

COMMITTEE ON PERSONNEL AND TENURE

Draft Minutes: December 4, 2014
UNC General Administration, Chapel Hill, North Carolina

OPEN SESSION

The following members were present: Chair, G.A. Sywassink; Vice Chair, Therence Pickett; Frank Grainger, James Holmes, Marty Kotis, Phillip Walker, and Laura Wiley.

No members were absent.

The following staff were present: Warwick Arden, William Fleming, Joanna Carey Cleveland, Glenda Farrell, Charlie Perusse, Brian Usischon, and Samantha McAuliffe.

The following Chancellors and System representatives were present: Chancellor Carol Folt, Chancellor Randy Woodson, Faculty Assembly Chair, Steven Leonard; Staff Assembly Chair, Susan Colby.

1. Open Minutes of October 23, 2014:

Mr. Sywassink requested a motion to approve the open session minutes of the October 23, 2014 meetings.

MOTION: BE IT RESOLVED that the open session minutes of the October 23, 2014 meetings be approved as circulated.

Motion: Mr. Frank Grainger
Second: Ms. Laura Wiley
Motion Carried

2. UNC Position and Salary Trends:

Mr. Charlie Perusse provided information on UNC Position and Salary Trends. The presentation is a continuation of a discussion held during the September Board retreat. The information provided by Mr. Persusse expanded on the information shared at the September retreat and is reflective of information collected by OSBM and Fiscal Research that was used for budget planning purposes to determine how much cost is involved in increasing retirement plan contributions, salary, and increases in health care costs.

Over the past ten years, the position increases have been lower in the SPA employment category and higher in the faculty category. Even so, the average salary has increased more for SPA employees than EPA and EPA Faculty over the same 10-year period. These increases are commensurate with Legislative salary increases and equates to an average salary increase of

28% per position.

It is important to consider the effect of student enrollment on our faculty and staff positions. Enrollment increased 21% over this 10-year period and the FTE equivalent was about 27%. CPIU inflation cost equates to 21% resulting in an 18% increase in total positions overtime. Generally, this trend of increased positions follows what would be expected given these other variables.

The information presented in this analysis does not include hospital employees and includes vacant and filled positions. Non-general fund (trust fund) positions have been included as well. Therefore, this population represents positions funded through trust funds (facility, dining, auxiliaries etc.), as well as research funded positions. The committee discussed the other variables included in the analysis provided.

Mr. Sywassink requested that the committee receive information on the ratio of students to the number of positions in each of the employment categories as well as how those have changed over time. The Committee also requested ratios relative to filled positions rather than all positions.

3. Delegated Personnel Actions:

The report contains two categories of information, those actions delegated for appointments at UNC GA, of which there were two, and actions delegated for awards made from the UNC Faculty Recruitment and Retention Fund, of which there were five. Awards reported represent salary increases that result in a salary of over 10% of the June 30 salary.

4. SAAO Establishment at UNC General Administration:

President Ross explained to the Committee that UNC General Administration has experienced several division reorganizations over the last few months including Academic Affairs and the Chief Operating Officer. We are working on a reorganization of the Chief of Staff division, including Communications. UNC General Administration is reallocating the revenue that we currently have to execute these reorganizations. One of the areas where we have significant staffing needs is communications. Ms. Worthington spends a large portion of her time responding to media requests, writing speeches, reports, and crisis management. The President and his executive team feel it is necessary to have someone focused on strategy and marketing and requests permission to establish an Associate Vice President for Strategic Communications. The level of this position and its associated salary were determined based on the recommendation of an outside consultant. An individual equipped with the expertise to work on communications strategy and marketing must be hired at this level. This position will be important in describing the value of the University and be more proactive in communicating this information. Mr. Sywassink suggested that the hired individual be asked to develop their own performance metrics. The University also has a performance evaluation process which this individual will participate in. The Committee asked about other vacant positions within

Communications. President Ross explained that the communications specialist position shown on the organization chart is a lower level position which will be responsible for writing news articles and managing website information.

