

NORTH CAROLINA STATE UNIVERSITY
Minutes of the Faculty Senate
March 9, 2021
3:00 p.m.

Regular Meeting No. 10 of the 67th Session

Via Zoom

March 9, 2021

Present: Chair Kellner; Associate Chair Sannes; Chair-Elect Berry-James; Parliamentarian Funkhouser; Senators Ashwell, Bass-Freeman, Bernhard, Boyer, Carrier, Collins, Darhower, Duggins, Erdim, Flinchum, Gerard, Ghosh, Gunter, Isik, Jacob, Jordan, Kirby, Kittle-Autry, Koch, Kuzma, Kuznetsov, Little, Lunardi, McGowan, Nelson, Nicholas-Parker, Pinkins, Reiskind, Riehn, Taylor, Thuente, Vincent, Williams, Yoon, Zagacki

Guests: Warwick Arden, Executive Vice Chancellor and Provost; Roy Baroff, Faculty and Staff Ombuds; Katharine Stewart, Vice Provost, Faculty Affairs; Marc Hoit, Vice Chancellor, OIT; Charles Maimone, Vice Chancellor, Finance & Administration; Allison Newhart, Vice Chancellor and General Counsel; Paula Gentius, Chief of Staff & Secretary of the University;

1. Call to Order and Announcements

Hans Kellner, Chair of the Faculty

Chair Hans Kellner called the meeting to order at 3:00 p.m.

Chair Kellner announced that the AAUP will sponsor an Academic Freedom event on the 26th of March at 1:00 p.m. and will have a speaker from their central office. "I have no idea who she is or what she'll be saying, but this is a tremendously important topic that some of you may wish to look in on."

2. Approval of the Minutes, Regular Meeting No. 9 of the 67th Session, February 9, 2021

Phil Sannes, Associate Chair of the Faculty

Associate Chair Sannes called for a motion to approve the minutes for the ninth meeting of the 67th Session of the NC State Faculty Senate. A motion and second were made and the minutes were unanimously approved.

3. Chair's Remarks

Hans Kellner, Chair of the Faculty

Dr. Kellner reported that he attended the Racial Equity Summit Task Force meeting recently to work on implementation and oversight. "It was a very, very good meeting and there were just a couple of things that struck me; little points that hadn't necessarily occurred to me before that you might care to ponder.

One of them was that small things that are done very, very well can be far more effective than setting out against a large number of goals all at once. That had the ring of correctness in my mind; at any case it certainly goes against the normal grain of attacking everywhere all at once. The second point is sort of related to this. There seems to be a lot of people stressing the importance of admitting failure, the importance of looking back and saying 10 years ago, 12 years ago, 15 years ago, we tried this and set that

out as a goal and we haven't met it and how this brings levels of trust and interest that otherwise that forgetting about it or claiming you've done better than you have, in fact, would do. So that that also seemed like an important concept that the group was looking over.

He added, "I know that will be hearing later from people in the proper election committee. This isn't the election to the Senate that I'm talking about nor to the 604/607 and 603 hearings and grievance groups. This is elections that happen in the Senate, in which you are the electorate. I'm referring to the election of the Members of the Faculty Assembly and of the Associate Chair, as well as the Council on Athletics. Those are the three positions that the Senate elects."

Chair Kellner continued, "The Associate Chair, I want to talk about, This year, the Associate Chair, Phil Sannes, has played a remarkable role. The Associate Chair tracks the Chair; there's no overlap. You get a Chair and he or she gets an Associate Chair for that period. So next year we'll have a new Chair and therefore we will need a new Associate Chair. The role of the Associate Chair was originally Secretary, with the approval of the minutes and the oversight of the minutes, and so forth. But the Associate Chair is what you make of it, and I've been very fortunate this year that Phil has been tremendously forthcoming in wanting to do all sorts of things. And of course, the three of us meet every Wednesday morning to talk about everything. My point is that the Associate Chair is a pretty good job to have, although it is time consuming, to be sure. If you are coming to the end of a term, coming to the second year of your first term, you would have to run for re-election. If you're coming to the second year of your second term, you're looking to leaving the Senate. However, if at that point you are elected Associate Chair, you're on for two more years. So you've found a way to extend your term. That sounds like sounds sneaky and cheating and all that. That's what I did years ago when I was Secretary. In the old days, the Associate Chair frequently became Chair of the Faculty later. This hasn't happened for a few years, but it used to happen about 50% of the time. If you think that job might be attractive, we need a good Associate Chair.

