

October 9, 2018 at 2:00 p.m.
University of North Carolina System Office
Center for School Leadership Development, Board Room
Chapel Hill, North Carolina

AGENDA

OPEN SESSION

- A-1. [Approval of the Minutes of July 26, 2018 and September 12, 2018](#) Wendy Murphy
- A-2. [Chancellor Search and Election Policy and Process](#) Matthew Brody and Lynn Duffy
 - a. Review and Recommendations
 - b. Revised Policy
- A-3. UNC System Constituent Peers and Peer Groupings Dan Cohen-Vogel and Matthew Brody
- A-4. [Annual Report of the Committee on Personnel and Tenure](#) Wendy Murphy
- A-5. [Employee Engagement Survey Presentation](#) Matthew Brody and Chris Chiron
- A-6. [Additional Delegation to Boards of Trustees](#) Joanna Carey Cleveland and Matthew Brody
- A-7. General Updates Matthew Brody and Kimberly van Noort
 - a. HR Update Matthew Brody
 - b. Academic Affairs Update Kimberly van Noort
- A-8. Informational Reports Matthew Brody and Kimberly van Noort
 - a. [Faculty Recruitment and Retention Fund Utilization Under Delegated Authority to the President](#) Kimberly van Noort
 - b. [Faculty Promotion and Tenure Conferral Report](#) Kimberly van Noort
 - c. [New UNC System Office and SAAO-I Appointments Under Delegated Authority to the President](#) Matthew Brody
 - d. [Summary of EHRA Salary Adjustments and New Position Consultations with the Chair and Vice Chair of the Committee on Personnel and Tenure](#) Matthew Brody

CLOSED SESSION

- A-9. Approval of the Closed Session Minutes of July 26, 2018 and
September 12, 2018.....Wendy Murphy

- A-10. EHRA Salary Pre-Authorizations Requiring Approval by the
Committee on Personnel and Tenure..... Matthew Brody

- A-11. Executive Compensation MatterMargaret Spellings

- A-12. Informational Reports..... Matthew Brody
 - a. EHRA Salary Adjustment Pre-Authorizations Delegated to
the President or Her Designee
 - b. EHRA Salary Adjustment and New Position Consultations with
the Chair and Vice Chair of the Committee on Personnel and Tenure

OPEN SESSION

- A-13. Adjourn

DRAFT MINUTES

July 26, 2018
University of North Carolina System Office
Center for School Leadership Development, Board Room
Chapel Hill, North Carolina

This meeting of the Committee on Personnel and Tenure was presided over by Chair Wendy Murphy. The following committee members, constituting a quorum, were also present in person: Kellie Hunt Blue, Frank Grainger, Lou Bisette, Leo Daughtry, Thomas Goolsby, and Doyle Parrish.

Chancellors participating were Chancellor Folt, Chancellor Sartarelli, and Interim Chancellor Morrison-Shetlar. Dawn Brown, chair of the UNC Staff Assembly, and David Green, chair of the UNC Faculty Assembly, were also in attendance.

Staff members present included Matthew Brody, Joanna Carey Cleveland, Kimberly van Noort, and others from the UNC System Office.

1. Call to Order and Motion to Approve Minutes (Item A-1)

The chair called for a motion to approve the open session minutes of May 21, 2018, May 23, 2018, and May 29, 2018, and July 9, 2018.

MOTION: Resolved, that the Committee on Personnel and Tenure approve the open session minutes of May 21, 2018, May 23, 2018, May 29, 2018, and July 9, 2018.

Motion: Thomas Goolsby
Motion carried

2. Annual Raise Process (A-2)

The committee briefly reviewed the results of the prior fiscal year's EHRA Annual Raise Process and discussed the upcoming Annual Raise Process for both EHRA and SHRA employees. In preparation for this new cycle, the committee reviewed a resolution granting the president the authority to implement compensation increases as provided for in the Appropriations Act of 2018 and consistent with the parameters established by the Resolution.

MOTION: Resolved, that the Committee on Personnel and Tenure approve the resolution titled "Implementation of Fiscal Year 2018-2019 Compensation Adjustments for Employees Pursuant to the Appropriations Act of 2018 and the University's Annual Raise Process."

Motion: Kellie Hunt Blue
Motion carried

3. General Updates (A-3)

Mr. Brody briefly updated the committee on HR matters. The System Office is implementing state legislation to raise the minimum state employee salary to \$31,200 following the Annual Raise Process. The System Office is also starting its work on implementing the recommendations of the Board's subcommittee on equal opportunity, diversity, and inclusion that were adopted by the Board in May 2018. Additional updates and policy proposals will be brought to the committee between now and early 2019. Mr. Brody also mentioned that the System Office and the constituent institutions continue to analyze the results of the recent System-wide employee engagement survey, and that the System Office will have more detailed results to share at the committee's next meeting.

4. Chancellor Search Process Review and Recommendations (A-4)

The president will soon bring forward recommendations and proposed policy changes regarding chancellor searches in order to continue to make this process more effective and responsive for the candidates, the constituent institutions, the president, boards of trustees, and the Board of Governors. System Office staff have identified several areas of possible process improvement. Board members also discussed other ideas for consideration and shared concerns about the Board's process as part of the recent WCU search.

5. Informational Reports (A-5)

The committee received informational reports on new UNC System Office SAAO-I appointments under delegated authority to the president; faculty recruitment and retention fund utilization under delegated authority to the president; EHRA salary adjustments and new position consultations with the chair and vice chair of the committee; the Senior Administrative Office Retirement Program Report; the Annual Post-Tenure Review Report; and the Award for Excellence in Teaching/Final Use of Funds Report.

THE MEETING MOVED INTO CLOSED SESSION.

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

MOTION: Resolved, that the Committee on Personnel and Tenure return to open session.

Motion: Kellie Hunt Blue

Motion carried

THE MEETING RESUMED IN OPEN SESSION.

6. Discussion of 2018-2019 Plan of Work (Item A-11)

The committee discussed potential projects and issues for action and discussion in fiscal year 2018-2019, including reviewing proposed delegation to the boards of trustees. The committee will discuss further at its next meeting.

There being no further business, the meeting adjourned at 4:46 p.m.

Frank Grainger, Secretary

DRAFT MINUTES

September 12, 2018

University of North Carolina System Office
Center for School Leadership Development, Board Room
Chapel Hill, North Carolina

Call to Order

The joint meeting of the Committee on Audit, Risk Management, and Compliance; Committee on Educational Planning, Policies, and Programs; Committee on Personnel and Tenure; and the Committee on University Governance was presided over by Chair Harry Smith. The following committee members, constituting a quorum of each committee were also present in person or by phone:

Committee on Audit, Risk Management, and Compliance: Jim Holmes, Chair; Tom Fetzer, Thomas Goolsby; Bob Rucho; Bill Webb

Committee on Educational Planning, Policies, and Programs: Anna Nelson, Chair; Rob Bryan; Walter Davenport; Joe Knott; Steve Long; Bettylenah Njaramba. Ann Maxwell was absent.

Committee on Personnel and Tenure: Wendy Murphy, Chair; Lou Bisette, Kellie Hunt Blue, Leo Daughtry, Thomas Goolsby, Frank Grainger, Doyle Parrish

Committee on University Governance: David Powers, Chair; Pearl Burris-Floyd; Phil Byers; Alex Mitchell; Randy Ramsey; Bill Webb; Michael Williford

1. Call to Order

Chair Smith called the meeting to order at 4:00 p.m. on Wednesday, September 12, 2018.

2. Authorization to Establish the following UNC Degree Programs – ECSU, UNC Greensboro, N.C.A&T, NCCU (Item 1)

The Committee on Educational Planning, Policies, and Programs reviewed and discussed degree program establishment for the following:

Elizabeth City State University

- Bachelor of Science in Unmanned Aircraft Systems

MOTION: Resolved, that the Committee on Educational Planning, Policies, and Programs approve the above request and recommend approval to the Board of Governors.

Motion: Walter Davenport

Motion carried

University of North Carolina at Greensboro

- Master of Science in Informatics and Analytics

MOTION: Resolved, that the Committee on Educational Planning, Policies, and Programs approve the above request and recommend approval to the Board of Governors.

Motion: Rob Bryan

Motion carried

North Carolina A&T State University

- Master of Accountancy

MOTION: Resolved, that the Committee on Educational Planning, Policies, and Programs approve the above request and recommend approval to the Board of Governors for a vote through the consent agenda.

Motion: Walter Davenport

Motion carried

North Carolina Central University

- Master of Science in Higher Education Administration
- Bachelor of Science in Biomedical Sciences

MOTION: Resolved, that the Committee on Educational Planning, Policies, and Programs approve the above requests and recommend approval to the Board of Governors.

Motion: Steven Long

Motion carried

3. Authorization for the President to Purchase Commercial Insurance Related to Employee Benefits Plan Administration (Item 2)

The Committee on Personnel and Tenure considered a resolution to grant the president the authority to purchase fiduciary liability insurance for employee benefits plans, including UNC-Chapel Hill supplemental retire plan.

MOTION: Resolved, that the Committee on Personnel and Tenure, approve the Resolution for Authorization to Purchase Commercial Insurance Related to the Management, Direction, Administration, and Investment of University Employee Benefit Plans and recommend approval to the Board of Governors for a vote through the consent agenda.

Motion: Leo Daughtry

Motion carried

4. Addition of One-Time Bonus Option to 2018-2019 Annual Raise Process (Item 3)

The Committee on Personnel and Tenure also considered a resolution authorizing the president to issue instructions permitting one-time bonus payments in lieu of or in addition to permanent base salary increases for 2018 annual raise process.

MOTION: Resolved, that the Committee on Personnel and Tenure, approve the Resolution for Authorization for One-Time Bonus Option in the 2018-2019 Annual Raise Process and recommend approval to the Board of Governors.

Motion: Frank Grainger

Motion carried

5. Report on Free Speech and Free Expression Within the UNC System (Item 4)

The Committee on University Governance, acting in its capacity as the Committee on Free Speech and Free Expression, considered the draft 2017-2018 Report on Free Speech and Free Expression Within the University of North Carolina.

MOTION: Resolved, that the Board approve the 2017-2018 Report on Free Speech and Free Expression Within the University and recommend approval to the Board of Governors.

Motion: Pearl Burris-Floyd

Motion carried

6. UNC System Office 2018-19 Internal Audit Plan (Item 5)

The Committee on Audit, Risk Management, and Compliance considered the Fiscal Year 2018-2019 Internal Audit Plan.

MOTION: Resolved, that the Committee on Audit, Risk Management, and Compliance approve the University's Fiscal Year 2018-2019 Internal Audit Plan and recommend approval to the Board of Governors.

Motion: Bill Webb

Motion carried

THE MEETING MOVED INTO CLOSED SESSION

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

MOTION: Resolved, that the joint committees return to open session.

Motion: Kellie Blue

Motion carried

There being no further business, the joint meeting of the committees adjourned at 5:12 p.m.

H. Frank Gainger, Secretary

AGENDA ITEM

A-2. Assessment of the Chancellor Search Process and Recommendations..... Matthew Brody

Situation: As competition for outstanding chancellor talent intensifies nationwide and as some of our current chancellors approach the latter part of their careers, it is essential that the University System has effective policies and practices in place for conducting searches that will fill chancellor vacancies with outstanding leaders. The Committee on Personnel and Tenure requested that UNC System Office staff complete a review of the chancellor search process to identify opportunities for improvement and for the president to propose revisions to the chancellor search policy.

Background: The chancellor search process is governed by both statute and Board policy, such as:

- North Carolina General Statute § 116-11(4), which defines certain expectations for the chancellor search and selection process;
- Section 500 B. of *The Code of the Board of Governors of the University of North Carolina* which sets the role of the Board of Governors and the president in electing and fixing compensation for new Chancellors;
- Chapter 100.1 of *The Code* (Section I.D.) defines the composition of the chancellor search committee;
- Section 200.8 of the UNC Policy Manual (“Policy on Chancellor Searches; Board of Governors Participation”), which establishes the roles, responsibilities, and certain procedures for chancellor searches.

Assessment: Based on a comprehensive review of the existing chancellor search process by UNC System Human Resources, the president is recommending both process improvements and revisions to the University’s policy on chancellor searches for consideration by the Committee on Personnel and Tenure and then the full Board. Some of these process improvements have already been implemented and others require formal consideration and policy change by the Board of Governors. The attached *Assessment of Chancellor Search Process and Recommendations* contains context and data about the chancellor search process and recommended policy and process improvements. Also attached for the committee’s

consideration are both clean and marked up copies of a newly proposed policy on chancellor search and election.

Action:

This item requires a vote by the committee, with a vote by the full Board of Governors at the next meeting.



**ASSESSMENT OF THE CHANCELLOR SEARCH PROCESS
AND RECOMMENDATIONS**

August 22, 2018

University of North Carolina System Human Resources
Chapel Hill, North Carolina

Introduction

As competition for outstanding chancellor talent intensifies nationwide and as some of our current chancellors approach the later part of their careers, it is essential that the UNC System have effective policies and practices in place for conducting searches to fill chancellor vacancies.

Recognizing these issues, and after a discussion among the president and the Board of Governors Committee on Personnel and Tenure in late 2017, the committee chair requested that the System Office staff conduct a review of the chancellor search process to identify opportunities for improvement and address known gaps and deficiencies. This document summarizes the results of this review and identifies a series of options for policy change and/or process improvements for the president and the Board of Governors (BOG) to consider.

Policy Basis

North Carolina General Statute § 116-11(4) establishes that the BOG will elect, on nomination by the president, the chancellor of a constituent institution and set the chancellor's compensation. The statute requires that the president will present the nominee from a list of not fewer than two candidates recommended by the institution's board of trustees (BOT). Existing BOG policy exceeds this requirement and provides for not fewer than three candidates.