MOTION: BE IT RESOLVED that the Personnel and Tenure Committee accept and recommend to the full Board for approval, the creation of the SAAO position, Associate Vice President for Strategic Communications.

Motion: Mr. Frank Grainger
Second: Mr. Therence Pickett
Opposed: Mr. Marty Kotis
Motion Carried

5. SAAO Establishment at UNCCH:

UNC-Chapel Hill submitted a request for approval to establish a new Senior Academic and Administrative Officer Tier I position, Vice Chancellor for Commercialization and Economic Development. Mr. Sywassink posed several questions regarding the position including, what metrics the position will be evaluated by, how the salary range was established, and whether the proposed unit will generate more revenue than it costs to run the unit? Mr. Sywassink expressed interest in exploring the ways that this function might be shared across several campuses to keep expenses down.

The Committee discussed the suggestion of a shared services function. Chancellor Folt expressed her belief that the local campus needs to have their own staff working on commercialization and economic development issues. This is based on the fact that individuals on campus will be more familiar with the specialized knowledge and programs which exist and will be able to navigate the campus in order to determine relevant stakeholders. There are already complaints at UNC Chapel Hill that there is not a one stop shop for every school, college, or program on campus to utilize for assistance with entrepreneurial ventures. An off-site center could be a detriment to the success of an office of this sort. UNC Chapel Hill would be happy to assist other campuses as they begin setting up their own departments. North Carolina State University Chancellor, Randy Woodson, explained that he and Chancellor Folt, along with their senior leaders, talk often but the two campuses are very different. Each campus needs an individual focusing on the industries that are important to their campus and their expertise. A position of the sort that UNC Chapel Hill is proposing is one whose value is easily measured and easily generates economic development for the state. Chancellor Woodson also reminded the Committee that economic development work does not necessarily recognize profits for the institution itself, but is extremely valuable to the state.

Chancellor Folt explained that the salary range for this position is low, and is equitably reflective of the salary levels of other high ranking individuals across the university. Incentive pay, created through revenue generation, could help to supplement the salary. The Chancellor wishes to start this position in a small office, develop the performance metrics, and determine how to grow the office.

The Chancellor further explained that some of the functions of the Office of Sponsored Research will be moving out to report to this new position. The vacant positions identified on the proposed organizational chart would be funded by non-state funds. Revenues would be used to support the office and create additional positions.

MOTION: BE IT RESOLVED that UNC-Chapel Hill's request to establish a Senior Academic and Administrative Officer Tier I position, Vice Chancellor for Commercialization and Economic Development, be accepted and forwarded to the full Board for approval; and be it further resolved that the Committee requests that a periodic review of the position be completed in order to determine the value to the University, the need for contemplating other forms of compensation (such as incentive pay tied to productivity measures) and any potential for shared services.

Motion: Mr. GA Sywassink

Second: Mr. Frank Grainger

Discussion: Mr. Grainger expressed his agreement with the Chancellors that it would be difficult to implement a shared service for this type of work which is so dependent upon knowledge of the unique programs on campus.

Motion Carried

Mr. Sywassink requested that Mr. Pickett oversee the remainder of the Meeting due to a scheduling conflict. Mr. Pickett made a motion to enter closed session.

MOTION: BE IT RESOLVED that the Personnel and Tenure Committee move into Closed Session to "consider the qualifications, performance, and appointment conditions of employees; instruct the University's staff concerning the establishment or negotiation of employment contracts and compensation; and consult with counsel."

[N.C.G.S. §143.318.11(a)(1)(3)(5)&(6)]

Motion: Mr. Therence Pickett

Second: Mr. Marty Kotis

Motion Carried

The meeting was moved into closed session.

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

Mr. Pickett called for a motion to return to Open Session.

MOTION: BE IT RESOLVED that the Personnel and Tenure Committee return to Open Session.

Motion: Mr. Laura Wiley

Second: Mr. Fred Grainger

Motion Carried.

The Committee returned to Open Session.

There being no further business, the meeting was adjourned.

Ms. Laura Wiley, Secretary

Attachment