely Cobham, who comes to us from Grand Rapids Community College. Dr. MC has over 30 years of experience as an administrator and educator.

The Posse Arts Initiative is currently being funded by the Posse Foundation and local NC donors, but UNCSA is pleased to announce a \$2.28M pledge from the William R. Kenan Charitable Trust, which will fully support the current cohort and the next three, providing up to thirty-six students with full scholarships funding tuition, room, and board.

Chancellor Cole went on to highlight the incredible work of our alumni and faculty. Successes span from the Grammys to film screenings at the Sundance Film Festival. He shared the recipients of this year's Excellence in Teaching awards, noting that this year is the first-time adjuncts were qualified. Chancellor Cole also shared images from the new campus-wide, unified marketing campaign Believe in Yourself #Rise to Greatness. There will be updated banners on campus, new recruitment materials, and updated billboards as part of this campaign which was a collaboration between our Strategic Communications division and Simpson Scarborough.

Chancellor Cole highlighted UNCSA's institutional priorities that are included in the UNC System's 2024 financial and capital projects priorities.

- \$1M in recurring funds to support students' physical and mental health.

- \$5.2M in recurring and \$3.2 in non-recurring funds to support cyber security efforts.
- Competitive salaries funding request, which is a challenge at all institutions, and especially UNCSA where there is significant compression.
- Critical phase two funding for the Stevens Center totaling \$51M. Combined with the \$29.8 received from the legislature for Phase One, this additional funding would help the Stevens Center with the first two phases which will improve seating, create a new balcony, and support the installation of state-of-the-art equipment that will mirror the industry.

Chancellor Cole concluded his report by discussing the importance of art as a change agent, noting that interdisciplinary artmaking allows individuals to embrace different perspectives, which in turn can implement change ranging from climate change to social inequities.

REPORT FROM THE GOVERNANCE COMMITTEE

Ralph Womble reported in Anna Folwell's absence. The Governance Committee met on February 22, 2023 and reviewed six future vacancies on the Board to be filled on July 1, 2023. Two of the vacancies are Legislative appointments and four are Board of Governors appointments. Five of the six have paperwork in process for final selection by the Legislature or Board of Governors. The Committee is continuing to work on the last nomination.

REPORT FROM THE ACADEMIC AND STUDENT AFFAIRS COMMITTEE

Greer Cawood, Committee Chair, reported that the committee met on February 22, 2023. She then called on Kayli Kimerer to give the Student Government Association (SGA) report. Miss Kimerer discussed programming and initiatives, including first-week class surveys, listening sessions, and working with the International Association to support international students. SGA planned mental health programming and created one hundred wellness bags for students. They are seeking additional funding to create wellness bags for all UNCSA students. SGA also partnered with the Pickle Pantry to help with student food insecurity.

As plans begin for the next academic year, elections will be announced after spring break. SGA associates meet monthly at the System level and are serving on system-wide committees to address campus and system initiatives. She concluded her report with a discussion of goals for the remainder of the year, including mental health and wellness, continued collaborations and conversations with the administration, and working with Strategic Communications to provide input into advertisements.

Ms. Cawood reported that Andy Paris, Chair of Faculty Council, reported on the continued concerns surrounding campus safety. With Chief Brinkley's departure, there are efforts to get faculty, staff, students, and other stakeholders together to begin a new search and to redefine how Campus Police should connect with the campus community.

Dr. Karen Beres, Vice Provost and Dean of Academic Affairs reported that the Undergraduate Degree Completion Improvement Plan (UDCIP) was put into place five years ago and the final report has been completed. UNCSA exceeded our overall goal to raise 4-year and 5-year graduation rates, surpassing goals by 7% for the 4-year rate to 77.3%, and 8% for the 5-year rate to 79.1%. Substantial progress was made in the targeted subgroups of Dance and Music, while opportunity areas for future growth have been identified. No initial programs were eliminated; instead, additional layers of support have been instituted, from expanded mental health resources to academic student success coaching and deeper scholarship funding. Moving forward, utilizing a more precise instrument to capture withdrawal data will allow for the creation of targeted

interventions that will bolster continued progress.

Dr. Beres also discussed the UNC System Institutional Stretch Goals and how they impact UNCSA. Goals include metrics around the four-year graduation rate, undergraduate degree efficiency, education and related expenses per degree, and the UNCSA-specific goal around the four-year graduation rate for Pell Grant recipients.