Chapter 100.1 of *The Code of the Board of Governors of the University of North Carolina* (Section I.D.) defines the composition of the chancellor search committee.

Section 200.8 of the UNC Policy Manual ("Policy on Chancellor Searches; Board of Governors Participation") establishes the roles, responsibilities, and procedures for chancellor searches. The policy outlines the role of the BOG liaison on the search committee in a non-voting, advisory capacity. The liaison role encourages participation in search activities other than directly posing questions to candidates and actively participating in deliberations.

Process Overview

The chancellor search process is initiated at the direction of the UNC System president. The president consults with the institution's BOT chair to facilitate the organization and execution of the search in conformance with UNC Policy 200.8. The BOT chair typically serves as the search committee chair and forms a search committee in consultation with the president. The composition of the search committee is designed to reflect each institution's diverse constituency. The policy also prescribes that the chair of the BOG appoint a BOG liaison as a non-voting member of the search committee.

The search committee chair, with input from System Office staff, typically selects a search firm to assist with the search to maximize the opportunity to recruit the most diverse and talented pool of candidates. At the search committee kick off meeting, the president gives her charge outlining key priorities and expectations for the committee's work. System Office staff also give a briefing on policy,

process and equal employment opportunity matters. The search committee chair informs committee members of their absolute responsibility to maintain confidentiality throughout the search, which continues on after the search is concluded. The search committee develops a plan for a series of campus listening forums where students, faculty, alumni, community and other interested stakeholders are invited to provide input and commentary into the desired attributes and profile of the new chancellor. The search committee then develops a leadership statement or job profile that takes the input from all the stakeholders and describes the unique characteristics of the successful future chancellor. The search committee and the engaged search firm then uses the leadership statement to evaluate applicants for the position.

A slate of 8-12 candidates is invited to “airport interviews” with search committee members. The search committee then evaluates these candidates and reaches consensus on the three to five individuals to be invited to campus visits. Campus visits typically include a wider group of stakeholders, all of whom sign confidentiality agreements. After the campus interviews, the search committee presents a slate of three unranked candidates to the BOT, which votes the slate up or down. If approved, the BOT advances three unranked candidates to the president to participate in interviews at the UNC System office. The president’s selection process includes interviews by the president, the BOG officers, the BOG representative to the search committee, the chair of the BOG’s Committee on Personnel and Tenure, and selected members of the president’s senior staff. The System Office assists the president in completing deeper candidate vetting, including consultations with references and a comprehensive background check. Most recently this work has been done with the assistance of an outside background investigations firm. The president then presents her finalist to the BOG’s Committee on Personnel and Tenure. Once approved by the committee, the nominee is presented to the full BOG for a final vote.

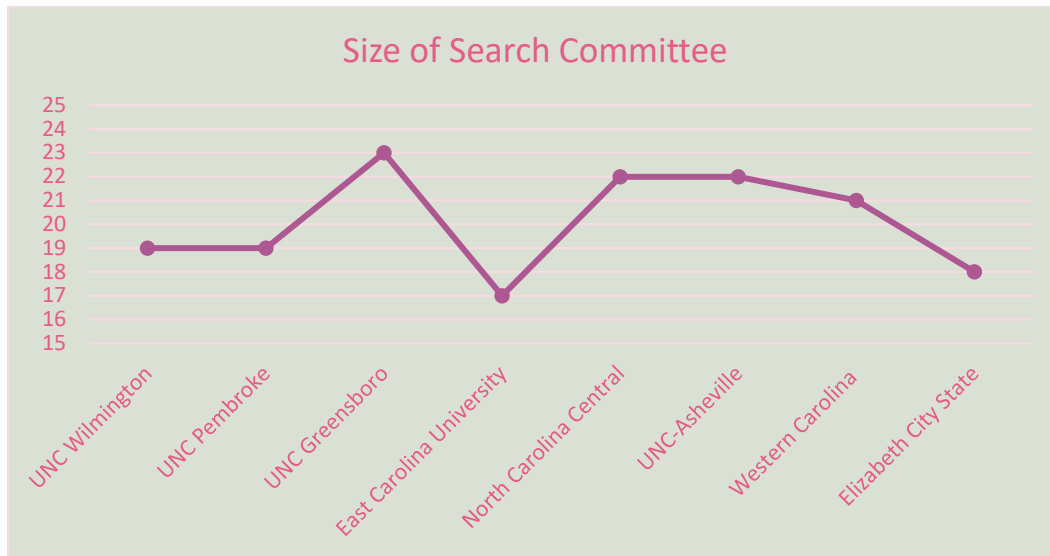
Review of Recent Chancellor Searches

Since 2014, there have been eight chancellor searches. The institutions covered by these searches include: UNC Wilmington, UNC Pembroke, UNC Greensboro, East Carolina University, North Carolina Central University, UNC Asheville, and two current chancellor searches that are underway at Western Carolina University and Elizabeth City State University. The University’s current chancellor search policy has brought many exceptional chancellors to lead our constituent institutions. Given our track record of hiring approximately two chancellors per year, along with a typical tenure of six years for presidents/chancellors¹ of public institutions, we expect to hire approximately two to three chancellors per year for the foreseeable future. The following pages offer some metrics associated with recent chancellor search experiences.

¹ American Council on Education (ACE) American College President Study 2017 page 22

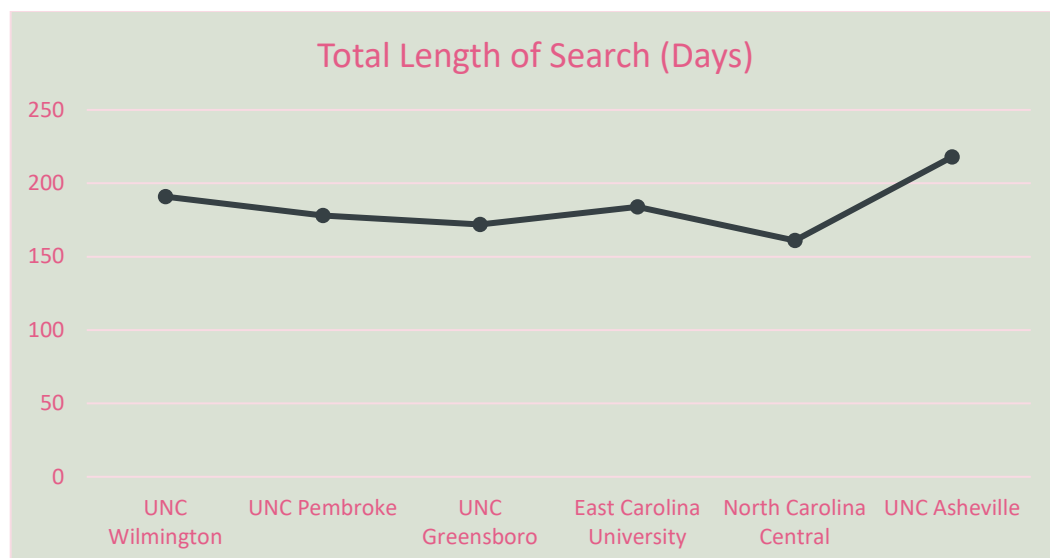
Size of Search Committees

Below is a chart that highlights the number of search committee members from the last eight chancellor searches. The largest search committee was assembled for UNC Greensboro's search in 2014, with 23 members, and the smallest search committee was assembled for East Carolina University's search in 2015, with 17 members.



Duration of Chancellor Searches

Since 2014, the length of chancellor searches has varied, the longest search being UNC Asheville's in 2017, which lasted 218 days. The shortest search has been North Carolina Central University's, in 2017, which lasted 161 days.



While each search is unique in terms of pacing, the following is an illustrative chancellor search timeline.

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7
Search Committee Kickoff							
Constituent Forums							
Finalize Leadership Statement							
Invite Applications/Nominations							
Begin Screening							
Interview Semi-Finalists (Airport)							
Interview Finalists (Campus)							
Recommendation to BOT							
BOT Recommendation to President							
President Interviews Finalists							
Recommends to BOG							
New Chancellor begins							

Utilization of Search Firms

The following search firms have been utilized to assist search committees during recent chancellor searches.

Search	Search Firm Used
UNC Wilmington	Buffkin Baker
UNC Pembroke	Academic Search
UNC Greensboro	R. William Funk & Associates
East Carolina University	Witt/Kieffer
North Carolina Central	Diversified Search
UNC Asheville	Witt/Kieffer
Western Carolina	Buffkin Baker
Elizabeth City State	Isaacson, Miller

Cost of Searches

The average total cost of the last 6 active chancellor searches is \$130,311. The total cost per search trends are depicted below. These costs do not include the time or direct expenses of System Office Staff.



Profile of Existing Chancellor Incumbents

Currently in the UNC System, we have 15 serving chancellors, with Western Carolina University and Elizabeth City State University with vacancies. To provide context as we consider changing chancellor search policies and practices, this section describes the tenure and background of the current chancellors.

Duration of Service

Our longest serving chancellor is Chancellor Philip L. Dubois at UNC Charlotte, who is currently serving in his thirteenth year. The tenure of each of our currently serving chancellors is displayed below.

University	Chancellor	Number of Years
Appalachian State University	Shari N. Everts	4
East Carolina University	Cecil Staton	2
Elizabeth City State University		
Fayetteville State University	James A. Anderson	10
North Carolina A&T State University	Harold L. Martin, Sr.	9
North Carolina Central University	Johnson Akinleye	1

University	Chancellor	Number of Years
North Carolina State	Randy Woodson	8
UNC Asheville	Nancy Cable	0
UNC-Chapel Hill	Carol L. Folt	5
UNC Charlotte	Philip L. Dubois	13
UNC Greensboro	Franklin Gilliam	3
UNC Pembroke	Robin Cummings	3
UNC Wilmington	Jose "Zito" Sartarelli	3
UNC School of the Arts	M. Lindsay Bierman	4
Western Carolina University		
Winston- Salem State University	Elwood Robinson	3
North Carolina School of Science and Mathematics	J. Todd Roberts	7

Traditional vs. Non-Traditional Chancellor Backgrounds

While many of the current chancellors rose through the faculty ranks within the higher education sector prior to assuming their roles as chancellors, several recently appointed chancellors also feature “non-traditional” experience in addition to any academic and/or higher education background.

Examples include Chancellor Sartarelli (business executive); Chancellor Cummings (medical doctor and government executive), Chancellor Staton (elected official and business executive), and Chancellor Cable (non-profit foundation executive).

Recommendations for Policy and Process Change

As a result of this review, a series of recommendations is offered below with respect to policy and process changes regarding chancellor searches and elections. Those recommendations that are proposed as specific additions to the UNC System’s policy on chancellor searches are **highlighted in red**. Any policy change requires a recommendation and vote of the Committee on Personnel and Tenure and then a vote of the full BOG. Process changes can be implemented at the direction of the president.

Better Clarify Roles and Responsibilities of Search Process Participants

- ◆ **More clearly and precisely articulate in policy the distinct roles and responsibilities of the president, the board of trustees, the search committee, the BOG liaison, the Committee on Personnel and Tenure, and the BOG as a whole in the various stages of the chancellor search process.**

Search Committees/ Institution-Led Portion of the Search

- ◆ Ensure that search committee members are provided with sufficient orientation with respect to the role and time commitment connected with their service on the committee.

- ◆ Develop comprehensive search committee training to address process, confidentiality, and search committee best practices. The training would include best practices regarding engaging the Institution's stakeholders from among local students, faculty, staff, alumni, community members, BOG members, and other interested parties.
- ◆ Require the chair of the search committee to assure that the search process engages a broad cross-section of institutional stakeholders to obtain well-rounded input on candidates. At the discretion of the search committee chair, such engagement could involve students, faculty, staff, alumni, and community members. The search committee chair is also encouraged to engage selected members of the Board of Governors who may live within proximity to the institution or otherwise have a particular interest in or knowledge of the institution and its mission. Search committee size will be limited to 20 members.

Search Firm Utilization

- ◆ Develop a list of pre-vetted search firms for use by search committees on chancellor searches to save time in vendor acquisition and ramp-up.
- ◆ Continue to carefully monitor and actively manage search firm engagements by System Office Human Resources.
- ◆ Tighten contract language around search firm non-performance and failed searches.

Confidentiality of Searches

- ◆ Affirm in policy that searches for chancellors of the UNC System shall be conducted as "confidential searches," which shall mean the identity of candidates, semi-finalists, or finalists shall not be disclosed to the general public. This helps to maximize the quality of the candidate pool by not discouraging individuals who would not otherwise apply for fear of a publicly disclosed candidate pool.

Candidate Questionnaire

- ◆ The System Office will develop a standard questionnaire that shall be completed by each candidate and submitted with the CV. The completed questionnaire would be included in the materials provided to the search committee, the BOT, the president, and the BOG in order to provide fuller information regarding the candidate's compensation history, background, and leadership competency at each stage of the search.

Search Philosophy and Candidate Pools

- ◆ Chancellor search committees and the boards of trustees for constituent institutions should make every effort to recruit and consider a pool of exceptionally well-qualified individuals for chancellor vacancies and to consider candidates with both traditional academic experience as well as candidates with alternative backgrounds in business, industry, government, the military, and the not-for-profit sector.
- ◆ All reasonable efforts should be undertaken to develop an internal pipeline of talent within the UNC System, which shall serve to benefit future applicant pools for the position of chancellor.
- ◆ Job postings for chancellor vacancies should be promoted in a manner that encourages interest from well qualified candidates who are current residents of North Carolina.
- ◆ In keeping with Board policy, and in order to avoid the appearance of actual or potential conflicts of interests, any serving member of the Board of Governors shall be excluded from being eligible to be appointed as an acting or interim chancellor or to be considered for the position of chancellor.

