

MEETING OF THE BOARD OF GOVERNORS Committee on Public Affairs

January 20, 2021 at 2:00 p.m.
Via Videoconference and UNC-TV Live Stream
University of North Carolina System Office
Center for School Leadership Development, Board Room
Chapel Hill, North Carolina

AGENDA

A-1.	 Approval of the Minutes of October 21, 2020, and November 18, 2020
A-2.	University Advancement UpdateTimothy Minor
A-3.	Updates to 2021 Legislative ProposalsAusten Nowell
A-4.	Federal Government Relations UpdateElizabeth Morra
Δ-5.	Adjourn



DRAFT MINUTES

October 21, 2020 University of North Carolina System Office Center for School Leadership Development, Room 128 Chapel Hill, North Carolina

This meeting of the Committee on Public Affairs was presided over by Chair C. Philip Byers. The following committee members, constituting a quorum, were also present in person or by video: Dwight D. Stone, N. Leo Daughtry, and Temple Sloan.

Chancellors participating on the videoconference were Peggy Valentine and Robin Cummings.

Staff members present included Drew Moretz, Elizabeth Morra, and others from the UNC System Office.

1. Call to Order and Approval of OPEN Session Minutes (Item A-1)

Chair Byers called the meeting to order at 10:31 a.m., on Wednesday, October 21, 2020.

Drew Moretz called for a motion to approve the open session minutes of September 16, 2020.

MOTION: Resolved, that the Committee on Public Affairs approve the open session minutes of September 16, 2020, as distributed.

Motion: N. Leo Daughtry

Motion carried

Roll Call Vote				
Byers	Yes			
Stone	Yes			
Long	Absent			
Daughtry	Yes			
Sloan	Yes			

2. State Government Relations Update (Item A-2)

Chair Byers called on Mr. Moretz to present the Campus/Division Policy Agenda Requests. The new legislative session will begin in January 2021. Mr. Moretz presented the 2021 UNC Policy Agenda which included requests received from the institutions. Mr. Moretz highlighted some of the requests, including HR flexibilities, carryforward

flexibility, and state financial aid simplifications. The committee was advised to review the policy request over the next month and reach out with any questions or comments. The committee will vote on approval of the policy agenda at November's committee meeting. Once the policy agenda is approved, the approved agenda will be presented to the full Board.

This item is for information only.

3. Federal Government Relations Update (Item A-3)

Chair Byers called upon Elizabeth Morra to provide a federal government relations update to the committee. Ms. Morra updated the committee on COVID-19 stimulus negotiations and various stimulus plans proposed in Congress. She also provided information about the likelihood of any stimulus package being approved prior to the elections in November. Ms. Morra then discussed the UNC System priorities in the stimulus bills. The most scaled-back versions still provide roughly \$30 billion for higher education. Several plans go as high as \$37 billion, she reported. Finally, Ms. Morra discussed Congress' priorities after the election, which include reaching an agreement on another COVID-19 stimulus package and completing work on FY21 appropriations bills. If an agreement is not reached on spending bills by December 11, which is the end of the continuing resolution, Congress will need to pass a new continuing resolution to keep the government open until the bills can be completed in the new calendar year.

This item is for information only.

4. Adjourn

There being no further business, the meeting adjourned at 11:09 a.m.	
--	--

Steven B. Long, Secretary



MEETING OF THE BOARD OF GOVERNORS Committee on Budget and Finance Committee on Public Affairs

DRAFT MINUTES

November 18, 2020 University of North Carolina System Office Center for School Leadership Development, Board Room Chapel Hill, North Carolina

This joint meeting of the Committee on Budget and Finance and the Committee on Public Affairs was presided over by Chairs James L. Holmes, Jr. and C. Philip Byers. The following members of the Committee on Budget and Finance members, constituting a quorum, were also present in person, by video, or phone: J. Alex Mitchell, Michael Williford, W. Marty Kotis, III, and Wendy Floyd Murphy. The following members of the Committee on Public Affairs, constituting a quorum, were also present in person or by video: Dwight D. Stone, Steven B. Long, N. Leo Daughtry, and Temple Sloan.

N. Leo Daughtry joined the meeting at 1:30 p.m.

Chancellors participating in the videoconference were Sheri Everts, Kevin Guskiewicz, Randy Woodson, Peggy Valentine, and Robin Cummings.

Staff members present included Drew Moretz, Jennifer Haygood, and others from the UNC System Office.

Chair Byers called the meeting to order at 1:20 p.m. on Wednesday, November 18, 2020.

1. 2021-23 Budget Priorities (Item A-1)

Senior Vice President for Finance and Administration Jennifer Haygood presented the 2021-23 Budget Priorities to the committee for consideration. The proposed budget priorities include UNC System Enrollment Funding, the NC Promise Program, Building Reserves, and Faculty and Staff Salaries. The total increases for 2021-22 would be \$105-\$115M and \$146-\$166M for 2022-23. The total request includes the conversion of 2020-21 nonrecurring funds to recurring funds, as well as new funding for the biennium. Final numbers will be reported back to the Committee on Budget and Finance in January.

MOTION: Resolved, that the Committee on Budget and Finance approve the 2021-23 Budget Priorities and recommend them to the full Board of the Governors for a vote.

Motion: J. Alex Mitchell

Motion carried

Roll Call Vote					
Holmes	Yes				
Mitchell	Yes				
Williford	Yes				
Kotis	No				
Murphy	Yes				

2. 2021 Legislative Proposals (Item A-2)

Vice President for State Government Relations Drew Moretz presented the 2021 Legislative Proposals to the committees. The COVID response items included an HR flexibilities request, an amendment of the authorized uses of carryforward dollars, and the extension of the waiver of interest charges on student balances. The non-COVID items included consolidation and simplification of financial aid programs, exemption of certain business/audit officers from the NC HR Act, and consolidation or elimination of various reports provided to the legislature.

MOTION: Resolved, that the Committee on Public Affairs approve the 2021 Legislative Proposals and recommend them to the full Board of the Governors for a vote.

Motion: N. Leo Daughtry

Motion carried

Roll Call Vote						
Byers	Yes					
Stone	Yes					
Long	Yes					
Daughtry	Yes					
Sloan	Yes					

3. Adjourn

There being no further business, the meeting adjourned at 2:05 p.m.

Steven B. Long, Secretary



MEETING OF THE BOARD OF GOVERNORS Committee on Public Affairs January 20, 2021

AGENDA ITEM

A-2. University Advancement UpdateTimothy Minor

Situation: The committee will receive an update on FY20 fundraising.

Background: University Advancement maximizes philanthropic support of the University's teaching,

research, and service missions through an integrated system of shared services and resources. University Advancement expands opportunities for outreach and engagement and fosters strategic alliances. Mr. Minor will provide an update on the

FY20 fundraising year.

Assessment: This briefing will summarize the FY20 fundraising year.

Action: This item is for information only.



