MINUTES
The University of North Carolina at Greensboro
Board of Trustees
February 19, 2015

MEMBERS PRESENT: Susan Safran (Chair), Charles Blackmon, Frances Bullock, Linda Carlisle, Vanessa Carroll, Nathan Duggins, Joseph Graham, Brad Hayes, Lee McAllister, and Ward Russell.

MEMBERS ABSENT WITH NOTICE: Randall Kaplan, Harriett Smalls, David Sprinkle

Chancellor Linda Brady, Vice Chancellor and Assistant Secretary to the Board of Trustees Bonita Brown, Mike Jung, Betsy Bunting (by telephone) and other members of the administration, faculty, staff, students and general public were present.

Chair Susan Safran called the meeting to order at 1:03 p.m.

In accordance with the UNC Board of Governors, Chair Safran then read the following statement:

“As chair of the Board of Trustees, it is my responsibility to remind all members of the board of their duty under the State Government Ethics Act to avoid conflicts of interest and appearances of conflict of interest as required by this Act. Each member has received the agenda and related information for this Board of Trustees’ meeting. If any board member knows of any conflict of interest or appearance of conflict with respect to any matter coming before the Board of Trustees at this meeting, the conflict or appearance of conflict should be identified at this time.”

No conflicts were noted.

Roll call was then read by Bonita Brown and quorum was confirmed.

WELCOME:

Chair Safran thanked members of the Board of Trustees, faculty and staff for adjusting their schedules to accommodate the change of time for this meeting, due to the inclement weather. She updated the Board on the activities of the Chancellor Search Committee including the public forums and online surveys that have allowed people to describe and rank the qualities and traits they hope to see in the next chancellor. Safran indicated that the Leadership Statement is now online. In addition to advertisements in higher education journals, the search firm has sent letters seeking nominations. Safran reported that the next committee meeting is on March 2, 2015 where the Logistics subcommittee will present its recommendation for the ‘expanded confidential group’ selection process. This will slightly widen the number of individuals who will meet the semi-finalists before the committee selects the final three for submission to the Board and to President Ross.

Chair Safran also reported that at the March 2 meeting, President Ross will lead a teleconference video about the current trends in higher education. This presentation was done with the UNCW chancellor search committee and they reported that it was very beneficial.
REMARKS BY CHANCELLOR LINDA BRADY:

Chancellor Brady opened by thanking all the staff on campus for their diligence in making the buildings and grounds safe for students, faculty and staff during the snow, ice and frigid temperatures.

Brady stated that on February 18, the UNC system released the results of its first system-wide study documenting the economic impact of higher education on North Carolina. This report includes a tremendous amount of data on the economic impact of public institutions, including some community colleges, plus many private institutions, and their associated effects on the state and the regions in which they operate. The chancellor reported on the economic impact UNCG has on the 11-county Piedmont Triad Region. [Alamance, Caswell, Davidson, Davie, Forsyth, Guilford, Montgomery, Randolph, Stokes, Surry and Yadkin Counties.]

Brady further stated that the study evaluated economic impact for the 2012-13 academic year, focusing on seven specific categories, including operating spending, research spending, construction spending, business start-ups spurred by the university, student spending, visitor spending, and the impact of alumni on the economic region.

In further highlighting the report, Brady reported:

- That the total spending including relevant multiplier effects, the economic impact of UNCG on the Piedmont Triad Region is $988.6 million - almost $1 billion in real economic value flowing through these 11 counties because of our university. This total includes payroll and operations spending, construction, and spending of the university’s students, visitors, alumni, and associated start-up companies.
- That the study evaluated the return-on-investment generated to students, taxpayers, and to society overall by the university. For the $110 million students invested in tuition, fees, books and supplies they will receive a present value of $1.3 BILLION in estimated increased earnings over their working lives. For every dollar spent, students gain $3.20 in lifetime income, which translates to an annual return of 13.3 percent.
- That for the period evaluated by this study, North Carolina taxpayers invested $182 million to support the operations of UNCG. In return, the people of North Carolina received $627 million, based on the net present value of added tax revenue stemming from our student’s high lifetime income, plus the increased output of businesses. Furthermore, the estimated savings to the public, due to reduced demand for government-funded services, was $195 million. This means that for each dollar invested in the university, the people of North Carolina receive $4.50, an annual return of nearly 12.5 percent.
- That UNCG’s biggest impact on the Piedmont Triad Region is measured in benefits to society.
- That for every dollar that was spent on education at UNCG during the analysis year, North Carolina communities will receive a cumulative value of $11.20 in benefits - the equivalent of $6.5 billion for North Carolina communities.
- That it is important to understand that not all benefits of a university can be measured in dollars. Perhaps our university’s biggest contributions to our region are hope, aspiration, and personal development. Nevertheless, this study demonstrates that the economic impact that can be measured in dollars and cents is truly massive. This system-wide study demonstrates the economic benefit and return on investment that higher education is making in North Carolina.

