



MEETING OF THE BOARD OF GOVERNORS
Committee on University Governance

November 17, 2021 at 10:30 a.m.
Via Videoconference and PBS North Carolina Live Stream
Hunt Library, Duke Energy Hall C
North Carolina State University
Raleigh, North Carolina

AGENDA

OPEN SESSION

- A-1. Approval of the Open Session Minutes of September 15, 2021 David Powers
- A-2. Free Speech and Free Expression Presentation..... David Powers
- A-3. Update on Completed Delegation Project..... Andrew Tripp
- A-4. UNC Health Care System Board of Directors Appointments David Powers
- A-5. North Carolina State University Board of Trustees AppointmentTerry Hutchens

CLOSED SESSION

- A-6. Approval of the Closed Session Minutes of September 15, 2021 David Powers
- A-7. Legal Affairs Report..... Andrew Tripp
- A-8. ECU Health Joint Operating Agreement Philip Rogers and Tom Shanahan

OPEN SESSION

- A-9. Adjourn

Additional Information Available

UNC Policy Manual Technical Corrections

Closed Session Motion

Motion to go into closed session to:

- Prevent the disclosure of information that is privileged or confidential under Article 7 of Chapter 126 and § 131E-97.3 of the North Carolina General Statutes, or not considered a public record within the meaning of Chapter 132 of the General Statutes.
- Consult with our attorney to protect attorney-client privilege; and

To consider and give instructions concerning a potential or actual claim, administrative procedure, or judicial action for the following cases:

- *Staton v. ECU*
- *Hwang v. UNC, et al.*
- *Soderlund v. NCSA, et al.*, and related proceedings

Pursuant to: G.S. 143-318.11(a)(1) and (3).

DRAFT OPEN MINUTES

September 15, 2021

Via Videoconference and PBS North Carolina Live Stream

University of North Carolina System Office

Center for School Leadership Development, Room 128

This meeting of the Committee on University Governance was presided over by Vice Chair Terry Hutchens. The following committee members, constituting a quorum, were present either in person or via videoconference: Pearl Burris-Floyd, N. Leo Daughtry, Mark Holton, and Terry Hutchens. David Powers was not present for this meeting.

Chancellors participating by videoconference were Wesley Burks, Karrie Dixon, and Philip Rogers.

Staff members present included Andrew Tripp, Meredith McCullen, and others from the UNC System Office.

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

Vice Chair Terry Hutchens called the meeting to order at 2:00 p.m., on Wednesday, September 15, 2021.

The vice chair reminded all members of the committee of their duty under the State Government Ethics Act to avoid conflicts of interest and appearances of conflict of interest. The vice chair asked if there were any conflicts or appearances of conflict with respect to any matter coming before the committee. No members identified any conflicts at the time.

The vice chair next called for a motion to approve the open session minutes of July 21, 2021.

MOTION: Resolved, that the Committee on University Governance approve the open session minutes of July 21, 2021, as distributed.

Motion: Mark Holton

Motion carried

2. 2020-21 Committee on University Governance Annual Report (Item A-2)

The vice chair briefly spoke of the committee's work for the 2020-21 year.

MOTION: Resolved, that the Committee on University Governance approve the 2020-21 Annual Report for submission to the full Board.

Motion: Mark Holton

Motion carried

3. Resolution on Security Clearance Requirements (Item A-3)

The vice chair explained that the United States Department of Defense requires the UNC System to maintain a Facility Security Clearance in the performance of classified contracts. In connection with the Facility Security Clearance, certain senior management officials must obtain an individual security clearance. The chair further explained that this resolution is required to exempt members of the Board of Governors and senior officers of the UNC System from the requirement to obtain individual security clearances.

MOTION: Resolved, that the Committee on University Governance approve Item A-3 and recommend to the full Board of Governors for a vote through the consent agenda.

Motion: Mark Holton

Motion carried

4. Free Speech and Free Expression Survey (Item A-4)

The vice chair called on Dr. Andrew Kelly, senior vice president for Strategy and Policy, to update the committee on the free expression survey that is being developed to send to eight System institutions. Each survey will include both core items that are common across all institutions, as well as survey questions that can be customized to each institution. The survey will be fielded in January 2022, with results present to the committee in May of 2022.

5. Report on Free Speech and Free Expression Within the University of North Carolina System (Item A-5)

The vice chair called on Mr. Tripp to provide the committee with an overview of the 2020-21 Annual Report on Free Speech and Free Expression Within the University of North Carolina. Mr. Tripp summarized the report and reviewed the status of where UNC System institutions fall within the Foundation for Individual Rights rankings.

MOTION: Resolved, that the Committee on University Governance approve Item A-5, the Report on Free Speech and Free Expression Within the University of North Carolina System.

Motion: Mark Holton

Motion carried

6. Vidant Medical Center Board of Trustee Appointments (Item A-6)

The vice chair provided background information to the committee on the nominations, as well as the process for the nominations, roles, responsibilities, and duties of the Vidant Medical Center Board of Trustees.

MOTION: Resolved, that the Committee on University Governance approve Item A-6 and recommend it to the full Board of Governors for a vote.

Motion: Mark Holton

Motion carried

7. Closed Session

Vice Chair Hutchens called on Mr. Holton for the closed session motion. Mr. Holton moved that the committee go into closed session to prevent the disclosure of information that is privileged or confidential under Article 7 of Chapter 126 of the North Carolina General Statutes, or not considered a public record within the meaning of Chapter 132 of the General Statutes; to consult with our attorney to protect attorney-client privilege; and to consider and give instructions concerning a potential or actual claim, administrative procedure, or judicial action for the following cases: *Staton v. East Carolina University*, *Hwang v. UNC, et al.*, and *Kadel, et al. v. Folwell, et al.*. Pursuant to G.S. 143-318.11(a)(1) and (3).

Motion: N. Leo Daughtry

Motion carried

THE MEETING MOVED INTO CLOSED SESSION AT 2:23 P.M.

(The complete minutes of the closed session are recorded separately.)

THE MEETING RESUMED IN OPEN SESSION AT 2:51 P.M.

8. Adjourn

There being no further business and without objection, the meeting adjourned at 2:52 p.m.

Mark Holton, Secretary



THE BOARD OF GOVERNORS OF
THE UNIVERSITY OF NORTH CAROLINA

*RESOLUTION TO AMEND AND RESTATE
CONSTITUENT INSTITUTION BOARD OF TRUSTEES DELEGATIONS
July 22, 2021*

WHEREAS, the 17-campus University of North Carolina System leads the nation in delivering excellent higher education to students from all over the world;

WHEREAS, the Board of Governors is responsible for the general determination, control, supervision, management and governance of all affairs of the constituent institutions including assessment and mitigation of enterprise risks facing the University;

WHEREAS, the boards of trustees of the constituent institutions have a duty to serve as advisors to the Board of Governors on matters pertaining to the constituent institutions;

WHEREAS, in delegating authorities to the boards of trustees, it is incumbent upon the Board of Governors to define the authorities and responsibilities it vests in the boards of trustees of the constituent institutions, and any such delegation of authority by the Board of Governors carries with it the responsibility and authority of the Board of Governors to monitor and oversee the use of such authority;

WHEREAS, the boards of trustees of the constituent institutions may further delegate their authority in order to achieve the proper function of the constituent institution, provided such delegation is consistent with the North Carolina General Statutes, University policy, and *The Code of the Board of Governors of the University of North Carolina*;

WHEREAS, the Board of Governors has delegated certain authority to the boards of trustees of the constituent institutions in areas that include, but are not limited to: (1) academic programs and affairs; (2) administrative and academic personnel; (3) budget, finance, and administration; (4) endowments and trust funds; (5) student affairs; and (6) university governance;

WHEREAS, the boards of trustees of the constituent institutions have in many instances further delegated these authorities to committees, the chancellor, constituent institution administration and staff, or other bodies via operating bylaws, constituent institution policy, resolution, enactment, or other direction;

WHEREAS, critical to the success of managing enterprise risks associated with clarity and consistencies in university governance and decision-making and to ensure proper delegations by the boards of trustees consistent with the North Carolina General Statutes, University policy, and *The Code of the Board of Governors of the*

University of North Carolina is to engage in regular reviews of campus decision-making authority and documenting its delegations; and

WHEREAS, in furtherance of its commitment to empowering the campuses and managing the enterprise risks facing the University of North Carolina, the Board of Governors believes it prudent to direct each board of trustees of the constituent institutions to identify and restate in one binding resolution all instances in which the board of trustees of the constituent institution has delegated all or some of its delegated authority from whatever source to any committee, person, agency, or entity;

NOW THEREFORE, BE IT RESOLVED, that the Board of Governors adopts the following directive to each board of trustees of constituent institutions of the University of North Carolina:

Notwithstanding any enactment, policy, regulation, or guideline of the Board of Governors or an institutional board of trustees to the contrary, by October 1, 2021, each board of trustees of the constituent institutions shall adopt a proposed resolution amending and restating in detail all delegations of authority by the board of trustees of that institution to any board of trustees committee, the chancellor, or other campus entity, employee, officer, or agent – including any and all sub-delegations of authority – and providing that any authority not delegated expressly by such resolution is vested immediately in the board of trustees of that constituent institution.

Such proposed resolution shall be reviewed and, if acceptable in his discretion, approved by the President and returned to the board of trustees of the constituent institution for final adoption before November 1, 2021. The President shall promptly forward a copy of any proposed resolution he approves to the Board of Governors' Committee on University Governance.

In the event that a board of trustees of a constituent institution does not act in accordance with this resolution, then, effective November 1, 2021, all authority previously delegated by a campus board of trustees to any board of trustees committee, the chancellor, or other campus entity, employee, officer, or agent vests back in the board of trustees, such that only the board of trustees may exercise the authority it has been delegated pursuant to law or policy.

This the _____ day of _____ 2021.

Randall C. Ramsey, Chair

Meredith R. McCullen, Secretary

AGENDA ITEM

A-2. Free Speech and Free Expression Presentation David Powers

Situation: This is the third of a series of presentations surrounding free speech and free expression on UNC System constituent institutions. The Governance Committee will participate in a discussion with Chief Justice Paul M. Newby and Associate Justice Michael R. Morgan of the North Carolina Supreme Court. Biographical information for each is included in the materials.

Background: G.S. 116-301 requires that the Board designate a standing committee to act as the Committee on Free Expression and report annually to the public, the Board, the Governor, and the General Assembly on issues related to free speech and free expression within the University. The Board has designated the Committee on University Governance to fulfill these responsibilities.

Assessment: The presentations will be to provide opportunities for the constituent institutions to show case their commitment to promoting and protecting free speech; the steps they are taking to inform students, faculty, and staff about rights and responsibilities; and their strategies for gathering and utilizing recommendations to improve free expression across the University System.

Action: This item is for information only.

Chief Justice Paul Martin Newby

Paul Martin Newby is the 30th chief justice of the Supreme Court of North Carolina. Newby first was elected to the Supreme Court as associate justice in 2004 and was elevated to the highest judicial office in North Carolina in the 2020 election. As chief justice, he is head of the Judicial Branch, a co-equal branch of state government with the Legislative and Executive branches. He is entrusted with leading the Judicial Branch and its more than 6,000 elected officials and employees. The mission of the Judicial Branch is to provide open courts for the administration of justice without favor, denial, or delay.

In addition to his service on the court, Newby is an adjunct professor at Campbell University School of Law, where he teaches courses on state constitutional law and appellate practice. He is the co-author of *The North Carolina State Constitution with History and Commentary* (2nd ed. 2013) with John V. Orth of the University of North Carolina School of Law. He was honored by the North Carolina Bar Association with its Citizen Lawyer Award in 2011, and in 2012 he received its John McNeill Smith Jr. Award for his work in constitutional rights and responsibilities. In 2013, Newby was named a Leader in the Law by *North Carolina Lawyers Weekly*. In recognition of his professional service, Newby received the James Iredell Award and an Honorary Doctor of Laws from Southern Wesleyan University.

Newby was born in Asheboro, North Carolina, and raised in Jamestown where he graduated from Ragsdale High School. He received a Bachelor of Arts in Public Policy Studies (magna cum laude) from Duke University and a Juris Doctor from the University of North Carolina School of Law. He served as a judicial intern in the United States Supreme Court and interned in the 18th Judicial District Public Defender's Office. He began practicing law in Asheville with the Van Winkle Law Firm and later served as vice president and general counsel of Cannon Mills Realty and Development Corporation in Kannapolis. In 1985, Newby was appointed as an assistant United States attorney for the Eastern District of North Carolina in Raleigh, where he served for over 19 years. During this time, he taught many courses for the United States Department of Justice and received the Crime Victims Fund Award.

Associate Justice Michael Rivers Morgan

Michael Rivers Morgan was born in Cherry Point, North Carolina. The family resided in Washington, D.C., until the family relocated to his mother's hometown of New Bern, North Carolina. Upon graduating from the New Bern public school system at the age of sixteen, Morgan earned his Bachelor of Arts in both History and Sociology from Duke University. He went on to obtain his Juris Doctor with honors from North Carolina Central University School of Law, where he served as the student body president during his final year of law school.

Morgan served on the legal staff of the North Carolina Department of Justice for 10 years following law school, first as a research assistant, then as an Associate Attorney General, and later as an assistant attorney general. In 1989, he was appointed as an administrative law judge with the North Carolina Office of Administrative Hearings. In 1994, Morgan was appointed as a Wake County district court judge by Governor James B. Hunt, Jr., and he was subsequently elected to the judgeship by the voters of Wake County in 1996 and again in 2000. He was elected to the superior court bench in 2004 for an eight-year term and was re-elected to the post in 2012. In his first statewide quest for elective office, Morgan was elected in November 2016 to be an associate justice of the Supreme Court of North Carolina.

AGENDA ITEM

A-3. Update on Completed Delegation ProjectAndrew Tripp

- Situation:** At its July meeting, the Board of Governors directed each campus board of trustees to amend and restate the delegation of its authority among the trustees and campus administration.
- Background:** During the spring and summer of 2021, the Board of Governors has continued its emphasis on improved governance among the UNC System. The Delegation Project as it came to be known is one facet of that continued emphasis.
- Assessment:** All campuses timely submitted proposed resolutions to President Hans for review and approval; in some instances edits were requested and all campus have enacted the resolution, as amended and approved by President Hans.
- Action:** This item is for information only.

AGENDA ITEM

A-4. UNC Health Care System Board of Directors Appointments.....David Powers

Situation: The four-year term of appointment of one at-large member of the UNC Health Care System Board of Directors expired on October 31, 2021, and there is also one partial term to be filled.

Background: The board of directors of the UNC Health Care System is composed of 24 members, eight of which are ex-officio members, including the president of the UNC System (or the president's designee) and the chancellor of the University of North Carolina at Chapel Hill. Pursuant to G.S. 116-37(b)(1)b., 16 members of the board are members at-large and 12 of those members are appointed by the Board of Governors in consultation with the president.

Assessment: For the November meeting, President Hans recommends that the Board of Governors appoint Dr. Hayden P. Kirby to serve a term that will begin November 1, 2021, and end on October 31, 2025. As to the partial-term vacancy, President Hans recommends Dr. William "Bill" Winkenwerder, Jr., to serve the remaining unexpired term that ends on October 31, 2022, followed by an additional four-year term that will begin on November 1, 2022, and end on October 31, 2026. Biographical information is included in the materials.

Action: This item requires a vote by the committee and a vote by the full Board of Governors.

Hayden Pappas Kirby, M.D.

Dr. Hayden Pappas Kirby, is a partner anesthesiologist for North American Partners in Anesthesia (NAPA) since 2017. Prior to serving in this role, Kirby was an anesthesiologist for Greater Houston Anesthesiology, US Anesthesia Partners St. Luke's Hospitals in Houston and Woodlands, Texas. She was awarded Best of Clinical Abstracts: American Society of Anesthesiologists 2015 Meeting, and received second place from the University of North Carolina at Chapel Hill Anesthesiology. Kirby has most recently served as chair of Pharmaceuticals & Therapeutics Committee, Anesthesia-OBGYN liaison, and developer and service line leader-Enhanced Recovery after Cesarean Section (ERACS) at New Hanover Regional Medical Center. She enjoys traveling, art and interior design, culinary arts, golf, and spending time with her family. A graduate of the University of North Carolina at Chapel Hill, Kirby also received her Doctor of Medicine degree from the Brody School of Medicine at East Carolina University in Greenville, North Carolina.

