

## COMMITTEE ON PERSONNEL AND TENURE

Thursday, November 4, 2010 at 3:30 p.m. in the Executive Conference Room at the C.D. Spangler, Jr., Building, UNC General Administration, 910 Raleigh Road, Chapel Hill, NC

### Minutes of Meeting November 4, 2010

Committee members present at the meeting included: Fred G. Mills, Walter C. Davenport, Paul Fulton, and David W. Young. Laura Buffaloe, G. Leroy Lail, and Gladys Ashe Robinson did not attend the meeting. Chair Hannah Gage and Board member Clarice Cato Goodyear attended a portion of the meeting. General Administration staff present included: President Erskine Bowles, Alan Mabe, Laurie Charest, Laura Luger, Bruce Mallette, Jim Sadler, Tom Shanahan, Joni Worthington and Lisa Adamson. Faculty Assembly Chair Sandy Gravett also attended a portion of the meeting.

The open minutes of the October 7, 2010 meeting were approved as distributed.

- *Mr. Mills asked for a motion to go into Closed Session "to establish or instruct the staff or agent concerning the negotiation of the amount of compensation or other terms of an employment contract; to consider the qualifications, competence, performance, condition of appointment of a public officer or employee or prospective public officer or employee; to hear or investigate a complaint, charge, or grievance by or against a public officer or employee." [N.C.G.S. §143.318.11(a)(5)&(6)] The motion was made, properly seconded and unanimously approved.*

*The meeting was moved into closed session.*

*(The complete minutes of the Closed Session are recorded in Appendix A.)*

Laurie Charest discussed the issue of executive compensation, telling the Committee that factoring in additional compensation, the gap in UNC Chancellor's compensation is widening each year in comparison with their peer institutions. She told the Committee that data collected showed that most public institutions provide other forms of compensation for Chancellors, such as deferred compensation, bonuses, etc. and that in some cases, the amount of bonus or deferred compensation is considerable. Ms. Charest suggested that when the Committee is determining chancellor compensation they may wish to consider a *total* compensation package, rather than using only base salaries. The Committee discussed what funding sources might be used for additional forms of compensation and agreed that such funds could not come from State sources but would need to be generated at the campus level. Committee members noted that the larger UNC campuses would be able to generate such funds, but that the smaller campuses may not be able to do so. One possibility discussed was for General Administration to fund the cost of additional chancellor compensation at the smaller campuses for up to five years to allow such campuses time to raise funds for this purpose. Ms. Charest also mentioned that along with lower salaries and no additional compensation, UNC's healthcare, retirement and other such benefits are much less than at peer institutions. Ms. Charest was asked to prepare a list showing

chancellor turnover during the past five years for discussion at the January meeting. The Committee agreed to continue discussions on this matter at upcoming meetings and to wait until such time as staff and faculty were granted salary increases before making any decisions on additional chancellor compensation.

Jim Sadler addressed the Committee to discuss the 2010 Report on the Phased Retirement Program and the 2010 Report on Post-Tenure Review. He noted that fewer faculty were taking phased retirement, which he said most likely was due to the down economy. Dr. Sadler told the Committee that the process for post-tenure review at the campuses was revised in accordance with the updated Guidelines adopted by the Board in early 2008. After some additional discussion, the motion was made and seconded for approval of the Report. Motion passed unanimously.

Tom Shanahan discussed three amendments to the Optional Retirement Program. He told the Committee that: Amendment #2 reflected changes with respect to benefits that may result if furloughs were to take place and, in accordance with State law, authorizes the University now and going forward to pay both the employee and employer contributions to the plan that relate to the amount of lost salary during any furloughs; that Amendment #3 redefines the terms "Subsequent Employer" and "Timely Enrollment" to address circumstances where participants move to new employers and join new retirement plans; and that Amendment #4 reinserts language inadvertently deleted from a prior version and which is required to maintain the Plan's legal compliance. After some additional discussion, the motion was made and seconded for recommendation for approval by the Board of Governors. Motion passed unanimously.

Dr. Bruce Mallette briefly discussed the timeline for the 2011 Board of Governors Teaching Awards which would again follow the process adopted in 2009. He told the Committee that Mr. Bart Corgnati, Secretary of the University, would soon be asking Board of Governors members to attend campus Spring Commencements and to present the awards to the recipients. After some additional discussion, the motion was made and seconded for approval of the timeline. Motion passed unanimously.

The Committee also received the Report on Personnel Actions Delegated to the President, listing all personnel actions approved by the President since its last meeting. Mr. Mills praised the hiring of Lesley A. Cates as Director of State Government Relations, replacing Erin Schuettpelz, who recently left to take a position at UNC Chapel Hill.

Mr. Mills appointed Gladys Robinson, as chair, Walter C. Davenport, and Leroy Lail to a subcommittee for a faculty appeal from North Carolina Central University.

As there were no further items for discussion, the meeting was adjourned.

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David W. Young, Secretary

Attachments