



# UNC CHARLOTTE

## The University of North Carolina at Charlotte Board of Trustees

### Academic and Student Affairs Committee Meeting

Center City Building, 320 E. 9<sup>th</sup> St., Charlotte NC 28202

September 3, 2015

8:30 – 9:30 a.m. • Room 1106

### Open Session Minutes

#### Present

Laura A. Schulte, Chair

Karen A. Popp

Mary Ann Rouse

Michael L. Wilson

#### Absent

Susan D. DeVore

#### Staff/Guests in Attendance

David Broome, Vice Chancellor and General Counsel

Sarah Edwards, Assistant General Counsel

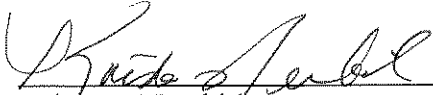
Dawn Floyd, Title IX Coordinator

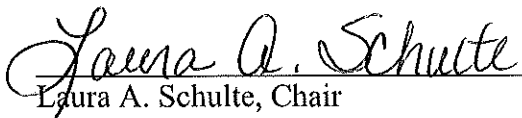
Krista Newkirk, Chief of Staff and Assistant Secretary to the Board

Call to Order. Ms. Schulte called the meeting to order and reminded Committee members of their duty to avoid conflicts of interest and appearances of conflicts of interest under the State Government Ethics Act, in accordance with Chapter 138A of the North Carolina General Statutes, and advised the Committee members to notify her immediately if anyone should become aware of a conflict of interest or the appearance of a conflict of interest with respect to any matters coming before the Board at any time during the meeting. No conflicts of interest were reported.

Title IX Training. Ms. Floyd and Ms. Edwards presented training on the appellate review role of the Academic and Student Affairs Committee members in Title IX cases. The training included information on the University's obligations under Title IX; conduct prohibited under the Code of Student Responsibility, the dynamics of sexual misconduct, relationship violence, and stalking cases; the process that occurs before a Title IX case reaches the Academic and Student Affairs Committee; and standards of review, due process, and related UNC policy on student conduct appeals.

Adjourn. There being no further business before the committee, Ms. Schulte adjourned the meeting.

Submitted:  10/2/2015  
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Krista L. Newkirk Date  
Chief of Staff and  
Assistant Secretary to the Board  
UNC Charlotte Board of Trustees

Approved:  10-2-15  
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Laura A. Schulte, Chair Date  
Academic and Student Affairs Committee



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

**Retreat**

Center City Building, 320 E. 9<sup>th</sup> St., Charlotte NC 28202

September 3, 2015

9:30 a.m.–5:00 p.m. • Room 1105

**Open Session Minutes**

Presiding: Karen A. Popp, Chair

Assistant Secretary: Krista L. Newkirk

Present

Catherine P. Bessant

Mitchell J. Daratony

Sharon Allred Decker

Susan DeVore

Theresa J. Drew

David L. Hauser

Dhiaa Jamil

Fred W. Klein

Joe L. Price

Mary Ann Rouse

Laura A. Schulte

Michael L. Wilson

Staff/Guests in Attendance

Philip L. Dubois, Chancellor

Dave Broome, Vice Chancellor and General Counsel

Susan Burgess, Director of University Compliance

Mike Carlin, Vice Chancellor for Information Technology and Chief Information Officer

Christine Reed Davis, Dean of Students

Betty Doster, Special Assistant to the Chancellor for Constituent Relations

Sarah Edwards, Assistant General Counsel

Owen Furueth, Associate Provost for Metropolitan Studies and Extended Academic Programs

Beth Hardin, Vice Chancellor for Business Affairs

Art Jackson, Vice Chancellor for Student Affairs

Phil Jones, Associate Vice Chancellor for Facilities Management

Heather LeMaster, Student Employee, Office of the Chancellor

Joan Lorden, Provost and Vice Chancellor for Academic Affairs

Anna Spangler Nelson, UNC Board of Governors Member

Judy Rose, Director of Athletics

Gary Stinnett, Associate Vice Chancellor for Human Resources

Jennifer Ward, Liaison to the Board of Trustees and the Cabinet

Call to Order. Ms. Popp called the meeting to order and reminded members of the Board of their duty to avoid conflicts of interest and appearances of conflicts of interest under the State Government Ethics Act, in accordance with Chapter 138A of the North Carolina General Statutes, and advised the Trustees to notify her immediately if anyone should become aware of a conflict of interest or any appearance of a conflict of interest with respect to any matters coming before the Board at any time during the meeting. No conflicts of interest were reported.

