



MEETING OF THE BOARD OF GOVERNORS  
Committee on Public Affairs

November 8, 2018 at 9:00 a.m.  
University of North Carolina System Office  
Center for School Leadership Development, Room 276  
Chapel Hill, North Carolina

**AGENDA**

- A-1. [Approval of the Minutes of October 10, 2018](#).....C. Philip Byers
- A-2. [Discussion on Policy Proposals from UNC System Institutions](#).....C. Philip Byers
- A-3. [State Government Relations Update](#)..... Drew Moretz
- A-4. [Communications Update](#) ..... Meredith Beaton Didier
- A-5. [Summit on Historically Minority-Serving Institutions Update](#).....Karrie Dixon
- A-6. Other Business .....C. Philip Byers
- A-7. Adjourn

## DRAFT MINUTES

October 10, 2018  
University of North Carolina System Office  
Center for School Leadership Development, Room 276  
Chapel Hill, North Carolina

This meeting of the Committee on Public Affairs was presided over by Chair Philip Byers. The following committee members, constituting a quorum, were also present: Leo Daughtry and Doyle Parrish. The following committee members were absent: Marty Kotis and Joe Knott.

Chancellors participating were Elwood Robinson and Interim Chancellor Karrie Dixon.

Staff members present included Drew Moretz, Elizabeth Morra, and others from the UNC System Office.

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### 1. Call to Order and Approval of OPEN Session Minutes (Item A-1)

Chair Byers called the meeting to order at 8:01 a.m. on Wednesday, October 10, 2018, and called for a motion to approve the open session minutes of July 27, 2018.

**MOTION:** Resolved, that the Committee on Public Affairs approve the open session minutes of July 27, 2018 as distributed.

**Motion:** Leo Daughtry

**Motion carried**

### 2. Annual Report of the Committee on Public Affairs (Item A-2)

The committee received an overview of the Annual Report of the Committee on Public Affairs for fiscal year 2017-2018 from Drew Moretz, vice president for state government relations. The committee was also presented with a notebook summarizing the events of the 2018 legislative session. The chair called for a motion to approve the annual report as distributed.

**MOTION:** Resolved, that the Committee on Public Affairs approve the Annual Report of the Committee on Public Affairs for fiscal year 2017-2018 for submission to the full Board of Governors.

**Motion:** Doyle Parrish

**Motion carried**

### **3. Government Relations Updates (Item A-3)**

The committee heard presentations from Mr. Moretz **(Item A-3a)** and Elizabeth Morra, vice president for federal relations **(Item A-3b)**. Mr. Moretz discussed the special legislative sessions on hurricane recovery, including priorities for the next session on Monday, October 15, 2018. He also provided updates on various statutory reports and requirements. Ms. Morra presented an overview of recent successes in Washington and briefed the committee on upcoming legislative priorities for the UNC System.

**This item was for information only.**

### **4. Other Business (Item A-4)**

There being no further business, the meeting adjourned at 8:40 a.m.

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Joe Knott, Secretary

**AGENDA ITEM**

A-2. Discussion on Policy Proposals from UNC System Institutions .....C. Philip Byers

<b>Situation:</b>	The constituent institutions have submitted their policy requests for the 2019 legislative session.
<b>Background:</b>	Each year, constituent institutions of the UNC System contribute policy recommendations as a part of setting the Board of Governors' budget agenda. These proposals are reviewed by the Committee on Public Affairs in preparation for the creation of a formal agenda at a future meeting of the Board.
<b>Assessment:</b>	A summary of the proposals submitted by the institutions will be made available before the meeting of the committee.
<b>Action:</b>	This item is for information only.

# 2019 Policy Agenda Proposals

**Last Updated: 11.2.2018 (CR)**

Note: This is a comprehensive list of policy proposals submitted, not a final approved policy agenda.

	Ongoing/Consistent with Past Years	Institution	Summary
1.	Expand Carry Forward Authority to 5.0% (from 2.5%) for Repair & Renovation	NCSU, UNCC, UNCG, UNCP, UNCW, WCU	Allow UNC institutions to carry forward funds from one fiscal year to the next, while expanding authority from 2.5% to 5%.
2.	Chancellors' approved projects changes/Reinstate authority for small capital projects	UNCC, UNCG, UNCP, UNCW, WCU, WSSU	Restore authority for Chancellors' approval of certain General Fund-supported capital projects up to \$1 million.
3.	Repeal Advanced Planning funding requirement	FSU, UNCC, UNCW, WCU, WSSU, UNC System Office	Repeal statutory requirement that institutions must fund advanced planning for capital projects with non-General Fund appropriations prior to asking for NCGA for construction funds.
4.	Reduce Tuition Surcharge		Reduce tuition surcharge to 25% (from 50%) for students taking over 140 credit hours and exclude hours taken from non-NC subsidized institutions.
	Changes to Recently-Enacted Statutes	Institution	Summary
5.	Lab School Changes	UNCC, ASU	Increase number of waivers from eligible districts, extend timeline to open Lab Schools and/or reduce number of Lab Schools.
6.	Reinstate Campus Flexibility on Salaries/Positions*	NCSU, UNCC, UNCG,	Eliminate new budget provisions that places restrictions on new approvals on: <ul style="list-style-type: none"> <li>• new positions over \$70k,</li> <li>• salary increase percentage limits,</li> </ul>

		UNCP	<ul style="list-style-type: none"> <li>other recent legislative/OSHR restrictions on hiring and salary adjustments.</li> </ul>
7.	Teaching Fellows Program Modifications	UNC System Office	<p>Expand the number of Teaching Fellows partner institutions from five to eight and grant the Commission discretion to ensure institutional diversity; and,</p> <p>Provide that students who are already enrolled within a school of education at one of the Teaching Fellows partner institutions can still be eligible for Teaching Fellows if they matriculate into an eligible program of study (STEM or Special Education).</p>
8.	Include UNC-Asheville in Teaching Fellows Program	UNCA	<p>Currently, there is not a school in the Teaching Fellows Program that allows students to major in a STEM subject of their choice. The current universities in the program require students to major in education. The Teaching Fellows Programs should offer an option for North Carolina students to attend a university to receive a degree in a specific field while also becoming a licensed K-12 educator. UNC Asheville's program is distinctive in that teaching candidates receive a degree in a subject matter major and a teaching license.</p> <p>Amend the statute to allow for additional campuses to be eligible for selection into the program; or replace one of the current programs with a program at UNC Asheville.</p>
9.	Future Teachers of North Carolina Program Modifications	UNC System Office	More clearly define components of course curriculum and program goals for students who enroll in Future Teachers courses. Provide program stability by establishing terms for Future Teachers of North Carolina faculty advisors from partner IHEs.
	<b>New Requests</b>	<b>Institution</b>	<b>Summary</b>
10.	Provide Paid Leave to University Employees when Instructed Not to Report to Work	UNC System Office Human Resources	Gives the University the authority to suspend operations (close) due to severe weather or other emergency events and allows University to pay employees who are instructed not to come to work without charge to the employees' existing leave balances.
11.	Exempt Commissioned Officers/Public Safety Positions from Most Provisions of NC HR Act	UNC System Office	Exempts commissioned officers and public safety positions from NC HR Act (EHRA non-faculty) to allow for better hiring and compensation practices. Retains coverage under Article 8 of NCGS 126, which provides disciplinary due process and grievance rights aligned with SHRA employees.
12.	Allow Use of Revenues from Institutional Fines and Penalties for Lab Schools	UNCG	State agencies and institutions remit revenues from civil penalties, civil fines, and civil forfeitures to the Civil Penalty and Forfeiture Fund. This is in accordance with

