



MEETING OF THE BOARD OF GOVERNORS
Committee on Personnel and Tenure

January 16, 2020 at 10:45 a.m.
University of North Carolina System Office
Center for School Leadership Development, Room 128
Chapel Hill, North Carolina

AGENDA

OPEN SESSION

- A-1. Conflict of Interest Statement Kellie Hunt Blue
- A-2. Approval of the Open Session Minutes of November 14, 2019
and December 12, 2019 Kellie Hunt Blue
- A-3. Informational Reports
 - a. Faculty Recruitment and Retention Fund Utilization Under
Delegated Authority to the President Kimberly van Noort
 - b. New UNC System Office and SAAO-I Appointments Under
Delegated Authority to the President Matthew Brody
- A-4. General Updates for the Committee Matthew Brody and Kimberly van Noort
- A-5. Briefing on Potential Human Capital Legislative Initiatives Matthew Brody
- A-6. UNC System Turnover Metrics Update Matthew Brody

CLOSED SESSION

- A-7. Approval of the Closed Session Minutes of November 14, 2019
and December 12, 2019 Kellie Hunt Blue
- A-8. EHRA Salary Pre-Authorizations Requiring Approval by the
Committee on Personnel and Tenure Matthew Brody
- A-9. Informational Reports Matthew Brody
 - a. EHRA Salary Adjustment Pre-Authorizations Delegated to
the President or His Designee
 - b. EHRA Salary Adjustment and New Position Consultations with
the Chair and Vice Chair of the Committee on Personnel and Tenure
- A-10. Executive Personnel Matters William Roper

OPEN SESSION

- A-11. Adjourn

Closed Session Motion

Motion to go into closed session to:

- Prevent the disclosure of information that is privileged or confidential under Article 7 of Chapter 126 of the North Carolina General Statutes, or not considered a public record within the meaning of Chapter 132 of the General Statutes.
- Consult with our attorney to protect attorney-client privilege.
- Consider the qualifications, competence, performance, or condition of appointment of a public officer or employee or prospective public officer or employee.

Pursuant to: G.S. 143-318.11(a)(1), (3), and (6).

DRAFT MINUTES

November 14, 2019
Elizabeth City State University
K.E. White Graduate Center, Room 107
Elizabeth City, North Carolina

This meeting of the Committee on Personnel and Tenure was presided over by Chair Kellie Hunt Blue. The following committee members, constituting a quorum, were also present: J. Alex Mitchell, Michael Williford, C. Philip Byers, Reginald Holley, and Wendy Floyd Murphy.

Chancellor Kelli Brown and Interim Chancellor Kevin Guskiewicz participated. Garrett Killian, 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, Kimberly van Noort, Carolyn Pratt, and others from the UNC System Office.

1. Call to Order and Reading of Conflict of Interest Statement

The chair called the meeting to order at 9:32 a.m. and read the Conflict of Interest Statement.

2. Approval of the Minutes of September 19, 2019 (Item A-2)

The chair called for a motion to approve the open session minutes of September 19, 2019.

MOTION: Resolved, that the Committee on Personnel and Tenure approve the open session minutes of September 19, 2019.

Motion: Michael Williford
Motion carried

3. Informational Reports (Item A-3)

The committee received informational reports on new UNC System Office SAAO-I appointments under delegated authority to the president, faculty promotions and tenure conferrals, and faculty recruitment and retention fund utilization under delegated authority to the president.

4. General Updates (Item A-4)

Matthew Brody and Kimberly van Noort updated the committee on recent System Office efforts. Mr. Brody shared an update regarding the active searches for the next chancellors of UNC-Chapel Hill, UNC Charlotte, and UNC School of the Arts. Mr. Brody noted that the searches for the next chancellors of East Carolina University and Fayetteville State University were to start in December. Mr. Brody also mentioned that the System Office is in the process of finalizing regulations and implementation details for the parental leave process. Governor Byers requested that the University continue to investigate extending full parental leave benefits to adoptive parents, and Mr. Brody confirmed that this matter was being explored. Lastly, Mr. Brody noted that the University was still awaiting the resolution of the state budget to finalize and implement the Annual Raise Process for university employees.