MEETING OF THE BOARD OF GOVERNORS Committee on Public Affairs January 20, 2021

AGENDA ITEM

A-3. Updates to 2021 Legislative Proposals.......Austen Nowell

Situation: The Board of Governors is responsible for submitting a list of policy proposals to the

General Assembly before each legislative session.

Background: The 2021 Legislative Proposals were first presented to the Committee on Public Affairs

at its meeting in October. They were approved during the November meeting. We have

a few more items that need to be added to the 2021 Legislative Proposals.

Assessment: The attached two proposals align with the University's Strategic Plan and reinforce the

efforts of the UNC System Office and UNC System constituent institutions to achieve the

goals of previous state legislation.

Action: This item requires a vote by the committee and a vote by the full Board of Governors.



Area:	Efficiency				
Topic:	Support Additional HR Flexibilities				
Governance:	G.S. 116-14(b3)				
Current Status:	COVID-19 has had significant financial impacts on the state. As we look toward a tight state budget in FY22, the UNC System needs additional tools to address potential funding pressures on the System and its employees. These flexibilities include: Expanding the availability of voluntary early retirement beyond faculty positions Additional authority for furloughs and temporary salary reductions Flexibility over reduction in force and severance payments using existing resources Allowing state employees to continue to use vacation and/or sick leave interchangeably through December 2021 ADDED Item for approval: Authority for the University to cover (using non-State dollars) furloughed employees' contributions to state health plan monthly premiums				
Current Challenges:	These flexibilities are urgent needs that can minimize harm caused by the deleterious effects of COVID-19 on the University, its mission of public service, and its ability to care for employees.				
Proposed Action:	See draft language.				



Area:	Efficiency					
Topic:	Report Elimination (or UNC System requirement to participate)					
Governance:	G.S. 66-58(h), Section 36.7(b) of S.L. 2017-57, Section 26.5(b)(1) of S.L. 2012-142, Section 26.4(b) of S.L. 2012-142, S.L. 2001-424, G.S. 116-30.7, S.L. 2010-148, G.S. 143-133.1.					
Current Status:	 With regard to efficiency, we request the elimination of the following reports as they involve significant investment of time, effort, and human resources. North Carolina General Assembly Fiscal Research Division staff requested or approved the elimination of the following reports: 1 Report on Debt or Contracts for Golf Courses and Transient Accommodations Facilities - G.S. 66-58(h) 2 Status of Capital Projects - Quarterly Report - Section 36.7(b) of S.L. 2017-57 3 Status of Capital Projects - Biannual Report - Section 26.5(b)(1) of S.L. 2012-142 4 Progress Report on Fire Sprinklers - Section 26.4(b) of S.L. 2012-142 5 Joint Conference Committee Report on the Continuation, Expansion and Capital Budgets - Report on President's Strategic Initiative Reserve - S.L. 2001-424 6 Report on UNC Enrollment Growth - G.S. 116-30.7 					
	UNC System Division of Finance and Administration requested the elimination of the following reports: 7 Bond Default Report - S.L. 2010-148 8 Report to the Secretary of Administration for any construction manager at risk, design-builder, or public-private partnership contracts awarded - G.S. 143-133.1.					
Current Challenges:	These reports, which have been mandated by statute or budget provision, require a great deal of time and effort to complete. We request that these reports be eliminated to improve efficiency. If the reports cannot be eliminated, we request that the reporting requirements be simplified — or be required less frequently.					
Proposed Action:	Eliminate statutes to exclude the requirement for the UNC System to complete the following reports: 1 Report on Debt or Contracts for Golf Courses and Transient Accommodations Facilities - G.S. 66-58(h) 2 Status of Capital Projects – Quarterly Report - Section 36.7(b) of S.L. 2017-57 3 Status of Capital Projects – Biannual Report - Section 26.5(b)(1) of S.L. 2012-142 4 Progress Report on Fire Sprinklers - Section 26.4(b) of S.L. 2012-142 5 Joint Conference Committee Report on the Continuation, Expansion and Capital Budgets – Report on President's Strategic Initiative Reserve - S.L. 2001-424 6 Report on UNC Enrollment Growth - G.S. 116-30.7 7 Bond Default Report - S.L. 2010-148 8 Report to the Secretary of Administration for any construction manager at risk, design-builder, or public-private partnership contracts awarded - G.S. 143-133.1.					



MEETING OF THE BOARD OF GOVERNORS Committee on Public Affairs January 20, 2021

AGENDA ITEM

A-4. Federal Government Relations Update......Elizabeth Morra

Situation: The committee will receive an update on federal legislative issues and UNC System

Federal Priorities.

Background: Congress passed a second COVID-19 Relief Bill since the committee's previous meeting.

Ms. Morra will provide an overview on what the new relief bill includes. Ms. Morra will also provide an update on the FY 2021 Omnibus Appropriations bill. Next, Ms. Morra will introduce the UNC System's Federal Priorities for the 117th Congress. These priorities will be voted on during February's Public Affairs Committee meeting. Finally, Congress recently passed Veterans Health and Benefits legislation. Ms. Morra will

explain how this legislation affects the UNC System.

Assessment: This briefing will summarize the recent legislation passed in Congress, as well as the UNC

System Federal Priorities.

Action: This item is for information only.



FEDERAL PRIORITIES FOR 117th CONGRESS

OVERVIEW

The unique and diverse campuses of the University of North Carolina System have for generations provided opportunities for upward mobility for graduates and served as a powerful economic engine in many communities across the state. The UNC System's 17 institutions, which reach from the mountains to the coast, offer hope and promise of a brighter future for all North Carolinians.

With this incredible responsibility, comes the challenge to do more. Far too many low-income, first-generation, and underrepresented groups still face barriers to a four-year college degree. Despite innovations in affordability such as NC Promise, which offers greatly reduced tuition rates at three UNC System campuses in communities that need it most, there is still much work to be done to make a college degree more accessible.

Adding to existing challenges, the COVID-19 pandemic has stretched resources and funding beyond what anyone could have predicted. Federal support provided in the CARES Act and, most recently, the Coronavirus Response and Relief Supplemental Appropriations Act of 2021, have greatly relieved some of the pressures on UNC System institutions. However, more federal support is necessary to recoup lost time and scientific advances at research laboratories, mitigate effects of the pandemic on campuses, and address ongoing challenges to keep students academically engaged and successfully on track to a degree despite interruptions. There are also increasing pressures on universities to create economic opportunities providing jobs that offset losses caused by the pandemic.

The UNC System is fortunate that the state legislature has stood firmly behind its mission for many years, but federal support remains critical to future success. UNC System FY 2022 federal priorities outlined below fall under three main categories:

- 1. Support for federal research
- 2. Commitment to expanding access, affordability, and promoting student success
- 3. Support for colleges and universities during the COVID-19 pandemic

17 INSTITUTIONS.

INDIVIDUALLY REMARKABLE. COLLECTIVELY EXTRAORDINARY.