		UNCW, ASU	Article IX, Sec. 7, of the NC Constitution, which states in part: “clear proceeds from all penalties and forfeitures and of all fines... shall be faithfully appropriated and used exclusively for maintaining free public schools.” UNC constituent institutions that are operating lab schools as directed by the General Assembly have experienced costs that exceed the funding provided for this purpose. Access to these revenues could alleviate some of the funding gap.
13.	NC Promise Summer School Fix	UNCP, WCU, ECSU	Currently, NC Promise institutions can’t offer comparable summer school rates to their regular term. They’d like to extend a discounted rate for summer class offerings.
14.	Offer in-state rate for athletic scholarships	ASU, UNCC, ECU	Similar to offering in-state tuition for merit scholars, the savings associated with this change would go to increase the number of scholarships for Olympic sports
	<b>Budget, Finance, and Operational Requests</b>	<b>Institution</b>	<b>Summary</b>
15.	Expansion of NC Promise to include Fayetteville State University	FSU	FSU has seen a noticeable impact in enrollment due to close proximity to UNCP, an NC Promise school. The NC Promise institutions have seen large increases in first-year enrollment due to this program. In contrast, fall 2018 enrollment at FSU increased slightly above 1%, while first time freshmen enrollment fell 8%. FSU recruitment staff reports that families have become more aware of NC Promise and many Cumberland County students who had committed to FSU changed their decision and enrolled at UNCP. Expansion of NC Promise to include FSU will help address this issue.
16.	Expansion of the NC Promise to include UNC Asheville	UNCA	UNCA has seen a noticeable impact in enrollment due to close proximity to and competition with other NC Promise schools. Expansion of NC Promise to include UNCA will help the institution stay competitive and address enrollment and transfer numbers.
17.	Increase state financial aid to match priorities of UNC Strategic Plan	UNCA	Increase funding and scholarship programs to ensure adequate support for institutions who seek to serve more low-income and rural families as a result of the UNC Strategic Plan. Expand the Cheatham-White scholarship program to include institutions without a named merit scholarship and institutions not participating in NC Promise
18.	Summer School Supplemental Pay	Faculty Assembly	Develop an appropriate supplemental pay scheme to support and enhance summer school offerings, a key component for increasing student retention rates and graduation rates.
19.	Increase faculty and staff Recruitment & Retention funds	Faculty Assembly,	Provide funding to recruit/retain best faculty and staff, including granting authority to establish performance incentives and retention policies.

		N.C. A&T	
20.	New Library	ECSU	\$29m to build a new library on the heart of campus. Although ECSU received NC Connect funding to partially renovate the existing library, advanced planning revealed that the funding will only allow them to repair structural and compliance related issues, such as HVAC, ADA, sprinklers, etc. The building, with its current interior, will look the same after this renovation and is not adequate for the modern student.
21.	New Life/Health Sciences Building	N.C. A&T	\$100m to build new Life/Health Sciences Building to accommodate continued growth in the College of Health and Human Sciences (CHHS). CHHS capitalizes on the synergistic relationships between the departments of human performance, psychology, sociology, social work, and nursing.
22.	N.C. A&T Doctoral Research Funding	N.C. A&T	Fund additional \$7.5m to complement \$2.5m already secured for A&T to increase investments in faculty, student support and infrastructure.
23.	Land Acquisition for N.C. A&T	N.C. A&T	\$2m land acquisition to accommodate its largest freshman class in university history for the third consecutive year and build on mission of being top-tier research institutions.
24.	Renovate Carter Hall	N.C. A&T	\$15m to renovate Ag/Environmental Sciences building as they seek to grow from “higher research activity” Carnegie Classification to “highest research activity.”
25.	Funding for Centers/Research at N.C. A&T	N.C. A&T	\$2m to match federal funding for College of Ag/Environmental Sciences research and Extension programs.
26.	Salary Increases	Faculty Assembly	Faculty delegates listed salary wages as their top priority. Faculty Assembly will continue to work with BOG and System Office to develop a strategy. David Green has requested salary data from each campus and established an ad hoc committee to write a white paper on the issue.
27.	Cheatham-White Scholarship increase	N.C. A&T	Increase CW scholarships from 20 to 50.
28.	Centralized Transfer Office – Address Transfer Students Increase	ECSU	ECSU has seen a large increase in transfer students with NC Promise (57% increase in transfer students over previous year’s transfer enrollment). Having staff solely responsible for assisting transfer students has been cited as a best practice in retaining transfer students. Allocate \$250,000 to create an Office of Transfer Services to assist transfer students in making the transition to ECSU and retain them after they do enroll.
29.	Expand Online Presence	ECSU	Allocate \$350,000 to support an increase in online degree programs. ECSU will be able to increase its enrollment by attracting a large non-traditional population of individuals who are looking to earn a degree in the targeted fields, but need to be able to access coursework remotely.
30.	Faculty	ECSU	Allocate \$325,000 to hire additional faculty in English, Mathematics, and Health.



	<b>BOG Policy Change Requests</b>	<b>Institution</b>	<b>Summary</b>
31.	EHRA Salary Increase Guidelines	WSSU, FSU	Allow for only Campus BOT and Chancellor approval for peer institutions within the UNC System to match salaries of employees at other UNC peer institutions that may exceed current stated thresholds.

<b>Area:</b>	<b>Institutional Request - Efficiency</b>
<b>Topic:</b>	<b>Expand Carry Forward to 5.0% (from 2.5%) for Repair &amp; Renovations</b>
<b>Governance:</b>	<b>North Carolina General Statutes - G.S. 116-30.3 - Reversions</b>
<b>Current Status:</b>	<ul style="list-style-type: none"> <li>G.S. 116-30.3 addresses state appropriation reversions and provides an exemption to UNC institutions of up to 2.5% of state appropriations. This allows UNC institutions to carry forward unexpended state funds to be used for one-time expenses that don't obligate the state to provide additional expenditures. Typically, agency funds not expended in a given fiscal year are returned to the Office of State Budget &amp; Management and General Fund.</li> <li>In the FY15-16 budget, UNC was provided authority to carry forward up to 5% of state appropriation with the additional increment to be used for building Repair &amp; Renovation (R&amp;R). <ul style="list-style-type: none"> <li>UNC institutions used this authority to address 35 projects totaling \$30 million</li> </ul> </li> <li>UNC seeks to regain this authority, which sunset two years ago.</li> <li>In the last five years, UNC's largest reversion was just over \$3 million, so expanding the current authority will not cost the state any money.</li> <li>Expanding carry forward authority does not limit the Budget Director's ability to force a reversion in the case of a fiscal emergency.</li> <li>This request was included in the UNC Board of Governors 2017-18 Policy Agenda.</li> </ul>
<b>Current Challenges:</b>	<ul style="list-style-type: none"> <li>UNC institutions have significant capital R&amp;R needs, but few ways to address those needs. Carry forward authority remains a primary source of funds to address capital shortcomings on state-supported buildings in years we don't receive significant R&amp;R appropriations from the state. UNC has identified major capital deficiencies through NC's Facilities Condition Assessment Program (FCAP).</li> <li>Institutions are seeking authority to spend appropriated dollars on areas that are the state's obligations, but they are limited to do so in the current fiscal year due to administrative limitations.</li> <li>This allows institutions to spend state dollars more strategically and will not limit the amount of reverted funds, as the University will spend on other lower priority needs without this authority.</li> </ul>
<b>Proposed Action:</b>	<p><b>Amend G.S. 116-30.3. – Replace 2.5% with 5.0%.</b></p> <p>G.S. 116-30.3. Reversions.</p> <p>a) Of the General Fund current operations appropriations credit balance remaining at the end of each fiscal year in each of the budget codes listed in this subsection, any amount of the General Fund appropriation for that budget code for that fiscal year (i) may be carried forward to the next fiscal year in that budget code, (ii) is appropriated in that budget code, and (iii) may be used for any of the purposes set out in subsection (f) of this section. However, the amount carried forward in each budget code under this subsection shall not exceed <u>five percent (5%)</u> <del>two and one-half percent (2.5%)</del> of the General Fund appropriation in that budget code.</p> <p><b>Amend G.S. 116-30.3(f)</b></p> <p>f) Funds carried forward pursuant to subsection (a) of this section <u>above two and one-half percent (2.5%) may be used to support one-time expenditures for building repairs and renovations;</u> <del>may be used for one-time expenditures;</del> provided, however, that the expenditures shall not impose additional financial obligations on the State and shall not be used to support positions.</p>

