

OPEN SESSION MINUTES

March 8, 2024 | 9:00 a.m.
UNC School of the Arts
Winston-Salem, North Carolina

TRUSTEES PRESENT

*Denotes voting Trustee

*Peter Juran, Chair
*Rhoda Griffis, Vice Chair
*Nia Franklin, Secretary
*Jonah Bokaer
*Jeffery Bullock
*Eric Flow
*Jerri Irby
*Ches McDowell
*Kyle Petty
*Graydon Pleasants
*David Neill
*Jack Sargeant, Student Body President
*John Wigodsky

TRUSTEES ABSENT

Tom Kenan, *emeritus*
Sandi MacDonald, *ex officio*
The Honorable Reid Wilson, *ex officio*

STAFF PRESENT

Brian Cole, Chancellor
Patrick Sims, Ex. Vice Chancellor and
Provost
Jim DeCristo, VC and Chief of Staff
David Harrison, VC and General Counsel
Wendy Emerson, VC for Finance and
Administration
Lissy Garrison, VC for Advancement
Amanda Balwah, AVC and University
Secretary
Endalyn Taylor Outlaw, Dean of Dance
Rachel Williams, Dean of Liberal Arts
Scott Zigler, Dean of Drama
Travis Andrews, IT Audio Visual Support

Andy Paris, Faculty Council Chair
Kevin Bitterman, Executive Director Kenan
Institute for the Arts
Eric Burns, Director of Provost's Budget
Laurel Donley, Assistant Dean of Student
Affairs
Kory Kelly, Vice Chancellor for Strategic
Communications
Liza Vest, Business Manager, Thomas S.
Kenan Institute for the Arts
Tanya Dunlap, Ex. Assistant to the VC for
Advancement
Patrice Goldmon, Associate General
Counsel

Ginger Caston, Ex. Assistant to the Chief of Staff

Dave LaVack, Chair of Staff Council

Angela Mahoney, AVC and Chief Human Resources Officer

Cindy Liberty, Executive Director of UNCSA Foundation

Michael Kelley, Dean of Design & Production

Martin Ferrell, Headmaster and Dean of High School Academics

Rod Isom, Chief Audit, Risk and Compliance Officer

Heidi Mallory, Director of Budget

Steve Martin, AVC for Facilities Management

Melanie Nuckols, AVC for Finance and Administration

Tamar Pandi, Interim Chief Information Officer

Shannon Wright, Leadership Annual Giving Officer

Rich Whittington, AVC for Advancement

Katherine Johnson, Director of Media Relations and Communications

Sara Emery, Director of Development

STAFF PRESENT VIA ZOOM

Erin Baker, Ex. Asst. to the Chancellor

Marla Carpenter, Senior Communications Manager

CONVENE OPEN SESSION

Chair Peter Juran convened the March 8, 2024 meeting of the University of North Carolina School of the Arts Board of Trustees at 9:02 a.m. A quorum was confirmed. Chair Juran 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: Graydon Pleasants moved to approve the open session minutes from the December 2023 meeting as presented. John Wigodsky seconded and the minutes were unanimously approved.

REPORT FROM CHANCELLOR COLE

Chancellor Cole welcomed everyone to the first Board of Trustees meeting of 2024. Spring break begins tomorrow, and it will be an opportunity for our students and faculty to reset for the final push until the end of the academic year.

He highlighted many of the great performances coming up over the new few months, including the third annual Chamber Music Festival, jazz ensemble concert, Drama's performance of *Twelfth Night or What You Will*, opera and Spring Dance.

Chancellor Cole went on to provide an update of the Stevens Center renovation. Construction began this month. Phase One will address the lobby and critical roof repairs. Phase Two covers all of the remaining renovation work, including the patrons' area of the theatre. Interviews were conducted with design firms for Phase Two over the past couple of months and a recommendation will be made to the Board in closed session. The design process for Phase Two will begin in late spring/early summer. The entire renovation project will take approximately three-four years after the closing date (November 2023).

