

**The Board of Trustees
of
The University of North Carolina at Asheville**

Minutes
Meeting of October 10, 2014

The University of North Carolina at Asheville Board of Trustees met on Friday, October 10, 2014, in Brown Hall Room 217 on the UNC Asheville Campus.

The following members of the Board of Trustees were present: Kennon Briggs, David Cogburn, JW Davis, Sue McClinton, King Prather, Pat Smith, Cissie Stevens, James Whalen.

The following members of the Board of Trustees were absent: Audrey Byrd Mosley, Piyush Patel, and Virgil Smith.

Others in attendance for some or all of the meeting included: Doug Orr, Interim Chancellor; Buffy Bagwell, Vice Chancellor for University Advancement; Elizabeth Becker, Executive Assistant; Janet Cone, Senior Administrator for University Enterprises and Director of Athletics; Mary Grant, Chancellor-Elect; Debbie Griffith, Associate Vice Chancellor for Communication and Marketing; Bill Haggard, Vice Chancellor for Student Affairs; Ed Katz, Associate Provost and Dean of University Programs; Keith Krumpe, Dean of Natural Sciences; Judy LaMee, Chair OLLI Steering Committee, John Liposchak, Director of Advancement Services; Rob Nelson, Fuquay Solutions; Nicole Norian, Director of Human Resources; Pat Odnakk, Executive Assistant to the Vice Chancellor for Student Affairs; Heather Parlier, General Counsel; John Pierce, Vice Chancellor for Finance and Operations; Steve Plever, Manager of News & Public Relations; Lynn Spaight, Assistant Secretary to the Board; Robert Straub, Chair, Chancellor's Staff Advisory Committee; Monique Taylor, Director of Internal Audit, Joe Urgo, Interim Provost and Vice Chancellor for Academic Affairs; Clifton Williams, Assistant General Counsel.

Opening Remarks

There being a quorum present, Chair King Prather called the meeting to order at 10:15 a.m. Chair Prather reminded trustees of their obligations under the State Ethics Act, and asked trustees to declare if they had conflicts with any items on the agenda. None were mentioned. All present introduced themselves.

Chair Prather thanked Doug Orr for stepping up to serve as Interim Chancellor, September to December, 2014, and asked him to make some opening remarks.

Chancellor Orr thanked everyone for their support. Chancellor Orr reported that the transition is going smoothly. He is giving each member of the board a copy of his new book,

Wayfaring Strangers. UNC President Tom Ross recently hosted a book-signing event at his home (the book is published by UNC Press).

Election of Vice Chair

Chair Prather noted that since Doug Orr was the Vice Chair of the Board of Trustees until his resignation in August, there is now a vacancy in that position. He had previously asked the nominating committee to seek out a candidate for election and called on David Cogburn to report on the committee's deliberations.

David Cogburn reported that the committee had spoken with several trustees and would like to nominate Pat Smith as the Vice Chair. She has agreed to serve. Chair Prather noted that the nomination comes from the committee and asked for a second. Cissie Stevens seconded a motion to approve Pat Smith as Vice Chair for the remainder of Doug Orr's term, June 30, 2015. The motion was approved unanimously with a voice vote. Chair Prather reported that Piyush Patel has agreed to take on the role of Chair of the Finance & Real Property Committee, formerly held by Pat Smith, for the remainder of the year.

Conversation with Mary Grant

Chair Prather introduced Chancellor-Elect Mary Grant for a conversation with trustees.

Chancellor-elect Grant thanked trustees for their support and their warm welcome. She looks forward to leading the organization in ways that it already succeeds: Access, quality education, exceptional scholarship.. She expects that as she starts in January, she will spend significant time getting to know people, understanding the landscape, learning the issues.

Chair Prather asked each trustee to share with Chancellor-elect Grant how he/she came to be involved with UNC Asheville and to add any questions. Each trustee gave a brief introduction and some shared their advice for Chancellor-elect Grant's consideration:

- As the Long Session of NC General Assembly starts in January, build good relationships with the local senators and representatives. Find messages to send to them of our value to the state. Help UNC Asheville get the resources it needs to continue its progress.
- The institution is becoming better recognized in the community and could use help to make it even more visible.
- Get to know the members of the Board of Governors.
- Student Voter Registration – It is important for non-partisan groups to work on registration campaigns and getting students to vote. Also there is a need for voter education as the registration and voting regulations have changed and there is

confusion on whether students can vote in a location other than where they are registered, i.e. can those registered in a home county vote in Buncombe County.