<b>Area:</b>	<b>Capital - Request from Institutions</b>
<b>Topic:</b>	<b>Reinstate Authority for Certain Capital Projects up to \$1 million</b>
<b>Governance:</b>	<b>Reinstate into North Carolina General Statutes</b>
<b>Current Status:</b>	<ul style="list-style-type: none"> <li>• In 2012, G.S. 116-13.1 (c) provided UNC institution leaders with the ability to address small capital improvement projects on their campus from funds available to the institution.</li> <li>• In FY14, this authorization was removed and limited UNC to the state authorized level of \$300,000 in Session Law.</li> <li>• In FY17, the legislature did not include this authority in Session Law, nor create a new statute addressing the issue. At this time, neither state agencies nor University leaders can use operating dollars to address capital repairs/improvements.</li> <li>• This request was included in the UNC Board of Governors 2017-18 Policy Agenda and was included in H.B. 775 (Section 7).</li> </ul>
<b>Current Challenges:</b>	<ul style="list-style-type: none"> <li>• Many University buildings are deficient and need repairs. Failing an emergency repair declaration, institutions are prevented from repairing the facilities unless R&amp;R or carry forward funds are available.</li> <li>• Over the past decade, the UNC System has received approximately \$35 million a year for R&amp;R, which has to be spread amongst 17 institutions.</li> </ul>
<b>Proposed Action:</b>	<p><b>AUTHORIZE STATE AGENCIES TO UNDERTAKE CERTAIN SMALL REPAIRS AND RENOVATIONS PROJECTS WITH FUNDS AVAILABLE</b></p> <p>(a) Notwithstanding G.S. 143C-8-7, a State agency may undertake repairs and renovations projects so long as each project satisfies the following requirements:</p> <ol style="list-style-type: none"> <li>(1) Total project costs do not exceed one million three hundred thousand dollars (\$1,300,000).</li> <li>(2) The project is one of the types set forth in G.S. 143C-4-3(b)(1) through (12), regardless of whether the relevant State facilities and related infrastructure are supported from the General Fund.</li> <li>(3) The project is paid for with funds available to the agency.</li> </ol> <p>(b) Projects undertaken pursuant to this section shall be reported to the Fiscal Research Division on a quarterly basis. A report under this subsection shall include information about all of the following for each project:</p> <ol style="list-style-type: none"> <li>(1) The facility at which the project is being undertaken.</li> <li>(2) The nature and scope of the project.</li> <li>(3) The source of funds for the project.</li> <li>(4) The category of projects set forth in G.S. 143C-4-3(b) that the project falls within.</li> </ol> <p>(c) General Funds contractually obligated for a project shall not revert at the end of the fiscal year but shall remain available to fund the completion of the project.</p>

<b>Area:</b>	<b>Institutional Request – Efficiency</b>
<b>Topic:</b>	<b>Repeal Advanced Planning Requirement</b>
<b>Governance:</b>	<b>North Carolina General Statutes – G.S. 143C-3-3</b>
<b>Current Status:</b>	<p>University of North Carolina System Office Request. Notwithstanding the requirement in <a href="#">G.S. 116-11</a> that the Board of Governors prepare a unified budget request for all of the constituent institutions of The University of North Carolina, budget requests of the University shall be subject to all of the following:</p> <p>(1) Repair and renovations requests, capital fund requests, and information technology requests shall comply with subsections (c), (d), and (e) of this section.</p> <p>(2) The University of North Carolina shall not make a capital funds request proposing to construct a new facility, expand the building area (square feet) of an existing facility, or rehabilitate an existing facility to accommodate new or expanded uses unless the University has completed advanced planning through schematic design of the project with funds other than General Fund appropriations. For purposes of this subdivision, “funds other than General Fund appropriations” includes funds carried forward from one fiscal year to another pursuant to <a href="#">G.S. 116-30.3</a> and <a href="#">G.S. 116-30.3B</a>.</p>
<b>Current Challenges:</b>	<p>The statute could lead to a significant waste of dollars as institutions are now asked to spend money prior to the legislature indicating support for the project.</p> <p>Smaller schools such as Fayetteville State University do not have the capacity to raise large amounts of money for projects that have the potential to not be funded.</p>
<b>Proposed Action:</b>	Repeal the advanced planning requirement.

Area:	Student Success
Topic:	Repeal Tuition Surcharge for Provisions for Students Taking Over 140 Credit Hours
Governance:	Remove language from North Carolina General Statutes
Current Status:	<ul style="list-style-type: none"> <li>Prior to 2010, statute dictated tuition surcharge of 25% on students taking more than 140 credit hours. In 2010, this surcharge was increased to 50%.</li> <li>The intent of the tuition surcharge increase was to provide a disincentive for students to enroll in courses that don't move the student towards graduation and to reduce time to degree.</li> <li>The legislation is now impacting students, who have complained to legislators about the surcharge.</li> </ul> <p>The Current Operations and Capital Improvements Appropriations Act of 2009 included:</p> <p><b>CODIFY AND INCREASE UNC UNDERGRADUATE TUITION SURCHARGE SECTION</b></p> <p>9.10.(a) Article 14 of Chapter 116 of the General Statutes is amended by adding a new section to read:</p> <p><b>"G.S. 116-143.7. Tuition surcharge.</b></p> <p><u>(a) The Board of Governors of The University of North Carolina shall impose a twenty-five percent (25%) tuition surcharge on students who take more than 140 degree credit hours to complete a baccalaureate degree in a four-year program or more than one hundred ten percent (110%) of the credit hours necessary to complete a baccalaureate degree in any program officially designated by the Board of Governors as a five-year program. Courses and credit hours taken include those taken at a constituent institution or accepted for transfer. In calculating the number of degree credit hours taken:</u></p> <p><u>(1) Included are courses that a student:</u></p> <ol style="list-style-type: none"> <li><u>Fails.</u></li> <li><u>Does not complete unless the course was officially dropped by the student pursuant to the academic policy of the appropriate constituent institution.</u></li> </ol> <p><u>(2) Excluded are credit hours earned through:</u></p> <ol style="list-style-type: none"> <li><u>The College Board's Advanced Placement Program, CLEP examinations, or similar programs.</u></li> <li><u>Institutional advanced placement, course validation, or any similar procedure for awarding course credit.</u></li> <li><u>Summer term or extension programs.</u></li> </ol> <p><u>(b) No surcharge shall be imposed on any student who exceeds the degree credit hour limits within the equivalent of four academic years of regular term enrollment or within five academic years of regular term enrollment in a degree program officially designated by the Board of Governors as a five-year program.</u></p> <p><u>(c) Upon application by a student, the tuition surcharge shall be waived if the student demonstrates that any of the following have substantially disrupted or interrupted the student's pursuit of a degree: (i) a military service obligation, (ii) serious medical debilitation, (iii) a short-term or long-term disability, or (iv) other extraordinary hardship. The Board of Governors shall establish the appropriate procedures to implement the waiver provided by this subsection."</u></p> <p>SECTION 9.10.(b) G.S. 116-143.7(a), as enacted by subsection (a) of this section, reads as rewritten: "(a) The Board of Governors of the University of North Carolina shall impose a</p>