William "Bill" Winkenwerder, Jr., M.D.

Dr. Bill Winkenwerder, Jr., a nationally known health care strategist with extensive leadership experience in the Department of Defense and the private health sector, was elected to the WPS Board of Directors in 2016. He is chair at CitiusTech and chair and CEO of Winkenwerder Strategies, LLC, a health care advisory and investment firm. He is an expert in health care finance, health insurance operations, federal health policy, and new technologies. From 2001 to 2007, Winkenwerder was assistant secretary of defense for health affairs. From 2012 to 2014, Winkenwerder was president and CEO of Highmark Health, a Pennsylvania-based diversified insurance and health care enterprise. Highmark Health operates Blue Cross Blue Shield plans in multiple states, and provides dental insurance, vision care, and other health services. Highmark Health also operates Allegheny Health Network, comprised of seven hospitals and more than 2,500 affiliated physicians. Earlier in his career, he held senior leadership positions at Blue Cross of Massachusetts, Prudential Healthcare, and Emory University. Winkenwerder is a Fellow of the American College of Physicians, and a board-certified physician who practiced primary-care medicine. A graduate of Davidson College in North Carolina and the University of North Carolina School of Medicine, Winkenwerder received a master of business administration degree from The Wharton School at the University of Pennsylvania.



A. Wesley Burks, MD
CEO, UNC Health

wesley.burks@unc.edu
T (919)-966-4161 | F (919)-966-8623

UNC Health
4030 Bondurant Hall | Campus Box 7000
Chapel Hill, NC 27599-7000
unchealth.org

November 2, 2021

Mr. Peter Hans
President
The University of North Carolina
The University of North Carolina System Office
Campus Box 9000
Chapel Hill, North Carolina 27599-9000

Dear President Hans:

I am writing on behalf of Mr. Charles D. Owen, III, Chair, of the UNC Health Care System Board of Directors. As you are aware, as of October 31, 2021, we have one member of the UNC Health Care System Board of Directors whose term has ended. This appointment falls under G.S. 116-37(b)(1.b) as an appointment recommended by the President of the University of North Carolina.

Past practice has the President engaging the Health Care System to evaluate the qualifications and credentials of any potential candidate. As one of your appointments, we have reviewed and spoken to Dr. Hayden P. Kirby of Wilmington, and believe she would be an outstanding addition to the UNC Health Care System Board of Directors. Dr. Kirby is eligible, once approved, to serve a term that will begin on November 1, 2021 and end on October 31, 2025. This candidate has expressed their desire and willingness to serve on our board, and would prove to be a valuable member based on their experience in business and as a member of various boards. The biographical information for Dr. Kirby is attached for your review.

We would appreciate your consideration of one appointment recommendation that you will present to the University Committee on Governance for approval in November. As always, please call if you have any questions. We appreciate what you do on behalf of the Health Care System Board of Directors and the University.

Sincerely,

A handwritten signature in black ink, appearing to read "Wesley Burks", written in a cursive style.

A. Wesley Burks

cc: Mr. Charles Owen, Chair, UNC Health Care System Board of Directors
Mr. David Powers, UNC Board of Governors, Chair of the Governance Committee and Liaison to UNC Health Care System
Mr. Andrew Tripp, Senior Vice President and General Counsel, UNC System Office
Ms. Meredith McCullen, Secretary of the University

AWB:jss

Attachment



A. Wesley Burks, MD
CEO, UNC Health

wesley.burks@unc.edu
T (919)-966-4161 | F (919)-966-8623

UNC Health
4030 Bondurant Hall | Campus Box 7000
Chapel Hill, NC 27599-7000
unchealth.org

November 2, 2021

Mr. Peter Hans
President
The University of North Carolina
The University of North Carolina System Office
Campus Box 9000
Chapel Hill, North Carolina 27599-9000

Dear President Hans:

I am writing on behalf of Mr. Charles D. Owen, III, Chair, of the UNC Health Care System Board of Directors. As you are aware, Timothy Humphrey resigned from the UNC Health Care Board of Directors on June 30, 2021, resulting in a vacancy. This appointment falls under G.S. 116-37(b)(1.b) as an appointment recommended by the President of the University of North Carolina.

Past practice has the President engaging the Health Care System to evaluate the qualifications and credentials of any potential candidate. As one of your appointments, we have reviewed and spoken to Dr. William (Bill) Winkenwerder, Jr. of Asheville, and believe he would be an outstanding addition to the UNC Health Care System Board of Directors. Dr. Winkenwerder is eligible, once approved, to serve the remaining unexpired term that ends on October 31, 2022. Upon completion of the unexpired term Dr. Winkenwerder is eligible for a 4-year term beginning in November 2022. This candidate has expressed their desire and willingness to serve on our board, and would prove to be a valuable member based on their experience in business and as a member of various boards. The biographical information for Dr. Winkenwerder is attached for your review.

We would appreciate your consideration of one appointment recommendation that you will present to the University Committee on Governance for approval in November. As always, please call if you have any questions. We appreciate what you do on behalf of the Health Care System Board of Directors and the University.

Sincerely,

A handwritten signature in black ink, appearing to read "Wesley Burks", written in a cursive style.

A. Wesley Burks

cc: Mr. Charles Owen, Chair, UNC Health Care System Board of Directors
Mr. David Powers, UNC Board of Governors, Chair of the Governance Committee and Liaison to UNC Health Care System
Mr. Andrew Tripp, Senior Vice President and General Counsel, UNC System Office
Ms. Meredith McCullen, Secretary of the University

AWB:jss

Attachment

AGENDA ITEM

A-5. North Carolina State University Board of Trustees Appointment..... Terry Hutchens

- Situation:** North Carolina State University Board of Trustees has one partial-term vacancy effective October 8, 2021, and ending on June 30, 2025.
- Background:** General Raymond T. Odierno was elected by the Board of Governors to serve a term on the NC State University Board of Trustees beginning on July 1, 2021, and ending on June 30, 2025. General Odierno passed away from cancer on October 8, 2021, leaving one vacancy on the board.
- Assessment:** Erik L. Dixon is recommended for appointment to fill this partial-term vacancy. Biographical information is included in the materials.
- Action:** This item requires a vote by the committee and a vote by the full Board of Governors.

Erik L. Dixon

Erik Dixon, vice president of Engineering at Broadcom Limited, has nearly three decades of business and product development experience in the networking equipment industry, both with end product and software/semiconductor technology. He has spent recent years running global software engineering operations as well as being the general manager of a software and wireless LAN business as part of Broadcom's Infrastructure and Networking Group. He joined Broadcom in 2007 after engineering their successful acquisition of LVL7 Systems, Inc. As a LVL7 founder, vice president of Business Development, vice president of Sales, and ultimately chief executive officer, he performed multiple roles, including: establishing the strategic objectives and company vision, raising capital, and creating a global sales operation. Prior to LVL7, Dixon was responsible for engineering IBM Corporation's networking edge product line.

Dixon holds a bachelor's degree in mechanical engineering from NC State University (1988), and a master's degree from Kenan-Flagler Business School, both earned with honors.

Report on Technical Corrections to *The Code* UNC Policy Manual

<i>The Code</i> /UNC Policy Manual	UNC Policy Manual - Chapter	Policy/Regulation/Guideline	Section(s)	Technical Correction(s)	Effective Date (Posted to Webpage)
<i>The Code</i>	Chapter II - The of Governors	<i>The Code</i>	Section 202 C(1), Quorum	Inserted commas in two places within the second sentence. (Redline version included with this report.)	9/8/2021
<i>The Code</i>	Chapter VI - Academic Freedom	<i>The Code</i>	Entire Chapter	Update reference to "Committee on Personnel and Tenure" to "Committee on University Personnel" and other Style Guide corrections consistent with later amendments to the UNC Policy Manual. (Redline version included with this report.)	9/22/2021
UNC Policy Manual	Chapter 200, Board of Governors Affairs	Policies	Section 200.3	Update reference to "Committee on Personnel and Tenure" to "Committee on University Personnel" and other Style Guide corrections consistent with later amendments to the UNC Policy Manual, including standard policy language at the end. (Redline version included with this report.)	9/22/2021
UNC Policy Manual	Chapter 200, Board of Governors Affairs	Policies	Section 200.6	Update reference to "Committee on Personnel and Tenure" to "Committee on University Personnel" and other Style Guide corrections consistent with later amendments to the UNC Policy Manual. (Redline version included with this report.)	9/22/2021
UNC Policy Manual	Chapter 200, Board of Governors Affairs	Policies	Section 200.8	Update references to "Committee on Personnel and Tenure" to "Committee on University Personnel," and University of North Carolina System. (Redline version not included with this report.)	9/22/2021
UNC Policy Manual	Chapter 300, Personnel Policies	Policies and Regulation	Sections 300.1.1 II.A.1.c.; 300.1.4; and 300.8.5[R] XI.	Update reference to "Committee on Personnel and Tenure" to "Committee on University Personnel" and other Style Guide corrections consistent with later amendments to the UNC Policy Manual. (Redline version included with this report.)	9/23/2021 (300.1.1) 9/29/2021 (300.1.4) 9/29/2021 (300.8.5[R])

Report on Technical Corrections to *The Code* UNC Policy Manual

<i>The Code</i> /UNC Policy Manual	UNC Policy Manual - Chapter	Policy/ Regulation/ Guideline	Section(s)	Technical Correction(s)	Effective Date (Posted to Webpage)
UNC Policy Manual	Chapter 300, Personnel Policies	Policy and Regulation	Sections 300.2.14 and 300.2.14[R].	Update references to "Committee on Personnel and Tenure" to "Committee on University Personnel." Update references to "General Administration" and other stylistic corrections consistent with later amendments to the UNC Policy Manual. Standard policy and regulation language added at the end. (Redline version included with this report.)	9/22/2021 (300.2.14) 9/29/2021 (300.2.14[R])
UNC Policy Manual	Chapter 400, Academic Programs	Policy	Section 400.3.6, Intro Paragraph and Subsection I.B.	Update references to "Committee on Personnel and Tenure" to "Committee on University Personnel." (Redline version not included with this report.)	9/23/2021
UNC Policy Manual	Chapter 600, Financial Matters, Real Property, Endowment, and Trust Funds	Policy	Corrections made throughout entire Section 600.3.4.	Update references to "Committee on Personnel and Tenure" to "Committee on University Personnel." Update references to "General Administration" and other corrections consistent with later amendments to the UNC Policy Manual. Standard policy language added at the end. (Redline versions included with this report.)	9/22/2021

CHAPTER II- THE BOARD OF GOVERNORS
SECTION 200. MEMBERSHIP.

.....

SECTION 202. MEETINGS AND BYLAWS.

202 C. Conduct of Business.

(1) Quorum.

A quorum for the conduct of business of the Board of Governors shall consist of a majority of the voting membership of the board then in office. Any voting member who is present at a meeting of the board or of a committee, or who attends a special or emergency meeting of the board or of any meeting of a committee by telephone, video conference, or other electronic means that allows for two-way voice interaction, will be counted as present for purposes of determining a quorum.

CHAPTER VI- ACADEMIC FREEDOM AND TENURE

SECTION 600. FREEDOM AND RESPONSIBILITY IN THE UNIVERSITY COMMUNITY.

(1) The University of North Carolina System is dedicated to the transmission and advancement of knowledge and understanding. Academic freedom is essential to the achievement of these purposes. The University therefore supports and encourages freedom of inquiry for faculty members and students, to the end that they may responsibly pursue these goals through teaching, learning, research, discussion, and publication, free from internal or external restraints that would unreasonably restrict their academic endeavors.

(2) The University and each constituent institution shall protect faculty and students in their responsible exercise of the freedom to teach, to learn, and otherwise to seek and speak the truth.

(3) Faculty and students of the University of North Carolina System shall share in the responsibility for maintaining an environment in which academic freedom flourishes and in which the rights of each member of the academic community are respected.

SECTION 601. ACADEMIC FREEDOM AND RESPONSIBILITY OF FACULTY.

(1) It is the policy of the University of North Carolina System to support and encourage full freedom, within the law, of inquiry, discourse, teaching, research, and publication for all members of the academic staffs of the constituent institutions. Members of the faculty are expected to recognize that accuracy, forthrightness, and dignity befit their association with the University and their position as men and women of learning. They should not represent themselves, without authorization, as spokespersons for the University of North Carolina System or any of its constituent institutions.

(2) The University and its constituent institutions shall not penalize or discipline members of its faculties because of the exercise of academic freedom in the lawful pursuit of their respective areas of scholarly and professional interest and responsibility.

SECTION 602. ACADEMIC TENURE.¹

(1) To promote and protect the academic freedom of its faculty, the board of trustees of each constituent institution shall adopt policies and regulations governing academic tenure. 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. The chancellor shall review the constituent institution's tenure policies periodically, but at least every five years, and shall report to the president whether or not amendments or revisions are appropriate. The chancellor shall involve the faculty in this review.

(2) In all instances, the tenure conferred on a faculty member is held with reference to employment by a constituent institution, rather than to employment by the University of North Carolina System.

(3) The tenure policies and regulations of each constituent institution² shall prescribe the

procedures by which decisions concerning appointment, reappointment, promotion, and the conferral of permanent tenure shall be made. The length of terms of appointment that do not carry permanent tenure and those faculty ranks or titles whose holders shall be eligible for permanent tenure shall be prescribed. The institutional policies and regulations also shall prescribe the intervals at which the review of candidates for reappointment and promotion, including the conferral of permanent tenure, shall occur. The tenure policies and regulations of each institution, which shall include the complete text of Chapter VI of *The Code*, shall be published by the institution and distributed to its faculty members.

(4) The tenure policies and regulations of each institution shall set forth the general considerations upon which appointment, reappointment, promotion, and permanent tenure are to be recommended. The institutional regulations shall provide that these considerations shall include an assessment of at least the following: the faculty member's demonstrated professional competence, the faculty member's potential for future contribution, and institutional needs and resources.

(5) The institutional policies and regulations shall specify that permanent tenure may be conferred only by action of the president and the Board of Governors, or by such other agencies or officers as may be delegated such authority by the Board of Governors.³

(6) Institutional tenure policies and regulations shall distinguish among the following:

(a) The nonreappointment (or nonrenewal) of a faculty member at the expiration of a specified term of service;

(b) The discharge from employment of a faculty member with permanent tenure or of a faculty member appointed to a specified term of service before that term expires only for reasons of (i) incompetence, (ii) neglect of duty, or (iii) misconduct of such a nature as to indicate that the individual is unfit to continue as a member of the faculty, as specified in Section 603 of *The Code*~~Code-Section 603~~;

(c) The termination of employment for reasons of institutional financial exigency or major curtailment or elimination of a teaching, research, or public-service program of a faculty member who has permanent tenure, or of a faculty member who has been appointed to a specified term of service before that term expires; and

(d) Retirement.

(7) Institutional tenure policies and regulations shall provide that the appointment, reappointment, or promotion of a faculty member to a position funded in whole or in substantial part from sources other than continuing state budget funds or permanent trust funds shall specify in writing that the continuance of the faculty member's services, whether for a specified term or for permanent tenure, shall be contingent upon the continuing availability of such funds. The institutional tenure policies and regulations may make one or more of the following exceptions to the foregoing contingency requirement:

(a) That such a contingency shall not be included in a promotion to a higher rank if, before the effective date of that promotion, the faculty member had permanent tenure and no such condition is attached to the tenure.

(b) That such a contingency shall not be attached to the faculty member's contract if the faculty member held permanent tenure in that institution on July 1, 1975, and the

contract was not contingent upon the continuing availability of sources other than continuing state budget or permanent trust funds.