Dr. van Noort shared that the System Office was to begin reviewing the promotion and tenure policy review process soon. Dr. van Noort also mentioned that the University had begun implementing conservative limits to our Faculty Recruitment and Retention Fund requests.

5. 2018-19 Annual Report of the Committee on Personnel and Tenure (Item A-5)

The committee reviewed and voted to accept the 2018-19 Annual Report of the Committee on Personnel and Tenure. This report reviews the work of the committee during the preceding year and is created each year pursuant to section 302 E of *The Code*.

MOTION: Resolved, that the Committee on Personnel and Tenure approve the report for submission to the Board of Governors.

Motion: Michael Williford

Motion carried

6. Performance Review of Tenured Faculty Chancellors (Item A-6)

The committee reviewed the Annual Post-Tenure Review Report. These materials are compiled each year to report on the review of eligible tenured faculty within the entire UNC System. The committee noted that it would be interested in learning more about the reviews conducted prior to faculty earning tenure.

7. Plan Document for Incentive Compensation Program for Chancellors (Item A-7)

The committee reviewed the proposed plan document for the previously approved chancellor incentive compensation program, set to begin in the 2020-2021 academic year. This plan document would provide up to a 20% annual incentive compensation opportunity for eligible chancellors based on their performance with respect to both individual and System-wide goals set by the president. These goals would be brought to the committee for consultation prior to implementation.

MOTION: Resolved, that the Committee on Personnel and Tenure approve the chancellor incentive compensation plan document and present the plan document to the Board for vote.

Motion: C. Philip Byers

Motion carried

8. Faculty Salary Analysis Project Update (Item A-8)

The committee heard an update regarding the development of the faculty salary analysis tool. Once completed, this tool will help evaluate the competitiveness of the University's faculty salaries in comparison to relevant national benchmarks, as well as estimate the scope of potential faculty salary equity challenges across the University.

9. Closed Session

The chair called for a motion to move into closed session.

MOTION: Resolved, that the Committee on Personnel and Tenure move into closed session to prevent the disclosure of information that is privileged or confidential pursuant to Article 7 of Chapter 126 of the North Carolina General Statutes [N.C.G.S. 143-318.11(a)(1)]; to establish or instruct the staff or agents concerning the negotiations of the amount of compensation or other terms of an employment contract [N.C.G.S. 143-318.11(a)(5)]; and to consider the qualifications, competence, performance, or conditions of appointment of a public officer or employee or prospective public officer or employee [N.C.G.S. 143-318.11(a)(6)].

Motion: Michael Williford

Motion carried

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: Wendy Floyd Murphy

Motion carried

THE MEETING RESUMED IN OPEN SESSION AT 10:25 a.m.

The committee discussed the working group headed by David English, UNC System vice president for Academic Programs, Faculty, and Research, to reexamine our internal peer grouping system. The committee can expect further updates at future meetings.

There being no further business, the meeting adjourned at 10:30 a.m.

Michael Williford, Secretary



MEETING OF THE BOARD OF GOVERNORS
Committee on Personnel and Tenure

DRAFT MINUTES

December 12, 2019

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

This meeting of the Committee on Personnel and Tenure was presided over by telephone by Chair Kellie Hunt Blue. The following committee members, constituting a quorum, also attended by telephone: J. Alexander Mitchell, Michael Williford, C. Philip Byers, and Wendy Floyd Murphy.

David Green, chair of the UNC Faculty Assembly, was also in attendance on the phone.

Staff members present included Matthew Brody, Carolyn Pratt, and others from the UNC System Office.

1. Call to Order and Reading of Conflict of Interest Statement

The chair called the meeting to order at 9:04 a.m. and read the conflict of interest statement.

2. Closed Session

The chair called for a motion to move into closed session.