Chair Kellner concluded, "Faculty Assembly is something that I've become more and more fond of during the eight years I've been a member of it, on and off, and I think that it has grown in its abilities, at least as far as I'm concerned. We don't have as many nominees as I would like to see for the Faculty Assembly. I never really quite understood what the Faculty Assembly was until I became a member. Then it became a great reality. It's ideal for an NC State person because we can drive in. If you had to come in from Boone or up from Wilmington, the Faculty Assembly is a real challenge. But we don't."

4. Provost's Remarks and Q/A

Warwick Arden, Executive Vice Chancellor and Provost

Provost Arden greeted the Senate and began his comments with an update on Covid-19. "As I'm sure you're aware, the Governor announced a new Executive Order, order 195, which went into effect on February 26th at 5pm. The order doesn't have a huge effect on us, but it does increase the gathering size, the inside gathering size, from 10 to 25. The outdoor gathering size still remains it 50. Face coverings are still required and the executive order does provide for some potential increases in seating capacity at athletic venues. NC State athletics department is evaluating the order and will provide community updates about seating capacity at our sporting events."

He added, "With regard to testing, as you may know, we are currently doing over 11,000 surveillance tests a week, with the percentage of positive cases being between 1% and 2%, which is really outstanding. You know that almost all of our surveillance testing now goes through our own lab – Wolf Tracks Lab - at the College of Veterinary Medicine. They are doing an outstanding job and have set up an excellent lab, which is giving very rapid turnarounds."

Provost Arden continued, “The governor also announced that essential personnel will be eligible to receive the Covid-19 vaccinations beginning March 3. What that means is faculty, staff and student workers who engage in face-to-face interaction on campus, as required by their role in education, the workplace or research, can receive vaccinations at any of the North Carolina distribution sites. We expect, as a campus, to open our own vaccination clinic on March 22nd. That is an important date to keep in mind. That will be at Talley Student Union, and will be for faculty, staff and students. It will be based on vaccine availability. We think we can administer somewhere around 300 vaccinations per day. These will be by appointment and pre-registration. There should be a message coming out this week, in the next day or so, about how to pre-register. I’m told the pre-registration will be open starting either Thursday evening or Friday morning for faculty, staff and students who qualify. The qualifying categories – the first category that qualifies will be those over 65 those and those who are deemed essential front facing employees, and those with pre-existing conditions will also be included in that first category.”

He added, “If you want to know a little bit about our coronavirus numbers, which are very on campus at the moment, please go to our dashboard which is www.ncsu.edu/coronavirus/testing-and-tracking. Go there and look at our dashboard. There’s quite a lot of information about it, not just on positive tests, but the number of tests administered and the number of students in quarantine and isolation. The numbers look really good at the moment and I think this is a time to continue to be cautious and careful and make sure that we don't let our guard down too soon.”

Provost Arden reported that Dr. Doneka Scott is the new Vice Chancellor for Academic and Student Affairs and is in the meeting today. “I sent a message to all instructors of record to reinforce that student feedback tells us that small gestures from faculty mean a lot to them. If Faculty simply say, you know if you're having difficulties or if you're having problems, please don't hesitate to reach out to me. That means a huge amount to students. Emphasize that wellness days are important for our students, as students are under a lot of stress at the moment. So please remember to not set any work for wellness days, and if you have work due, or even exams, the day after wellness days, try to shift those a day or two so students are not having to work through the wellness days to complete projects or study for exams. The next two wellness days are March 24th and April 15th. Please make sure that you try to allow students to take advantage of those days and be flexible with students. Wherever possible, give students the benefit of the doubt; i.e., reported problems or provide grace periods if possible. These are very, very stressful times for our students. Many students are in situations where they don’t have adequate internet access or their access is unstable, and they have a lot of other competing demands. Please continue to be flexible. Students indicate that most faculty have been, and that is deeply appreciated.”

He continued, “I wanted also to mention the Chancellor has said we're planning an in-person commencement this spring. So commencement will be at Carter Finley and will spread across two days to allow for appropriate social distancing. There will be the evening of Friday, May 14th and the morning of Saturday, May 15th. So please keep these on your calendar. At the moment, I believe, all Departmental and College events are planned to be online. That’s fine, and is perfectly appropriate. I know the students will be excited to have the opportunity for an in-person commencement at Carter Finley.”