	<p><del>twenty-five percent (25%)</del> <u>fifty percent (50%)</u> tuition surcharge on students who take more than 140 degree credit hours to complete a baccalaureate degree in a four-year program or more than one hundred ten percent (110%) of the credit hours necessary to complete a baccalaureate degree in any program officially designated by the Board of Governors as a five-year program.</p> <p>SECTION 9.10.(c) Subsection (a) of this section is effective beginning with the 2009-2010 academic year; subsection (b) of this section is effective beginning with the 2010-2011 academic year.</p>
<b>Current Challenges:</b>	<ul style="list-style-type: none"> <li>• Instead of serving as an incentive to complete their degree, students have complained that the legislative change is increasing the cost of attendance at a time when they are about to complete their degree, which makes college less affordable and requires them to take on additional debt. This is particularly true for students returning after a period away who are seeking to complete a degree and may not have access to financial aid.</li> <li>• In recent years, separate legislation has passed creating non-punitive incentives for students to complete in a timely manner, including tuition freezes, NC Promise, and others.</li> <li>• Several legislators have received complaints from constituents and have inquired if UNC would support making changes to the surcharge.</li> <li>• The surcharge can be especially punitive for military-affiliated students who may have taken courses from third-party private and/or for-profit organizations that may not apply to a degree from a state-supported institution in North Carolina.</li> </ul>
<b>Proposed Action:</b>	<p>Reduce the surcharge to 25% in order to attenuate the impact on cost of attendance. Exempt credit hours earned at non state-supported institutions, thus including only hours earned at public, state-supported North Carolina institutions.</p>

Area:	North Carolina Teaching Fellows Program
Topic:	Program Modifications
Governance:	North Carolina General Statutes - Chapter 116 - Article 23
Current Status:	<ul style="list-style-type: none"> <li>• NCGS 116-209.62(f) currently allows for <u>five</u> Teaching Fellows partner institutions.</li> <li>• NCGS 116-209.62(g)(4) currently extends eligibility to “students matriculating at institutions of higher education who are changing to enrollment in a selected educator preparation program...”</li> </ul>
Current Challenges:	<ul style="list-style-type: none"> <li>• Following the North Carolina Teaching Fellows Commission’s selection of five partner institutions, made in line with the requirements of NCGS 116-209.62(f), there has been considerable support for program expansion. The statute should be modified to increase the number of partner institutions from five to eight institutions and to grant the North Carolina Teaching Fellows Commission with additional discretion to ensure institutional diversity.</li> <li>• As currently written, statute does not allow a Teaching Fellows award to be extended to a student who is already enrolled in an educator preparation program at one of the Teaching Fellows partner institutions -- even if that student is willing to transition to STEM or Special Education. The statute should be modified to ensure that the program can effectively recruit the most qualified candidates into high-needs subject areas.</li> </ul>
Proposed Action:	<p><b>GOAL #1: <i>Expand the number of Teaching Fellows partner institutions from five to eight and grant the Commission discretion to ensure institutional diversity.</i></b></p> <ul style="list-style-type: none"> <li>• <b>Amend § 116-209.62(f) – Add New Language (in blue)</b>  (f) Program Selection Criteria-The Authority shall administer the Program in cooperation with <u>eight</u> institutions of higher education with approved educator preparation programs selected by the Commission that represent <u>a diverse selection of</u> both postsecondary constituent institutions of The University of North Carolina and private postsecondary institutions operating in the State.</li> </ul> <p><b>GOAL #2: <i>Provide that students who are already enrolled within a school of education at one of the Teaching Fellows partner institutions can still be eligible for Teaching Fellows if they matriculate into an eligible program of study (STEM or Special Education).</i></b></p> <ul style="list-style-type: none"> <li>• <b>Amend § 116.209.62(g)(4) – Add New Language (in blue)</b>  “(4) Students matriculating at institutions of higher education who are changing to <u>an approved program of study at</u> a selected educator preparation program...”</li> </ul>
Legacy Exceptions:	<ul style="list-style-type: none"> <li>• Not Applicable.</li> </ul>

<b>Area:</b>	<b>Excellent and Diverse Institutions, Student Success and Affordability &amp; Efficiency</b>
<b>Topic:</b>	<b>Include UNC Asheville in the Teaching Fellows Program</b>
<b>Governance:</b>	<b>NC General Statutes Chapter 116-209.60-63</b>
<b>Current Status:</b>	<p>In NC G.S. 116-209.62 the General Assembly established the Teaching Fellows Program “to recruit, prepare, and support students residing in or attending institutions of higher education located in North Carolina for preparation as highly effective STEM or special education teachers in the State’s public schools.” The Statute goes on in section F to provide program selection criteria for the Teaching Fellows program.</p> <p>UNC Asheville plays a critical role in the UNC System for preparing graduates to become highly effective and engaged members of their communities. Additionally, the liberal arts curriculum delivered at UNC Asheville makes our graduates uniquely positioned to be critical thinkers and problem solvers, two traits that are vital for good educators. Finally, UNC Asheville has a unique method of delivering its teacher licensure degree- students at UNC Asheville major in a subject matter of their choice and receive their teaching license separately.</p> <p>UNC Asheville already meets and exceeds the legislatively mandated criteria for the Teaching Fellows program.</p>
<b>Current Challenges:</b>	<p>Currently, there is not a school in the Teaching Fellows Program that allows students to major in a STEM subject of their choice. The current universities in the program require students to major in education. The Teaching Fellows Programs should offer an option for North Carolina students to attend a university to receive a degree in a specific field while also becoming a licensed K-12 educator. UNC Asheville can provide that option.</p> <p>UNC Asheville’s mission and distinction as the designated liberal arts public university in NC prepares teaching candidates to be incredibly successful in the classroom as teachers because they are critical thinkers who are able to solve problems across disciplines. Additionally, UNC Asheville’s program is distinctive in that teaching candidates receive a degree in a subject matter major and a teaching license. Our graduates are subject matter experts in their chosen STEM field while also being well-trained educators.</p>
<b>Proposed Action:</b>	<ol style="list-style-type: none"> <li>1) Amend the statute to allow for additional campuses to be eligible for selection into the program; or</li> <li>2) Replace one of the current programs with a program at UNC Asheville</li> </ol>



Area:	Future Teachers of North Carolina (FTNC)
Topic:	Program Modifications
Governance:	North Carolina General Statutes - Chapter 116 - Article 1
Current Status:	<ul style="list-style-type: none"> <li>• NCGS 116-41.30(a) currently provides that FTNC courses must “include both content on pedagogy and the profession of teaching and field experiences for high school students.”</li> <li>• NCGS 116-41.31(a) broadly states that “three constituent institutions” shall collaborate to develop the course curricula and to provide professional development for high school FTNC course instructors.</li> <li>• NCGS 116-41.31(c) mandates that partnering constituent institutions offer dual credit for successful completion of FTNC courses.</li> </ul>
Current Challenges:	<ul style="list-style-type: none"> <li>• To ensure that the program fully aligns to legislative intent for the courses, the statute defining the program scope should be amended to more clearly define the specific course components included in the FTNC curriculum.</li> <li>• To provide for long-term program stability and continuity, the governing statute for FTNC should be amended to establish terms for faculty advisors who will lead the FTNC work from the three constituent institutions selected as primary partners.</li> <li>• Although the FTNC statute clearly provides dual credit for successful completion of FTNC courses, language is needed to more clearly define the number of credit hours that can be earned for successful completion of each FTNC course (3 credit hours per course; 6 total credit hours).</li> </ul>
Proposed Action:	<p><b>GOAL #1: <i>More clearly define components of course curriculum and program goals for students who enroll in Future Teachers courses.</i></b></p> <ul style="list-style-type: none"> <li>• <b>Amend NCGS § 116-41.30(a) – Add New Language (in blue).</b></li> </ul> <p>“(a) Program. – FTNC shall be a program providing professional development and curricula for courses that provide a challenging introduction to teaching as a profession for high school students through courses offered by participating high schools in conjunction with college partners. FTNC courses shall <u>provide instruction on teaching as a profession, including content on pedagogy, ethics and professionalism, child development, successful teaching strategies and best classroom practices, student learning styles, effective lesson planning, assessment and intervention, and requirements of teacher licensure. The course shall also include</u> field experiences for high school students.</p> <p><b>GOAL #2: <i>Provide program stability by establishing terms for Future Teachers of North Carolina faculty advisors from partner IHEs.</i></b></p> <ul style="list-style-type: none"> <li>• <b>Amend NCGS § 116-41.31(b) – Add New Subsection (in blue).</b></li> </ul> <p>“(b) <u>Faculty Appointments and Terms -- The deans at each of three selected constituent institutions shall appoint at least two faculty members to lead the FTNC work at their respective institution, including providing professional development to FTNC teachers within their respective region. FTNC faculty appointments shall be for two year terms, beginning July 1, 2019. Faculty members may serve up to two consecutive terms.</u></p>

