

Report to the UNC System Board of Governors

Dr. William L. Roper

Friday, September 20, 2019

Good morning everyone.

Two weeks ago, Hurricane Dorian decimated the Bahamas before turning northward toward North Carolina. As we all know, any storm that powerful can do great damage and cause significant disruptions. But I'm happy to report that we all weathered the storm - by helping one another as a System. Together.

Each one of our institutions is uniquely remarkable. But Hurricane Dorian reminds us that we are extraordinary when we work together. Collaboration, cooperation, and communication—these are the qualities that help define us as a System and make each of us more resilient.

I would like to direct a specific message of gratitude to Brent Herron, our associate vice president of Campus Safety and Emergency Operations, and to the emergency managers at each of our institutions.

Once again, you all did remarkable work keeping our students, faculty, and staff safe and informed in the face of difficult circumstances.

Leadership in Transition

These recent events remind us that the state of the UNC System remains strong, even as it confronts challenges and change.

This is a period of transition at several of our institutions. But the strong leadership at the institutions, on the Board, and at the System Office is doing exactly what it's supposed to do: ensuring that the vital teaching, research, and engagement continues--uninterrupted and undiminished.

Today, we welcome several new leaders. Some of these changes reflect the same inter-dependent spirit of cooperation that guided us through the storm.

I would like to thank Chancellor Anderson for his years of valued service to Fayetteville State University, and we wish him well on his retirement. We welcome Dr. Peggy Valentine, who agreed to relinquish her role as Winston-Salem State University's dean of Health Sciences in order to serve as FSU's interim chancellor.

Over at the UNC School of the Arts, Dean of Music Brian Cole was promoted from within to serve as interim chancellor. Thank you, Brian. Your willingness to take on this new responsibility ensured that Lindsay Bierman was at the helm as UNC-TV's new chief executive officer by the time Dorian threatened North Carolina.

It's worth mentioning that UNC-TV worked side by side with North Carolina Emergency Management and the Department of Public Safety during the storm. Those efforts kept the entire state updated with latest information we needed to stay safe during and after the storm.

Lindsay, you've been on the job one month, and you've already faced a trial-by-flood situation! Thank you for handling it with such skill and grace.

Finally, I would thank Chancellor Phil Dubois. As the longest serving chancellor in the UNC System, he has guided UNC Charlotte through an era of robust growth and a period of recovery following the tragic shooting on campus earlier this year. As you know, Chancellor Dubois has announced that he will be stepping down at the end of this academic year, and I would like to recognize him for his many years of service to our System.

As these familiar faces leave the University, the hard work of finding their permanent replacements is well under way. The search for a permanent chancellor at UNC-Chapel Hill is ongoing. Just this week, the committee held forums so that students, faculty, and staff would have an opportunity to share their ideas about what qualities the next UNC-Chapel Hill Chancellor should have.

The search for UNC Charlotte's new chancellor is also gathering momentum. The university's board of trustees has named its 16-member search committee, which will be led by current board chair Michael L. Wilson.

At East Carolina University and the UNC School of the Arts, search committees and processes will be announced soon. And Fayetteville State will be in due course.

Budget and Enrollment

I am happy to report that the UNC System's remarkable leadership is also translating into tangible successes on the ground ... at our institutions. News about East Carolina University and our NC Promise institutions is particularly noteworthy.

Last year, many were concerned about East Carolina University's enrollment and financial stability. I'm happy to report that these concerns have not been realized. Overall enrollment has more or less remained flat. But the number of new freshmen is up considerably at 4.6 percent. The number of new transfer students is also up slightly, at 0.6 percent.

Things have also stabilized financially. Interim Chancellor Gerlach is now actively involved in approval of expenditures, including for auxiliary bonds. While forecasts initially predicted significant losses for ECU-Physicians, these losses were reduced and the budget has been balanced. In addition, the anticipated \$10 million dollar transfer from ECU-Physicians to support the athletics program proved unnecessary.

The university also paid down 20 million dollars of debt. As of June 30, 2019, ECU's unrestricted cash fund balance was 231 million dollars. Active work has been done to reduce operating

expenses by 16 million dollars for financial years 20 and 21. And, in July, the S & P confirmed the university's AA- stable credit rating.

ECU's athletics program continues to pose some challenges, but management is fully engaged with the university's board of trustees to develop a workable long-term plan.

All this points to one, clear and obvious takeaway: the Pirate Nation's future is looking bright.

Now that census numbers are in, I'm pleased to report we now have record enrollment – nearly 240,000 students -- across the UNC System. We also have healthy growth at our three NC Promise institutions.

At each of these institutions, growth in enrollment is due to dramatic improvements in student retention. It is clear that our hard work to improve affordability and promote student success is paying off.

The strong showing at these institutions reflects what is happening across the entire UNC System. Overall, our undergraduate enrollment is up 0.9 percent, and combined undergraduate and graduate enrollment is up 1.3 percent.

We have seen a slight drop in incoming freshmen, which coincides with a slowdown in the growth of high school graduates. We have also seen a dip in the number of transfer students, which might reflect a strong job market that has siphoned students away from the community colleges.

But more students at our institutions are staying in school and improving their odds of graduating in a timely fashion.

At a time when attendance at other universities is falling, our enrollment continues to break records. These numbers suggest that our work is having an impact. We are delivering unparalleled education that is more affordable and more accessible to more people.

Concluding remarks

Last week, Hurricane Dorian forced Elizabeth City State University to postpone Chancellor Dixon's installation ceremony. But, rest assured, this important celebration will happen on October 11. Until then, the hard work at Elizabeth City will continue.

This anecdote tells us something about our System as a whole. We will face disruptions. But, together, as a System, we overcome these challenges because we are strong together. Together, we make North Carolina's future brighter... and better.

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