Welcome and Discussion of 2015 Board Meeting Dates and Events. Ms. Popp greeted the Trustees and welcomed new Trustees Sharon Allred Decker, Susan D. DeVore, and Fred W. Klein. Ms. Popp also thanked Mr. Price for agreeing to serve an additional year as Vice Chair of the Board and Mr. Wilson for serving as Secretary for 2015-2016. Ms. Popp noted that UNC Charlotte has a stellar Board of Trustees at a time when higher education is facing many complex issues.

Ms. Popp recommended two recent Association of Governing Board articles: “Fiduciary Duties of Governing Board Members,” and “A Wake-up Call: Enterprise Risk Management at Colleges and Universities Today”; and an American Council of Trustees and Alumni article entitled “Governance for a New Era.” Ms. Popp stated that these three articles would be emailed to the Trustees. Ms. Popp stated that the Retreat agenda would include presentations on enterprise risk management, compliance, and Trustee orientation. Ms. Popp noted that the University has been very responsive to the recommendations of the Special Committee on Compliance and Enterprise Risk Management convened by former chair Gene Johnson.

Ms. Popp discussed ways in which the Trustees can be involved with the Board of Governors. Ms. Popp stated that Chancellor Dubois, Ms. Doster, and Mr. Wilson have all been involved in supporting UNC Charlotte’s interests during the legislative budget process in the North Carolina General Assembly. Ms. Popp encouraged the Trustees to attend the UNC General Administration workshop for Boards of Trustees on September 16, 2015.

Ms. Popp reviewed upcoming University events and encouraged the Trustees to attend, particularly those designated as high priority:

- The New Full and Newly Tenured Professors Reception on Wednesday, September 9, at 6:30 p.m.
- Sealed Air Executives Welcome Reception on Tuesday, September 15, at 6:30 p.m.
- The Bank of America Award for Teaching Excellence, on Friday, September 18, at 6:30 p.m.
- The Childress Klein Center for Real Estate Gift Announcement on Wednesday, September 23, at 12:00 p.m.
- The Chancellor’s Speaker Series, featuring Carl Bernstein and PJ O’Rourke on Thursday, September 24, at 5:30 p.m.
- The Hauser Alumni Pavilion Dedication on Saturday, September 26, at 6:00 p.m.

Ms. Popp also announced the dates of the Board of Trustees meetings for the academic year:

- Thursday, December 3, 2015
- Friday, February 19, 2016
- Thursday, April 28, 2016

Ms. Drew reminded the Trustees that the Let Me Play Luncheon is scheduled for October 22, 2015.

Ms. Popp thanked the new chairs of the Board of Trustees committees for agreeing to serve and noted that the Trustees accomplish a great deal at the Committee level.

Phil's View of the World. Chancellor Dubois presented an overview of the University's administrative principles, governance, and operational fundamentals; reviewed 2014-2015 faculty/staff and institutional distinctions; discussed successes in academics, administration, community and political engagement, programs, policy development, risk management, athletics, and facilities development; and noted several issues as well as challenges and priorities for 2015-2016. Chancellor Dubois stated that he had asked Ms. Newkirk to evaluate a future organizational structure for the University's Audit, Compliance, and Enterprise Risk Management functions.

Board Orientation. Ms. Newkirk reviewed the orientation topics presented to the Board of Trustees from 2012 to 2015 and presented a plan for orientation topics for 2015-2016. Mr. Klein asked about the public records requirements related to email. Ms. Newkirk briefly reviewed the requirements, and Ms. Bessant, Mr. Broome, and Ms. Rouse discussed email retention. Ms. Newkirk stated that she would send the Trustees the records retention schedule set by the North Carolina State Archives. Chancellor Dubois stated that a future Board of Trustees meeting will include an in-depth discussion of public records requirements related to written communications. Ms. Newkirk asked the Trustees to email her with any additional proposed orientation topics. Chancellor Dubois stated that any recommendations for how to organize Board meetings are welcome. Mr. Hauser stated that the authority delegated to the Board of Trustees by the Board of Governors would be a helpful orientation topic. Ms. Newkirk reviewed the topics planned for the 2015 UNC General Administration workshop for Trustees. Chancellor Dubois stated that the Association of Governing Boards is continually examining the topic of good governance.

