



MEETING OF THE BOARD OF GOVERNORS
Committee on Public Affairs

September 16, 2020 at 12:45 p.m.
Via Videoconference and UNC-TV Live Stream
University of North Carolina System Office
Center for School Leadership Development, Board Room
Chapel Hill, North Carolina

AGENDA

- A-1. Approval of the Minutes of July 22, 2020.....C. Philip Byers
- A-2. 2019-20 Committee on Public Affairs Annual Report..... Drew Moretz
- A-3. Federal Government Relations UpdateElizabeth Morra
- A-4. State Government Relations Update Drew Moretz
 - a. North Carolina Policy Collaboratory Update..... Jeff Warren, Executive Director
- A-5. Adjourn

Additional Materials Available

A-4a. North Carolina Policy Collaboratory COVID-19 Research Initiative



MEETING OF THE BOARD OF GOVERNORS
Committee on Public Affairs

DRAFT MINUTES

July 22, 2020
University of North Carolina System Office
Center for School Leadership Development, Room 128
Chapel Hill, North Carolina

This meeting of the Committee on Public Affairs was presided over by Chair C. Philip Byers. The following committee members, constituting a quorum, were also present by in person or by video: Dwight D. Stone, N. Leo Daughtry, Steven B. Long, and Temple Sloan.

Chancellors participating on the videoconference were Peggy Valentine, Robin Cummings, and Ron Mitchelson.

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

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

Drew Moretz called the meeting to order at 10:30 a.m. on Wednesday, July 22, 2020.

Drew Moretz called for a motion to approve the open session minutes of May 19, 2020 and the open session minutes from the Joint Meeting of Committee on Budget and Finance and Public Affairs of May 19, 2020

MOTION: Resolved, that the Committee on Public Affairs approve the open session minutes of May 19, 2020, as distributed.

Motion: R. Doyle Parrish

Motion carried

Roll Call Vote	
Byers	Yes
Stone	Yes
Long	Yes
Daughtry	Yes
Sloan	Yes

2. State Government Relations Update (Item A-2)

Chair Byers called upon Mr. Moretz to provide a state government relations update to the Public Affairs Committee. Mr. Moretz discussed the General Assembly's 2020 Short Session that adjourned June 26. H.966 was not overridden, so there was no biennial budget to adjust. However, several bills were signed into law, including 14 that benefited the UNC System. As for most requests that asked for recurring funds, they were denied.

This item is for information only.

3. Federal Government Relations Update (Item A-3)

Drew Moretz called upon Ms. Morra to provide a federal affairs update to the Public Affairs Committee. Ms. Morra discussed the Federal COVID-19 Stimulus bills. The House of Representatives has created the HEROES Act that requests \$3.5 trillion in aid, while the Senate is still working on their bill, but expected to ask for approximately \$1 trillion. Ms. Morra also briefed the committee on the FY 2021 appropriations bills in both the House and Senate. Finally, Ms. Morra briefed the Committee on the \$25 million for the Coast Guard runway renovation, which Elizabeth City State University's aviation training program will utilize, and the \$8 million provided for the Airborne Pathfinder program between the 82nd Airborne at Ft. Bragg and the UNC System.

This item is for information only.

4. Adjourn

There being no further business, the meeting adjourned at 11:28 a.m.

Steven B. Long, Secretary

AGENDA ITEM

A-2. 2019-20 Committee on Public Affairs Annual Report Drew Moretz

Situation:	Each standing committee submits an annual report of its activities to the Board of Governors.
Background:	Pursuant to Section 302 E of <i>The Code</i> , "Each standing committee shall make a written report to the Board of Governors at least annually, reviewing the work of the committee during the preceding year."
Assessment:	The annual report on the activities of the Committee on Public Affairs for fiscal year 2019-20 is ready for review and submission.
Action:	This item requires a vote by the committee to accept the report for submission to the Board of Governors.

DUTIES AND MEMBERSHIP

The Committee on Public Affairs shall assist the President in maintaining positive relationships with the Governor, the North Carolina General Assembly, the United States Congress, and other governmental entities. Maintaining these relationships affects the ability of the University to carry out its mission. The committee will review and approve all state and federal policy priorities of the University, which will then be presented to elected leaders. This report summarizes the work of the committee from July 2019 through June 2020.

The committee was composed of the following Board members: Phil Byers, Leo Daughtry, Marty Kotis, Steve Long, and Doyle Parrish. Mr. Byers served as chair, Mr. Kotis served as vice-chair, and Mr. Daughtry served as secretary.

Chancellors Robin Cummings (UNCP), Karrie Dixon (ECSU), and Interim Chancellor Ron Mitchelson (ECU) also served on the committee.

ACTIONS

The Committee on Public Affairs met during six regular meetings between July 1, 2019 and June 30, 2020. Throughout the year, the committee heard reports on various legislative or Congressional action on bills of interest to the University of North Carolina. Additionally, the Committee on Public Affairs received reports throughout the year on the efforts of Board of Governor Special Committees that impact the work of the committee. Specifically, the committee received updates from the Committee on Historically Minority-Serving Institutions and Committee on Military and Veterans Affairs, as needed.

In addition to the regular updates on state and federal legislative activity throughout the year, during the January committee meeting the Committee on Public Affairs reviewed the policy submissions of the UNC System institutions and various divisions within the System Office.

In March, the Public Affairs Committee met jointly with the Budget & Finance Committee to review and approve the UNC Board of Governors Agenda. At the Board of Governors meeting on March 20, 2020, the full Board approved both the budget request and the policy agenda for the legislative session that was to begin on May 18, 2020.