Provost Arden spoke briefly about leadership searches. “The search for the Dean of the College of Humanities and Social Sciences is progressing. Our finalist interviews begin this week. The finalists are Jeffrey Gabel, from Michigan State University; Deanna Downs, from NC State University, and Anna Stenport from Georgia Tech. We will be interviewing these individuals virtually over the next week. I’m very excited about that. Dean Hoversten and the search committee is doing an excellent job in attracting outstanding candidates. Also in the works is the search for the Senior Vice Provost for Enrollment Management. Dr. Larick is chairing that search. There was a candidate selection committee meeting on February 23rd and the first round of interviews will be next week and the finalist interviews will be in April.”

Provost Arden concluded, “Lastly, Strategic Planning is wrapping up very soon. We have been having a lot of listening sessions to the announced overarching goals and narratives, as well as we've been having a lot of listening sessions to the announced overarching goals and narratives, as well as the vision and value statements that are in place. We've been incorporating that feedback either directly into the narrative. That will then go to the Chancellor and to the Board of Trustees in April. The next steps will be, after approval of the Strategic Plan, will be the development of metrics and specific numeric goals and also the development of detailed implementation plans during the fall. So please stay tuned. I am indebted to my Co-Chair, Marjory Overton, and to Kelly Wick, who have done a phenomenal job along with the Executive Group and all of those who have been involved in the task forces. We had almost 160 faculty, staff and students involved in the planning task forces and they have contributed enormously. This is truly our plan; it's not my plan, it's not the Chancellor's plan. This is the University's plan and I'm very proud of the way that plan is shaping up.”

Questions and Discussion

Chair Kellner: This is about the testing and vaccine process, and I'm just curious. I know that this is now tremendously expensive, particularly in testing. I am wondering about how it's being financed. What is the arrangement for this financing?

Warwick Arden: With respect to testing, it has not been cheap. Return-to-campus testing, we tested almost 25,000 individuals and now we're testing around 11,000 in surveillance per week. Up until recently, the cost of that was close to \$1 per test - the cost of the university. Since we have gone to our own internal lab, the costs have been reduced to approximately a half. There is still a very significant cost. We may be able to recoup some of those costs from Federal and State Covid funding. That has yet to be determined and VC Maimone may want to comment on that. With regard to vaccination, I honestly don't know about insurance claims on vaccination. VC Maimone may have more information on that. To my knowledge, we're not planning on billing private insurance.

Charles Maimone: I don't have much more information, only to suggest that some of the operating expenses to stand up the vaccination center will be a cost to the institution. So hiring vaccinators will cost the institution, but the actual reimbursement for the vaccine, I don't know yet how that will be financed.

Andrey Kuznetsov: You said that we will open the vaccination site and tell the students March 22nd. So will the TAs, RAs and then the undergraduate students be eligible for this vaccination?

Warwick Arden: Yes, so the three groups that will be eligible will be those over 65, those who are in forward facing positions, which will include TAs, RAs, and faculty teaching face to face or in research face to face positions, and those who have preexisting medical conditions. All three of those groups will be eligible, and, as I say, sign-up will be online. These will all be by appointment and we'll be announcing within the next day or so how to sign up and the mechanisms for sign-up. Sign-up will open up either Thursday night or Friday morning.

Kenneth Zagacki: Departments across the university are going to be holding face to face or remote commencements. My understanding is that there's some concern among leadership in my college that other colleges will allow their departments to hold face to face commencements, while the College of Humanities & Social Sciences is planning for its departments to hold their commencements virtually. The inconsistency could cause some problems. As an old department head, I can imagine somebody calling me and saying well why is a certain department holding face to face, but another department is not.

Warwick Arden: It is my understanding that the vast majority of departmental commencements will be virtual. Any request to be face to face will be handled through our exception process, which runs through

Amy Orders in the same way as any other event request. So we have to scrutinize those to make sure that they comply with the Governor's ordinance, with the university policies, and there are appropriate safety standards in place. But it is my understanding that the vast majority of departmental or college commencements will be virtual.

5. Remarks and Q&A

Charles Maimone, Vice Chancellor, Finance and Administration

Vice Chancellor Maimone thanked the Faculty Senate for the invitation to speak to them today. "I wanted to talk a little bit about the revenue picture for the state of North Carolina, give you a bit about the legislative budget update, and show you where we are. I hope that there's some information about the steps that we take to arrive at the general fund budget will be helpful and knowing so that you can anticipate what comes next in that process. I want to talk a bit about the auxiliary enterprises. From a financial perspective, they have had the most challenging of times, and you may have some questions about how we're managing that. I want to go over the campus relief funds, referred to as CARES funds."