Chancellor Finalist Interviews at the System Office

- ◆ Once a slate of chancellor candidates is received from the board of trustees, the president will choose to interview one (1) or more of the candidates and may include members of his or her senior staff in the interviews, as deemed appropriate. The president would invite the appointed officers of the Board of Governors, the Board of Governors representative to the search committee, and the chair and vice chair of the Committee on Personnel and Tenure to participate in candidate interviews.

BOG Review and Deliberations on the President's Proposed Chancellor-Elect

- ◆ Provide the BOG more detailed information on the proposed chancellor finalist to better support deliberations regarding the president's recommended candidate. These materials shall include: the candidate's CV, the candidate questionnaire, the search announcement, the leadership statement, a summary of the background investigation process, the president's charge, and a summary of the proposed appointment terms and conditions.
- ◆ Members of the Board shall have no less than seven calendar days prior to being asked to vote on a nomination to review written materials for the proposed candidate for chancellor-elect.
- ◆ In order to support the fullest and most candid deliberations possible, the chancellor-elect should not be physically present at any Board meeting at which a vote shall be undertaken on their candidacy.
- ◆ Board member concerns regarding the veracity or accuracy of any aspect of a candidate's background should be addressed directly to both the chair of the board and the president. The president shall initiate follow-up on such concerns as appropriate. The chancellor search policy would include more specific guidance around confidentiality requirements that apply in these circumstances.

Candidate Background Checks and Due Diligence

- ◆ Any candidate presented to the Board of Governors for election as chancellor should have a completed background investigation that includes, but is not limited to: verification of prior work history and educational credentials, confirmation of most recent total compensation, reference checks, criminal background check, credit check, civil litigation check, and scans of relevant social media and news media references applicable to the candidate. This investigation may address any other issues deemed of relevance to the president to confirm the candidate's suitability for the position.
- ◆ The final results of the background investigation will be reviewed by the president, appropriate members of the president's senior staff, the officers of the Board of Governors, and the chair and vice chair of the Committee on Personnel and Tenure.
- ◆ When deemed necessary for the proper conduct of a search, detailed candidate background investigation results would only be shared with other members of the Board of Governors with the direct authorization of the chair of the Board.

Candidate Terms and Conditions

- ◆ Clarify in policy that the following terms and conditions, subject to Board approval, would be negotiated by the president for a chancellor-elect: compensation (including base salary, consistent with the Board of Governors approved market salary ranges), retirement plan participation; deferred compensation incentive and retention plans; stipends, and allowances; and written contract provisions, including length of appointment and retreat rights.

Candidate Onboarding

- ◆ Develop a structured process to onboard new chancellors and accelerate successful assimilation into their newly appointed role.
- ◆ Facilitate mentoring and coaching opportunities for new chancellors within the first 12-months of appointment.

Policy on Chancellor Searches and Elections

The Board of Governors adopts the following policy regarding the chancellor search and election process.

I. Purpose. The search for and election of a new chancellor of a constituent institution of the University of North Carolina requires the participation, involvement, and collaboration of the board of trustees of the constituent institution, the chancellor search committee, the president, and the Board of Governors, each of which performs distinct roles and functions. Within the University, chancellors report to the president. The president therefore has the primary responsibility for ensuring there is a thorough and reliable process for chancellor searches, culminating in the election of the chancellor by the Board of Governors.

Consistent with the statutory responsibilities of the board of trustees, president, and Board of Governors, this policy establishes requirements for the chancellor search and election process, and describes the resources that shall be provided through the UNC System Office and the constituent institutions during each search.

II. Search Process

A. President. As further described in this policy, the president shall have the overall responsibility for overseeing System Office staff with responsibility for managing and supporting chancellor searches, helping determine search committee membership, charging the search committee, developing chancellor leadership competencies, interviewing chancellor finalists, participating in the reference checking process, negotiating the terms of employment for a chancellor-elect consistent with state law and Board policy, and offering a chancellor-elect for final consideration by the Board of Governors.

B. Board of Trustees. As further described in this policy, members of the boards of trustees shall serve as members of the search committee, shall consider candidates proposed by the search committee as potential finalists, and shall refer a final slate of candidates to the president for additional vetting and consideration.

C. Board of Governors. As further described in this policy, selected members of the Board of Governors shall provide input and advice to the president on a slate of finalists and the governors both in committee and then as the full body shall consider and vote on a proposed chancellor-elect.

D. Search Committee

1. The search committee shall be composed of representatives of the board of trustees, the faculty, the student body, the staff, the alumni, the local community, and other campus constituencies as may be deemed appropriate.

2. The search committee shall to the extent practicable include one to two individuals recommended by the Board of Governors chair and/or chair of the Board's Committee on Personnel and Tenure in collaboration with the president.

3. No member of the Board of the Governors may serve as a member of the search committee.

4. The chair of the board of trustees in consultation with the president shall identify a chair of the search committee; the chair of the board of trustees may also serve as chair of the search committee with the agreement of the president.

5. The search committee membership shall not exceed twenty (20) individuals.

6. As further described in this policy, the search committee shall work on behalf of the board of trustees and the president to receive the input of institutional stakeholders and community members, to develop a leadership statement that describes the desired qualities for the new chancellor, to conduct interviews and consider the qualifications of candidates, and to propose a slate of finalists for consideration of the board of trustees, who recommends the slate to the president.

E. Budget and Staff. Upon the establishment of the search committee, the chair of the board of trustees, in consultation with the president, shall establish a budget and identify staff for the committee. With the exception of assigned System Office professional staff and their direct expenses, the costs for a chancellor search are the responsibility of the constituent institution. This shall include the fees and expenses of any engaged outside professional search and/or background investigation firms.

F. UNC System Office. The UNC System Office shall provide the necessary resources and support to effectively carry out a chancellor search, including but not limited to qualified human resources staff with expertise in executive search, logistical and administrative support to the chair of the search committee, and training materials which shall serve to orient trustees and search committee members with respect to their roles and responsibilities in the search process. The System Office may also obtain the support of the constituent institution in providing local logistical support to the operations of the search committee.

G. Search Status. Members of the Board of Governors may elect to receive public notices of search committee meetings and chancellor search open forums. The chair of the board of trustees shall ensure that the president receives periodic updates concerning the status of the search and the projected schedule for concluding interviews and delivering recommendations of three (3) candidates to the president.

H. Engagement of Key Stakeholders

1. The chair of the search committee shall assure that the search process engages a broad cross-section of institutional stakeholders to obtain well-rounded input on candidates. At the discretion of the search committee chair, such engagement could involve students, faculty, staff, alumni, and community members.

2. The search committee chair is encouraged to engage selected members of the Board of Governors who may live within proximity to the institution or otherwise have a particular interest in or knowledge of the institution and its mission to attend constituent forums, candidate receptions, or other events at which candidates are present.

3. All individuals provided the opportunity to meet with chancellor candidates on campus will be expected to sign confidentiality agreements equivalent to that signed by members of the search committee.

I. Confidential Searches and Confidentiality

1. Consistent with state law protecting the identity of applicants, searches for chancellors of the University of North Carolina shall be conducted as “confidential searches,” which shall mean the identity of candidates, semi-finalists, or finalists shall not be disclosed to the general public. Conducting confidential searches is intended to maximize the quality of the candidate pool by not discouraging the interest of individuals who would not otherwise apply in the event of a publicly disclosed candidate pool.

2. Any individual involved in the search process, including but not limited to members of the Board of Governors, the search committee, the board of trustees, and staff, shall keep confidential all search-related records and information that are required by law to be kept confidential. Confidential information includes, but is not limited to, personnel records and information of candidates, attorney-client communications, and closed session deliberations and information.

III. Search Philosophy and Candidates for Chancellor

A. Each chancellor search committee and the boards of trustees for constituent institutions shall make every effort to recruit and consider a pool of exceptionally well-qualified individuals for chancellor vacancies and to consider candidates with both traditional academic experience as well as candidates with alternative backgrounds in business, industry, government, the military, and the not-for-profit sector.

B. The president shall undertake reasonable efforts to develop an internal pipeline of talent within the University of North Carolina that shall serve to benefit future applicant pools for the position of chancellor.

C. The president shall assure that opportunities for chancellor vacancies shall be promoted in a manner that encourages interest from well qualified candidates who are current residents of the State of North Carolina.

D. In keeping with Board policy in order to avoid actual or potential conflicts of interests, no presently serving member of the Board of Governors or a board of trustees shall be eligible to be appointed as an acting or interim chancellor or to be considered for the position of chancellor unless they first resign their position on said body.

IV. Board of Trustees Recommendations to the President. The institutional search committee shall recommend an unranked slate of three candidates to the board of trustees for consideration. The board of trustees, following receipt of the report of the search committee, shall recommend the unranked slate of three candidates for consideration by the president in designating a nominee for the chancellorship, or return the slate to the search committee for further action.

V. Consideration by the President. Once the slate of candidates is received from the board of trustees, the president may choose to interview one (1) or more of the candidates and may include members of his or her senior staff in the interviews, as deemed appropriate. The president shall also invite the appointed officers of the Board of Governors and the chair and vice chair of the Committee on Personnel and Tenure to participate in candidate interviews.

VI. Review of Candidate Qualifications and Background Investigation

A. Timing. The president shall initiate a detailed background investigation on one or more of the candidates received from the board of trustees for determining their suitability for election as chancellor.

B. Scope. Any candidate presented to the Board of Governors for election as chancellor must have had a completed background investigation that includes, but is not limited to verification of prior work history and educational credentials, confirmation of most recent total compensation, reference checks, criminal background check, credit check, civil litigation check, and scans of relevant social media and news media references applicable to the candidate. This investigation may address any other issues deemed of relevance to the president to confirm the candidate's suitability to serve as a chancellor.

C. Review of Results. The final results of this background investigation shall be reviewed by the president, appropriate members of the president's senior staff, the officers of the Board of Governors, and the chair and vice chair of the Committee on Personnel and Tenure. This information may be shared with other members of the Board of Governors only with the direct authorization of the chair and the president when deemed necessary for the proper conduct of a search.

VII. Nomination to the Board of Governors. Following interviews and successful completion of an appropriate background investigation, the president may either identify one (1) of the three (3) candidates for nomination to the Board of Governors, or return the slate to the board of trustees with instructions for further action.

VIII. Negotiation of Terms and Conditions of Appointment. The president shall consult with the Board of Governors officers and the chair of the Committee on Personnel and Tenure about the president's proposed nomination and negotiation of conditional terms and conditions of appointment. The chair of the Board of Governors may authorize the president to negotiate all terms and conditions of appointment to the position of chancellor conditional on the approval of the Board of Governors. The negotiated terms and conditions may include: compensation (including base salary, consistent with the Board of Governors approved market salary ranges), retirement plan participation; deferred compensation incentive and retention plans; stipends, and allowances; and written contract provisions, including length of appointment and retreat rights.

IX. Election of the Chancellor

- A. The Board of Governors shall vote on the president's nominee and the proposed terms of appointment.
- B. All the members of the Board shall have no less than seven (7) calendar days to review written materials for the proposed candidate for chancellor-elect prior to being asked to vote on said nomination.
- C. Prior to being considered by the full Board of Governors, the Committee on Personnel and Tenure shall convene to consider and make a recommendation concerning the president's nomination and the proposed terms and conditions of appointment, including the elements of any employment contract. The Committee on Personnel and Tenure meeting shall be scheduled so as to reasonably accommodate participation by Board of Governors members in person or by telephone.
- D. Any Board of Governors member who shall have a concern regarding the veracity or accuracy of any element of a candidate's background for chancellor shall address such concern directly to the president. The president shall have the responsibility to investigate and follow-up on such concerns with the Board of Governors in a timely manner.
- E. The chancellor-elect shall not be physically present at any board meeting at which such vote shall be undertaken.

X. Other Matters

- A. **Effective Date.** The requirements of this policy shall be effective for chancellor searches that are initiated on or after the date of adoption of this policy 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 or relate to chancellor searches.
- 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.

200.8

Adopted 04/10/15

Amended / /18

Policy on Chancellor Searches, ~~Board of Governors Participation and Elections~~

The Board of Governors adopts the following policy regarding the chancellor search and election process.

I. Purpose. The search for and election of a new chancellor of a constituent institution of the University of North Carolina requires the participation, involvement, and collaboration of the board of trustees of the constituent institution, the chancellor search committee, the president, and the Board of Governors, each of which performs distinct roles and functions. Within the University, chancellors report to the president. The president therefore has the primary responsibility for ensuring there is a thorough and reliable process for chancellor searches, culminating in the election of the chancellor by the Board of Governors.

Consistent with the statutory responsibilities of the board of trustees, president, and Board of Governors, this policy establishes requirements for the chancellor search and election process, and describes the resources ~~and expertise~~ that shall be ~~maintained and~~ provided through the UNC General Administration System Office and the constituent institutions during each search.

II. Search Process ~~In the event~~

A. President. As further described in this policy, the president shall have the overall responsibility for overseeing System Office staff with responsibility for managing and supporting chancellor searches, helping determine search committee membership, charging the search committee, developing chancellor leadership competencies, interviewing chancellor finalists, participating in the reference checking process, negotiating the terms of employment for a vacancy in the chancellorship, the chair of the Board of Governors shall, in consultation with the president and the chair of the board of trustees, designate chancellor-elect consistent with state law and Board policy, and offering a member of chancellor-elect for final consideration by the Board of Governors. ~~to~~

B. Board of Trustees. As further described in this policy, members of the boards of trustees shall serve ~~on~~ as members of the search committee, shall consider candidates proposed by the search committee as potential finalists, and shall refer a final slate of candidates to the president for additional vetting and consideration.

C. Board of Governors. As further described in this policy, selected members of the Board of Governors shall provide input and advice to the president on a slate of finalists and the governors both in committee and then as the full body shall consider and vote on a proposed chancellor-elect.

