

Approved by the BOT  
December 12, 2014

**University of North Carolina School of the Arts  
Board of Trustees Meeting  
Friday, September 26, 2014  
9:00 a.m.**

**Open Session Minutes**

**Trustees Present**

Rob King, Chair  
Noel 'Skip' Dunn (phone)  
Stephen Berlin  
Greer Cawood  
Don Flow, Secretary  
Sandi Macdonald, Ex Officio  
Susan Kluttz, Secretary of Cultural Resources  
Claire Christopher  
Charlie Lucas  
Elizabeth Madden  
Isaac Green (phone)  
Michael Tiemann, Vice Chair  
Erna Womble  
Tom Kenan, Emeritus  
Lynn Eisenberg, BOV Liaison  
Zach Saffa, SGA President  
Chris Chapman, Foundation Liaison

**Trustees Absent**

Mariana Qubein  
Phil Nelson, Emeritus  
Justin Poindexter, Alumni Rep.

**Other Guests Present**

John Hinton, Winston-Salem  
Journal Reporter

**Faculty/Staff Present**

Lindsay Bierman, Chancellor  
George Burnette, Chief Operating Officer  
David Nelson, Provost  
Jim DeCristo, Dir. of Economic Dev/External Affairs  
Carrie Johnston, General Counsel  
David English, Vice Provost  
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  
Shannon Henry, Internal Auditor  
Wade Weast, Dean of Music  
Susan Ruskin, Dean of Film  
Ward Caldwell, Dean of Student Affairs  
Dean Wilcox, Dean of Liberal Arts  
Jamie Call Blankinship, Interim Dean of Design & Production

Brenda Daniels, Asst. Dean of  
Dance  
Carl Forsman, Dean of Drama  
Jill Lane, Dean of the High School  
Chris Boyd, Assoc. Vice  
Chancellor for Facilities Mgmt.  
Lynda Lotich, Associate Director  
of the Kenan Institute  
Marla Carpenter, Dir. of  
Communications & Marketing  
Suzanna Watkins, Dir. of Ed.  
Outreach & Summer Programs  
Cindy Liberty, Ex. Dir. Foundation  
Lauren Whitaker, Marketing  
Lisa Ransom – Major Gifts Officer  
Jose Pablo Salas Rojas – Ex. Asst.  
to the Chief Advancement Officer

Approved by the BOT  
December 12, 2014

### **Convening Open Session**

Chairman Rob King convened the September 26, 2014 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 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.

### **Oath of Office**

Marcie Rowdy, Notary Public from Human Resources, administered the Oath of Office to Mr. John Zachary Saffa, the new Student Government Association President.

### **Approval of Open Session Minutes from April 25, 2014 and July 9, 2014**

**MOTION: Charlie Lucas moved to approve the Open Session minutes of the April 25, 2014 and July 9, 2014 Board of Trustees meetings. Michael Tiemann seconded and the minutes were unanimously approved.**

### **Report from the Audit Committee**

Don Flow reported that the Audit Committee met on Wednesday, September 9. Shannon Henry, Internal Auditor, led a discussion of external audits and informed the committee that the Office of State Auditor's 2013 financial statement and student financial aid audits are underway. No issues were identified in the Information Technology portion of the audit.

Ms. Henry also provided updates on internal audit operations while the committee reviewed the results of the following internal audit reviews:

1. 2013-2014 Vendor Contracts Audit Final Report

The auditor reported deficiencies in the University's system access rights and internal processes surrounding the procurement of goods and services. The identified deficiencies increase the risk of liability and penalties due to noncompliance with Federal and State laws. The University responded positively to the audit issues and is in the process of implementing corrective measures. Internal Audit will follow-up within the audit year to evaluate the University's progress toward implementing corrective measures.

2. 2013/2014 Business Continuity/IT Disaster Recovery Audit Draft Findings

The audit identified deficiencies in the University's controls to ensure risks are effectively managed in the event of a disaster or other business disruption. The audit report is underway and will be presented to the committee at the next scheduled meeting.

