

**DRAFT OPEN SESSION MINUTES**

February 7, 2019

University of North Carolina School of the Arts  
Hanes Student Commons, Eisenberg Social Hall  
Winston-Salem, North Carolina

**\*denotes voting Trustee**

**TRUSTEES PRESENT**

\*Ralph Womble, Chair  
\*Erna Womble, Vice Chair  
\*Steve, Berlin, Secretary  
\*Greer Cawood  
\*Phillip Horne  
\*Greer Hutchison, SGA President  
\*Mark Land  
\*Michael Tiemann  
Al Crawford, Ex officio Alumni Representative  
Peter Juran, Foundation Liaison

**GUEST PRESENT**

Philip Byers, Board of Governors Liaison

**TRUSTEES ABSENT**

\*Pete Brunstetter  
\*Skip Dunn  
\*Anna Folwell  
\*Rob King  
\*Elizabeth Madden  
Susi Hamilton, Ex officio  
Sandi Macdonald, Ex officio  
Sue Henderson, BOV Liaison  
Tom Kenan, Emeritus

**STAFF PRESENT**

Lindsay Bierman, Chancellor  
Amanda Balwah, AVC for Institutional  
Integrity and Secretary of the University  
Matt Horvat, Chair of Staff Council

David Harrison, VC for Institutional Integrity  
and General Counsel

Jim DeCristo, VC for Economic  
Development & Chief of Staff

Michael Smith, VC for Finance and Administration  
Ed Lewis, Vice Chancellor for Advancement  
Shannon Henry, Chief Audit, Risk and Compliance Officer  
Ward Caldwell, Vice Provost & Dean of Student Affairs  
Claire Machamer, Vice Chancellor for Strategic Communications  
Corey Madden, Executive Director of the Kenan Institute  
Cindy Liberty, Executive Director of the Foundation  
Scott Zigler, Dean of Drama  
Dean Wilcox, Dean of Liberal Arts  
Martin Ferrell, Dean of High School Academics  
Jeremy Serkin, Digital Media CRM  
Elizabeth White, Web Producer  
Ginger Caston, Office of Academic Affairs  
Jackie Riffle, Director of Budget  
Erin Baker, Ex. Assistant to the Chancellor  
Steve Martin, AVC for Facilities

Valerie Thelen, Chief Compliance Officer and Director of Title IX  
Neill Soffer, Video Content Producer  
Sarah Craven, Administrative Project Manager, Teacher and Learning Center  
Katherine Johnson, Director of Media Relations and Communications  
Joan Roggenkamp, Ex. Assistant to the Chief of Staff  
Lauren Whitaker, Media Relations Manager  
Sharon Fogerty, Community and Summer Programs  
Wiley Hausam, Managing Director of Performance Facilities  
Lisa McClinton, AVC for Finance and Controller  
Marla Carpenter, Director of Communications  
Jason Czaja, Campus Performance Facilities  
Matt Buie-Nervik, Campus Performance Facilities  
Suzanna Watkins, Director of Educational Outreach and Summer Programs

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## **CONVENE OPEN SESSION**

Chairman Ralph Womble convened the February 7, 2019 meeting of the University of North Carolina School of the Arts Board of Trustees at 11:00 a.m. Chairman Womble 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. He also welcomed Governor Byers to the meeting.

## **APPROVAL OF MINUTES**

**MOTION: Michael Tiemann moved to approve the minutes from the December 7, 2018 meeting as presented. Mark Land seconded and the minutes were unanimously approved.**

## **REPORT FROM CHANCELLOR BIERMAN**

Chancellor Bierman shared UNCSCA's Core Institutional Values statement that was recently sent out to the entire campus community. He walked through each of the values and the ways in which UNCSCA is putting action behind the words of this statement. UNCSCA's core values include:

- Community – We embrace diversity and inclusivity to promote mutual trust, respect and a sense of belonging. We are invested in the success of others and treat our colleagues with openness and kindness.
- Collaboration – We foster a caring and collegial team mindset across departments and disciplines. We work to impact the lives of our students and enrich our society. We commit to showing up for our colleagues and learning from others.
- Imagination – We dream big even when we must start small. We seek novel ideas and fresh perspectives to overcome organizational challenges. We're not afraid to buck convention.
- Integrity – We hold ourselves to the highest personal and professional standards. We model ethical conduct, operate with transparency, and strive for excellence in all we do.
- Grit – We persist and persevere to achieve our long-term goals. We look for ways to improve process and productivity. We prioritize actions that fulfill our mission and move us forward.