(c) That such a contingency may be waived for health affairs faculties because of the unusual dependence of programs in the health professions on income from sources such as clinical receipts.

If a faculty member's appointment is terminated because of the nonavailability of these funds, the institution will make every reasonable effort to give the same notice as set forth in Section 605 B(1). This notice shall include the pertinent data upon which the termination is based.

(8) The tenure policies and regulations of each institution shall be subject to approval by the president. The president periodically shall review and re-evaluate these policies and regulations and report findings and recommendations, if any, to the Committee on University Personnel ~~and Tenure~~ and through the committee to the Board of Governors.

SECTION 603. DUE PROCESS BEFORE DISCHARGE OR THE IMPOSITION OF SERIOUS SANCTIONS.

(1) A faculty member who is the beneficiary of institutional guarantees of tenure shall enjoy protection against unjust and arbitrary application of disciplinary penalties. During the period of such guarantees the faculty member may be discharged from employment, suspended without pay, or demoted in rank for reasons of:

(a) Incompetence, including significant, sustained unsatisfactory performance after the faculty member has been given an opportunity to remedy such performance and fails to do so within a reasonable time;

(b) Neglect of duty, including sustained failure to meet assigned classes or to perform other significant faculty professional obligations; or

(c) Misconduct of such a nature as to indicate that the individual is unfit to continue as a member of the faculty, including violations of professional ethics, mistreatment of students or other employees, research misconduct, financial fraud, criminal, or other illegal, inappropriate or unethical conduct. To justify serious disciplinary action, such misconduct should be either (i) sufficiently related to a faculty member's academic responsibilities as to disqualify the individual from effective performance of university duties, or (ii) sufficiently serious as to adversely reflect on the individual's honesty, trustworthiness or fitness to be a faculty member.

These sanctions may be imposed only in accordance with the procedures prescribed in this section. For impositions of serious sanctions under this section of The Code ~~section~~, a faculty member serving a stated term shall be regarded as having tenure until the end of that term. These procedures shall not apply to nonreappointment (Section 604) or termination of employment (Section 605).

(2) Procedures for the Imposition of Discharge or Serious Sanction.

(a) The chief academic officer of the institution, however titled, shall send the faculty member a written notice of intention to discharge the faculty member or impose a serious sanction together with a written specification of the reasons. The notice and specification of reasons shall be sent by a method of mail or delivery that requires a signature for delivery. The statement shall include notice of the faculty member's right, upon request, to a hearing by an elected standing faculty committee on hearings. When the faculty

member has been notified of the institution's intention to discharge the faculty member, the chancellor shall have the sole discretion to either reassign the faculty member to other duties or to place the faculty member on administrative leave with pay. Placement of a faculty member on administrative leave with pay shall be in exceptional circumstances, such as to avoid disruption in the work place or protect the safety of members of the campus community.

(b) If, within 14 calendar days after receiving the notice and written specifications referred to in paragraph (a) above, the faculty member makes no written request for a hearing, the faculty member may be discharged or serious sanction imposed without recourse to any institutional grievance or appellate procedure.⁴

(c) If the faculty member makes a timely written request for a hearing, the chancellor shall ensure a process is in place so that the hearing is timely accorded before an elected standing committee of the institution's faculty. The hearing shall be on the written specification of reasons for the intended discharge or imposition of a serious sanction. The hearing committee shall accord the faculty member 30 calendar days from the time it receives the faculty member's written request for a hearing to prepare a defense. The hearing committee may, upon the faculty member's written request and for good cause, extend this time by written notice to the faculty member. The hearing committee will ordinarily endeavor to complete the hearing within 90 calendar days except under unusual circumstances such as when a hearing request is received during official university breaks and holidays and despite reasonable efforts the hearing committee cannot be assembled.~~542~~

(d) The hearing shall be closed to the public unless the faculty member and the hearing committee agree that it may be open. The faculty member shall have the right to counsel, to present the testimony of witnesses and other evidence, to confront and cross-examine adverse witnesses, to examine all documents and other adverse demonstrative evidence, and to make argument. A written transcript of all proceedings shall be kept; upon request, a copy thereof shall be furnished to the faculty member at the institution's expense.

(e) The chief academic officer, or designee, and/or counsel, may participate in the hearing to present testimony of witnesses and other evidence, to cross-examine witnesses, to examine all documents and other evidence, and to make argument.

(f) The hearing committee shall make written recommendations to the chancellor within 14 calendar days after its hearing concludes or after the full transcript is received, whichever is later. In reaching its written recommendations to the chancellor, the committee shall consider only the evidence presented at the hearing and such written or oral arguments as the committee, in its discretion, may allow. The university has the burden of proof. In evaluating the evidence, the committee shall use the standard of "clear and convincing" evidence in determining whether the institution has met its burden of showing that permissible grounds for serious sanction exist and are the basis for the recommended action.

(g) Following receipt of the committee's written recommendations, the decision as to whether to discharge or impose serious sanction on the faculty member is the chancellor's. If the chancellor decides to discharge the faculty member, the institution's

obligation to continue paying the faculty member's salary shall cease upon issuance of the chancellor's decision. If the chancellor decides to impose one or more serious sanctions upon the faculty member, the institution may impose such sanctions upon issuance of the chancellor's decision. If the chancellor concurs in a recommendation of the committee that is favorable to the faculty member, the chancellor's decision shall be final, with no appeal available. If the chancellor either declines to accept a committee recommendation that is favorable to the faculty member or concurs in a committee recommendation that is unfavorable to the faculty member, the faculty member may appeal the chancellor's decision to the board of trustees. An appeal must contain a brief statement that alleges one or more of the following as the basis for the appeal: (1) that the process for making the decision was materially flawed, so as to raise questions about whether the faculty member's contentions were fairly and reliably considered; (2) that the result reached by the chancellor was clearly erroneous; or (3) that the decision was contrary to controlling law or policy. If the faculty member elects to appeal the chancellor's decision to the board of trustees, this appeal shall be transmitted through the chancellor and be addressed to the chair of the board. Notice of appeal shall be filed with the board of trustees by certified mail, return receipt requested, or by another means that provides proof of delivery, within 14 calendar days after the faculty member receives the chancellor's decision.

(3) Appeals of Decisions Imposing Discharge or Serious Sanction. The appeal to the board of trustees shall be decided by the full board of trustees. However, the board may delegate the duty of conducting an initial review to a standing or ad hoc committee of at least three members. The board of trustees, or its committee, shall consider the appeal on the basis of the record of the proceedings below, and may, in its discretion, consider written or oral arguments, subject to any policies, regulations or guidelines as may be adopted by the Board of Governors, president, or board of trustees. The board of trustees' decision shall be made as soon as reasonably possible after the chancellor has received the faculty member's request for an appeal to the trustees. This decision shall be the end of the University's appeals process.

(4) The procedures prescribed herein shall take effect with any discharge or serious sanction proposed on or after July 1, 2019.

SECTION 604. APPOINTMENT, NONREAPPOINTMENT AND REQUIREMENTS OF NOTICE AND REVIEW FOR TENURE TRACK FACULTY.⁶

604 A. Notice of Reappointment or Nonreappointment.

(1) The decision not to reappoint a faculty member at the expiration of a fixed term of service shall be made by the appropriate institutional faculty and administrative officers early enough to permit timely notice to be given.⁷ For full-time faculty at the rank of instructor, assistant professor, associate professor, or professor, the minimum requirement for timely notice shall be as follows:

(a) During the first year of service at the institution, the faculty member shall be given not less than 90 calendar days' notice before the employment contract expires; and

(b) During the second year of continuous service at the institution, the faculty member shall be given not less than 180 calendar days' notice before the employment contract expires; and

(c) After two or more years of continuous service at the institution, the faculty member shall be given not less than 12 months' notice before the employment contract expires.

(2) Notice of reappointment or nonreappointment shall be written. If the decision is not to reappoint, then failure to give timely notice of nonreappointment will oblige the chancellor thereafter to offer a terminal appointment of one academic year.

604 B. Impermissible Reasons for Nonreappointment.

In no event shall a decision not to reappoint a faculty member be based upon (1) the exercise by the faculty member of rights guaranteed by the First Amendment to the United States Constitution, or by Article I of the North Carolina Constitution; or (2) the faculty member's race, color, sex, religion, creed, national origin, age, disability, veteran's status, or other forms of discrimination prohibited under policies adopted by campus boards of trustees; or (3) personal malice. For purposes of this section, the term "personal malice" means dislike, animosity, ill-will, or hatred based on personal characteristics, traits, or circumstances of an individual.

604 C. Review of Nonreappointment Decisions.

(1) Campus-Based Review. Subject to limitations contained in ~~this~~ *The Code* and the policies of the Board of Governors, each constituent institution shall have a procedure whereby a tenure track faculty member may seek review of the decision of the constituent institution not to reappoint the faculty member. Such procedures shall at a minimum provide for the following:

(a) A reasonable time of no less than 14 calendar days within which after receiving the notice of nonreappointment, the faculty member may request review of the decision by appropriate faculty committee and administrative officers. If the faculty member does not request review of the notice of nonreappointment in a timely fashion as specified by campus tenure policies, the nonreappointment is final without recourse to any further review by faculty committees, the institution, or the Board of Governors.

(b) If the faculty member files a request for review in a timely fashion, the chancellor shall ensure a process is in place so that a hearing is timely accorded before an elected standing committee of the institution's faculty.

(c) In reaching written recommendations to the chancellor, the committee shall consider only the evidence presented at the hearing and such written or oral arguments as the committee, in its discretion, may allow. The faculty member shall have the burden of proof. In evaluating the evidence, the committee shall use the standard of preponderance of the evidence (which is the same as the greater weight of the evidence).

(d) The purpose of the campus-based review process is to determine (i) whether the decision was based on considerations that *The Code* provides are impermissible; and (ii) whether the procedures followed to reach the decision materially deviated from prescribed procedures such that doubt is cast on the integrity of the decision not to reappoint.

(2) Appeal to the Board of Trustees. If the chancellor concurs in a recommendation of the committee that is favorable to the faculty member, the chancellor's decision shall be final with no appeal available. If the chancellor either declines to accept a committee recommendation that is favorable to the faculty member or concurs in a committee recommendation that is unfavorable

to the faculty member, the faculty member may appeal the chancellor's decision by filing a written notice of appeal with the board of trustees. This appeal shall be transmitted through the chancellor and be addressed to the chair of the board of trustees, by submitting such notice by certified mail, return receipt requested, or by another means that provides proof of delivery, within 14 calendar days after the faculty member's receipt of the chancellor's decision. The notice must contain a brief statement that alleges one or more of the following as the basis for the appeal: (a) that the campus-based process for reviewing the decision was materially flawed, so as to raise questions about whether the faculty member's contentions were fairly and reliably considered; (b) that the result reached by the chancellor was clearly erroneous; or (c) that the decision was contrary to controlling law or policy.

(3) The procedures prescribed in this section shall take effect with any nonreappointment decision effective on or after July 1, 2019.

SECTION 605. TERMINATION OF FACULTY EMPLOYMENT.

605 A. Definition.

The tenure policies and regulations of each institution shall provide that the employment of faculty members with permanent tenure or of faculty members appointed to a fixed term may be terminated by the institution because of (1) demonstrable, bona fide institutional financial exigency or (2) major curtailment or elimination of a teaching, research, or public-service program. "Financial exigency" is defined as a significant decline in the financial resources of the institution that is brought about by decline in institutional enrollment or by other action or events that compel a reduction in the institution's current operations budget. The determination of whether a condition of financial exigency exists or whether there shall be a major curtailment or elimination of a teaching, research, or public-service program shall be made by the chancellor, after consulting with the academic administrative officers and faculties as required by Section 605 C (1), subject to the concurrence by the pPresident and then approval by the Board of Governors. If the financial exigency or curtailment or elimination of program is such that the institution's contractual obligation to a faculty member may not be met, the employment of the faculty member may be terminated in accordance with institutional procedures that afford the faculty member a fair hearing on that decision.⁸

605 B. Timely Notice of Termination.

(1) When a faculty member's employment is to be terminated because of major curtailment or elimination of a teaching, research, or public-service program and such curtailment or elimination of program is not founded upon financial exigency, the faculty member shall be given timely notice as follows:

(a) One who has permanent tenure shall be given not less than 12 months' notice; and

(b) One who was appointed to a fixed term and does not have permanent tenure shall be given notice in accordance with the requirements specified in Section 604 A(1).

(2) When a faculty member's employment is to be terminated because of financial exigency, the institution will make every reasonable effort, consistent with the need to maintain sound educational programs and within the limits of available resources, to give the same notice as set forth in Section 605 B(1).

(3) For a period of two years after the effective date of termination of a faculty member's contract for any of the reasons specified in Section 605 A, the institution shall not replace the faculty member without first offering the position to the person whose employment was terminated. The offer shall be made by a method of delivery that requires a signature for delivery, and the faculty member will be given 30 calendar days after attempted delivery of the notice to accept or reject the offer.

605 C. Institutional Procedures.

The institution shall establish regulations governing termination procedures. These regulations shall include provisions incorporating the following requirements:

(1) If it appears that the institution will experience an institutional financial exigency or needs seriously to consider a major curtailment or elimination of a teaching, research, or public-service program, the chancellor or chancellor's delegate shall first seek the advice and recommendations of the academic administrative officers and faculties of the departments or other units that might be affected.

(2) In determining which faculty member's employment is to be terminated for reasons set forth in Section 605 A, the chancellor shall give consideration to tenure status, to years of service to the institution, and to other factors deemed relevant, but the primary consideration shall be the maintenance of a sound and balanced educational program that is consistent with the functions and responsibilities of the institution.

(3) An individual faculty member whose employment is to be terminated shall be notified of this fact in writing. This notice shall include a statement of the conditions requiring termination of employment, a general description of the procedures followed in making the decision, and a disclosure of pertinent financial or other data upon which the decision was based.

(4) A reconsideration procedure shall be provided that affords the faculty member whose employment is to be terminated a fair hearing on the termination if the faculty member alleges that the decision to terminate was arbitrary or capricious.

(5) The institution, when requested by the faculty member, shall give reasonable assistance in finding other employment for a faculty member whose employment has been terminated.

(6) A faculty member whose employment is terminated pursuant to this Section 605 may appeal the reconsideration decision to the board of trustees of the constituent institution.

SECTION 606. RETIREMENT OF FACULTY.

Faculty may retire in accordance with the provisions of Chapter 135 of the North Carolina General Statutes.

SECTION 607. FACULTY GRIEVANCE COMMITTEE FOR CONSTITUENT INSTITUTIONS.

(1) The chancellor of each constituent institution shall provide for the establishment of a faculty grievance committee. The faculty grievance committee shall be elected by the faculty with members elected from each professorial rank. No officer of administration shall serve on the committee. For purposes of this section, "officer of administration" shall be deemed to include department chairs and department heads.

(2) The committee shall be authorized to hear and advise with respect to the adjustment of grievances of members of the faculty. The power of the committee shall be solely to hear representations by the persons directly involved in a grievance, to facilitate voluntary adjustment

by the parties, and to advise adjustment by the administration when appropriate. Advice for adjustment in favor of an aggrieved faculty member may be given to the chancellor only after the dean, department head, or other administrative official most directly empowered to adjust it has been given similar advice and has not acted upon it within a reasonable time.

(3) "Grievances" within the province of the committee's power shall include matters directly related to a faculty member's employment status and institutional relationships within the constituent institution, including matters related to post-tenure review. However, no grievance that grows out of or involves matters related to a formal proceeding for the suspension, discharge or termination of a faculty member, or that is within the jurisdiction of another standing faculty committee, may be considered by the committee.

(4) If any faculty member has a grievance, the faculty member may petition the faculty grievance committee for redress. The petition shall be written and shall set forth in detail the nature of the grievance and against whom the grievance is directed. It shall contain any information that the petitioner considers pertinent to the case. The committee shall decide whether the facts merit a detailed investigation so that submission of a petition shall not result automatically in an investigation or detailed consideration of the petition.

