



**Report to UNC Board of Governors from UNC President Spellings  
November 3, 2017**

Good morning. It's been a packed week—committee calls, a terrific Board of Trustees workshop on Wednesday with many of our Governors and Chancellors attending as well, and then yesterday, a busy day of committee meetings and a policy session on financial aid.

**GA Purpose and Effectiveness**

In fact, it's been an eventful past six weeks. And I want to take a few moments to reflect on the last Board Meeting and the work we've been engaged on with all of you in the weeks since.

Through the task forces required at September's meeting, we have been working to meet the concerns and desires voiced by the Board as they relate to the efficiency of General Administration and effectiveness of these Board meetings.

I have said this to the Board before and I'll continue to say it moving forward. There is no one more interested in making this team—and this place—as effective as it can be than I am.

**Deregulation Process**

Which is why I appreciate the Board's assistance in reviewing the myriad of compliance requirements that General Administration is tasked with. As a relatively small enterprise—roughly 265 employees and a \$60 million budget, we dedicate 60% of our staff to compliance and reporting work.

As of this meeting, we have now presented to the Board on 22 of the 117 identified reporting and data collection requirements we are tasked with, and six of those requirements are on today's consent agenda for removal by the Board. We will continue to move through this process and I appreciate the collaborative effort in tackling this regulatory burden.

**Major in the Majors**

Allowing my team and this Board to work on the biggest issues is an important step forward. There is a strong desire in this State – at every level of our institution and across the state by the taxpayers who hold us accountable, for us to major in the majors, as I like to say, and focus on the Board's strategic priorities.

That's why we invested the time to create a Strategic Plan and why my focus will remain on those priorities.

### **Mobility as a Guiding Issue**

Earlier this week, I had the opportunity to do that and represent the UNC System at a transformational new national initiative- the CLIMB initiative. Built around a research team led by Dr. Raj Chetty from Stanford University that has been publishing groundbreaking research on economic mobility over the past few years, this initiative is focusing its methods and enormous federal data sets on colleges and their ability to move low-income students into high-income jobs after graduation.

As I mentioned yesterday during our policy session, UNC is proud to be a founding partner, which promises to provide institutional- and even program-level data that tracks how students fare financially after graduation. It's hard to overstate the potential power of this data.

We will likely be able to look at specific programs, like a financial aid program, and track post graduate income levels for students who participated.

These are insights we have never had. They'll give us tangible metrics on which programs vault students forward, and which don't. They'll help tell us what kinds of interventions matter, and which we should abandon. It's a whole new resource of data and evaluation.

### **Data Systems**

And it's a reflection of why we need to improve our own data systems here at UNC. I'm excited to see what the recent investment by the Legislature in data modernization will allow us to do. We recently issued an RFP to establish an overall strategy for enhancing our data systems to allow better financial management of the system. We'll be engaging with vendors over the next few months and will report back in February.

Better data is essential in answering the kinds of questions posed yesterday by Governor Allison and many others delving into our financial aid system and our institution's costs. I appreciate the leadership of the Board in asking these questions and we'll continue to improve our ability to obtain the data that will help guide us forward.

As suggested yesterday, I will be engaging the Chancellors on their recommendations to improve financial aid and look forward to bringing those recommendations back to this Board.

### **Strategic Plan Performance Agreements**

On another front, we are excited by the recent signing of 16 Strategic Plan Performance Agreements at each of our universities.

These unique performance agreements are how and where the Strategic Plan comes to life. Through nine measurable metrics under the themes of access, student success, and economic impact, we've created plans that build on each institution's distinctive strengths and priorities.

This was an iterative process, with campus leaders working with Andrew Kelly and my team to rank the 9 measures and then using existing institution-level strategic plans, historical data and future projections, to generate aggressive but realistic targets for each metric.

Our Strategic Plan is only as good as its implementation and this is a significant step for the system towards transformative growth and a coordinated strategy that capitalizes on each institution's diversity and unique mission and context.

We are now developing interactive dashboards to monitor system and institution-level progress and we will be awarding up to \$2 million of the President's Strategic Initiative reserve on a competitive basis to our institutions pursuing "stretch goals" on student success.

This is an exciting step forward that will further accelerate our work. You can find the unique institutional agreements in your Board materials.

### **BOG Tours**

Our new Board members have gotten to see this work first-hand as our campus tours continued this month. Last week we had upwards of a dozen members join at various points of our two-day tour of Fayetteville State University, UNC Pembroke and UNC Wilmington.

At each stop we've been generously hosted by our Chancellors, their faculty, staff, and remarkable students—and I appreciate their hospitality and hard work to make them possible.

The tours have been a full slate of travel—so much so that as Chairman Bissette mentioned yesterday, we are postponing the remaining visits until the new year.

### **ECSU**

I also traveled with BOG members Smith, Long and Davenport to Elizabeth City State University on Wednesday, October 25th, to announce the launch of the ECSU New Directions—Phase Two: Workgroup and Operational Improvement team.

As mentioned in an email to you just a few weeks ago, during the last 18 months, I have worked with board members, my team at General Administration, the ECSU working group, and Chancellor Conway and his team to ensure ECSU's long-term success and to capitalize on the opportunities ahead, especially NC Promise, which begins with the class of 2018.

Strong governance is critical and essential to this phase and accordingly, we have reconstituted the ECSU Working Group, which will consist of three Board of Governors members- Walter Davenport, Harry Smith and Steve Long and three members of the ECSU Board of Trustees- Chair Bishop Kim W. Brown, Vice-Chair Harold Barnes and Trustee Jan King Robinson.