3. The 2014-2015 audit plan was submitted to the Audit Committee for review and approval.

Added to the audit plan were projects in each of the following major functional areas: IT and Campus Police

4. The Internal Audit operation is currently undergoing a quality assessment review to ascertain whether or not the office is operating in compliance with Internal Auditing standards.

Approved by the BOT  
December 12, 2014

### **Report from the Endowment Fund Board**

Chairman King reported that George Burnette presented the Investment Summary ending June 30, 2014. All funds are continuing to do well. All investments had distributions last year.

### **Report from the Advancement Committee**

Michael Tiemann reported that Advancement is gearing up for another successful fundraising year. He reviewed last year's fundraising performance and noted record levels of success. Mr. Tiemann also thanked Chancellor Bierman for his report encouraging everyone to do more for this special school, and well as Jim DeCristo for his leadership and service of Advancement as they continue their search for a new Chief Advancement Officer.

Mr. Tiemann thanked Cindy Liberty for her leadership of the Foundation and congratulated the office for receiving a clean audit. The Foundation Board had 100% participation to the Annual Fund and is ramping up the New Guest Artist Endowment, with a goal of \$30,000 in the first year.

### **Report from the Finance Committee**

Charlie Lucas reported that George Burnette presented the Financial Analysis for June 30 and August 31, 2014 for the School's operating account. The budget is currently on track for the year. Currently, we are slightly overenrolled and have collected a little more than 50% of our tuition receipts for the fiscal year. Mr. Burnette also presented the recently approved BOG Four Year Tuition Plan. The plan will allow a maximum of 15% of total tuition to be set aside for Financial Aid. Currently, UNCSA has 10.6% of total tuition set aside for financial aid, which is well within the BOG's guidelines. Tuition and Fees increases will be capped at 5% for Resident Undergraduate Students for each of the next four years.

Lisa McClinton, UNCSA Controller, presented the requested write-offs for Student Accounts and outstanding student emergency loans totaling \$18,061.44. These are really old accounts and will still be subject to state collection procedures even after they have been written-off the books.

**MOTION: The Finance Committee moved to write-off outstanding student emergency loans totaling \$18,061.44. Elizabeth Madden seconded and the motion was unanimously approved.**

Chris Boyd gave a construction update. He presented information regarding the UNCGA Energy Savings Initiative. UNCSA is one of 14 UNC System Schools participating in the system-wide initiative. UNCSA will be upgrading over 13k lighting fixtures.

Mr. Burnette gave the legislative update. The UNCSA Budget Office is currently working on the continuation and expansion budget submission for the Governor's budget for the upcoming legislative long session. The School is anticipating a possible reversion for this fiscal year and is trying to plan accordingly.

Approved by the BOT  
December 12, 2014

### **Report from the Personnel Committee**

Michael Tiemann reported in Mariana Qubein's absence. He noted that James Lucas and Delores Harris from Human Resources gave a very good and thorough report on Title IX. They updated the committee on trainings and tools used to inform the campus about Title IX and its importance; these other tools include posters, door hangers in the dormitories, and Title IX orientation for new students and employees.

### **Report from the Educational Planning Committee**

**MOTION: The Educational Planning and Policies and Student Affairs Committee made a motion to change the committee name to the Academic and Student Affairs Committee. Don Flow seconded and the motion was unanimously approved.**

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

- Dormitory occupancy is at 103%. This is 2% more than last year and 9% more than the year before.
- UNCSA currently has 228 high school and 541 college students enrolled.
- Thomas Espenschied has been moved into a focused position. He is now is the Associate Director for Student Conduct and oversees Title IX, 504 and sexual misconduct issues. He is over all student judicial programs.
- Dr. Thomas Murray from the Counseling and Testing Center has received the 2014 Professional Leadership Award.
- Admissions is hard at work recruiting for the 2015-16 academic year. So far, 136 applications have been received versus 111 this time last year.
- Music is working on a recruitment plan to ramp up enrollment numbers for next year.
- MStoner web design firm has been selected to design the new UNCSA website.