He began his presentation by reviewing the state of North Carolina picture. "Revenues are stable through January of this year, and the outlook remains positive. So I am pleased to be able to tell you that and I'll show you a little bit more detail about that. What that means to us specifically here at NC State is that we don't really anticipate any reductions or reversions that often come with budget reductions at the state level. So I'll just move right into this picture for you. Revenues have actually been collected at a higher rate than they did the previous year. I know that may surprise folks a bit, but if you use the blue line being this year, and the gold line being last year, a lot of this revenue in July was actually a delayed income tax from the previous year. If you remember the deadline was changed from April 15 to July 15, and so there was an accumulation. As interesting and maybe more important is that in every month after that we see an actual increase in revenue collections over the previous year. So that is why I have some optimism about this year."

VC Maimone added, "This next slide gives you kind of an indication of where we are in the process right now and what steps need to be taken. In January, the system office approved their budget requests. The Office of State Budget Management works for the governor, and the Physical Research Division works for the legislators. One of their first exercises is to create a consensus revenue forecast for the biennium, and that's where some of the optimism about this year and the next two years, comes from. After that work is done, then the Governor produces his budget based on that consensus revenue forecast, followed in this year by the Senate first releasing their budget, then the House. That alternates yearly, so next time they go through this process, the House will release their budget first. Then they convene a joint conference to really hammer out the differences between the two budgets, you might say, the three budgets. Then the General Assembly ratifies their budget and the Governor either signs it or vetoes it. Our experience this last biennium was that the governor did not sign the budget, and we limped along for the last two years without a certified budget, which is what the last step in this process is."

He continued, "You may remember the phrase "mini-budgets" that that really became popular, where certain aspects of the budget where we're actually authorized, but other others were not. This process is something that we watch very carefully, and as we move through the process I'm happy to and will obviously provide updates as we go. In regard to the UNC system budget priorities, being first is hard because most of this work was done when we were still very concerned about the state budget revenue picture. It's an austere list and that to some extent, can be challenging but what we were after were just the fundamentals, if you will; enrollment funding for the growth that we've experienced, building reserves, NC Promise program, which does not directly affect NC State, but three institutions in the state have what's referred to as this promise, where there is a cap on the student tuition of \$500 per student. The NC

Promise then supplements the difference for each one of those students through appropriations. So the program, in order to fulfill the obligation to the NC Promise, the system office had to ask for quite a significant increase in funding. It really is something that's important to the system and to those schools that do rely on it."

VC Maimone then spoke about faculty and staff salaries. "The request was equity with other state agencies. If you'll remember the last time we went through this, there was a distinction made between university employees and other State employees and other State employees, a few years back, actually received a 2% increase in pay, whereas the university employees did not. So the request is that we be treated along with the other State employees in the same manner. These are revenue sources for the state. This is, in May of last year, the year over year change was expected to be. Now that consensus actually brings that number from \$23 to \$27 billion. This note here is an important note, which is that the state is actually dealing with \$4.1 billion in revenue above their projections from last May. I showed you that graph where these revenues have come in much stronger than previously expected. So, if you look at what we think we will end in this year, this is why there is no reason to believe that there would be reversions of any kind, or any budget reductions of any kind. This forecast for the biennium the next two years that will be facing, shows yet another small increase from this year's revenue and then, a 4.1% increase in revenues for the second. So a two year forecast of modest growth is what we are facing, and again I'll just point out that this is a consensus general fund forecast. Both the legislators and the Governor's offices believe this is the position that will be in."

He added, "This is a look at how the budget requests that go from the system office to the legislators actually affects NC State. It becomes important for us to track those items that matter to us, and this is our attempt to create a dashboard that I can report out as the Senate produces their budget and let the legislators present there's and so forth, and so on. I want to make sure that you're clear on this. Very seldom do I want to provide information or share information to that is an opinion or an estimate or projection because I really do try very, very hard to stick to what we know, rather than what we think or believe might happen. In this particular case, I want to recognize and hope you will recognize that I'm actually anticipating the distribution of funds and I'm using historical evidence and information to do that but, nonetheless, there's many steps in the process before those allocations are actually delivered to NC State. So this is my best estimate of what we should receive, based on the approval of the legislators to the UNC system office, if they do in fact budget this."