	<p><u>(c)</u> FTNC Site Applications. – All high schools...</p> <p><u>(d)</u> FTNC Institution of Higher Education Partners. – Constituent institutions..."</p> <p><b>GOAL #3: Clarify college credit earned by successful completion of FTNC course(s).</b></p> <ul style="list-style-type: none"> <li>Amend NCGS § 116-41.31(d) – Add New Language (in blue).</li> </ul> <p>"<u>(d)</u> FTNC Institution of Higher Education Partners. – Constituent institutions that partner with high schools shall offer <b>three hours of</b> dual credit for high school students who successfully complete <u>a</u> FTNC course with a grade of "B" or higher.</p>
Legacy Exceptions:	<ul style="list-style-type: none"> <li>Not Applicable.</li> </ul>

<b>Area:</b>	<b>Excellent &amp; Diverse Institutions; Community Engagement</b>
<b>Topic:</b>	<b>Allow Use of Revenues from Institutional Fines and Penalties for Lab Schools</b>
<b>Governance:</b>	<b>G.S. 115C-457.2; Article 31A. Civil Penalty and Forfeiture Fund</b>
<b>Current Status:</b>	<ul style="list-style-type: none"> <li>State agencies and institutions remit revenues from civil penalties, civil fines, and civil forfeitures to the Civil Penalty and Forfeiture Fund, per the guidance provided in G.S. 115C-457.1 through G.S. 115C-457.3. This is in accordance with Article IX, Sec. 7, of the North Carolina Constitution, which states in part: “clear proceeds of all penalties and forfeitures and of all fines...shall be faithfully appropriated and used exclusively for maintaining free public schools.”</li> <li>In 2010, an analysis of this issue by the Fiscal Research Division showed that UNC had collected over \$42 million, net of collection costs, between January 1, 1996 and June 30, 2005. In addition, the analysis showed UNC remittance of over \$3.8 million in FY2009.</li> <li>UNC constituent institutions that are operating laboratory schools as directed by the General Assembly have experienced costs that exceed the funding provided for this purpose.</li> </ul>
<b>Current Challenges:</b>	<ul style="list-style-type: none"> <li>There are continuing court cases regarding implementation of the Constitutional provision and the actions of the General Assembly.</li> <li>Public schools and county governments may oppose any change in the use of these revenues, even for UNC laboratory schools.</li> </ul>
<b>Proposed Action:</b>	<ul style="list-style-type: none"> <li>If the intent is to allow individual UNC constituent institutions to retain their fines and penalties collections, then G.S. 115C-457.2 could be amended to define “clear proceeds” as the amount collected, less both actual costs of collection <b>and</b> amounts used for the operation and support of the laboratory school at that constituent institution.</li> <li>If the intent is to allow UNC to keep collections from all constituent institutions, G.S. 115C-457.2 and G.S. 115C-457.3 would need to be modified to exclude from “clear proceeds” expenditures for all UNC laboratory schools and to provide guidance on the appropriation of those funds to the constituent institutions with laboratory schools.</li> <li>If the intent were expanded to include the costs incurred by constituent institutions to operate early college high schools, middle college high schools, cooperative and innovative high schools, and similar initiatives, then the modifications to the statutes would need to include that language as well.</li> </ul>

<b>Area:</b>	<b>Institutional Request - Affordability</b>
<b>Topic:</b>	<b>Expansion of NC Promise to include Fayetteville State University</b>
<b>Governance:</b>	<b>North Carolina General Statutes – G.S. 116-143.11</b>
<b>Current Status:</b>	<p>The NC Promise Tuition Plan shall be established and implemented as provided by this section. Notwithstanding <a href="#">G.S. 116-143</a> and <a href="#">G.S. 116-11(7)</a> , the Board of Governors of the University of North Carolina shall set the rate of undergraduate tuition for Elizabeth City State University, The University of North Carolina at Pembroke, and Western Carolina University as follows: beginning with the 2018 fall academic semester, the rate of tuition for students deemed to be North Carolina residents for purposes of tuition shall be five hundred dollars (\$500.00) per academic semester and the rate of tuition for nonresident students shall be two thousand five hundred dollars (\$2,500) per academic semester.</p>
<b>Current Challenges:</b>	<p>Fayetteville States University has seen a noticeable impact in enrollment due to our close proximity (within 45 miles) to UNC Pembroke, another NC Promise school.</p> <p>First-year enrollment jumped 20 percent at ECSU and UNCP, and just over 10 percent at WCU since 2017. Total undergrad enrollment at ECSU, UNCP, and WCU shot up 19 percent, 14 percent, and 6.6 percent, respectively.</p> <p>In contrast, fall 2018 enrollment at FSU increased slightly above 1 percent. What is particularly alarming is that among first time freshmen, enrollment fell nearly 8 percent. Anecdotally, FSU recruitment staff reported that as families become more aware of the availability of NC Promise, many Cumberland County students who had earlier committed to FSU changed their decision and enrolled at UNCP.</p>
<b>Proposed Action:</b>	Expand the “Access to Affordable College Education Act” to include Fayetteville State University.

<b>Area:</b>	<b>Access and Affordability &amp; Efficiency</b>
<b>Topic:</b>	<b>Modification and/or Expansion of the NC Promise Program</b>
<b>Governance:</b>	<b>North Carolina General Statutes 116-43.11</b>
<b>Current Status:</b>	G.S. 116-43.11 provides that the University of North Carolina shall set the rate of undergraduate tuition for Elizabeth City State University, The University of North Carolina at Pembroke, and Western Carolina University as follows: beginning with the 2018 fall academic semester, the rate of tuition for students deemed to be North Carolina residents for purposes of tuition shall be five hundred dollars (\$500.00) per academic semester and the rate of tuition for nonresident students shall be two thousand five hundred dollars (\$2,500) per academic semester.
<b>Current Challenges:</b>	The institutions that are not part of NC Promise Program are feeling the impacts of this program for the first time this fall semester. The program is creating a budget deficit on non-NC Promise campuses, like UNC Asheville, by offering an over \$3,000 lower cost of attendance for in state students at the NC Promise Schools. There is a particular impact on transfer student recruitment. Based on the UNC System Office data, new transfer undergraduates are up 57% at ECSU, 56% at UNC Pembroke, and 40% at WCU, whereas UNCA is down (10%) and ECU is down (4%) in this same category. UNC Asheville had to substantially increase the amount of aid offered to recruit the transfer population. For example, in 2017-18, we offered in state transfer students an average of \$500 in aid, this year we had to offer an average of \$1,800 in aid in order to secure their seat. For out of state transfer students, from 2017-18 to 2018-19, our financial aid went up over \$3,300 per out of state student.
<b>Proposed Action:</b>	<p>Multiple options:</p> <ol style="list-style-type: none"> <li>1) Allow all community college transfers who have earned their associates degree and meet admissions criteria to enroll for \$500/semester at any UNC system institution</li> <li>2) Expand the program to apply to all schools in a region</li> <li>3) Eliminate the out of state tuition buy-down to allow institutions to remain financially competitive to out of state students</li> </ol>

