

**Minutes of the Meeting of the University of North Carolina at Asheville
BOARD OF TRUSTEES**

**Friday, December 15, 2017
Reuter Center, Room 206**

The following Trustees were present:

Kennon Briggs, Chair
Richard Lutovsky, Vice Chair
Wilma Sherrill, Secretary
Karen K. Brown
JW Davis
Tim Hussey, Student Trustee
Bob Long, Jr.
Jim Peterson
King Prather
Robby Russell
Cissie Stevens
Oscar Wong

The following Trustees were absent:

Ron Paulus

Others present:

Mary Grant, Chancellor
Joseph Urgo, Provost and Vice Chancellor for Academic Affairs
Sarah Broberg, Special Assistant to the Chancellor for Communication and Marketing
Suzanne Bryson, Director of Internal Audit
Chelsey Burke, Executive Assistant to the Chancellor
Janet Cone, Senior Administrator for University Enterprises / Athletics Director
Shannon Earle, Chief of Staff
Michael Gass, Director of Institutional Research and Effectiveness
William Haggard, Vice Chancellor for Student Affairs
Mary Hall, Associate Vice Chancellor for Finance / Controller
Laura Herndon, Associate Vice Chancellor for External Relations
Sarah Humphries, Executive Assistant
Amy Jessee, Associate Chief Communication and Marketing Officer
Stacey Millett, Executive Director of Community Engagement
Nicole Norian, Associate Vice Chancellor of Human Resources
Michael Stratton, Chair, Faculty Senate / Associate Professor, Department of Management and Accountancy
Darin Waters, Special Assistant to the Chancellor for Community Outreach
Clifton Williams, General Counsel
Carla Willis, Vice Chancellor for University Advancement

The meeting was called to order by Chair Briggs at 9:03 a.m.

Chair Briggs thanked the Trustees for being present last night at the celebration of Chancellor Mary Grant and Jim Canavan. He noted a full agenda today, followed by the 3rd Annual Trustee Emeriti Luncheon.

Ethics Reminder

Chair Briggs reminded the Board of the duty, imposed by the State Government Ethics Act, to avoid conflicts of interest and appearances of conflict, and allowed members to declare any conflicts. No conflicts stated.

Approval of the Minutes of the October 27, Meetings of the Board of Trustees

Upon a motion duly made and seconded, it was

VOTED: To approve the October 27 Board Meeting minutes, and all action contained therein.

Board of Trustees Bylaws Amendment Item

The Board of Trustees Bylaws were approved and adopted at the last meeting. One additional update to the bylaws, that came to the Board of Trustees for further consideration at that last meeting, was the proposal of changing the name of the Audit Committee, to the Audit and Risk Management Committee, to further reflect the work of the committee.

Upon a motion duly made and seconded, it was

VOTED: To approve the name change of the Audit Committee to the Audit and Risk Management Committee.

Board of Trustees Committee Charter Modifications

The Board of Trustees Committee Charters were reviewed in committee meetings in October and were approved by committees at their most recent meeting.

Upon a motion duly made and seconded, it was

VOTED: To approve the committee charters as presented to the Board.

Review of the Draft Leadership Statement for Chancellor Search Committee

Chair Briggs distributed the most recent version of the Leadership Statement, noting input from faculty, staff, students, alumni, and community members, senior staff, leadership statement sub-committee, search committee, and Board of Trustees. This draft has the approval of President Margaret Spellings and Governor Bill Webb.

Trustee Sherrill noted how well the statement reflects UNC Asheville and the progress made over the past three years. She highly recommends approval of the statement. Trustee Lutovsky noted that this is the core of the prospectus, which will include images of campus and our students. The prospectus will be sent electronically to Trustees for their quick review and comments, before being finalized and sent in January to the search firm.

Chancellor Grant noted her experience with leadership statements and commended the team who brought this document to life, because it best reflects who we and what we are. Chair Briggs thanked Shannon Earle, Nicole Norian, and Sarah Broberg for their work on the Leadership Statement and Prospectus.

Upon a motion duly made and seconded, it was

VOTED: To approve the Leadership Statement.