Appalachian State University
East Carolina University
Elizabeth City State University
Fayetteville State University
North Carolina A&T State University
North Carolina Central University
North Carolina State University
UNC Asheville

UNC-Chapel Hill
UNC Charlotte
UNC Greensboro
UNC Pembroke
UNC School of the Arts
UNC Wilmington
Western Carolina University
Winston-Salem State University
N.C. School of Science and Mathematics



PRIORITY 1: SUPPORT FEDERAL RESEARCH

Federal research funding is the lifeblood of the nation's universities and colleges. The UNC System is no different. Every year, the UNC System relies on approximately \$1.1 billion in federal research funding to advance important discoveries, including medical priorities such as vaccines and treatments for vexing public health challenges. Federal research funding also provides future researchers and scientists invaluable laboratory experience, fosters innovation and competitiveness through the development of new knowledge, and grows the future workforce in STEM fields and social sciences. The major federal agencies and their programs UNC System institutions rely on most for funding to achieve research outcomes, include:



The National Science Foundation (NSF)

National Aeronautics Space Administration (NASA)



Science Mission Directorate, Aeronautics Research Directorate, Space Technology, Space Grant Program



National Oceanic and Atmospheric Administration (NOAA)

Oceanic and Atmospheric Research, Sea Grant Program



National Institute for Standards and Technology (NIST)

Manufacturing Extension Partnerships (MEP), National Network for Manufacturing Innovation (NNMI)



Economic Development Agency (EDA)

Regional Innovation



US Department of Agriculture (USDA)

National Institute of Food and Agriculture (NIFA); Hatch Act Funds, Smith Lever Funds 3(b) and 3(c), Evans-Allen Program, McIntire-Stennis Cooperative Forestry, 1890 Institutions Extension Services



Department of Defense (DoD)

Science & Technology, S&T Basic Research, Medical Research, DARPA



Department of Energy (DOE)

Office of Science: Advanced Research Projects Agency for Energy (ARPA-E)



National Endowment for the Humanities (NEH)



Department of Interior

U.S. Geological Survey (USGS) Water Resources Research Institutes



Environmental Protection Agency (EPA)

Office of Science and Technology



Department of Education (ED)

Student Aid: Pell Grants, Graduate Assistance in Areas of National Need (GAAN), Supplemental Educational Opportunity Grants (SEOG), Federal Work Study, TRIO, GEAR UP



National Institutes of Health (NIH)

Additional Research Priorities:

- Support the RISE (Research Investment to Secure the Economy) Act/\$25 Billion for Federal Agencies.
- Support Cooperative Approaches to Research Security. The UNC System recognizes the need to engage with Congress and identify how to effectively collaborate with federal agencies to address potential security threats to the country's research and scientific interests.
- Support expansion of research focusing on the impacts of Covid-19 on students K-12 and postsecondary, including effects on mental health.
- Support the implementation of the National Artificial Intelligence Research and Development Strategic Plan, including funding research aimed at developing scalable AI systems and fostering AI research.
- Support legislation targeting department and agency R&D investments in advanced manufacturing, specifically smart and digital manufacturing and advanced industrial robotics, as well as cybersecurity.

PRIORITY 2: COMMITMENT TO EXPANDING ACCESS, AFFORDABILITY, AND STUDENT SUCCESS

The Coronavirus Response and Relief Supplemental Appropriations Act of 2021, included several priorities for higher education long supported by the UNC System, such as simplifying the Free Application for Student Aid (FAFSA) form. The Act also expanded the Pell Grant program by the largest amount in a decade, including an easier method for students to predict eligibility. However, there are a number of key education authorization and funding issues the UNC System would like to see addressed in the 117th Congress to make college more attractive, accessible and affordable for students:

- Support and increase Pell Grant funding: These need-based grants have a proven success rate of increasing graduation rates, as they keep students on track for degree completion. Currently, UNC System universities receive approximately \$346 million annually in Pell Grant funding, supporting more than 72,000 students at System universities. Congress should consider ways to:
 - o Increase the maximum Pell Grant award annually. Pell Grants are well-targeted to students with clear financial need: Approximately three-fourths of all Pell Grant dollars are awarded to students with a family income below \$30,000. For many students, Pell Grants make the difference between being able to afford college or not, but over the years the size of the grant has not kept pace with the costs of attending college. While the maximum grant used to cover about 80 percent of college costs, today the 2020-2021 maximum grant of \$6,495 covers just 30 percent of the cost of attending college.
 - o Fund the Pell Grant Program on the mandatory side of the budget so that it automatically responds to increases and decreases in student enrollment without the need for congressional action, OR
 - o Extend the annual inflation adjustment levels, which expired after the 2017-2018 academic year. Without the inflation adjustment, Pell funding will decline as inflation rises, jeopardizing access to higher education for the neediest students.

■ Support and increase campus-based student aid programs:

- o Preserve Supplemental Educational Opportunity Grants (SEOG) for the neediest of students.
- o Preserve and expand the federal Work-Study program for all students, including graduate students.
- Preserve and support TRIO, GEAR UP, and Graduate Assistance in Areas of National Need (GAAN) all of which help UNC System campuses attract and retain students who otherwise might not be able to access or afford college.

■ Support for Students (undergraduate, graduate, and postdoctoral):

o Including federal financial aid, loans, scholarships, fellowships, research awards, transitions to the workforce, mental health services, and related programs.



PRIORITY 2: (CONTINUED)

Address the Perkins Loan Reimbursement Issue; Colleges Still Owed Millions:

- o The Perkins Loan Program, which expired in 2017, provided low-interest loans for students with financial needs. It was funded through a partnership between the federal government and institutions of higher education. The program allowed certain debts to be cancelled if a student entered public service fields such as teaching, law enforcement, or military service. However, for the past ten years, the burden of covering the cost of the cancellations has fallen solely on colleges and universities, with no federal assistance, despite a statutory obligation to do so.
- o Nationally, it is estimated that colleges and universities are owed in the range of \$250-300 million in unreimbursed Perkins Loan funds. The UNC System is owed \$6.2 million. Even though annual appropriations bills have included language directing the Department of Education to reimburse the cancellation costs to colleges and universities, it has not done so to date, and the Department claims it does not have the funding to pay the debts.

■ Pass the College Transparency Act (CTA):

- o Students and parents deserve more information about costs and outcomes when making one of the single largest financial commitments of their lives: a college education.
- o Accurate graduation and employment rates are key data components that are currently not available on a consistent basis or comparable nationwide.
- o The CTA provides a balanced approach to addressing concerns about privacy and security while giving families key information needed to make impactful decisions.

■ Preserve and Clarify Public Service Loan Forgiveness (PSLF):

- o Provide more statutory clarity on which non-profit organizations qualify. This will ensure that graduates know what they are signing up for, as PSLF requires 10 years of public service in designated careers such as military service, nursing, or teaching.
- o Revamp the Employer Certification Form process to eliminate situations in which borrowers are initially told their work qualifies, and then later receive an adverse determination.
- o Speed the processing of applications for discharge.