## **REPORT FROM THE AUDIT, RISK, AND COMPLIANCE COMMITTEE**

Steve Berlin, Committee Chair, reported the following from the Audit Risk and Compliance Committee:

- The ERM Steering Committee has been reviewing the top four risks and where the University is with its mitigation plans. More substantive information will be provided to the committee at the April meeting.
- David Harrison and Amanda Balwah presented the University's work on ERM to the Provost's Council in January to facilitate a better understanding of ERM across UNCOSA.
- The Director of Information Security, Greg Gleghorn, reported that 17 critical departments at UNCOSA are undergoing a Business Impact Analysis (BIA) to establish disaster recovery metrics, response, a business continuity program, and procedures as they pertain to information security.
- Valerie Thelen, UNCOSA's new Chief Compliance Officer and Director of Title IX, was introduced to the committee. Ms. Thelen comes to UNCOSA from the UNC System Office.
- The Human Resources Control Environment Review report has been released. The review identified 7 findings and 15 recommendations. The findings include:
  - Inconsistent and Noncompliant Hiring and Selection Process
  - Inappropriate System Access and Changes
  - Irregular Termination Process
  - Deficiencies with Protocols to Control Confidentiality
  - Insufficient Plans for Effective Operational Management
  - Ineffective Training and Development Program
  - Campus Perception of HR
- Michael Smith, Vice Chancellor for Finance and Administration, responded to these findings and concurred in all material respects. UNCOSA is initiating corrective action to alleviate deficiencies and mitigate risks. UNCOSA's HR Department is undergoing significant managerial and operational transition with the retirement of its Director.

Leadership is capitalizing on this opportunity, with input from UNC System Office HR, to effective positive change.

- Through FY2019 (to date), Internal Audit has completed audits and advisory services resulting in reports with findings that produced 23 written recommendations and 1 verbal recommendation for Finance & Administration, Human Resources, Purchasing, Information Technology, Chief of Staff, Legal, the Provost's Office, and CDI.
- 3 projects have been completed this year and a follow-up of vendor contracts is underway.
- The next planned review is Environmental Health and Safety.
- The creation of the new Division of Institutional Integrity was discussed. The Division was designed to create a more integrated and coordinated approach to the legal, ethical, and compliance requirements that challenge UNCSCA.

## **REPORT FROM THE FINANCE COMMITTEE**

Michael Smith reported the following from the Finance Committee meeting in Elizabeth Madden's absence:

- The committee heard an overview of the residence hall replacement project, which is in its beginning stages and has engaged both Reith Jones Advisors and First Tryon to help look at options to determine what is best for the School.
- Richard Reith from Reith Jones Advisors presented findings, analysis, and a preliminary recommendation that meets the needs of our students.
- Mr. Reith and Don Ubell from First Tryon presented four options for the replacement of Residence Halls A-F and Bailey Street, while also expanding capacity for future potential enrollment growth. The recommendation is to build 420-440 semi-suite style beds, made up of both single and double-occupancy, to open in fall 2021. The entire project is projected to cost between \$38-\$44.4M. UNCSCA is currently evaluating the options.

## **REPORT FROM THE ADVANCEMENT COMMITTEE**

Greer Cawood reported the following from the Advancement Committee:

### **Fundraising Report**

- In an historical first, UNCSCA remains well ahead of budget projections in unrestricted revenue due to receiving campaign gifts comprised of outright three and five-year pledges of five figure gifts made in the family phase of the campaign. UNCSCA also received a \$1 million realized bequest from the estate of former Chancellor Ewing.
- The School is tracking slightly ahead of budgeted projections in temporarily restricted revenue and slightly behind budget projections in permanently restricted revenue.
- As UNCSCA moves through the campaign, the numbers will vary from year to year as large gifts and pledges are received.
- Day of Giving will be April 10. Annual Giving Manager Jaclyn Day, who will be on maternity leave at the end of the month, has been working with Strategic Communications and Alumni Relations Manager Amy Werner to map out a communications strategy and build partnerships with alumni for this day.