Dr. Tracey Ford, Vice Provost and Dean of Student Affairs thanked the Board of Trustees for their support during her time at the School. This meeting is her last before joining the University of Texas System. She reported that Student Affairs is planning orientation for the summer and working to create a better experience for our students. The division is working to develop a single app that will deliver information to students and is updating the way orientation leaders will help guide student success and a sense of belonging when they arrive on campus.

UNCSA has received funding from the System for the High School, and additional funds are being sought to assist with the funding of key positions.

Dr. Ford also reported that Student Affairs has engaged with outside consultant Jackie O'Rourke with Outermost Education to evaluate and make recommendations for our High School.

Paul Razza, Director of Admissions, reported that Fall 2023 application numbers are on target. He announced current actions to achieve headcount goals and presented the Posse Arts Scholars' announcement

REPORT FROM THE PERSONNEL COMMITTEE

Jeffery Bullock, Committee Chair, reported that the Personnel Committee met on February 22, 2023. Updates were presented by Angela Mahoney, Director of Human Resources, and Steve Cochrane, Chair of Staff Council.

Ms. Mahoney reported that there have been nine new hires since the December 2022 Trustee meeting. Three were EHRA non-faculty and six were SHRA. There were eleven separations during this time. She also noted that temporary hires have increased.

Human Resources hosted a Wellness Day on February 17, 2023 for faculty and staff. Activities included in-person and virtual options that focused on relaxation, healthy eating, and stress reduction.

As of December 2022, UNCSA has had seventy-two SHRA vacancies, twenty-eight EHRA vacancies, and eighteen faculty vacancies.

Ms. Mahoney noted that the annual policy review period opened on January 25, 2023. All faculty, staff, and non-student temporary employees will have until February 28, 2023 to complete the review. As of this meeting, 41% of employees have completed the review.

There have been two professional development opportunities offered in February 2023. HR partnered with Jill Crainshaw and Jill Lane to hold a faculty and staff book study on having hard conversations that focused on dialogue, conflict, and sustaining community. The other training focused on PeopleAdmin Position Management.

Ms. Mahoney voiced how grateful she was that HR received one-time funding for the Electronic Personnel Action Forms project. Combined with the PeopleAdmin project, HR is now able to

streamline their processes in a much more efficient manner.

In regard to performance management, the Performance Management Cycle for FY 23/24 will go live in March 2023 for SHRA and EHRA employees. HR will offer training sessions throughout March for Supervisors and Managers to learn how to complete employee reviews electronically.

A recent audit review identified a need to assess onboarding for new managers and the ongoing training and development plans of managers. HR management will collaborate with the Vice Chancellor for Economic Development and Chief of Staff to develop a strategy.

Steve Cochrane, Chair of Staff Council, reported that UNCSA staff are vital in providing support and services that help students succeed academically and personally. The contributions of staff are also critical in aiding the University in running smoothly and efficiently. Staff Council is partnering with the Provost and other leaders to build relationships with the community around UNCSA.

REPORT FROM THE AUDIT, RISK, AND COMPLIANCE COMMITTEE

Peter Juran, Committee Chair, reported that the Audit, Risk, and Compliance Committee met on February 22, 2023. He reported that Jim DeCristo, Vice Chancellor for Economic Development and Chief of Staff gave an update on faculty and staff retention and recruitment, one of UNCSA's top five risks. He noted that UNCSA has established a mechanism that includes funding for rank promotion. There were recent labor market reserve funds made available by the System Office to bring all eligible staff members to a minimum of 83% market rate. A \$1 Million recurring budget adjustment was approved for the High School to assist with recruitment and retention efforts. The goal going forward is to get all employees to their market rate.

Rod Isom, Chief Audit Officer, gave the Information Governance & Security update. The Chief Information Security Officer resigned effective February 10, 2023. Replacement efforts are currently underway. IT recently carried out a trial run of Security Awareness Training. Out of seventy-eight participants, 62% successfully completed training. All remaining UNCSA employees will be required to complete the training. IT views security awareness training as the top priority to ensure the campus is protected from external cyber threats.

The UNCSA Financial Statement Audit for fiscal year 2022 was conducted by the NC Office of the State Auditor. The audit resulted in an unqualified opinion (clean audit), with no findings or issues to report. This is the 14th consecutive year with a clean audit.

Internal Audit has partnered with WSSU's Accounting department to establish an internship program and currently has a student interning with the office for the Spring. Two projects have been completed since the last committee meeting and two projects are in progress. Internal Audit will begin their annual risk assessment process this quarter to assess the risk landscape and to update the audit plan.

The Internal Audit charter, which governs the audit office, was updated and approved to reflect changes in the Chief Audit Officer's role.