<b>Area:</b>	<b>Access and Affordability &amp; Efficiency</b>
<b>Topic:</b>	<b>Provide scholarship fund to campuses seeking to increase low income and rural student populations to assist with recruitment and retention</b>
<b>Governance:</b>	<b>NC General Statutes Chapter 116 and NC Constitution Art. IX, Sec. 9</b>
<b>Current Status:</b>	<p>The General Assembly provides scholarships for “needy North Carolina” students who enroll in private post-secondary institutions (NC G.S. 116-280-83), and also to students who attend NC A&amp;T and NC Central through the Cheatham- white Scholarship Program (NC G.S. 116-290-94). However, the General Assembly does not provide need or merit based scholarship funding to NC Students who wish to attend the UNC System.</p> <p>The UNC Strategic Plan defines access (in part) as the “academic, <b>financial</b>, cultural, and other knowledge-based services to help all students - but particularly for those who are underserved for any reason - aspire to, enroll in, and graduate from institutions that match their interests and capabilities.”</p> <p>Additionally, the Affordability &amp; Efficiency section of the Strategic Plan cites the NC constitutional mandate that “The General Assembly shall provide that the benefits of The University of North Carolina and other public institutions of higher education, as far as practicable, be extended to the people of the State free of expense.” Art. IX, Sec. 9.</p>
<b>Current Challenges:</b>	<ul style="list-style-type: none"> <li>Per its performance agreement with the UNC System, UNC Asheville is to increase rural enrollment by 10.4% and low-income enrollment by 6.8% in the next four years</li> <li>Both rural and low-income student populations require adequate funding for both recruitment and retention efforts. The university cannot currently meet the financial need of its low-income and rural student populations. For example, during the 2016-17 academic year, low-income students had a funding gap of \$5,278 per student and rural students has a gap of \$4,141. These gaps represent unmet financial need per student after grants and scholarships are applied, requiring the university to find this funding to close the gap or requiring the students to take out additional loans. Assuming this rate unmet financial need continues as we increase low-income and rural student populations, the impact to the university will increase exponentially per year. By year five, the gap to fund the increase in low-income students will be \$1.2 million and \$351,985 for the increase in rural students.</li> </ul>
<b>Proposed Action:</b>	<ol style="list-style-type: none"> <li>Creation of a new scholarship for rural students that UNC System universities may use to help with recruitment or retention, this scholarship would be awarded at schools closest to rural areas that are not part of NC Promise (App State, UNC Asheville, ECU, and FSU)</li> <li>Creation of a new scholarship to both attract and retain low income students who meet the criteria specified in NC G.S. 116-280, this scholarship would be awarded at schools that are not receiving NC Promise.</li> <li>Expand the Cheatham-White scholarship program to apply to students on all campuses without named scholarship programs. Selection criteria could be added to ensure the scholarships are given with preference to students who meet the campus’ diversity and inclusion goals. This scholarship would be applied at colleges that are not</li> </ol>

receiving NC Promise money and who do not already have a premier named merit scholarship program (i.e. Morehead-Cain or Park).



To: Margaret Spellings, President  
From: David A. Green, Chair, UNC System Faculty Assembly  
Re: Faculty Assembly Input on Budget and Legislative Priorities  
Cc: Kim van Noort, Meredith Didier, Drew Moretz, Matthew Brody, Andrew Kelly, Clinton Carter and UNC Faculty Assembly Executive Committee  
Date: October 25, 2018

On behalf of the UNC Faculty Assembly, I appreciate the opportunity to provide input on the budget and legislative priorities. After your invitation to the Faculty Assembly during our September meeting to provide input, the Faculty Assembly Executive Committee selected ten priorities based on the faculty delegates' conversation with you. We then created a survey to allow the faculty delegates to prioritize the ten items. During our October meeting, we had extensive discussion regarding these items.

We were able to determine through this process that the Faculty Assembly shares many of the same priorities that you have identified along with the Board of Governors. Moreover, the Faculty Assembly priorities align with the five-year goals set forth in 2017 by the University of North Carolina System that included keeping higher education affordable, increasing enrollment and graduation rates, improving student success rates, and supporting the groundbreaking research that fuels North Carolina's innovation economy. We know you recognize the importance in retaining and attracting dynamic faculty throughout the UNC System.

## **I. Salary/Wages**

### **A. Salary increases**

The faculty delegates listed salary wage increase as the top priority. As you know, there have been a number of years since the faculty has received a salary increase. In fact, this past budget, the UNC System faculty and staff were excluded from the statewide increase. With the improving economy, other systems and private universities are actively hiring new faculty and the UNC system is losing significant quality faculty. We know this issue is a priority for you and the members of the Board of Governors. The Faculty Assembly will continue to work with you to develop a strategy to address this pressing issue. I have requested salary data from each campus and established an ad hoc committee to write a white paper on this issue.



## **B. Retention Fund**

The Faculty Assembly shares your priority to replenish the faculty retention fund. However, the Faculty Assembly would like to ensure that the fund is broadened to include not just faculty members with job offers, but also those faculty members who are extremely talented who have not sought opportunities elsewhere. There are many faculty members whose energy is dedicated to our students and their research, and they do not have time to apply for other positions. We need a merit system to retain those faculty members who may be lured away. As part of this merit system, we need to establish agreed-upon criteria that identify and set apart these talented top individuals.

## **C. Summer School Supplemental Pay**

The Faculty Assembly shares your priority of enhancing our summer school offerings. We know that in order to ensure student success and increase our student retention rates and four-year graduation rates, the use of summer school is a key component. The Faculty Assembly has worked and will continue to work with Andrew Kelly, Cameron Howell, and the rest of the Strategic Initiatives staff to create a sound policy on this issue. We recognize that developing an appropriate supplemental pay scheme will require a group effort and flexibility on the campuses.

## **II. Instructional Resources Commensurate with Enrollment Growth**

The Faculty Assembly wants to highlight the importance of funding that is earmarked for instructional resources commensurate with enrollment growth. While we applaud the results of NC Promise, we recognize that there needs to be resources for instruction that ensure that the students are successful. In order to assure student success, we need to maintain a reasonable faculty to student ratio to provide the necessary support for our students. This is especially true on those campuses that are currently experiencing the higher rates of growth. Because it takes a few years to make the necessary faculty hires, appropriate actions must start now. Moreover, the instructional resources also include faculty working conditions, faculty development, and reasonable faculty workloads.

## **III. Broader Priorities Shared with Staff**

Without speaking for the Staff Assembly, the Faculty Assembly recognizes that we have many priorities that we share with them. We share the priorities regarding cost of health care, leave time and tuition benefits.

The Faculty Assembly would like to continue to work with the System Office to finalize the legislative priorities.