(5) If, before this section is established, the faculty of an institution has adopted a faculty grievance procedure that in its judgment is adequate to its needs, it may retain that procedure in place of the one specified above.

(6) If neither the relevant administrative official nor the chancellor makes an adjustment that is advised by the faculty grievance committee in favor of the aggrieved faculty member, then the faculty member may appeal to the board of trustees of the constituent institution. The decision of the board of trustees is final.

SECTION 608. STUDENTS' RIGHTS AND RESPONSIBILITIES.

(1) The University of North Carolina System affirms that the first goal of each constituent institution is to educate the students admitted to its programs. The freedom of students to learn is an integral and necessary part of the academic freedom to which the University of North Carolina System and its constituent institutions are dedicated. Each constituent institution shall provide, within allotted functions and available resources, opportunity for its students to derive educational benefits through developing their intellectual capabilities, encouraging their increased wisdom and understanding, and enhancing their knowledge and experience applicable to the effective discharge of civic, professional, and social responsibilities. No constituent institution shall abridge either the freedom of students engaged in the responsible pursuit of knowledge or their right to fair and impartial evaluation of their academic performance.

(2) All students shall be responsible for conducting themselves in a manner that helps to enhance an environment of learning in which the rights, dignity, worth, and freedom of each member of the academic community are respected.

(3) In applying regulations in the area of student discipline, each constituent institution shall adhere to the requirements of due process as set forth in Section 502 D(3) of ~~this~~ The Code.

SECTION 609. JURISDICTION OF THE BOARD OF GOVERNORS.

609 A. Discretionary Review.

The Board of Governors may make such inquiry and review into matters as it may from time to

time deem appropriate; provided, however, that the Board of Governors shall not review matters or actions that are subject to separate processes under Chapter VI or any other chapter of *The Code*, or for which a designated review, grievance, or hearing process has been established by the UNC Policy Manual, including but not limited to student disciplinary matters, research misconduct matters, other employment matters, first amendment matters, misuse of state funds reports, or audit and compliance matters. Moreover, it is the Board of Governors expectation that campus matters will be appropriately addressed at the constituent institution. Therefore, it is only in extraordinary circumstances, as solely determined by the Board of Governors that the Board of Governors will exercise its discretion to review any matter that has not first been brought to the attention of the designated institutional administrator, chancellor, or president for appropriate review and handling.

609 B. Hearings.

The Board of Governors may in its sole discretion conduct hearings. Any hearing, whether before the full ~~b~~Board or a designated standing or special committee of the ~~b~~Board, shall be limited to such matters as the Board of Governors shall deem appropriate.

609 C. Transmission of Appeals

All appeals addressed to or requests for hearings by the Board of Governors, from whatever source, shall be transmitted through the president.

SECTION 610. RIGHTS OF SPECIAL FACULTY MEMBERS

(1) Faculty members who are appointed as visiting faculty members, adjunct faculty, lecturers, artists-in-residence, writers-in-residence or other special categories are regarded as “special faculty members” for purposes of ~~the University~~ *The Code*. Special faculty members may be paid or unpaid.

(2) Special faculty members who are paid shall be appointed for a specified term of service, as set out in writing in the letter of appointment. The term of appointment of any paid special faculty member concludes at the end of the specified period set forth in the letter of appointment, and the letter of appointment constitutes full and timely notice that a new term will not be granted when that term expires. The continued employment of a special faculty member during the term appointment may be made expressly contingent on items such as the continued availability of funding from any source, on enrollment levels, or any other contingency established by the institution, in which case the appointment letter must state such contingency.

(3) Special faculty members who are not paid may be appointed for a specified term of service or at will. Their pay and appointment status should be set out in the letter of appointment.

(4) During the term of their employment, special faculty members are entitled to seek recourse under Section 607 of ~~the University~~ *The Code* (relating to faculty grievances).

(5) Special faculty members, whether paid or unpaid, are not covered by Section 604 of the ~~University~~ *The Code*, and that section does not accord them rights to additional review of a decision by a constituent institution not to grant a new appointment at the end of a specified fixed term.

SECTION 611. REVIEW OF PERSONNEL ACTIONS AFFECTING SPECIFIED EMPLOYEES EXEMPT FROM THE ~~STATE-NORTH CAROLINA~~ HUMAN RESOURCES ACT (EHRA)

(1) Review Processes. Certain non-faculty employees, as described in subsection (1)(b) below, who are exempt from the ~~State-North Carolina~~ Human Resources Act, may seek review under procedures provided for by this section in the event that the employee is discontinued, terminated, or discharged from employment, suffers other adverse personnel action, or is not appointed following the end of a term appointment. Each constituent institution shall develop procedures applicable to employees of the constituent institution, and the UNC System Office shall develop procedures applicable to those of its employees who are covered by this section. Such procedures shall, at a minimum, provide for the following:

(a) A reasonable time within which a covered employee or former employee may file a request for review, after receiving notice of a personnel action covered by this section. If a covered person does not timely file a written request for review, then the personnel action is final without recourse to any institutional review, appeal or grievance procedure.

(b) Covered persons may seek review of personnel actions based on allegations that:

(i) Notice

(A) For the ~~sSenior aAcademic and aAdministration oOfficers~~ defined only in Section 300.1.1 I.B., for discontinuations, expiration of term appointments, or terminations of employment with notice, such review may be sought only upon allegations of violations of applicable notice requirements set out in Section 300.1.1. III.B. 1., 2., and 3., of the UNC Policy Manual; and

(B) For other employees exempt from the ~~State-North Carolina~~ Human Resources Act, as described only in Section 300.2.1, for discontinuations, expiration of term appointments, or terminations of employment with notice, such review may be sought only upon allegations of violations of applicable notice requirements set out in Section 300.2.1 III. A., B., and C. of the UNC Policy Manual; or

(ii) Equal Employment Opportunity and Protected Activity

(A) For the ~~sSenior aAcademic and aAdministrative oOfficers~~ defined in subsection (i) above, for violations of any provision of subsections III.D. or E. of Section 300.1.1 of the UNC Policy Manual; and

(B) For the other employees exempt from the ~~North Carolina State~~ Human Resources Act defined directly above in subsection (ii), for violations of any provision of sections V., or VI., of Section 300.2.1 of the UNC Policy Manual; or

(iii) Discharge for Cause, Other Discipline, Policy Interpretation/Application

(A) For the ~~sSenior aAcademic and aAdministrative oOfficers~~ defined in subsection (i) above, for discharge for cause or other disciplinary action, or for interpretation and application of a policy provision, all pursuant to and limited by Section 300.1.1 III.C. of the UNC Policy Manual; and

(B) For the other employees exempt from the ~~North Carolina State~~ Human Resources Act defined above in subsection (ii), for discharge for

cause or other disciplinary action, or for interpretation and application of a policy provision, all pursuant to and limited by Section 300.2.1 IV. of the UNC Policy Manual; or

Except that for both groups such review may be sought only if the employee alleges the discharge, discipline, or policy interpretation or application was illegal or violated a policy of the Board of Governors.

(c) If the employee or former employee timely files a written request for review, the president (as to an employee of the UNC System Office) or chancellor (as to an employee of a constituent institution), shall ensure a process is in place so that a hearing is timely accorded before a hearing committee.

(d) In reaching decisions on which its written recommendations to the president (as to an employee of the UNC System Office) or chancellor (as to an employee of a constituent institution), as appropriate, shall be based, the committee shall consider only the evidence presented at the hearing and such written or oral arguments as the committee, in its discretion, may allow. The employee or former employee has the burden of proof. In evaluating the evidence, the committee shall use the standard of preponderance of the evidence (which is the same as the “greater weight of the evidence.”).

(2) Appeal to the Board of Trustees or Board of Governors.

(a) For employees of a constituent institution, if the chancellor concurs in a recommendation of the committee that is favorable to the employee, the chancellor’s decision shall be final. If the chancellor either declines to accept a committee recommendation that is favorable to the employee or concurs in a committee recommendation that is unfavorable to the employee, the employee may appeal within 14 calendar days after receiving the chancellor’s written decision, by filing with the chancellor for transmission to the board of trustees a written notice of appeal, including a brief statement of the basis for the appeal, by certified mail, return receipt requested, or by another means that provides proof of delivery, and alleges as set out in subsection (1)(b), above. The decision of the board of trustees is final with no further appeal.

(b) For employees of the System Office, if the president concurs in a recommendation of the committee that is favorable to the employee, the president’s decision shall be final. If the president either declines to accept a committee recommendation that is favorable to the employee or concurs in a committee recommendation that is unfavorable to the employee, the employee may appeal within 14 calendar days after receiving the president’s written decision, by filing with the president for transmission to the Board of Governors a written notice of appeal, including a brief statement of the basis for appeal, by certified mail, return receipt requested, or by another means that provides proof of delivery, and alleges as set out in subsection (1)(b) above. The decision of the Board of Governors is final with no further appeal.

¹Pursuant to ~~NCGS §G.S.~~ 116-11(13), and notwithstanding *The Code* or any other Board of Governors policy, the Board of Governors delegates certain authorities to the ~~p~~President of the ~~University~~UNC System. See ~~Policy Section~~ 200.6, *Delegation Authority to the President of the University*, ~~adopted 11/13/06, amended 06/08/07.~~

²Because of the unique character and mission of the University of North Carolina School of the Arts and of the North Carolina School of Science and Mathematics, the requirement that the institution adopt tenure policies will be satisfied at those institutions by an employment system based on renewable contracts, which system need not provide for the traditional faculty ranks. Wherever the phrase “tenure policies and regulations” is used in this chapter, it shall mean, for the [University of North Carolina](#) School of the Arts and for the [North Carolina](#) School of Science and Mathematics, the faculty employment policies of those schools. Wherever the phrase “tenured faculty” is used in this chapter and in the Policies of the Board of Governors, it shall mean, for those schools, a faculty member holding a fixed-term contract.

³See Footnote [81](#), above.

⁴In computing any period of time, the day in which notice is received is not counted but the last day of the period being computed is to be counted.

⁵To meet this deadline, faculty are encouraged to consider scheduling hearings during the evening, weekend, or other non-class time. It is strongly recommended that several days and times be established for the hearing when scheduling the first day, for the eventuality that they hearing may take two or more sessions.

⁶Because of the unique character and mission of the University of North Carolina School of the Arts and of the North Carolina School of Science and Mathematics, regular faculty holding fixed-term contracts at those institutions are entitled to the rights afforded in this section.

⁷Faculty at North Carolina School of Science and Mathematics shall be given notice no later than February 15 of the reappointment year.

⁸Because of the unique character and mission of the North Carolina School of Science and Mathematics, when the employment of a faculty member is to be terminated during or at the conclusion of a fixed-term contract because of major curtailment or elimination of a teaching, research, or public-service program that is not founded upon financial exigency, written notice shall be given no later than the November 1 prior to termination. When faculty employment is to be terminated during or at the conclusion of a fixed-term contract because of financial exigency, the school shall make every reasonable effort, consistent with the need to maintain sound educational programs and within the limits of available resources, to give notice no later than the November 1 prior to termination. Terminations at the end of a fixed-term contract for the reasons stated above in this footnote are not subject to Section 604 of *The Code*, but instead are subject to Section 605.

**Policy on the Selection of the President of the
University of North Carolina System**

I. Purpose. The Board of Governors desires to establish a framework for the process of identifying and electing the president of the University of North Carolina (UNC) System. The procedures specified herein are intended to lead to the selection, from a diverse candidate pool, of the best qualified person to be president and result in that person's full acceptance by the University-UNC System community and the state.

II. Nominating Committee

A. A nominating committee shall be established by the Board of Governors for the purpose of filling the various committee positions set forth in this policy. The committee shall consist of the officers of the Board of Governors, the immediate past chair, and five (5) members recommended by them and approved by the Board of Governors.

B. The nominating committee shall nominate a slate of members of the Board of Governors for membership on the search committee, along with a chair and vice chair for the committee.

C. The nominating committee shall nominate a slate of additional individuals to serve on the leadership statement committee and the screening committee, as set forth in this policy. All nominations shall take into consideration the diversity, talent, and experience represented on the Board of Governors and its various constituencies.

D. The student member of the Board of Governors, who is the president of the Association of Student Governments, is eligible for and shall be considered for membership on the search committee, but in any event shall be a member of either the search committee, the leadership statement committee, or the screening committee.

III. Search Committee

A. The Board of Governors shall approve, on recommendation of the nominating committee, a search committee consisting of nine (9) members, each of whom shall, at the time of their appointment, be members currently serving on the Board of Governors. The committee shall include the three (3) officers of the Board of Governors at the time of its establishment, who shall not serve as officers of the committee.

B. The search committee shall serve as the coordinating committee for the entire selection process and its various committees. The search committee may establish guidelines, strategies, plans, and procedures to govern its work. The search committee shall use the leadership statement adopted by the Board of Governors as criteria.

C. The search committee shall confer with the Committee on University Personnel and ~~Tenure~~ and consult other appropriate sources of information in examining the salary, benefits, housing, memberships, and other perquisites that accompany the position of the president for referral to the Board of Governors.

D. The search committee shall present one or more nominee(s) to the Board of Governors for election as the ~~University's~~ UNC System's next president.

E. The chair of the search committee shall give regular status reports to the Board of Governors on the work of the selection process. Members of the ~~B~~board who are not members of the various committees of the selection process may be asked to undertake specific tasks in connection with the selection process.

F. The search committee shall exist for ~~ninety (90)~~ days following the assumption of duties of the president of the ~~University-UNC System~~ for the purpose of assisting the president in assuming the roles and duties of the office.

IV. Leadership Statement Committee

A. The leadership statement committee shall consist of all members of the search committee and up to ~~twenty (20)~~ additional members approved by the Board of Governors on recommendation of the nominating committee, composed of four (4) chancellors; three (3) representatives of the faculty, including the chair of the Faculty Assembly at the time the committee is appointed, and two (2) other faculty members selected from a list of persons nominated by the Faculty Assembly; the chair of the Staff Assembly at the time the committee is appointed, and such other staff as may be selected from a list of persons nominated by the Staff Assembly; up to four (4) current members of the Board of Governors who are not serving on the search committee; and representatives of the student body, the boards of trustees, the alumni, and such other constituencies as may be appropriate. The search committee chair shall serve as the chair of the leadership statement committee, but may designate one or more other members of the Board of Governors to chair meetings of the committee and perform other essential leadership committee functions.

B. As soon as practicable, the leadership statement committee shall hold public meetings at times and places to be determined by the committee chair. These hearings will solicit comments from interested citizens on the future of the ~~University-UNC System~~ and on the characteristics and qualifications needed in the next president. These meetings shall be open to the public. The committee, through its chair, shall extend special invitations to faculty members, staff members, students, alumni, and other interested persons. After receiving public input and relevant information from a variety of sources, the committee shall develop a statement setting forth the leadership characteristics to be used in selecting the next president. This statement of criteria and characteristics shall be presented to the Board of Governors for its approval.

V. Screening Committee

A. The screening committee shall include all members of the search committee and five (5) to seven (7) additional members approved by the Board of Governors on recommendation of the nominating committee. All members of the screening committee shall be members

currently serving on the Board of Governors at the time of their appointment. The search committee chair shall serve as the chair of the screening committee.

B. The committee shall review the initial pool of applicants for the position of president of the UniversityUNC System. After the committee's review in relationship to the leadership statement established by the Board of Governors, it will recommend a list of applicants to the search committee for further review.

VI. Confidentiality

A. The search committee and screening committee shall meet in closed session to the extent allowable under the provisions of the North Carolina Open Meetings Law (~~G.S. 143-318.9 through 143-318.18~~).¹ Whenever the committees are meeting in closed session, no person who is not a member of the committees or of its staff shall be permitted to attend without the express invitation of the chair of the search committee.

B. It is recognized that confidentiality is vital for the success of the selection process, and the members of the Board of Governors, the members of any ancillary committee, and the members of the staff, including any consultants, of the search committee shall be expected to sign appropriate confidentiality agreements and will be reminded of the absolute necessity for confidentiality.