Mrs. Cawood called on Provost David Nelson to deliver the Academic Affairs report. He reported the following:

- The Summer Programs report is in everyone's packet. It includes numbers for the past year, including over 600 students enrolled and \$1.5M generated.
- Enrollment numbers are very good and the School is already beginning to look at projections for next year and how that can impact tuition and fees.
- The Teaching and Learning Center is up and running under the interim leadership of Joe Lopina, a member of the Film faculty. The search for a Director is underway. Once the library is open, the Center will reside above the café.
- A new faculty listing is at your seat.
- The Institutional Effectiveness Committee has been established to assess and measure the work that we do, and manage the SACS accreditation process.
- Joe Tilford is in the process of returning to the Design and Production Faculty. He thanked Jamie Call Blankinship for leadership as Interim Dean of the School of Design and Production. A search committee will soon be appointed to search for the new, permanent dean.

Approved by the BOT  
December 12, 2014

Zach Saffa, SGA President, informed the Trustees that orientation went very well for new SGA members. Three meetings are being planned for each semester this academic year. Mr. Saffa also noted that MStoner met with 1<sup>st</sup>, 3<sup>rd</sup> and 4<sup>th</sup> year students groups to hear their thoughts on the new UNCSA website.

### **Report from the Governance Committee**

Charlie Lucas reported that the Governance Committee reviewed the terms of current board members and noted that Claire Christopher and Don Flow are not eligible for reappointment. Further review and recommendations will be discussed at the December meeting. Jim DeCristo provided a legislative update to the committee, and liaisons to both the Board of Visitors and Foundation Board were discussed.

**MOTION: The Governance Committee moved to approve Elizabeth Madden as the Board of Trustees liaison to the Board of Visitors and Rob King as the Board of Trustees liaison to the Foundation Board. Erna Womble seconded and the motion was unanimously approved.**

### **Report from Chancellor Bierman**

Chancellor Bierman delivered his first report to the Board of Trustees. In it, he thanked the Trustees for their leadership in the community and the advocacy they do on behalf of UNCSA. Chancellor Bierman noted that this special school exists to make dreams come true, and that important mission is what motivates him. Despite budget constraints, staffing needs and organizational issues, UNCSA will overcome these challenges with resourcefulness and innovation.

He noted the incredible accomplishments of current students, alumni, faculty and staff, and went on to discuss his three priorities for the year ahead:

#### 1. Raising money

While more than \$5 million was raised during fiscal year 2014, more is needed to address our competing priorities across the campus, offset continuing declines in state funding, compete with our peers on scholarships, and make a dent in capital projects like the Stevens Center.

#### 2. Changing our image

It is time to present UNCSA as a more modern, forward-leaning institution--one that remains dedicated to classical training but becomes much more responsive and relevant to modern audiences. It all starts, of course, with our website. After a long search process, the contract has been awarded to an experienced and accomplished firm, MStoner, whose team will lead us through the process over the next year. Social media will continue to be a part of marketing strategy, and we will begin to explore online learning programs that can provide new educational opportunities, enhance existing programs, leverage the resources of the UNC system, and generate incremental revenue.

#### 3. Building alliances

UNCSA needs to drive the creative economy of Winston-Salem and become more fully integrated in the life and heart of the city. To that end, Chancellor Bierman has joined the Winston-Salem

Approved by the BOT  
December 12, 2014

Alliance to network with leaders in business, education and government, and to seek out opportunities to build alliances beyond the city limits, throughout the state, and across the country. We are even looking as far afield as China, where we have an opportunity to share our expertise and break into a lucrative market. Strong alliances and partnerships support recruitment, fundraising, and entrepreneurship. It's our way of the future.

**Move to Closed Session**

**MOTION: Michael Tiemann moved to go into Closed Session to prevent the premature disclosure of an honorary degree, scholarship, prize or similar award under N.C.G.S. 143-318.11(a)(2), and to consider the qualifications, competence, performance, or condition of appointment of a public officer or employee or prospective public officer or employee under N.C.G.S. 143-318.11(a)(6). Charlie Lucas seconded and the motion was unanimously approved.**

**Return to Open Session**

Chairman King reported that the Board discussed personnel issues and honors to be announced at a later date.

**Closing Remarks/Adjournment**

With no further business to discuss, the September 26, 2014 meeting of the Board of Trustees adjourned at 10:59 a.m.

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