

## **Annual Report of the Personnel and Tenure Committee**

**SITUATION:** Annually committees of the Board of Governors submit annual reports of their activity to the full Board.

**BACKGROUND:** The attached annual report provides documentation of the activities of the Personnel Committee during the 2012-2013 fiscal year.

**RECOMMENDATION:** If the annual report is satisfactory, no additional action is required.

## **The Board of Governors**

### **COMMITTEE ON PERSONNEL AND TENURE ANNUAL REPORT**

July 1, 2012 - June 30, 2013

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 10% or greater AND \$15,000 or more (*effective as of July 1, 2012 to comply with the 2012-13 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 10% and \$15,000 higher (*effective as of July 1, 2012 to comply with the 2012-13 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 10% and \$15,000 (*effective as of July 1, 2012 to comply with the 2012-13 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, 2012, through June 30, 2013 were: Mr. Phillip R. Dixon, Mr. John C. Fennebresque, Mr. Dudley Flood, Ms. Mary Ann Maxwell, Mr. Charles Mercer, Jr.; Mr. Burley Mitchell, Jr.; and Mr. Richard Taylor. The Committee's officers included, Mr. John Fennebresque as Chair, Mr. Burley Mitchell as Vice Chair, and Ms. Ann Maxwell 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 10% and \$15,000 or more (*effective as of July 1, 2012 to comply with the 2012 State Appropriations Act*), and salaries that exceed the established range.

Actions by the 2012 Session of the North Carolina General Assembly included appropriations available to the Board of Governors for 2012-13 for salary increases for faculty and other employees who are exempt from the State Personnel Act. In addition to those funds provided by the General Assembly, the Board of Governors has determined that any institutional funds for salary increases shall be used as determined by each Chancellor, subject to the limitations and conditions set out below, to award increases to faculty and non-faculty EPA employees based on consideration of performance, to

recognize merit, to respond to market conditions, and to address salary inequities including those that may have arisen during a period of scarce resources for academic salaries. As specified in the legislative provision, funds from the 1.2% state appropriation may be used for merit pay increases, across-the-board increases, recruitment bonuses, and retention increases. Funds may also be used to offset the management flexibility reduction or to employ personnel.

The cumulative salary adjustment allowed under this subsection for the 2012-2013 fiscal year may exceed ten percent (10%) and fifteen thousand dollars (\$15,000) more of annual salary only if the adjustment is approved in advance by The University of North Carolina and/or the University of North Carolina Board of Governors.

The Committee and/or the President reviewed a total of 253 salary requests totaling \$5,749,496. This represents 0.527% of UNC employees, 0.0645% of General Fund monies, and 0.0728% of Non-General Fund monies.

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. Chancellor compensation was reviewed and adjusted by the Personnel and Tenure Committee.

Subcommittees convened for additional meetings to receive, review, and make recommendations on eleven (11) faculty appeals from constituent institutions for Board consideration.

In 2003, the Committee became responsible for coordinating the Board of Governors' Excellence in Teaching Awards program. The Committee presented 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 2012 the Committee received the 2012 Board of Governors Awards for Excellence in Teaching Allocation and Distribution of Funds Report and Awards Costs; and approved the nominees for the 2012-13 Award in February of 2013. The Committee also proposed and received approval to increase the stipend awarded to recipients to \$12,500 from \$7,500.

The committee approved the creation of the new positions of Vice President for Technology-Based Learning and Innovation, Senior Associate Vice President for Legal Affairs, the Senior Associate Vice President for Finance, and Assistant Vice President for Federal Relations. Reclassifications in Academic Affairs were approved for Research and Graduate Education and UNC Pembroke was authorized to create a Chief of Staff position. UNC General Administration also received approval to realign the organization creating the position of Chief Operating Officer. The committee endorsed and forwarded for approval and approved amendments to the Optional Retirement Plan.

In October of 2012, the Committee distributed its "Annual Report for July 1, 2011 – June 30, 2012" and "Annual Plan for the Committee on Personnel and Tenure." The Committee accepted the "Report on Post-Tenure Review" in November of 2012 and "The Use of Funds Report-Board of Governors Award for Excellence in Teaching" in August of 2012. The Committee also accepted the "Annual Report on the Faculty Recruitment and Retention Fund" in March 2013.

Several tutorials were provided on benefits issues, tenure, post-tenure review, and the academic job market. These tutorials were given by staff at General Administration as well as administrators and faculty from across the system.