VII. Spokesperson. The chair of the search committee shall be the sole spokesperson for all committees during the selection process. The search committee chair shall work with the Board of Governors chair to ensure that the governor of the state, Speaker of the House, and President Pro Tem of the North Carolina Senate receive appropriate nonconfidential information about the progress of the search.

VIII. Search Plan. The search committee shall develop and submit to the Board of Governors for approval a written search operating plan and budget addressing the following items:

- A. Staffing needs that will be met from the UNC System Office;
- B. Consultants and other professional support, including an administrative officer if applicable;
- C. Expenses for consulting/professional fees, materials, meals, travel, office space, advertising, and other charges;
- D. Estimated timetable for the selection process; and
- E. Plans for advertising and publicizing the position in order to ensure a diverse pool of qualified candidates.

Any material change in the search operating plan shall be submitted to the Board of Governors for approval.

IX. Changes to the Selection Procedures. The Board of Governors may modify or adjust these procedures at any time by majority vote to address the circumstances of a particular selection process.

X. Other Matters

A. Effective Date. The requirements of this policy shall be effective on the date of adoption by the Board of Governors.

B. Relation to State Laws. The foregoing policies as adopted by the Board of Governors are meant to supplement, and do not purport to supplant or modify, those statutory enactments which may govern the activities of public officials.

C. Regulations and Guidelines. These policies shall be implemented and applied in accordance with such regulations and guidelines as may be adopted from time to time by the president.

¹G.S. 143-318.9 through 143-318.18.

Policy on Delegation of Authority to the President

I. Pursuant to N.C.G.S. § 116-11(13) (G.S.), and other North Carolina law as referenced herein, and notwithstanding *The Code* or any other Board of Governors policy,¹ the Board of Governors delegates the following authorities to the president of the University of North Carolina (UNC) System:

A. Human Resources

1. Authority to establish and administer a human resources program for employees exempt from the State-North Carolina Human Resources Act.²

a. “Human resources program” shall include such personnel actions related to the establishment of positions and the administration of salary ranges; recruitment, appointments, salaries, and salary adjustments; promotion and tenure; leave programs; performance management; non-faculty discontinuation, discipline, and discharge; and non-faculty grievance and appeals processes.³

b. The president may approve management flexibility plans for ~~S~~special ~~r~~Responsibility ~~c~~Constituent ~~i~~institutions and may delegate limited authority for human resources actions to constituent institutions that are not authorized as ~~S~~special ~~R~~responsibility ~~c~~Constituent ~~i~~institutions.⁴

c. Notwithstanding the above provisions, unless otherwise delegated:

(1) The Board of Governors shall retain authority over the appointments and compensation for the president, for the chancellors of the constituent institutions except as provided in paragraph F., of this policy, for the chief executive officer of the UNC Health Care System, and for the UNC Center for Public Media director.⁵

(2) The Board of Governors shall retain authority over certain contract terms for athletic directors and head coaches of the constituent institutions.⁶

(3) The president shall consult with the Board’s Committee on University Personnel ~~and Tenure~~ on appointments and compensation for the senior officers of the UNC System Office who report directly to the president.

(4) The Board of Governors shall retain authority over adjustments to base salary for permanent faculty and for employees exempt from the State Human Resources Act when the proposed amount (1) exceeds the established salary range or (2) exceeds 25 percent and twenty-five thousand dollars (\$25,000) of the compensation in effect at the end of the last fiscal year.

2. Authority to approve all actions relating to the administration of the Optional Retirement Program⁷ and the Phased Retirement Program.⁸

3. The president shall report in writing on actions taken under the authority of these delegations to the appropriate committee of the Board of Governors no less than annually, or as otherwise requested by the chair of the Board of Governors or the chair of the Committee on University Personnel ~~and Tenure~~.

B. Governance

1. The authority to approve the initiation of a lawsuit in the name of the University if the action is for monetary relief and the amount in controversy is less than \$250,000.⁹

2. The authority to settle potential or pending litigation by or against a constituent institution or the University of North Carolina System, if the settlement is solely for monetary relief and the amount the University is to pay pursuant to the settlement is less than \$250,000 or, if the University is to receive a payment, the amount the University claimed is less than \$250,000.¹⁰

3. Authority to approve the political activities of employees of the University-UNC System who are candidates for or serving in public office.¹¹

C. Reports. The authority to approve and submit any report the University-UNC System or the Board of Governors is required to submit to the General Assembly, the State Board of Education, or any other state or federal agency or officer.

D. Real Property

1. The power to authorize acquisition or disposition of the following interests in real property without obtaining approval of the Board of Governors, subject to any necessary approvals from state officials and agencies:

a. Any interest in real property, other than a leasehold, with a value less than \$750,000; and

b. A leasehold interest in real property with annual value less than \$750,000 and a term of not more than 10 years.

The president's authority may be exercised on behalf of the University of North Carolina-UNC System Office, affiliated entities, or the constituent institutions in the president's discretion.¹²

2. Authority to approve capital improvement projects funded entirely with non-General Fund money¹³ that are projected to cost less than \$750,000.¹⁴

3. Authority to approve advance planning of capital improvement projects, where the advance planning effort is to be funded entirely with non-General Fund money.

E. Institutional Trust Funds. Authority to delegate to the chancellors management of institutional trust funds.¹⁵

F. Chancellors' Incentive Compensation Program

1. Authority to establish and implement an incentive compensation program to provide the president an opportunity to award performance-based compensation to the chancellors.

2. Authority to grant performance-based compensation awards to the chancellors as provided under the incentive compensation program. Awards granted under this authority shall be one-time payments per year, cannot exceed 20 percent of the chancellor's base salary, and are the responsibility of the constituent institution to fund.

3. Authority to modify the incentive compensation program as necessary to maintain alignment between performance goals established by the Board of Governors for the president and those established by the president for the chancellors.

II. The president will report all actions taken under the authority of the delegations in sections I.B., through I.F., above, to the appropriate committee of the Board of Governors either in writing before the next regular meeting of the Board of Governors or at the next regular meeting of the Board of Governors.

III. These delegations will remain in effect unless and until the Board of Governors rescinds them in whole or in part.

IV. Other Matters

A. Effective Date. The requirements of this policy shall be effective on the date of adoption of this policy by the Board of Governors.

B. Relation to State Laws. The foregoing policy as adopted by the Board of Governors is meant to supplement, and does not purport to supplant or modify, those statutory enactments which may govern or relate to the subject matter of this policy.

C. Regulations and Guidelines. This policy shall be implemented and applied in accordance with such regulations and guidelines as may be adopted from time to time by the president.

¹The secretary of the University is authorized to annotate the referenced policies and regulations to cross-reference these delegations.

²G.S. Chapter 126.

³Sections 300.1.1, 300.1.2, and 300.2 of the UNC Policy Manual.

⁴Section 600.3.4 of the UNC Policy Manual.

⁵Section 500 of *The Code*; Sections 300.1.1 and 1200.1 of the UNC Policy Manual; and G.S. 116-37(c) and 37.1(c).

⁶Section 1100.3 of the UNC Policy Manual.

⁷G.S.135-5.1

⁸Section 300.7.2 of the UNC Policy Manual.

⁹Section 200.5 of the UNC Policy Manual.

¹⁰Section 200.5 of the UNC Policy Manual.

¹¹ Section 300.5.1 of the UNC Policy Manual.

¹²The Board of Governors may delegate additional authority to the president or boards of trustees for real property transactions consistent with Sections 600.1.3 and 600.1.3[R] of the UNC Policy Manual.

¹³This delegation shall be interpreted consistent with G.S. 143C-8-12.

¹⁴The Board of Governors may delegate additional authority to the president or boards of trustees for approval of capital improvement projects consistent with Section 600.1.1 of the UNC Policy Manual.

¹⁵Sections 600.2.4 and 600.2.4.1 of the UNC Policy Manual.

Adopted 11/14/86	Amended 04/12/01
Amended 10/12/90	Amended 06/08/01
Amended 02/18/94	Amended 01/11/02
Amended 04/21/95	Amended 11/08/02
Amended 11/08/96	Amended 03/21/03
Amended 07/11/97	Amended 10/10/03
Amended 11/13/98	Amended 11/12/04
Amended 09/10/99	Amended 07/01/07
Amended 08/11/00	Amended 02/08/08
Amended 10/17/08	Amended 06/20/14
	Amended 08/07/15

Technical Corrections 04/25/19

Technical Correction / /21

Policy on Senior Academic and Administrative Officers

The duties and responsibilities of the president and the chancellors, and of their respective senior staff members, and their relationships to one another, to the Board of Governors, to the Boards of Trustees, and to all other officers and agencies within and without the University are set forth in Chapter V of *The Code of The University of North Carolina (The Code)*. To complement the provisions of Chapter V and further to clarify these duties, responsibilities, and relationships, the following regulations are adopted by the Board of Governors:

I. Definition of "Senior Academic and Administrative Officers" (SAAO)

A. Senior officers of the University of North Carolina System who are subject to the provisions of Section II of this policy are designated as Tier I SAAOs. This group includes the president [N.C. Gen. Stat. 116-14(a) (hereinafter G.S.)]; the vice presidents and other members of the president's professional staff designated by the Board of Governors on recommendation of the president [G.S. 116-14(b)]; the chancellors of the constituent institutions [G.S. 116-11(4)]; the vice chancellors, provosts, and deans¹ of the constituent institutions, and the directors of major administrative, educational, research and public services activities of the constituent institutions designated by the Board of Governors [G.S. 116-11(5)].

B. Other senior officers of the University of North Carolina System who are subject to the provisions of Section III of this policy are designated as Tier II SAAOs. This includes (1) members of the president's professional staff other than those identified in subparagraph A, above [G.S. 116-14(b)]; and (2) associate and assistant vice chancellors; associate and assistant deans; and other administrative positions within the constituent institutions, other than those identified in subparagraph A above, that have been designated by the president. [G.S. 116-11(5)].²

II. Tier I Senior Academic and Administrative Officers of the University of North Carolina as Defined in Section I.A., above, Shall be Subject to the Following Policies

A. Appointments and Discontinuation of Appointments

1. Tier I SAAOs are employed in their administrative positions pursuant to this policy. Except with regard to the appointment of the president and the chancellors, no

contract or other writing (except for *The Code*) may vary these terms, nor may any oral agreement modify these provisions. The appointments of these Tier I SAAOs are subject to the approval of the Board of Governors or a board of trustees delegated such authority by the Board of Governors.³ Such officers do not have tenure in their administrative positions. Except for the president and the chancellors, they serve at the discretion of their employer and are not appointed to serve for specified periods of time. The continuance of these administrators in office therefore is at all times subject to determination by the appropriate authority, as follows:

a. The president's continuance in office is determined by the Board of Governors.

b. The continuance in office of members of the president's professional staff is determined by the president.

c. The continuance in office of the chancellor of a constituent institution is determined by the Board of Governors, which may act to terminate such an appointment upon its own initiative or upon recommendation of the president. The Board of Governors in all instances shall consult the appropriate chair of the board of trustees prior to terminating the appointment of a chancellor. The president may place a chancellor on temporary leave, with or without pay, if the president has reason to believe that illness, injury, misconduct, neglect of duty, or other circumstances may interfere with the chancellor's performance of the duties of the position. Before placing a chancellor on temporary leave, the president shall consult with the chair of the Board of Governors, the chair of the Committee on University Personnel ~~and Tenure~~, and the appropriate chair of the board of trustees.

d. The continuance in office of vice chancellors, provosts, deans, and directors of major educational, research and public services activities of the constituent institutions shall be determined by the chancellor of the institution.

e. Notwithstanding the provisions of (b) and (d) above, the Board of Governors, in accordance with the provisions of Section 501 B(6) of *The Code*, reserves the right to initiate action to terminate appointment of those officers when it deems such action to be necessary in the best interests of the University.

2. Tier I SAAOs of a constituent institution are subject to the direction and control of the chancellor and serve at the chancellor's discretion. They are employees at will; thus, the chancellor may not purport to confer on any such officer a period of employment of fixed duration or otherwise confer any property interest in such employment. However, such an officer may be appointed to a period of employment not to exceed a specified number of years, so long as the instrument accomplishing such an appointment states clearly that the incumbent officer is subject to removal at any time, during that period, at the option of the chancellor.

3. Tenure status as a member of the faculty of a constituent institution, held concurrently by any Tier I SAAO of the University is separate and distinct from the administrative office, and such tenure status is governed by the provisions of Chapter VI of *The Code* and by the tenure policies of the relevant constituent institution. Those

tenure policies have no bearing upon and do not govern the administrative appointments covered by this policy.

4. Appointment of the President

a. The Board of Governors shall elect a president in accordance with G.S. 116-14(a), Section 500 A of *The Code*, and any policies it adopts. The Board of Governors shall approve the salary and compensation of the president.

b. The Board of Governors may approve a contract with the president. The contract may specify terms including, but not limited to, the president's term of employment; salary; benefits; performance-based incentives; other deferred or supplemental compensation, including endowment-funded stipends; provisions for the termination of the president's employment, including severance pay and retreat rights; and any other terms it agrees upon.

c. In all other regards, the employment of the president is subject to *The Code*, the policies of the Board of Governors, and the North Carolina General Statutes.

5. Appointment of Chancellors

a. The appointment of chancellors shall be made by the Board of Governors upon the recommendation of the president, in accordance with G.S. 116-11(4). All salary and non-salary compensation paid to or received by the chancellors in connection with their service as chancellors shall be approved by the Board of Governors upon recommendation of the president.

b. The Board of Governors may approve a contract with a chancellor as recommended by the president. The contract may specify terms including, but not limited to, the chancellor's term of employment; salary; benefits; performance-based incentives; other deferred or supplemental compensation, including endowment-funded stipends; provisions for the termination of the chancellor's employment, including severance pay and retreat rights; and any other terms it agrees upon.

c. In all other regards, the employment of chancellors is subject to *The Code*, the policies of the Board of Governors, and the North Carolina General Statutes.

d. Except as specifically otherwise provided in the contract, and except as provided in paragraph II.A.1(c) of this policy, after the Board of Governors has approved a contract with a chancellor, it will be the sole responsibility of the president to implement the terms of the contract.

B. Compensation

The compensation of Tier I SAAOs shall be set by the Board of Governors or a board of trustees delegated such authority by the Board of Governors.⁴

No president, chancellor, or other Tier I SAAO may be paid, in addition to his or her compensation as established pursuant to the foregoing requirements, for any services rendered to any institution-related foundation, endowment, or other entity that was established by officers of the University, that is controlled by the University, or that is tax exempt based on being a support organization for the University, without the express approval of the Board of Governors. This provision does not prohibit any institution-related foundation, endowment, or other entity that was established by officers of the University, that is controlled by the University, or that is tax exempt based on being a support organization for the University from providing some of the funds to support the Board of Governors' approved compensation of the president, chancellor, or other Tier I SAAO.

C. Equal Employment Opportunity

It is the policy and intention of the University of North Carolina System that there be equal employment opportunity and freedom from unlawful discrimination in all employment within the University, as set out in Section 103 of *The Code*.⁵ Employment in a Tier I SAAO position shall be conducted in accordance with all provisions of State or federal law or regulation prohibiting any such discrimination, and in accordance with applicable affirmative action plans.

D. Political Activity

Employment in Tier I SAAO positions shall not be adversely affected by the exercise of rights guaranteed by the First Amendment of the United States Constitution or by Article I of the North Carolina Constitution; provided, that employees in Tier I SAAO positions shall be subject to any limitations on political activity established by Article 5 of G.S. 126-. The Board of Governors' policies concerning political activity, Section 300.5 of the UNC Policy Manual, as they may be revised from time to time, shall apply to Tier I SAAO positions covered by this policy.

E. Holiday and Leave Entitlement Holidays

1. Holidays

A Tier I SAAO shall be subject to the same State-prescribed holidays given employees subject to the North Carolina Human Resources Act.

