



Margaret Spellings
Report to the Board of Governors
Center for School Leadership Development
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Good morning—nice to see everyone again. It has been a great Board meeting—compelling speakers, robust discussions, a more efficient use of time—this is Andrea Poole’s first Board meeting as Secretary of the University and, Andrea, good job!

When our lawmakers adjourned earlier this month, they left a University system that is better-funded and ready to take on several new initiatives aimed at strengthening our core mission.

Our faculty and staff will receive across-the-board raises, and the General Assembly also provided a pool of merit money that campus leaders can use to reward performance and help retain top talent. I know we still have a long way to go if we’re going to be competitive with our national peers, but this is a welcome step in the right direction.

The cap on fundraising expenditures was lifted. That will be a major boost to campus development efforts. I think we all recognize what a sound investment those fundraising dollars are, since they bring in philanthropic support that helps offset costs to both students and taxpayers.

And lawmakers funded our enrollment growth, which is critical as North Carolina’s population and economy continue to expand and the demand for higher education continues to grow.

The legislature also restored the University’s share of statewide Repair & Renovation funding to 50%, up from 33% last year that means millions of additional dollars will be spent on needed campus repairs. We all know there is a significant maintenance backlog and this will help tackle those concerns.

It’s clear to me that our state’s leaders recognize the value of this institution, and they are eager to see it perform even better. They’re looking to us to help solve some serious challenges, and I believe we’re in a great position to be a national leader when it comes to effective, innovative public policy.

We have excellent institutional leadership, a capable team here at General Administration, and strong support from the citizens of North Carolina. Those strengths will be critical, as a number of the initiatives coming out of this legislative session will depend on our collective energy and expertise.

Senate Bill 873, which got rolled into the budget and lowers undergraduate tuition on three of our campuses to \$500 per semester, is a bold, innovative approach to providing accessible and

affordable higher education. I think it sends a powerful message that North Carolina takes seriously its constitutional obligation to keep public colleges and universities as free as practicable.

The legislation has multiple parts, including a four-year tuition guarantee to help promote on-time graduation and give families more predictability when planning for college. That particular component of the legislation takes effect this school year.

While there were some concerns raised about the bill, which we will work to address, this is a tremendous opportunity for us to open the doors of higher education to more North Carolinians, to give students and families more affordable options for pursuing their dreams, and to strengthen the vital role that public universities play in our state. Investing millions more in these universities signals real optimism about our future and confidence in our mission.

I want to thank Senator Apodaca for his leadership in crafting this proposal, and thank the campus officials, alumni, students, faculty, and staff who made their voices heard and helped shape the outcome. We will further develop an implementation plan to make sure it meets our shared goals.

We'll also have the chance to shape the future of NC GAP, since lawmakers agreed to delay its implementation for a year while we explore policies and actions to help promote student success. In looking for ways to improve retention and graduation, legislators are focusing on the right problem.

I'm excited to work with our university leaders and the policy team here at General Administration to continue addressing that crucial challenge. We'll be back in Raleigh early next year with better data on some of the efforts already underway and a set of proposals to improve student outcomes.

We'll also be able to report back on the progress of our partway home initiative. We received \$2.3 million in funding to help bring more partway-home students all the way home, giving us the chance to make North Carolina a national model in promoting degree completion for those who have stopped out.

More importantly, we have the chance to make a tremendous difference in the lives of thousands of North Carolinians who can benefit from broader opportunities. It's a smart thing to do for our state and the right thing to do for our students, and I'm thrilled we've gotten some resources to move forward.

I'm also pleased that we got support for a Lab Schools initiative. As everyone in this room knows, the success of our University and our state depends on the quality of education students receive at the K12 level. We must do more to support our partners in the public schools. First, by sending them a corps of new teachers who are effective with students.

The new Lab School program will create K-8 schools on eight campuses. Through these schools, we'll be able to partner directly with local school districts to promote evidence-based teaching and school leadership, all while offering real-world experience for the next generation of teachers and principals. These schools meld every part of our mission — teaching, research, and public service.