Chancellor Cole spent the remainder of his report highlighting progress within the University's strategic plan. He presented the new TAKE 5IVE! to thrive wellness campaign that encourages students, faculty, and staff to take five minutes to pause, breathe, and focus on their physical and emotional well-being. He also discussed interdisciplinary work in the arts and the CSI calendar initiative, which will include a more balanced schedule for our students, including:

- 2-hour intermission each week where no work will occur for students and faculty (outside of regular scheduled faculty meetings)
- Six collaborative days
- 10-hour workday (a cap on how many hours students can work on projects and performances)
- Common start/stop times

He concluded his report with a review of collaborations and projects that highlight industry relevance including UNCSA media and a collaboration with the symphony, as well as ways AI is transforming the arts industry and work at UNCSA.

REPORT FROM THE FINANCE COMMITTEE

Finance Committee Chair Graydon Pleasants reported that the committee met the day prior and a quorum was present. Vice Chancellor for Finance & Administration, Wendy Emerson, reviewed the draft UNC System FY24-25 short session budget priorities and the FY25 All-Funds Budget. The Finance Committee voted unanimously to approve the All-Funds Budget as presented.

MOTION: The Finance Committee moved to approve the All-Funds Budget as presented. The motion was unanimously approved.

Ms. Emerson reviewed the results of the firm selected for Owner's Representative Services for the Stevens Center Renovation Phase 2. Steve Martin, Associate Vice Chancellor for Facilities, provided an update on the Capital Projects, which provides a snapshot of the status of all projects.

REPORT FROM THE ENDOWMENT FUND BOARD

Peter Juran, Chair of the Endowment Fund Board, reported that the board met on March 7th and a quorum was present.

Vice Chancellor for Finance and Administration, Wendy Emerson, presented the Endowment Fund Distribution Calculations for the upcoming year. The Board approved the distributions for the 2024-2025 academic year.

Ms. Emerson reviewed the UNC Management Company Flash Report and the UNCSA Endowment Fund Investment Summary as of December 31, 2023. Ms. Emerson stated the UNC Management Company Report reflects an overall net return of 5% for the fiscal year to date 2024. Likewise, UNCSA's investments had an increase with an overall net return of 5% for the fiscal year to date 2024.

REPORT FROM THE PERSONNEL COMMITTEE

Jeffery Bullock, Committee Chair, reported that the Personnel Committee met on Thursday, March 7th, and a quorum was present.

Angela Mahoney, Associate Vice Chancellor and Chief Human Resources Officer, reported that there were ten new hires since the November 2023 committee meetings, including three key new hires:

- Kory Kelly, Vice Chancellor for Strategic Communications
- Stacy Payne, Director of Strategic Initiatives, METL Media + Emerging Technology Lab

- Rebecca Burkeen, Director of Alumni Engagement

There were fifteen separations, including three key positions:

- Alyssa Cataldi, Annual Fund Officer
- Michele Lee Festino, Director of Creative Services
- Terrence Harmon, Chief Information Officer

The annual policy review period opened on January 22, 2024 and all faculty, staff, and non-student temporary employees had until February 29, 2024 to complete the review.

As of February 15, 2024, the Governor has signed three policy revisions to become effective March 1, 2024:

- University Career Banding Salary Administration Policy
- Lactation Support Policy
- Veterans' and National Guard Preference Policy

Human Resources has responded to Internal Audit regarding audit findings from 2016 to the present. All audit findings have been resolved except for one recommendation from 2019 which should be resolved by July 2024.

On January 1, 2024, the UNC System moved from two recordkeepers (TIAA and Fidelity) to a single retirement plan (TIAA) for the UNC Retirement System.

There was a brief discussion about the workload for Human Resources. There is still a need for one additional staff member.