Board of Trustees and Board of Governors Succession Planning. Ms. Doster distributed an overview of the Board of Governors and information on succession planning for the Board of Trustees and the Board of Governors. Ms. Doster and Chancellor Dubois reviewed information on the process of Trustee election and appointment. Ms. Doster also discussed the makeup of the current Board of Governors and noted that the Board does not currently include a UNC Charlotte alumnus. Ms. Decker asked how the process of election to the Board of Governors works, and Ms. Doster stated that a potential member is nominated by a legislative sponsor prior to a campaign period that leads to a six-week election cycle. Ms. Doster discussed actions that Trustees can take to help connect with members of the Board of Governors and remind them of the University's priorities and goals. Mr. Daratony stated that several members of the Board of Governors had reached out to him at a recent retreat for student government association

presidents. Ms. Popp stated that members of the Board of Trustees can help advance the University's goals by attending Board of Governors meetings and attending events at which members of the Board of Governors will be present. Ms. Drew commented that improving visibility at the Board of Governors level should be a priority. Ms. Doster stated that attending high-priority University events at which members of the Board of Governors are present is important, and Ms. Popp asked that the Trustees be notified when a Board of Governors member will be at an event.

Economic Opportunity: A Charlotte-Mecklenburg Perspective. This presentation was deferred to a later meeting date.

Remarks from Anna Spangler Nelson, Member of the Board of Governors. Ms. Popp introduced Anna Spangler Nelson, who was elected to the Board of Governors in 2014 and currently serves as chair of the Educational Planning, Policies, and Programs Committee. Ms. Nelson spoke to the Trustees about issues facing the University of North Carolina and about the Board of Governors' very positive perception of UNC Charlotte. Ms. Nelson described the new data dashboard used by the Board of Governors to compare a number of data points across the University system.

Ms. Nelson commended Dean Ellen McIntyre for her excellent work in the College of Education. Ms. Nelson noted that Dean McIntyre is the most senior dean of education in the UNC System after only two years in her position. Ms. Nelson also stated that UNC Charlotte's College of Education is a model for other universities, and that the Trustees should support and promote the College of Education in order to strengthen the entire lifecycle of teaching. Chancellor Dubois stated that increasing teachers' salaries and encouraging students to go into teaching by offering scholarships could stimulate interest in teaching, and he noted that the legislature had withdrawn funding for a teaching fellowship for excellent teachers. Ms. Nelson noted that North Carolina used to be able to effectively recruit teachers from out of state but teachers now leave North Carolina to teach in bordering states. Ms. Nelson stated that the Board of Governors supports UNC Charlotte's work but is particularly interested in the University's work in teacher education.

Ms. Spangler noted that the Board of Governors sees UNC Charlotte, including its diversity and growth trajectory, in a positive light. Chancellor Dubois stated that faculty have been concerned about the politicization of higher education in North Carolina. Ms. Spangler stated that she would like for Board of Governors and North Carolina Assembly decisions related to higher education to be more bipartisan and that she believes that there is more common ground than division. Ms. Spangler described the legislature as "bankers" to the University system, and she noted that Board of Governors members constantly remind legislators about the value of North Carolina's public universities. Mr. Price asked what more the University can do to position itself favorably with the Board of Governors, and Ms. Nelson stated that sharing in the funding of projects is important. Ms. Nelson also stated that, with the new data dashboard, the Board of Governors can compare institutions side by side, and she noted that it is very important to monitor the data.

Updated Diversity Plan. Dr. Lorden presented the University's updated Diversity Plan. Dr. Lorden discussed the background of the Academic Plan diversity goal, which was adopted in 2004-2005, the objectives, strategies, and measures of success specifically addressed in the existing plan, positive trends in diversity, continuing concerns, and recommendations for continuing to improve diversity across campus. Dr. Lorden also presented several recommended core values, action items, and a timeline for the revision of the Diversity Plan.