Chair Briggs reviewed the timeline with the Board of Trustees, noting January and February will be the recruitment period, with the search committee meeting on February 23rd. Airport interviews will take place in late March and on campus interviews will be in early April, bringing three finalists to the Board of Trustees for their approval and referral to President Spellings on April 20, 2018. This timeline reflects a goal of having a new Chancellor in place by July 1, 2018.

Chancellor Grant recommended Chair Briggs send an email to the campus community with the timeline and final Leadership Statement.

Chancellor's Residence

Chair Briggs asked the Board of Trustees to consider taking the Janice W. Brumit Pisgah House offline as a residence and facility during the interim period, to allow our campus operations team time to repair physical, technological, electrical, and gas issues within the house. The residence is seven years old and has not had any major upkeep done since its opening.

Chancellor Grant noted the back stairs need to be evaluated, there is a technology closet that does not function well, and continued HVAC system maintenance problems require regular repair visits by the campus operations team. She noted that our UNC Asheville facilities team was not a part of the building of the residence, so the team will gain a better understanding of how the HVAC and other systems work if the team has an uninterrupted opportunity to get into the house. The house is a place the University has not prioritized for repair and renovation expenditures, but this will allow the facilities team the time to ready the house for Commencement in May 2018.

Trustee Peterson and Trustee Long asked if there was a list of the repairs, noting the costs. Chancellor Grant stated that David Todd, Associate Vice Chancellor for Campus Operations, and his team are putting that list together now – noting that many of the repair needs are routine maintenance that had not been taken care of.

Trustee Prather noted that the timing is appropriate, but would like the Board to think carefully about the University's reputation in using the repair and renovations fund. A list of the costs associated would be helpful.

Upon a motion duly made and seconded, it was

VOTED: To take the Janice W. Brumit Pisgah House offline, and to authorize the University staff to develop a scope of costs for necessary repairs and renovations to the residence to be brought back to the administration and finance committee for approval.

Approval to go into Closed Session

Upon a motion duly made and seconded, it was

VOTED: To go into Closed Session to prevent the disclosure of information that is privileged or confidential pursuant to G.S. § 143.318.10 (e) as allowed by sections G.S. § 143-318.11 (a) (1)(2)(6) of the North Carolina General Statutes.

Closed Session began at 9:33 a.m.

Closed Session ended at 10:02 a.m.

[The Board took a 10 minute break at 10:02 a.m.]

Report of the November 30, 2017, Meeting of the Endowment Fund Board Meeting

Chair Briggs delivered the report on behalf of the Endowment Fund Board.

At the last meeting, the Endowment Fund Board discussed the Church Parking Lot and the role the Endowment Fund Board in its development. They also reviewed and discussed their draft charter. Once approved by the Endowment Fund Board, the charter will be shared with the Board of Trustees.

Report of the December 14, 2017, Meeting of the Administration and Finance Committee

Trustee Russell delivered the report on behalf of the Administration and Finance Committee.

The Administration and Finance Committee is bringing the following resolution to the Board, to approve tuition and general student fee rates and special fees for 2018-2019. If approved, there will not be an increase in tuition and fees for the coming year. The mechatronics program is continuing to grow. With the growth of 80 to 220 students in the program, a fee of \$1,000 has been added for this program only.

BACKGROUND INFORMATION:

- President Spellings and the Board of Governors are committed to maintaining accessibility and affordability of higher education for all North Carolinians. This commitment was reaffirmed with a resolution adopted at the September Board of Governors meeting. For 2018-2019, tuition increases will only be considered for nonresident undergraduate students and all graduate students. Constituent institutions are encouraged to identify reductions to tuition and fees for resident undergraduates where possible.
- Consistent with the statutory requirements enacted by the 2016 General Assembly, the total maximum allowable percentage increase is 3% for mandatory student fees that are charged to all students and approved by the Board of Governors.
- If approved by the Board of Trustees, the proposals will be submitted to UNC General Administration on December 15, 2017 and then to the Board of Governors for consideration in January and February 2018.
- This Special Fee (Engineering Program) is for engineering courses that have demonstrably higher costs of delivery because of the need for special equipment, supplies, technology, and/or field trips. Engineering students are also significant users of the specialized equipment at UNC Asheville's STEAM Studio, a state-of-the-art fabrication/makerspace in which engineering students utilize woodworking technologies, metal fabrication and computer-aided design to develop and prototype solutions to problems identified in their required junior and senior design courses.
- The Bachelor of Science in Engineering (BSE) with a Concentration in Mechatronics, offered exclusively at UNC Asheville, is a collaborative effort with the College of Engineering at NC State University; students that complete this degree graduate from both universities simultaneously. At this time, all engineering students at NC State pay a \$1,000 Engineering Enhancement Fee per year while the engineering students who are pursuing the BSE with a Concentration in Mechatronics at UNC Asheville are not charged this special fee.