D. Search Committee in a nonvoting, advisory capacity as the Board of Governors' representative. The Board of Governors' representative shall,

1. The search committee shall be composed of representatives of the board of trustees, the faculty, the student body, the staff, the alumni, the local community, and other campus constituencies as may be deemed appropriate.

1.2. The search committee shall to the extent practicable include one to two individuals recommended by the Board of Governors chair and/or chair of the Board's Committee on Personnel and Tenure in collaboration with the president, encourage members of the Board of Governors to recommend individuals who are not members of the Board of Governors for possible service on the search committee.

1.1.

~~A. Composition of the Search Committee. The chair of the board of trustees shall establish the search committee in consultation with the president. The committee shall be composed of:~~

~~1. Representatives of the board of trustees, the faculty, the student body, staff, the alumni, and such other representatives of campus constituencies as may be appropriate;~~

~~2. The Board of Governors' representative, who shall serve in a nonvoting, advisory capacity; and~~

~~3. In consultation with the Board of Governors' representative, one to two individuals recommended by Board of Governors members for possible service on the search committee.~~

~~3. No member of the Board of the Governors may serve as a voting member of the search committee.~~

~~B. Board The chair of Governors' Representative. The Board the board of Governors' representative shall have the following duties and responsibilities:~~

~~4. 1. Collaborate trustees in consultation with the president and shall identify a chair of the search committee; the chair of the board of trustees in developing a matrix may also serve as chair of skills the search committee with the agreement of the president.~~

5. The search committee membership shall not exceed twenty (20) individuals.

6. As further described in this policy, the search committee shall work on behalf of the board of trustees and background the president to be represented among receive the input of institutional stakeholders and community members of the search committee; to develop a leadership statement that describes the desired qualities for the new chancellor, to conduct interviews and consider the qualifications of candidates, and to propose a slate of finalists for consideration of the board of trustees, who recommends the slate to the president.

- ~~2. Encourage members of the Board of Governors to recommend individuals, who are not themselves members of the Board of Governors, for consideration for possible service on the search committee;~~
- ~~3. Assist the president, the chair of the board of trustees, and UNC General Administration professional staff in narrowing the recommendations for search committee membership received from Board of Governors members;~~
- ~~4. Attend search committee meetings as an additional resource to the search committee;~~
- ~~5. Refrain from actively participating in interviews of candidates and in search committee deliberations regarding candidates;~~
- ~~6. Observe all confidentiality requirements applicable to search committee members and board members, and sign such confidentiality agreements as may be appropriate to reflect such commitments; and~~
- ~~7. Assist the president, when requested, in providing general updates to the Board of Governors concerning the status of the search, but avoid providing information concerning individual candidates.~~

CE. Budget and Staff. Upon the establishment of the search committee, the chair of the board of trustees, in consultation with the president, shall establish a budget and identify staff for the committee. With the exception of assigned System Office professional staff and their direct expenses, the costs for a chancellor search are the responsibility of the constituent institution. This shall include the fees and expenses of any engaged outside professional search and/or background investigation firms.

DE. UNC General Administration. ~~System Office.~~ The UNC General Administration ~~System Office~~ shall ~~maintain expertise and provide the necessary~~ resources ~~necessary to and~~ support to effectively carry out a chancellor and other executive searches ~~search~~, including but not limited to:

- ~~1. Qualified professional and administrative~~ qualified human resources staff with expertise in ~~supporting and managing searches for chancellors and other senior academic~~ executive search, logistical and administrative ~~officers;~~
- ~~2. Regularly updated knowledge and understanding~~ support to the chair of the educational and operational landscape of public higher education;
- ~~3. Knowledge of the unique skills sets that chancellor candidates must possess to be successful leaders in higher education;~~
- ~~4. Knowledge of industry standards associated with the recruitment, selection, and hiring of institutional leaders; and~~

~~5. Regularly updated search committee, and training materials for an instructional seminar to be presented to which shall serve to orient~~ trustees and search committee members ~~at the commencement of the~~ with respect to their roles and responsibilities in the search process. ~~The seminar shall addresses topics relevant~~ The System Office may also obtain the support of the constituent institution in providing local logistical support to the ~~educational and operational landscape of public higher education and the skills that chancellor candidates must possess in order to be effective leaders~~ operations of the search committee.

~~E.G.~~ Search Status. Members of the Board of Governors may elect to receive public notices of search committee meetings and chancellor search open forums. The chair of the board of trustees shall ensure that the president receives periodic updates concerning the status of the search and the projected schedule for concluding interviews and delivering recommendations of three (3) candidates to the president.

H. Engagement of Key Stakeholders

~~1. The chair of the search committee shall assure that the search process engages a broad cross-section of institutional stakeholders to obtain well-rounded input on candidates. At the discretion of the search committee chair, such engagement could involve students, faculty, staff, alumni, and community members.~~

~~2. The search committee chair is encouraged to engage selected members of the Board of Governors who may live within proximity to the institution or otherwise have a particular interest in or knowledge of the institution and its mission to attend constituent forums, candidate receptions, or other events at which candidates are present.~~

~~3. All individuals provided the opportunity to meet with chancellor candidates on campus will be expected to sign confidentiality agreements equivalent to that signed by members of the search committee.~~

I. ~~Closed~~ Confidential Searches and Confidentiality

~~1. Consistent with state law protecting the identity of applicants, searches for chancellors of the University of North Carolina shall be conducted as “closed confidential searches,” which shall mean the identity of candidates, semi-finalists, or finalists shall not be disclosed to the general public. Conducting closed confidential searches is intended to maximize the quality of the candidate pool by not discouraging the interest of individuals who would not otherwise apply in the event of a publicly disclosed candidate pool.~~

~~2. Any individual involved in the search process, including but not limited to members of the Board of Governors, the search committee, the board of trustees, and staff, shall keep confidential all search-related records and information that are required by law to be kept confidential. Confidential information includes, but is not limited to, personnel records and information of candidates, attorney-client communications, and closed session deliberations and information.~~

III. Search Philosophy and Candidates for Chancellor

~~A. Board of Trustees' Recommendations to the President.~~ Each chancellor search committee and the boards of trustees for constituent institutions shall make every effort to recruit and consider a pool of exceptionally well-qualified individuals for chancellor vacancies and to consider candidates with both traditional academic experience as well as candidates with alternative backgrounds in business, industry, government, the military, and the not-for-profit sector.

B. The president shall undertake reasonable efforts to develop an internal pipeline of talent within the University of North Carolina that shall serve to benefit future applicant pools for the position of chancellor.

C. The president shall assure that opportunities for chancellor vacancies shall be promoted in a manner that encourages interest from well qualified candidates who are current residents of the State of North Carolina.

D. In keeping with Board policy in order to avoid actual or potential conflicts of interests, no presently serving member of the Board of Governors or a board of trustees shall be eligible to be appointed as an acting or interim chancellor or to be considered for the position of chancellor unless they first resign their position on said body.

~~III.~~ IV. Board of Trustees Recommendations to the President. The institutional search committee shall recommend an unranked slate of three candidates to the board of trustees for consideration. -The board of trustees, following receipt of the report of the search committee, shall recommend the unranked slate of three candidates for consideration by the president in designating a nominee for the chancellorship, or return the slate to the search committee for further action.

~~V. IV.~~—Consideration by the President. -Once the slate of candidates is received from the board of trustees, the president may choose to interview one (1) or more of the candidates. The president shall consult with the chair and may include members of his or her senior staff in the interviews, as deemed appropriate. The president shall also invite the appointed officers of the Board of Governors and the chair and vice chair of the Committee on Personnel and Tenure. The president may consult with UNC General Administration professional staff and involve one (1) or more UNC General Administration staff members to participate in candidate interviews as necessary or appropriate, and may engage in additional.

VI. Review of Candidate Qualifications and Background Investigation

A. Timing. The president shall initiate a detailed background investigation and review on one or more of the candidates received from the board of trustees for determining their suitability for election as chancellor.

B. Scope. Any candidate presented to the Board of Governors for election as chancellor must have had a completed background investigation that includes, but is not limited to verification of prior work history and educational credentials, confirmation of most recent total compensation, reference checks, criminal background check, credit check, civil litigation check, and scans of relevant social media and news media references applicable to the candidate. This investigation may address any other issues deemed of relevance to the president deemsto confirm the candidate's suitability to serve as a chancellor.

C. Review of Results. The final results of this background investigation shall be reviewed by the president, appropriate under the circumstances. The members of the president's senior staff, the officers of the Board of Governors, and the chair and vice chair of the Committee on Personnel and Tenure. This information may be shared with other members of the Board of Governors only with the direct authorization of the chair and the president when deemed necessary for the proper conduct of a search.

~~IV.~~ VII. Nomination to the Board of Governors. Following interviews and successful completion of an appropriate background investigation, the president may either identify one (1) of the three (3) candidates for nomination to the Board of Governors, or return the slate to the board of trustees with instructions for further action.

~~V.~~ VIII. ———Negotiation of Terms and Conditions of Appointment. The president shall consult with the Board of Governors'Governors officers and the chair of the Committee on Personnel and Tenure about the president's proposed nomination, and negotiation of conditional terms and conditions of appointment. The Committee on Personnel and Tenurechair of the Board of Governors may authorize the president to negotiate all terms and conditions of appointment to the position of chancellor.—The negotiated terms and conditions may include: conditional on the approval of the Board of Governors. The negotiated terms and conditions may include: compensation (including base salary, consistent with the Board of Governors approved market salary ranges), retirement plan participation; deferred compensation incentive and retention plans; stipends, and allowances; and written contract provisions, including length of appointment and retreat rights.

A. ———Compensation, including base salary;

B. ———Retirement plan participation;

C. ———Deferred compensation incentive and retention plans;

D. ———Stipends, and allowances; and

E. ———Written contract provisions, including length of appointment and retreat rights.

~~VI.IX.~~ Election of the Chancellor.—

A. The Board of Governors shall vote on the president's nominee and the proposed terms of appointment.—At least forty-eight (48) hours

B. All the members of the Board shall have no less than seven (7) calendar days to review written materials for the proposed candidate for chancellor-elect prior to being asked to vote on said nomination.

C. Prior to being considered by the full Board of Governors—meeting in which the president's nomination will be presented, the Committee on Personnel and Tenure shall convene to consider and make a recommendation concerning the president's nomination and the proposed terms and conditions of appointment, including the elements of any employment contract. The Committee

on Personnel and Tenure meeting shall be scheduled so as to reasonably accommodate participation by Board of Governors members in person or by telephone.

D. Any Board of Governors member who shall have a concern regarding the veracity or accuracy of any element of a candidate's background for chancellor shall address such concern directly to the president. The president shall have the responsibility to investigate and follow-up on such concerns with the Board of Governors in a timely manner.

E. The chancellor-elect shall not be physically present at any board meeting at which such vote shall be undertaken.

~~VI.~~ X. Other Matters-

A. Effective Date.- The requirements of this policy shall be effective for chancellor searches that are initiated on or after the date of adoption of this policy by the Board of Governors.

~~B. Confidentiality. Members of the Board of Governors, the search committee, the board of trustees, and staff shall keep confidential all search-related records and information that are required by law to be kept confidential, including, but not limited to, personnel records and information of candidates, attorney-client communications, and closed session deliberations and information.~~

~~C.~~ 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 or relate to chancellor searches.-

~~D.~~ 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.

AGENDA ITEM

A-4. Annual Report of the Committee on Personnel and Tenure..... Wendy Murphy

- Situation:** Each standing committee submits an annual report of its activities to the Board of Governors.
- Background:** Under the UNC Policy Manual, Section 302 E of *The Code*, “Each standing committee shall make a written report to the Board of Governors at least annually, reviewing the work of the committee during the preceding year.”
- Assessment:** The Annual Report on the activities of the Committee on Personnel and Tenure for fiscal year 2017-18 is ready for review and submission.
- Action:** This item requires a vote by the Committee to accept the report for submission to the Board of Governors.

DUTIES AND MEMBERSHIP

The major responsibilities of the Committee on Personnel and Tenure are: (1) to make recommendations to the Board of Governors of the University of North Carolina System on all personnel actions under the jurisdiction of the Board; (2) to review *The Code* and institutional policies and regulations regarding tenure and dismissal; (3) to review appeals from faculty members that involve tenure denial, non-reappointment, or a serious sanction (suspension, demotion, or discharge); (4) to act on compensation matters that exceed prescribed thresholds; (5) to act on compensation matters for the president's direct reports, including chancellors and the CEO of UNC Health Care System; and (6) to act on new or modified policy considerations regarding human resources-related matters.

The UNC Board of Governors members who served on the committee during the fiscal year July 1, 2017, through June 30, 2018 were Doyle Parrish, Wendy Murphy, Pearl Burris-Floyd, Leo Daughtry, Alexander Mitchell, and Michael Williford. The committee officers were Mr. Parrish as chair, Ms. Murphy as vice chair, and Ms. Burris-Floyd as secretary. Chancellors M. Lindsay Bierman, Thomas Conway, Jr. (until May 2018), and Randy Woodson also served on the committee.

ACTIONS

The committee met in eleven (11) regular or special meetings between July 1, 2017 and June 30, 2018. The major actions of the committee and matters presented to the committee are summarized below.

Human Resources Actions

Salary Pre-Authorizations: The committee reviewed and pre-authorized 29 EHRA salary requests.

Delegated Salary Actions: The committee received reports on 73 EHRA Faculty and 100 EHRA Non-Faculty salary requests approved by UNC System Office.

