

## **COMMITTEE ON PERSONNEL AND TENURE**

Draft Minutes: October 23, 2014  
UNC General Administration, Chapel Hill, North Carolina

### **OPEN SESSION**

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

The following members were absent: Phillip Walker

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

The following Chancellors and System representatives were present: Chancellor Debra Saunders White, Faculty Assembly Chair, Steven Leonard; Staff Assembly Chair, Susan Colby, Felicia Washington, UNCCH, Ashley Nichols, UNCCH, Andy Willis, UNC Health Care, and William Roper, UNC Health Care.

#### **1. Open Minutes of September 11 and September 25, 2014:**

Mr. Sywassink requested a motion to approve the open session minutes of the September 11 and September 25, 2014 meetings.

**MOTION: BE IT RESOLVED** that the open session minutes of the September 11, 2014 and September 25, 2014 meetings be approved as circulated.

**Motion:** Mr. Frank Grainger

**Second:** Ms. Laura Wiley

**Motion Carried**

Mr. Sywassink notified the Committee that he wished to rearrange the agenda and begin the meeting in closed session. He called for a motion to enter closed session.

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

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

**Motion:** Mr. Therence Pickett

**Second:** Ms. Laura Wiley

**Motion Carried**

***The meeting was moved into closed session.***

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

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

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

**Motion:** Mr. Therence Pickett

**Second:** Ms. Laura Wiley

**Motion Carried.**

The Committee returned to Open Session.

2. **VOTE:** Authorization to Add a 457(b) Supplemental Retirement Savings Plan to the University of North Carolina Retirement Savings Option:

Due to changes in the 501(c)(3) tax status of UNC Chapel Hill Health Care, which would prohibit employees from being able to contribute to the 403(b) retirement Plan administered by the University, UNC General Administration is requesting authorization to add a 457(b) Plan to the menu of options the University can provide as an alternative employee-funded retirement savings vehicle for all University employees which can serve as a substitute plan for UNC Health Care employees who will no longer be able to access the 403(b) plan. The Board of Governors has the authority to authorize the President to establish a 457(b) plan option for the University.

**MOTION: BE IT RESOLVED** that the Committee on Personnel and Tenure recommend to the full Board that the President be authorized to establish a 475(b) plan option for the University.

**Motion:** Mr. Therence Pickett

**Second:** Ms. Laura Wiley

3. **VOTE:** Authorization to Establish a Plan, Fund, Program, or Policy:

Mr. Brian Usischon and Mr. Thomas Shanahan presented a proposal authorizing the President to establish a plan that will address the circumstances for employees who are affected by the sun-setting of the Qualified Excess Benefit Arrangement or QEBA as part of the Teachers' and State Employees' Retirement System ("TSERS"). The QEBA was authorized by NC General Statute 135-151 effective January 1, 2014. The purpose of the QEBA was to provide the part of the retirement allowance or benefit that would otherwise have been payable by the TSERS defined benefit plan if the limitations under section 415(b) of the Internal Revenue Code had not been in place. Currently, the statute provides no member of the Teachers' and State Employees' Retirement System retiring on or after January 1, 2015, shall be eligible to participate in the QEBA, and the Retirement System shall not pay any new retiree more

retirement benefits than allowed under the limitations of section 415(b) of the Internal Revenue Code.

The North Carolina Retirement Systems Division recently contacted certain employees of the University who have accumulated enough service to retire with a TSERS pension, and informed them that their expected annual pension benefits are likely to be significantly reduced due to an Internal Revenue Code provision unless they retire by December 1, 2014. This change affects 10 individuals who hold key positions across the University. We expect that the General Assembly will act quickly once it convenes in January to address this issue; however, we need to be able to act to retain these valuable employees now. Therefore, The University of North Carolina General Administration recommends that the Committee approve and recommend to the Board granting authority to the President to establish a plan that will address the circumstances of employees affected by the QEBA sunset in the Teachers' and State Employees' Retirement System.

**MOTION: BE IT RESOLVED** that the Committee recommend to the Board granting authority to the President to establish a plan that will address the circumstances of employees affected by the QEBA sunset in the Teachers' and State Employees' Retirement System.

**Motion:** Mr. Frank Grainger  
**Second:** Mr. Therence Pickett  
**Motion Carried**

#### 4. *Informational Report:* Delegated personnel Actions (Pursuant to Policy 200.6)

Pursuant to Board of Governors Policy 200.6, the President has been delegated authority to appoint and fix compensation of Senior Academic and Administrative Officers and other employees exempt from the State Personnel Act serving within General Administration. The policy also delegates authority for approval for salary increases of 10% or more supported by the University of North Carolina Faculty Recruitment and Retention Fund. As part of this delegation, salary actions delegated and approved by the President must be reported to the Committee on Personnel and Tenure. Policy 200.6 also delegates approval of conferral of tenure and promotion for campuses without management flexibility to the President. These actions are provided in the materials.

#### 5. *Informational Report:* Post-Tenure Review

Ms. Kathryn Henz presented the report on Post-Tenure Review. She highlighted key points within the report and the Committee discussed the process of post-tenure review as well as the recently approved policy and guidelines. The Committee has asked that the President review the guidelines associated with post-tenure review and make changes to assure that the constituent institutions have enough time to implement the requirements of the recently-adopted Policy before we review their practices.

6. *Appointment:* Faculty Appeal Subcommittee:

Mr. Sywassink appointed a Faculty Appeal Subcommittee. The Committee Chair will be Mr. Therence Pickett and the committee members will be Mr. Frank Grainger and Mr. Marty Kotis.

There being no further business, the meeting was adjourned.

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Ms. Laura Wiley, Secretary

Attachment