REPORT FROM THE ADVANCEMENT COMMITTEE

Mark Land reported in Kyle Petty's absence. Vice Chancellor Garrison presented detailed updates in four of the eight areas covered in her written report to the committee.

There is a lot of great news to report about fundraising so far this year. As of the end of January, we have already raised 90% of our fundraising goal – that is over \$7.6 Million on a goal of \$8.5 Million. This number includes the recently announced gift of \$2.3 Million from the Kenan Charitable Trust to support Posse scholarships – you may have seen this wonderful gift reported in the media. Looking ahead to the end of the fiscal year, we project raising a total of \$9.5 Million, or 112% of our goal – making this potentially our best fundraising year since 2020. Due to a strategic focus on planned giving this year, our % of planned gifts has grown from only 5% last year to 23% so far this year. This now puts us squarely in the UNC System's target zone of having 20-30% of all donations coming from planned gifts.

Vice Chancellor Garrison also shared that starting this year, our annual Day of Giving will be aligned with the anniversary of the original “Dialing for Dollars” campaign back in April of 1964 – this was the grassroots campaign that raised the money to establish UNCSCA in Winston-Salem. This year's Day of Giving will be Thursday, April 27. This is a very important source of funds, not only for our unrestricted Annual Fund, but also for our schools and campus departments, and it is a great way for us to find new donors.

She asked for support from this board in two ways:

1. We are seeking matching gifts starting at \$1,000 to help encourage gifts on the Day of Giving – you can choose any school or project. We already have one matching gift of \$25K, and we are looking for many more at any level of \$1,000+.
2. Do not forget our friendly board challenge among the Foundation Board, the Board of Visitors, and the Board of Trustees, to see which board has the highest participation rate on the Day of Giving. We know that the Foundation Board has an unbroken record so far, but I think we can change that this year!

UNCSCA will be in New York City April 13-17 for a New York Leadership Weekend, which will include our Board of Visitors' national meeting, student showcases from three schools, an alumni panel, media opportunities, and more.

Vice Chancellor Garrison provided an update on the development of philanthropic priorities. In addition to scholarships and faculty support, efforts are underway to develop both campus-wide and unit-specific priorities, which will be key to enabling future transformational gifts.

The Advancement Committee also heard reports from:

Cindy Liberty, Executive Director for the Foundation reported they are expecting to see the endowment distribution continue to grow on trend. There was a significant increase in dividends due to their relation to the CPI, even though the endowment fund dropped due to changes in the market. It is very encouraging to see how much more we have been able to distribute in scholarships thanks to the new policies instituted in 2016.

The UNC system shared a report for the total endowment to student ratio for all schools. It is no surprise that UNC Chapel Hill is the highest, but we are second; and well above the rest of the other institutions listed.

Semans Art Fund (SAF) will accept student grants until February 24th. The SAF board will meet on March 31st to review the grant applications and determine awards for the upcoming summer.

Kevin Bitterman, Executive Director of the Thomas S. Kenan Institute for the Arts provided an update on two of the six areas of inquiry and development for FY23:

1. Institutional Development – which includes a strategic planning process facilitated by 8 Bridges Workshop to enhance the efficiency and effectiveness of programs and operations led by the Kenan Institute for the Arts.
2. Networks & Knowledge Building – which includes programs and activities that promote thought leadership and partnerships with the larger cultural ecosystem.

The strategic planning process is central to Institutional Development and will take place in four phases between now and June 2023. The team visited Winston-Salem in January for a three-day working session with members of UNCSCA and other external stakeholders. They will return to campus March 15 – 17 for PHASE II to begin the IDEATION & ENGAGEMENT process.

Networks & Knowledge Building, the Institute is piloting a new “*Dialogue Series*” to be developed in partnership with UNCSCA and Deans of each School to welcome nationally recognized artists and alumni into dialogue and creative process with UNCSCA and the local community.

Also, last fall, the Thomas S. Kenan Institute for the Arts introduced UNCSCA to the nationally respected Mindfulness Collaboratory at PRATT Institute. This 12-month cohort-based training program is designed for university leaders, faculty, and artists, to reimagine the creative sector by using contemplative practices, mindfulness, and creative self-care for their personal, artistic, and institutional development.

Claire Machamer, Vice Chancellor for Strategic Communications reported the success of the Nutcracker performance and ticket sales for 2022. Over \$497,000 was generated in ticket sales, with 9,094 tickets sold and over \$50,000 in total sponsorships with Mercedes of Winston-Salem as the presenting sponsor at \$25K.

