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**University of North Carolina School of the Arts
Board of Trustees Meeting
Friday, February 13, 2015
9:00 a.m.**

Open Session Minutes

Trustees Present

Rob King, Chair
Michael Tiemann, Vice Chair
Don Flow, Secretary
Greer Cawood (phone)
Elizabeth Madden
Noel 'Skip' Dunn (phone)
Claire Christopher
Isaac Green
Erna Womble
Stephen Berlin
Justin Poindexter, Alumni Rep.
Lynn Eisenberg, BOV Liaison
Zach Saffa, SGA President
Chris Chapman, Foundation Liaison

Faculty/Staff Present

Lindsay Bierman, Chancellor
George Burnette, Chief Operating Officer
Jim DeCristo, Interim Chief Advancement Officer
David English, Vice Provost

David Harrison, General Counsel
Ed Lewis, Chief Advancement Officer
James Lucas, Director of Human Resources
Corey Madden, Ex. Director of the Kenan Institute
Betsy Towns, Faculty Council Chair
Patsy Seiler, Staff Council Chair
Amanda Balwah, Asst. Secretary to the BOT
David Winkelman, Assistant Dean of Music
Carl Forsman, Dean of Drama
Jamie Call-Blankinship, Interim Dean of D&P
Brenda Daniels, Associate Dean of Dance
Ward Caldwell, Dean of Students
Lisa Ransom, Major Gifts Officer

Trustees Absent

Charlie Lucas
Phil Nelson, Emeritus
Sandi Macdonald, Ex Officio
Susan Kluttz, Secretary of Cultural Resources
Tom Kenan, Emeritus

Faculty/Staff Continued

Lauren Whitaker, Marketing
Lynda Lotich, Associate Director of the
Kenan Institute
Marla Carpenter, Dir. of Communications &
Marketing
Savannah Stanbery – Ex. Asst. to the Chief
Advancement Officer
Katharine Laidlaw, Executive Producer
Jonas Silver, Director of Alumni Affairs
Jason Czaja, Campus Performance Facilities
Suzanna Watkins, Director of Summer
Programs
Jane Kamiab, Director of Financial Aid
Susan Brittain, Grants and Program Manager

Other Guests Present

David Powers, BOG Liaison

Convening Open Session

Chairman Rob King convened the February 13, 2015 meeting of the University of North Carolina School of the Arts Board of Trustees at 9:01 a.m. A quorum was confirmed. Chairman King welcomed Ed Lewis, UNCSCA's new Chief Advancement Officer, and David Powers, UNCSCA's Board of Governors liaison. Mr. King also 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 December 12, 2014

MOTION: Steve Berlin moved to approve the Open Session minutes of the December 12, 2014 Board of Trustees meeting. Don Flow seconded and the minutes were unanimously approved.

Report from the Audit Committee

Don Flow reported that the Audit Committee met on Tuesday, February 10, 2015. Shannon Henry, Director of Internal Audit, led a discussion of external audits and informed the committee that the Office of the State Auditor completed the 2014 Federal Compliance Audit concerning Student Financial Aid. UNCSCA received a clean audit. The results of that review will be disclosed in the statewide single audit report anticipated to be released in March.

The Committee also discussed the Business Continuity/IT Disaster Recovery Audit. The major deficiencies concerning Business Continuity and IT Disaster recovery were discussed at the December BOT meeting. Corrective actions taken since that time were discussed at the February 10th meeting. The audit also identified a few minor issues that were shared with the committee via a management letter. UNCSCA has responded positively and has made satisfactory progress towards resolving the noted concerns.

The Information Technology Operational Review has commenced. The purpose of this review is to evaluate the effectiveness of IT's management across key applications and systems.

Mr. Flow also reported that UNCSCA's percentage of Internal Audit findings resolved is currently 89%, but he would like that to be increased to 100%.

Report from the Endowment Fund Board

Chairman King reported that the Endowment Fund Board met February 12th. A quorum was present and there is an item of business to discuss in closed session.

Report from the Advancement Committee

Michael Tiemann called on Jim DeCristo, Interim Chief Advancement Officer, to deliver the Advancement Committee report:

- The committee welcomed Ed Lewis as the new Chief Advancement Officer. Mr. DeCristo noted that UNCSCA will benefit from Mr. Lewis' development knowledge and experience.
- All funds are ahead of plan and the Advancement Office had a great December and January. There is more detailed information in everyone's packets.

