

Faculty Recruitment and Retention Fund Review
2016



The University of North Carolina General Administration

January 2017



919 Raleigh Rd.
Chapel Hill, NC 27514

Constituent Universities

Appalachian
State University

East Carolina
University

Elizabeth City
State University

Fayetteville State
University

North Carolina
Agricultural and
Technical State
University

North Carolina
Central University

North Carolina
State University
at Raleigh

University of
North Carolina
at Asheville

University of
North Carolina
at Chapel Hill

University of
North Carolina
at Charlotte

University of
North Carolina
at Greensboro

University of
North Carolina
at Pembroke

University of
North Carolina
at Wilmington

University of
North Carolina
School of the Arts

Western Carolina
University

Winston-Salem
State University

Constituent High School

North Carolina
School of Science
and Mathematics

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MEMORANDUM

TO: The Personnel and Tenure Committee of the Board of Governors
FROM: Junius Gonzales
DATE: January 12, 2017
SUBJECT: Faculty Recruitment and Retention Fund Review

Enclosed is the Review of the Faculty Recruitment and Retention Fund. The Review includes background information on the fund and the accepted awards since 2007.

If there are questions regarding the fund or the information provided, please do not hesitate to contact me.

Fund History

The Faculty Recruitment and Retention Fund was created in 2006 pursuant to Senate Bill 1741. The fund was established with \$5,000,000 with the direction that “allocations from the fund shall be made for salary increases at the discretion of the President of The University of North Carolina only for the purposes of recruiting and retaining faculty members as necessary at constituent institutions” (§22.12A). The President was instructed to issue guidelines for the use of these funds.

In 2008, the Legislature added an additional \$3,000,000 to the fund, and in 2009 another \$2,000,000 was added. For a total allocation of \$10,000,000 for this purpose. Because of the success of this program and because funds are only returned to the central account if a supported faculty member subsequently leaves UNC, campuses were notified in May 2011 that the Faculty Recruitment and Retention fund had been fully expended and that no additional recruitment or retention offers could be supported until such time as the fund was replenished. In 2012, the Legislature added \$3,000,000 to the fund and the University was able to again provide support to campuses for retention and recruitment purposes. Additional appropriations have not been allocated for the fund since 2012.

Summary of the Use of Funds

Since the fund’s inception, 260 Recruitment and 411 Retention Awards have been made totaling \$17,822,275.

During the last calendar year the number of requests received from campuses for faculty retention have slightly decreased from the number of requests received the previous calendar year. The following is a summary of annual comparisons of fund usage.

- Between 2013 and 2014, there was a 30.77% increase in the use of the fund for retention purposes.
- Between 2014 and 2015, there was a 1.47% increase in the use of funds for retention purposes
- Between 2015 and 2016, there was a 15.94% decrease in the use of funds for retention purposes.
- The average retention award amount for Fiscal Year 2016 was \$8,631.67 as compared to Fiscal Year 2015’s average award of \$13,731.31. This is reflective of the fact that campuses are asked to provide some level of matching support for the requests they submit, contributing to the reduction in the average amount of requested awards.

Pending crucial future replenishment of the fund, a decision was made to strategically limit the amount of funding per request. This resulted in an overall decrease of the total amount awarded. Although funding available in the University Faculty Recruitment and Retention Fund is limited, it is critical that funding continue and increase so that campuses have the ability to retain key faculty.

During Fiscal Year 2016, 94.8% of the funds awarded resulted in the continued employment of the individual receiving funding. The chart below represents data from Fiscal Year 2007 to Fiscal Year 2016. The success rates noted are only for awards made in that fiscal year. In other words, if a faculty member left the university later due to retirement or taking another position, their departure is not reflected in the success rate percentages for that fiscal year. The overall

APPENDIX L

success rate of the UNC Faculty Recruitment and Retention Fund, since its inception, is 89.54% for retention efforts and 90% for recruitment efforts.

Faculty Recruiting and Retention Fund History by Number of Awards and Award Values

Success Rate by Number of Awards

	Fiscal Year Ended June, 30										
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Current Total
Recruitment Awards	88	30	49	51	29	1	9	2	0	1	260
Active Awards	74	30	41	50	27	1	9	1	0	1	234
Success Rate	84.1	100%	83.6%	98.0%	93.1%	100%	100%	50%	NA	100%	90%
Retention Awards	29	9	40	36	34	16	52	68	69	58	411
Active Awards	26	9	37	32	33	14	41	57	64	55	368
Success Rate	89.6	100%	92.5%	83.8%	97.05%	87.5%	78.8%	83.8%	92.7%	94.8	89.54%