Ms. Machamer shared the great work and development continues for the “*Rise to Greatness*” campaign and the launch preparation in collaboration with the Simpson Scarborough agency. The campaign launched the first week of February with outdoor and digital; campus signage, print materials, and more will be rolled out throughout the spring semester.

Ms. Machamer also introduced the High School Choice postcard campaign. Approximately 10K postcards were mailed to the addresses of families within the Winston-Salem area. This campaign heralded the academic benefits of the UNCSCA High School program, free tuition for NC residents and the newly developed, *NC Tuition Grant Program*, offering full tuition grants to graduates who attend one of the sixteen constituent UNC System institutions. In January, the marketing team continued the promotion online with a paid social marketing component (Facebook and Instagram) to students and parents in the region.

REPORT FROM THE FINANCE COMMITTEE

Graydon Pleasants, Committee Chair, reported that Wendy Emerson, Interim Vice Chancellor for Finance and Administration provided an update on the 2023-2025 Biennium UNC System Operating Budget Priorities, which were approved by the UNC Board of Governors at their

February 2023 meeting. Ms. Emerson shared how UNCSCA's requests were reflected in the UNC System Operating Budget Priorities, where applicable.

Ms. Emerson provided an update on the 2023-2023 Biennium UNC System Capital Budget Priorities, which were approved by the UNC BOG at their February 2023 meeting. Ms. Emerson shared how UNCSCA's requests, which were presented to the BOT in December 2022 were reflected in the UNC System Capital Budget Priorities, where applicable.

Ms. Emerson provided an update on the Fiscal Year 2023-2024 Tuition and Fees approved by the BOT and submitted to the UNC BOG in December 2022. The Tuition and Fees were approved by the BOG at their February 2023 meeting.

Interim VC Emerson shared the 2023-2024 All Funds Budget Timeline, which will be presented to the BOT for approval during the April 2023 meeting.

Ms. Emerson provided an update on the FY 2022 University Financial Statement audit. The result of the audit was an unqualified opinion, with no findings or issues to report.

Finally, Steve Martin, Associate Vice Chancellor for Facilities reviewed the Capital Projects Update and provided an in-depth presentation on the Stevens Center.

REPORT FROM THE ENDOWMENT FUND BOARD

The Board of Trustees Endowment Fund Board met February 23, 2023, and a quorum was present.

Wendy Emerson, Interim Vice Chancellor for Finance & Administration presented the endowment spending distributions for the 2023-2024 Academic Year. The Endowment Fund Board approved the endowment distribution allocation of \$1,724,868.36 for twenty-nine endowments. The University's Endowment Funds support distinguished professorships, visiting artists, and scholarships.

The Endowment Fund Board approved the updated Endowment Fund Investment Policy, with the authority for technical corrections as needed going forward.

The Endowment Fund Board will continue the discussion on Administrative Fees and will bring that information forward to the April 2023 meeting.

Ms. Emerson reviewed the UNC Management Company Flash Report and the UNCSCA Endowment Fund Investment Summary as of December 2022. The UNC Management Company Report reflects a loss of -.5% for the month of December 2022, bringing the Fund's recorded return to -1.9% for the first half of the fiscal year 2023 and -5.2% for the 2022 calendar year. UNCSCA's investments reflect an overall net loss of -2% for the current fiscal year with a net decrease in the net market value of -\$835,707.03.

MOTION TO GO INTO CLOSED SESSION

MOTION: Rhoda Griffis moved to go into closed session:

To consult with our attorney in order to preserve the attorney-client privilege; and

To Consider and give instructions concerning the handling or settlement of:

- **A potential claim, judicial action, mediation, arbitration, or administrative procedure; and**
- **Alloways-Ramsey, et al. v. Milley, et al., Forsyth County Superior Court case 21 CVS 5899; and**
- **Soderlund, et al. v. University of North Carolina School of the Arts and The University of North Carolina, North Carolina Industrial Commission case numbers TA-29599 – TA-29605, and**
- **Mandzik v. UNC School of the Arts and Pegram v. UNC School of the Arts, North Carolina Industrial Commission case numbers TA-20157 and TA-29158**

Peter Juran seconded and the motion was unanimously approved.

RETURN TO OPEN SESSION AND OTHER BUSINESS

Chairman Land reported that the board went into closed session to consult with our attorney on the aforementioned cases. He also reminded all Trustees of the Statement of Economic Interest annual filing that will be due to the State Ethics Commission by April 18th.

ADJOURNMENT

With no further business to discuss, the March 2, 2023 Board of Trustees meeting adjourned at 10:33 a.m.

Respectfully submitted by:

Amanda G. Balwah

Associate Vice Chancellor and Assistant Secretary of the Board of Trustees