Salary and Position Consultation Actions: Section 35.24 of the Current Operations Appropriations Act of 2017 (S.L. 2017-57) established a requirement that, as of July 1, 2017, the UNC Board of Governors monitor certain human resource transactions and be consulted prior to actions taking effect. It was decided by Board of Governors leadership that the monitoring and consultation with the Board would consist of a regular report shared electronically with the chair of the UNC Board of Governors and the chair of the Committee on Personnel and Tenure, which is also copied to the president. The results of their review and consultation were reported in detail to the committee at each Board meeting, and summarized in a report for the full Board. As of the date of this report, the Board consultations are now accomplished with the chair and vice chair of the committee, instead of the committee chair and board chair. The committee received reports on 434 EHRA Faculty, 289 EHRA Non-Faculty, and 25 SHRA salary requests that required legislatively mandated consultation with the chair of the Board and the chair of the committee.

Annual Raise Process: The president operationalized a \$1,000 legislative increase for SHRA employees, as well as an Annual Raise Process for EHRA faculty and non-faculty employees. The EHRA annual raise process focused on increases for merit and retention, with some consideration given to market concerns, and capped at no more than 4.99%.

Chancellor Searches (Western Carolina University and University of North Carolina at Asheville): The committee was periodically apprised of the chancellor search processes for WCU and UNCA. Final voting on the president's nominees for both positions were handled by the committee as closed session matters, and were then recommended to the full Board of Governors for review and approval.

Chancellor Search Process: The committee requested that UNC System Office staff complete a thorough beginning-to-end review of the chancellor search process to identify opportunities for improvement and that the president use that review to propose revisions to the chancellor search policy. The results of this review and recommendations for possible policy changes will be presented to the committee at its September 2018 meeting.

Employee Engagement Survey: The committee has been previously updated on the system-wide Employee Engagement Survey, an effort that resulted from the UNC System strategic plan. Participation rates averaged 51% across the System, and positive responses to survey questions averaged 63%. Detailed results will be presented to the committee at its October 2018 meeting.

Equal Opportunity, Diversity & Inclusion Study: Section 10.13 of the Current Operations Appropriations Act of 2017 (S.L. 2017-57) set forth requirements for a UNC system-wide study on equal opportunity, diversity, and inclusion. Conduent Human Resources (now Buck), a consulting firm, was engaged to assist with the study and provided the committee with a detailed report on equal opportunity, diversity and inclusion staffing, policies, programs, and budget of the constituent institutions. The full report was presented to the committee at its January 25, 2018 meeting which was then recommended for approval by the full Board. As part of its review and approval, the Board also decided to appoint a special subcommittee of the committee on personnel and tenure to further review and make recommendations with respect to the consultant's report. Following this approval, the consultant's report was transmitted to the General Assembly noting the additional actions that were being undertaken by the special subcommittee. The report of the subcommittee was presented to the committee at its May 23, 2018 meeting which was subsequently accepted by both the committee and the full Board. The subcommittee's report and recommendations were also transmitted to the General Assembly. UNC System Office staff are now working on implementing the subcommittee's final recommendations which include developing a system-wide policy on diversity and inclusion for Board approval.

ORP Changes: In September 2018, acting on the committee's recommendation, the Board voted to make technical corrections to the Optional Retirement Plan ("ORP") to lower investment fees by adopting a Collective Investment Trust with Vanguard, and to authorize the president or her staff to execute any documents or agreements related to that change.

Report Deregulation: The Division of Human Resources updated the committee on the elimination and consolidation of certain HR-related reporting requirements in September 2017. This was part of a larger Board initiative on report deregulation. Changes were made, specifically, to Section 600.3.4 of the UNC Policy Manual ("Granting of Management Flexibility to Appoint and Fix Compensation") and Section 300.2.1 of the UNC Policy Manual ("Employees Exempt from the State Personnel Act").

Salary Structure Analysis for UNC System Leadership and Chancellors: The Division of Human Resources engaged Conduent Human Resources Consulting (now Buck) to review and recommend revisions to the salary ranges for the

president, chancellors, and certain UNC System senior leadership positions which had last been updated in 2015. This effort produced a recommendation from Conduent for the University to implement a 3.46% blended increase to these salary ranges. The committee voted unanimously to recommend these ranges to the full Board for approval. Additionally, following a closed session discussion, the committee voted to recommend increases for the chancellors retroactive to July 1, 2017. These increases were designed to continue to align performance with compensation.

UNC-CH Deferred Compensation Arrangement: The committee voted to approve a deferred compensation agreement proposed by Chancellor Folt and the UNC-Chapel Hill Board of Trustees a senior administrator. The President and UNC System Office staff was authorized to take appropriate steps and execute necessary documents to implement this arrangement.

Tutorials: Periodic tutorials were provided covering matters such as faculty appeals, athletic contracts, Carnegie classifications, and employee compensation.

Academic Affairs Actions

Department Chair Survey: Dr. Junius Gonzales updated the committee on the department chair survey, which provided potential ideas for training and professional development opportunities.

Excellence in Teaching Awards: The committee is responsible for annually coordinating the UNC Board of Governors' Excellence in Teaching Awards program. Dr. Kimberly van Noort presented the Annual "Use of Funds" report for the awards program in September 2017.

Faculty Recruitment and Retention Fund: This fund was established by the General Assembly in 2006 to be used to recruit and retain key tenured and tenure-track faculty. Dr. Junius Gonzales reported that the Faculty Recruitment and Retention Fund received \$1 million in non-recurring funding this fiscal year. At committee meetings throughout the year, Dr. Gonzales, senior vice president of academic affairs, and Dr. Kimberly van Noort, interim senior vice president of academic affairs, apprised committee members on the state of the Fund. The annual "Use of Funds Report" was presented to the committee at the end of the fiscal year.

Tenure Conferrals: Academic Affairs reported on 30 tenure conferrals or promotions from campuses without management flexibility.

Faculty Appeals: Subcommittees were convened for additional meetings to receive, review, and make recommendations on five (5) faculty appeals from constituent institutions for the committee's consideration and recommendation to the full Board.

AGENDA ITEM

A-5. Engagement Survey Presentation Chris Chiron / Matthew Brody

Situation: This presentation provides an overview of system-wide results from the 2018 University Employee Engagement Survey.

Background: Goal 11 (Human Capital) of the UNC System Strategic Plan established the following:

***Goal:** The University will systematically focus on recruitment, retention, and development of the most talented and diverse workforce possible at all levels over the next five years.*

***Metric:** By May 2017, UNC General Administration will create an implementation plan (including the details of proposed data collection and metrics) to systematically measure — at all levels — engagement, retention, succession planning, and investment in professional development in order to promote system-wide improvements in these areas.*

Through a competitive process, the University selected ModernThink--the company that partners with *The Chronicle of Higher Education* for its annual “Great Colleges to Work For” insert--to conduct a System-wide engagement survey. The survey was issued to all permanent full-time faculty and staff of the UNC System in late January 2018. In May 2018, ModernThink provided the human resource offices at each institution a suite of survey reports. Over the summer, the HR offices have been reviewing their data in conjunction with ModernThink, UNC System Human Resources, and institutional senior leadership. UNC System institutions will begin releasing information about their survey findings in October 2018. Institutional HR offices will continue to work with their senior leadership and UNC System Human Resources to develop System-wide and institutional follow-up initiatives to enhance faculty and staff engagement. The 2018 survey established a baseline for engagement metrics, and the survey will be reissued in 2020 and again in 2022 to determine our progress in enhancing engagement.

Assessment: Overall, the UNC System had higher survey participation rates than benchmark groups provided by ModernThink, and the UNC System’s overall positive engagement scores were largely comparable to the benchmarks.

Action: This item is for information only.

BELIEF STATEMENTS

Consider your typical day at work. For each statement, mark the response option that best describes your experience using a five-point agreement scale (**Strongly Agree, Agree, Sometimes Agree/Sometimes Disagree, Disagree, Strongly Disagree**). Additionally, there is a **Not Applicable** response option.

1. My job makes good use of my skills and abilities.
2. I am given the responsibility and freedom to do my job.
3. My supervisor/department chair makes his/her expectations clear.
4. I am provided the resources I need to be effective in my job.
5. I understand how my job contributes to this institution's mission.
6. I am given the opportunity to develop my skills at this institution.
7. I receive feedback from my supervisor/department chair that helps me.
8. When I offer a new idea, I believe it will be fully considered.
9. I am regularly recognized for my contributions.
10. I understand the necessary requirements to advance my career.
11. I am paid fairly for my work.
12. I believe what I am told by my supervisor/department chair.
13. We have opportunities to contribute to important decisions in my department.
14. I can speak up or challenge a traditional way of doing something without fear of harming my career.
15. My supervisor/department chair regularly models this institution's values.
16. Promotions in my department are based on a person's ability.
17. Our review process accurately measures my job performance.
18. Issues of low performance are addressed in my department.
19. My supervisor/department chair is consistent and fair.
20. My supervisor/department chair actively solicits my suggestions and ideas.
21. In my department, we communicate openly about issues that impact each other's work.
22. Changes that affect me are discussed prior to being implemented.
23. People in my department work well together.
24. I have a good relationship with my supervisor/department chair.
25. Overall, my department is a good place to work.
26. I can count on people to cooperate across departments.
27. Senior leadership provides a clear direction for this institution's future.
28. My department has adequate faculty/staff to achieve our goals.
29. The institution takes reasonable steps to provide a safe and secure environment for the campus.
30. Our orientation program prepares new faculty, administration and staff to be effective.
31. The facilities (e.g., classrooms, offices, laboratories) adequately meet my needs.
32. Our senior leadership has the knowledge, skills and experience necessary for institutional success.
33. There is a good balance of teaching, service, and research at this institution.
34. This institution's benefits meet my needs.
35. Our recognition and awards programs are meaningful to me.
36. I am proud to be part of this institution.
37. Senior leadership shows a genuine interest in the well-being of faculty, administration and staff
38. The role of faculty in shared governance is clearly stated and publicized.
39. Faculty are appropriately involved in decisions related to the education program (e.g. curriculum development, evaluation).
40. Teaching is appropriately recognized in the evaluation and promotion process.
41. Senior leadership communicates openly about important matters.
42. Faculty, administration and staff are meaningfully involved in institutional planning.
43. At this institution, we discuss and debate issues respectfully to get better results.
44. This institution's policies and practices ensure fair treatment for faculty, administration and staff.
45. At this institution, people are supportive of their colleagues regardless of their heritage or background.
46. Faculty, administration and staff work together to ensure the success of institution programs and initiatives.
47. My supervisor/department chair supports my efforts to balance my work and personal life.
48. Senior leadership regularly models this institution's values.
49. This institution actively contributes to the community.

50. This institution places sufficient emphasis on having diverse faculty, administration and staff.
51. There is appropriate recognition of innovative and high quality teaching.
52. We celebrate significant milestones and important accomplishments at this institution.
53. This institution's policies and practices give me the flexibility to manage my work and personal life.
54. This institution has clear and effective procedures for dealing with discrimination.
55. There is regular and open communication among faculty, administration and staff.
56. I believe what I am told by senior leadership.
57. This institution is well run.
58. There's a sense that we're all on the same team at this institution.
59. This institution's culture is special — something you don't find just anywhere.
60. All things considered, this is a great place to work.

BENEFITS

Please rate your institution's benefits using the following satisfaction scale:

Very Satisfied, Satisfied, Neutral, Dissatisfied, Very Dissatisfied, Not Applicable.

1. Medical Insurance
2. Dental Insurance
3. Vision Insurance
4. Disability Benefits (Short-Term, Long-Term, and Supplemental)
5. Employee Assistance Program (EAP)
6. Life Insurance
7. Post-retirement Medical Benefits
8. Leave & Holidays (vacation, sick, bonus, community service, etc.)
9. Retirement Savings (TSERS, ORP, 403(b), 401(k), 457)
10. Educational Assistance Programs (tuition waiver, educational leave, etc.)
11. Overall satisfaction with benefits
12. Professional/career development programs
13. Tenure clarity and process
14. Wellness Programs
15. Physical work space conditions
16. Flexible work arrangements (Telecommuting, compressed work weeks, etc.)
17. Work/life balance programs (Relocation services, discount programs, child care programs/support, etc.)

OPEN-ENDED QUESTIONS

1. What do you appreciate most about working at this institution?
2. What would make this institution a better place to work?

DEMOGRAPHICS (* Denotes Question is required "as-is" for Great Colleges and cannot be modified)

1. Which of the following job opportunities would influence you the most to leave your current position (either to a position within the state system or to a position outside the state system)? (Select up to 4)

- ☐ Better work/life balance
- ☐ Better work environment/culture
- ☐ Better job duties match to your skillsets/interests
- ☐ Better opportunities for career advancement
- ☐ Better opportunities for professional development
- ☐ Better job security/stability
- ☐ Better supervisory relationship
- ☐ Better or more competitive salary
- ☐ Satisfied in my current position
- ☐ Decline to answer

***2. Gender**

- Female
- Male
- Transgender
- Decline to answer

***3. Race** (Select all that apply)

- American Indian or Alaska Native
- Asian
- Black or African American
- Native Hawaiian or Other Pacific Islander
- White
- Decline to answer

***4. Ethnicity**

- Hispanic or Latino
- Not Hispanic or Latino
- Decline to Answer

***5. Age**

- < 25
- 25-29
- 30-34
- 35-39
- 40-44
- 45-49
- 50-54
- 55-59
- 60-64
- 65+
- Decline to answer

6. Supervisory Status

(Are you a supervisor? Is part of your job the responsibility to conduct and sign performance evaluations?)