I've also asked Chancellor Conway and Dr. Karrie Dixon to co-lead an Operational Team. Chancellor Conway and Dr. Dixon will lead an effort to systematically assess ECSU operations,

accomplish major transformations and improvements in all operational areas, and put in place an organizational structure that will allow ECSU to take advantage of upcoming opportunities.

I'm excited about the work that will be done in this phase and I look forward to continuing to update you on our progress.

### **Title IX**

At September's meeting, the Board passed a motion introduced by Governor Webb to examine the University's procedures for handling Title IX matters in light of recent regulatory developments in the area. I am pleased to report that I have formed a working group consisting of staff from several universities in the System. They will meet in November and December to discuss Title IX investigative and hearing processes and consider whether any updates and amendments to University procedures may be appropriate. We will report back on this effort at the January board meeting.

### **My Future NC Commission**

We've also announced a major statewide initiative in recent weeks that is called for in the strategic plan.

Last month, we were in Mocksville at Davie County Community College to officially launch My Future NC, a much-needed commission to develop state-wide educational attainment goals and smooth the transitions between the different stages of a student's educational journey. We lose too many of our young people as they move through the educational spectrum and that must change.

I thank the co-chairs of the group, Andrea Smith of Bank of America and Dale Jenkins of Medical Mutual Holdings for their support. Transforming and coordinating the convoluted pathway from Pre-K through College Graduation is a herculean task that will be impossible without the strong support of the Business Community.

We also have an outstanding steering committee- Ann Goodnight, Jennifer Haygood, Mark Johnson, MC Belk Pilon, and Anna Nelson. It's an all-star team from the philanthropic, higher education and K-12 backgrounds and I'm grateful for their strong leadership.

This is all in addition to a deep bench of talent and experience sitting on the commission including leaders from business, civic and religious life, K-16 education, philanthropy and government.

The Board's leadership in helping bring this group together has been essential and I believe we are well placed to make significant progress in the coming months. Our first meeting is on Monday at NC State's Institute for Emerging Issues and we will be completing our work and making recommendations to you and to the Legislature in 2018.

### **Vet Summit**

Shifting gears, on November 13th, we will host a Veterans Summit to look at how to best support our student veterans. The summit will be livestreamed as well, and I invite all of you to join in-person or on-line.

North Carolina is home to the third largest military population in the nation including nearly 130,000 active duty and reserve members and over 775,000 military veterans. We are proud of UNC's commitment to those who serve this nation but we know we can and must do more to serve them.

Today, every UNC institution has certain basic infrastructure- for instance, a military affairs liaison, a dedicated web presence, a student veteran organization, an admissions counselor- to support our military affiliated students. It's a good start but we must to accelerate our work.

That is happening. In the past year three campuses, Appalachian State University, North Carolina State University and UNC-Chapel Hill, have opened dedicated Veteran Resource Centers, one of the top needs and priorities that we hear requested by our student veterans. A majority of our institutions now have a dedicated, go-to place for our veterans.

The summit on the 13th will be reflecting on progress like this, and how to accelerate and scale more broadly.

### **Personnel**

On the personnel front, I am pleased to announce that we have hired a new Vice President for Digital Learning. Dr. Jim Ptaszynski who will assume the role in January.

He joins us from the Gates Foundation, where he served as the Senior Fellow for Postsecondary Success focused on leveraging digital technology to improve U.S. higher education for low-income students. Before Gates, Dr. Ptaszynski worked at Microsoft for 19 years, most recently as their Senior Director for World Wide Higher Education Strategy.

Jim has close ties to North Carolina including serving for 6 years as an associate dean at Wake Forest University and earning his BA and PhD from UNC-Chapel Hill. We are looking forward to welcoming him to the team.

And as we welcome a new leader, we unfortunately have to say good-bye to two other strong and dedicated stalwarts.

Chancellor Mary Grant is departing from UNC-Asheville after three years leading the University. A Massachusetts native, she's returning to her home state to lead the Edward M. Kennedy Institute for the U.S. Senate. I know Chancellor Grant is excited about this terrific opportunity, even as we are sad to lose her and grateful for her service.

## APPENDIX B

Over her tenure, Chancellor Grant has developed a visionary strategic plan, led investment in over \$67 million of capital projects and made smart investments in technology. Above all, Chancellor Grant always put her students first and I know she will be most remembered for the bonds and relationships she forged with UNC Asheville's amazing students and the greater Asheville community.

Please join me in thanking Chancellor Grant for all she's done for this state and UNC Asheville with a round of applause.

As the search committee does its work in the coming months, I'm grateful to current Provost Joe Urgo who will serve as interim Chancellor. Dr. Urgo has been Provost at UNC Asheville since 2015 and is a nationally known expert in American literature and culture. He's previously served as President of St. Mary's College of Maryland and in multiple roles at Hamilton College.

And as some of you already know, our Senior Vice President for Finance and Budget Jonathan Pruitt will be leaving at year's end to assume the role of Chief Financial Officer at the University of Louisville.

Jonathan is a native of Kentucky—so like Chancellor Grant, this is a homecoming for him. Jonathan's departure is a tremendous loss for the System—he has served the University for 11 years and been a trusted advisor to the Board and three presidents—including me. Jonathan is a team-player, a strategic thinker, a talented leader, and an overall good guy. We will certainly miss him...

Rick Whitfield, currently the CFO at UNC Wilmington, will be taking over as acting SVP and CFO for the System. Rick will begin on December 1st and will work with Jonathan during December to transition. We're grateful to Zito and to UNCW for lending Rick's considerable talents to us.

And with that, Chairman Bissette, I conclude my report.