

The Board of Governors

COMMITTEE ON PERSONNEL AND TENURE ANNUAL REPORT

July 1, 2010 - June 30, 2011

The major responsibilities of the Committee on Personnel and Tenure, as established by Section 301D of The Code of the Board of Governors are: (1) to make recommendations to the Board on all personnel actions under the jurisdiction of the Board, including establishment of senior academic and administrative officer positions and approving salary increases of 15% or greater AND \$10,000 or more (*effective as of July 1, 2011, changed to 10% or greater to comply with the 2011-12 State Appropriations Act*); (2) to review The Code and institutional policies and regulations regarding tenure and dismissal; (3) to review appeals from faculty members that involve questions of tenure; and (4) to act on other personnel matters that involve significant policy considerations.

Pursuant to Policy 200.6, adopted on November 13, 2006 and amended June 8, 2007 and April 8, 2011, the Board of Governors has delegated the authority to the President of the University to:

- a) Appoint and set the salaries of Senior Academic and Administrative Officers (§300.1.1 and §600.3.4) and other employees exempt from the State Personnel Act (§300.2.1) serving within the UNC General Administration.
- b) Set salary ranges for Senior Academic and Administrative Officers of the constituent institutions of University (§600.3.4).
- c) Approve conferrals of tenure and to set salaries of faculty, Senior Academic and Administrative Officers, except the chancellors, and other employees exempt from the State Personnel Act at campuses that do not have Management Flexibility to Appoint

and Fix Compensation as long as those salaries are within the established salary ranges and are not raises in excess of 15% and \$10,000 higher (*effective as of July 1, 2011, changed to 10% or greater to comply with the 2011-12 State Appropriations Act*) than the salary in effect at the end of the last fiscal year. (§300.1.1 and 600.3.4; Code §602).

d) Approve all actions relating to the administration of the Optional Retirement Program (G.S. §135-5.1) and the Phased Retirement Program (§300.7.2).

e) Approve salary increases in excess of 15% AND \$10,000 or more (*effective as of July 1, 2011, changed to 10% or greater to comply with the 2011-12 State Appropriations Act.*)

f) Approve salary increases for faculty members who are receiving salary increases funded through the Faculty Recruitment and Retention Fund.

Board members who served on the Committee during the fiscal year July 1, 2010, through June 30, 2011 were: Dr. Laura W. Buffaloe, Mr. Walter C. Davenport, Mr. Paul Fulton, Mr. G. Leroy Lail, Mr. Fred G. Mills, Dr. Gladys Ashe Robinson and Mr. David W. Young. (Dr. Robinson resigned from the Board of Governors in January.) The Committee elected as its officers, Mr. Fred G. Mills as Chair, Dr. Laura W. Buffaloe as Vice Chair, and Mr. David W. Young as Secretary.

In its designated role, the Committee on Personnel and Tenure reviews appointments of distinguished faculty for consideration and approval by the Board of Governors for campuses without *management flexibility*, salary increases in excess of 15% AND \$10,000 or more (*effective as of July 1, 2011, changed to 10% or greater to comply with the 2011-12 State Appropriations Act*), and salaries that exceed the established range.

The 2011-2012 State Appropriations Act, effective as of July 1, 2011, resulted in the following changes:

The annual pay of all State employees for the 2011-2013 fiscal biennium shall remain unchanged from that authorized on June 30, 2011, or the last date in pay status during the 2010-2011 fiscal year, if earlier, except that an increase may be allowed under the following special circumstances:

(1) For all State employees regardless of funding source, and for employees of the North Carolina Community College System and local school boards who are paid from State funds, salaries may be increased for reallocations or promotions, in-range adjustments for job change, career progression adjustments for demonstrated competencies, or any other adjustment related to an increase in job duties or responsibilities, none of which are subject to the salary freeze otherwise provided by this Part. All other salary increases are prohibited.

(2) For The University of North Carolina, (i) faculty using funds from the Faculty Recruiting and Retention Fund, the Distinguished Professors Endowment Fund, or the University Cancer Research Fund in the case of faculty involved in cancer research supported by that fund and (ii) faculty, nonfaculty, and other employee adjustments, including retention adjustments, funded from non-State funding sources.

(3) For employees of the judicial branch, for local supplementation as authorized by G.S. 7A-300.1.