- Yes
- No

7. Years in Current Position

- Fewer than 2 years
- 2-5 years
- 6-10 years
- 11-15 years
- 16-20 years
- More than 20 years
- Decline to answer

8. Years at this Institution

- Fewer than 2 years
- 2-5 years
- 6-10 years
- 11-15 years
- 16-20 years
- More than 20 years
- Decline to answer

9. How long do you expect to stay with this institution?

- Fewer than 2 years
- 2-5 years
- 6-10 years
- 11-15 years
- 16-20 years
- More than 20 years
- Until retirement
- Decline to answer

10. Annual Salary

- \$25,000 or less
- \$25,001 to \$50,000
- \$50,001 to \$75,000
- \$75,001 to \$100,000
- \$100,001 to \$125,000
- \$125,001 to \$150,000
- \$150,001 or more
- Decline to answer

11. Tenure Status *(For faculty only)*

- Tenured
- Tenure Track/Untenured
- Not Tenure Track / Term Appt
- Not Applicable
- Decline to Answer

12. Faculty Appointment *(For faculty only)*

- Department Chair
- Professor
- Associate Professor
- Assistant Professor
- Other
- Decline to Answer

13, 14, 15. Organizational Unit

(Employees select up to three tiers of organizational levels provided by each institution. Examples below.)

- VC/School Division: College of Arts & Sciences
- Division Subunit: Humanities & Fine Arts
- Department: Music

- VC/School Division: Vice Chancellor for Finance & Administration
- Division Subunit: Facilities Services
- Department: Housekeeping

- VC/School Division: Vice Chancellor for Student Affairs
- Division Subunit: Dean of Students
- Department: University Student Union

PRE-LOADED DEMOGRAPHICS

(The UNC System Office provided these employee types along with employee email addresses; employees did not have the option to self-select these items.)

16. Employee's email address**17. Employee Group**

- SHRA
- EHRA
- Other [CSS (ECU only); COS (NCSU only), Adjunct]

18. Employee Type

- SAAO Tier 1
- SAAO Tier 2
- Other EHRA Non-Faculty
- Faculty
- SHRA Exempt (exempt from overtime)
- SHRA Non-Exempt (subject to overtime)

19. Job Status

- Full-time (at least 0.75 FTE)
- Part-time (less than 0.75 FTE)

20. Job Schedule

- Full-time (12 Months)
- Full-time (9/10 months/Acad Yr.)
- Other



2018 UNC System Employee Engagement Survey

Highest and Lowest Positive Responses (*Strongly Agree or Agree*) to Survey Belief Statements System-wide

Highest percentage (greater than 75%) of positive responses System-wide:

- ◆ I understand how my job contributes to this institution's mission.
- ◆ This institution actively contributes to the community.
- ◆ I have a good relationship with my supervisor/department chair.
- ◆ I am given the responsibility and freedom to do my job.
- ◆ The institution takes reasonable steps to provide a safe and secure environment for the campus.
- ◆ My supervisor/department chair supports my efforts to balance my work and personal life.
- ◆ I am proud to be part of this institution.
- ◆ Overall, my department is a good place to work.
- ◆ My job makes good use of my skills and abilities.

Lowest percentage (fewer than 50%) of positive responses System-wide:

- ◆ At this institution, we discuss and debate issues respectfully to get better results.
- ◆ Promotions in my department are based on a person's ability.
- ◆ There is regular and open communication among faculty, administration, and staff.
- ◆ Issues of low performance are addressed in my department.
- ◆ There's a sense that we're all on the same team at this institution.
- ◆ Changes that affect me are discussed prior to being implemented.
- ◆ I am paid fairly for my work.
- ◆ Our recognition and awards programs are meaningful to me.
- ◆ My department has adequate faculty/staff to achieve our goals.



2018 UNC SYSTEM EMPLOYEE ENGAGEMENT SURVEY

Presented to the UNC Board of Governors Committee on Personnel and Tenure
by UNC System Human Resources

10-9-2018

44/70

UNC System Strategic Plan – Human Capital

- **Goal:**

- The University will systematically focus on recruitment, retention, and development of the most talented and diverse workforce possible at all levels over the next five years.

- **Metric:**

- Create an implementation plan (including the details of proposed data collection and metrics) to systematically measure — at all levels — engagement, retention, succession planning, and investment in professional development in order to promote System-wide improvements in these areas.

Background

- **January/February 2018**

- Survey administered by ModernThink (creators of “Great Colleges to Work For”)
- Survey distributed to all permanent full-time faculty and staff (~46,000)

- **Summer 2018**

- Institutions received initial reports from ModernThink
- ModernThink conducted workshops and consultations with engagement steering committee members from each institution and the UNC System Office

Background

- **Three Survey Cycles**

- First - 2018
- Second - 2020
- Third - 2022

- **2018 - Setting the Baseline**

- Establish targeted goals for incremental improvement in 2020/22
- Determine relationships to other HR metrics

- **New Territory**

- Benchmarks compare individual higher education institutions, not university systems

Background

- **Survey Elements:**

- 60 Belief Statements
- 17 Benefits Statements
- 1 Multi-Select Question
- 2 Open-Ended Questions
- 10 Demographics Questions

- **Rating Scale:**

Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
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- **Positive Score**

- Percent of employees selecting Strongly Agree or Agree for a survey item

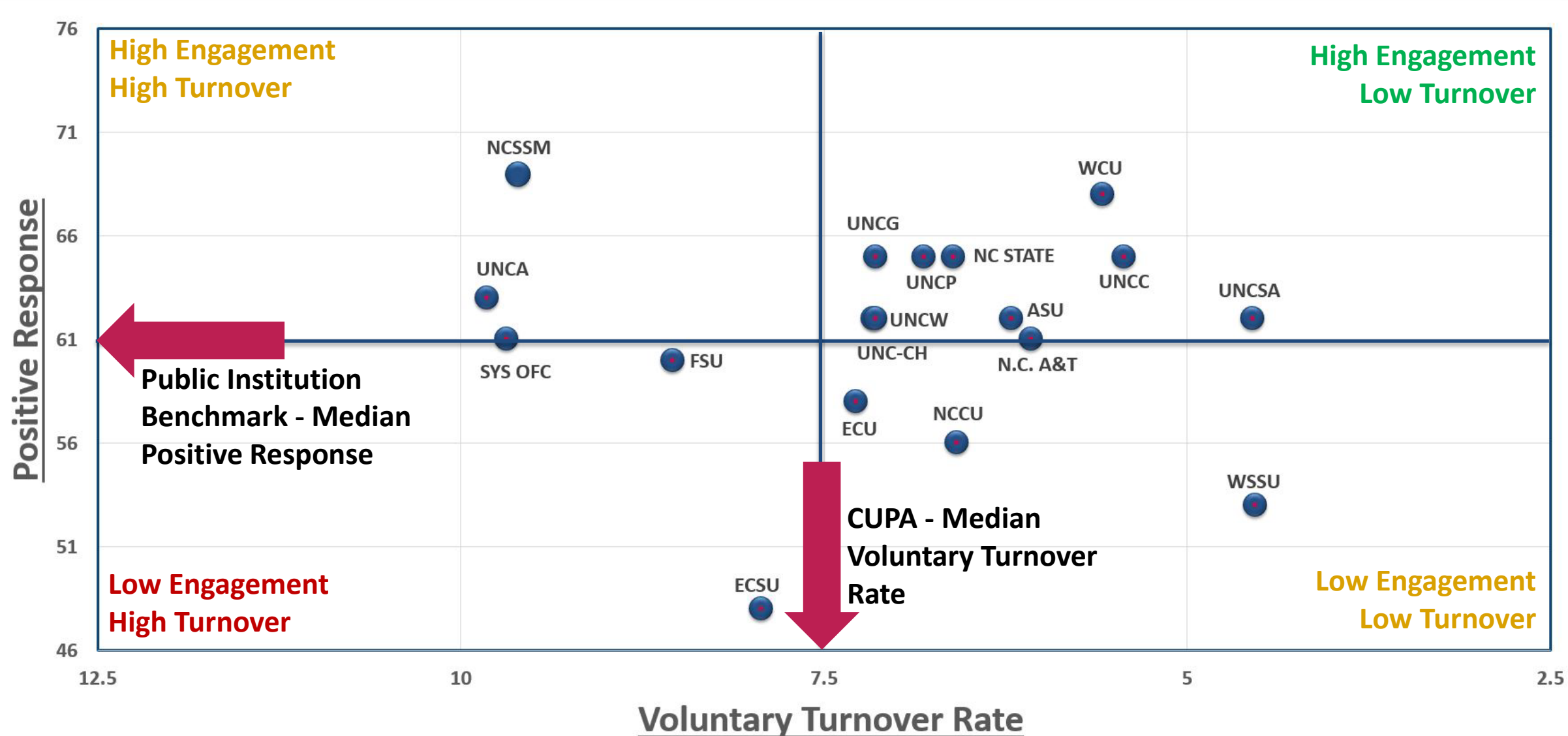
Participation Rates and Positive Engagement Ratings with Benchmarks

Institution	Participation
UNC Charlotte	71 %
NCSSM	67 %
UNCSA	65 %
FSU	60 %
UNC Asheville	60 %
ECSU	59 %
System Office	58 %
UNC Wilmington	58 %
WCU	55 %
WSSU	55 %
Appalachian	54 %
NC State	54 %
UNC Greensboro	54 %
NCCU	52 %
UNC Pembroke	52 %
N.C. A&T	50 %
ECU	38 %
UNC-CH	37 %

UNC System Avg Participation
50%
UNC System Avg Positive Rating
63%
ModernThink Median Benchmarks
4-Year Public
4-Year Southeast
All Great Colleges

Institution	Positive Rating
NCSSM	69 %
WCU	68 %
NC State	65 %
UNC Charlotte	65 %
UNC Greensboro	65 %
UNC Pembroke	65 %
UNC Asheville	63 %
Appalachian	62 %
UNC-CH	62 %
UNCSA	62 %
UNC Wilmington	62 %
N.C. A&T	61 %
System Office	61 %
FSU	60 %
ECU	58 %
NCCU	56 %
WSSU	53 %
ECSU	48 %

Voluntary Turnover Rate and Positive Engagement Ratings



^{50/70}
Note: The UNC System Office turnover rate was adjusted due to not having faculty

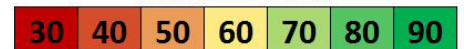
15 Core Dimensions

Job Satisfaction/Support <i>I am provided the resources I need to be effective in my job.</i>	Policies, Resources & Efficiency <i>Our orientation program prepares new faculty, administration and staff to be effective.</i>	Fairness <i>Issues of low performance are addressed in my department.</i>
Teaching Environment <i>There is appropriate recognition of innovative and high quality teaching.</i>	Shared Governance <i>The role of faculty in shared governance is clearly stated and publicized.</i>	Communication <i>In my department, we communicate openly about issues that impact each other's work.</i>
Professional Development <i>I am given the opportunity to develop my skills at this institution.</i>	Pride <i>I understand how my job contributes to this institution's mission.</i>	Collaboration <i>I can count on people to cooperate across departments.</i>
Compensation, Benefits & Work/Life Balance <i>This institution's policies and practices give me the flexibility to manage my work and personal life.</i>	Supervisors/Department Chairs <i>My supervisor/department chair makes his/her expectation clear.</i>	Faculty, Administration & Staff Relations <i>Faculty, administration and staff work together to ensure the success of institution programs and initiatives.</i>
Facilities <i>The facilities (e.g. classrooms, offices, laboratories) adequately meet my needs.</i>	Senior Leadership <i>Senior leadership provides a clear direction for this institution's future.</i>	Respect & Appreciation <i>I am regularly recognized for my contributions.</i>

15 Survey Dimensions by Institution

15 ENGAGEMENT DIMENSIONS	UNC SYSTEM AVG	ECSU	WSSU	NCCU	ECU	FSU	NCAT	SYS OFC	UNCSA	ASU	UNC-CH	UNCW	UNCA	NC STATE	UNCP	UNCC	UNCG	WCU	NCSSM
AVERAGE POSITIVE RESPONSE	63	48	53	56	58	60	61	61	62	62	62	62	63	65	65	65	65	68	69
Pride	76	67	71	74	69	74	78	72	84	78	75	76	77	77	81	75	77	82	86
Job Satisfaction	73	58	59	61	71	67	68	71	73	74	73	72	69	75	74	76	75	75	73
Supervisor/Chair Relationship	72	61	61	64	67	70	67	72	73	73	72	71	74	74	73	74	73	74	76
Facilities	70	55	53	52	69	61	64	77	64	67	72	72	70	75	71	73	74	72	63
Professional Development	67	64	61	63	66	68	66	61	67	73	64	69	61	68	70	71	68	74	63
Teaching Environment	65	47	54	55	59	64	57	64	65	66	66	69	75	66	67	65	67	72	75
Benefits	62	50	57	57	60	63	59	65	60	62	63	61	60	64	66	64	64	59	64
Policy/Resources/Efficiency	59	42	50	52	56	58	58	51	51	57	57	57	57	62	62	64	62	62	57
Senior Leadership	58	30	47	56	48	53	64	54	57	51	56	55	58	64	57	64	63	71	76
Respect/Appreciation	58	43	51	53	54	58	55	57	57	57	58	59	58	59	63	60	62	63	66
Collaboration	57	45	46	47	51	53	52	57	57	57	58	56	61	59	59	59	58	64	65
Shared Governance	56	38	49	50	54	56	55	48	59	56	52	56	63	56	62	57	63	70	71
Fac/Staff/Admin Relations	56	36	43	48	52	51	57	52	52	54	56	56	55	60	58	59	58	64	68
Fairness	56	46	46	50	53	55	56	59	56	54	56	53	56	59	58	59	58	60	59
Communication	54	41	43	46	50	52	49	54	55	53	55	53	57	56	55	57	56	60	62

