

**DRAFT**

**BOARD OF TRUSTEES**

**THE UNIVERSITY OF NORTH CAROLINA AT WILMINGTON**

**JULY 28, 2017**

The Board of Trustees of The University of North Carolina at Wilmington held a regular quarterly meeting on July 28, 2017, in the Burney Center on the UNCW campus. At 8:30 a.m., Chair Wilma Daniels called the meeting to order and asked for a moment of silent reflection. Ms. Daniels read the required statement from the State Government Ethics Act. No conflicts were identified.

ROLL CALL

Mr. Lanier, Assistant Secretary, called the roll and established that a quorum was present. The following members of the Board were present: Agnes R. Beane; Dennis P. Burgard; Wilma W. Daniels; Michael R. Drummond; H. Carlton Fisher; Gidget Kidd; Henry L. Kitchin, Jr.; Christopher J. Leonard; Ronald B. McNeill; Otilie Mensah; Henry E. Miller III; and Robert S. Rippy.

APPROVAL OF MINUTES

On motion by Ms. Kidd, seconded by Mr. Miller and duly carried, the minutes of the quarterly meeting held on April 21, 2017, and of the special called meeting held on May 3, 2017, were approved as distributed.

REPORTS OF STANDING COMMITTEES

AUDIT, RISK, AND COMPLIANCE

Mr. McNeill, chair of the committee, reported that Ms. Boyd presented the comprehensive annual update on institutional risk management, including the risk assessment process, the top risks for UNCW, related mitigations for the risks, and the risk register which reflects if risks are increasing, decreasing, or stable. He said that there was discussion of competition for enrollment, facilities needs and deferred maintenance, information security, attracting and retaining quality faculty and staff, regulatory compliance, student safety and security, critical incidence response, and diverse student populations.

Chair McNeill said that Ms. Powell presented the proposed annual internal audit work plan (Appendix A). After commenting on the contents of that plan, he moved approval on behalf of the committee. The motion was duly carried.

Mr. McNeill reviewed the quarterly activity report from internal audit, including audits of Randall Library, Sponsored Programs and Research Compliance, and cash handling across the university. He also reviewed an investigation based on allegations, which were found to have no merit, and a collaboration between Internal Audit and the Master of Science in Accountancy program in the Cameron School of Business.

### BUSINESS AFFAIRS

Mr. Kitchin, reporting for the chair of the committee, said that the committee recognized Ms. Thorndike for being selected as a 2017 Rising Star by the National Association of College and University Business Officers. He then reviewed the committee's discussion of the campus master plan and moved approval of the following action item, which subsequently was duly carried:

"Recommended Action Item: The University is requesting the Board of Trustees' to endorse the framework of the UNCW Campus Master Plan 2017. Specific projects related to the framework will be presented to the Board of Trustees for approval of program, site and architectural design at the time of their planned development."

Mr. Kitchin then reviewed and presented a second action item:

"Recommended Action Item: The University is requesting approval of the Board of Trustees to transfer an additional \$2.9 million from the existing planned budget to increase the expendable quasi-endowment of \$5.3 million to \$8.2 million from university trust funds to the Board of Trustees of the UNCW Endowment Fund ("Endowment") for the purpose of constructing the Administrative Annex building on millennial property located behind the CIE."

Discussion followed regarding the costs per square foot for the additional space that would be created, the aesthetics of the larger facility, the furnishing and equipping of the facility, and lease versus purchase options. After additional discussion, Ms. Kidd's motion for approval was duly carried.

Mr. Kitchin reviewed other topics from the committee's meeting, including: 1) a facilities update from Mr. Morgan; 2) Ms. Thorndike's presentations on housing plans, university debt, and auxiliary operations; and 3) Dr. Whitfield's updates on the FY2018 state budget and FY2017 revenues.

## EDUCATIONAL PLANNING AND PROGRAMS

Ms. Kidd, chair of the committee, gave a brief summary of the reports to the committee, including: 1) Faculty Senate Steering Committee; 2) student leadership, engagement, service, and employment; 3) recent notable achievements within academic affairs; and 4) the modern university library. The committee had no actions items for open session.

