

2007 TRUSTEE SELECTION PROCESS

PROPOSED CALENDAR OF EVENTS

- September 2006 Confirm campus liaisons and discuss priorities with the committee
- October 2006 Originate correspondence to the chancellors and board chairs to solicit their recommendations
- October – December Committee members contact their assigned campuses
- January 2007 Committee to confer formally about trustee recommendations for the first time. The trustee selection notebooks will be distributed at the January 11, 2007, committee meeting.
- February 2007 Committee to continue conferral about trustee recommendations
- March 2007 Committee to present provisional recommendations to the Board of Governors
- Late March/
April 2007 Trustee orientation
- May 2007 Committee to present final recommendations to the Board of Governors

8/25/06

Trustee Selection Parameters

- I. Likely source of Board of Governors nominees to campus Boards of Trustees
 - Chancellors
 - Chairs of the Boards or the Boards themselves
 - Committee on University Governance
 - President Bowles
- II. Likely source of the Governors appointees to campus Boards of Trustees
 - Chancellors
 - General Assembly / Community input
- III. Should there be standard criteria / qualifications for nominees?
 - Ability to raise money
 - Ability to assist with institutional governance
 - Willingness to contribute personally
- IV. How to create a strong *trustee bench*?
 - Recruit successful alumni
 - Recruit prominent businessmen and educators
- V. How involved in the trustee selection process should they be?
 - President
 - Board of Governors
 - Committee on University Governance
 - Campus liaison representative
- VI. Need for a critical evaluation of those trustees eligible for reelection
- VI. Other considerations
 - Should nominees be required to sign a pledge to strive to meet our expectations?

Appendix 1 - DELEGATIONS OF DUTY AND AUTHORITY TO BOARDS OF TRUSTEES

Pursuant to authority vested in it by the General Statutes, and consistent with the provisions of *The Code of the University of North Carolina*, the Board of Governors hereby delegates to the boards of trustees of the constituent institutions of the University of North Carolina the following duties and powers:

I. ACADEMIC AND ADMINISTRATIVE PERSONNEL

A. Appointment and Compensation

1. Upon recommendation of the chancellor, the board of trustees of a special responsibility constituent institution with management flexibility for personnel appointments shall, for all positions exempt from the State Personnel Act except the position of the chancellor, appoint, promote, and set the compensation for such employees consistent with the policies and salary ranges set by the Board of Governors and the regulations and guidelines established by the Office of the President.

Personnel actions at a constituent institution, other than a special responsibility constituent institution with management flexibility, shall be governed as follows:

- a. With respect to all faculty positions with permanent tenure and all senior administrative positions, namely vice chancellors, provosts, deans and directors of major educational and public service activities, the chancellor, following consultation with the board of trustees, shall forward to the president recommendations with respect to such appointments, promotions, and compensation; if the president concurs in such recommendations, the president shall forward them to the Board of Governors for approval. Notwithstanding the requirements of this paragraph, a board of trustees may promote in rank a faculty member with permanent tenure, upon the recommendation of the chancellor, and without approval by the Board of Governors.
- b. With respect to all faculty and administrative positions other than those identified in subparagraph 2a above, and other than those subject to the State Personnel Act, the chancellor shall forward the chancellor's recommendations for appointment, promotion and compensation to the board of trustees; subject to applicable provisions of the *University Code* and to such policies as may be established by the Board of Governors, the action of the board of trustees with respect to such personnel actions shall be final.

B. Discharge or Suspension

Subject to regulations of the board of trustees and consistent with applicable policies of the Board of Governors, all discharges or suspensions of faculty members and administrative personnel, other than those subject to the State Personnel Act, shall be effected by the chancellor. A discharged or suspended employee shall have such rights of appeal from the action of the chancellor as may be prescribed by the *University Code*, policies of the Board of Governors, or regulations of the board of trustees.

C. Personnel Policies

The board of trustees may adopt personnel policies not otherwise prescribed by state law, the *University Code*, or policies of the Board of Governors, for personnel in all categories of university employment. Policies adopted by a board of trustees regarding academic tenure and promotion shall be effective upon review by the senior vice president for academic affairs and the vice president and general counsel, and approved by the president.

D. Chancellor Selection

In the event of a vacancy in the chancellorship, the board of trustees shall establish a search committee composed of representatives of the board of trustees, the faculty, the student body and the alumni. Upon the establishment of the search committee, the chair of the board of trustees and the president shall jointly establish a budget and identify staff for the committee.