<b>Area:</b>	<b>EHRA Salary Increase Guidelines</b>
<b>Topic:</b>	<b>Increases Requiring Board of Trustees, Board of Governors and/or president Pre-Approval</b>
<b>Governance:</b>	
<b>Current Status:</b>	Actions exceeding 25% and \$25,000 require formal Board of Governors pre-approval; the Board of Trustees will review all increases that exceed campus thresholds of 20% and \$15,000 and the President will review increases that exceed campus thresholds of 20% and \$15,000, up to an including 25% and \$25,000.
<b>Current Challenges:</b>	To achieve and maintain excellence, universities and systems need to leverage efficient and effective human resource policies and practices that attract and retain top faculty and staff. Limiting the ability to increase salary by use of a process involving the BOG can limit campus ability to be proactive in talent retention.
<b>Proposed Action:</b>	Allow for only Campus BOT and Chancellor approval for peer institutions within the UNC System to match salaries of employees at other UNC System peer institutions that may exceed current stated thresholds.



# THE UNIVERSITY OF NORTH CAROLINA SYSTEM

## 2019 LEGISLATIVE PROPOSALS UNIVERSITY HUMAN RESOURCES

### SUMMARY OF PRIORITY PROPOSALS

**1. Repeal UNC BOG Monitoring Requirements for Certain Classification/Compensation Actions**

Eliminates UNC Board of Governors monitoring of salary actions of 5% or greater for University employees (SHRA/EHRA) with salaries of at least \$100,000 and BOG monitoring of the establishment of new positions (SHRA/EHRA) budgeted at \$70,000 or greater. The BOG retains its authority to oversee compensation and classification actions of the University and retains its flexibility to dictate the level of delegation it extends, as deemed appropriate and necessary, to the President, to the boards of trustees, and to the UNC constituent institutions.

**2. Provide Paid Leave to University Employees when Instructed Not to Report to Work**

Gives the University the authority to suspend operations (close) due to severe weather or other emergency events and allows University to pay employees who are instructed not to come to work without charge to the employees' existing leave balances.

**3. Exempt Commissioned Officers / Public Safety Positions from Most Provisions of NC HR Act**

Exempts commissioned officers and public safety positions from NC HR Act (EHRA non-faculty) to allow for better hiring and compensation practices. Retains coverage under Article 8 of NCGS 126, which provides disciplinary due process and grievance rights aligned with SHRA employees.

<b>Area:</b>	<b>University Human Resources Policy</b>
<b>Topic:</b>	<b>Repeal UNC BOG Monitoring Requirements for Certain Classification/Compensation Actions</b>
<b>Governance:</b>	<b>North Carolina General Statutes - Chapter 116 – Part 2 (NCGS § 116-17.3)</b>
<b>Current Status:</b>	<ul style="list-style-type: none"> <li>The Appropriations Act of 2017 (SL 2017-57) added a new section to Chapter 116 of the North Carolina General Statutes: NCGS § 116-17.3, which reads:</li> <li>"§ 116-17.3. Board of Governors monitors certain human resources actions. <ul style="list-style-type: none"> <li>(a) The Board of Governors of The University of North Carolina shall monitor nonlegislative annual employee salary increases in the amount of five percent (5%) or more granted at constituent institutions or within the General Administration (i) to employees having annual salaries of one hundred thousand dollars (\$100,000) or greater or (ii) that would result in an annual employee salary of one hundred thousand dollars (\$100,000) or greater. No such salary increase shall become effective unless or until it is reported to the Board by a consultation that includes the justification for the increase or otherwise complies with consultation requirements adopted by the Board.</li> <li>(b) The Board of Governors of The University of North Carolina shall monitor new personnel positions created at constituent institutions or within the General Administration having annual salaries of seventy thousand dollars (\$70,000) or greater. No such new position may be filled unless or until its creation is reported to the Board by a consultation that includes the justification for the new position or otherwise complies with consultation requirements adopted by the Board."</li> </ul> </li> <li>This action was effective July 1, 2017.</li> </ul>
<b>Current Challenges:</b>	<ul style="list-style-type: none"> <li>Since its implementation, this process has required Board member review (originally the Board Chair and P&amp;T Chair, and now the P&amp;T Chair and Vice Chair) of a combined total of over 1,444 salary and position actions.</li> <li>To document and review each human resources action subject to this process necessarily involves the efforts of multiple constituent institution HR professionals at the Department, School/Division, and Central HR Office levels; constituent institution senior officers; multiple UNC System Office HR professional staff; and finally the leadership of the Board of Governors' Personnel and Tenure Committee.</li> <li>This process can unnecessarily delay decision making on both salary and position actions for between two to four weeks and unduly restricts the authority of the president and our chancellors, who routinely and independently make decisions with far greater financial and operational consequences.</li> <li>Retention offers and promotional job offers, which constitute 50% of the actions reviewed in this process, are also often time sensitive and the mandated Board consultation has created additional hurdles for promoting internal hires as opposed to making salary offers to external candidates.</li> <li>This is not conducive to the University encouraging the development and promotion of internal talent and its efforts at promoting succession planning.</li> </ul>
<b>Proposed Action:</b>	<b>Repeal NCGS § 116-17.3.</b>

	<ul style="list-style-type: none"> <li>• The Committee on Personnel and Tenure believes that the value received from this legislatively-mandated process is negligible in contrast to the time and effort that it causes.</li> <li>• Additionally, reviewing such granular transactional matters is truly not an appropriate use of the time or expertise of the Board, nor are Board members equipped to evaluate whether individual salary increases or new positions are justified within the context of individual campus programs, operational needs, and budgets.</li> <li>• The Board already has pre-existing guidelines for review and approval of various human resources actions and we trust that our constituent institution and System Office staff are equipped to make such evaluations and consult the Board when called for within the framework of existing policies.</li> <li>• Even in the absence of this statutory requirement, the Board will retain its authority and flexibility to determine the level of human resources authority it delegates to the President, to the Boards of Trustees, and to the Chancellors.</li> <li>• The Board will also retain its authority and flexibility, as it deems appropriate and necessary, to set consultation and pre-approval thresholds through policy, rather than statute, for its oversight of all human resources matters.</li> <li>• The Board retains its authority and flexibility, as it deems appropriate and necessary, to set thresholds such as these through policy, rather than statute, for its oversight of compensation and classification actions.</li> </ul>
<b>Legacy Exceptions:</b>	<ul style="list-style-type: none"> <li>• Not Applicable.</li> </ul>



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019

<SENATE/HOUSE BILL ###>

Short Title: REPEAL UNC BOG MONITORING REQUIREMENTS FOR CERTAIN (Public)  
CLASSIFICATION AND COMPENSATION ACTIONS

Sponsors:

Referred to: Education/Higher Education

<DATE>

A BILL TO BE ENTITLED

AN ACT TO PROVIDE EFFICIENCY AND FLEXIBILITY TO THE UNIVERSITY OF NORTH  
CAROLINA BY REPEALING MONITORING REQUIREMENTS OF THE UNC BOARD OF  
GOVERNORS FOR CERTAIN CLASSIFICATION AND COMPENSATION ACTIONS

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 116-17.3 is repealed:

~~"§ 116-17.3. Board of Governors monitors certain human resources actions.~~

~~(a) — The Board of Governors of The University of North Carolina shall monitor nonlegislative annual employee salary increases in the amount of five percent (5%) or more granted at constituent institutions or within the General Administration (i) to employees having annual salaries of one hundred thousand dollars (\$100,000) or greater or (ii) that would result in an annual employee salary of one hundred thousand dollars (\$100,000) or greater. No such salary increase shall become effective unless or until it is reported to the Board by a consultation that includes the justification for the increase or otherwise complies with consultation requirements adopted by the Board.~~

~~(b) — The Board of Governors of The University of North Carolina shall monitor new personnel positions created at constituent institutions or within the General Administration having annual salaries of seventy thousand dollars (\$70,000) or greater. No such new position may be filled unless or until its creation is reported to the Board by a consultation that includes the justification for the new position or otherwise complies with consultation requirements adopted by the Board."~~

