

## **Committee on Public Affairs**

**Thursday, October 29, 2015**

### **Minutes (Draft)**

The Committee on Public Affairs met Thursday, October 29, 2015 in the Center for School Leadership Development of UNC-GA in Chapel Hill, NC. Committee members present included Chairman Powers, Vice Chairman Mitchell, Secretary Rippy, Mr. Hinton, Ms. Burris-Floyd, Mr. Grainger, Mr. Knott, Mr. Parrish, Mr. Sloan, Ms. Wiley, Mr. Williford, Chancellor Roberts and Dean Roper. Other members in attendance included Dr. Perry, Mr. Long, Mr. Mitchell, Mr. Kotis, Mr. Sywassink and Ms. Gage.

Representative Dean Arp was also in attendance.

The September 2015 minutes were approved.

Chairman Powers gave a few remarks about the passage the bond and budget this year, then proceeded to introduce Representative Arp.

Representative Arp, of Union County, is a UNCC graduate and a sponsor of this year's bond package. Representative Arp thanked the Chairman then gave a presentation to the committee about NC's 2015 bond package, Connect NC. The bond was initially broken into two components, transportation and infrastructure. However, the legislature was able to address the transportation piece with cash, so the current bond is a \$2B package strictly for infrastructure. The proposal, which will be on the ballot this coming March, is a 6 year capital plan and 20 year bond. Representative Arp made the argument that because of North Carolina's low interest rates and triple A credit rating, the bond will cost the state less now than if these investments are put off. Additionally, under this proposal there will be no tax increase. If the bond is passed, University will receive \$980,000,000 for infrastructure projects.

Representative Arp answered questions from the committee. The committee thanked Representative Art for his hard work and taking the time to speak with the committee.

Mr. Hinton told the committee that Board member Joan Perry has been asked by Governors McCrory to be a Co-Chair of the bond campaign committee.

The committee discussed ideas for supporting the bond package. There seems to be no organized opposition against the bond.

Chief of Staff Kevin FitzGerald addressed the committee regarding the University's strategy to advocate for the passage of the bond. The 2000 bond had 75% voter support. From the time of the committee meeting, the campaign will be a 20 week effort. The University will organize educational and get out the vote campaigns on every campus and coordinate with the Governor's organization for advocate for the bond. The legal department will issue guidance to campuses regarding state funded advocacy. He encouraged Chancellors and Board members to push the bond package, giving the example of speaking to civic groups.

Jonathan Kappler spoke about the end of the North Carolina General Assembly legislative session. Favorable outcomes included fully funded enrollment growth, increase to carry forward, stabilization of Elizabeth City University and the ECU Brody School of Medicine, in state tuition for veterans, and significant salary flexible. Less favorable outcomes included no new investments in strategic direction, no across-the-board salary increases for state employees (thought there was a \$750 bonus allocated), the advancement cut, and the management flex cut. Budget provisions that have been included that the state relations team will work to address during the short session are NCGAP, GDAC, and the advancement cut. GDAC would be an erosion of control for University IT functions. Under this provision, any business intelligence project at GA would need approval. The advancement cut proposes that constituent institutions cannot spend more than \$1M of state funds on advancement.

Kimrey Rhinehardt presented the federal update. Paul Ryan was elected Speaker of the House. The University is by and large happy about the recent budget agreement. Discretionary spending is up, and Congress fixed the Social Security issue, which would otherwise have meant a 20% cut. The budget deal only keeps the government open; Congress still must appropriate funds for FY16 by December 11. Additionally, Net Neutrality will pass. Director of Federal Relations Bradley Ballou has taken a position as Chief of Staff at UNCW.

Chairman Powers gave a few remarks about how the Board can leverage their influence to increase awareness for the UNC system.

Adjourned 4:10 pm