PRIORITY 3: SUPPORT COLLEGES AND UNIVERSITIES DURING COVID-19 PANDEMIC

- Federal funding to colleges and universities for lost time in research labs, COVID-19 testing and tracing, PPE, and related sterilization supplies will continue to be a priority as the pandemic rages on.
 - \$120 billion was requested by the higher education community for the last pandemic relief bill and \$23 billion was provided. Additionally, university research relief funding was largely left unaddressed in both pandemic bills.
 The UNC System strongly supports its inclusion in any future aid package.
 - o Liability Protections The UNC System will continue advocating for limited and targeted liability protections during the pandemic, which is also a top priority for the higher education and business communities.



OTHER TOP PRIORITIES

■ Protect Student Veterans and their Families by Closing the 90/10 Loophole

- o The Higher Education Act precludes for-profit colleges and universities from receiving more than 90% of their revenue from federal student aid. The rule, however, excludes funding from the Department of Defense (DoD), or the Department of Veterans Affairs (VA).
- o This loophole has exposed some student veterans to predatory recruitment campaigns from institutions with questionable credentials.
- o Close the 90/10 loophole to protect veteran students from disproportionate risk in the for-profit education sector.

■ Ensure Quality Accreditation Standards

o Encourage the Department of Education to ensure accreditors are tough gatekeepers, and prevent a 'race-to-the-bottom' for accreditation.

■ Protect the North Carolina State Approving Agency (SAA) Model

- o Congress recently enacted a wrap-up veterans benefits and health care bill, the Johnny Isakson and David P. Roe, M.D. Veterans Health Care and Benefits Improvement Act of 2020 (H.R. 7105). The bill, unfortunately, included a provision which prohibits the colocation of state SAAs within university systems, which is the model in North Carolina.
- o Support any efforts to grandfather in or change the current statute, which will create significant disruption to the GI Bill benefits processing system for the state.

■ Support the Pathfinder Airborne Program

o UNC System institutions are developing a collaborative partnership for soldier-led innovation with the Army Futures Command and the 82nd Airborne Division at Fort Bragg. The FY 2021 DoD appropriations bill included an initial \$8 million for the project. The UNC System will seek continued funding for this partnership beyond FY 2021.

■ Support UNC System's Historically Minority-Serving Institutions (HMSIs)

- o The UNC System is made up of six distinct HMSIs which includes Elizabeth City State University, Fayetteville State University, N.C. A&T State University, NC Central University, UNC Pembroke, and Winston-Salem State University. Its five Historically Black Colleges and Universities (HBCUs) and one Native American-Serving Nontribal Institution (NASNTI) make a significant impact to the state's economy through academic offerings, research, and partnerships that serve the community and region. The HMSIs are also essential to providing access and affordable options to students in some of the most underserved areas of the state.
- o Fully Fund Title III, Part B: Strengthening Historically Black Colleges and Universities. The Department of Education programs are critical to enhance and sustain the quality of HBCUs and help HBCUs expand their capacity to compete and to address the needs of low-income and rural students in underserved and underrepresented areas of our state. These programs support the university's ability to address national challenges associated with global competitiveness, job creation, and changing demographics. Funding supports a number of services, including educational equipment, teacher education, campus construction activities, counseling, and student aid services.
- o Increase Funding for Native American-Serving Nontribal Institutions (NASNTIs): UNC Pembroke is one of 37 NASNTIs not federally recognized in the United States. UNC Pembroke is one of the most diverse campuses in the UNC System and a leader in addressing health disparities in the southeastern region. The university is one of the state's three NC Promise schools that offer \$500/semester tutition. NASNTIs, such as UNCP, are historically underfunded in comparison to other minority-serving institutions (MSIs).

Support Funding for Campus Resilience Related to Natural Disasters

o The UNC System supports the inclusion of funding for campus resiliency related to natural disasters in any future emergency supplemental spending bill.



OTHER TOP PRIORITIES

■ Support the EAGLES Act

- o The United States desperately needs a comprehensive approach to identify, investigate, assess, and mitigate threats before horrific tragedies, like school shootings, take place.
- o The EAGLES Act, which has been introduced in previous Congresses, would reauthorize and expand the Department of Homeland Security and the National Threat Assessment Center (NTAC), housed within the U.S. Secret Service, which researches targeted violence to assist law enforcement, government agencies, schools, campuses, and others in preventing attacks using a behavior-based threat assessment model.
- o The EAGLES Act would allow NTAC to provide communities with the latest best practices and training to identify at-risk individuals and intervene to stop violent attacks before they occur.
- o The EAGLES Act enjoys bipartisan support in Congress and is supported by UNC System police chiefs.

■ Support Legislation for Student Athletes

- Federal legislation is needed to create a level playing field for implementation of Name, Image, and Likeness (NIL) payment rules for athletes. Recent state legislation in Florida and California will bring NIL revenues to athletes in those states.
- o National legislation is necessary to avoid an uneven playing field in recruitment and to ensure that the NIL contracts are not used as recruiting inducements.
- o The UNC System supports federal legislation that is consistent across the NCAA regarding Name, Image and Likeness for student athletes.

■ Support Legislation that Protects and Encourages International Students, Scholars and Faculty

- o The UNC System employs and attracts some of the world's most talented research scientists, faculty, doctors, and postdoctoral fellows. International faculty and students contribute greatly to our college campuses, workplaces, and communities throughout North Carolina and our country.
- o There are more than 8,500 undergraduate and graduate international students making contributions on UNC system campuses.
- o Support federal legislation that promotes and fosters the work of bright and highly-skilled international students, scientists, and doctors, as they continue their development as productive members of our universities and communities.

■ Fund Emergency Communications and Equipment Upgrades for UNC-TV

- o More than 10 million North Carolinians rely on UNC-TV broadcasts for important and often lifesaving information during and following emergency situations.
- O During recent hurricanes, critical transmissions sites for local emergency communications were stretched to maximum capacity, including the use of power generators.
- o UNC-TV received \$1.4 million from the CARES Act to help offset costs for equipment upgrades, but still needs \$16.4 million in federal funding, of a total \$24 million, to replace and/or update current communications infrastructure, including approximately 20-year-old equipment that is difficult to maintain and is dependent on parts that are no longer available.

■ Support Next Gen TV Case Study to Close the Digital Gap

- o UNC-TV is playing a critical role in minimizing the pandemic's statewide educational impact and is uniquely positioned to prepare North Carolina to combat future disruptions to in-person instruction.
- o UNC-TV is seeking \$4.5 million in federal funding for a pilot program to employ Next Gen TV technology to solve the statewide homework gap.
- o This new broadcast standard combines free television with an enriched digital environment. It can help close the growing digital divide for an estimated 1.6 million NC families without home internet.
- Next Gen TV may be the pathway to providing North Carolina's 1.5 million K12 public school students with customized content, while enhancing the learning opportunities of the state's 140,000 home-schooled students.