The search committee, through its chair, shall make a preliminary report to the president when the committee is preparing a schedule of interviews of those persons it considers to constitute the final list and from among whom it anticipates the trustees' nominees will be chosen, and the president will be given an opportunity to interview each of these candidates.

The board of trustees, following receipt of the report of the search committee, shall recommend at least two names for consideration by the president in designating a nominee for the chancellorship, for approval by the Board of Governors.

II. ACADEMIC PROGRAM

The board of trustees shall be responsible for ensuring the institution's compliance with the educational, research, and public service roles assigned to it by the Board of Governors, either by express directive or by promulgated long-range plans of the Board of Governors.

III. ACADEMIC DEGREES AND GRADING

Subject to authorization by the Board of Governors of the nature and general content of specific degree programs which may be offered by an institution, each institution shall determine whether an individual student shall be entitled to receipt of a particular degree. Each institution also shall determine what grade a student will be assigned in a particular course. No appeal from any of these decisions or any other academic determination is allowable to the president or to the Board of Governors.

Prior to July 1, 2003 paragraph III read as follows:

III. ACADEMIC DEGREES AND GRADING

Subject to authorization by the Board of Governors of the nature and general content of specific degree programs which may be offered by an institution, each institution shall determine whether an individual student shall be entitled to receipt of a particular degree. Each institution also shall determine what grade a student will be assigned in a particular course. No appeal from such an institutional decision shall lie beyond the board of trustees.

IV. HONORARY DEGREES, AWARDS AND DISTINCTIONS

The board of trustees shall be responsible for approving the names of all individuals on whom it is proposed that an honorary degree or other honorary or memorial distinction be conferred by the institution, subject to such policies as may be established by the Board of Governors.

V. BUDGET ADMINISTRATION

The board of trustees shall advise the chancellor with respect to the development of budget estimates for the institution and with respect to the execution and administration of the budget of the constituent institution, as approved by the General Assembly and the Board of Governors.

VI. PROPERTY AND BUILDINGS

The board of trustees of a constituent institution shall be responsible, subject to policies of the Board of Governors and all legal requirements relative to the construction of state-owned buildings, for the following matters concerning campus capital construction projects which have been approved by the Board of Governors and authorized by the state of North Carolina: (1) the selection of architects or engineers for buildings and improvements requiring such professional services; (2) the approval of building sites; (3) the approval of plans and specifications; and (4) the final acceptance of all completed buildings and projects.

The board of trustees shall be responsible to the Board of Governors for preparing and maintaining a master plan for the physical development of the institution, consistent with the total academic and service mission of the institution as defined and approved by the Board of Governors.

Any proposal involving the acquisition or disposition by an institution of any interest in real property shall be recommended by the board of trustees to and must be approved by the Board of Governors; provided, that

(a) if the proposal involves an interest in real property which is valued at less than \$50,000, the board of trustees may authorize such transaction and proceed to obtain the necessary approvals from appropriate state officials and agencies, without first obtaining the approval of the Board of Governors;

(b) if the proposal involves an interest in real property, the president may approve or execute leases with a value higher than \$50,000 up to \$150,000, and may approve or execute contracts to acquire real property with a value higher than \$50,000 up to \$250,000, without first obtaining approval of the Board of Governors; and

(c) the Board of Governors, under circumstances which it considers appropriate and following notice from it to the board of trustees, may take action necessary to effect the acquisition or disposition of an interest in real property which is related to or which affects the institution, without receipt of a recommendation from the board of trustees.¹

VII. ENDOWMENTS AND TRUST FUNDS

Subject to applicable provisions of state law and to such terms and conditions as may be prescribed from time to time by the Board of Governors, each board of trustees shall be responsible for the preservation, maintenance, and management of all properties, both real and personal, funds and other things of value which, either separately or in combination, constitute all or any part of the authorized endowment or trust funds, either currently in existence or to be established in the future, for the benefit of the individual constituent institution. [See G.S. 116-11(2); 116-12; 116-36; 116-36. 1; 116-36. 2; 116-36. 3]

¹ By resolution adopted November 13, 1981, the Board of Governors elaborated upon this provision concerning the acquisition and disposition of interest in real estate. The resolution says, among other things, that the value of an interest in real estate shall, with respect to a lease, be deemed the annual rental thereof. Further, the resolution expressly authorizes the board of trustees to delegate to their respective chancellors the power to authorize for the institutions the acquisition or disposition by lease of institutions the acquisition or disposition by lease of interests in real estate valued at less than \$25,000, subject to any necessary approval from state officials and agencies.

