

**THE UNIVERSITY OF NORTH CAROLINA AT PEMBROKE
MEETING OF THE BOARD OF TRUSTEES RETREAT
Chancellor's Residence
Friday, July 26, 2013 at 8:30 AM**

The meeting of the University of North Carolina at Pembroke Board of Trustees was held at the Chancellor's Residence. Chairman Wiley Barrett called the meeting to order at 8:33 AM.

ROLL CALL

Roll was called and the following Trustees were present:

Wiley Barrett
Bob Caton
Michael Holmes
Gary Locklear
Emily Ashley
Dwight Pearson
Lorna Ricotta
Caroline Williamson
Paul Willoughby

Absent:
Newy Scruggs

Also in attendance: Chancellor Kyle R. Carter; Provost Ken Kitts, Vice Chancellor for Academic Affairs; John Jones, Vice Chancellor for Student Affairs; Rich Cosentino, Vice Chancellor for Finance and Administration; Dan Ken Kenney, Chief of Staff; Joshua D. Malcolm, General Counsel and Assistant Secretary to the Board of Trustees; Kindra Locklear, Recording Secretary to the Board of Trustees.

INTRODUCTION OF GUESTS INCLUDING MEMBERS OF THE PRESS

No guests or members of the press were in attendance.

ETHICS STATEMENT

Chairman Wiley Barrett reminded the Trustees of their duty under the State Government Ethics Act to avoid conflicts of interest and/or the appearance of a conflict of interest. Trustees were asked to refer to the printed statement. No member made known of any conflicts of interest.

ADDITIONS/DELETIONS TO THE AGENDA

None

OATH OF OFFICE

The oath of office was administered to Admiral Michael Holmes and Miss Emily Ashley by Mrs. Kindra Locklear.

APPROVAL OF MINUTES

**Action
2013-17**

Upon a motion made by Trustee Gary Locklear, seconded by Trustee Caroline Williamson and unanimously carried, the Board of Trustees approved the June 18, 2013, Special Called Meeting Minutes of the Nominations Committee. (**Attachment 2**)

REPORT FROM THE NOMINATING COMMITTEE

Waiving requirements of UNC Pembroke BOT bylaws. (1.2.1).

**Action
2013-18**

The Board of Trustees' unanimously approved to suspend the waiving requirements of the UNC Pembroke Board of Trustees bylaws. (1.2.1)

Consideration of a Recommendation for Board Officers for AY 2013 – 14

Chairman Wiley Barrett reported that the following nominations were made by the nomination committee: Trustee Wiley Barrett for Chair; Lorna Ricotta for Vice Chair; Kellie Blue for Secretary.

**Action
2013-19**

Upon a motion made by Trustee Caroline Williamson and seconded by Trustee Gary Locklear and unanimously carried, the Board of Trustees approved all recommendations presented before the Board of Trustees for the elected Board Officers for AY 2013-14.

STRATEGIC DISCUSSION/NEW BUSINESS

Chancellor Carter stated that we have a new group of Vice Chancellors. He indicated that there has been a lot of transitions that had taken place regarding vacancies and retirements. He stated that, for the first time in three years, we have a stable Cabinet. Chancellor Carter stated that the philosophy of building this cabinet was to better the university. He added that the Cabinet had a retreat this summer. The purpose of the retreat was to learn more about one another and share ideas. He stated that he assigned the Cabinet to read a book by Colin Powel entitled *It Worked for Me: In Life and Leadership*. He stated that the purpose of reading this book was for each Cabinet Member to use the content within the book to help better his or her individual divisions.

Chancellor Carter stated that the Trustees will hear about a lot of different topics today that will include issues within academic affairs, student life and finance. He went through each Vice Chancellor's division and elaborated on its purpose and current status as far as budgets and tasks.

Chancellor Carter indicated that the Jones Center gym floor has a new logo and that the University was in the process of reconstructing the track. He stated that we will have our first ever televised football game against Winston-Salem State University, September 5, 2013, at 8 PM. Chancellor Carter encouraged the Trustees to attend the televised game.