PUBLIC AFFAIRS

Meeting of the UNC Board of Governors January 20, 2021



University Advancement

Timothy Minor, Vice President

Presentation Outline

- Overview of University Advancement
- UNC System Shared Services Platform
- COVID-19 Impact
- Fiscal Year 2019-20 UNC System-Wide Fundraising
- Data Modernization and Shared Services
- Questions



Overview of University Advancement

Mission

University Advancement's mission is to support the institution through the enhancement and management of private resources by:

- Expanding opportunities for engagement
- Increasing the institution's resources
- Strengthening the institution's brand
- Improving communications



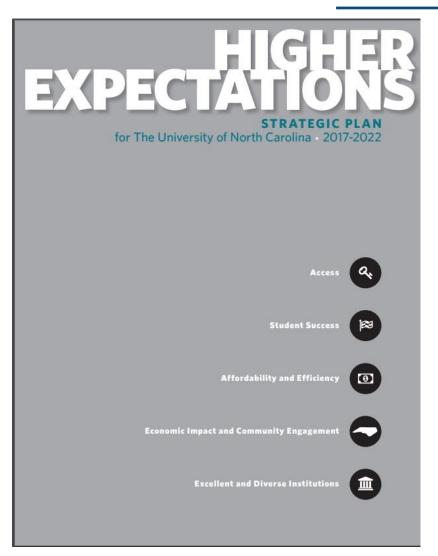
Overview of University Advancement

Why Is University Advancement So Important?

- Reputation: University's ability to attract students, faculty and staff depends on its reputation.
- Relationships: University's reputation is influenced by its relationships with key constituencies.
- Resources: University's ability to attract resources relies on both its relationships and its reputation.



UNC System Strategic Direction



- **Access:** Provide opportunity for all
- II. Student Success: Increase degree attainment and ensure value and relevance for students
- III. Affordability and Efficiency: Ensure a UNC education is within the financial means of all in the state
- IV. Economic Impact and Community
 Engagement: Contribute to the state
- V. Excellent and Diverse Institutions:

 Help institutions achieve excellence
 against their missions

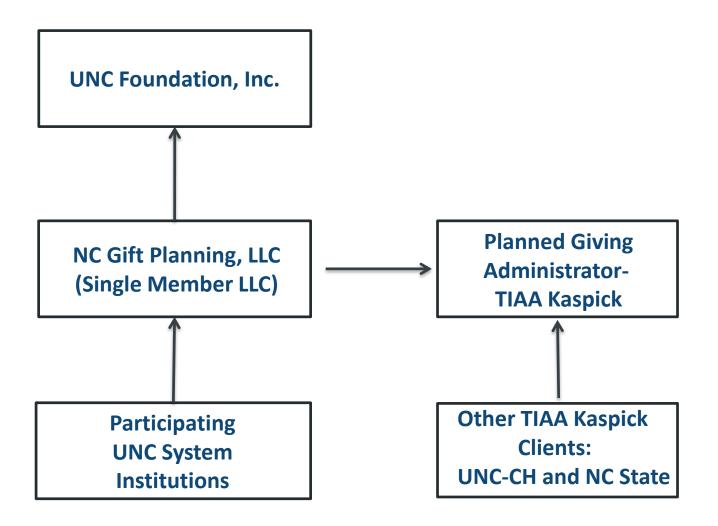
UNC System Office Shared Services

Enhance philanthropic support and manage a sustainable operation model that includes:

- Fundraising for system-wide priorities, key foundation initiatives, and enhancing major/planned giving opportunities
- Centralized prospect research and analytics program focused on donor discovery for regional campuses
- CRM Enhancement and Data Mart Services
- Assistance with goal setting, performance metrics (PFI), and best practices
- Gift Planning consultation and NCGP, LLC
- Branded Donor Advised Fund Program
- State Fundraising Compliance
- System-wide master contracts to reduce costs for common services
- Human resource and talent management initiatives
- Other Services Include:
 - UNC Advancement Symposium
 - UNC Talent Connect
 - Consulting Services



NC Gift Planning, LLC: Life Income Gift Program





COVID-19 Impact

Adapted to Change

- Completed campaigns rather than extend or pushed back announcements
- Digital engagement and donor visits instead of travel and events
- Creation of the "Digital Gift Officer"
- Use of new digital tools and metric setting
- Virtual Events (Homecoming, Board Meetings, Donor Recognition)
- Re-Entry Plans and Mental Health Check-in



COVID-19 Impact

Highlights

- Student Emergency Aid Funds
 - Spangler Foundation, Belk Endowment, BCBS donated \$710,000
 - UNC System Institutions raised \$2,636,889;
- Completed CRM implementation of Raiser's Edge NXT (RE NXT) for four institutions:

Elizabeth City State

UNC Pembroke

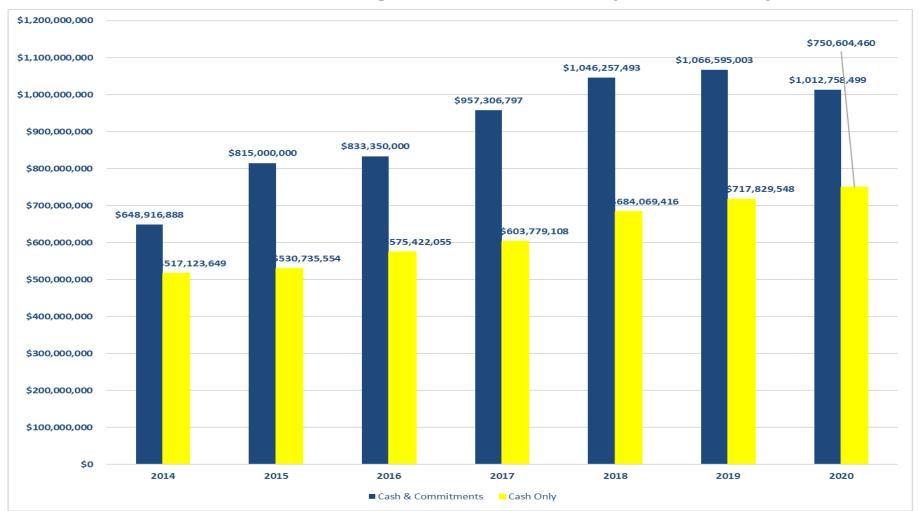
Fayetteville State University

Winston-Salem State University

- NC Gift Planning, LLC supported institutions in over \$1.2 million in new gifts;
- Created System-wide Donor Advised Fund Program



FY 2014-15 through FY 2019-20 Development Activity





FY 2013-14 through FY 2019-20
Historically Minority-Serving Institutions
Cash & Commitments Comparison



