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**President Ross' Report
December 11, 2015**

President Ross remarked that for the final time as president and on behalf of the entire University of North Carolina, he thanked each of the members of the Board of Governors for the ongoing commitment of their time and energy. He thanked each for the very nice reception they hosted for him and Mrs. Ross the previous evening and indicated it was nice to be with all of the Board members and with many previous members of this board.

President Ross recognized the chancellors and the leaders of our affiliated organizations who are here with us today. He stated that he believes this is as fine and dedicated a group of chancellors and leaders as you will find anywhere in this country. It has been an honor and a privilege to serve alongside each of them. He commented: "Even though I have visited all of our campuses many times during my tenure and many times before in my life, I continue to be amazed at the caliber of our students and faculty—and I am enormously proud of the great things that are happening across the UNC system each and every day. It reaffirms my strong belief that the University of North Carolina is the best university system in America. I don't have time today to acknowledge all the recent milestones and achievements, because I want to reserve a little time for some personal reflections, but I do want to mention the following:

As reported during yesterday's Committee on Educational Planning, Policies and Programs meeting, faculty researchers across the UNC system brought in \$1.36 billion in external competitive research grants and contracts in Fiscal Year 2015. This is a new system record. It marks a 34% increase over the last 10 years, a period of time during which national competition for grant funding has increased significantly. As in past years, about two-thirds of the total dollars came from federal sources. And while UNC-Chapel Hill and NC State still account for a high percentage of total grant awards, 12 UNC campuses reported increases in external grant awards last year. Why does this matter? It matters because the grants and contracts won by the outstanding faculty on our campuses support more than 22,000 jobs in counties all across North Carolina. In addition, over the past four years, these grants and contracts have generated \$43 million in license income, 100 new start-up companies, and 2,000 invention disclosures. But as important as research may be to business, it is important to remember that research is even more important as a teaching tool. Today research is an integral part of teaching at both the undergraduate and graduate levels. He cited two items that help explain what has made this record breaking year possible.

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According to the National Science Foundation, UNC-Chapel Hill has climbed to 8th nationally among research institutions in overall R&D expenditures and to 6th in federal R&D spending. These rankings capture both public and private institutions. This marks the second year in a row that UNC-Chapel Hill has cracked the top 10 in both categories. In fiscal year 2014, UNC-Chapel Hill recorded \$990 million of expenditures on R&D activities of all types. This remarkable achievement reflects the competitive strength, creativity and impact of outstanding faculty, staff and students who contribute to the research enterprise. This most recent success is a direct result of the University's ability to leverage state dollars with private support and other sources to attract competitive federal grant funding to North Carolina.

Last month, the Strategic Directions Committee was briefed on advances in pharmacoengineering being made possible by our ROI Initiative. Earlier this week, it was announced that working together, researchers at NC State University and UNC-Chapel Hill have now developed a new drug delivery technique that uses a biodegradable liquid metal to target cancer cells. Thus far, this liquid-metal delivery method has only been tested in an animal model, but early results suggest it has low toxicity and exciting potential to boost the effect of cancer drugs.

The research dollars our universities bring into our state give us a true competitive advantage nationally and internationally. This is a fact we each need to remember and we need to help others understand.

Next, Chancellor Harold Martin has been named to the 2015 EBONY Power 100 List. The list recognizes "those who lead, inspire and demonstrate through their individual talents the very best in Black America," according to the magazine. Harold represents the very best in America, period. At UNC Greensboro, Omar Ali, interim dean of the Honors College and associate professor of comparative African diaspora history has been named North Carolina's 2015 Professor of the Year by the Council for Advancement and Support of Education and the Carnegie Foundation for the Advancement of Teachers. At UNC School of the Arts, "*The Wiz Live*" that appeared on NBC last week, was the work of UNCSA Design and Production alumnus Paul Tazewell, who designed the costumes.

At UNC Wilmington, the school earned an 8th place ranking on The Education Trust's list of four-year public institutions in America that have made the most impressive gains in graduation rates. According to the Trust, UNCW improved six-year graduation rates among underrepresented minorities by 14.3% over the 10-year period studied (2003-2013) and narrowed

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the gap between white and minority students during that same period by 7.3%. Over the decade, UNCW's overall graduation rate improved by 7.4 percent. Later today at Western Carolina University, the school will announce that a group of its alumni employed by Dixon Hughes Goodman, a public accounting agency headquartered in Charlotte, have pledged \$1 million to the university's accountancy program.

Next, UNC Rex Healthcare in Raleigh, which is owned by UNC Health Care, is the only North Carolina Hospital that made the Leapfrog Group's 2015 list of the 98 top hospitals in the nation. Leapfrog ranks hospitals by patient safety, infection rates, preventable errors, hospital readmissions and other measures. The organization assessed more than 1,600 hospitals in developing its rankings. No hospital from North Carolina made the list last year.

UNC General Administration was awarded a grant of \$225,000 by the Z. Smith Reynolds Foundation to advance its work with the North Carolina New Teacher Support Program. This grant will assist high-priority/low-performing school districts that have struggled to fund the shared district cost-per-teacher needed to participate in the program. It's a win-win: beginning teachers in some of North Carolina's most challenged school districts will now be served and the New Teacher Support Program expands to additional schools across the state. Next, the Center for Digital Education named Vice President Chapman to its 2015 Top 30 list of Technologists, Transformers and Trailblazers. Winners represent leaders and innovators throughout high education, K-12 and the education nonprofit community. Vice President Chapman was recognized for her leadership and insistence on the use of research and data to inform efforts to improve the quality and retention of public school teachers and leaders throughout the state. The award citation also highlighted the recent launch of the UNC Educator Quality Dashboard.”