RECOMMENDED ACTION:

That the Board of Trustees of UNC Asheville approve no increases to tuition and general student fee rates and approve a new proposed special fee for students enrolled in engineering courses within the Joint NC State University/UNC Asheville Engineering programs at UNC Asheville for 2018-2019:

		<u>Increase or (Decrease)</u>	<u>Proposed 2018-2019</u>
TUITION:			
In-state	Current Undergraduate	0.00	4,041.00
	New Entering Undergraduate	0.00	4,122.00
	All Graduate	0.00	4,914.00
Out-of-state	All Undergraduate	0.00	20,845.00
	All Graduate	0.00	21,236.00
GENERAL STUDENT FEES:			
	STUDENT ACTIVITY FEE	0.00	768.00
	ATHLETIC FEE	0.00	830.00
	STUDENT HEALTH FEE	0.00	368.00
	EDUCATION AND TECHNOLOGY FEE	0.00	490.00
TOTAL GENERAL STUDENT FEES		0.00	2,456.00
	DEBT SERVICE	0.00	394.00
TOTAL GENERAL FEES		0.00	2,850.00
APPLICATION FEE		0.00	75.00
SPECIAL FEE (ENGINEERING PROGRAM)			
	9-12 credit hours	1,000.00	1,000.00
	5-8 credit hours	500.00	500.00
	1-4 credit hours	250.00	250.00

NOW THEREFORE BE IT RESOLVED THAT, the Board hereby approves the proposed tuition and general fees, application fee and proposed special fee for 2018-2019.

Upon a recommendation by the Administration and Finance Committee, it was

VOTED: To approve the resolution to approve tuition and general student fee rates and special fees for 2018-2019.

The student housing project is making great progress. Discussions regarding Building F continue, as bids came in much higher than expected. If a cost agreement is not reached with our Construction Manager-at-Risk, then the Board will look at a different delivery method called CMA, or Construction Manager Agent. This alternate method could come to the Executive Committee of the Board.

The Committee also approved the proposed updates and edits to the Committee charter, and Nicole Norian, Associate Vice Chancellor for Human Resources presented the quarterly personnel report.

Report of the December 17, 2017, Meeting of the Audit and Risk Management Committee

Trustee Davis delivered the report on behalf of the Audit and Risk Management Committee.

The Committee was joined by David Ehricht, Assistant State Auditor, who reviewed our recent financial statement audit. The Office of the State Auditor issued an unqualified opinion with no findings. David Ehricht also discussed the single audit of our federal financial aid, to assess whether the State of North Carolina is in compliance with applicable federal financial aid regulations. Again, they found no deficiencies. Mary Hall, Associate Vice Chancellor for Finance presented a summary overview of the financial statements and a highlight of key financial decisions. Some of the high-level themes included increased pension liability, the affirmation of our Moody rating, investment returns, and the future purchase of

the Odyssey School property. A formal report will be issued in late February or early March. Trustee Davis thanked Mary Hall and her team for providing such a thorough report.

Suzanne Bryson gave an update on annual Internal Audit Plan progress, and noted we are on target for assessing our procedures on protecting credit card data. Our State Auditor, Beth Wood visited campus and Chancellor Grant arranged a time for her to meet with our top accounting students, where she discussed her personal and professional trajectory.

The Committee approved the proposed updates and edits to the Committee charter.

Report of the December 14, 2017, Meeting of the University Advancement Committee

Trustee Lutovsky delivered the report on behalf of the University Advancement Committee.