- The Foundation Board, under Cindy Liberty's leadership, developed a new Endowment Spending Policy that is more in line with other schools throughout the UNC System. The policy allows for operations that are similar to mutual funds, which will allow UNCSCA to maintain consistent distributions, and perhaps generate a little more money in the good years.
- The Advancement Committee of the Foundation Board has been hard at work developing funding for a guest artist series that will provide each art school with additional funds to bring in guest artists. The first fundraiser is scheduled for February 18th at Forsyth Country Club to support *Guys and Dolls*. 127 people have RSVP'd to this event so far. We are well on our way to raising \$27k to endow the guest artist fund and each school has already \$1,000 to jump start their guest artist program.
- The latest issue of the UNCSCA magazine is at the printer and will be mailed soon.
- *The Nutcracker* celebrated a record setting year for scholarship funds under the marketing and presenting leadership of Katharine Laidlaw.
- The *Guys and Dolls* gala is sold out. 54 tables have been confirmed and 3 more will probably be added. \$380k has been raised through cash and pledges. Special thanks to Elizabeth Madden for helping us secure a \$50k sponsorship gift from Wells Fargo, lead sponsor of the gala, and Shelby Chaden for helping the school with a \$25k gift from Hanes Brands.

Report from the Finance Committee

Don Flow reported in Charlie Lucas' absence. He reported that Carin Ioannou presented the Financial Analysis of both the state side and receipt based operating funds. The revenue collected as of December 31st is above average and school's spending percentage is slightly below average. An overall analysis showed UNCSCA is in a very good position half way through the fiscal year.

Ms. Ioannou also reported that UNCSCA exceeded the budgeted target of 1,175 students. With an increase in current Admissions applications over prior year's numbers, we are hopeful our enrollment targets are reached again next year.

Stephen Atkinson, our University Architect, gave the construction update. The details are included in everyone's packets. The UNCSCA construction office expects to turn over all of the newly constructed buildings by the end of the month to the operating units.

George Burnette provided a legislative update.

Report from the Personnel Committee

Michael Tiemann called on James Lucas to deliver the Personnel report:

- Mr. Lucas thanked Mr. Tiemann for agreeing to Chair the Personnel Committee through the remainder of the academic year.
- A quorum was confirmed and minutes from the previous meeting were approved.
- A new person will be hired within Human Resources to alleviate the Title IX coordinator of some of her other duties during investigations. UNCSCA currently has 6 ongoing investigations; a statistical report of those investigations will be given in the future.

- UNCSA has recently experienced 9 resignations; 1 of the 9 was involuntary. The School has also had 9 new hires, including Ed Lewis, the new Chief Advancement Officer, and Susan Brittain, Grant Writer and Program Manager at the Kenan Institute.
- The Chancellor's new organizational chart has affected HR. The department will now report directly to the Chancellor, but Mr. Lucas pointed out that HR reports to the campus as whole.
- Mr. Lucas thanked David English for his hard work in completing the Management Flexibility Survey. The results of this survey are at everyone's seat. This year's results are very similar to those of the last survey. This is a requirement that must be completed each year. The only new information is the introduction of faculty rank and faculty pay scale.

Report from the Educational Planning Committee

Greer Cawood called on Ward Caldwell to deliver the Student Affairs. He reported the following:

- Residence Life reported that High School dorms are at 96% occupancy and College dorms are at 99% occupancy.
- A new fellowship through ACT in Seattle, WA has been established with the help of the Kenan Institute. Applications will soon be accepted.
- The School of Dance's PLUCK Project is going to NY for an annual performance on March 9th at the Alvin Alley City Theatre.
- Ann Potter, Director of Health service for 24 years is retiring.
- The Registrar has ordered diplomas. We are anticipating 127 High School graduates, 39 Graduate student graduates and 167 Undergraduate graduates.
- Admissions has already received 1,723 applications for the next academic year; this is a significant increase from this time last year.
- After intense recruitment efforts, the School of Music is seeing increases in the number of applicants.
- We anticipated an enrollment of 1,175 for the 2014-15 academic year; our final count is 1,198 students.
- UNCSA's Study Abroad Program is in full swing. This year 40 students will participate in 6 trips to Germany, Haiti, England, Japan, Taiwan and a tour of England, France and Italy.