FY 2019-20 Development Activity

Audited Statements

UNC System Institution	Gifts and New Commitments	Cash Total Giving	Restricted Giving (Cash)	%	Unrestricted Giving (Cash)	%
Appalachian State University	\$26,554,193	\$21,758,718	\$21,104,371	97.0%	\$654,347	3.0%
East Carolina University	\$43,314,023	\$23,134,594	\$21,820,218	94.3%	\$1,314,376	5.7%
Elizabeth City State University	\$1,699,083	\$1,699,083	\$1,374,974	80.9%	\$324,109	19.1%
Fayetteville State University	\$2,300,000	\$2,524,283	\$2,180,635	86.4%	\$343,648	13.6%
North Carolina A&T State University	\$18,177,487	\$14,211,983	\$12,828,607	90.3%	\$1,383,376	9.7%
North Carolina Central University	\$5,136,129	\$4,400,439	\$4,027,258	91.5%	\$373,181	8.5%
North Carolina State University	\$235,356,981	\$167,363,602	\$166,498,303	99.5%	\$865,299	0.5%
University of North Carolina at Asheville	\$10,593,285	\$5,690,131	\$5,438,471	95.6%	\$251,660	4.4%
University of North Carolina at Chapel Hill	\$564,611,539	\$422,247,771	\$419,485,050	99.3%	\$2,762,721	0.7%
University of North Carolina at Charlotte	\$23,202,739	\$23,004,927	\$20,166,008	87.7%	\$2,838,919	12.3%
University of North Carolina at Greensboro	\$18,224,794	\$14,363,364	\$14,253,313	99.2%	\$110,051	0.8%
University of North Carolina at Pembroke	\$9,920,366	\$6,321,599	\$6,291,160	99.5%	\$30,439	0.5%
University of North Carolina School of the Arts	\$13,334,775	\$11,309,147	\$10,552,496	93.3%	\$756,651	6.7%
University of North Carolina at Wilmington	\$15,962,263	\$10,936,683	\$10,480,557	95.8%	\$456,126	4.2%
Western Carolina University	\$11,470,842	\$8,906,279	\$8,215,738	92.2%	\$690,541	7.8%
Winston-Salem State University	\$4,000,000	\$5,680,174	\$5,441,806	95.8%	\$238,368	4.2%
North Carolina School of Science and Mathematics	\$8,900,000	\$7,051,683	\$5,923,365	84.0%	\$1,128,318	16.0%

Total \$1,012,758,499 \$750,604,460 \$736,082,330 98.1% \$14,522,130 1.9%



FY 2019-20 Development Return on Investment

Institution	Total Cash Received	ROI Total Cash Received (per Dev. \$1 invested)	Total Gifts, Commitments and Pledges	ROI Total Gifts, Commitments and Pledges (per Dev. \$1 invested)
ASU	\$21,758,718	\$3.77	\$26,554,193	\$4.61
ECU	\$23,134,594	\$3.38	\$43,314,023	\$6.33
ECSU	\$1,699,083	\$2.15	\$1,699,083	\$2.15
FSU	\$2,524,283	\$1.94	\$2,300,000	\$1.77
NCA&T	\$14,211,983	\$3.48	\$18,177,487	\$4.45
NCCU	\$4,400,439	\$1.73	\$5,136,129	\$2.02
NCSU	\$167,363,602	\$12.44	\$235,356,981	\$17.50
UNCA	\$5,690,131	\$3.81	\$10,593,285	\$7.10
UNC-CH	\$422,247,771	\$8.06	\$564,611,539	\$10.78
UNCC	\$23,004,927	\$3.26	\$23,202,739	\$3.29
UNCG	\$14,363,364	\$1.84	\$18,224,794	\$2.33
UNCP	\$6,321,599	\$4.54	\$9,920,366	\$7.13
UNCSA	\$11,309,147	\$6.53	\$13,334,775	\$7.70
UNCW	\$10,936,683	\$3.99	\$15,962,263	\$5.82
WCU	\$8,906,279	\$2.78	\$11,470,842	\$3.59
WSSU	\$5,680,174	\$3.28	\$4,000,000	\$2.31
NCSSM	\$7,051,683	\$9.87	\$8,900,000	\$12.46
UNC Avg.	\$750,604,460	\$6.53	\$1,012,758,499	\$8.81

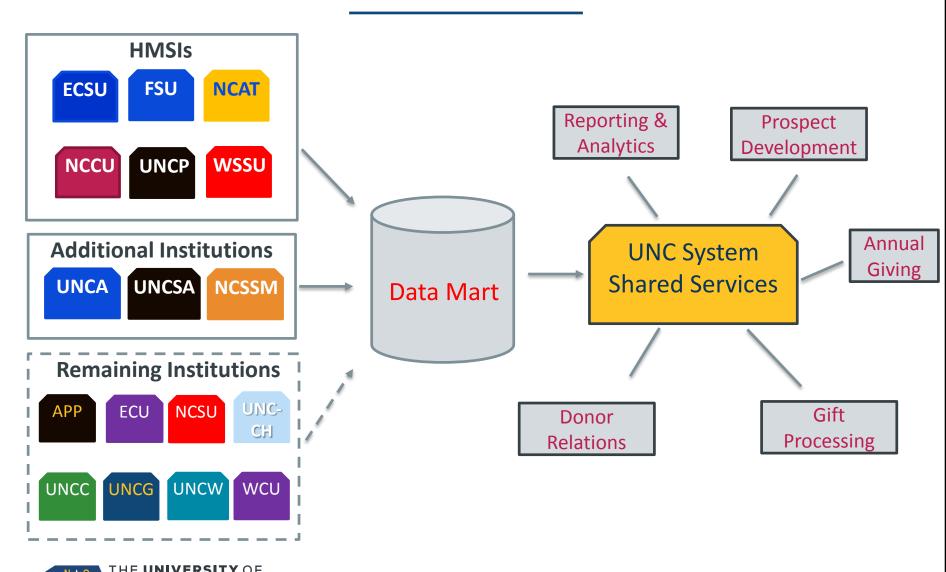


FY 2015-20 Development VSE Cash Support Percentile to Peers Comparison

referring to reefs comparison							
School	FY15	FY16	FY17	FY18	FY19	FY20	
ASU	94.1%	93.7%	64.7%	70.5%	82.3%	81.2%	
ECU	28.5%	23.0%	40.0%	43.7%	53.3%	16.6%	
ECSU	57.1%	25.0%	25.0%	55.5%	25.0%	50.0%	
FSU	0.0%	22.2%	22.2%	30.0%	20.0%	33.3%	
NCAT	7.6%	18.1%	7.6%	15.3%	16.6%	36.3%	
NCCU	81.8%	54.5%	45.4%	54.5%	81.8%	30.0%	
NCSU	66.6%	66.6%	66.6%	77.7%	88.8%	88.8%	
UNCA	40.0%	72.7%	80.0%	81.8%	81.8%	70.0%	
UNC-CH	23.5%	23.5%	29.4%	29.4%	29.4%	29.4%	
UNCC	8.3%	45.4%	30.7%	15.3%	7.6%	33.3%	
UNCG	7.1%	23.0%	28.5%	6.6%	7.1%	15.3%	
UNCP	0.0%	0.0%	11.1%	11.1%	0.0%	87.5%	
UNCSA	14.2%	14.2%	14.2%	14.2%	14.2%	14.2%	
UNCW	35.2%	29.4%	41.1%	35.2%	31.2%	31.2%	
wcu	50.0%	42.8%	73.3%	86.6%	42.8%	78.5%	
wssu	66.6%	100.0%	83.3%	62.5%	100.0%	85.7%	



Data Modernization and Shared Services



Data Modernization and Shared Services

Project Goals and Progress

Define the metrics, analytics, and data capabilities required for delivering upon the need to provide more cost efficient and high-quality shared services to the system campuses.