Chancellor Carter acknowledged that we had enrollment problems last year and that he had shifted enrollment management to the Provost's Office (Academic Affairs). Furthermore, he informed the Board that GPAC has been shifted from Student Affairs to Advancement and DoIT from the Provost's Office to Finance and Administration. And finally, he shifted Campus Recreation to Student Affairs.

Chancellor Carter stated that we changed our admission standards and good standing requirements over the last three years. In the past, we were admitting students (as recently as 2008) with a 2.0 GPA. We changed our GPA admissions requirement in 2009 to a 2.3 GPA and have increased it incrementally since to a 2.7 GPA. This means that students seeking admission to UNC PEMBROKE now must meet a higher standard. It is taking our students around 6 years to graduate. It's not until 2017 that most of our graduating students will have entered the university under the higher academic standards. With regard to academic standing, prior to 2011 continuing students did not have to have a 2.0 cumulative GPA until their senior year. We changed that to increase academic standards for our currently enrolled students. Now all students must maintain a 2.0 to remain in good standing, but as with the increase in admissions standards this has presented challenges for enrollment.

Chancellor Carter went on to state that state and federal financial aid was reduced in 2011-2012, which has also complicated the enrollment outlook. At end of spring 2011, we had 301 students who were flagged for failure to meet Satisfactory Academic Performance (SAP) which is required for students to receive financial aid. 144 were approved when they appealed before the Academic and Financial Aid Appeals Committee.

Chancellor Carter transitioned the conversation to a review of the University's master plan. He stated that we have had the chance to purchase new land over the last 12-18 months. Joshua Malcolm showed the Trustees a map of the campus area and pointed out recent property purchases.

Chancellor Carter added that our land layout is very narrow and we are land locked.

STRATEGIC ISSUES FOR AY 2013-14

Dr. Ken Kitts stated that he would like to discuss the relationship between the enrollment and the budget. He stated that the largest sources of monies are state appropriations (50-60%), based on credits and head-count enrollment. He referred the Trustees to his PowerPoint presentation. He

indicated that tuition and fees are the second source of funding (\$20M). He added that axillaries are the third source of funding for the University.

Our funding will drop again approximately \$3 million for FY 14. This is occurring due to cuts from the UNC system and to decreased enrollment. We will lose approximately a 4% cut per the state budget and an additional \$1.1 million loss due to the enrollment shortfall in 2012-13.

Dr. Kitts stated that after the budget is approved and distributed, monies will be distributed within the University. He stated that we project our enrollment and GA gives monies based on our projections. We receive enrollment funds if we meet or exceed our projection . GA has ended the policy of hold harmless, which means that since 2012 we are penalized each year if we fail to meet our enrollment projection. The penalty is assessed in the following fiscal year.

Dr. Kitts stated that we experienced a great drop in enrollment in 2011. He stated that our latest enrollment projection is 6,593, which would be an increase of 324 students—a 5.2% increase. We are unlikely to meet that goal due to the pipeline effect of unusually large graduating classes.

Dr. Kitts stated that the question is how do we get to an enrollment of 6,593?

Dr. Kitts reviewed our current enrollment numbers with the Trustees. Goals for 2013 enrollment include:

- 1,150 Freshmen
- 625 New Transfers
- 350 New Graduate
- 350 New Readmits
- 70% Fall to Fall Retention

Ken Kitts stated that we are doing the following to increase our enrollment:

- We have a new Enrollment Management team in place, led by Dr. Melissa Schaub;
- We currently have a contract with Royall & Company to increase our freshman numbers;
- All programs for retention are located in the same area of campus (near Starbucks).
- Investing in recruitment of transfer students;
- We continue to build out academic support structure;
- We are continuing more international graduate recruitment effort; and
- We are employing a better use of data: “You can’t manage what you don’t measure.”