At the October committee meeting, Trustees heard from Judy Jobbitt, from Bentz Whaley Flessner who presented a report on the feasibility study conducted over the last few months, and recommendations moving forward. It was a positive report which laid the groundwork for moving into the next phrase of fundraising. With the recommendations, Vice Chancellor Carla Willis shared the news that, working collaboratively with Athletic Director Janet Cone, a Major Gifts Officer was hired to oversee major gift fundraising for athletics. Additionally, Vice Chancellor Willis will be making an offer to a Senior Director of Major Gifts candidate who will carry their own portfolio, as well as oversee the work of the gift officers. These two additions to the team will allow UNC Asheville to take fundraising to the next level.

Giving Tuesday was on the Tuesday following Thanksgiving. Last year, we raised \$29,000. This year, we took a strategic approach by creating videos from faculty, staff, and students, raising \$62,000 from 207 participants. Trustee Brown asked if there was additional data to review what form of communication targeted the giving this year. Vice Chancellor Willis noted that there was a multi-channel approach to reach across many constituent groups.

Trustee Lutovsky gave an update on the Board Challenge. The Trustees are leading the challenge, thanks to the support of Trustee Prather and his wife, Pam, for endowing The Prather Family Teaching Scholarship.

Board of Trustees	69% participation, raising \$122,000
Foundation Board	59% participation, raising \$51,000
Bulldog Athletic Association	100% participation, raising \$88,000
National Alumni Council	58% participation, raising \$31,000
National Parents' Council	57% participation, raising \$10,000

Trustee Lutovsky also thanked Chancellor Grant and Jim Canavan for their major gift to the University.

The Committee approved the proposed updates and edits to the Committee charter.

Report of the December 14, 2017, Meeting of the Student Affairs Committee

Trustee Prather delivered the report on behalf of the Student Affairs Committee.

The Committee toured the Health and Counseling Center on campus and met with the wellness team, including counselors, nurses, and reception staff. The Health and Counseling Center has expanded from four years ago, from two exam rooms to a twelve exam rooms. There is a significant usage of the facility – 18% of students use the center on an annual basis, compared to a 10-12% nationwide benchmark. The staff is dedicated to our students, integrating themselves in campus events and being visible on campus.

The Committee approved the proposed updates and edits to the Committee charter.

Report of the December 14, 2017, Meeting of the Athletics Committee

Trustee Sherrill delivered the report on behalf of the Athletics Committee.

The Committee heard from two OLLI members, Steven Shekler and Kirk Borland, who recently worked with athletics on community research and a survey asking “Why do people come to basketball games at UNC Asheville, and why do they not come to basketball games at UNC Asheville?” Through their research, they looked at ticket sales, attendance, etc. to learn more. The goal of the project is to increase attendance for basketball games.

Trustee Brown asked to see the results of the survey. Chair Briggs noted it would be beneficial for this report to come to the full Board of Trustees at an upcoming meeting.

The Committee also heard from Lora Jones, Assistant Professor in Health and Wellness, about the effects of our players’ heart rate and mental health on overall performance. The presentation highlighted the importance of how a player’s heart rate can affect our student athletes as they enter into a big game or match.

Basketball Head Coaches, Nick McDevitt and Brenda Mock Kirkpatrick, updated the committee on the status of their teams, strengths and weaknesses looking into the new year and conference play.

The collaborations between Athletics and Advancement continues to grow. Through this partnership, a major gift initiative plan was initiated that will roll into the University’s capital campaign. This is the kind of rigor a Division I athletics program needs to sustain and maintain. One step in this plan is to get more involvement across the community and for those who are already engaged to think of people we can get more involved.

The Committee approved the proposed updates and edits to the Committee charter.

Report of the December 11, 2017, Meeting of the Academic Affairs Committee

Trustee Peterson delivered the report on behalf of the Academic Affairs Committee

Due to the weather, professors Lorena Russell and Lisa Friedenberg were unable to attend the committee meeting and present the QEP Update. Dr. Karin Peterson, incoming Acting Provost, addressed the Trustees, providing a summary on her background and experience. The Committee also heard several updates from Dr. Urgo, including an update on the Curriculum Task Force, Position Allocation Committee, Math Pathways, and credit hours to graduate.

The Committee approved the proposed updates and edits to the Committee charter.