MOTION: Resolved, that the Committee on Personnel and Tenure move into closed session to prevent the disclosure of information that is privileged or confidential pursuant to Article 7 of Chapter 126 of the North Carolina General Statutes [N.C.G.S. 143-318.11(a)(1)]; to establish or instruct the staff or agents concerning the negotiations of the amount of compensation or other terms of an employment contract [N.C.G.S. 143-318.11(a)(5)]; and to consider the qualifications, competence, performance, or conditions of appointment of a public officer or employee or prospective public officer or employee [N.C.G.S. 143-318.11(a)(6)].

Motion: J. Alexander Mitchell

Motion carried

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: C. Philip Byers

Motion carried

THE MEETING RESUMED IN OPEN SESSION AT 9:34 a.m.

There being no further business, the meeting adjourned at 9:35 a.m.

Michael Williford, Secretary

AGENDA ITEM

A-3a. 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 Agricultural & Technical State University, one approved request
- North Carolina State University, one approved request
- University of North Carolina at Chapel Hill, one approved request
- University of North Carolina at Charlotte, three approved requests

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:

\$0 in nonrecurring funds

\$556,243 in recurring funds

Action: This item is for information only.



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

North Carolina Agricultural and Technical State University

Marc Cook, assistant professor in the Department of Kinesiology, \$13,035 from the Faculty Recruitment and Retention Fund and N.C. A&T funding the cost of benefits
(\$81,000 **from** \$67,965, effective November 22, 2019)

North Carolina State University

Eric Laber, Goodnight Distinguished professor in the Statistics Department, \$26,665 from the Faculty Recruitment and Retention Fund and NC State funding the cost of benefits
(\$173,335 **from** \$146,670, effective December 18, 2019)

University of North Carolina at Chapel Hill

Patrick Curran, professor in the Department of Psychology and Neuroscience, \$15,943.50 from the Faculty Recruitment and Retention Fund and UNC-Chapel Hill funding the cost of benefits
(\$152,056.50 **from** \$136,113, effective December 18, 2019)

The University of North Carolina at Charlotte

Steven Falconer, professor in the Department of Anthropology, \$24,643 from the Faculty Recruitment and Retention Fund and UNC Charlotte funding the cost of benefits
(\$145,000 **from** \$120,357 effective October 30, 2019)

Kaja Dunn, assistant professor of acting, \$11,006 from the Faculty Recruitment and Retention Fund and UNC Charlotte funding the cost of benefits
(\$74,000 **from** \$62,994 effective November 5, 2019)

Franz Kellermanns, Addison H. & Gertrude C. Reese Distinguished Professor in International Business and professor of management, \$20,000 from the Faculty Recruitment and Retention Fund and UNC Charlotte funding the cost of benefits
(\$239,232 **from** \$219,232 effective December 4, 2019)

AGENDA ITEM

A-3b. 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 the compensation of senior academic and administrative officers and other employees exempt from the State Human Resources Act serving at 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:

- One personnel appointment that is state-funded.
- Two personnel appointments that are non-state funded.

System SAAO-I Appointments

- Six SAAO-I Position Reclassifications
- One SAAO-I Position Creation

Action: This item is for information only.



THE UNIVERSITY OF NORTH CAROLINA SYSTEM
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 October 4, 2019 to December 20, 2019.

UNC System Office

Appointments

State Funded Positions:

Pretti Kakade, Senior Business Analyst, 11/25/2019 \$90,000 (vacant position)

Non-State Funded Positions:

Douglas Strasnick, Chief of Staff-UNCTV, 12/1/2019, \$150,000 (new position)

Lauren Mikeal, IT Business Systems Analyst, 11/18/2019, \$87,000 (new position)

UNC System Institutions

New or Modified UNC System SAAO-I Positions or Appointments

UNC-Chapel Hill:

Reclassification from SAAO-I (Vice Chancellor for Workforce Strategy, Equity and Engagement) to SAAO-I (Vice Chancellor for Human Resources).

UNCG:

Reclassification from SAAO-I (Associate Vice Chancellor of Enrollment Management) to SAAO-I (Vice Chancellor for Enrollment Management).