Dave LaVack, Staff Council Chair, reported that the Staff Council continues to strengthen the foundations of past achievements in staff engagement and recognition while introducing new initiatives that improve the lives of staff members and the campus community.

REPORT FROM THE ADVANCEMENT COMMITTEE

Kyle Petty, Advancement Committee Chair, reported that Lissy Garrison, Vice Chancellor for Advancement, reviewed the Advancement division's strategic framework, which includes Fundraising, Alumni Engagement, Pipeline Development, Organization & People, and EDIB.

Ms. Garrison also reviewed year-to-date fundraising. So far this year, UNCSA has raised \$5.4 million, which is 50% of the total goal of \$10.8 million. Current projections indicate that UNCSA should come close to hitting its total goal by the end of the fiscal year.

Rich Whittington, Associate Vice Chancellor for Advancement, shared information about this year's Days of Giving, including challenge opportunities and a friendly competition between the Board of Trustees and Foundation Board.

Vice Chancellor Garrison introduced the new Director of Alumni Engagement, Rebecca Burkeen. Alumni Engagement is launching a new online community, a new alumni presence on Instagram, and a series of informal alumni gatherings across the country titled "Pickles and Pints."

Ms. Garrison talked about the importance of developing a larger pipeline of prospective donors for UNCSEA. She highlighted the Advancement team's new work identifying prospective donors across the country.

She also provided a thorough overview of comprehensive campaigns, why "big ideas" are so important to any successful campaign, and the efforts currently underway to develop "big ideas" for UNCSEA's next comprehensive campaign.

Cindy Liberty, Executive Director, provided updates about recent activities from the UNCSEA Foundation.

The Committee welcomed Vice Chancellor for Strategic Communications, Kory P. Kelly and thanked Katherine Johnson for serving as Interim Vice Chancellor.

The Advancement Committee celebrated the nearly sold-out *Nutcracker* in its debut at the Tanger Center, which surpassed ticket and revenue records.

Executive Director of the Kenan Institute, Kevin Bitterman, provided a report that included the background and history of the institute, the structure of its new strategic plan, and some very impressive recent projects including the Black Sacred Music Symposium and a partnership with Dance Theatre of Harlem.

REPORT FROM THE ACADEMIC AND STUDENT AFFAIRS COMMITTEE

Rhoda Griffis, Committee Chair, reported that the Academic and Student Affairs Committee met the day prior and a quorum was present.

Student Body President Jack Sargeant provided an update on the work of the Student Government Association (SGA). He reported on the successful campus safety walk and the improvements that have been made to keep students safe. Students were provided with mental health goodie bags on Valentine's Day, and a spring town hall was held on March 4th. Mr. Sargeant also shared SGA's response to the Division of Liberal Arts attendance policy and an update on the SGA offices, which recently moved to The What.

Ms. Griffis went on to report that Faculty Council Chair, Andy Paris, reported on how faculty are improving campus connections and communications, discussed the excellence

in teaching awards, and that faculty is working with senior administrators to give feedback to faculty assembly about the Foundations of American Democracy course.

Vice Chancellor and Provost, Patrick Sims explained that the academic and student affairs committee took a different approach to reporting and divided their report into three areas of academic and student affairs: challenges, opportunities and successes, and next steps.

The challenges portion began with a report out from Eric Burns, Director of Provost Budget outlining budget constraints followed by Rob Myers, Interim Director of Admissions, who explained that declines across the country are continuing and shared the validity of a conservatory education is in question.

Vice Provost of Academic Affairs, Dr. Karen Beres reported continued challenges around leadership transitions and salary compression. Vice Provost of Student Affairs, Laurel Donley, and Associate Vice Chancellor & Vice Provost of EDIB went through a series of student success challenges including retention and graduation, arts conservatory culture of inclusion, intergenerational dialogues, and the ongoing mental health and wellness needs for students and challenges around our distinct student populations.