For a few moments of person privilege and reflection, President Ross stated “I have had the good fortune to spend my entire life in this State and most every day of my professional career—in one way of another—in service to the people of North Carolina. Certainly, without question, leading one of the nation's top public universities, the University of North Carolina, has been a true highlight in his career and life. I have been blessed and privileged to follow in the footsteps of this University's giants – leaders such as Bill Friday, Dick Spangler, Molly Broad, and Erskine Bowles, each of whom made vast contributions to our University and helped move the entire system forward; I have also followed others who came before them, such as the legendary Frank Porter Graham, who led the first multi-campus University out of the depths of

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the Great Depression and then through World War II and who is regarded by many as the best leader in our University's distinguished history. Over the past five years with the Board's active involvement and I mean active involvement, and with the help of a remarkable team of senior administrators and dedicated, hard-working staff who love this University, we have sought to translate the strength embodied in UNC's long history into the capacity to help North Carolina meet the challenges of a very different future. That work has been supported and carried out by the truly amazing faculty across our 17 campuses and who teach and mentor our 220,000 students. Our accomplishments have been team achievements and there have been many.

In accepting the call to serve as UNC President, I said there was no institution more important to North Carolina and her future than the University of North Carolina. I still believe this is true without reservation. In my inaugural address, I highlighted several critically important issues that were well aligned with priorities later adopted by the Board of Governors in our five-year strategic plan. Chief among them were raising educational access and attainment, strengthening academic quality, serving the communities and people of North Carolina, maximizing efficiencies, and ensuring an assessable and financially stable University.

Despite challenging economic times and constrained resources, the University made considerable headway in implementing key elements of that plan and keeping our compact with the people of this state: helping more North Carolinians attain college degrees, thanks to expanded online offerings, our revised comprehensive articulation agreement with the NC Community Colleges, and a new reverse-transfer program that has thus far enabled more than 1,400 transfer students enrolled on our campuses to earn an associate degree while working toward their four-year degree; becoming a national leader in helping veterans and other military-affiliated students further their education; becoming more efficient and doing our part to conserve energy, water, and other natural resources and thus avoiding hundreds of millions of dollars in utility costs; developing comprehensive public dashboards to keep us transparent and accountable and track key academic and operational metrics; and helping improve North Carolina's health, economy, and quality of life through targeted scientific research, outreach, and community engagement.

In collaboration with the Community Colleges and the private colleges and universities, we also commissioned the first statewide analysis of the economic impact of higher education in

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North Carolina, affirming that UNC is a critical source of talent and a key economic driver for the state economy, representing more than 6% of the entire State's GDP.

We also explored ways we might make our campuses safer through the UNC Campus Security Initiative—a difficult and growing challenge in today's world and I thank you for making the tough decision to support the campus security fee so we can do what is right by our law enforcement officers in terms of training, support and compensation.

These accomplishments could not have happened without strong leadership on our campuses, and I am enormously proud of the team of chancellors we now have in place. I'm pleased to have been able to recommend the chancellors of 11 UNC institutions for election by the Board of Governors, and I'm grateful for the support I've received from those who were already in office when I arrived. I will always be thankful to our chancellors for their support, advice and friendship. Please continue to recognize how very important each of them are to the success of our universities and our state.

Our 17 campuses—which vary widely in mission, size, and history—truly represent a whole that is greater than the sum of its parts. Despite the financial constraints and other challenges we have faced in recent years, the UNC system today is strong and well positioned for an even greater future. I am proud of the University which I will soon leave and all that we have accomplished. Whatever lies ahead, I urge you to never permit this magnificent state asset, this treasure that truly belongs to the people of North Carolina, to be diminished. As the governing body for our public University – the University of the People, you have a solemn fiduciary responsibility to help preserve, strengthen and advocate for it. I urge you to do what is right, to do what is best for our University no matter the consequences. Our students, parents and alumni, our state's leaders, and the people of North Carolina demand no less and deserve no less.

As my tenure draws to a close, I want each of you to know I have no regrets for having accepting the challenges this role has provided and I do not look back and ask what might have been. Instead, I count my blessings and express my appreciation for the opportunities it has afforded me. In addition to our exceptional staff, world class faculty and sensational chancellors and senior administrators, I have been able to work alongside one of the most remarkably talented group of staff ever assembled here at General Administration. This great University couldn't function and thrive without their dedication and commitment, and I will always be grateful for their support and hard work. I could name many but I have to mention my executive

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team – Charlie Perusse, Tom Shanahan, Junius Gonzales, Matthew Rascoff and the best Chief of Staff ever invented, Kevin Fitzgerald. I also have to publicly thank Joni Worthington for laboring so hard to try to make me articulate and to cover my mishaps. And, I owe a particular debt of thanks and deep gratitude to my executive assistants—Celeste Parrish (now retired) and Nell Smith—for their patience, good humor, and long hours. As I leave this position, I pledge to you that I will always put the University first and that begins by doing all in my power to ensure the success of President-elect Spellings. Our University deserves no less. I am certain that she will receive the same level of support I have had from our team here, from the chancellors and from their teams. She will need the full and unconditional support of this Board, as well.

Finally, I conclude by saying with all the passion I can muster that I simply cannot adequately express my gratitude and deep appreciation for the honor and privilege of serving as the 5th president of the University of North Carolina—the finest public University in America.”

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