Strategic Real Estate Issues and Long-Range Capital Construction Plan. Ms. Hardin presented a ten-year capital and real estate plan. Ms. Hardin reviewed the University's capital investments over the last 15 years, the campus Master Plan, and projects currently under construction, in design, and pending approval. Ms. Hardin stated that an effort has been underway to identify capital needs and funding sources, and to prioritize based on those projects. Ms. Drew asked whether fees are charged only for non-academic capital projects, and Ms. Hardin stated that annual appropriations primarily support core mission activities such as academics while the University uses student fees to fund non-academic projects, such as dining facilities. Chancellor Dubois stated that the University does not use appropriations for projects that can be fee-funded. Ms. Hardin reported that all identifiable capital needs in the next ten years could total \$1.2 billion. Ms. Hardin also outlined an initial five-year plan to fund the highest-priority capital projects. Ms. Hardin stated that some of the funding for capital projects would come from a 2.5 percent carry-forward from the University's operating budget that, if not used in the fiscal year for which it is budgeted, can be used for capital projects in the following year. Ms. Decker asked whether all of the UNC system universities are facing similar capital funding challenges, and Ms. Hardin stated that other UNC campuses have even greater funding concerns because they have not experienced the growth that UNC Charlotte has enjoyed. Chancellor Dubois stated that UNC Charlotte has grown rapidly but the growth of academic space on campus has not kept pace with enrollment growth. Ms. Decker asked whether any funds from the capital campaign can be used for capital projects, and Chancellor Dubois stated that the campaign includes very little funding for building projects. Chancellor Dubois also stated that the Board of Governors has become very selective about which projects will be submitted to the Legislature for funding, and that the four projects currently under consideration are all related to science, technology, engineering, and math (STEM) programs.

Ms. Hardin also reviewed development in the University City area and discussed ways in which the University and its affiliated entities can influence future growth and development near the University. Mr. Daratony stated that the Student Government Association wants to find ways to enhance the "college town" environment in commercial areas around campus and is working with University City Partners on an initiative to improve the area for students. Ms. Newkirk stated that University City Partners has been very engaged in city planning and with area businesses, and that UNC Charlotte architecture students recently presented a plan for a pedestrian-friendly entertainment property in a commercial area along North Tryon Street. Mr. Wilson asked how many acres the University and its affiliated entities own, and Chancellor Dubois stated that the total is 1,000 non-contiguous acres, some of which are topographically challenging.

Compliance Program Overview. Ms. Burgess presented an overview of the University's Ethics and Compliance programs, including the legal requirements for a program; the University's Compliance structure; University policies related to ethics and compliance; training and

education for faculty and staff; and methods in place to support effective communication of issues related to ethics and compliance. Ms. Burgess also reviewed compliance auditing and monitoring, the reporting process for findings and corrective actions, and risk assessment. Chancellor Dubois asked what the estimated cost of federal compliance is, and Ms. Burgess stated that the cost to date has been approximately \$35 million. Mr. Hauser asked whether Ms. Burgess will report to the Audit, Compliance, and Enterprise Risk Management Committee on the rollout of the Enterprise Risk Management program, and Ms. Burgess stated that metrics will be developed and reported to the Committee. Mr. Price asked what the most significant concerns she sees after one year in her position, and Ms. Burgess stated two overriding concerns are overall safety and the increase of federal reviews and enforcement. Chancellor Dubois stated that he believes one of the greatest risk is reputational risk in the wake of a significant event.

Faculty and Staff Salary Strategic Plan. Chancellor Dubois stated that faculty hiring has not kept pace with student enrollment and that University faculty have not had a salary increase in many years other than promotion and retention bonuses and recent special salary increases. Dr. Lorden presented a strategic plan for increasing faculty and staff salaries, including an analysis of equity and benchmarking. Ms. Decker asked how the University's attrition rate compares to that of other universities. Dr. Lorden stated that fourteen faculty members in the College of Liberal Arts and Sciences received offers from other universities last year. Dr. Lorden reviewed data showing the percentage of University faculty whose salaries need to be adjusted. Mr. Hauser asked whether the increase would be an across-the-board percentage, and Chancellor Dubois stated that the percentage would be different for each individual depending on their academic area and rank. Chancellor Dubois stated that the goal of the strategic salary plan is to fund incremental increases as part of the recurring budget.