He continued, "So let me start with the UNC system base budget just to give you a kind of a sense of how to read this. It is nearly \$3 billion. Of that, our share is \$524 million. Again, from an historic perspective, that's what we've received from the general fund budget. For right now, let's concentrate on 2021-2022. You can see that we have another column for the second year of the budget, but let's just concentrate on one year at a time. The first request that matters to us is enrollment change that we actually received this year, of \$3.8 million. However, we received it as non-recurring funds. So it was given to us as one-time funds and obviously, you cannot hire faculty members, you cannot invest in the growth of the institution, without permanent funding. So we are back to ask for that to be recurring and so that's what this R means. Then our second ask is for enrollment change for next year. That's actually the growth that we experienced this year; it's a one year lag. The system office is asking for \$40 million dollars in enrollment growth for the entire system, of which NC State would or should receive \$5.8 million of that. Again, we're asking for that in a recurring way so that it's permanent funding and adjusts our base."

He continued, "We talked about building reserves. Currently, Fitts-Woolard has been actually funded for all of the operation costs associated with that building on an annual basis. And for us, it was given to us this year when the building opened, as non-recurring funds. So that's problematic because we're hiring housekeepers and police officers and managing transportation, paying utility bills - all that's required of us to run that facility. And yet, we are doing it on one-time funds. So again, we're asking for that fund to be

recurring. We also have the Plant Sciences building that will come on into operation February of 2022, so just a partial year of that funding. So in the first year, from the share of the system office, we're asking for \$1.8 million in recurring and \$656 in non-recurring. Non-recurring is really to purchase one time equipment or furniture and other things like that, that are part of that building's operation. I mentioned to you the NC Promise, and you can see here that it's \$15 million in recurring funds. So you can see the total amount of money, both recurring and non-recurring, and basically the requested increase and how that changes the base budget. So when you're going top to bottom, you can see how that works for both UNC system and NC State."

VC Maimone reported, "This is a little challenging in some ways, but let's go back to enrollment growth changes. You see in the first year that ask for \$40 million; \$5.8 million for us in that year. Now if you go across into the second year, you'll see that the number is \$83 million. That's not an additional \$83 million; it's actually \$43 million added to the \$40 million. So it's a cumulative budget request. So \$83 million in enrollment growth funding for both years, and that's how it affects the bottom line of the base budget. So we don't know what our amount will be yet because we haven't actually experienced next year's growth. We would have to do that in order to know what the second year of the biennium would bring to us, but these estimates do suggest a very similar amount of money pretty close to \$40 million and \$43 million. Where you see, for example, building reserves in the first year of \$4.69 million, it doesn't actually change in the second year. It's cumulative, so it's actually the same number in that case. Whereas, with building reserves, where we open the building halfway through the year, in the second year we're actually asking for the entire amount."

He added, "I hope that is helpful. What you can imagine then, with these columns, is another column when the Governor actually produces his budget, and we'll compare it very specifically to what is in the budget to NC State, and we will create those columns again for the Senate and the House and their combined work. There are other legislative asks that are not financial and I just bring them to your attention just because I think they may come out in the news. There may be some things that are part of the additional conversation. One thing, for example, is carry-forward. I can go into detail on all of these, if you're interested in carry-forward, which is right now only about renovation and R&R funds. Previous legislators have made a commitment to the Nimble Program here on campus, and we've received \$6 million of the \$10 million, and we are asking for that commitment to continue. It is not a budget ask in the expansion budget, but is a budget ask based on a prior commitment.

VC Maimone then addressed the auxiliary enterprises. "Our auxiliary enterprises will continue to feel the impact of the de-densified campus in all ways. Housing, dining and parking are our largest auxiliaries that are related to student activity and population, and clearly they're operating right now around 40% of full occupancy. So we continue to work with those groups. Down at the bottom here I have shared with you how they have worked to really manage their budgets and to some extent how we were able to leverage some of the CARES funds to help. Other auxiliaries like Athletics and McKimmon Center are more dependent on large group events, and because of the challenges around protocols, those groups have really had challenges in revenue production. But again, we worked very carefully with them to really get them through this year and hopefully give them an opportunity to rebound next year."

He continued, "There are other auxiliaries and I don't mean to dismiss them. Things like travel abroad, for example, relies heavily on funds paid to their organization by students. There hasn't been travel abroad and so that revenue source has really not been part of their budget this year. Other programs, like the Dairy and all the rest, they all have suffered. I just bring this to your attention as a way of saying we're working to make sure that the auxiliaries are positioned to return to business once we're through the pandemic."