- Identify a set of Advancement-related shared services opportunities
 - Current state analysis and Vice Chancellor visioning/prioritization complete
- Identify Data Mart Requirements
 - National consultants and subject matter and technical expert workshops held
- ❖ Issue Request for Information (RFI) review responses and finalize project plan
- Submit Request for Proposal(s) select data mart and shared services vendors
 - Scheduled for March 2021
- Simultaneous implementation of data mart and expanded shared services
 - Rollout of initial shared services in summer 2021
 - Deployment of data mart expected in later in fiscal year 2021-22



THANK YOU

CONNECT

QUESTIONS?



STATE RELATIONS UPDATE

Austen Nowell, Director of State Government Relations

2021 UNC System Policy Agenda

Public Affairs Committee charge:

- Approve a unified System Policy Agenda for legislative consideration
- Reviewed Items/Discussion: October
- Discussion/Approval: November

Path Forward:

Seek approval of additional requested items: January



UNC Response to COVID

Proposed additional Item:

HR Flexibilities

- Authority for the University to cover (using non-State dollars) furloughed employees' contributions to state health plan monthly premiums for up to 12 months.
 - During the furlough, institutions are paying for ongoing health coverage for impacted employees. Due to the severity of the budget impacts (especially to low income state employees serving in our auxiliary divisions), the employees have experienced a significant balance, which currently must be paid back. Institutions are seeking to waive the charge.
 - This would be included in the HR Efficiencies as part of the COVID Package.



Report Consolidation/Elimination

With regard to efficiency, we request the elimination of the eight reporting requirements below as they involve a significant amount of time, effort, and (human) resources.

North Carolina General Assembly Fiscal Research Division staff requested:

- Report on Debt or Contracts for Golf Courses and Transient Accommodations Facilities -G.S. 66-58(h)
- Status of Capital Projects Quarterly Report Section 36.7(b) of S.L. 2017-57
- Status of Capital Projects Biannual Report Section 26.5(b)(1) of S.L. 2012-142
- Progress Report on Fire Sprinklers Section 26.4(b) of S.L. 2012-142
- Joint Conference Committee Report on the Continuation, Expansion and Capital Budgets – Report on President's Strategic Initiative Reserve - S.L. 2001-424
- Report on UNC Enrollment Growth G.S. 116-30.7

UNC System Division of Finance and Administration requested:

- Bond Default Report S.L. 2010-148
- Report to the Secretary of Administration for any construction manager at risk, design-builder, or public-private partnership contracts awarded G.S. 143-133.1.





FEDERAL RELATIONS UPDATE

Elizabeth Morra, Vice President for Federal Relations

\$2 Trillion American Rescue Plan

- New Biden Administration Stimulus Proposal
 - \$170 billion for education; \$35 billion for colleges and universities
 - \$5 billion Governors Discretionary Fund
 - \$350 billion state and local relief funding
 - \$20 billion national vaccine distribution program
 - \$50 billion ramp up COVID-19 testing and lab capacity
 - \$1,400 direct stimulus to individuals



\$2.4 Trillion COVID Relief/Omnibus

Congress passed late December

\$900 billion Coronavirus Response and Relief
 Supplemental Appropriations Act

 \$1.4 trillion omnibus FY 2021 appropriations bill (completes 12 annual spending bills)

WINS

\$82 billion for education; \$23 billion for Higher ED Emergency Relief Fund (HEERF), including \$1.7 billion for HBCUS/MSIs/SIPs

\$287 million for UNC System campuses

\$4 billion Governor's Emergency Education Relief (GEER)

Education Reform: FAFSA Simplification, Pell Reform



LOSSES

No funding for university research relief

No liability protections

No state and local relief funds

No extension to expiring student loan pause

Lack of funding flexibility



Higher ED Emergency Relief Fund (HEERF)

- Resolves funding allocation formula by splitting difference 50% total FTE; 50% total enrollment; CARES Act 100% total FTE
- Retains split between direct emergency grants for students and institutions, but not 50/50, based on CARES Act funding allotted for direct grants to students
- Provides more flexibility on use of funds than CARES Act



Uses of HEERF Funds

- Defray expenses associated with coronavirus
 - Lost revenue, reimbursement for expenses already incurred, technology costs associated with a transition to distance education, faculty and staff trainings, and payroll
- Financial aid grants to students for any component of the student's cost of attendance or emergency costs such as tuition, food, housing, health care, mental health care, or childcare



Prohibited Uses for HEERF

Prohibited expenditures include:

- Pre-enrollment recruitment activities;
- Marketing or recruitment;
- Endowments;
- Capital outlays associated with facilities related to athletics, sectarian instruction, or religious worship;
- Senior administrator or executive salaries, benefits, bonuses, contracts, incentives;
- Stock buybacks, shareholder dividends, capital distributions, and stock options;
- Any other cash or other benefit for a senior administrator or executive

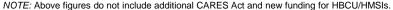


Higher Ed Emergency Relief Fund (HEERF)

U.S. Department of Education: NEW HEERF ALLOCATIONS

Coronavirus Response and Relief Supplemental Appropriations included in 2021 Consolidated Appropriations Act Funding to UNC institutions and students. (Source: U.S. Department of Education)