Thank you to our chancellors, to the staff at GA, to everyone on this Board — especially the Public Affairs Committee and Committee Chair David Powers and our own Drew Moretz — who worked diligently to make the short session a success. I'm proud of the work we did together, excited about the work ahead, and look forward to the chance to engage legislators during the interim.

While we may joke about the legislative session being all-consuming, I can assure you we've been moving along on a number of fronts here at GA.

I recently asked Chancellor Mary Grant to chair a task force to evaluate our existing online learning efforts, and Roger Aiken is serving as the board's liaison to the task force.

The purpose of the group is to more clearly define how technology is in service to our goals of affordability, access, quality, and degree completion. On Wednesday we held our first meeting, and I expect this group to meet regularly to explore a series of important questions in the online learning area and make recommendations to me on the future of online at UNC by January — in time to synch up with our strategic planning process. Thank you to Mary and Roger for undertaking this important work—and to Peter Hans for spearheading the efforts from GA.

We're also well underway with planning for a Military Affairs Summit next spring. In such a military- friendly state, effectively serving our armed services personnel, veterans, and their families is an obvious priority. Providing the right resources for our veterans and active duty service members is a huge task, with partners in the military, the federal Department of Education, county and town leaders, campus officials, and the wealth of nonprofits that do such vital work in the veteran community.

Given the reach of our universities and the sheer breadth of the military presence here, we must help our fighting men and women gain the knowledge and skills they need to transition into the civilian economy. We are constituting a steering committee to help plan the Summit — thanks to Steve Long for his leadership here, and we'll be reaching out to many of you for guidance as we put that event together over the next several months.

You've heard me sing the praises of our chancellors this morning, and that's because we rely so heavily on them to help meet our ambitious goals. This morning you will be voting on a package of market rate salary adjustments for these campus leaders, most of which are in line with what other state employees are receiving this year.

In addition, we are rounding out our senior team at GA and I want to welcome Kevin Howell – General Administration’s new Senior Vice President of External Affairs. Kevin – you’re no stranger to many of us in this room, but I’m delighted to have you on the team.

We’ve got the right people in the right roles to tackle the big questions facing the University, and I’m grateful to all of you for your support in assembling that team over the past few months.

This GA staff will be a great asset as we delve further into the strategic planning process. It’s been helpful in our last two meetings to really dig deep into the biggest issues in front of us. I hope you all have found those discussions productive. We’re on the right track when it comes to setting broad strategic goals with “bite” as Governor Bredesen challenged us to do and to letting our talented campus leaders and GA staff chart the paths to success.

At this point, I want to recognize John Leydon, our Vice President for Information Technology who will retire at the end of August. During his eight years with the UNC system, John and his team have championed several major technology initiatives, including the development of UNC Online for inter-institutional course registration, the activation of the system-wide Human Resources and Student Data Marts, the expansion of the Banner ERP Housing services for nine UNC campuses, and the recent installation of the UNC-GA Intranet suite, among others.

John was also instrumental in advancing the North Carolina Research and Education Network to connect the community colleges, K-12 schools, and the independent colleges into an integrated data network with our system. John, thank you for your service. Please join me in congratulating John on an excellent career.

I’m also delighted to introduce our 2016 class of Presidential interns, all recent graduates of our campuses. This month, we welcomed three new additions to the team:

Titus Lee, a Winston-Salem native who was literally Mr. ECSU. That’s a peer-elected office, I believe, so we already know that Titus brings some political skills to the job. You can also look for him next spring on Fox Television, where he’ll appear in a new sitcom that’s set to debut.

Kathryn Walker of Morehead City hasn’t starred in a comedy, but she did intern in the US Senate. Having been involved in UNC- Chapel Hill’s student government for much of her undergraduate experience, she jumped at the chance to work in Senator Burr’s office. Welcome, Kathryn.

And Chase Johnson, a political science and public policy double-major from UNC-Chapel Hill who has served in student government and interned for state Representative Tricia Cotham. A transfer student who began his academic work career at Wake Tech Community College, Chase is from Four Oaks.

I hope you'll take the time to get to know these terrific young people over the next year.

In closing, thank you to all of the individuals in this room who are working together to make educational opportunity possible for the citizens of North Carolina. I hope you all enjoy the rest of your summer and look forward to seeing you back here in early September.