Mr. Stinnett, Ms. Madorin, and Mr. Gaddis presented a strategic plan for salary adjustments for staff who are subject to the State Personnel Act (SPA staff). Mr. Stinnett reviewed strategic salary expenditures totaling more than \$6.1 million in fiscal years 2009-2015 for SPA staff and a strategic salary increase totaling \$1.4 million last year for staff who are exempt from the State Personnel Act (EPA staff). Mr. Stinnett stated that almost 70 percent of SPA staff salaries are below the new SPA rates recently approved by the North Carolina Office of Human Resources and that the cost to bring those salaries to the current SPA rates would be almost \$3.5 million. Mr. Stinnett stated that state pay rates have increased for some SPA employees, particularly for those in information technology jobs and no funding exists to cover those higher salaries. Mr. Stinnett stated that the strategic staff salary plan calls for defining "at market" as being within 90 to 110 percent of market rates. The cost to bring all SPA staff salaries to within 90 percent of the market rates is \$300,000. Ms. Schulte asked what other steps the University has considered to improve employee morale and retention, and Mr. Stinnett described several efforts to offer leadership and management training as well as a program for staff recognition. Ms. Newkirk noted that Chancellor Dubois led employee recognition efforts in an effort to increase morale.

IT Security and Continuity Update. Dr. Carlin presented an update on IT security and continuity, including a number of infrastructure improvements; changes to training, risk assessment, and incident reporting; and other policies and standards. Mr. Hauser asked about the use of stand-alone servers, and Dr. Carlin stated that some departments do have stand-alone servers but collaborate with Information Technology Services (ITS) on planning and security. Ms. Popp



asked whether the University has a planned response in the event of a cybersecurity breach, and Dr. Carlin stated that cybersecurity is a continual concern and that the University is prepared for such an event. Ms. Bessant asked whether the University is able to offer salaries high enough to attract excellent staff, and Dr. Carlin stated that the University is not able to match market salaries but does offer the opportunity to work in an environment that presents many opportunities. Mr. Jamil asked whether the University tracks the number of attempted cyberattacks, and Mr. Carlin stated that they do.

Motion to Convene in Closed Session. Ms. Popp requested a motion to convene in closed session.

Action: On a motion by Mr. Wilson, seconded by Mr. Hauser, the Board convened in closed session pursuant to the following General Statute of the State of North Carolina:

- a. *N.C.G.S. §143-318.11(a)(1), to prevent the disclosure of information that is privileged or confidential pursuant to the laws of this State or of the United States, or not considered a public record within the meaning of Chapter 132 of the General Statutes, such privilege or confidentiality arising under the Family Educational Rights and Privacy Act (20 U.S.C. §1232g) or N.C.G.S. Ch. 126, Art. 7;*
- b. *N.C.G.S. §143-318.11(a)(3), to consult with and receive advice from counsel; and*
- c. *N.C.G.S. §143-318.11(a)(6), to consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual, public officer or employee, or prospective public officer or employee.*

### **Closed Session**

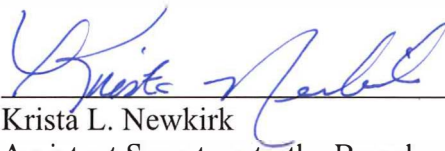
*Closed session minutes are filed in the office of the Assistant Secretary to the Board of Trustees.*

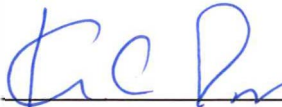
Approval of Athletics Coaching Contract. Ms. Popp requested a motion to approve the athletics coaching contract as discussed in closed session.

Action. On a motion by Ms. Bessant, seconded by Mr. Price, the Board of Trustees approved the athletics coaching contract as discussed in closed session.

Board Discussion of 2015 Retreat Topics/New Business. Ms. Popp thanked the Trustees for their attendance at the Retreat. Ms. Popp also asked the Trustees to let her know of any requests for agenda items.

Adjournment. There being no other business, Ms. Popp adjourned the meeting.

Submitted:  10/2/2015  
Krista L. Newkirk Date  
Assistant Secretary to the Board

Approved:  10-2-2015  
Karen A. Popp Date  
Chair