

## CHAIR STONE'S PREPARED REMARKS

### UNC Board of Trustees Meeting

Thursday, March 24, 2017

#### Welcome

- Thank everyone for attending.
- I'm grateful for the time and attention everyone devoted to yesterday's committee meetings. As usual, those were informative sessions and an excellent use of our time.
- Today, we'll focus our featured presentations from Kenan Professor Hans Paerl from the Institute of Marine Sciences in Morehead City and Professor Evan Feldman of the Kenan Music Scholars Program.

#### BOG Membership Size Legislation/BOT Relationships

- Given our ongoing focus on strengthening the working relationships between this board and our colleagues on the Board of Governors, I did want to say a word about recent legislation that will affect the future size of that body.
- As you know, earlier this month Governor Cooper signed a bill emerging from the General Assembly that will reduce the size of the Board of Governors from 32 voting members to 24 by 2019.
- Starting this summer, the board will have 28 members, who are elected by the House and senate.
- BOG Chair Bissette has pointed out the importance of broad diversity to adequately represent the 17 campuses, their geographic footprint and their individual constituencies.
- While this new membership formula will, of course, mark a change, my hope is that each of us will continue to place a high priority on maintaining existing relationships and starting new ones as needed with whoever is serving on the Board of Governors.
- I believe we, along with Chancellor Folt and her colleagues have been doing a good job on this front in recent months. In my opinion, it's very important that we remain vigilant on this topic and also continue to look for common ground whenever possible with our fellow trustees across the UNC system.
- That's especially important as the state budget process begins to pick up steam in Raleigh during the coming weeks.
- I expect Vice Chancellor Somers will continue to help guide us during this transition period for the Board of Governors and General Administration.

## Faculty Research Success

- This morning, I'd like to return to a topic I thought was very important when we were discussing the 2016 state bond referendum and the Medical Education Building, which the Finance, Infrastructure and Audit Committee saw a site approval proposal for yesterday.
- The astonishing success of our faculty in attracting funding for scientific research is so critical today for our University, the North Carolina economy and the Research Triangle Park region.
- I bring this topic to the board's attention in light of our third goal for the year: Accelerate, measure, and communicate the growth and economic impact of our innovation and entrepreneurship initiatives.
- I wanted to take just a moment to reflect on the work Vice Chancellor Magnuson and his colleagues are doing every day to assist the deans, their leadership teams and the faculty in identifying and applying for the funds that make actual research possible and help advance knowledge.
- And, as we've said before, the investments we make in facilities and people who are part of the research infrastructure across such a dynamic campus are some of the most strategic and far-reaching decisions we can make.
- The most recent milestones Vice Chancellor Magnuson's unit is reporting out show the enormous scientific and economic impact the research of our faculty has, especially here in North Carolina.

## Current Carolina Research Milestones

- Overall research funding for fiscal 2016 totaled over \$846M, with much of that funding stream originating from the federal government and the National Institutes of Health in particular.
- We're now 8<sup>th</sup> for federally sponsored research (\$585.8M)
- NIH currently ranks our medical school as 15<sup>th</sup> in the nation for NIH awards. The schools of pharmacy and dentistry rank in the top 10 nationally, along with seven UNC departments, including genetics, microbiology and pharmacology.
- In the most recent national survey, total activity has reached nearly \$1 billion in annual research expenditures. That ranks 11<sup>th</sup> among the top public and private U.S. universities.
- At \$967 million, that means UNC-Chapel Hill research activity translates to \$2.6 billion in economic impact in North Carolina when our research projects and our spinout businesses are measured together.
- We can quantify that impact in a variety of ways:

- It includes nearly 9,500 jobs for employees working in nearly all 100 North Carolina counties with a \$305M annual payroll.
  - 283 spinout North Carolina businesses founded by UNC-Chapel Hill faculty and students.
  - Nearly \$6.7B in annual revenue generated by those North Carolina businesses that got their start on our campus.
  - We rank 9<sup>th</sup> among public universities for actively licensed technologies, and we have over 2,500 patents awarded (U.S. and foreign).
  - UNC-Chapel Hill conducts more than half of all the research that occurs across the entire UNC system.
- Those are just a few of the numbers – among many – that stood out to me from the perspective of a businessman.
  - This is the kind of information that can be very powerful for our trustees as you have opportunities to engage in conversations with our many constituents, especially given the current national conversation about future spending priorities for the federal government.
  - I encourage all of you, especially our newest members, to soak up this kind of information as much as possible. That effort will serve you well down the road.
  - I'm also very appreciative of Chancellor Folt's ongoing efforts to highlight such successes and to share her perspective on what they mean for our great University.

### **Development Team Progress**

- I know we will hear from Trustee Cochrane later in this meeting with a report from yesterday's Finance, Infrastructure and Audit Committee.
- All of those topics are important, but I mentioned that committee only to offer some well-deserved thanks and praise to Vice Chancellor Routh and the outstanding fundraising team he has been putting together as planning continues for the upcoming campaign.
- The updates in these meetings have been particularly impressive over the past several months, and I know we are all excited and looking forward to the opportunities to work hard with our alumni and friends on behalf of Carolina.
- Thank you, David, and your wonderful staff for all you are doing for our University.

### **Restatement of Goals**

- As a reminder, our board's work this year is focused on four primary goals. They are:
  1. Support Chancellor Folt and her senior leaders, as they formulate and implement a new strategic framework for the University.

2. Tell our story. Carolina improves the lives of people across North Carolina, our nation, and our world.
3. Accelerate, measure, and communicate the growth and economic impact of our innovation and entrepreneurship initiatives.
4. Help Carolina become more efficient and effective in key operational areas, particularly Finance, Administration, Teaching and Research.

### **Nominating Committee**

- It's customary for the board chair to appoint a nominating committee at this time of year to determine the slate of officers for the full board to consider at the May meeting.
- That vote is for officers who will assume their duties at our July meeting.
- I've asked Trustee Caudill to chair this year's Nominating Committee. Joining him will be Trustee Keyes.

### **Bradley Opere Departure**

- We've also reached the time in our academic year that brings on very mixed emotions for everyone on our board. It's at the March meeting when we say farewell to the student body president who serves as an ex-officio member.
- Trustee Opere has handled his duties as a board member with enthusiasm, diligence and grace. He cares deeply about his fellow students and has very effectively represented their point of view in his participation as a trustee.
- To appropriately recognize his contributions, I now call on Trustee Duckett to read a resolution of appreciation.

### **Media Session**

- For the news media here today, Chancellor Folt and I will be available after the open session ends at roughly 10:30 a.m. in this same room – Alumni Hall III -- to take your questions.
- Our media relations staff will help you with those logistics.
- Thanks for your interest in the board and the University.