VIII. ADMISSIONS

Subject to such enrollment levels and minimum general criteria for admission as may be established for a constituent institution by the Board of Governors, each constituent institution of the University of North Carolina shall establish admissions policies and resolve individual admission questions for all schools and divisions within the institution. No appeal concerning an individual admission case shall lie beyond the institutional board of trustees.

IX. TUITION, FEES AND DEPOSITS

A. General Authority of Boards of Trustees

The boards of trustees of the constituent institutions shall cause to be collected from each student, at the beginning of each semester, quarter, or term, such tuition, fees, and other amounts necessary to pay other expenses for the term, as have been approved by the Board of Governors. [See G.S. 116-11(7) and G.S. 116-143]

B. Tuition and Fee Deposits

Each board of trustees shall require the payment of such advance deposits, at such times and under such conditions as it determines are appropriate or as may be required by state law or by the Board of Governors. [See G.S. 116-143]

C. Application Fee

Each board of trustees shall require the payment of such nonrefundable application fees, in connection with each application for admission, as may be required by state law or by the Board of Governors. [See G.S. 116-143]

D. Acceptance of Obligations in Lieu of Cash

Subject to policies prescribed by the Board of Governors, the boards of trustees shall establish regulations concerning the acceptance of obligations of students, together with such collateral or security as may be deemed necessary or proper, in lieu of cash, in payment of tuition and fees. [See G.S. 116-143]

E. Fee Recommendations

Subject to policies prescribed by the Board of Governors, each board of trustees, in consultation with the chancellor, shall recommend to the president the amounts to be charged at the constituent institution for application, athletics, health services, student activities, educational and technology, retirement of debt incurred for capital improvements projects authorized by the General Assembly, course, and special fees. In carrying out this responsibility, each board of trustees and the chancellor shall ascertain that the benefits of the activity or service are commensurate with the recommended fee which is required to support the activity or service. Recommended fees should be consistent with the philosophy set forth in the North Carolina Constitution which states that the benefits of the University of North Carolina should be extended to the people of the state free of expense, as far as practicable.

X. STUDENT FINANCIAL AID

All scholarships and other forms of financial aid to students which are limited in their application to or are supported from sources generated by an individual campus shall be administered by the constituent institution pursuant to such regulations as may be prescribed by the board of trustees

and subject to the terms of any applicable laws and to policies of the Board of Governors.

XI. STUDENT SERVICES

Each board of trustees, upon recommendation of the chancellor, shall determine the type, level, and extent of student services (such as health care, athletic programs, and counseling) to be maintained for the benefit of students at the institution, subject to general provisions concerning types and levels of student services as may be prescribed by the Board of Governors.

XII. STUDENT ACTIVITIES AND GOVERNMENT

Under such policies as may be prescribed by the Board of Governors and the board of trustees, the chancellor shall be responsible for the regulation and approval of organized, institutionally-recognized student activities, the definition of roles and functions of any institutionally-recognized system of student self-government and student participation in the governance of any aspect of the institutional programs and services. No appeal concerning such activities are allowable to the president or to the Board of Governors.

Prior to July 1, 2003 paragraph XII read as follows:

XII. STUDENT CONDUCT, ACTIVITIES AND GOVERNMENT

Under such policies as may be prescribed by the Board of Governors and the board of trustees, the chancellor shall be responsible for the regulation of student conduct, the approval of organized, institutionally-recognized student activities and the definition of roles and functions of any institutionally-recognized system of student self-government and student participation in the governance of any aspect of the institutional programs and services. No appeal concerning such activities shall lie beyond the board of trustees, unless it is alleged that the policy, action, or decision being appealed violates any law or constitutional provision of North Carolina or of the United States, the University Code, or policies of the Board of Governors.

XIII. INTERCOLLEGIATE ATHLETICS

Subject to such policies as may be prescribed by the Board of Governors and the board of trustees, the chancellor shall be responsible for the establishment and supervision of the institution's program of intercollegiate athletics.

XIV. TRAFFIC AND PARKING REGULATIONS²

XV. CAMPUS SECURITY

Subject to applicable provisions of state law and such policies as may be adopted by the Board of Governors or the board of trustees, the chancellor shall be responsible for the maintenance of campus security.

XVI. AUXILIARY ENTERPRISES, UTILITIES AND MISCELLANEOUS FACILITIES

Pursuant to applicable provisions of state law and policies of the Board of Governors, the boards of trustees of affected constituent institutions shall have authority and responsibility for the adoption of policies applicable to and the control and supervision of campus electric power plants and water and sewer systems, other utilities and facilities [G.S. 116-35], and child development centers [G.S. 116-38].