Faculty Senate Report

Chair Briggs called upon Dr. Micheal Stratton, Chair of Faculty Senate, to give a report from Faculty Senate. Faculty Senate is working diligently, exploring the Masters of Public Health proposal, as well as collaborating with Modern Languages and Literature to possibly consolidate these programs and concentrations to better serve our students, and use resources more effectively. These updates are related to the strategic plan and organizational capacity.

Additional discussions in development are terms of senators, performance reviews for department chairs and deans, faculty welfare listening sessions, and working with staff council on compensation for faculty and staff.

[The Board took a 5 minute break at 11:10 a.m.]

The following Board of Trustees Emeriti joined the Board of Trustees Meeting at 11:10 a.m.

Jim Buckner, Jim Ellis, Kevan Frazier, Doug Orr, Pat Smith, Pam Turner

Chancellor's Report

Chancellor Grant thanked the Board of Trustee Emeriti for joining us for today's presentations.

UNC Asheville Strategic Plan: Measuring Progress

Dr. Michael Gass reported on strategic planning metrics, and how we measure our progress and hold ourselves accountable. As we enter into our second year of the strategic plan, there are 83 total initiatives, 29 new initiatives, 44 ongoing initiatives from last year, and 16 completed initiatives within the year. Dr. Gass showed the strategic planning website, highlighting the metrics and progress of each initiative, as well as the overall plan. These metrics also align with the UNC System strategic plan, and benchmarks us against COPLAC and Carnegie Institutions.

UNC Asheville's Economic Impact

Chancellor Grant noted the last time we completed an economic impact study was three years ago. That study determined the economic impact UNC Asheville, Western Carolina University, and AB Technical had on our communities. Three years later, Chancellor Grant, in collaboration with senior leadership were interested in the impact UNC Asheville was making in the greater community. Mr. Tom Tveidt from Syneva Economics was contracted to do the study.

Mr. Tveidt presented the report to the Board of Trustees, noting a \$450 million economic output for the University. The economic impact of the University for the fiscal year 2017 on the Asheville metro area has the following levels and annual impacts:

UNC Asheville Campus Operations	\$278 million output
UNC Asheville Student Spending	\$44.3 million output
Outside Visitors	\$15.3 million output
UNC Asheville Alumni Education Premium	\$96.1 million output
Annual New Resident Attraction	\$9.4 million output
On-Campus Capital Spending	\$7.0 million output

To ensure our numbers accurately reflect the impact made, they skew conservatively. Chancellor Grant thanked Mr. Tveidt and Joy Flora for their work on this report, and noted there will be a public announcement in January 2018 to share the news with the greater community.

Chancellor Grant's Report

Chancellor Grant took a moment to congratulate Stacey Millett on her last day at UNC Asheville, as she begins her new position at the Pew Charitable Trust. Stacey jump started a number of important community partnerships, and we continue to see how important education is in the community through events and partnerships, bringing children and adults onto a college campus and letting them know this is their university. Chancellor Grant thanked Stacey and wished her all the best!

Chancellor Grant thanked her senior team: Joe Urgo, Bill Haggard, Janet Cone, John Pierce, Carla Willis, Clifton Williams, Stacey Millett, Shannon Earle, Sarah Broberg, and Darin Waters. She also thanked the following faculty and staff: Nicole Norian, Amy Jessee, Suzanne Bryson, Joy Flora, Mary Hall, Michael Gass, David Todd, Micheal Stratton, Karin Peterson, Sarah Humphries, Cathy Clevenger, and Chelsey Burke.

Chancellor Grant stated that this incredible group is responsible for the numbers you just saw. It is a team sport of talented, devoted, hardworking, fun group of people; and she is extremely thankful for each of them.

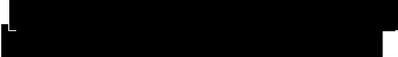
Chancellor Grant especially thanked the Board of Trustees for being the difference makers and how much it has been a privilege to work with each of you. Chair Briggs allowed each Trustee to have a moment to thank Chancellor Grant for her leadership over the past three years.

Adjournment

There being no further business to come before the Board, the meeting was adjourned at 12 p.m.

Respectfully Submitted,


Shannon C. Earle 02/23/18
Date


Kennon Briggs, Chair 02/23/18
Date