Reclassification from SAAO-I (Vice Chancellor for Business Affairs) to SAAO-I (Vice Chancellor for Finance and Administration).

UNC System Office:

New SAAO-I position. UNC-TV Chief of Staff. The chief of staff will serve as an advisor and deputy to the CEO. The CEO requires a strong thought partner who can execute, work across departments, serve as ambassador across the State, and speak on his behalf. The position will

work closely with the CEO on various special projects, including the organization's strategic plan and current efforts to become a leader in national and local public and private media.

Reclassification from SAAO-I (Assistant Vice President for Policy Development & Analysis) to SAAO-I (Senior Associate Vice President for P20 Policy & Programs).

Reclassification from SAAO-I (Vice President for Economic Development, Engagement, and Partnerships) to SAAO-I (Assistant Vice President for Economic Development, Engagement, and Partnerships).

Reclassification from SAAO-I (Associate Vice President for Strategy & Policy) to SAAO-I (Senior Associate Vice President for Strategy & Policy).

AGENDA ITEM

A-5. Briefing on Potential Human Capital Legislative Initiatives Matthew Brody

Situation: In partnership with our constituent institutions' chief human resources officers, UNC System Office Human Resources is continuously seeking ways to enhance the efficiency and effectiveness of the University's human capital program. While some progress can be made within existing authorities, certain desired areas of progress require statutory change to be pursued or implemented. This briefing is intended to inform the committee of several priority items with respect to the University's human capital program that would require legislative action and to seek the committee's input on the feasibility of pursuing these items as part of future Board of Governors' legislative agendas.

Background: The staff has identified four areas within our existing University human capital programs that would require statutory changes in order to effect desired improvements. These areas are: (1) HR System enhancements for University police officers; (2) UNC System Optional Retirement Program (ORP) employer contribution authority; (3) UNC System employee benefit program enhancements, and; (4) reducing complexity and administrative burden of University's human resources system.

Assessment: Collectively, the proposed human capital program enhancements identified in the attached materials would require statutory changes and therefore approval by the Board of Governors for inclusion in a future set of legislative priorities. The staff is providing information to the committee to help inform future discussions of these priorities by the Board.

Action: This item is for discussion only.



BRIEFING ON POTENTIAL UNC SYSTEM HUMAN CAPITAL LEGISLATIVE INITIATIVES

*Committee on Personnel and Tenure
January 2020*

Introduction

- In partnership with our constituent institutions, the System Office is continuously seeking ways to enhance the efficiency and effectiveness of the University's human capital program
- While some progress can be made within existing authorities, certain desired areas of progress require statutory change to be pursued or implemented

Caveats

- This briefing is intended to inform the committee of items that could be the subject of future legislative priorities
- Engagement with the Committee on Public Affairs would be necessary to coordinate with the Board's overall legislative priorities and agenda
- **These items are not intended as formal proposals but solely for informational purposes**

Potential Human Capital Legislative Initiatives

- HR System enhancements for University police officers
- UNC System Optional Retirement Program (ORP) employer contribution authority
- UNC System employee benefit program enhancements
- Reduce complexity and administrative burden of University's human resources system

HR System Enhancements for University Police Officers

- Exempt university police officers from portions of the State Human Resources Act (SHRA) for purposes of classification, compensation, and leave
- Align police officer compensation system design with those of NC's top tier municipal police agencies
- Provide more generous employee leave provisions
- Implement a pay structure that rewards greater experience with pre-programmed pay increases
- Retain existing job protections, benefits, and grievance provisions of the State HR Act

UNC System Optional Retirement Program (ORP) Employer Contribution Authority

- Grant authority to the Board of Governors to modify the ORP employer contribution rate, which is presently 6.84% and hasn't changed in 20+ years
 - The equivalent rate for the State's Teachers' and State Employees' Retirement System (TSERS) defined benefit (pension) plan is at 12.97%
 - Based on the competitive landscape in higher education, we typically see employer contribution rates between 8% to 10% ... we are increasingly trailing the market
 - Over the long-term, we would target an ORP employer contribution of 8.0% to 8.5%, with incremental adjustments coming to the Board of Governors for approval based on availability of funding