	New HEERF (Dec 2020)			Comparison to CARES Act		Total
	New HEERF Allocation	Emergency Student Aid Share (based on CARES Act formula)	Flexible Institutional Share	CARES Act HEERF Funding (Spring 2020)	Increase in New HEERF compared to CARES Act HEERF	New HEERF and CARES Act HEERF
ASU	\$24,036,104	\$7,963,966	\$16,072,138	\$15,927,932	\$8,108,172	\$39,964,036
ECU	\$30,548,181	\$9,679,379	\$20,868,802	\$19,358,758	\$11,189,423	\$49,906,939
ECSU	\$3,679,189	\$1,065,489	\$2,613,700	\$2,130,978	\$1,548,211	\$5,810,167
FSU	\$9,308,810	\$2,542,344	\$6,766,466	\$5,084,688	\$4,224,122	\$14,393,498
NCA&T	\$22,848,969	\$7,051,814	\$15,797,155	\$14,103,628	\$8,745,341	\$36,952,597
NCCU	\$14,295,576	\$4,466,117	\$9,829,450	\$8,932,234	\$5,363,342	\$23,227,810
NCSU	\$28,156,562	\$8,947,941	\$19,208,621	\$17,895,882	\$10,260,680	\$46,052,444
UNCA	\$5,428,515	\$1,679,747	\$3,748,768	\$3,359,494	\$2,069,021	\$8,788,009
UNCCH	\$25,474,540	\$8,647,589	\$16,826,951	\$17,295,178	\$8,179,362	\$42,769,718
UNCC	\$39,537,542	\$12,155,279	\$27,382,263	\$24,310,558	\$15,226,984	\$63,848,100
UNCG	\$30,132,331	\$9,283,941	\$20,848,390	\$18,567,882	\$11,564,449	\$48,700,213
UNCP	\$11,102,045	\$3,137,355	\$7,964,690	\$6,274,710	\$4,827,335	\$17,376,755
UNCSA	\$1,268,365	\$434,443	\$833,922	\$868,886	\$376,826	\$2,137,251
UNCW	\$16,948,600	\$5,283,027	\$11,665,573	\$10,566,054	\$6,382,546	\$27,514,654
WCU	\$14,719,306	\$4,446,704	\$10,272,602	\$8,893,408	\$5,825,898	\$23,612,714
WSSU	\$10,294,709	\$3,058,990	\$7,235,719	\$6,117,980	\$4,176,729	\$16,412,689
Totals	\$287,779,344	\$89,844,125	\$197,935,210	\$179,688,250	\$108,068,441	\$467,467,594





Additional Items Included in Bill

\$69 billion for Vaccines, Testing and Contact Tracing

- \$20 billion for the purchase of vaccines, nearly \$9 billion for vaccine distribution
- \$22 billion to help states with testing, contact tracing and Covid-19 mitigation programs.

Expanding Access to Higher Education

- FAFSA Simplification: Makes it easier for students to apply and qualify – for federal student aid by streamlining the Free Application for Federal Student Aid (FAFSA) and expanding outreach and awareness.
 - Reduces questions on FAFSA from 108 to 36.
 - Changes go into effect the 2023–24 award year.



Additional Items Cont'd

- Pell Grant Expansion: Expands the program by the largest amount in a decade. Makes it easier for students to predict their eligibility.
- Connecting Minority Communities: Creates an Office of Minority Broadband Initiatives at the National Telecommunications and Information Administration (NTIA) to focus on broadband access at HBCUs and MSIs.
 - Appropriates \$285 million for a pilot to award grants to these institutions.



FY 2021 Wrap-Up Omnibus Spending Bill

\$1.4 Trillion Omnibus Spending Bill

Completes Action on 12 spending bills

Education Funding Flat or Slightly Increased

- Pell Grants: \$150 increase max award to \$6,495
- SEOG Grants: 1.73 % increase for neediest students
- Federal Work Study, GEAR UP and TRIO: 1% increase
- HBCU/MSI Funding:
 - \$338 million for HBCUs, +\$13 million
 - \$5 million for NASNTI (UNC-P), +\$600,000



Omnibus Bill Research Spending Cont'd

NIH: \$42.9 billion, +\$1.25 billion

NSF Research: \$6.9 billion, +\$172 million

NASA STEM Education: \$127 million, +\$7 million

DOE, Energy Research: \$2.8 billion, +\$72 million

Agriculture Research: 2.8% increase (NIFA accounts)

DOD Research: 2.6% increase Science & Tech Basic Research



UNC System Projects in Omnibus

\$8 million Pathfinder Airborne Program (DoD appropriations): UNC System collaborative partnership with the Army Futures Command and the 82nd Airborne Division at Fort Bragg for soldier-led innovations.

\$25 million Elizabeth City State University runway renovation (Homeland Security/Coast Guard appropriations):

- Project will allow ECSU to expand its aviation science program
- Only four-year pilot training program in the state

Veterans Health and Benefits Bill

The Johnny Isakson and David P. Roe Veterans Health Care and Benefits Improvement Act of 2020, (H.R. 7105), signed into law January 5:

- Requires in-state tuition for GI Bill students at public institutions, regardless of separation date from military.
- Prohibits the colocation of state approving agencies (SAAs) within university systems.



UNC System Federal Priorities for 117th Congress

Recommendations solicited from all UNC System Campuses

Three Priority Focus Areas:

- 1. Support for federal research
- 2. Commitment to expanding access, affordability, and promoting student success
- 3. Support for campuses during the COVID-19 pandemic

Priority 1: Support Federal Research



The National Science Foundation (NSF)

National Aeronautics Space Administration (NASA)



Science Mission Directorate, Aeronautics Research Directorate, Space Technology, Space Grant Program



National Oceanic and Atmospheric Administration (NOAA)

Oceanic and Atmospheric Research, Sea Grant Program



National Institute for Standards and Technology (NIST)

Manufacturing Extension Partnerships (MEP), National Network for Manufacturing Innovation (NNMI)



Economic Development Agency (EDA)

Regional Innovation



US Department of Agriculture (USDA)

National Institute of Food and Agriculture (NIFA); Hatch Act Funds, Smith Lever Funds 3(b) and 3(c), Evans-Allen Program, McIntire-Stennis Cooperative Forestry, 1890 Institutions Extension Services



Department of Defense (DoD)

Science & Technology, S&T Basic Research, Medical Research, DARPA



Department of Energy (DOE)

Office of Science: Advanced Research Projects Agency for Energy (ARPA-E)



National Endowment for the Humanities (NEH)



Department of Interior

U.S. Geological Survey (USGS) Water Resources Research Institutes



Environmental Protection Agency (EPA)

Office of Science and Technology



Department of Education (ED)

Student Aid: Pell Grants, Graduate Assistance in Areas of National Need (GAAN), Supplemental Educational Opportunity Grants (SEOG), Federal Work Study, TRIO, GEAR UP



National Institutes of Health (NIH)



Priority 2: Expanding Access, Affordability and Student Success

- Support and Increase Pell Grant Funding
- Support and Increase Campus-Based Aid
- Address Perkins Loan Reimbursement
- Pass the College Transparency Act (CTA)
- Preserve and Clarify Public Service Loan Forgiveness (PSLF)



Priority 3: Support Campuses During Pandemic

- ➤ Continued Financial Support
 - Institutions
 - University research relief

➤ Liability Protections



Other Top UNC System Priorities

- Protect and Support Student Veteran
- Support Pathfinder Airborne Program
- Support HBCUs/MSIs
 - Five UNC System HBCUs
 - UNC-Pembroke (NASNTI funding)
- Support Legislation for Student Athletes
- Support International Students, Scholars, Faculty
- Support Emergency Upgrades for UNC-TV (now PBS North Carolina)



THANK YOU

CONNECT

QUESTIONS?

CONNECT