

The Board of Governors
COMMITTEE ON PERSONNEL AND TENURE

Annual Report
July 1, 2004 - June 30, 2005

The major responsibilities of the Committee on Personnel and Tenure, as established by Section 301D of The Code of the Board of Governors are: (1) to make recommendations to the Board on all personnel actions under the jurisdiction of the Board, including conferral of permanent tenure, appointment of senior academic and administrative officers for those campuses without *"management flexibility to appoint and fix compensation,"* establishing and approving faculty and administrative salary ranges, and approving salary increases of 15% or greater AND \$10,000 or more; (2) to review The Code and institutional policies and regulations regarding tenure and dismissal; (3) to review appeals from faculty members that involve questions of tenure; and (4) to act on other personnel matters that involve significant policy considerations.

Board members who served on the Committee during the fiscal year July 1, 2004, through June 30, 2005, were Mr. John W. Davis, III, Mr. Peter Keber, Mr. James G. Babb, Mr. Brent D. Barringer, Dr. Dudley E. Flood, Mr. Charles Mercer, and Dr. Patsy B. Perry. Mr. C. Clifford Cameron was acknowledged as a non-voting Emeritus Member of the Committee and retired from the Board of Governors at the end of 2004. In July 2004 the Committee elected as its officers, Mr. John W. Davis as Chair, Mr. Peter Keber as Vice Chair, and Mr. Charles Mercer as Secretary.

In its designated role, the Committee on Personnel and Tenure reviews personnel actions recommended by the President for consideration and approval by the Board of Governors for those campuses without “*management flexibility to appoint and fix compensation.*” The Committee reviewed and acted upon the appointment or reappointment of forty-two senior academic administrative officers and recommendations for sixty-seven faculty conferrals of permanent tenure during the 2004-2005 fiscal year. Included in the personnel actions are two recommended appointments of distinguished faculty under the guidelines of the Board’s Distinguished Professors Endowment Trust Fund (a report of the fund is attached to this report.) The above actions are summarized by institution on the attached “*Summary of Personnel Actions and Changes.*” Campuses with management flexibility granted thirty additional Administrative appointments and two hundred and seventy-nine additional conferrals of tenure. All campuses with management flexibility were required to submit an “Annual Summary Report” providing details of such actions on October 1st for the 2004-05 FY.

Subcommittees convened for additional meetings to receive, review, and recommend five faculty appeals from constituent institutions for Board consideration. In 2003, the Committee became responsible for coordinating the Board of Governors’ Excellence in Teaching Awards program and the Committee’s efforts for this year culminated in a very successful event in May of 2005.

Annually, on recommendation of the President, the Committee considers and further recommends to the Board, salary ranges and specific salaries for incumbents in senior administrative positions. The structure and policy governing these ranges and levels embody three principal characteristics: (1)

they are to be internally equitable and fair; (2) they are to be externally competitive; and (3) they are to be applied consistently. Actions by the 2004 Session of the North Carolina General Assembly included a pool of funds equal to 2.5% of the EPA salary base. The Committee recommended to the Board of Governors a minimum of a \$1,000 salary increase for University faculty and other employees who are exempt from the State Personnel Act. Remaining funds and campus-initiated tuition increases or other funds were used for salary increases for market, merit, and equity.

The Committee's recommendations for 2004-2005 included salary increases for the President's senior staff and for staff at the Center for Public Television and the chancellors. In July of 2004 a guiding principle was adopted that chancellors' salaries and the salary of the president be at the 25th percentile at minimum, subject to availability of funds and performance reviews. Using the pool of funds provided by the General Assembly and, in keeping with the goal adopted, chancellors received salary increases that brought salaries closer to the 25th percentile. The Committee also affirmed the provisions in Policy 300.1.1, that prohibits the use of private funds for chancellors' salaries and agreed to continue to examine the issue of other benefits for chancellors, such as deferred compensation.

Changes to the staff at UNC-Office of the President included the appointment of Mr. Wayne McDevitt, as Senior Vice President for University Affairs in January, effective as of March 1, 2005, replacing Mr. J. B. Milliken who became the president of the University of Nebraska at the end of June 2004, and the appointment of Cynthia Lawson, as Vice President for Communications and Strategy Development, also in January, with a March 1, 2005 effective date.

Significant changes occurred on the campuses, most notably with several chancellors leaving or retiring. New chancellors appointed include Dr. James Oblinger at North Carolina State University, in October, effective as of January 1, 2005; Dr. Philip Dubois at UNC-Charlotte, in March, effective as of July 15, 2005, upon the retirement of Chancellor Jim Woodward effective as of June 30, 2005; and Anne Ponder at UNC-Asheville, in May, effective as of October 1, 2005, replacing Chancellor Jim Mullen who left in early 2005 to become president of Elms University in Massachusetts. A chancellor search is in process to replace Wade Hobgood who resigned as chancellor of North Carolina School of the Arts effective as of June 30, 2005. New Vice Chancellor appointments include Dr. Marion Gillis-Olson as Provost at Fayetteville State University, Mr. Kevin R. Seitz as Vice Chancellor for Administration and Finance at East Carolina University, and Mr. Jon Yellin as Vice Chancellor for Finance and Administration at North Carolina School of the Arts.