He then spoke about the CARES funds. “If you look at this, the first half of this is student emergency aid. It came to us in the 2020 Higher Education Emergency Relief Fund Act – CARES I. We received \$8.9 million in funding for our students, direct student relief. We have spent all of that money at this point. That happened in the Spring of last year and in the Fall of this year. In the second CARES Act, which these monies were authorized in December of 2020, are really applicable for the Spring semester of 2021. We received another \$8.9 million, and this money is actually being managed by the Financial Aid Office, and they are making distributions now to students. So while it says we haven’t spent them, they are completely obligated at this point in time, as is the Governor’s emergency education relief funds, which were awarded back in 2020. It was \$483,000. We actually received it late for the Fall semester and expect to spend all of that in the Spring semester. So that gives you a total of \$9.4 million that we are in the process of spending right now on student direct aid.”

He added “The same format for University Aid; everything else is university related. You have CARES I, and we refer to this as CARES II. But the 2020 and 2021 money, \$8.9 million for the University and we have spent \$8 million of that. We actually held back \$900,000 of that to be sure that we were able to open up this Spring as effectively as possible and ensure that we really could respond and react to anything that we might experience during that time. So those funds are actually again committed, but certainly not distributed back to the campus departments at this point in time. The CARES I, we received this money in late December. This is \$19 million, so actually more than the first year. Dr. Kellner, this is to your question about how we paid for both surveillance testing and our obligations to vaccinations. It is in this number right here that those relief funds will be used to cover those costs. Right now, while we are doing a lot of testing, we are still within budget to manage that with our CARES relief funds. And then we had some smaller relief. From the State of North Carolina, we received \$4.5 million in the early Fall. We have spent \$4 million of that and we still have \$415,000. These smaller events are more specific to individual activities on the campus, and those monies either have been spent completely or are in the process of being spent and accounted for on the campus.”

Concluding, VC Maimone spoke about the University Budget Advisory Board. “I am sharing with you the list of colleagues that are on this Board. I am very appreciative of the individuals who have taken the time to provide guidance and direction for the University Advisory Board on all things budget, especially during these times. We think the representation is strong; very specifically, your representation is strong from Faculty Senate with Dr. Vincent and Dr. Williams, who both participate heavily, as well as Dr. Kellner. We have done a lot of work over the last six months or so to really address some of the issues and questions that people have about budgeting. We really have decided that our budget central will be the place or the repository for all information. The actual Advisory Committee has received information on all of our funding sources at this point in time, and those become part of our library. They can be shared with anyone on this call, and we hope to continue to build that information out for folks on the campus who are interested.”

He added, “I remain at your disposal and then hope that you will call on me anytime that you have questions about anything, not only budget but also anything about facilities, construction, human resources University Police and many other areas that I’m responsible for working with. I am very glad to be at your disposal. Lastly, I want to share with you that these, in my mind, are the areas that remain focal points for budget and management on the campus; managing the auxiliary revenue shortfall and continuing with those processes and working with those groups, knowing and understanding very specifically, tuition and fees. As we move through this pandemic, there have been slight adjustments, but not major adjustments in either one of those categories, the state budget, and the biennium budget.”

Questions and Discussion

Hans Kellner: How is the 2021 Student Emergency Aid, HEERF, distributed and what is the process?

Charles Maimone: When CARES money first came to the campus, I convened a group of probably ten different people representing enrollment growth, academic affairs, financial aid, the controller, and the Budget Office and contracts and grants to convene a group of experts in managing federal funds. In that particular group, we agreed that the best way to distribute student aid was through the financial aid office. And so they then took those funds and they recalculated financial aid, based on financial need. They were able to distribute that money to as many students as possible, based on financial need. We were pleased that it meant that it went to quite a few students across the campus. So when CARES II, or the second group of monies came, we agreed that that was definitely the way to continue working with student financial aid, working through the financial aid office.

Hans Kellner: There are two aspects of this campus that are apparently very different, but in some ways, are very similar. One of them has to do with faculty and staff salaries, in the sense that there's no cost of living situation. So year by year, they seem to erode a little bit. The other thing has to do with a bunch of old buildings. As you know, we have 214 buildings on campus and a whole bunch of them are really old and kind of crummy. Each year they get a little bit worse. I heard the Chancellor complaining about his building, and I can complain about Winston Hall and the building you're sitting in, I'm sure it has its problems, as do probably 100 other buildings. So these two sides of it – the salary and the building erosion – seem to be rivals for monies. What they have in common is that they're easy to push down the road; they're easy to let them go or to give a little bit that's totally inadequate to each, every year. So in the aggregate, things don't get better. That sounds like a kind of a pessimistic way of looking at our buildings, but does that sound like a reasonable way in which things work here? I don't mean in North Carolina; I just mean in the world in general.