² Legislation adopted by the 1973 session of the General Assembly, on recommendation of the Board of Governors, gave the boards of trustees broad authority in this area and superseded the authority originally granted in this paragraph; hence it is omitted here. [See G.S. 116-44.3 et. seq.]

CURRICULUM IDEAS FOR ORIENTATION

NOTES ON ORIENTATION FOR BOARDS OF TRUSTEES MEMBERS

A. PRE-APPOINTMENT DISCUSSION

This portion of the orientation is the responsibility of the Governance Committee as a part of its selection process. Prior to recommending any person to the board for an appointment to a campus board, a member of the Governance Committee will communicate personally with the prospective appointee. The primary purpose of the discussion is to determine the suitability of the prospect to serve on the particular campus board. An additional purpose is to begin to prepare the prospective board member for service by sharing information about the University and its method of governance.

1. Eligibility requirements

In particular, the inability of a member of a board of trustees or his or her spouse to serve on most other state boards or to be a state employee or officer

2. Time commitments and attendance requirements:

- Orientation activities
- Board and committee attendance
- Conference on Trusteeship

3. Adherence to the constitutional mandate to provide access to higher education through low tuition and fees

4. The respective roles of the Board of Governors and the boards of trustees and their complementary missions

5. The recognition of the special needs and special interests of various campuses in the context of the unified approach to the presentation of University-wide needs provided by the multi-campus university organization

6. Conflicts of interest

7. The duties of a trustee (*The Code*, the Delegations of Duty and Authority, theory of trusteeship, policy versus administration, etc.)

8. Continuing education of trustees: Conference on Trusteeship, AGB publications and resources, the Office of the Secretary of the University

B. ORIENTATION BY BOARD OF GOVERNORS AND PRESIDENT'S STAFF AFTER BOARD OF GOVERNORS HAS APPROVED APPOINTMENT

Prior to the time a trustee is sworn in, a trustee should attend an orientation session organized by the president's staff and the Committee on University Governance covering the topics outlined below: **Note this orientation opportunity should be made available to the Governor's appointees.**

1. History of American higher education and the special place of lay governance
2. History of The University of North Carolina and its constituent institutions
3. Trusteeship theory--the role of a board, policy and administration, the responsibilities of a board member to the board and to the institution
 - Dos and Don'ts
 - Practical examples and case studies
4. Trusteeship in The University of North Carolina family--the University *Code*, duties of trustees, delegation of authority, organization of the Board of Governors, attendance requirements, and conflicts of interest
5. The role of the Board of Governors, the president and the General Administration
6. The role of the chancellor
7. Responsibilities of boards of trustees as principal advisers to the chancellor, relationships with the General Assembly and public, to include an awareness of the budget process
8. Responsibilities of boards of trustees as governing board--athletic policy, student affairs, admissions requirements
9. Responsibilities of boards of trustees as an appellate panel: Hearing appeals from faculty and others

C. CAMPUS ORIENTATION

After orientation by the president's staff, but prior to the time the trustee is sworn in, the chancellor and the chairman of the board of trustees should jointly arrange for the orientation of the prospective new board member and the orientation should include the following matters:

1. History of the institution
2. Introduction to the mission of the university and its ongoing planning processes
3. An introduction to the work of the board of trustees, including:
 - (a) A review of the board's important actions, studies and projects of the past four years
 - (b) A review of the bylaws of the board, discussion of the board's committee system, selection of officers, and methods of bringing matters for board decision and board advice
 - (c) A review of the minutes of the board for the past one or two years

- (d) Conference with the chairman of the board and two or three other members of the board (selected by the chairman of the board and the chancellor)
 - (e) Attendance at a meeting of the board of trustees as a visitor or attendance at a workshop or retreat of the board
 - (f) A review by the chancellor or a member of his staff of campus board policies that affect board action, such as those relating to personnel actions, establishment of fees, appointment to other boards, special oversight responsibilities, naming buildings, awarding honorary degrees, and other similar matters
4. Introduction to university personnel (other than members of the governing board), including the chancellor's senior staff, faculty leaders, student leaders (in addition to the president of the student body), and other key players
5. A review of campus publications, such as
- (a) Catalog - by the vice chancellor for academic affairs
 - (b) Student Newspaper - by the editor
 - (c) Recruiting publications - by recruiting and admissions staff
 - (d) Alumni publications and/or fundraising brochures - by development staff
6. An introduction to other facets of campus government, such as
- (a) Faculty Senate - by the chairman
 - (b) Student Body - by the president
7. Tour of campus physical facilities including, when possible, activities such as attendance at least one actual classroom hour of instruction and a meal in the student dining hall