Transfer Recruitment

Dr. Kitts stated we maintain a permanent presence at Ft. Bragg and at Sandhills, Richmond, Cape Fear and Brunswick Community Colleges. Trustee Caroline Williamson questioned our presence at Bladen Community College. Dr. Kitts stated that we are reaching out to Cape Fear and Bladen Community Colleges. We do have a relationship with Fayetteville Community College (area presence).

He stated that we have a new Transfer Transition Office that assists incoming students. The Transfer Transition Office assists in consultant transfer students, and offers suggestions to make UNC Pembroke more transfer friendly. Services tailored to the transfer population include: new transfer web portal and course equivalency search feature; articulation agreements with 12 area community colleges; RN-to-BSN nursing bridge agreements with six area community colleges; enhanced military outreach as separate but related initiative; and finally we have added Michael Clawson to our staff as coordinator of our Military and Veteran Services program.

Recruitment Funnel: 2012 vs. 2013

Dr. Kitts stated that all of our areas are better than last year (inquiries, applications, acceptances, enrollment, GPA-accepted, SAT-accepted) are all up. Chancellor Carter added that we need to spend more time in getting more transfer students into the University. Chancellor Carter stated his goal for transfers is 575. Dr. Kitts stated that Admissions handles the recruitment of transfer students as well. Chancellor Carter stated that Melissa Schaub is creating a pamphlet for freshmen who are not accepted; the pamphlet would include the classes the student will need to transfer to UNC Pembroke.

Trustee Emily Ashley suggested we use ambassadors/students as recruiters vs. admissions staff. She opined that students tend to listen to other students rather than adults/counselors. Dr. Kitts stated that the expansion of Student Academic Support Services has created different systems/programs that help with students who are on probation. This includes students as tutors, HawkAlerts, etc. Dr. Kitts ended by stating that the overall quality and success of our students and programs are increasing.

Threats and Challenges:

Dr. Kitts stated that the economy and cutbacks in financial aid continue to affect students' ability to pay for college; the pipeline effect looms large; it will take a better effort than last year to reach the same fall enrollment head count. The elimination of salary supplement for K-12 teachers earning a master's degree will also affect our numbers. Dr. Kitts stated that we have approximately 100 students who will be affected by this decision. He added it is possible that newly accepted graduate students may not attend due to the elimination of salary supplement. Dr. Kitts stated that his division is tracking enrollment daily.

Student Life – Dr. John Jones

John Jones, Vice Chancellor for Student Affairs, discussed the need for acculturation and alignment. John Jones stated that acculturation means teaching our students what UNC Pembroke values, what successful students do in that context, and how to take advantage of institution resources for their learning. He stated that resources need to match UNC Pembroke's mission and educational purpose as well as students' abilities and needs.

Dr. Jones gave an overview of the division of Student Affairs. He indicated that in the immediate future he is focusing on the University's Campus Recreation program and he is also going to focus more on ensuring student success. Dr. Jones stated that the following items are assisting with making UNC Pembroke a campus of choice: feature student success in the

education mission and purpose; clarify and translate the mission in plain language to stakeholders; senior leaders publicly and repeatedly champion undergraduate education; establish high expectations—for everyone; steer the organization toward continuous improvements; “sunset” less effective programs and activities in order to support high priority initiatives; and align the physical environment with institutional priorities.

Dr. Jones stated that his division plans to establish high expectations for everyone; emphasize student centeredness; teach newcomers about the campus culture; put money where it will make a difference in student engagement; invest in opportunities that allow students to apply what they are learning in ways that also benefit others; encourage collaboration across functional lines and between the campus and community; ensure high-quality student support services; align the physical environment with institutional priorities; create a sense of specialness about being a student at UNC Pembroke; and develop interventions for under-engaged students.