UNC System Employee Benefit Program Enhancements

- Offer health care savings and health care retirement accounts to fill the gap for all University employees hired starting in 2021 who will no longer be eligible to attain retiree health coverage
- Consolidate existing 17 constituent institution employee insurance committees (EICs) into a single System-wide Committee for increased efficiencies, greater subject matter expertise, and economies of scale with respect to purchasing

Reduce Complexity and Administrative Burden of University's Human Resources System

- Integrate the University's two separate existing human resources systems (EHRA and SHRA) into a single system governed by the Board of Governors that is tailored to the higher education labor market
- Avoid the administrative burden of maintaining and operating two different HR systems with entirely different policies, procedures, and governance bodies
- Provide opportunities for the Board of Governors to offer enhanced compensation and leave provisions for a greater portion of the Staff workforce

Reduce Complexity and Administrative Burden of University's Human Resources System

- “Grandfather” all existing SHRA employees to ensure their continued protections under the State HR Act in any transition to a new consolidated HR system
- Preserve traditional State HR Act protections for all newly hired UNC System staff employees who are FLSA non-exempt (paid hourly)
- Newly hired FLSA exempt (salaried) staff employees would be the equivalent of today’s EHRA non-faculty employees

AGENDA ITEM

A-6. UNC System Turnover and Engagement Metrics Update Matthew Brody

Situation: This is an update on the human capital metrics initiatives as part of the UNC Strategic Plan; in particular, reviewing current information available on employee turnover rates and employee engagement by employee type for the past two years at UNC system institutions.

Background: The UNC Strategic Plan sets goals for collecting and measuring various human resources metrics. The UNC System Office has for the first time been centrally collecting employee turnover rates from the constituent institutions for the past two years in comparison to benchmark turnover rates provided by the College and University Personnel Association (CUPA). While “voluntary” turnover is the primary benchmark for comparison; for the purposes of analysis, we are tracking three major types of employee turnover:

- *Voluntary:* Employee decision to leave permanent employment
- *Involuntary:* Management decision to end employment, such as discharge, discontinuation, end of appointment, or reduction-in-force
- *Other:* Retirement, death, or inability to return to work due to medical condition

Assessment: As only two years of detailed turnover rates have been collected to-date, we are only beginning to compare the data to benchmarks provided by CUPA based on employee type and other key demographics. Potential turnover trends should emerge more clearly later in 2020 after a third year of detailed turnover rates have been collected. Therefore, this agenda item represents an incremental update to the committee with respect to the University’s trends on employee turnover.

Action: This item is for information only.



UNC SYSTEM EMPLOYEE TURNOVER METRICS FOR FISCAL YEAR ENDING JUNE 30, 2019

Presented to the UNC Board of Governors
Committee on Personnel and Tenure
January 2020

Introduction

- Since adoption of the UNC System Strategic Plan in 2017, the System Office has begun to collect several System-wide human capital metrics:
 - Employee engagement
 - Employee turnover
 - Professional development investments
 - Internal vs. external hiring trends
- We are entering the second cycle of an employee engagement survey and will have updated metrics from that instrument in late 2020
- We plan to bring the committee additional metrics on professional development and internal vs. external hiring in March or April
- The most recent employee turnover data for the fiscal year ending June 30, 2019 is being presented today

Turnover Metrics

- **Types of Turnover**

- ***Voluntary Turnover: Employee choice to leave organization***
- *Involuntary Turnover:* Management decision to end employment, including discharge, discontinuation of appointment, reduction-in-force
- *Other Turnover:* Retirement, death, or inability to return to work for medical reasons

- **Topics for Further Review**

- Overall, most institution turnover rates are within expected ranges
- EHRA Non-faculty voluntary turnover is occurring at higher rates than SHRA voluntary turnover