Charles Maimone: Deferred maintenance is a huge challenge on this campus and most campuses in the country, and I don't actually think that it's specific to university campuses. I think hospitals and government agencies all have a challenge in appropriately assigning resources for the maintenance and repair of buildings on an ongoing basis. So often when there are budget restrictions, they are the first to go. So we absolutely do have a challenge. We will meet that challenge, and the way that we do that is to do very good work around analysis of that deferred maintenance and to quantify that deferred maintenance and then to prioritize it. We prioritize it, not only on the life cycle of the building or the infrastructure of the building or items like HVAC or electricity inside the building, but we also do it on life safety as well. So we are behind and we constantly are trying to figure out exactly what the next application of resources must be in order for us to be as safe and as progressive as we can possibly be on the campus. It is a huge challenge because the resources are absolutely limited every year. When I went through that North Carolina state budget and I've mentioned the \$4.1 billion in more revenue than expected and growth into the biennium, it is my opinion that legislators often do look at construction and renovation as an immediate use of funds, because it's typically a one time application of funds. So they are comfortable with applying maybe a little more repair and renovation dollars to the campus because it's not a long term obligation; it's just an infusion of funds. We are hearing and hoping that R&R funds can come our way. We got about \$13 million in R&R. We need about \$500 million to wipe out our preventative maintenance list. So we will keep tackling, we will keep climbing, but it will be a challenge going forward.

In regard to salaries, they are even more challenging because they are a permanent assignment of funds and an ongoing cost. So there is more hesitation to apply it, because there's less predictability in revenues and quite honestly, it's a prioritization of that over other things. I do think that there's recognition that the University employees were left out of the last biennium. I have no way of knowing what that means moving forward, except to say that the System office and I know Chancellor Woodson has often spoken to

the importance of salary increases for faculty and staff and the need for us to stay in the marketplace relative to salaries. But that is a huge challenge for the state of North Carolina.

Kenneth Zagacki: Have those requests gone forward for faculty and staff salary increases?

Charles Maimone: Yes, they have. The legislators have that information from the System office; however, the System office has made the statement that they want to be treated equally among all state employees. So whatever happens with state employees, they expect that the University employees would have the same increase. That's an unusual approach, especially for a business officer. We would want a percentage increase to know exactly what that dollar amount would be and how it would impact the budget, but it was the decision of the new President of the System to actually present it that way, and ask the legislators to simply be considerate of University employees in the same manner that they will evaluate other state employees.

Steven Vincent: Could you give us an update on furloughs and salary reductions? I know there were a number of staff, especially in the auxiliary industries. I'm wondering if those have been brought back or exactly what the status is.

Charles Maimone: The authorization to furlough was specific to the auxiliary enterprises. We were able then to address what was a very challenging situation back in March and again in the Fall. The largest impact was to our Campus Enterprises, which includes our dining facilities, transportation, University Unions, folks who come to work and provide services to primarily our student population. When we shut down, we did have to activate furloughs in a large way. So McKimmon Center, Athletics, and Campus Enterprises were three areas that we experienced furloughs. McKimmon has requested to bring their folks back this week, so I don't think they have any more furloughs. Athletics will maintain their furloughs. They did an across-the-board 10% furlough for every employee. So they are actually working fewer days per week, but everyone is working. Campus Enterprises is the place where we had this range of furloughs. Some were full furloughs, and the same with transportation on a smaller scale. The vast majority of the full furloughs have gone away, so everyone is working, but not full time yet. We're really running at about 40%, so there are a large number of dining facilities that are not open yet. What we are doing is rotating employees through. In transportation, we are bringing our transportation people back now. I think we are in pretty good shape, as it relates to that. The summer looks promising for all of these organizations, and they do believe that they need to bring their teams back to campus.

6. Letter of Support for the UNC Racial Equity Report

Chair Kellner addressed the Faculty Senate regarding a letter of support for the UNC Racial Equity Report. He stated, "About a week or two weeks ago, the Chair of the Faculty at North Carolina A&T wrote a letter dealing with the UNC Racial Equity Task Force report and recommendations. It was suggested to the group of the Chairs across the System that if we all get our own version or signed on with that one, that it would be a good thing to have. It is usually the policy here that we don't sign on to other people's letters or resolutions, but that, if the topic is relevant and we feel it, we do our own."

He added, "So this is a letter that you've all gotten a copy of. It is in three paragraphs; the first one describes the situation, the second one applauds the UNC Board of Governors for doing the task force situation and our support for its recommendations. The final paragraph commends and affirms the steps that our University and the UNC system are taking and may take in the future."