Chancellor Brady then thanked everyone for being there, and thanked them for all that they do for UNCG, our region, and our state.

Chair Saftan explained that due to the weather conditions, the agenda has been revised to omit the scheduled informational presentations to hopefully be presented at a later date.
APPROVAL OF MINUTES:

The board approved the minutes of the October 2, 2014, November 19, 2014 and December 5, 2014 meetings.

REPORT OF THE EDUCATIONAL QUALITY AND FISCAL AFFAIRS COMMITTEE: – Chair Safran

Chair Safran reported that Vice Chancellor for Business Affairs Charlie Maimone gave three presentations, the first being the 2015 Audited Financial Statement that reviewed the university’s financial report for the year ending 2014. The second was on the Investment Fund Spend Rate. Those presentations are included in the Board materials.

The third presentation was regarding the Phase Two Plan for Spartan Village showing the additional buildings that will complete Spartan Village that would result in an Action Item for Board approval.

The committee then heard a presentation from Vice Provost Alan Boyette on the Tenure. Alan presented the history, the purpose of tenure and walked us through the process for a faculty member to obtain tenure and the process for review after tenure was obtained.

Provost Dunn then gave us an update on transitions in Academic Affairs. Dean Jerry Pubantz, from the Honors College will be returning to the faculty and an internal search will be conducted to find a new Dean. Dean Tim Johnston from the College of Arts and Sciences will be retiring and a national search will be conducted for that role.

The Provost then spoke about the First Faculty Summer Scholar Support Awards that will provide $5,000 awards to faculty to continue their research and scholarship over the summer. The program was funded by a donation from an alum and Dunn is working with University Advancement to raise more donor support.

ACTION ITEMS:

The board then moved on the following action items:

1. It is recommended that the Board of Trustees of The University of North Carolina at Greensboro approve the proposed change to administrative guidelines for the appointment of advisory boards. The change replaces the last step—the five day wait period for comment from the Board of Trustees – with an annual report to the Board of all such appointments. The revised Item IV.B.3 would be changed to read, “Upon approval, the Provost forwards recommendations to the Chancellor for final approval. The Chancellor provides an annual report to the Board of Trustees of all such appointments.”

Hayes made the motion to approve and Duggins seconded. All approved and the motion carried.

2. It is recommended that the Board of Trustees of The University of North Carolina at Greensboro approve the establishment of the Center for Housing and Community Studies.

The Board asked if this proposed center met the new proposed guidelines by the UNC system Board of Governors. Dunn replied that it did.

McAllister made the motion to approve and Bullock seconded. All approved and the motion carried.
3. It is recommended that the Board of Trustees of The University of North Carolina at Greensboro authorize the University administration to proceed with this project and to approve the resolution that allows UNCG to enter into lease arrangements with the Capital Facilities Foundation, Inc. for Spartan Village Student Housing Phase II. Further, the Board authorizes the administration to seek approvals from the President/Board of Governors and work with the State Property Office as required under State law and Board of Governors regulations.

Russell made the motion to approve and Duggins seconded. All approved and the motion carried.

**REPORT OF THE UNIVERSITY ADVANCEMENT COMMITTEE: - Chair Carlisle**

Chair Carlisle reported that the fundraising for the fiscal year through December 31, 2014 is just over $5.2M which is up on last year by 6%. Also, as of January 31, 2015, trustee participation is at 100%, and she thanked the Board for their outstanding support. The donor participation of both the Excellence Foundation Board and Alumni Association Board will be added to the published data. One of the key focuses for this year is to increase alumni participation and as of January 30, 2015, for all alumni, participation in the Annual Fund has increased by 50% over last year and dollar amounts have increased by 36%.