The cumulative salary adjustment allowed under this subsection for the 2011-2012 fiscal year may exceed ten percent (10%) of annual salary only if the adjustment is approved in advance by the Office of State Budget and Management, The University of North Carolina Board of Governors, the Board of the North Carolina Community College System, the Legislative Services Commission, the local board of education, or other authorized body as appropriate.

To comply with the 2011-2012 State Appropriations Act the Committee held two Special Meetings in June 2011 to review and approve salary increases of 10% or greater to be effective as of July 1, 2011, as delegated to the Committee by the Board of Governors.

Annually, on recommendation of the President, the Committee considers and further recommends to the Board, specific salaries for chancellors of the constituent institutions, as necessary. Actions by the 2010 Session of the North Carolina General Assembly did not include funds for salary increases. The General Assembly mandated that “....*The salaries of those officers and employees, whose salaries for the 2008-2009 fiscal year were set or increased shall remain in effect and shall not increase for the 2009-2010 and 2010-2011 fiscal years Salaries may be increased for reallocations or promotions, in range adjustments for job change, career progression adjustments for demonstrated competencies, or any other adjustment related to an increase in job duties or responsibilities, none of which are subject to the salary freeze otherwise provided by this subsection. All other salary increases are prohibited.*”

Subcommittees convened for additional meetings to receive, review, and make recommendations on three faculty appeals from constituent institutions for Board consideration. During 2010-2011 the Committee recommended approval of one

appointment of distinguished faculty under the guidelines of the Board's Distinguished Professors Endowment Trust Fund.

In 2003, the Committee became responsible for coordinating the Board of Governors' Excellence in Teaching Awards program. The Committee agreed to again forego the May awards luncheon and instead present each Teaching Award recipient with an engraved medallion and stipend check during their campus' spring commencement by the Board of Governors member in attendance. This process allows for greater recognition of the recipient by their peers, students, administrators, families and friends, and is fiscally prudent as well. In August of 2010 the Committee received the 2010 Board of Governors Awards for Excellence in Teaching Allocation and Distribution of Funds Report and Awards Costs; and approved the nominees for the 2010-11 Award in February of 2011.

President Bowles and President Ross, respectively, informed the Committee of several new chancellor appointments including: Dr. R. Todd Roberts, as chancellor at the North Carolina School of Science and Mathematics, beginning on or before December 1, 2010, replacing Gerald Boarman who left the position in July of 2010; Dr. David O. Belcher, as chancellor of Western Carolina University, beginning on July 1, 2011, replacing John Bardo who retired on June 30, 2011; and Dr. Gary L. Miller, as chancellor of The University of North Carolina at Wilmington beginning on July 1, 2011, replacing Rosemary DePaolo who retired on June 30, 2011.

As of June 30, 2011 there are fourteen constituent institutions with management flexibility: (Appalachian State University, East Carolina University, North Carolina A&T State University, North Carolina State University, the University of North Carolina at Asheville, the University of North Carolina at Chapel Hill, the University of North

Carolina at Charlotte, the University of North Carolina at Greensboro, the University of North Carolina at Pembroke, the University of North Carolina at Wilmington, the University of North Carolina School of the Arts, Western Carolina University, Winston-Salem State University, as well as the North Carolina School of Science and Mathematics.) The remaining three campuses without management flexibility are Elizabeth City State University, Fayetteville State University and North Carolina Central University.

Campuses were also required to revise their phased retirement and tenure policies and procedures to reflect recent changes in *the Code* and relevant policies. During 2010-2011 the Committee approved campus revised post-tenure review policies for East Carolina University and the University of North Carolina at Asheville. Revised phased retirement policies and procedures, and other promotion and tenure policies, were approved by the President.

The Committee reviewed current policies and practices and recommended the adoption of new policies, amendments to existing policies and in some cases, the rescinding of outmoded or obsolete policies. Amendments to the ORP Plan Document were approved in November, 2010.

Also during 2010-2011 items for discussion included what components should be considered when determining chancellor's compensation packages, what other options can be considered for incentives; and how any other compensation may be funded; employee furlough guidelines; and a possible voluntary separation incentives program.

In October of 2010, the Committee distributed its "Annual Report for July 1, 2009 – June 30, 2010" and "Annual Plan for the Committee on Personnel and Tenure." The

Committee accepted the “Report on the Phased Retirement Program” and the “Report on Post-Tenure Review” in November of 2010. The Committee also accepted the “Annual Report on the Distinguished Professors Endowment Trust Fund” in January 2011.