2. Annual Leave

a. Basic Leave Policy

A permanent full-time (1.00 FTE) Tier I SAAO shall be entitled to accrue 26 workdays of annual leave per year.⁶ Annual leave is accrued at a monthly rate and is adjusted proportionately for permanent part-time employees who work halftime or more (0.50 - 0.99 FTE). The monthly earnings amount is equal to one-twelfth (1/12th) of the annual rate for each month the employee works or is on approved leave with pay. Monthly leave is earned when an employee works or is on approved leave with pay at least half the working days of a month.

The maximum number of unused days of annual leave that may be carried forward from one year to the next shall be 30 workdays. Annual leave in

excess of 30 days will be automatically converted to sick leave at the end of the year.

b. Transfer of Accrued Annual Leave

An employing institution must establish campus-wide uniform guidelines regarding the transfer of accrued annual leave from a ~~UNC-UNC System~~ constituent institution or State or local governmental agency whose leave is currently transferable in accordance with the policy prescribed for employees subject to the North Carolina Human Resources Act. Upon discontinuation of employment from the employing institution, the employee may either elect a payout of accrued annual leave (see d., below) or transfer the remaining balance of any unused annual leave to another State or local governmental agency, subject to the receiving agency's approval.

c. Advancement of Annual Leave

Subject to institutional policy and approval by the employee's supervisor, an employee may be advanced the amount of leave that can be accrued during the remainder of the year or during a twelve-month period. If an employee separates from the employing institution and has taken more annual leave than has been accrued, the employing institution must determine the amount of leave that the employee must repay to the institution and make deductions from the employee's final salary check accordingly.

d. Payout of Accrued Annual Leave

A Tier I SAAO who has accrued unused annual leave upon discontinuation of employment from the employing institution and who either does not elect or is not eligible to transfer such accrued leave to another State or local governmental agency, shall be paid for such unused annual leave subject to a maximum of 30 such days. Each institution shall establish guidelines for payout of leave if a change in employment status occurs and such employee is no longer covered by this policy.

3. Sick leave, family and medical Leave, family illness leave, civil leave, military leave, community service leave, and special annual leave bonus

A Tier I SAAO shall be entitled to such sick leave, family and medical leave, family illness leave, civil leave, military leave, community service leave, and special annual leave bonus as may be prescribed for employees subject to the North Carolina Human Resources Act.

However, with respect to sick leave, subject to institutional policy and approval by the employee's supervisor, a Tier I SAAO may be advanced the amount of sick leave that can be accrued during the remainder of the year or during a twelve-month period. If the employee separates from the employing institution and has taken more sick leave than has been accrued, the employing institution must determine the amount of leave

that the employee must repay to the institution and make deductions from the employee's final salary check accordingly.

4. Miscellaneous Leaves of Absence

A Tier I SAAO who desires a leave of absence for an interval of 90 days or less must obtain the approval of the president, who shall report all such arrangements to the Board of Governors. A leave of absence for a period exceeding 90 days shall require the approval of the Board of Governors.

5. Voluntary Shared Leave

A Tier I SAAO shall be subject to the same provisions concerning shared leave as are applicable to employees subject to the North Carolina Human Resources Act with the exception that the donation and acceptance of such leave shall be computed on the basis of days rather than hours.

F. Educational Entitlement

A Tier I SAAO is entitled to the same opportunities as other University employees to invoke the privilege of tuition waiver conferred by Section 1000.2.2 of the UNC Policy Manual.

G. Statutory and Other Rules of Employment

1. Privacy of Personnel Records

A Tier I SAAO enjoys the protections of and is subject to the provisions of Article 7 of G.S. 126, entitled, "The Privacy of State Employee Personnel Records."

2. Employment Preference for Veterans

A Tier I SAAO enjoys the protections of and is subject to the provisions of G.S. 128-15, which provide for preference in employment for veterans of United States military service and their spouses and widows or widowers.

3. Employment of Related Persons

A Tier I SAAO is subject to the Board of Governors' policy concerning employment of related persons, Section 300.4.2 of the UNC Policy Manual, as it may be revised from time to time, and any associated guidelines.

H. Retirement

A Tier I SAAO may retire in accordance with the provisions of G.S. 135.

III. Tier II Senior Academic and Administrative Officers of the University of North Carolina System as Defined in Section I.B., above, Shall be Subject to the Following Policies

A. Appointments

1. Tier II SAAOs are employed in their administrative positions pursuant to this policy. The authority to make appointments and determine salaries for positions within Section I.B(1) is exercised by the Board of Governors, on recommendation of the president, or a board of trustees delegated such authority by the Board of Governors; for positions within Section I.B(2), such authority is delegated by the Board of Governors to the chancellors and the respective ~~B~~boards of ~~T~~trustees of the constituent institutions.

2. Every Tier II SAAO appointment within a constituent institution covered by this policy shall be made by the chancellor, or the chancellor's delegate, by means of a letter of appointment that fulfills the requirements of this Section III.

3. Every letter of appointment to a Tier II SAAO position shall include:

- a. The title of the position;
- b. The initial salary;
- c. A provision for the periodic review of compensation;⁷
- d. A provision consistent with Sections III.A.4., and III.A.5., below, if contingencies based on availability of funding are applicable;
- e. The annual leave entitlement of the employee;
- f. Notice that the employment conferred is an "employment at will" subject to continuation or discontinuation at the discretion of the president or of the chancellor, with the exception of contracts or letters of appointment of directors of athletics, which may be for a term of years and are governed by Policy 1100.3; and
- g. Notice that the employment is subject to this policy as originally adopted and as it may be periodically revised from time to time, and a copy of the policies shall be attached to the letter of appointment.

4. When a Tier II SAAO position is funded in whole or substantial part from sources other than continuing State budget funds or permanent trust accounts, the letter of appointment shall state that continuation of the employee's service in that position is contingent upon the continuing availability of funds from such other sources to support that position, shall specify the source of such funds, and shall state that the effect of such contingency may apply without the additional notice otherwise required by Sections III.B.1., III.B.2., and III.B.3.; provided, that the affected employee shall be informed at the earliest practicable date of the occurrence of such a funding contingency.

5. When a Tier II SAAO is to serve simultaneously in both a position covered by this policy and a position of University employment not covered by this policy, with the result that two different prescriptions may appear to obtain with respect to a particular condition of employment or a right or responsibility of the employee, one position shall be designated the base position to determine the conditions of employment and the rights and responsibilities of the employee. If appointment to a position covered by this

policy occurs subsequent to an appointment to a position not covered by this policy, the letter of appointment to the position covered by this policy shall embody the required designation of base employment; conversely, if appointment to a position covered by this policy precedes appointment to the other category of University employment, the letter of appointment or contract establishing the second employment shall embody the required designation of base employment. In either case, the designation of base employment shall specifically describe the different rights, duties, and compensation for each position and the relationship, if any, between the two positions.

Any funding contingency of the type referred to in Section III.A.4., shall be set forth separately for the position covered by this policy and for the other position, since the operation of any such contingencies may be independent.

When an appointment to a Tier II SAAO position is to be accompanied by appointment to a faculty position that is intended to be nominal or honorary, or to create a faculty affiliation not entailing significant duties or compensation, the term “adjunct,” or similar nomenclature, shall be used to identify the faculty appointment.

B. Discontinuation of Employment

1. Discontinuation of Appointment, with Notice or Severance Pay

Employment within a Tier II SAAO position that is established by the letter of appointment to be an employment at will is subject to discontinuation at any time at the discretion, respectively, of the president or of the chancellor; provided, that such a discontinuation (as distinguished from discharge for cause, Section III.B.4.) shall be subject to advance timely notice of discontinuation or the payment of severance pay, in calendar days, as follows:

- a. During the first year of service, not less than 30 days’ notice prior to discontinuation of employment or the payment of severance pay for 30 days;
- b. During the second and third years of service, not less than 60 days’ notice prior to discontinuation of employment or the payment of severance pay for 60 days; and
- c. During the fourth and all subsequent years of continuous service, not less than 90 days’ notice prior to discontinuation of employment or the payment of severance pay for 90 calendar days.

The chancellor or the president may provide the employee with a combination of notice and severance pay that totals the respective required number of days. The determination of whether the employee shall receive notice of discontinuance of the appointment or severance pay or a combination of the two shall be in the sole discretion of the respective chancellor or the president.

2. Expiration of Term Appointment

Employment within a Tier II SAAO position that is established by the letter of appointment dated prior to December 1, 2004, to be for a stated definite term expires automatically at the conclusion of the stated term; such an appointment may be extended

at the option of the employing institution on an employment at will basis, by written notice satisfying the requirements of Section III.A.

If the employing institution intends not to extend the employment, (a) with respect to a term of one year or less, no notice of intent not to extend shall be required; (b) with respect to a term of more than one year but less than four years, notices of intent not to extend shall be transmitted in writing at least 60 days prior to this expiration date of the term; (c) with respect to a term of four years or more, notice of intent not to extend shall be transmitted in writing at least 90 days prior to the expiration date of the term. Failure to provide written notices as required in subsections b. and c., above, shall result in the automatic extension of employment for a period, respectively, of either 60 days or 90 days, beyond the date the notice is given to the employee.

3. Termination of Employment Because of Financial Exigency or Program Curtailment or Elimination

Employment within a Tier II SAAO position that is established by the letter of appointment to be for a stated definite term may be terminated prior to expiration of the stated term because of (a) demonstrable, bona fide institutional financial exigency, or (b) major curtailment or elimination of a program.

“Financial exigency” is defined to mean a significant decline in financial resources of the University that compels a reduction in the university’s or the institution’s budget. The determination of whether a condition of financial exigency exists or whether there shall be a major curtailment or an elimination of a program shall be made, respectively, by the president or by the chancellor, with advance notice to and approval by the Board of Governors.

If the financial exigency or curtailment or elimination of a program is such that the contractual obligation to an employee within a position covered by this policy cannot be met, the employment of the individual may be terminated, subject to the following notice requirements:

- a. During the first year of service, not less than 30 days’ notice prior to termination;
- b. During the second and third years of employment, not less than 60 days’ notice prior to termination; and
- c. During the fourth and all subsequent years of service, not less than 90 days’ notice prior to termination.

4. Discharge for Cause

Any Tier II SAAO may be discharged for stated cause.

Discharge for cause is to be distinguished from discontinuation with notice (Section III.B.1.), automatic expiration of term (Section III.B.2.), and termination because of financial exigency or program curtailment or elimination (Section III.B.3.). Stated causes for discharge shall include, but not necessarily be limited to, incompetence, unsatisfactory performance, neglect of duty, or misconduct that interferes with the

capacity of the employee to perform effectively the requirements of his or her employment. Discharge for cause is to be preceded by written notice of intent to discharge and is subject to invocation by the affected employee of the review procedures of Section III.C., of this policy. When an employee occupying a position covered by this policy has been notified of the intention to discharge for cause, the president or chancellor, as applicable, may suspend the employment at any time and continue the suspension until the president's or chancellor's decision concerning discharge has been reached; such suspension during this time period shall be with full pay. If the final university decision is to discharge the employee, then the employee may be discharged without further pay without regard to whether there is an appeal to a board of trustees or the Board of Governors in accordance with Section 611 of *The Code*. No provision of this policy shall be interpreted to extend an employee's right to pay beyond the expiration of the employee's term of appointment while an appeal is pending under this policy.

C. Reviews

1. UNC System Office and each constituent institution respectively shall adopt and publicize procedures applicable to relevant cohorts of employees, under which covered employees may secure review of decisions concerning discharge for cause or other disciplinary action, or review concerning the interpretation and application of any provision of this policy; provided, however, that reviews concerning discontinuations, expiration of term appointments, or terminations of employment with notice, pursuant to Sections III.B.1, III.B.2., and III.B.3, may be brought only upon allegations of violations of applicable notice requirements or violations of any provision of Section III.D. or III.E., of this policy.

2. Decisions reached pursuant to such review procedures concerning the discontinuation, expiration of term appointment, termination, or discharge for cause may be appealed in accordance with the provisions of Section 611 of *The Code*.

D. Equal Employment Opportunity

It is the policy and intention of the University of North Carolina System that there be equal employment opportunity and freedom from unlawful discrimination in all employment within the University, as set out in Section 103 of *The Code*.⁸ Employment in a Tier II SAAO position shall be conducted in accordance with all provisions of State or federal law or regulation prohibiting any such discrimination, and in accordance with applicable affirmative action plans.

E. Protected Activity

Employment in Tier II SAAO positions shall not be adversely affected by the exercise of rights guaranteed by the First Amendment of the United States Constitution or by Article I of the North Carolina Constitution; provided, that employees in Tier II SAAO positions shall be subject to any limitations on political activity established by Article 5 of G.S. 126. The Board of Governors' policies concerning political activity, Section 300.5.1 of the UNC Policy Manual, *et seq.* as they may be revised from time to time, shall apply to Tier II SAAO positions covered by those policies.

F. Holiday and Leave Entitlement

1. Holidays

Employees in Tier II SAAO positions shall be subject to the same State-prescribed holidays given employees subject to the North Carolina Human Resources Act.

2. Annual Leave⁹

a. Basic Leave Policy

A permanent full-time (1.00 FTE) Tier II SAAO shall be entitled to accrue 24 workdays of annual leave per year. Annual leave is accrued at a monthly rate and is adjusted proportionately for permanent part-time employees who work halftime or more (0.50 - 0.99 FTE). The monthly earnings amount is equal to one-twelfth (1/12th) of the annual rate for each month the employee works or is on approved leave with pay. Monthly leave is earned when an employee works or is on approved leave with pay at least half the working days of a month.

An employing institution shall define a year as either “fiscal year” (July 1 - June 30) or “calendar year” (January 1 - December 31). (Note: Employing institutions that have previously defined a year as “contract year” may continue to do so.) The scheduling of an employee’s annual leave shall be subject to the approval of the employee’s supervisor. With respect to an incumbent employee who is earning more than 24 days per year as of the date this policy becomes effective, such employee shall be entitled to continue to earn leave at the current rate.

The maximum number of unused days of annual leave that may be carried forward from one year to the next shall be 30 workdays. Annual leave in excess of 30 days will be automatically converted to sick leave at the end of the year.

b. Transfer of Accrued Annual Leave

An employing institution must establish campus-wide uniform guidelines regarding the transfer of accrued annual leave from a UNC System constituent institution or State or local governmental agency whose leave is currently transferable in accordance with the policy prescribed for employees subject to the North Carolina Human Resources Act. Upon discontinuation of employment from the employing institution, the employee may either elect a payout of accrued annual leave (see (d), below) or transfer the remaining balance of any unused annual leave to another State or local governmental agency, subject to the receiving agency’s approval.

c. Advancement of Annual Leave

Subject to institutional policy and approval by the employee’s supervisor, an employee may be advanced the amount of leave that can be accrued during the remainder of the year or during a twelve-month period. If an employee separates from the employing institution and has taken more annual leave than has been accrued, the employing institution must determine the amount of leave

that the employee must repay to the institution and make deductions from the employee's final salary check accordingly.

d. Payout of Accrued Annual Leave

A Tier II SAAO who has accrued unused annual leave upon discontinuation of employment from the employing institution and who either does not elect or is not eligible to transfer such accrued leave to another State or local governmental agency, shall be paid for such unused annual leave. The amount paid to an employee who has been employed an aggregate of 24 months or less by one or more State or local governmental agencies is equal to one day for each month worked less the number of days of annual leave taken during the employment period. An employee who has been employed for more than 24 months shall be paid subject to a maximum of 30 such days. Each institution shall establish guidelines for payout of leave if a change in employment status occurs and such employee is no longer covered by this policy.

3. Sick Leave, Family and Medical Leave, Family Illness Leave, Civil Leave, Military Leave, Community Service Leave and Special Annual Leave Bonus

Tier II SAAOs shall be entitled to such sick leave, family and medical leave, family illness leave, civil leave, military leave, community service leave, and special annual leave bonus as may be prescribed for employees subject to the North Carolina Human Resources Act.