- Sexual assault prevention is a significant campaign for student government administration with education efforts on appropriate behaviors, the meaning of consent, help for survivors, etc. Students want to be part of the solution.
- There is a strong commitment to community service and volunteering and a hope that the new chancellor will get involved in the community and make a difference.
- Lack of graduate programs is an issue. Other universities are entering the market with their programs and it could affect our ability to be Asheville's university. It can also hurt advancement as donations come from people who have a graduate degree.
- Branding and the message of who and what this institution is will be important. Having a new chancellor gives us the opportunity to go out and tell the story of this university again.
- There are so many interesting people who come here and move from all over country. So many layers of talent, not just professional connections, is an asset of this community.

Chair Prather thanked everyone and declared a recess for lunch in the dining hall of Brown Hall. The meeting was recessed at 11:30 am and reconvened at 12:55 pm.

Faculty Panel: Academic Conferences

Chair Prather recognized Interim Provost Joe Urgo to introduce the faculty panel. Provost Urgo described the ways that conferences help faculty members increase their knowledge in the conference subject matter, help them connect their students to outside experts and subjects outside of the prepared syllabus. They also bring attention to the university and build the campus and faculty reputation. Provost Urgo introduced three faculty members who are organizing conferences on campus this year.

Dr. Brian Butler, the Thomas Howerton Distinguished Professor of Philosophy, gave a presentation on the Black Mountain College conferences that have been held in Asheville for the past six years. He gave a brief history of Black Mountain College: While Black Mountain College operated for only 23 years – from 1922-1956 – it contributed much to the worlds of art, architecture and design, literature and music. The conferences were started to celebrate the College's contributions and each year has focused on some of its most famous faculty and students.

Dr. William Bares, assistant professor of music, coordinated a conference on Ecomusics and Ecomusicology that was held October 2-6, 2014. The conference received support from many departments of the university as well as the community of Asheville. During the conference, 50 papers were presented and at least 500 people participated in some program of the conference. These included musical concerts and interdisciplinary programs with music, the sciences, visual arts and nature as elements of the presentation.

Dr. Darin Waters, assistant professor of history, is coordinating a conference on African Americans in Western North Carolina, to be held October 23-25, 2014. It came out of a question he is frequently asked: Are there African Americans in mountains? As a native of Asheville, he wants to address the invisibility of African Americans in this area with research on the topic as well as lectures and discussions with historians from throughout the Appalachian region. In addition to our students and faculty, the conference will include high school teachers from Asheville and Buncombe County and will be open to the general public.

Chancellor's Report

Chancellor Orr reported on his first six weeks as Interim Chancellor.

- He attended the UNC Board of Governors meeting in September, which was held at Western Carolina University. There were several opportunities to interact with the Board of Governors members, which helps build the social fabric. He had opportunities to talk with Senator Apodaca, who received an honorary recognition from the WCU board. He has met with Board of Governors member Joan MacNeill, our campus liaison. The Board of Governors has assigned a second campus "buddy" and ours is Roger Aiken. Chancellor Orr is meeting with Lou Bisette soon, who is currently vice chair of the Board of Governors,
- Yesterday (October 9) he participated in a celebratory ribbon cutting for the Greenway that has been constructed on UNC Asheville's 525 Broadway property.
- Much of Chancellor Orr's time has been spent working with Senior Staff to determine how to accommodate the 2% budget cuts required by UNC General Administration for the 2015-17 biennium. During this process, his goal is to be transparent and communicative to the campus. The budget cuts were discussed at a meeting of the University Planning Council and there is going to be a Budget Forum for faculty and staff next week. The proposed plan is to be sent to the Board of Governors for its consideration at the October 23-24 meeting. The deadline for completion of the entire UNC budget is October 29.
- In this new era for higher education, government allocations are diminishing, and there is increasing need for private revenue and creative financing. One of those is a partnership with the North Carolina Lottery generating income for student athlete scholarships. With the approval of President Tom Ross, some UNC campuses are generating income with a corporate partnership with the Lottery that will mean there will be some specific advertisements for the lottery in context with athletics events,

not general campus ads. We anticipate receiving \$10,000 this first year for athletics scholarships.