VOLUNTARY TURNOVER RATES - UNC SYSTEM-WIDE

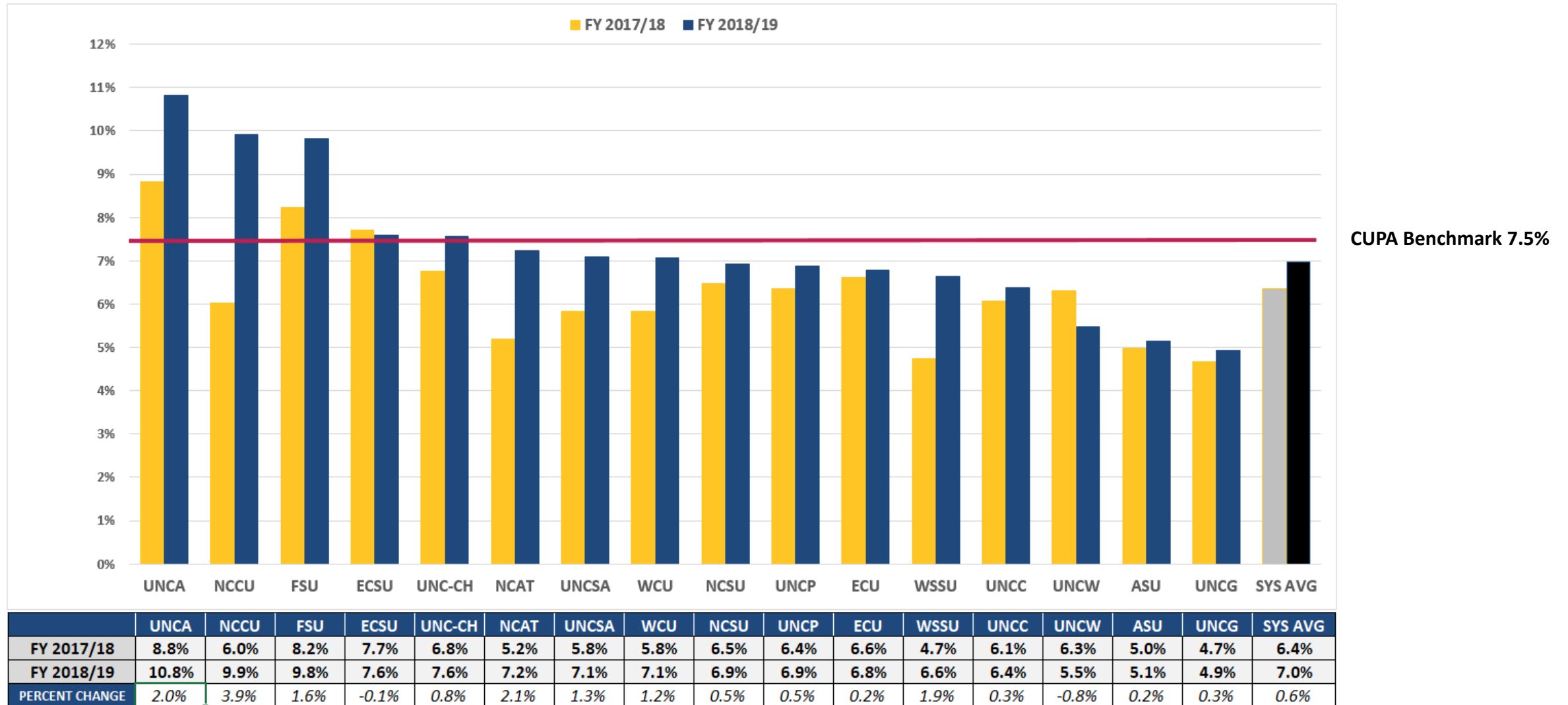


Chart excludes rates for NCSSM (4.4%) and System Office (9.5%), which are not included in the CUPA Benchmark

FY 2018/19 VOLUNTARY TURNOVER AND ENGAGEMENT RESPONSES – UNC SYSTEM-WIDE