He continued, "The letter will then be sent to President Hans, it will be sent to the Chairs in the Faculty Assembly and to the Chair of the Board of Governors. This is not a resolution. I will do a reading, but we do not need a second reading. Then we can vote."

Text of the Letter:

To: Peter Hans, President, UNC System
Randall C. Ramsey, Chair, UNC System Board of Governors

From: North Carolina State University Faculty Senate

Re: Letter Affirming the UNC Racial Equity Task Force

Date: March 9, 2021

The Faculty Senate of North Carolina State University recognizes that the University System to which we belong, and our own institution, have a history of racial segregation and other inequities, traces of which still exist.

Consequently, we, the Faculty Senate, applaud the efforts of the UNC Board of Governors to address these inequities through a Racial Equity Task Force which has produced a report and recommendations. We support the spirit of this report, and we endorse its recommendations.

We further commend and affirm the various steps that our university and the UNC System are taking and may take in the future toward the goal of a better campus culture for everyone.

Hans Kellner,
Chair of the Faculty

The Executive Committee of the NC State University Faculty Senate

The NC State Faculty Senate

Chair Kellner asked if there were any objections to voting on the letter.

Eileen Taylor: How can we commend and affirm future actions unless we know what those future actions are?

Hans Kellner: Well it's true. Let's go back and look. We affirm and commend the various steps that we may take in the future toward the goal of a better campus culture. So it is a phrase that relies on our trust that the steps that they're taking toward that goal are affirmable and commendable, but I don't think that it commits us to anything that wouldn't be affirmable and commendable.

Eileen Taylor: I'm good with the first two paragraphs. The other one, it's just not clear to me that we have agreement on what it means to have a better campus culture for all. I think there may be some disagreement about whether the things that are being done make it better for all.

Hans Kellner: I agree with you that these are what we call dialectical points that are open to discussion and debate. In fact, that is part of what the Racial Equity Task Force on campus discussed in part. I don't see any way around it though. To affirm and set up a group like that, they have to make decisions, presuming that they can imagine a better campus culture. If they can't, well that's a great challenge. Shall we vote?

Stacy Nelson: I don't really have a problem at all with supporting the Task Force letter, but from reading through the Task Force report, it's just that some of the recommendations are stuff that we're already doing, which is really good. But what I'm missing is any indication of what type of legitimacy that this report has. For instance, who's going to be responsible for implementing these recommendations? There's also some ambiguity with some of those action items that they put forth, like where's the accountability, what are the measures in the incentives, who's going to be creating this, where are the resources coming from to do all of this? None of that is addressed within the Task Force plan. I have no problems with voting to support a letter to go out, but I'm still curious as far as what the follow up is on this plan and what does it mean for our campus?

Hans Kellner: I think that your point is well-taken and I think that the original letter from Nicole Dobbins at North Carolina A&T was somewhat longer. The sense is, among the group, that letters like this would be forms of gentle pressure and guidance and pushing the Governors forward in the direction of an implementation that is better than it would be otherwise.

Eileen Taylor: Can we change the third paragraph to "expect, commend and affirm future actions?"

Hans Kellner: I'm okay with that.

Stacy Nelson: I vote for that.

Hans Kellner: Okay. So "We further expect, commend, and affirm." So I'm okay with that.

Philip Sannes: There was one other point. Can you know where this letter is going to go directly? Are there any other entities that will have knowledge of this letter?

Hans Kellner: This will go directly to the Faculty Chairs, the Provost, certainly the Chancellor. So this is a pretty public document. Everyone in favor of accepting this letter on part of the Faculty Senate, please indicate your acceptance. Okay. Those who don't?

The letter of support was unanimously approved. **(revised text of the letter is below)**

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Randall C. Ramsey, Chair, UNC System Board of Governors

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We further expect, commend, and affirm the various steps that our university and the UNC System are taking and may take in the future toward the goal of a better campus culture for everyone.

Hans Kellner,
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The Executive Committee of the NC State University Faculty Senate

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7. Elections Update

Maria Collins, Co-Chair, Government, Communication and Recruitment Committee

Barbara Kirby, Co-Chair, Government, Communication and Recruitment Committee

Barbara Kirby, Co-Chair of the Government, Communication and Recruitment Committee provided a brief update regarding the Faculty Senate elections that will occur beginning on Wednesday, March 24th and will close on Wednesday, April 7th.

8. Issues of concern

Faculty Issues of Concern can be submitted at any time to a Senator, the Chair of the Faculty, or to Faculty_Senate@ncsu.edu

9. Adjourn

The meeting was adjourned at 4:45 p.m.