The Business Affairs Committee of the UNCW Board of Trustees met on Thursday, April 21, 2022 at 2:00 p.m. Members present at the meeting were: Mr. Jeff Clark (Chair), Mr. Hugh Caison, Mr. Carlton Fisher, and Mr. Bob Rippy.

Mr. Clark called the meeting to order and read the required ethics statement from the State Government Ethics Act. No conflicts were identified.

Mr. Clark asked for a motion to approve the minutes of the January 27, 2022 meeting. Mr. Caison made a motion to “approve the minutes of the January 27, 2022 meeting as presented.” Mr. Fisher seconded the motion and the motion carried.

Next, Mr. Gino Galutera, Interim Associate Vice Chancellor for Business Services, provided the annual update on alcohol sales at athletic venues. As part of his update, Mr. Galutera described the policies and protocols which had been implemented to help ensure alcohol sales were conducted in a safe and responsible manner. Mr. Galutera noted that stakeholder feedback related to alcohol sales had been positive and that the university had experienced no issues to date as it relates to patron adherence to University guidelines.

Following Mr. Galutera’s presentation, Mr. Mark Morgan, Associate Vice Chancellor for Facilities, provided an overview of Phase II of the Outdoor Recreation Fields and Facilities Improvements Project. Following the overview, Mr. Morgan requested BOT approval of the following components of the Outdoor Recreation Fields and Facilities Improvements Project:

- Siting and Aesthetic Approval for Phase II A: Field and Hardscape Improvements,
- Siting and Aesthetic Approval for Phase II B: The Hawk Walk Bridge, and
- Siting approval only for Phase II C: The Pavilion Building.
Mr. Caison made a motion to approve each of the components as presented to the committee. Mr. Rippy seconded the motion and the motion carried.

Following the action item, Mr. Morgan provided an update on several projects – specifically: the Coastal Engineering Facility construction project, the Randall Library Renovation and Expansion project, and the Cadaver Laboratory project in Veterans Hall.

Following Mr. Morgan’s update, Mr. Miles Lackey, Vice Chancellor for Business Affairs, provided an overview of the new All Funds Budgeting process, which is being used on each of the system campuses for the development of FY 22-23 budget plans. As part of this process, Mr. Lackey explained that each campus had been provided a standardized template to use, and standardized budgeting conventions to follow, as each campus developed their respective budgets for FY 22-23.

Mr. Lackey explained that the university had applied the standardized conventions to the plans established through the campus’s budget planning processes, and ultimately developed a budget which, despite receiving only modest enrollment growth funding increases, still managed to provide important investments to:

- Attract & retain faculty and staff,
- Support new and expanding academic programs, and to
- Address strategic needs and opportunities across the institution.

Mr. Lackey then provided the committee with an overview of UNCW’s proposed FY23 all-funds budget, by walking through the university-level template which includes all funds and units rolled up to the university level. As part of Mr. Lackey’s review, he discussed the major sources and uses associated with each of the funds, and also discussed how the funds related to one another.

After Mr. Lackey’s review of the university level budget, he provided the committee with an overview of the composition of revenues and expenses for sub-units identified under the all-funds budgeting process.

Following Mr. Lackey’s presentation, he requested approval of the Fiscal Year 22-23 all funds budget for UNCW as presented to the committee.
Mr. Rippy made a motion to approve the budget as presented to the committee. Mr. Caison seconded the motion and the motion carried.

Mr. Lackey then provided the Vice Chancellor for Business Affairs Update in which he spoke about a new higher education funding formula being implemented by the UNC Board of Governors that enhances support for undergraduate instruction and provides funding for summer instruction.

While Vice Chancellor Lackey noted that the new model had a few advantages when compared to the 12-cell, he also noted that support provided for growth in graduate programs would be significantly reduced under the new formula. Mr. Lackey also noted that the new formula failed to address funding inequities across UNC System campuses that had been created during the preceding decades.

Vice Chancellor Lackey concluded his remarks by providing an overview of legislative priorities for the short session – including UNC System level budget priorities, and a UNCW-specific priority regarding R2 transition funding.

Following Mr. Lackey’s presentation, there was no further business and the meeting was adjourned.