### Comprehensive Campaign

- Advancement is moving into the Corporate and Foundation phase of the campaign per the Winston-Salem Foundation Campaign Calendar (January-April 2019). The School's place on the calendar only applies to the larger local institutions, and not those outside of the Winston-Salem/Forsyth County region, which we can approach at any time. We have begun the solicitation process for those local organizations.
- Campaign meetings since September 2018:
  - 19 visits with Foundation Board members, with 4 more scheduled for February and March. (70% complete)
  - 4 visits with Board of Trustees members, with 5 more scheduled for February. (25% complete)
  - 7 visits to Board of Visitors members. (21% complete)
  - That makes for a total of 30 visits with 9 more scheduled in the near future.
- UNCOSA's case statement for Powering Creativity: The Campaign for UNCOSA won a Special Merit Award in the 2018-19 Council for Advancement and Support of Education (CASE) District III awards competition. The district covers the Southeastern US. UNCOSA competed in the Fundraising Publication Category. Over 900 entries were received among all categories according to the Awards/Literature Exchange Committee.

### Staffing

- There is a strong pool of applicants for the Associate Vice Chancellor for Advancement position. The committee has begun reviewing the pool and written responses from the initial phase of the interview process. Skype interviews, which are the second step of the search process have begun.

### Events

- Invitations are out for **NextNow 2019**, which will be on **March 16, 2019**. The Convention Center will be transformed into Club NextNow for a cabaret-inspired evening. The featured performance is an exclusive presentation of the Drama Seniors' Showcase.
- The annual Scholarship Luncheon is scheduled for March 27 at Forsyth Country Club.
- Early planning is underway for the kickoff event for the public phase of the campaign.

### Alumni Relations

- UNCOSA was well represented at the Sundance and Slamdance Film Festivals in January.
- There are several alumni events coming up this spring in conjunction with School of Drama and School of Filmmaking events, including an Atlanta event following the inaugural Drama Showcase there.

### UNCOSA Foundation Board

- Endowment Distribution Calculations have been approved. The total distribution increased by 21% over the prior year and scholarships increased by \$223,000.

- The full board was invited to the Executive Committee meeting to hear from RJA and First Tryon regarding Residence Halls.
- Foundation Board Member Giving is currently at 92% with a total dollar increase of 57% from the prior year. Only 72% of the board members have been met with for campaign asks at the present time.

### **UNCSA Board of Visitors**

- The Board attended a special reception on January 19, 2019 followed by the *Project Joplin* performance where alumni spanning 4 decades return to perform ragtime, jazz, and Americana music.
- The spring board meeting is set for April 11-12.

### **MOTION TO GO INTO CLOSED SESSION**

**Mark Land moved that the board go into Closed Session to prevent the premature disclosure of an honorary degree, scholarship, prize, or similar award, and to prevent the disclosure of information that is not considered a public record within the meaning of Chapter 132 of the General Statutes. Michael Tiemann seconded and the motion was unanimously approved.**

### **REPORT FROM CLOSED SESSION**

Chairman Womble reported that the Board considered emeritus status nominations and discussed other business not considered a public record per Chapter 132 of the General Statutes.

### **OTHER BUSINESS**

Chairman Womble announced that Pete Brunstetter is taking a temporary leave of absence while serving as the Acting Chief Operating Officer for President Roper's transition team at the UNC System Office. He also congratulated Erna Womble on receiving the Chief Justice's Professionalism Award, which is presented annually to an individual whose contributions have demonstrated the highest commitment to genuine professionalism and the highest standards of legal ethics.

### **ADJOURNMENT**

With no further business to discuss, the February 7, 2019 meeting of the Board of Trustees adjourned at 11:50 a.m.