Total Active Awards

602

Total Awards by Dollar Amount

	Fiscal Year Ended June, 30										
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Current Total
Recruitment Awards											
Total Awards Made	\$4,075,512	\$1,352,160	\$2,564,259	\$1,585,906	\$931,335	\$17,933	\$694,333	\$157,483	\$0	\$27,989	\$11,406,910
Current Active Awards	\$2,048,859	\$1,019,426	\$1,386,708	\$1,141,124	\$762,765	\$0	\$694,333	\$80,008	\$0	\$27,989	\$7,161,212
Retention Awards											
Total Awards Made	\$883,769	\$165,348	\$759,165	\$542,946	\$604,437	\$228,427	\$763,148	\$1,020,027	\$947,461	\$500,637	\$6,415,365
Current Active Awards	\$744,893	\$135,646	\$657,531	\$431,640	\$457,387	\$200,425	\$567,554	\$788,148	\$845,538	\$485,770	\$5,314,532
Total Active Awards	\$2,793,752	\$1,155,072	\$2,044,239	\$1,572,764	\$1,220,152	\$200,425	\$1,261,887	\$868,156	\$845,538	\$513,759	\$12,475,744

Current Fund Balance	\$696,662
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Total Appropriations to the Fund	\$13,000,000
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Appendix A

University Faculty Recruiting and Retention Fund

Guidelines

Legislation:

SECTION 22.12A. Of the funds appropriated to the Reserve for Compensation Increases for the 2006-07 fiscal year, five million dollars (\$5,000,000) shall be used to establish a Faculty Recruiting and Retention Fund under the Office of the President of The University of North Carolina. Allocations from the fund shall be made for salary increases at the discretion of the President of The University of North Carolina only for the purpose of recruiting and retaining faculty members as necessary at the constituent institutions.

Submission of Requests:

Campuses should submit requests for funding support through the chancellor to:

The President
The University of North Carolina
General Administration
Post Office Box 2688
Chapel Hill, NC 27515-2688

Packets should include:

1. Strong endorsement by the chancellor for support of request for funds from the *University Faculty Recruitment and Retention Fund* to recruit and/or retain an exceptional faculty candidate/member.
2. Supporting documents, e.g., letter of offer from competing organization, summary of institutional funds committed to the recruitment and/or retention of the faculty candidate/member, etc.

University Faculty Recruiting and Retention Fund

Frequently Asked Questions

Policy Questions:

1. What exactly is meant by recruiting and retention? Would retention only cover counteroffers, or would special bonuses be included, say if a professor makes a new discovery, has a best seller published, etc., in order to deter faculty from looking at an offer?

Funds may not be used for special bonuses. Funds may only be used to support salary enhancements to recruit or retain a faculty member. These funds will be provided as a last source after campuses have exhausted their capacity to support the salary enhancement.

2. If recruitment is to attract new professors, would it cover only the first year? Would it be renewable or would the campus have to come up with the amount in future years? Could it be used to attract a high profile visiting professor or is it only for permanent faculty?

The funds may be used for only for permanent faculty members. The funds are continuing funds until a faculty position is vacated. At which time, the funds revert to the pool at GA.

3. Is it only for tenure track, and if so, how would an exception be made for the School of the Arts?

The funds are intended for tenure-track faculty only. Exceptions will be considered based on a review of the recommendation from the Chancellor.

4. Will the money be targeted to certain campuses that lag further behind their peer groups, or will each request be viewed separately? Will there be certain fields or disciplines targeted?

No.

5. If a counteroffer isn't approved from the fund, can the campus still make the counteroffer from its own funds and would it still go to P&T?

Yes, the campus can make the counteroffer from its own funds if not approved from the University Faculty Recruiting and Retention Fund.

6. If a request receives approval and results in a salary above the required threshold for Board of Governors pre-approval, does the request have to be submitted again for Board of Governors review?

No, pursuant to Policy 200.6, approved by the Board of Governors on November 10, 2006, this authority has been delegated to the President providing that the salary is within the

established salary range and the salary increase is not in excess of 15% and \$10,000 higher than the salary in effect at the end of the last fiscal year.

Procedural Questions:

1. Will money be allocated to each campus to use as it sees fit, or will GA make the awards?

No allocations will be made to each campus. Awards will be made by The President.

2. Who will review the requests from the campuses? Will it be The President or will it be a committee? If it is a committee, who will decide who is on it?

Award decisions will be made by the President.

3. Will the requests be reviewed as they come in, or will there be a standard review cycle (monthly, quarterly, etc.)?

As they come in. It is assumed that recommendations from the Chancellors will be submitted for timely review.

4. Will the money be allocated across the academic year, or will it be *first come first served*, so the requests need to be submitted in September before all the fund is used up?

First come, first served.

5. What should be the campuses process for prioritizing their requests?

Up to the Chancellor.

6. Will there be a standard format for submissions? What kind of information will the campuses need to provide? Can they make their appeal in person?

Format for submissions are summarized with this FAQ list. Appeals may be made by the Chancellor with the President.

7. For counteroffers, the UNC BOG Personnel and Tenure Committee requires very specific information, including a copy of the offer to be countered. Will that same information need to be submitted?

No. A copy of the offer letter does not have to be included in the recommendation but, it is helpful, if available, to support the request.