Carlisle indicated that the investment in First Class postage has yielded over 13,500 address changes through returned mail. This information was not available when bulk mail rate was used in the past. The committee was shown a chart of giving trends across the decades. Over 50% of graduates from the 70’s have made at least one gift to the university. Unfortunately every decade after that declines, to a rate of 13% for the 2000-09 decade. This analysis has prompted a plan to survey alumni, which will identify by decade what motivates our alumni to engage with the university post-graduation, and also gauge their interest, giving patterns and loyalty to the university.

Carlisle reported that the campaign strategy discussion centered on an article about cultivating a culture of philanthropy. Carlisle then shared interesting data with the Board: UNCG has over 7,000 donors who have given to the university for 15 years or more. Over 4,900 have given for 20 years or more; 2,000 for 30 years or more; 700 for 40 years or more; and 60 living donors who have given for 50 years or more. The success of the next campaign will very much depend on connecting with these thousands of sustaining donors and UA team will be focusing on this group.

The committee reviewed naming opportunity giving levels in the new Student Recreation Center and approved a guideline for fundraising efforts which will assist the development staff as they talk with potential donors. All naming recognition will come before the Board for individual approval following review and recommendation by the UA committee. Based on the naming opportunities available, up to $17M could be raised, including the naming of the center itself. Monies raised will be used for the maintenance and enhancement of the rec center, and can help offset increases in student fees in the future.

VC for University Advancement Jan Zink discussed with the committee the University Relations interim structure. Currently 5 of 16 positions are filled and 2 positions are in the recruitment process. The services of contract personnel will be utilized during this interim phase. There are no additional new hires planned until the next chancellor is onboard.

**ACTION ITEM:**

The board then voted on the following action item already approved by the UA committee and on the table:
4. It is recommended that the Board of Trustees of The University of North Carolina at Greensboro approve adding the immediate former chair of the Board of Trustees and the Vice-Chair of the Board of Trustees to the Board for the Endowment Fund of The University of North Carolina at Greensboro.

All approved.

REPORT OF THE ATHLETICS COMMITTEE: - Chair Blackmon

Committee Chair Charles Blackmon reported that AD Kim Record provided an update on the Athletic Department. She addressed men’s and women’s basketball and stated that while they are not where she expected in regards to wins and losses, they both continue to do the right things and work on building a strong foundation for each of those programs. Spring sports that are currently competing are baseball, softball, men’s & women’s tennis and men’s and women’s golf with outdoor track beginning in March.

She also provided an academic update and shared that 60% of the student-athletes were over a 3.0 and 5 freshmen achieved a 4.0 for the Fall 2014.

Record talked about the importance of community engagement to the department and that to date, the student-athletes and staff have completed over 1000 hours of community service.

Blackmon noted that the committee had a wonderful presentation by one of the groups who participated in the UNCG Leadership Institute. The UNCG Leadership Institute is designed to provide staff, faculty and administrators with a significant, year-long opportunity to increase their leadership skills, accelerate their own leadership performance and the opportunity to engage in a project to work through challenges facing higher education.

The group’s presentation was entitled Wisdom and Strength: Athletics and Academics at UNCG and examined the positive role that collegiate athletics can play on a university campus. The presentation was excellent and gave facts and statistics on athletics, taught us the fight song, and introduced a new partnership with Minerva. They discussed such topics as sources of funding, academic performance, role of athletics on a university campus, and provided immediate and long term recommendations for supporting student athletes and engaging the student body with Athletics.

The group also provided up to date information on the strong academic statistics from the Fall 2014 semester:
  o 131 student-athletes earned Athletic Director Honor Roll status (achieving a GPA of a 3.0 or higher)
  o Women’s Golf achieved a 3.54 GPA as a team with 100% of the team achieving over a 3.0 GPA.
  o UNCG student-athletes have a higher GPA in 32 of 39 majors.
  o Student-athletes graduate at higher rates than the general student body
    ▪ Student-athletes: 62%, General Students: 55%
  o Student-athletes have a higher cumulative GPA than the general student population.
    ▪ Students: 2.93, Student-Athletes 3.07)

REPORT OF THE AUDIT COMMITTEE: – Chair McAllister

Committee Chair Lee McAllister reported on the Audit Committee teleconference meeting from February 18, 2015.

McAllister reported that there was an internal audit review of the Intercollegiate Athletics Program activities of
fiscal year ended June 30, 2014. This audit was completed with no exceptions and no findings.