- The Board of Trustees Audit Committee met a few days ago and one of its topics is risk assessment and management, especially relevant for budget cuts and future enrollment.
- The University, in this current climate, needs to demonstrate its value, more than ever; show why a college education is worth investing in, especially a liberal arts education. Higher education is not just work force preparation, it is also important for civic engagement and life preparation and that value is not being communicated well enough to our Board of Governors.

Chair Prather called for a break at 2:15 p.m. The meeting re-convened at 2:30 p.m.

State Budget

Chair Prather called on John Pierce, Vice Chancellor for Finance and Campus Operations for a presentation on the state budget and to begin the discussion on Tuition and Fees. Both these topics are applicable for the 2015-16 fiscal year.

John Pierce gave a presentation about the requirement of the Office of State Budget Management to submit a net cut of 2% to the 2015-16 state allocation. This same presentation was shared with the University Planning Council and will also be shared with a university-wide forum in the next week. The presentation laid out the timeline for action, a comparison of our operating budget to other UNC schools and to our peer group, and the proposed cuts by expenditure categories (presentation attached).

The category not included in the budget is capital expenditures. John Pierce reported that Repair and Renovation funds have been cut to \$300,000 this year from \$1.7 million last year. The budget cut proposals are being requested because state revenues, especially from income tax collections, are coming in significantly under what was originally estimated.

John Pierce responded to trustee questions.

Rob Nelson gave a brief background on the history of tuition and fees over the past few years. Tuition is a key part of academic core revenue. Student fees are required for some basic services such as Health Services, Athletics, Student Activities, Education and Technology. The Board of Governors sets guidelines and approves any changes to the campus tuition and fee schedule. This year the Board of Governors has given the following guidance:

- Only 15% of all tuition revenue can be allocated to financial aid.
- Tuition increases may not exceed 5% per year
- In-state tuition rates need to be within the bottom quartile of our public peers. UNC Asheville will meet that requirement.

- Non-resident tuition rates should be market driven and reflect the full cost of education.
- All fees are subject to a 5% cap.

There will be several campus forums on tuition and fees, including student groups. A proposal will be drafted and submitted to the Board of Trustees at its December meeting. Upon approval by the Board of Trustees, the proposal will go to the Board of Governors who will consider all campus tuition and fees proposals at their February meeting. The Legislature has final approval of all tuition & fee increases.

Committee Reports

Finance and Real Property Committee – Pat Smith reported that the university is contracting with MB Haynes and Johnson Controls for a campus-wide lighting upgrade. Current fixtures will be replaced with high efficiency LED lights with a goal of saving about 25% on utility bills each year. The cost of the work will be paid by the utility savings.

University Advancement Committee – Cissie Stevens reported that Mission Health and the Asheville Citizen-Times are going to underwrite Concerts on the Quad for summer 2015. This program was very popular with the community when it was ended as part of earlier budget cuts in 2010. Cissie asked John Liposchak to report on gift giving for the first quarter of 2014-15. Giving to unrestricted funds and the annual fund is increasing. A new campaign for planned giving from bequests, life insurance annuities, etc. has been developed and gift officers are making calls with those requests.

David Kaufman-Moore introduced this year’s Board Challenge: “The goal for the bowl” The challenge is between the Board of Trustees and the Foundation Board and is a “best out of three” competition.

- First board to reach 100% participation
- First board to reach \$40,000
- Board that introduces the most number of new prospects for UNC Asheville

King Prather made a recommendation to accept the challenge from the University Advancement Committee and it was approved unanimously.

Athletics Committee – Kennon Briggs reported that the committee had reviewed the athletics budget, including information about the debt service fee that was approved to provide improvements for the track facility. That work is starting in the near future. They discussed student fees, ticket prices, fundraising and advertising through the IMG partnership, and fundraisers like the golf tournament. Also discussed were Title IX requirements for gender equity in athletics. A women’s golf team is in the planning process. The preliminary NCAA Athletics Performance Rating shows that 5 out of 15 teams had a perfect score of 1000.