Ms. Cawood called on David English to deliver the Academic Affairs Report:

- Two Dean searches are underway for Design & Production and the High School Academic Program.
- Excellence in Teaching Award Recipients have been named; more information about them will be forthcoming on the UNCSA website.
- Faculty rank is in full swing. This is the first year of processing applicants for faculty rank promotion. 24 faculty members are applying and their portfolios are currently in the hands of the Faculty Rank Committee.
- The Board of Governors has invited a number of campuses to present the tuition and fees proposals in person; this is good news for UNCSA as George Burnette, Lindsay Bierman

and David English were invited to explain the tuition and fee increases and the fact that 2/3 of the increased revenue proposed for faculty salaries. UNCOSA's faculty is grossly underpaid, which is a strategic problem for keeping top-notch faculty.

Ms. Cawood called on Zach Saffa to deliver the Student Government Association report:

- SGA has started a student-to-student communication forum. The goal for the forum is to communicate to the students from the students, with a long-term goal of being on new website.
- Student safety has greatly improved thanks to Ward Caldwell, George Burnette and Chris Boyd. Lighting issues have been fixed, and the tunnel is open.
- SGA is working with Steve Gallaher to improve new student orientation.
- A campus-wide town hall is being planned for next month. This event will feature faculty, staff and students and prompts will be sent out ahead of time.
- SGA leadership applications will open on Monday; Mr. Saffa is anticipating a lot of applications for leadership roles.

Report from the Governance Committee

Erna Womble reported the following in Charlie Lucas' absence:

The Governance Committee met yesterday afternoon. A quorum was not present and no actions taken, but two items need to be brought before the Board for approval.

The Kenan Institute requested approval for a new member of the Board of Advisors. Corey Madden presented Shelton G. Stanfill, principal of SGS limited, as a potential new member. The Board's Nominating Committee vetted 12 proposed members and Mr. Stanfill rose to the top. The Kenan Institute's Board of Advisors unanimously approved Mr. Stanfill for a 3-year term.

MOTION: Rob King made a motion to approve Shelton G. Stanfill for a 3-year term on the Kenan Institute Board of Advisors. Steve Berlin seconded and the motion was unanimously approved.

The second item is a revised Board of Trustees meeting date. The Board of Governors has moved their December 2015 meeting dates to December 10-11, so we will now need to move our dates back to December 3-4, as they were originally scheduled.

MOTION: Mr. King made a motion to move the December 2015 Board of Trustees meeting dates from December 10-11 to December 3-4 due to a conflicting Board of Governors date change. Elizabeth Madden seconded and the motion was unanimously approved.

Report from Chancellor Bierman

Chancellor Bierman thanked Zach Saffa for his service to UNCOSA as the SGA President and welcomed Ed Lewis as the new Chief Advancement Officer. He also named Jim DeCristo as the newly appointed Chief of Staff. In this position, Mr. DeCristo will oversee Marketing and Communications, as well as a newly formed Digital Media department, in addition to his usual External Affairs duties.

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Chancellor Bierman discussed the recent expansion of his cabinet. A 13 member group, representing diverse areas of campus, will now work closely with the Chancellor to handle issues and other university concerns.

The Chancellor also noted the incredible accomplishments of current students, alumni, faculty and staff, and went on to discuss vacancies in key leadership positions that will set the course for UNCOSA over the next half century. He finished his report citing his recent Op Ed in the *Winston-Salem Journal*, highlighting the important role the arts plays in innovation and what kind of impact UNCOSA can have on not only Winston-Salem, but society as a whole.

Move to Closed Session

MOTION: Michael Tiemann moved to go into Closed Session to prevent the disclosure of privileged information under N.C.G.S. 143-318.11(a)(1). Erna Womble seconded and the motion was unanimously approved.

Return to Open Session

Chairman King reported that the Board approved the Closed Session Minutes from the last meeting and discussed an Endowment Fund Board decision.

Closing Remarks/Adjournment

Chairman King reminded all voting Trustees that their Statement of Economic Interest (SEI) and the UNC Disclosure Form for all non-voting members are due by April 15th. Amanda will send out more detailed information.

With no further business to discuss, the February 13, 2015 meeting of the Board of Trustees adjourned at 10:41 a.m.

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