## EXTERNAL AFFAIRS

On behalf of the committee, Mr. Miller reported that Mr. Lanier had provided a legislative update, including information on the recently adopted state budget for the university, with emphasis on the funding for enrollment growth (Appendix B). Mr. Miller said that Dean Dempsey shared an update on UNC laboratory schools and UNCW's discussions with New Hanover County Schools.

The chair summarized Vice Chancellor Stuart's report on fundraising for FY2017, with a total of \$17.2 million in gifts, commitments, and planned gifts. He said that 28% of the senior class contributed, as did 38% of UNCW employees.

Mr. Miller shared information on the Trask Coliseum reseating process and plans for celebration of the 70<sup>th</sup> anniversary of UNCW's founding. He said that the committee would have one item for consideration in closed session.

## MILITARY AFFAIRS

Mr. Burgard, chair of the committee, reported that Mr. Kawczynski discussed strategic partnerships with the NC Defense Business Association, National Military Family Association, PsychArmor Institute, US Chamber of Commerce, Association of the United States Army, the Marine Corps Installations East Community Public Partnership Initiative, and others. The chairman expressed his appreciation to everyone who had assisted with the renovation and expansion of the Military Resource Lounge. He summarized other recent activities of the military affairs staff, military-affiliated students, and others at UNCW, which continue to build UNCW's visibility locally, statewide, and nationally. He said that goals for the upcoming year would be to increase scholarships for military-affiliated students, increase military-related research and training, and to work with faculty to identify new academic programs of interest and need.

## CHANCELLOR'S REPORT

Chancellor Sartarelli called attention to the copy of the strategic plan of the UNC Board of Governors, *Higher Expectations*, at each member's seat. He then provided an update on strategic plan implementation at UNCW and key metrics,

such as the freshman-to-sophomore retention rate. He also discussed new programs and criteria for the degree approval process. In response to a question, he said that there were also criteria and a process for the elimination of low productivity degree programs.

The Chancellor said that North Carolina, as a growing state, would need to educate more people than it currently does in its public universities and that this would increase the importance of the enrollment increase funding model. He said that the funding model would be reviewed during the coming year, as well as various types of performance funding in higher education, and that he would serve as a member of the statewide committee for the review.

Dr. Sartarelli spoke to the overlap between metrics in the UNCW strategic plan and the more recent metrics and targets developed by the Board of Governors and UNC General Administration, in areas such as graduation rates and extramural research funding. The Chancellor previewed plans for the celebration of the institution's 70<sup>th</sup> anniversary, which would continue throughout the academic year. He reminded members that the Board of Governors would hold their Board and committee meetings at UNCW on March 22-23, 2018.

#### CLOSED SESSION

On motion by Mr. McNeill, seconded by Mr. Burgard and duly carried, the Board voted to convene in closed session, as allowed under the Open Meetings Act, to prevent the premature disclosure of an honorary award or scholarship; to consider the qualifications, competence, performance, condition of appointment of a public officer or employee or prospective public officer or employee; to establish or instruct the staff or agent concerning the negotiations of the amount of compensation or other terms of an employment contract; and to consult with our attorney to protect the attorney-client privilege.

#### RESUMPTION OF PUBLIC SESSION AND ACTION ON ITEMS FROM CLOSED SESSION

After duly reconvening in open session, on motion by Mr. Kitchin, seconded by Mr. Fisher and duly carried, the personnel recommendations considered in closed session were approved as presented and discussed. On motion made by Mr. Kitchin, seconded by Mr. Miller and duly carried, the honorary award was approved as considered in closed session.

#### OLD BUSINESS

There was no old business.

NEW BUSINESS

Chair Daniels reminded the Board that the next regular quarterly meetings of the Board and its committees were scheduled for October 26 and 27, 2017. She reminded the Board to share with Mr. Lanier any additional suggestions for revisions of the Procedural Policies.

ADJOURNMENT

There being no further business, the meeting was duly adjourned.

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Chairman

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Assistant Secretary