**SECTION 2.** This act becomes effective on July 1, 2019.

<b>Area:</b>	<b>University Human Resources Policy</b>
<b>Topic:</b>	<b>Provide Paid Leave to University Employees when Instructed Not to Report to Work</b>
<b>Governance:</b>	<b>North Carolina General Statutes - Chapter 126 - Article 2 (§ 126-8.x)</b>
<b>Current Status:</b>	<ul style="list-style-type: none"> <li>The Emergency Closing Policy established by the State Human Resources Commission requires catastrophic emergency conditions to consider an agency/university “closed”, to require employees not to report to work for safety concerns, and to provide those employees with pay for that time without charge to the employees’ accrued leave.</li> <li>The University’s Adverse Weather and Emergency Closings Policy established by the State Human Resources Commission (under the auspices of the above Emergency Closing Policy) must adhere to the State’s definition of catastrophic conditions in order to provide paid time to employees.</li> </ul>
<b>Current Challenges:</b>	<ul style="list-style-type: none"> <li>There are many situations where it is in the best interests of the University and the safety of its faculty, staff, and students for the institution to be closed and to instruct non-mandatory employees not to report to work. However, many of these conditions (severe storms and their aftermath) do not rise to the level of a “catastrophic event” as defined in the state policy.</li> <li>Many employees with higher salary ranges may work from home when the University instructs them not to report to work; but many other employees (often in lower salary ranges) must perform their work onsite and do not have an equitable opportunity to avoid the use of accrued leave.</li> <li>Since this is a management decision to instruct employees not to report, the University should not require employees to use their own leave for this purpose.</li> </ul>
<b>Proposed Action:</b>	<p><b><i>Add an leave provision to NCGS 126 under Article 2</i></b></p> <ul style="list-style-type: none"> <li><b>Amend § 126 Article 2 to add the following paragraph:</b>  § 126-8.6 Whenever the University of North Carolina determines severe weather or other emergency conditions present a real or a significant potential risk to employees, students, and patrons of the institution, then the University may suspend operations for all or part of the institution, require certain employees not to report to work, and provide those employees paid leave for the time without charge to the employees’ existing leave accruals.</li> </ul>
<b>Legacy Exceptions:</b>	<ul style="list-style-type: none"> <li>None</li> </ul>



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019  
<SENATE/HOUSE BILL ###>

Short Title: PAID LEAVE TO UNIVERSITY EMPLOYEES FOR EMERGENCY CLOSING  
(Public)

Sponsors:

Referred to: Education/Higher Education

<DATE>

A BILL TO BE ENTITLED  
AN ACT TO AUTHORIZE THE UNIVERSITY OF NORTH CAROLINA TO EXCUSE EMPLOYEES  
FROM WORK DUE TO REAL OR EXPECTED EMERGENCY CONDITIONS AND PROVIDE  
EMPLOYEES PAY FOR THE TIME MISSED FROM WORK

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 126 Article 2 is rewritten to include a new paragraph:

**§ 126-5. Employees subject to Chapter; exemptions.**

[...]

**§ 126-8.6** Whenever the University of North Carolina determines severe weather or other emergency conditions present a real or a significant potential risk to employees, students, and patrons of the institution, then the University may suspend operations for all or part of the institution, require certain employees not to report to work, and provide those employees paid leave for the time without charge to the employees' existing leave accruals.

**SECTION 2.** This act becomes effective on July 1, 2019.



Area:	University Human Resources Policy
Topic:	Exempt University Police/Public Safety Staff from Most Provisions of the NC Human Resources Act
Governance:	North Carolina General Statutes - Chapter 126 - Article 1 (§ 126-5)
Current Status:	<ul style="list-style-type: none"> <li>University sworn officers and public safety staff are subject to the NC Human Resources Act (SHRA), which defines classification, compensation, selection/promotion processes, etc. aligned with other SHRA employees subject to the Act.</li> <li>EHRA non-faculty employees are exempt from all but Articles 6 and 7 of Chapter 126 (see 126-5(c1)(8))</li> </ul>
Current Challenges:	<ul style="list-style-type: none"> <li>The University competes with counties and municipalities for police and public safety officers. Modifications relative to pay ranges (such as metropolitan rates for certain areas of the state) have been taken within the SHRA compensation program but are insufficient and require coordination and approvals from the Office of State Human Resources rather than managed directly by the UNC System Office as EHRA non-faculty employees.</li> <li>The University would need to retain comparable due process protections to other SHRA employees to attract and retain police and public safety officers.</li> </ul>
Proposed Action:	<p><b><i>Add an exemption to NCGS 126-5 to provide EHRA non-faculty status for employees in police and public safety positions.</i></b></p> <ul style="list-style-type: none"> <li><b>Amend § 126-5 to add:</b> (c14) Except as to the provisions of Articles 6, 7, and 8 of this Chapter, the provisions of this Chapter shall not apply to commissioned police officer and public safety positions of the University of North Carolina.</li> </ul>
Legacy Exceptions:	<ul style="list-style-type: none"> <li>This change retains the grievance and disciplinary protections under Article 8 of the Chapter.</li> </ul>

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019  
<SENATE/HOUSE BILL ###>

Short Title: EXEMPT UNC POLICE/PUBLIC SAFETY POSITIONS FROM NCGS 126 (Public)

Sponsors:

Referred to: Education/Higher Education

<DATE>

A BILL TO BE ENTITLED  
AN ACT TO EXEMPT COMMISSIONED OFFICER AND PUBLIC SAFETY POSITIONS FROM  
MOST PROVISIONS OF THE NORTH CAROLINA HUMAN RESOURCES ACT

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 126-5 is rewritten to include a new paragraph:

**§ 126-5. Employees subject to Chapter; exemptions.**

[...]

(c14) Except as to the provisions of Articles 6, 7, and 8 of this Chapter, the provisions of this Chapter shall not apply to commissioned police officer and public safety positions of the University of North Carolina.

**SECTION 2.** This act becomes effective on July 1, 2019.

**AGENDA ITEM**

A-3. State Government Relations Update ..... Drew Moretz

**Situation:** The committee will hear updates on recent legislative efforts.**Background:** The state legislature convened a special session for hurricane recovery on October 15, 2018. Statewide elections will be held November 6, 2018. The Commission on Fair Treatment of Student Athletes has not convened since the last meeting of the Committee on Public Affairs but will meet the afternoon of November 8, 2018.**Assessment:** During the special session for hurricane recovery, the legislature allocated the University \$30 million for capital repairs and renovations and \$2 million for emergency grants to students.

Election results will be reviewed as they become available.

**Action:** This item is for information only.

**AGENDA ITEM**

A-4. Communications Update..... Meredith Beaton Didier

**Situation:** The committee will hear an update on the We Promise visibility campaign.

**Background:** When it was discovered that less than one-fifth of North Carolinians were aware of the NC Promise and fixed tuition programs, the state legislature appropriated \$1 million to be used by the University to promote these initiatives.

**Assessment:** Staff have developed a communications plan that includes broadcast and cable commercials, a social media push, and visits to UNC System institutions, and will provide an update on the status of these efforts.

**Action:** This item is for information only.

**AGENDA ITEM**

A-5. Summit on Historically Minority-Serving Institutions Update ..... Karrie Dixon

**Situation:** The committee will hear an update from Interim Chancellor Karrie Dixon about the recent Summit on Historically Minority-Serving Institutions.

**Background:** On October 23, 2018, Fayetteville State University and North Carolina Senator Wesley Meredith hosted a roundtable for university and legislative leaders to discuss the particular needs of the Historically Minority-Serving Institutions within the UNC System.

**Assessment:** The event was deemed a success by those who attended. Legislators said they found it helpful to receive information in this context and suggested that the universities host similar events in the future.

**Action:** This item is for information only.