

COMMITTEE ON PERSONNEL AND TENURE

Thursday, August 11, 2005, at 2:30 p.m. in Board Room 2,
General Administration Building, 910 Raleigh Road, Chapel Hill, NC

Minutes of Meeting August 11, 2005

Committee members present at the meeting included: Mr. Charles H. Mercer, Jr., Mr. Peter Keber, Mr. Brent D. Barringer, Dr. Dudley E. Flood, Mr. William G. Smith, Mr. J. Craig Souza, and Mr. David W. Young. Board of Governors members attending were: Mr. J. Bradley Wilson, Mr. John W. Davis III, Mr. F. Edward Broadwell, Jr., Mr. Phillip R. Dixon, Willie J. Gilchrist, H. Frank Grainger, Peter D. Hans, Charles S. Norwood, Cary C. Owen, Benjamin S. Ruffin, *Member Emeritus*, and Zachary A. Wynne, *Ex Officio*. Dr. Patsy Perry did not attend the meeting. Office of the President staff attending were: President Molly Corbett Broad, Dr. Gretchen M. Bataille, Mr. David Harrison, Ms. Jennifer Klimas, Ms. Cynthia Lawson, Dr. Russ Lea, Ms. Ann Lemmon, Mr. Charles Waldrup, Ms. Leslie Winner, and Ms. Lisa Adamson. Mr. Jerry Baker, of Baker-Parker, Chancellor T.J. Bryan of Fayetteville State University, Mr. John Sanders, and Mr. Sam Watts of the Center for Public Policy and Research, attended a portion of the meeting.

The Committee elected officers for 2005-2006. Charles H. Mercer, Jr was elected as Chair, Mr. Peter Keber was re-elected as Vice Chair, and Mr. Brent D. Barringer was elected as the Secretary.

Chairman Wilson addressed the Committee and discussed the establishment of a Special Tuition Policy Task Force to provide recommendations on how the Board of Governors might refine and/or clarify its current policies and practices to better ensure affordability, flexibility, and predictability in the tuition-setting process. Mr. Wilson appointed Hannah Gage and Charles Mercer to be the co-chairs of the Task Force. Other members appointed were Brent Barringer, Peaches Gunter Blank, Steve Bowden, Ray Farris, Gov. Jim Holshouser, Leroy Lail, Fred Mills, Jim Phillips, Gladys Robinson, Ben Ruffin, Craig Souza and Zack Wynne, as well as three ex-officio members: Chancellor James Renick, UNC-Chapel Board Chair Nelson Schwab and NC State Board Chair, Wendell Murphy.

Mr. Jerry Baker, the consultant for the Presidential Search Committee, provided a brief status report on the progress of the presidential search. Mr. Baker told the Committee that this search for the next president of the University of North Carolina system was global in nature and very much in the public eye. Mr. Baker assured the Committee that he is working diligently with the Presidential Search Committee to locate the best candidates for president of the University of North Carolina. Mr. Baker then offered to meet with members of the Board of Governors to answer questions about the search process. Mr. Baker left the meeting.

President Broad addressed the Committee regarding the decision to postpone discussions of the 2005-2006 Salary Resolution until a later date. The President stated that when this item was placed on the agenda, it was believed that the State budget would be finalized by the date of this meeting. However, as this was not the case, she believed that it was premature to discuss

salary matters until a State budget was finalized. The President stated that the State budget would provide additional funds for Chancellor's salaries and that this issue would be discussed at the September meeting. The Committee discussed the possibility of scheduling a meeting to discuss the 2005-2006 Salary Resolution prior to the regularly scheduled meeting on September 9, 2005.

Mr. Mercer discussed the role of The University of North Carolina and spoke about the importance of retaining the intellectual resources of our universities, tuition increases instituted over the past few years, and the difficulties UNC has experienced in being allocated adequate State funds to address issues of faculty salaries. Mr. Mercer asked Dr. Bataille to provide a brief overview of the duties of the Committee on Personnel and Tenure for the benefit of the new Committee members. Dr. Bataille briefly discussed the history of the Committee's responsibilities, noting that as more campuses were granted management flexibility to appoint and fix compensation, the Committee's efforts have been focusing on "best practices," employment issues, healthcare benefits, retirement concerns, and policies and procedures, rather than appointments and conferrals of tenure. Dr. Bataille mentioned that UNC-Pembroke will become the 11th campus to be granted management flexibility. She distributed a chart on the *Annual Position Recruitment FY 2001-02 – FY 2010-11*, which showed a comparison of faculty retirement and recruitment to enrollment growth. She briefly discussed the issue of the growth in enrollment of Hispanic students, the high-school drop out rates, and e-learning. President Broad discussed some of the costs associated with increased development of distance education/e-learning capabilities through out the UNC system, noting that while physical capital needs may be less, the costs to campuses to tool up for distance education is extensive.

The minutes of the May 12, 2005 meeting and the June 29, 2005 Special Meeting were approved as distributed.

Mr. Mercer 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 meeting was moved into closed session.

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

The Committee returned to open session.

The Committee reviewed additional amendments to Policy 300.2.2 "*Conflicts of Interest and Commitment Affecting Faculty and Non-Faculty EPA Employees.*" David Harrison had provided the Committee with a memorandum explaining the need for the new amendments, which were based on requests from the campuses. Leslie Winner asked that the word "should"

in the third sentence of the first paragraph on the last page be replaced with the word “must” to read “...Each campus *must* establish procedures that elicit information in a timely manner about potential conflicts of interest related to the EPA employee’s University responsibilities.” The motion was made and seconded for recommendation for approval, as amended, by the Board of Governors. Motion passed unanimously.

The Committee reviewed the proposed Policy 300.2.14 “*Non-Salary and Deferred Compensation.*” Dr. Bataille discussed the need for this policy, explaining that it would assist to clarify and quantify practices involving non-salary compensation. Mr. Waldrup told the Committee that many of the practices mentioned were already in place at some of the campuses and that having a clear policy would guide decisions about this issue in the future. Mr. Waldrup noted that the title of *Section C* should read: “*Non-salary or deferred compensation of Chancellors and President.*” The motion was made and seconded for recommendation for approval, as amended, by the Board of Governors. Motion passed unanimously.

Under the authority granted to the Committee by the Board of Governors, Dr. Bataille asked the Committee to approve the request for the granting of *management flexibility to appoint and fix compensation* to the University of North Carolina at Pembroke. The motion was made and seconded. Motion passed unanimously.

The Committee reviewed the *Delegation of Authority for Salary Resolution* and agreed to ask the Board of Governors to grant the Committee authority to act on a salary resolution prior to the September meeting. The motion was made and seconded for recommendation for approval by the Board of Governors. Motion passed unanimously.

The Committee discussed the rotation of members on the subcommittee for faculty appeals.

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

Mr. Brent D. Barringer, Secretary

Attachments