Positive Rating Key



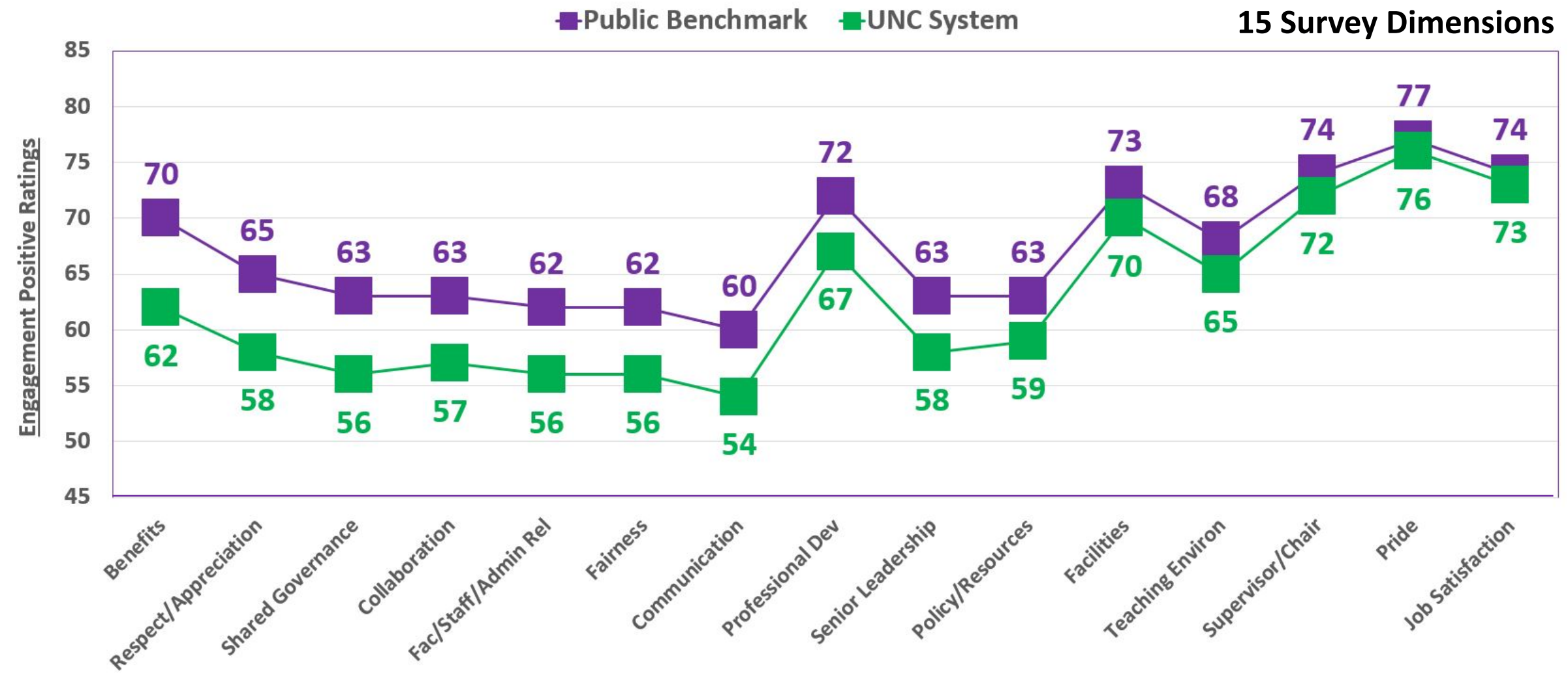
Benefits Survey Statements – Positive Responses by Employee Type

BENEFITS STATEMENTS	System Avg	Faculty	SHRA	EHRA Non-Faculty
AVERAGES	59	53	60	62
Leave & Holidays	80	73	79	88
Retirement Savings	73	69	73	78
Overall Satisfaction with Benefits	67	55	71	73
Educational Assistance Programs	63	43	70	69
Vision Insurance	62	53	66	66
Flexible Work Arrangements	62	69	58	64
Life Insurance	61	52	65	63
Dental Insurance	58	51	60	60
Physical Work Space Conditions	57	52	57	62
Disability Benefits	57	53	58	61
Medical Insurance	57	52	59	60
Professional Development Programs	54	55	52	59
Employee Assistance Program	53	45	55	55
Tenure Clarity and Process	53	60	47	47
Wellness Programs	52	49	53	52
Post-retirement Medical Benefits	50	42	53	54
Work/Life Balance Programs	41	35	44	43

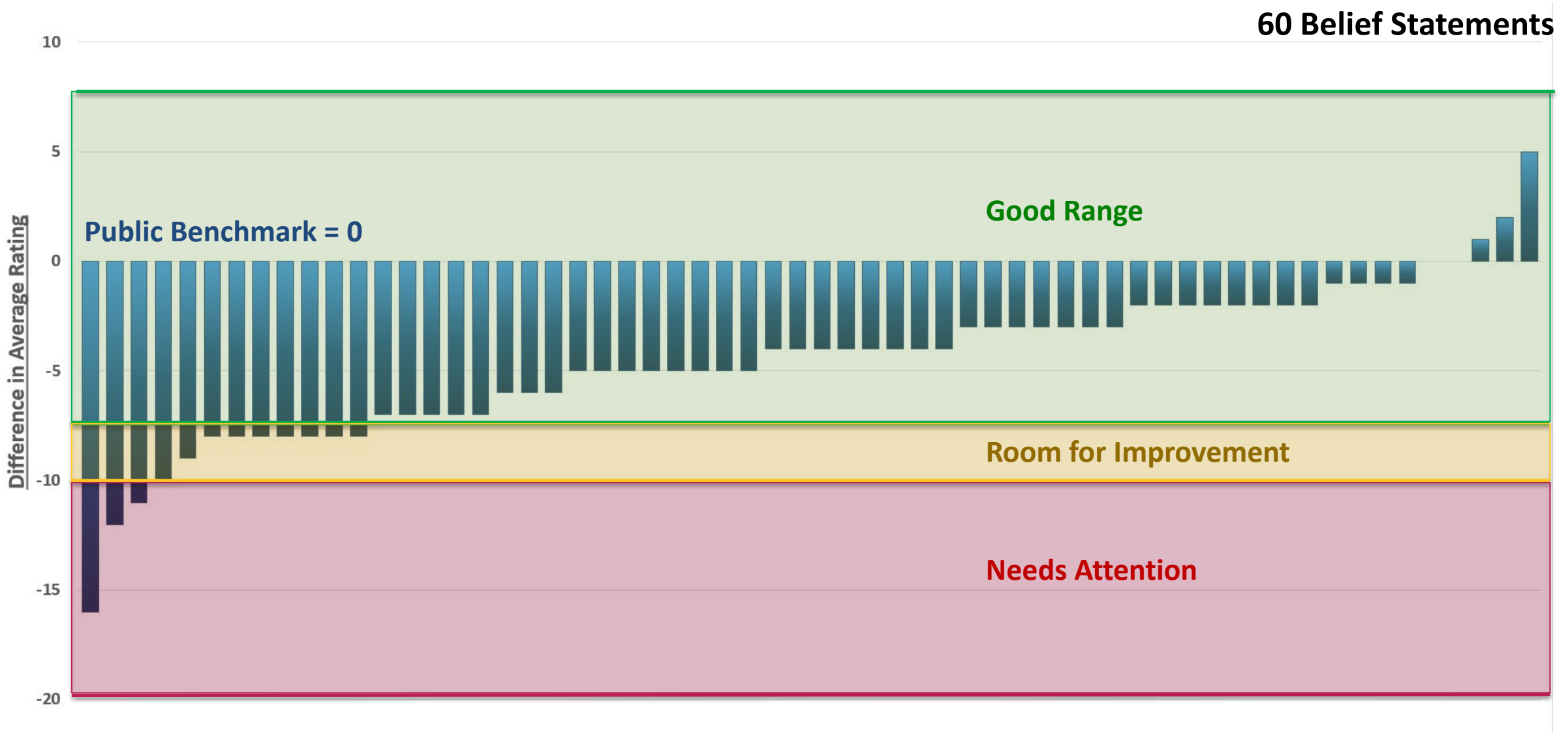
Positive Rating Key



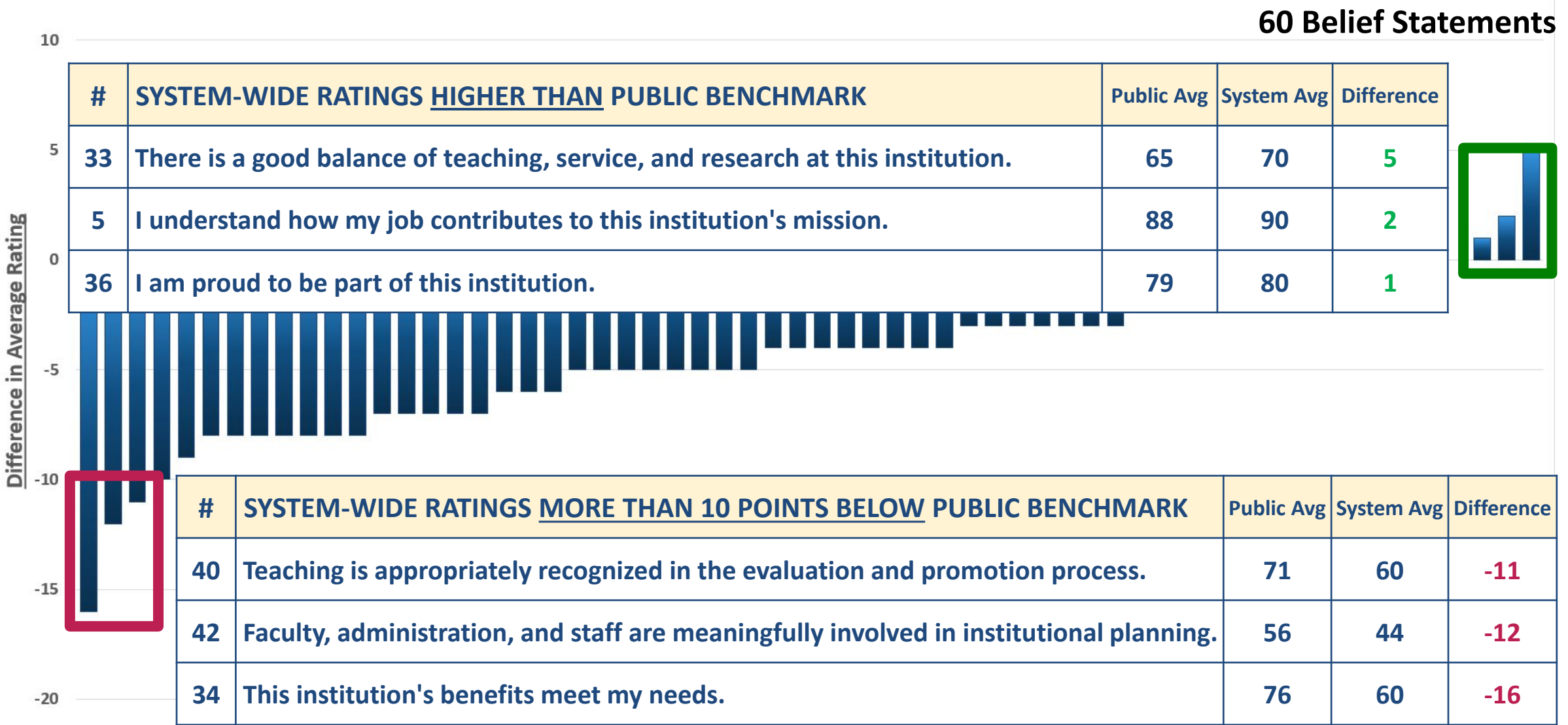
Difference between UNC System-wide Average and Public Institution Benchmark



Difference between UNC System-wide Average and Public Institution Benchmark



Difference between UNC System-wide Average and Public Institution Benchmark



Next Steps

- **Institutions**

- Communicating results to their campus communities in October
- Developing initiatives to address areas of concern over fall semester

- **System Office**

- Continued consultation with HR offices at each institution
- Additional consultation opportunities with ModernThink for institutions with lower overall positive ratings
- Development of resources to improve positive awareness of benefits programs
- Development of resources for employee orientation and supervisory training
- Further review of engagement data in relation to other HR metrics

AGENDA ITEM

A-6. Duties and Authorities of the Boards of Trustees Wendy Murphy

Situation: As requested by the Committee on University Governance, the Committee on Personnel and Tenure will examine recommendations on the duties and authorities of boards of trustees.

Background: In November 2017, the Committee on University Governance began a discussion on the duties and authorities of the boards of trustees and the discussion continued through May 2018 when each board of trustees responded to a survey regarding which duties and authorities might be more appropriately exercised by the boards of trustees.

By statute, each constituent institution of the University has a board of trustees that serves both as an advisor to the Board of Governors on matters pertaining to its institution and as advisor to the chancellor concerning the management and development of the institution. The powers and duties of the boards of trustees are defined and delegated by the Board of Governors, consistent with state law. These delegations are codified in The Code, including Appendix I, and throughout the UNC Policy Manual.

Assessment: This item includes the survey results collected from the boards of trustees in the jurisdiction of the Committee on Personnel and Tenure.

Action: This item is for discussion only.