Budget – Dr. Rich Cosentino

Dr. Rich Cosentino, Vice Chancellor for Finance and Administration, gave a presentation on the current budget (and subsequent reductions) the University is operating with for fiscal year 2013-2014. He stated it is necessary to keep track of University finances due to the separate financial systems that are working together – the state, UNC General Administration, and UNC Pembroke.

Dr. Cosentino explained expected funding for renovations to the Taylor Track, previously approved by General Administration, have since been rescinded. He also stated, despite a reduction in education and related spending, the University has seen an increase in the number of degrees awarded since 2008. Dr. Cosentino explained there will be a budget shortfall unless proactive steps are taken by the administration.

He explained some alternatives to budget reductions include using funds held in reserves, eliminating vacant positions, addressing the general fund operating budget, and reducing University positions. Trustee Michael Holmes asked if reserves can be taken by the State. Dr. Cosentino stated the University can do nothing to prevent the state from taking money from the reserve fund. Chancellor Carter explained the state can examine positions that are vacant at a University and determine that those positions should be eliminated from the budget.

System-wide budget cuts proposed by UNC and accepted by the NC legislature are permanent and include reductions because of academic and operational efficiency.

Dr. Cosentino stated the University is looking to borrow money in order to begin construction on the new Student Health Services building. Joshua Malcolm, General Counsel, explained this course of action, which is quicker than obtaining bonds, requires board approval. The Board was asked to consider approving the associated indebtedness to pay constructing and equipping the Student Health Services building and related facilities.

ACTION
2013-20

Upon a motion made by Trustee Paul Willoughby, seconded by Trustee Lorna Ricotta and unanimously carried, the Board approved the proposed resolution to obtain a loan to for constructing and equipping the Student Health Services building and related facilities on the campus of the University of North Carolina at Pembroke. **(Attachment 4)**

Trustee Emily Ashley asked what will happen to the old Student Health Services building. Chancellor Carter replied the building will be repurposed, but a decision has not been made as to what that will be.

Legal update (Personnel) – Mr. Joshua Malcolm

Joshua Malcolm, General Counsel, gave a presentation on legal issues with budget reductions as they relate to University personnel. He explained *The Code* and UNC Policy Manual, as well as the University's requirements on the treatment of tenured faculty in the event of program elimination and curtailment. He explained the applicable portions of *The Code* and UNC Policy Manual as it relates to personnel administration.

Mr. Malcolm explained reductions in force for SPA staff occur with a 30-day notice and severance pay is determined by years of service with an age adjustment. Decisions as to which positions could be considered for elimination are based on which positions are critical to the continued operations of the University, while complying with all regulatory and legal requirements.

Mr. Malcolm then transitioned the conversation to the need for the University to have law enforcement mutual aid agreements. He explained the statutory framework of NCGS §116-40.5 as it relates to universities.

After some discussion, Chairman Barrett asked if the Board had any further questions.

ACTION
2013-21

Upon motion made by Trustee Paul Willoughby, seconded by Trustee Bob Caton and unanimously carried, the Board authorized the Chancellor to execute any and all agreements, on behalf of the Board, as required by NCGS §116-40.5 and it ratified any such agreements executed by the Chancellor since July 1, 2013.

Chairman Wiley Barrett reviewed the announcements as printed. He encouraged Trustees to attend as many events as possible.

ADJOURNMENT

There being no further business to come before the Board, a privileged motion was made and the meeting adjourned at 3:22 p.m. Chairman Barrett thanked the Board members for their participation.

Respectfully submitted,



Joshua D. Malcolm
Assistant Secretary



Kindra D. Locklear
Recording Secretary

Attachments

1. Agenda – Board of Trustees – July 25, 2013
2. Special Called Minutes – Nominations Committee – November 18, 2013
3. Strategic Issues for AY 2013-14
4. Resolution of the Board of Trustees – Approving a Loan to Pay a Portion of the Costs of Acquisition, Construction, and Equipping of a Student Health Center and Related Facilities on the Campus of the University of NC at Pembroke.
5. Board of Trustees Retreat Evaluation