Other Vice Chancellor positions were filled by campuses with management flexibility and are reported in the Annual Summary Reports of the campuses.

During 2004-05 Appalachian State University sought and was granted management flexibility to appoint and fix compensation after a thorough review of ASU's application. With the addition of ASU, ten constituent institutions had received management flexibility as of June 30, 2005 (East Carolina University, North Carolina State University, the University of North Carolina at Asheville, the University of North Carolina at Chapel Hill, the University of North Carolina at Charlotte, the University of North Carolina at Greensboro, The University of

North Carolina at Wilmington, Western Carolina University and Winston-Salem State University.) During the year, the Committee continued to examine the effects on current policies and practices with respect to the granting of management flexibility to the UNC constituent institutions to ensure that other policies, guidelines and regulations are in alignment with this practice.

The Committee reviewed a number of current policies and practices and recommended the adoption of new policies, amendments to existing policies and in some cases, the rescinding of outmoded or obsolete policies. In October 2004, Policy 300.1.1, "Senior Academic and Administrative Officers" was amended to prohibit the supplementing of salaries of Senior Academic and Administrative Officers from foundation funds and to reflect that coaches and athletic directors often have employment agreements and are not "at will" employees; in January 2005, Policy 600.3.4, "Granting of Management Flexibility to Appoint and Fix Compensation" was amended to require campuses to seek Board of Governors' approval for salary increases that are both 15% or more AND \$10,000 or more; in February 2005, Policy 300.7.3. "Implementation of Phased Retirement Program" was repealed as it had been replaced by subsequent policies; a new Policy 300.2.13 "Supplemental Pay Policy for Employees Exempt from the State Personnel Act," was also adopted in February to provide guidance to the campuses regarding supplemental payments to faculty and non-faculty EPA employees due to temporary increases in duties; in May 2005, Policy 300.2.2 "Conflicts of Interest and Commitment Affecting Faculty and Non-Faculty EPA Employees" was amended, Policy 300.1.6.2 "External Professional Activities of Faculty and other Professional Staff" was rescinded to provide for more concise and cohesive instructions to the campuses, and Policy 300.1.6.2 "Administrative Separation of the President and

Chancellors” was recommended for adoption by the Board of Governors to codify practices regarding separation and retreat rights for chancellor and the president that were already in place. The Committee also reviewed the Office of State Personnel’s “Unified Leave Report” in February 2005, agreeing with the recommendations that changing the State’s current leave structure would neither be feasible nor cost-effective at this time. The Committee discussed preliminary details of the “UNC Health Plan Design Project” as well. In January 2005, amendments to The Code to require that all UNC campuses have a policy concerning the granting of non-salary compensation were recommended for action by the Committee on University Governance.

In September of 2004, the Committee distributed its “Annual Report – July 1, 2003 – June 30, 2004” and accepted the “Report on the UNC Leadership Institute.” The Committee accepted the “Annual Report on the Distinguished Professors Endowment Trust Fund” in October of 2004, and the “Report on the Phased Retirement Program” and the “Report on Post-Tenure Review” in November of 2004. The Committee also recommended the approval of the “Resolution to Honor Retiring Faculty” in May of 2005.

Attachments

SUMMARY OF PERSONNEL ACTIONS AND CHANGES (including both Board of Governors and Board of Trustees Actions)
July 1, 2004 - June 30, 2005

INSTITUTION	Administrative Appointments with Tenure [without Tenure]	Distinguished Professors Appointed with Tenure [without Tenure]	Faculty Tenure Actions	Promotions with Tenure [without Tenure]	Faculty Retirements	FTE Teaching Positions in Current Operations Budget 2004-2005
Appalachian State University					16	820.00
East Carolina University	[2]				24	1329.68 (AA) 178.88 (HA)
Elizabeth City State University	0	0	1	0	4	142.38
Fayetteville State University	1 [3]	0	10	1	10	292.90
North Carolina Agricultural and Technical State University	0	0	12	3	9	648.94
North Carolina Central University	[1]	[2]	16	11	8	393.10
North Carolina School of the Arts	[2]	0	0	7 [3]	1	151.00
North Carolina State University					35	1781.5 (AA) 87.43 (VET)
University of North Carolina at Asheville	[1]				1	206.44
University of North Carolina at Chapel Hill					19	1332.53 (AA) 774.34 (HA)
University of North Carolina at Charlotte	[1]				20	1,136.24
University of North Carolina at Greensboro					9	860.11
University of North Carolina at Pembroke			3	2	6	262.27
University of North Carolina at Wilmington					6	621.53
Western Carolina University					20	465.81
Winston-Salem State University					1	293.59
General Administration/Office of the President	[32]			[5]		
TOTALS	1 [42]	[2]	41	24 [8]	189	