Also in March, the Committee on Public Affairs approved the UNC System FY 2021 Federal Priorities letter, which was then approved by the full Board and sent to all members of the North Carolina Congressional Delegation.

AGENDA ITEM

A-3. Federal Affairs Update Elizabeth Morra

Situation: The committee will receive an update on federal legislative issues.**Background:** Since the committee's last meeting, Congress has been working on another stimulus package to provide aid during the COVID-19 pandemic. Ms. Morra will provide an update on the next federal coronavirus stimulus package and the prospects for congressional approval.**Assessment:** This briefing will summarize the next federal stimulus package.**Action:** This item is for information only.

AGENDA ITEM

A-4. State Relations Update..... Drew Moretz

- Situation:** The committee will receive an update on state legislative issues.
- Background:** Since the last meeting, Mr. Moretz presented during a meeting of the House COVID Education Working Group. He will provide the committee with an update on his presentation and the work of the COVID Education Working Group. The state legislative also started a new session the week of August 31. Mr. Moretz will provide the committee with an update on UNC System priorities being discussed in the legislative session.
- Assessment:** This briefing will focus on the House COVID Education Working Group and the new legislative session.
- Action:** This item is for discussion only.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2020

<SENATE/HOUSE BILL ###>

Short Title: UNC System Human Resources Programs to Address the Impact of COVID-19 (Public)

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 TO ADDRESS BUDGETARY AND OTHER IMPACTS OF COVID-19 THROUGH TEMPORARY SALARY REDUCTIONS, FURLOUGHS, EARLY RETIREMENT INCENTIVES, AND REDUCTION IN FORCE APPROVAL AUTHORITY.

The General Assembly of North Carolina enacts:

AUTHORITY FOR TEMPORARY SALARY REDUCTIONS

SECTION 1. The President of The University of North Carolina may implement temporary salary reductions for university employees, or delegate this authority to a chancellor of a constituent institution, to offset budget reductions and/or other reductions in revenue.

- (1) For the purposes of this section, a “salary reduction” is a temporary reduction in the annual compensation of an employee of The University of North Carolina, either across an entire institution or across a major subdivision of an institution, that is ordered by the President of The University of North Carolina, or by a chancellor when delegated, and is not in connection with a reassignment, demotion, or other disciplinary action.
- (3) With respect to temporary salary reductions as authorized by this section, the following provisions shall apply:
 - (a) A salary reduction shall not result in an annual salary of less than forty-five thousand dollars (\$45,000) or less.
 - (b) In no event shall a salary reduction be greater than 20% of an employee’s annual base salary within any 12-month period.
 - (d) A temporary reduction in an employee’s salary may, at the discretion of the institution, be accompanied by the granting of flexible personal leave days to affected employees in an amount equivalent to the forfeited salary as long as these leave days are taken within the twelve months immediately following the salary reduction action. There shall be no payout of unused flexible personal days upon employee separation nor shall such days be restored in the event of any future re-employment.
 - (e) Paid leave shall not be used to offset all or any portion of a salary reduction that includes a corresponding reduction to an employee’s regularly scheduled hours.
- (4) The UNC System Office will provide a periodic informational report to the Director of State Human Resources on all salary reductions approved under this section that are applied to university employees subject to the North Carolina Human Resources Act.
- (5) Effective Date. – This section is effective when it becomes law and expires December 31, 2022.

EARLY RETIREMENT INCENTIVE PROGRAM FOR UNC SYSTEM

SECTION 2. The University of North Carolina shall adopt policies and regulations as appropriate for the implementation of an early retirement incentive program to provide long-term cost-savings to the university, and/or improved operational efficiencies for the university, and to remain in effect until the expiration of this section.

- (1) These policies and regulations shall provide, at a minimum, that:
 - (a) To participate in the program, an employee must be eligible for partial or full retirement if participating in the Teachers' and State Employees' Retirement Program (TSERS) or must be at least age 55 and vested in the university Optional Retirement Program (ORP).
 - (b) Employees approved for the early retirement incentive program shall receive a severance payment not less than one month of annual base salary and not greater than six months of annual base salary based on criteria to be established by the President. This severance payment shall be exempt from payroll deductions for retirement contributions.
 - (c) If an employee who is approved for the early retirement incentive does not qualify for the full employer premium contribution for retiree health coverage provided under TSERS or ORP, then the university may, at its option, provide the employee an amount equivalent to twelve months of the full employer contribution to the employee health insurance premium.
 - (d) This program may be provided to employees both subject to and exempt from the North Carolina Human Resources Act.
- (2) Effective Date. – This section is effective when it becomes law and expires on December 31, 2022.

**REDUCTION IN FORCE AND SEVERANCE PAYMENT AUTHORITY FOR UNC SYSTEM
EMPLOYEES SUBJECT TO THE NORTH CAROLINA HUMAN RESOURCES ACT**

SECTION 3. G.S. § 116-14(b3) is modified to include the following as written:

§ 116-14. President and staff.

-
- (b3) The President, or the chancellor of a constituent institution when delegated, shall have full authority to approve any reduction-in-force action and severance payments paid on non-state funds without further approval of any other State Government entity in accordance with the reduction-in-force policies for positions subject to the North Carolina Human Resources Act.
 - (1) The President or designee shall provide a periodic informational report to the Office of State Human Resources on all approved reductions-in-force for university employees who are subject to the North Carolina Human Resources Act.
 - (2) The use of state funds for payment of severance in connection with reductions-in-force shall be subject to any required pre-approval by the Office of State Budget and Management.