The committee then moved to the Academic and Student Affairs successes and opportunities section. Admissions reported that applications are up for Fall 24', noting the spring start initiative was a success and admissions is working on collaborating across campus to look at improving transfer applications.

Student Affairs reported that the funding for the new High School is a major success and the expansion of resources for health and wellness which includes the launch of our new health and wellness marketing campaign Take Five.

Academic Affairs reported success with moving the CSI project forward, celebrated the usage of the library, and shared that the textbook avoidance rates project show potential savings for our current school year of \$44,000 for our students. Karen and Laurel shared success stories from their work at the student success dinners.

Provost Sims then shared highlights from the external review process for each of the art schools. Followed by updates about how Academic and Student Affairs is meeting expectations of the University Strategic Plan.

The last segment of the presentation of the committee was the next steps for each division. Admissions is working to promote graduate access and to accommodate growth in each school. The Provost explained that following the external review, each program

area would be creating a strategic response plan. The University will be contracting with scheduling experts for the next phase of CSI, Student Affairs is working to expand its orientation for parents and students. Continued partnerships across campus are essential to the success of the Academic Enterprise.

Provost Sims concluded the meeting by explaining a culture shift is needed and left us with a quote **“You can rest and be excellent in the craft.”**

REPORT FROM THE AUDIT, RISK, AND COMPLIANCE COMMITTEE

John Wigodsky, Chair of the Audit, Risk, and Compliance Committee, reported the following from their March 7th meeting:

Enterprise Risk Management (ERM)

Every two to three years the UNC System Office requests that all campuses update their list of top risk priorities and submit them with BOT approval by June. UNCSA is in the process of surveying stakeholders across campus, including the BOT, to gather data to determine our top risk priorities going forward. The final revised list of priorities will be presented to the BOT for approval at the May BOT meeting.

Information Technology (IT) Update

UNCSA has developed a Written Information Security Plan and an IT Risk Register to assist the university in mitigating risk.

IT recently carried out the second annual security awareness training. Out of 688 participants, 79% successfully completed the training, compared to 480 participants with a 58% completion rate last year.

Discussion of External Audits and Reviews

The FY23 Financial Statement audit, which is conducted by the Office of the State Auditor (OSA), was completed in December. The result of the audit was an unqualified opinion with no findings or issues to report. This was the 15th consecutive year of a clean financial audit.

A compliance review of 6 Financial Aid Programs administered by the North Carolina State Education Assistance Authority is scheduled for June 3, 2024. The review will cover academic years 2021, 2022, and 2023.

Discussion of Internal Audit (IA) Activity

IA's review of Campus Police was completed and discussed in closed session.

An update of outstanding observations was discussed, and the university is making timely progress.

IA has received notification that their External Quality Assessment Review is upcoming and due February 2025. This review takes place every 5 years to ensure conformance with Audit Standards.

IA will be commencing their annual risk assessment process this quarter which allows the unit to assess the current risk landscape and update the audit plan which will be presented to ARCC for review and approval next quarter.

MOTION TO GO INTO CLOSED SESSION

Nia Franklin moved that the board go into closed session to:

Prevent the disclosure of information that is privileged or confidential pursuant to North Carolina Administrative Code, Title 01, Chapter 30, Subchapter D – Designer Selection; and

The Privacy of State Employee Personnel Records Act, Article 7 of chapter 126 of the North Carolina General Statutes; and 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.**

David Neill seconded and the motion was unanimously approved.

REPORT FROM CLOSED SESSION

Chair Juran reported that the Board went into closed session to consider a designer selection, review the lawsuits named in the motion, and to discuss a personnel matter.

ADJOURNMENT

With no further business to discuss, the March 8, 2024 Board of Trustees meeting adjourned at 10:22 a.m.

Respectfully submitted by:

Amanda G. Balwah

Associate Vice Chancellor and Assistant Secretary of the Board of Trustees