THE COMMITTEE ON PERSONNEL AND TENURE

Discussion: Duties and Authorities of the Boards of Trustees

Summary of Potential Delegations for Discussion:

- Increased authority over faculty disciplinary review process and final actions
- Removal of special legislative provision for BOG salary and position monitoring
- Approval of compensation increases for all EHRA (excluding chancellor) and SHRA positions that exceed campus-based authority under existing BOG policy
- Increased authority on chancellor search committee and review process
- Request a shorter, non-comprehensive chancellor evaluation conducted annually by the BOT
- Coach or Athletic Director contracts that contain non-standard elements

Relevant Code Citations:

Institution	Issue	Citation
Increased authority over faculty disciplinary review process and final actions		
NC A&T	Authority over faculty discharge decisions (UNC Code 603)	Code 603
NC A&T	Authority over tenure denials and review of non-reappointment (UNC Code 604 D)	Code 604; Policy 101.3.1
UNCC	Delegate authority to BOT to conduct final appellate review of faculty disciplinary and non-reappointment actions	Code 603 and Code 604; Policy 101.3.1
UNCG	Appellate review of certain campus actions and decisions involving faculty	Code 603 and Code 604; Policy 101.3.1
Removal of special legislative provision for BOG salary and position monitoring		
NC A&T	Remove BOG reporting and consultation requirements for increases of 5% or greater for salaries greater than \$100,000	GS 116-17.3.
NCSSM	Approve salary increases of more than 5% for employees making more than \$100,000	GS 116-17.3.
NCSU	Eliminate P&T approval authority completely to reduce regulatory burden	GS 116-17.3; Policy 200.6(A)

NCSU	Remove BOG reporting and consultation requirements for increases of 5% or greater for salaries greater than \$100,000	GS 116-17.3.
NCSU	Remove BOG reporting and consultation requirements for new positions with annual salaries of \$70,000 or greater	GS 116-17.3.
UNC-CH	Removal or clarification to the process for the special legislative provision for BOG salary monitoring	GS 116-17.3.
UNCC	Consultation with BOG to create any new position where the associate budgeted salary is \$70K or greater	GS 116-17.3.
UNCC	Consultation with BOG for all cumulative salary adjustments fiscal year-to-date of 5% or greater for proposed salaries that are \$100K or greater	GS 116-17.3.
UNCP	Removal of special legislative provision for BOG salary monitoring	GS 116-17.3.
UNCP	Removal of special legislative provision for BOG position monitoring	GS 116-17.3.
UNCW	Restore the previously existing delegation of authority to the Board of Trustees and from the Board of Trustees to the Chancellor for salary increases of less than \$15,000 or less than 20%, including employees whose resulting salaries would exceed \$100,000; restore the Chancellor's authority to create positions with salaries that exceed \$70,000	GS 116-17.3.
WSSU	Authority to approve all cumulative salary adjustments fiscal year-to-date of 5% or greater for salaries that are \$100,000 or greater (or would become \$100,00 or greater with the salary action)	GS 116-17.3.
Approval of compensation increases for all EHRA (excluding chancellor) and SHRA positions that exceed campus-based authority under existing BOG policy		
UNCG	Salary Actions by increasing the BOG approval parameters	Policy 200.6(A); GS 116-17.3.
UNCSA	Authority for Chancellor to approve EHRA salaries (except SAAO Tier 1 employees) that are warranted over the 9.9% threshold	Policy 200.6(A)
WCU	Approval of compensation increases for all EHRA (excluding chancellor) and SHRA positions that exceed campus-based authority under existing BOG policy	Policy 200.6(A)
WSSU	Authority to approve SHRA salary actions that exceed 20%, which currently require President's approval	Policy 200.6(A)

Increased authority on chancellor search committee and review process		
ECSU	Chancellor search committee chaired by BOT chair or designee submit a slate of up to 3 nominees to the president	Policy 200.8; GS 116-11.(4)
FSU	Provide a ranked list of chancellor candidates to the president	Policy 200.8; GS116-11.(4)
NCSU	Allow the BOT to nominate one preferred candidate to the President for consideration	Policy 200.8; GS 116-11.(4)
Other Personnel Items		
ECSU	Request a shorter, non-comprehensive chancellor evaluation conducted annually by the BOT	Policy 200.4
UNCG	Coach or Athletic Director contracts that contain non-standard elements	Policy 1100.3

AGENDA ITEM

A-8a. Informational Report: Faculty Recruitment and Retention Fund

Utilization under Delegated Authority to the President.....Kimberly van Noort

Situation: This is an informational report provided to the committee at each meeting pursuant to Section 200.6 of the UNC Policy Manual.

Background: Authority has been delegated to the president for approval of salary increases supported by the University of North Carolina Faculty Recruitment and Retention Fund.

Assessment: This month's report includes the following:

Faculty Retention and Recruitment Fund Expenditure:

- North Carolina State University, one (1) approved request
- University of North Carolina at Chapel Hill, two (2) approved requests
- University of North Carolina at Charlotte, one (1) approved request
- University of North Carolina at Pembroke, one (1) approved request

Remaining Balance of Fund

Note: Permanent adjustments to salary may be accomplished only with recurring funds. However, nonrecurring funds may be used for retention bonuses, research equipment and facilities, and other one-time inducements to counter outside offers. The remaining balances are:

\$155,000 in nonrecurring funds

\$826,789 in recurring funds

Action: This item is for discussion only.



THE UNIVERSITY OF NORTH CAROLINA SYSTEM
PRESIDENT'S DELEGATED FACULTY RECRUITMENT AND RETENTION FUND REPORT

North Carolina State University

Roger Narayan, professor in the Department of Biomedical Engineering, \$13,674 from the Faculty Recruitment and Retention Fund and NC State covering the remaining cost of the salary increase (\$13,673) and funding the cost of benefits
(\$185,000 **from** \$157,653, effective August 21, 2018)

University of North Carolina at Chapel Hill

Erik Alexanian, professor in the Department of Chemistry, \$20,000 from the Faculty Recruitment and Retention Fund and UNC-Chapel Hill funding the cost of benefits
(\$101,289 **from** \$91,289, effective July 18, 2018)

Mark Schoenfisch, professor in the Department of Chemistry, \$20,000 from the Faculty Recruitment and Retention Fund and UNC-Chapel Hill funding the cost of benefits
(\$167,819 **from** \$147,819 effective July 18, 2018)

University of North Carolina at Charlotte

Shelley Listwan, professor of criminal justice, \$17,088 from the Faculty Recruitment and Retention Fund and UNC Charlotte funding the cost of benefits
(\$110,000 **from** \$92,912, effective July 20, 2018)

The University of North Carolina at Pembroke

Jefferson Chaumba, associate professor of geology and geography, \$9,084 from the Faculty Recruitment and Retention Fund and UNCP funding the cost of benefits
(\$72,000 **from** \$63,916, effective July 27, 2018)

AGENDA ITEM

A-8b. Informational Report: President's Delegated Faculty Promotion
and Tenure Conferral ReportMatthew Brody

Situation: This is an informational report provided to the committee.

Background: Authority has been delegated to the president to approve faculty promotions and confer tenure for institutions without management flexibility.

Assessment: This meeting's report includes the following:

Faculty Promotion and Tenure Conferral at North Carolina Central University:

- One (1) new hire and tenure conferral;

Faculty Promotion and Tenure Conferral at Fayetteville State University:

- Seven (7) promotions and tenure conferrals.

Action: This item is for information only.



THE UNIVERSITY OF NORTH CAROLINA
PRESIDENT'S DELEGATED FACULTY PROMOTION AND TENURE CONFERRAL REPORT

Fayetteville State University

Promotion and Tenure Conferral

- Jesse Lee Brown, assistant professor **to** associate professor, Department of Management, Marketing & Entrepreneurship
- Jennifer Bushelle-Edghill, assistant professor **to** associate professor, Department of Accounting, Finance, Healthcare and Information Systems
- Sheila Cannon, assistant professor **to** associate professor, Department of Nursing
- Dennis Corbin, assistant professor **to** Associate Professor, Department of Social Work
- Nicole McFarlane, assistant professor **to** associate professor, Department of English
- Quenton Nichols, assistant professor **to** associate professor, Department of Social Work
- Abul Pitre, associate professor **to** professor, Department of Educational Leadership

Actions effective 8/14/2018

North Carolina Central University

Tenure Conferral to New Hire

- Anthony Nelson, dean, School of Business

Actions effective 7/11/2018

AGENDA ITEM

A-8c. Informational Report: New UNC System Office Appointments Under
Delegated Authority to the President Matthew Brody

Situation: This is an informational report provided to the committee at each meeting pursuant to Section 200.6 of the UNC Policy Manual.

Background: Section 200.6 of the UNC Policy Manual delegates authority to the president to appoint and fix compensation of senior academic and administrative officers and other employees exempt from the State Human Resources Act serving within the UNC System Office.

Section 600.3.4 of the UNC Policy Manual delegates authority to the president to create senior academic and administrative officer positions (Tier I) within the System.

Assessment: This meeting's report includes the following:

UNC System Office Appointments:

- Three personnel appointments which are state-funded.
- Two personnel appointments which are non-state funded.

System SAAO-I Appointments

- Four SAAO-I Position Reclassifications, Title Changes, and/or Creations.

Action: This item is for information only.



THE UNIVERSITY OF NORTH CAROLINA
PRESIDENT'S DELEGATED PERSONNEL ACTIONS REPORT

The following actions have been approved by the president pursuant to Section 200.6 of the UNC Policy Manual during the period of June 25, 2018 – August 17, 2018:

UNC System Office

Appointments

State Funded Positions:

Clinton Carter, Senior Vice President for Finance and Administration, \$280,000, August 15, 2018 (vacant position)

John Falchi, Director of Special Projects, \$95,000, July 23, 2018 (vacant position)

Christopher Kerr, IT Professional Linux/Widows System Administrator \$81,185 July 1, 2018 (vacant position) 50% state funds & 50% non-state funds

Non-State Funded Positions:

Laura Kieler, Director of Marketing Communications, UNC-TV, July 16, 2018, \$114,000 (vacant position)

Christopher Pandich, Director of Engineering Services, UNC-TV, July 2, 2018 \$76,250 (vacant position)

UNC Institutions

New or Modified UNC System SAAO-I Positions or Appointments

UNCG:

Reclassification from SAAO-II (Associate Vice Chancellor for Marketing) to SAAO-I (Vice Chancellor for Strategic Communications). Position now reports directly to the chancellor and is an essential member of the capital campaign.

UNCP:

New SAAO-I position. Dean of College of Health Sciences. The new College of Health Sciences will be composed of approximately 1,400 students. The dean of the College of Health Sciences will report to the provost and vice chancellor of Academic Affairs.

UNCSA:

Reclassification from SAAO-II (Chief Marketing Officer) to SAAO-I (Vice Chancellor for Strategic Communications). Position duties elevated to that of chief marketing officer, a more traditional SAAO-I role.

WSSU:

Title change only from Vice Chancellor for Student Affairs to Associate Provost and Vice Chancellor for Student Development.

AGENDA ITEM

A-8d. Summary of EHRA Salary Adjustments and New Position

Consultations with the Chair and Vice Chair of the Committee

on Personnel and Tenure Matthew Brody

Situation: Section 35.24 of the Current Operations Appropriations Act of 2017 established a requirement that, as of July 1, 2017, the Board of Governors monitor certain human resource transactions and be consulted prior to those actions taking effect.

Background: Consistent with the authority delegated to the president, and as required by G.S. 116-17.3, the UNC System Human Resources office shall pre-review and submit for Board of Governors' reporting and consultation any proposed salary actions as follows:

- Where either the June 30 or newly proposed total annual compensation for the employee is \$100,000 or greater, and where the newly proposed total annual compensation for the employee is 5% or greater of the June 30 total annual compensation.
- Any new position when the position budget is \$70,000 or greater.

Assessment: The monitoring and consultation with the Board of Governors shall consist of a regular report shared electronically with the chair of the Board of Governors and the chair of the Committee on Personnel and Tenure, and which is copied to the president. The chair of the Board of Governors and the chair of the Committee on Personnel and Tenure shall flag any proposed actions for more detailed review and consultation with the vice president for human resources. The results of their review and consultation will be reported in detail to the committee at the following meeting and then summarized in a report for the larger Board.

The attached summary report covers items reviewed under this process since the last committee meeting. The summary report is broken into two sections, with one representing statistics on salary increase and the other representing new position requests. Metrics include total counts, average percentages, a breakdown by institution, and a comparison to the overall group populations.

Action: This item is for information only.

BOG Salary and Position Consultation: EHRA Summary Sheet
June 16, 2018 -- August 16, 2018

Salary Consultation

Required on any salary increase that is 5% or greater on a proposed salary of \$100,000 or greater.

Total Salary Increases by Employee Type	Increases This Period	Total Employees	Percent of Total
EHRA Non-Faculty	103	9,335	1.10%
EHRA Faculty	232	22,851	1.02%
SHRA	3	22,627	0.01%
TOTAL	338	54,813	0.62%

Category of Salary Approval	Increases This Period	Average % Increase from Current Salary
Promotion from National Recruitment: <i>Selected for externally recruited job vacancy</i>	34	42.49%
Promotion from Campus-Only Posting or EHRA Waiver: <i>Selected for internally recruited job vacancy, faculty rank</i>	13	8.88%
Faculty Rank Promotion <i>Successfully reviewed for faculty rank promotion</i>	52	7.59%
Retention: <i>Proven recruitment activity from another employer</i>	18	20.65%
Additional Duties: <i>Reclassification of job or permanent additional duties</i>	65	11.63%
Temporary Additional Duties: <i>Temporary Increase in Job Duties or Responsibilities</i>	34	16.18%
Market or Equity Increase: <i>Bringing salary in line with existing range or peer employees.</i>	81	9.39%
Other: <i>Distinguished professors fund</i>	15	10.46%
Other: <i>University Faculty Scholar</i>	8	5.00%
Other: <i>Contract fulfillment</i>	18	14.65%
TOTAL	338	14.36%

Total Salary Increases By Institution	Increases This Period
Appalachian	6
ECU	16
FSU	3
N.C. A&T	11
NC State	98
UNC Asheville	2
UNC Charlotte	6
UNC Greensboro	3
UNC Pembroke	2
UNC System Office	4
UNC Wilmington	8
UNC-Chapel Hill	169
WCU	9
WSSU	1
TOTAL	338

Position Consultation

Required on any new position with a budgeted salary of \$70,000 or greater.

Total New Positions Created by Position Type	
New EHRA Non-Faculty Positions	33
New EHRA Faculty Positions	43
New SHRA Positions	3
TOTAL	79