However, with respect to sick leave, subject to institutional policy and approval by the employee's supervisor, an employee may be advanced the amount of sick leave that can be accrued during the remainder of the year or during a twelve-month period. If the employee separates from the employing institution and has taken more sick leave than has been accrued, the employing institution must determine the amount of leave that the employee must repay to the institution and make deductions from the employee's final salary check accordingly.

4. Leave of Absence without Pay

Tier II SAAOs may request a leave of absence without pay, subject to approval of such leave by the president or by the chancellor, as applicable.

5. Voluntary Shared Leave

Tier II SAAOs shall be subject to the same provisions concerning shared leave as are applicable to employees subject to the North Carolina Human Resources Act with the exception that the donation and acceptance of such leave shall be computed on the basis of days rather than hours.

G. Educational Entitlement

Tier II SAAOs are entitled to the same opportunities as other University employees to invoke the privilege of tuition waiver conferred by Section 1000.2.2 of the UNC Policy Manual.

H. Statutory and Other Rules of Employment

1. Privacy of Personnel Records

Tier II SAAOs enjoy the protections of and are subject to the provisions of Article 7 of G.S. 126, entitled, "The Privacy of State Employee Personnel Records."

2. Employment Preference for Veterans

Tier II SAAOs enjoy the protections of and are subject to the provisions of G.S. 128-15, which provide for preference in employment for veterans of United States military service and their spouses and widows or widowers.

3. Employment of Related Persons

Tier II SAAOs are subject to the Board of Governors' policy concerning employment of related persons, Section 300.4.2 of the UNC Policy Manual, as it may be revised from time to time, and any associated guidelines.

I. Retirement

Tier II SAAOs may retire in accordance with the provisions of G.S. 135.

¹ Deans at the North Carolina School of Science and Mathematics fall within Section I.B., of this policy.

² Other officers include (a) members of the chancellor's professional staff; (b) those responsible for the administrative direction of separately designated divisions or departments of institutional activity commonly associated with institutions of higher education; (c) those positions whose primary responsibility is to attract external funds for and/or market the University; and, (d) other officers holding positions characterized by active, continuing involvement in formulating, interpreting, and implementing institutional policy and exercising substantial independence of administrative authority and discretion in areas such as program planning and design and allocation of resources.

³ Pursuant to G.S. 116-11(13), and notwithstanding *The Code* or any other policy, the Board of Governors has delegated certain authorities to the president of the University. See Section 200.6 of the UNC Policy Manual, *Delegation Authority to the President of the University*, adopted November 13, 2016.

⁴ See Footnote 3, above.

⁵ Bona fide occupational qualifications or other exceptions to those general prohibitions, specifically provided for by State or federal law, may be applied to positions covered by this policy.

⁶ For the purposes of determining leave under this policy, "year" shall be defined by the employing institution as either a "fiscal year" (July 1 – June 30) or a "calendar year" (January 1 – December 31). Institutions currently defining a "year" as a "contract year" may continue to do so.

⁷ Subject to any compensation policies adopted by the Board of Governors or the board of trustees.

⁸ Bona fide occupational qualifications or other exceptions to those general prohibitions, specifically provided for by state or federal law, may be applied to positions covered by this policy.

⁹ Effective July 1, 2001.

Policy on Campus State Relations Officers

As set forth in *The Code*, the president is the University's representative to all governmental bodies. The president is presumed by the Governor and members of the General Assembly to direct all activities on behalf of all parts of the University and to be answerable for them. These are the most important principles in ensuring effective communication and advocacy of the interests of the University and its constituent campuses.

Under the direction of the president, the vice president for public affairs and his or her staff have primary responsibility for representation of the University before governmental bodies. They may be assisted in this effort by campus officers who shall act at the request and under the direction of the vice president and his or her staff.

The chancellors may designate, in consultation with the president and the vice president for public affairs, a campus officer to carry out the functions of state relations officer. The campus state relations function shall constitute no more than 25 percent of each designee's time, and no campus title shall refer to government or state relations. The duties and responsibilities of the campus designee with regard to state relations shall be to assist the president and his or her designees with building support for the University's budget request and legislative priorities. It is the expectation of the Board that the state relations function shall be a minor part of each such designee's responsibilities.

In each instance, the individual so designated shall, in addition to reporting to his or her campus supervisor report to the vice president for public affairs solely with regard to any state relations responsibilities. The vice president shall provide to the campus supervisor an annual performance evaluation of the campus officer with state relations responsibilities.

The president shall take necessary and appropriate actions to implement this policy and shall report on such implementation to the Committee on University Personnel and Tenure. The president shall also report to the committee periodically on the efficacy of the structure established pursuant to this policy, and shall make recommendations regarding the continuance and/or modification of the policy.

Regulation on Diversity and Inclusion Within the University of North Carolina

I. Purpose. This regulation outlines specific requirements and procedures related to the implementation of Section 300.8.5 of the UNC Policy Manual, *Policy on Diversity and Inclusion Within the University of North Carolina* (the policy). This includes the definition of roles and responsibilities and sets forth procedures related to the oversight of D&I activities and related reporting to monitor the effectiveness of these efforts.

II. System Office D&I Liaison. The president shall designate a senior officer¹ at the UNC System Office (System Office) who shall serve as the System Office D&I Liaison (Liaison). The Liaison shall, at a minimum:

- A. Act as the primary point of contact at the System Office for D&I-related inquiries, including inquiries from the constituent institutions and the Board of Governors;
- B. Serve as the System Office representative and liaison to the system-wide D&I Council and perform those functions as further described in section V, below;
- C. Facilitate the aggregation and comparative analysis of D&I-related data and information reported annually by each constituent institution to the president and the Board of Governors;
- D. Coordinate the administration of the policy and its various requirements; and
- E. Coordinate D&I efforts and programs directed at serving System Office staff.

The Liaison's responsibilities may be carried out by an existing senior officer at the System Office or by a newly created role, at the discretion of the president.

III. Institutional D&I Officer

- A. Each constituent institution's chancellor shall designate a senior-level administrator as its D&I Officer who shall, at a minimum:
 - 1. Assist the chancellor in policy development and strategic planning to promote and advance D&I;
 - 2. Oversee the development of D&I strategy and the definition of D&I goals and performance measures specific to the institution and its community;
 - 3. Ensure production of required reports on the progress and outcomes of the institution's D&I operations, programs, and activities;
 - 4. Advise on training, outreach, educational programs, and other strategies for students, faculty, staff, and other stakeholders to promote and advance diversity and inclusion throughout all levels and areas of the institution;

5. Be available to make presentations and to participate in meetings with employees or students, and their representative groups, as well as community organizations and other members of the general public;
6. Support the development of D&I-related campus communications;
7. Ensure ease of access to D&I-related information by members of the institution's community, as appropriate;
8. Serve as the institutional representative on the D&I Council; and
9. Seek out personal opportunities for ongoing professional training to remain current with industry trends and leading practices in the rapidly evolving D&I field.

B. These responsibilities shall be performed in collaboration with the institution's EO Officer and in alignment with the institution's Affirmative Action Plans and other EO-related policies, programs and activities. Efforts shall be coordinated where possible.

C. The appointed D&I Officer shall have or be required to develop directly relevant experience in: designing and implementing D&I strategies, plans, and programs, preferably within higher education; facilitating effective relationships across diverse constituencies; defining metrics and analyzing quantitative and qualitative indicators of success; building mutual understanding among diverse sets of stakeholders; managing change and communicating effectively; and developing training plans and delivering training.

D. The reporting relationship of this role, and whether this is an existing or newly created position, is at the discretion of the institution's chancellor.

E. When deemed appropriate by the respective chancellors, this role may be shared among constituent institutions to promote enhanced efficiency.

IV. Institutional Inclusion Executive

A. Each constituent institution's chancellor shall designate a single senior-level administrator as the institution's Inclusion Executive. As appropriate, the Inclusion Executive, the D&I Officer, and/or the EO Officer roles may be assigned to the same position or to different positions. The Inclusion Executive shall, at a minimum:

1. Provide oversight on behalf of the chancellor to ensure that the activities of both the institution's EO and D&I functions are coordinated and executed in a complementary and efficient manner and that goal-setting and resource allocation is tied to the achievement of measurable outcomes;
2. Facilitate communication and coordination among various divisions, departments, and constituents within the institution that have EO and D&I responsibilities;
3. In conjunction with the institution's D&I Officer, ensure that D&I program standards and quality assurance activities are carried out as outlined in section VIII of this regulation, and;

4. Participate in institution-level EO and D&I-related councils or committees to ensure connection and knowledge-sharing between EO and D&I initiatives.

B. The reporting relationship of this role is at the discretion of the institution's chancellor. This role may or may not directly supervise the individual EO and/or D&I function, but shall be assigned the executive oversight duties as described above.

V. Establishment and Responsibilities of a UNC System D&I Council

A. The president or president's designee shall establish a D&I Council comprising the D&I Officers from each of the 17 constituent institutions, the System Office D&I Liaison, and representatives of other constituencies to be determined by the council in consultation with the president or president's designee.

B. The council shall be an advisory body for the University System with general assistance from the System Office. It shall be headed by a chair elected for a two-year term by a majority vote of D&I Council peers and approved by the president or president's designee.

C. The council shall develop its charge, subject to approval by the president. Any subsequent updates or proposed changes to the council's work shall also be subject to approval by the president or president's designee.

D. The council, in consultation with relevant officials of each constituent institution, shall be responsible for developing for the president's approval System-wide D&I metrics as well as standardized formats for reporting of D&I information to the System Office.

E. The council members shall collaborate on programming where feasible, make recommendations to the president or president's designee on any System-wide training requirements, and explore master agreements for relevant external vendor products/training solutions with general assistance from the System Office.

F. The council shall facilitate the sharing of knowledge and D&I best practices, collaborative problem-solving, and interactions between institutions and with the System Office.

G. The D&I Council shall recommend to the president or president's designee through the System Office D&I Liaison any potential revisions to the University's D&I policy and/or regulation as well as the creation or modification of measurement methods for D&I goals and metrics.

VI. Defining System-Wide D&I Metrics and Goals

A. Metrics. The D&I Council shall develop for the president's approval three to five System-wide annualized D&I metrics. Core statistical information that may be considered in the development of these metrics includes, but is not limited to: student, faculty, and staff demographics; academic achievement gaps; graduation and persistence rates; recruitment and retention of students, faculty, and staff; and campus climate assessments on diversity and inclusion based on institution-level or System-wide surveys.

B. Goals. In addition to the System-wide D&I metrics, the D&I Officer at each constituent institution shall, in collaboration with appropriate stakeholders, develop D&I goals and metrics

specific to the institution and its community. As part of this process, it is the University's expectation that the D&I Officer actively seek input on an annual basis from the constituent institution's board of trustees as well as appropriate faculty, staff, and student governance organizations, on all proposed D&I goals and metrics.

VIII. D&I Program Standards and Quality Assurance. The institutional D&I Officer and the institutional Inclusion Executive shall together be responsible for establishing a process to ensure that feedback is collected from participants in D&I programs and that participants are informed of the appropriate institutional point of contact to address questions or concerns regarding D&I policies or programs. This shall include ensuring that all programs conform to all relevant University policies, regulations, and standards.

IX. Reporting to the Boards of Trustees. The constituent institution, through its chancellor, D&I Officer, or other chancellor's designee, shall provide a report at least annually to the institution's board of trustees, which, at a minimum, shall include the following:

- A. The impact of the institution's D&I programs and activities with respect to System-wide D&I metrics and institutional D&I goals;
- B. The number of positions and FTEs with D&I responsibilities, indicating the percentage of each associated with D&I responsibilities;
- C. An accounting of institutional budget expended on D&I operations and activities, broken out by personnel and non-personnel costs and by funding source (e.g., state funded versus other funded); and
- D. A list of signature D&I programs that serve a critical role in helping the constituent institution accomplish its learning and D&I objectives, along with their purpose and any data on outcomes, including relevant participant feedback.

X. Reporting to the System Office. Each constituent institution shall provide to the System Office, upon request of the president or president's designee, relevant information regarding D&I operations, programs, and activities of the constituent institution. These items shall be reported in a format recommended by the D&I Council and approved by the president or president's designee. Such information, at a minimum, shall include the items described in section IX., subsections A., through D., above.

XI. Reporting to the Board of Governors Committee on University Personnel ~~and Tenure~~. No later than every 24 months, or sooner at the request of the committee chair, the president or president's designee shall provide an update to the Committee on University Personnel ~~and Tenure~~ regarding the D&I activities of the constituent institutions.

XII. Opportunities for Dissemination of D&I Policies and Information

- A. Information for Students. Constituent institutions shall include in student orientation programs, and periodically provide to students in printed and/or electronic form (e.g., web sites), information describing their institutional policies regarding D&I consistent with this policy. Any information provided should include the name and contact information of the institutional officer, office, or department with responsibility for ensuring compliance with the policy and for answering any related questions or concerns.

B. Information for Faculty and Staff. Constituent institutions shall include in new hire onboarding, and periodically provide to faculty and staff in printed and/or electronic form (e.g., web sites), information describing their institutional policies regarding D&I consistent with this policy. Any information provided should include the name and contact information of the institutional officer, office, or department with responsibility for ensuring compliance with the policy and for answering any related questions or concerns.

XIII. Other Matters

A. Effective Date. The requirements of this regulation shall be effective on the date of adoption of this regulation by the president.

B. Relation to State Laws. The foregoing regulation as adopted by the president is meant to supplement, and does not purport to supplant or modify, those statutory enactments, regulations, and policies which may govern the activities of public officials.

C. Relation to Other University Regulations and Policies. The foregoing regulation as adopted by the president is meant to supplement, and does not purport to supplant or modify, other University policies, regulations, and guidelines related to equal opportunity, free speech, and free expression.

¹ A senior officer is an employee who is covered by Section 300.1.1 of the UNC Policy Manual.

Non-Salary and Deferred Compensation

A. Non-salary Compensation

1A. Irrespective of the campus' status regarding management flexibility in personnel, all constituent institutions and the ~~General Administration~~UNC System Office shall have a policy concerning the granting of non-salary compensation for all personnel exempt from the ~~State North Carolina Personnel-Human Resources~~ Act except for the chancellor and the president. The policy shall either provide specified non-salary compensation to a defined category of employees uniformly or shall require approval by the board of trustees or Board of Governors upon recommendation by the chancellor or president, respectively, regarding non-salary compensation granted to an individual employee before non-salary compensation is provided.

B. Each policy that provides specified non-salary compensation to a defined category of employees shall set out what types of non-salary compensation the campus or ~~General Administration~~UNC System Office will provide, and the criteria for awarding such compensation. The awarding of non-salary compensation may be based on any reason or reasons considered relevant to attracting or retaining a faculty and staff of the highest possible quality. Decisions concerning non-salary compensation shall not be based in whole or in part upon any of the protected statuses included in Section 103 of *The Code*.

C.2. The funding source for non-salary compensation shall not be state funds, and non-salary compensation may be provided directly by an associated foundation if permitted by policy. An exception permitting non-salary compensation to be funded from State funds may be approved by a board of trustees or the Board of Governors only when permitted by the Office of State Budget and Management. Any club membership for an employee or the granting of special campus services or benefits must be job related, and the club must have a policy prohibiting discrimination against groups protected by federal and North Carolina law. Non-salary compensation shall be appropriately reported to federal and state tax agencies.

D. The hiring approval process may include payment of moving expenses in accordance with authority from the Office of State Budget and Management. The decision of whether to include payment of moving expenses in an employment offer may be delegated no lower than the provost/vice chancellor level or vice president level.

E3. Provision of housing, when occupancy of the housing is required as a part of the job, reimbursement of professional- or work-related travel, and the provision of equipment to perform the work of the position, even if used at home, including computers, cellular phones, personal data assistants (PDA), pagers and similar work related items, are permissible and are not considered "non-salary compensation" as used in this policy.