Audit Committee - Pat Smith reported that the committee recommends approval of the 2014-15 Internal Audit Annual Plan, as included in today's meeting materials. Ms. Smith reported that Monique Taylor, Director of Internal Audit, made a presentation at a national conference of internal auditors on the peer-to-peer assessment model she developed with Western Carolina University to provide an affordable solution for external assessment of our Internal Audit program. Ms. Taylor responded to trustee questions.

Academic Affairs Committee – Ron Paulus reported that there are several faculty retirements expected in the next few years and Academic Affairs administrators are determining best ways to respond to this generational shift. Enrollment goals are being met or exceeded. National Science Foundation grant applications have been successful, including a grant of \$1.7 million for scholarships with minimal matching fund required. Academic Affairs administrators are working with the Eastern Band of Cherokee Nation for more members of the tribe to attend UNC Asheville, with tribe paying the cost of tuition.

Joe Urgo, Provost and Vice Chancellor for Academic Affairs reported that faculty merit increases were awarded in the range of 5% - 6.5% for achievement.

Student Affairs – Sue McClinton reported that a new app for students called Rocky Shield flashes an emergency blue light in an emergency and is connected to the police department in Asheville so they can locate the student if the app is deployed anywhere in Asheville. Mental health trends continue to show more students coming to college as freshmen without sufficient coping skills. This year there were 61 students who needed help from the counseling services within the first 6 weeks. Ron Paulus commented that there seems to be a mental health crisis in Asheville over the past 6 months with up to 60 people per day requiring mental health services. Ms. McClinton also reported that residence halls are at 105% capacity with some students temporarily housed in the living areas of suites. This supports the need for a new residence facility in the near future. More students, including those residing off-campus, are involved in organizations. James Whalen commented that the number of student organizations is also increasing – from 20 organizations to 70 – and there is a need for more resources for these new groups. The Student Government Association is working on connecting these organizations to each other and to school networks. 45% of students are involved in fitness, athletics, etc.; there are 93 international students; 91% of freshman participated in orientation and 317 students are working on campus. Students work under a performance rubric for campus-based work, so the student can add that job experience to his/her resume.

Closed Session

Chair Prather thanked trustees for their reports and called for a closed session

- to consider the qualifications, competence, performance, or condition of appointment of a public officer or employee or prospective public officer or employee, AND
- to prevent the premature disclosure of an honorary award or scholarship

as allowed by section 143-318.11(a) (2) and (6) of the North Carolina General Statutes.

Ron Paulus moved and James Whalen seconded the motion for the closed session and it was approved unanimously.

The meeting returned to open session at 4:32 p.m.

Consent Agenda

Chair Prather called for a motion to approve the consent agenda, consisting of the following:

- Minutes of July 10 & 11, 2014, Open Session
- Acceptance of Personnel Report and approval of Personnel Actions (as included in closed session materials)
- 2014-15 Internal Audit Annual Plan

Cissie Stevens moved and David Cogburn seconded the motion to approve the consent agenda. There was no discussion and the motion was approved by voice vote.

Closing remarks

Chair Prather thanked Chancellor-elect Grant for being with the trustees today and he looks forward to January when she will start her tenure as Chancellor. He reminded trustees of the board challenge and asked them to make their pledge or gift soon. Chair Prather noted that the next board meeting is December 12, and will be held in the Sherrill Center Mission Health Mountain View Room. December 13 is our winter commencement, with Doug Orr presiding as the chancellor. He noted that Robbie Coin, a student who died of brain cancer recently, will be awarded his degree posthumously, thanks to the efforts of the faculty who made this possible. Robbie's family will be at commencement to recognize and celebrate his achievement.

Chair Prather invited trustees to join him for a special tour of UNC Asheville's new Lookout Observatory. Members of the Asheville Astronomy Club will be there to help celebrate this new facility and thank the Board of Trustees for their support. It is already booked with schools groups who are excited to bring their young students to campus to see the stars. While it will be too early for star-gazing at this time, there is a public event on the evening of October 24 and trustees are invited to come back for that event.

There being no other business to bring to the board, David Cogburn made a motion to adjourn. JW Davis seconded and the motion was approved unanimously.

The meeting was adjourned at 4:42 p.m.

Submitted respectfully,

Approved,

[Redacted]

Lynn Spaight
Assistant Secretary to the Board

[Redacted]

Date

[Redacted]

N. King Prather
Chair

[Redacted]

Date