An external audit review of the financial statement of The University of North Carolina at Greensboro for the fiscal year ended June 30, 2014, which is one of the most important audits for the university. It consists of two reports; first, the Independent Auditor’s Report on the financial statement and, second, the Independent Auditor’s Report on Internal Control and Compliance. There were no reportable findings.

Also reviewed was the external audit of the financial statement of The Alumni Association of the University of North Carolina at Greensboro for the fiscal year ended June 30, 2014. There were no exceptions in the financial statement, but there were findings in the deficiency of internal controls. General ledger account balances that could be supported by documentation provided by third parties (statements) or internally produced subsidiary ledgers did not agree to that documentation. The Director of Alumni Affairs and the Chairman of the Alumni Association were on the teleconference call and they confirmed that this issue has been resolved.

The committee heard about the Quality Assurance Review, a peer review. This is the first time UNCG has had a peer review. The purpose of the review is to evaluate and express an opinion on Internal Audit function’s compliance with Institute of Internal Auditor Standards. The field work for this review is scheduled for the week of March 2-6, 2015.

INFORMATION ITEMS:

The following information items were distributed to board members for review in advance of the meeting. There were no questions or comments.

1. Research and Engagement Update
2. International Program Update
3. UNCG Investment Fund Update
4. Quarterly Facilities, Design & Construction (FDC) Update
5. Architects & Engineers appointed by the Chancellor
6. Housing and Board Rates 2015-16
7. Quarterly Enrollment and Tuition Update

Brad Hayes moved that the board go into Closed Session to prevent the disclosure of privileged personnel information under Chapter 126 of the North Carolina General Statutes, and to prevent the premature disclosure of honors or awards, and information protected by the Family Educational Rights and Privacy Act (FERPA) and to consult with University Counsel in order to preserve the attorney-client privilege with regard to the handling of a claim.

The motion was seconded and approved.

CLOSED SESSION:

APPROVAL OF MINUTES:

The Board asked that the agreed BOT statement be added to the minutes of the Closed Session on October 6, 2014. The rest of the minutes were approved.

The board then moved on the following action items.

1. It is recommended that the Board of Trustees of The University of North Carolina at Greensboro approve the Personnel Report dated January 22, 2015.
All approved and the motion carried.

2. It is recommended that the Board of Trustees of The University of North Carolina at Greensboro approve the candidate to be added to the pool of potential candidates for University Honorary Degree.

The Board asked who serves on the University Honorary Degree committee. Both Bullock and Carroll, along with faculty, staff and members of the Office of the Provost are on the committee. The Board was reminded that nominees stay in the pool for three years.

All approved and motion carried.

3. It is recommended that the Board of Trustees of The University of North Carolina at Greensboro approve for the Director of Athletics to have the flexibility to reappoint head coaches whose contracts are set to expire on June 30, 2015 to either a 1 (one) or 2 (two) year extension.

All approved and the motion carried.

4. It is recommended that the Board of Trustees of The University of North Carolina at Greensboro affirm the Dean of Student’s decision to accept the hearing panel’s recommendation of student Suspension and Restitution for the reasons set forth in the Board materials.

All approved and the motion carried.

INFORMATION ITEM:

1. Management Flexibility Annual Summary Report

The Board asked if this item content should be included in Closed Session. Dr. Chun replied that some of the positions listed could identify individuals. There were no additional questions or comments.

Personnel Matters

The Chancellor introduced Interim General Counsel Betsy Bunting to the Board and explained that Mrs. Bunting will serve in this capacity through July 2015. An external search for a permanent General Counsel has been launched and the search committee will be chaired by Vice Provost Alan Boyette. The goal is for finalists to be selected by the end of May, which will allow the incoming chancellor to make their appointment.

Chancellor Brady then updated the Board on the department of University Relations. Paul Mason has resigned and accepted another position outside the university with an undisclosed employer. All matters related to the three members of University Relations have been resolved.

The Board received an update on the Academic Inquiry reported at the September 5, 2014 board meeting.

The Board moved to return to Open Session.

OPEN SESSION:

Chair Safran reminded the Board about Commencement on May 8 and the first class graduating from the UNCG Middle College on May 20.
The Board moved to adjourn.

**ADJOURNMENT:**

The meeting was adjourned at 2:31 p.m.

Respectfully submitted,

Bonita J. Brown
Assistant Secretary to the Board of Trustees