BII. Delayed or Deferred Salary/Compensation

A. The State of North Carolina and the University of North Carolina System offer employees options for deferred compensation and insurance. Unless expressly approved by the Board of Governors, constituent institutions and the ~~General Administration~~UNC System Office may not provide any other employer-paid options for deferred compensation or other delayed compensation to its employees.

B. For purposes of this policy, delayed and deferred salary or compensation shall be broadly defined to include, but are not limited to, any employer payment or contribution paid (1) directly to an employee, (2) to the employee's account or plan, or (3) to a person acting in a capacity similar to a trustee for the employee, which is paid later than the regular or next subsequent payment cycle, except for an error that is promptly corrected upon discovery. Delayed and deferred salary/compensation also includes traditional 457 deferred compensation plans, any retirement plans or accounts, annuities, and life insurance accumulating any cash value. Delayed and deferred compensation also include both tax qualified and non-qualified plans, and any other similar form of payment, whether tax sheltered or not.

C. This policy does not prohibit a campus from making any permitted employer contribution to the Optional Retirement Program or the Teachers' and State Employees' Retirement System.

III.C. Non-~~S~~salary or ~~D~~elayed ~~C~~ompensation of Chancellors and President. Other than a state provided car or a car of comparable value, a chancellor's or the president's residence as provided for in Policy-Section 300.1.5 of the UNC Policy Manual, work related club memberships, reimbursement of moving expenses upon initial employment as a chancellor or president, and benefits uniformly provided to all employees exempt from the ~~State Personnel~~North Carolina Human Resources Act, only the Board of Governors may approve non-salary or deferred compensation for a chancellor or the president. The funding source for non-salary compensation for a chancellor or the president, other than that specified in this paragraph, shall not be State funds, but an exception may be approved by the Board of Governors. Club memberships may never be paid using State funds.

IV.D. Employees ~~E~~xempt from this ~~P~~olicy. Members of faculty medical practice plans, such as physicians, dentists, and veterinarians, are exempt from this policy. Athletic directors and head coaches remain subject to Policy-Section 1100.3 of the UNC Policy Manual and its guideline, and are exempt from this policy.

VE. Review and Approval. Campus policies on non-salary and delayed/deferred salary/compensation must be submitted as a part of the campus request for management flexibility to appoint and fix compensation. Campuses already granted management flexibility in personnel shall submit their policies to the ~~General Administration~~UNC System Office for review. Subsequent changes to the policies must be submitted for review by the ~~General Administration~~UNC System Office prior to submission to the campus ~~b~~Board of ~~t~~rustees for approval. In some cases, policies with extensive revisions will be reconsidered by the Committee on University Personnel ~~and Tenure~~ of the Board of Governors.

VI. Other Matters

A. Effective Date. The requirements of this policy shall be effective on the date of adoption of this policy by the Board of Governors.

B. Relation to State Laws. The foregoing policy as adopted by the Board of Governors is meant to supplement, and does not purport to supplant or modify, those statutory enactments which may govern or relate to the subject matter of this policy.

C. Regulations and Guidelines. This policy shall be implemented and applied in accordance with such regulations and guidelines as may be adopted from time to time by the president.

Regulation for Deferred Compensation for Chancellors

I. _____ The Board of Governors, pursuant to its authority to fix the compensation of the chancellors of the constituent institutions,¹ has authorized the participation of each chancellor in deferred compensation in the form of annual contributions to a qualified retirement plan to encourage the chancellors' continued service to their respective institutions and the University of North Carolina (UNC) System. Contributions may be made only upon the recommendation of the president, subject to final review and approval by the Committee on University Personnel ~~and Tenure~~. Contributions shall not exceed 10 ten percent ~~(10%)~~ of base salary paid in any year and must derive solely from non-state funding sources. Any campus that seeks to make contributions on behalf of its chancellor shall deliver a written request through the board of trustees to the president that describes its proposal for funding the contributions in accordance with the following requirements:

A.1 The request must identify and describe in detail the source(s) of funds from which the contributions will be made;

B.2. The request must state that the funds for the contributions will not, under any circumstances, originate from state funds or tuition revenues;

C.3. The request must specify the amount of the proposed contributions as a percentage of annual base salary, not to exceed 10 percent ~~(10%)~~;

D.4. The request must state that any contribution is voluntary, and that contributions may be suspended or discontinued at the discretion of the Board of Governors or the board of trustees;

E.5. The request must acknowledge that the contributions shall not be made in any year in which the funds identified and described by the campus are insufficient to support the contribution; and

F.6. The request must specify the vesting period that will apply to the contributions.

II. Other Matters

A. Effective Date. The requirements of this regulation shall be effective on the date of adoption of this regulation by the president.

B. Relation to State Laws. The foregoing regulation as adopted by the president is meant to supplement, and does not purport to supplant or modify, those statutory enactments which may govern or relate to the subject matter of this regulation.

¹~~N.C. Gen. Stat. §G.S.~~ 116-11(4); Section 500 B of ~~The Code of The University of North Carolina.~~

Adopted 01/11/02

Amended 07/12/02

Amended 01/09/04

Amended 02/11/05

Amended 07/01/07

Amended 07/29/16

Amended 03/23/18

Technical Corrections / /21

Policy on Granting of Management Flexibility to Appoint and Fix Compensation

I. Purpose

A. Pursuant to N.C.G.S. ~~§~~116-11(13) (G.S.), and other North Carolina law as referenced herein, and in an effort to enhance the administrative efficiency of the University, the Board of Governors has delegated to the president the authority to establish a human resources program and to approve management flexibility plans at constituent institutions for faculty and EHRA non-faculty (those employees exempt from Chapter ~~§~~126 of the North Carolina General Statutes).¹ ~~(Section 200.6 of the UNC Policy Manual.)~~

B. In accordance with this authority, the president may further delegate authority for approving human resources matters within the UNC ~~General Administration~~System Office.

C. Also in accordance with this authority, the president hereby further delegates the authority to administer certain human resources actions as described in ~~§~~section II of this policy to the boards of trustees for all constituent institutions.

D. Also in accordance with this authority, the president hereby further delegates additional authority to administer certain human resources actions as described in ~~§~~section III of this policy to the boards of trustees for institutions with management flexibility (~~§~~Special ~~r~~Responsibility ~~c~~Constituent ~~i~~Institutions).

E. The authority granted by the Board of Governors through the president is subject to ~~the~~ The Code of the University of North Carolina (The Code), policies of the Board of Governors, and all applicable federal and state laws, policies, regulations, and rules.² ~~(See Section 200.6 of the UNC Policy Manual for limitations on the president's delegated authority.)~~ Along with any other rules and regulations the Board of Governors and/or the president adopt, this policy requires each constituent institution to comply with all rules and regulations concerning equal employment opportunity; to act in recognition of funding availability and constraints within each institution's budget; and to take into account the actions of the Governor, the Office of State Budget and Management, and the General Assembly.

II. Authority Delegated to All Constituent Institutions

A. The president delegates to the board of trustees for each constituent institution the authority to execute the following personnel actions for faculty and EHRA non-faculty instructional, research, and public service (IRPS) employees:

1. Permanent and temporary appointments and salaries.
2. Promotion, including faculty rank changes but excluding tenure.
3. Permanent and temporary salary increases or stipends.

B. The president further authorizes the boards of trustees for the constituent institutions to delegate any of these actions to their chancellors, or to specific designees of the chancellor by title, as they deem appropriate.

C. Notwithstanding the delegations above, the president may establish regulations and guidelines that limit delegation for certain actions (for example, salary adjustments) within these categories.

III. Delegation of Authority to Boards of Trustees of Institutions with Management Flexibility

A. Simultaneous with the president's authorization of an institution's management flexibility plan, the board of trustees of that institution is delegated the authority to execute the following personnel actions, which it shall not delegate further unless the president or the Board of Governors shall allow:³

1. Upon recommendation of the chancellor, appoint⁴ and fix the salary and non-salary compensation⁵ for all vice chancellors and other Tier 1 senior academic and administrative officers (as defined in Section 300.1.1 I.A.7 of the UNC Policy Manual 300.1.1) with the exclusion of the chancellor.
2. Approve appointments and salary changes for SAAO Tier 1 appointments, with the exclusion of the chancellor.
3. Upon recommendation of the chancellor, establish salary ranges for SAAO Tier 2 positions, consistent with both the salary ranges and the policies established by the Board of Governors and the regulations and guidelines established by the president. The institution may otherwise elect to adopt salary ranges established by the UNC ~~General Administration~~System Office for these positions.
4. Upon recommendation of the chancellor, and consistent with the approved tenure policies and regulations of each institution, confer permanent tenure.

B. Simultaneous with the president's authorization of an institution's management flexibility plan, the board of trustees of that institution is also delegated the authority for the following personnel actions, which it may further delegate to the chancellor and may authorize the chancellor to further delegate on a limited basis.⁶

1. Establish faculty salary ranges within different academic disciplines, based on relevant data.
2. Appoint and fix the compensation for faculty awarded the designation of Distinguished Professors.

3. Establish IRPS positions and salary ranges.

C. Salaries and salary ranges shall be consistent with salary ranges established or authorized by the UNC ~~General Administration~~System Office and consistent with guidelines established by the president. Notwithstanding the delegations above and the provisions of any existing approved management flexibility plan, the Board of Governors and/or the president may establish policies, regulations, or guidelines that limit delegation for certain actions (such as establishing mandatory salary ranges or salary adjustments) within the delegations listed in III.A., and III.B.

IV. Responsibility of the Board of Governors and the President

A. The Board of Governors shall:

1. Issue a resolution each year that (a) interprets legislative action regarding salaries and (b) sets annually the salary range for the president and, in consultation with the president, the salary ranges for the chancellors. These ranges will be based upon relevant available data.
2. Authorize the president's salary and, based on recommendations from the president, the chancellors' salaries.
3. Authorize appointments and employment contracts for the chancellors, the president, the ~~general manager of UNC-TV~~UNC Center for Public Media director, and the chief executive officer of the UNC Health Care System as well as authorize certain contract terms and conditions for athletic directors and head coaches at constituent institutions as defined in §Section 1100.3 of the UNC Policy Manual.

B. The president shall:

1. Establish SAAO Tier 1 and SAAO Tier 2 positions and their salary ranges, with the exclusion of those defined in IV.A., above. In addition, the president will consult with the Board's Committee on University Personnel ~~and Tenure~~ for appointments and compensation for senior officers who report directly to the president.
2. The president may authorize any significant changes in the organizational structure of a constituent institution, such as re-organization resulting in the creation of a new vice chancellor, dean, or equivalent administrative position.
3. Review annually the salaries set by the medical schools at the University of North Carolina at Chapel Hill and East Carolina University to ensure that the salaries are coordinated and are consistent with relevant data in a national medical labor market.
4. Provide at least annually to the constituent institutions guidelines regarding EHRA appointments and salary actions.
5. Provide periodic faculty salary studies based on peer data.
6. Withdraw or further limit the delegation of management flexibility from any institution that does not adhere to the policies and procedures set forth in this policy. The

president will notify the institution of the discrepancies, and if these are not adequately addressed in the judgment of the president, then the president shall withdraw the delegation. The president may reinstate delegation or remove restrictions to a constituent institution upon further review and following the requirements established in section V., of this policy.

C. The Board of Governors and/or the president shall:

1. Conduct performance audits on policies, practices, and other matters related to delegation of management flexibility.

2. For institutions without management flexibility, the president and the Board of Governors shall have the same responsibilities and authority as set forth in [Section 600.3.1 of the UNC Policy Manual](#), ~~the~~ [Policy on Selection Criteria and Operating Guidelines for Special Responsibility Constituent Institutions](#).⁷

V. Submitting Institutional Plans for Management Flexibility for Personnel Appointments. The president has the authority to approve institutional management flexibility plans for personnel appointments. Upon approval, the board of trustees of a ~~ss~~Special ~~r~~Responsibility ~~c~~Constituent ~~i~~Institution⁸ shall have the authority delegated by this policy. An institutional plan shall include the following:

A. Policies and procedures for promotion and tenure of faculty.

1. An institutional policy for promotion and tenure⁹ that complies with *The Code of the University of North Carolina System*, complies with current federal and state law, and provides clear requirements for promotion and the conferral of permanent tenure.

2. A schedule and process for periodic review of promotion and tenure policies, including a process for amending promotion and tenure policies subject to review by the president or president's designee.

B. Policies and procedures for senior academic and administrative officers (SAAO) and EHRA non-faculty.

1. Policies and procedures for establishing salary ranges for SAAO Tier 2 and for instructional, research, and public service (IRPS) EHRA non-faculty positions, consistent with the salary ranges and the policies established by the Board of Governors and the regulations and guidelines established by the president. The institution may otherwise elect to adopt salary ranges established by the UNC [General AdministrationSystem Office](#) for these positions.

2. Policies and procedures for the recruitment and selection of senior academic and administrative officers and other EHRA non-faculty positions.

C. Policies and procedures for compensation policies for faculty and EHRA non-faculty.

1. An institutional policy on non-salary compensation of faculty and EHRA non-faculty, and on compensation from non-state sources such as grants, endowment funds, practice plan funds, etc.

2. Documentation of comprehensive salary studies that establish salary ranges for tenured faculty within different disciplines based on relevant data and for EHRA non-faculty, including methodology and relevant data.¹⁰

3. Documentation of EHRA salary-setting guidelines provided to institutional management.

D. Policies and procedures for audits and accountability.

1. Documentation that the institution has not had audit findings related to personnel practices, salary, or payroll for the previous three years or, if there have been audit findings in this period, documentation supporting that any findings have been remedied.

2. Documentation of appropriate accountability procedures in the event that the board of trustees delegates the authority granted pursuant to this policy to the chancellor.

VI. Implementation of the Delegated Authority under Management Flexibility. The president shall determine the effective date of the delegation authorized by this policy upon approval of the institution's management flexibility plan.

VII. Other Matters

A. Effective Date. The requirements of this policy shall be effective on the date of adoption of this policy by the Board of Governors.

B. Relation to State Laws. The foregoing policy as adopted by the Board of Governors is meant to supplement, and does not purport to supplant or modify, those statutory enactments which may govern or relate to the subject matter of this policy.

C. Regulations and Guidelines. This policy shall be implemented and applied in accordance with such regulations and guidelines as may be adopted from time to time by the president.

¹Section 200.6 of the UNC Policy Manual.

²See Section 200.6 of the UNC Policy Manual for limitations on the president's delegated authority.

³The delegation authorized by this policy is in addition to the delegation by the Board of Governors to the boards of trustees contained in the Appendix 1 to *The Code of the University of North Carolina*.

⁴For the purpose of this policy, the term "appoint" means the initial appointment reappointment, or an appointment that constitutes a promotion or a significant change in position responsibilities.

⁵Throughout this policy, all actions of a board of trustees of a ~~s~~Special ~~r~~Responsibility ~~c~~Constituent ~~i~~Institution to "fix the compensation" of employees are subject to the limitations contained in ~~S~~sections II and III of this policy; the policies of the Board of Governors; guidelines and regulations established by the president; and institutional plans, policies, and procedures.

⁶The chancellor may delegate authority only to the executive vice chancellor, provost, chief financial officer/chief business officer, and/or chief human resources officer, or any other director-level or senior officer with responsibility for campus-wide EHRA human resources actions.

⁷See in particular Section 600.3.1.A.2.

⁸In order for an institution to have management flexibility for personnel appointments, the institution must be designated and maintain the status of a ~~s~~Special ~~r~~Responsibility ~~c~~Constituent ~~i~~Institution.

⁹As applied to the North Carolina School of the Arts and the North Carolina School of Science and Mathematics, the terms “tenure policy” or “policy for promotion and tenure,” as used herein, refer to the institution’s policy governing the appointment of faculty.

¹⁰When used in this policy, the phrase “relevant data” indicates that the institution shall draw comparisons to peer institutions as approved by the Board of Governors. Data from peer institutions will be used when available except in instances in which a campus can demonstrate legitimate labor market differences that justify the use of a supplemental or alternative set of peer institutions.