



MEETING OF THE BOARD OF GOVERNORS
Committee on Personnel and Tenure

April 16, 2020 at 2:30 p.m.
Via Videoconference and UNC-TV Live Stream

AGENDA

OPEN SESSION

- A-1. Conflict of Interest Statement Kellie Hunt Blue
- A-2. Approval of the Open Session Minutes of March 19, 2020..... Kellie Hunt Blue
- A-3. Informational Report: Faculty Recruitment and Retention Fund
Utilization Under Delegated Authority to the President Kimberly van Noort
- A-4. General Updates for the Committee Matthew Brody and Kimberly van Noort
- A-5. COVID-19 Special Work/Leave Provisions for Faculty and Staff..... Matthew Brody
- A-6. 2019 Annual SHRA Compensation Review Matthew Brody

CLOSED SESSION

- A-7. Approval of the Closed Session Minutes of March 19, 2020..... Kellie Hunt Blue
- A-8. 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-9. EHRA Salary Pre-Authorizations Requiring Approval by the
Committee on Personnel and Tenure..... Matthew Brody

OPEN SESSION

- A-10. 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).



MEETING OF THE BOARD OF GOVERNORS
Committee on Personnel and Tenure

DRAFT MINUTES

March 19, 2020

University of North Carolina System Office
Center for School Leadership Development, Room 111
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. Alex Mitchell, C. Philip Byers, Reginald Holley, Michael Williford, and Wendy Floyd Murphy.

Chancellor Franklin Gilliam and Chancellor Kevin Guskiewicz also participated by phone.

Staff members present included Brian Usischon, 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 2:39 p.m. and read the Conflict of Interest Statement.

2. Approval of the Minutes of February 20, 2020 (Item A-2)

The chair called for a motion to approve the open session minutes of February 20, 2020.

MOTION: Resolved, that the Committee on Personnel and Tenure approve the open session minutes of February 20, 2020.

Motion: C. Philip Byers

Motion carried

3. Informational Reports (Item A-3)

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

4. General Updates (Item A-4)

Brian Usischon and Kimberly van Noort updated the committee on recent System Office efforts related to the coronavirus outbreak. Dr. van Noort discussed the move to online teaching and commended the

institutions and their faculty for providing the continuity of instruction needed during this transition. Mr. Usischon discussed the collaboration between the UNC System Office and the chief human resources officers at all of the institutions to provide guidance on employment issues related to the coronavirus, including the use of telecommuting and additional leave.

5. Amendments to Annual Raise Process (ARP) Authority Pending a State Budget (Item A-5)

The committee reviewed a request to approve a proposed amended resolution to modify the Annual Raise Process (ARP) authority previously granted to the president in May of 2019, to allow further flexibility in the awarding of EHRA salary increases in the event that the Current Operations Appropriations Act of 2019 or a suitable mini bill is enacted that provides a University salary appropriation.

MOTION: Resolved, that the Committee on Personnel and Tenure approve the proposed amended resolution to modify the Annual Raise Process authority granted to the president and present the resolution to the Board for vote.

Motion: Alex Mitchell

Motion carried

6. Update on Pandemic and Communicable Disease Emergency Policy Technical Corrections (Item A-6)

The committee received a brief summary of recently implemented technical changes to Section 300.2.15 of the UNC Policy Manual, the Pandemic and Communicable Disease Emergency Policy.

7. 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 consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged [N.C.G.S. 143-318.11(a)(3)]; 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: J. Alexander Mitchell

Motion carried

THE MEETING RESUMED IN OPEN SESSION AT 3:09 p.m.

There being no further business, the meeting adjourned at 3:09 p.m.

Michael Williford, Secretary

AGENDA ITEM

- A-3. 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:

- University of North Carolina at Chapel Hill, three approved requests
- University of North Carolina at Charlotte, one approved request
- University of North Carolina at Greensboro, two 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

\$386,917 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

University of North Carolina at Chapel Hill

Elizabeth Delmelle, assistant professor in the Department of Geography and Earth Sciences, \$11,832 from the Faculty Recruitment and Retention Fund and UNC-Chapel Hill funding the cost of benefits
(\$84,000 **from** \$72,168 effective March 4, 2020)

Eric Delmelle, associate professor in the Department of Geography and Earth Sciences, \$13,412 from the Faculty Recruitment and Retention Fund and UNC-Chapel Hill funding the cost of benefits
(\$96,000 **from** \$82,588 effective March 4, 2020)

Gregory Characklis, distinguished professor in the Department of Environmental Sciences & Engineering, \$20,000 from the Faculty Recruitment and Retention Fund and UNC-Chapel Hill funding the cost of benefits
(\$220,000 **from** \$200,000 effective March 17, 2020)

The University of North Carolina at Charlotte

Consuelo Salas, assistant professor in the Department of Writing, Rhetoric and Digital Studies, \$7,000 from the Faculty Recruitment and Retention Fund and UNC Charlotte funding the cost of benefits
(\$77,000 **from** \$70,000 effective March 9, 2020)

University of North Carolina at Greensboro

Andrew Hudson, assistant professor in the Department of Music, \$5,000 from the Faculty Recruitment and Retention Fund and UNC Greensboro funding the cost of benefits
(\$65,000 **from** \$60,000 effective March 6, 2020)

Gabriela Stein, associate professor in the Department of Psychology, \$8,362 from the Faculty Recruitment and Retention Fund and UNC Greensboro funding the cost of benefits
(\$95,000 **from** \$86,638 effective March 20, 2020)

AGENDA ITEM

A-5. COVID-19 Special Work/Leave Provisions for Faculty and Staff Matthew Brody

Situation: To ensure that University operations could continue as required during the COVID-19 situation, the UNC System, in coordination with the Office of State Human Resources, developed a set of work and leave provisions for faculty and staff, incorporating mandatory employee designations, paid administrative leave, and additional compensation provisions.

Background: Provisions are based in the state's Communicable Disease Emergency policy for SHRA employees and the related UNC System Pandemic and Communicable Disease Emergency policy. The original set of provisions was published in mid-March for use from March 16 to 31. In response to the feedback from the institutions and the developing situation, the provisions were revised for use from April 1 to 30. The primary changes to the April provisions were:

- Mandatory employees are designated as only those employees who are required to work onsite at specific dates and times.
- Mandatory employees may receive additional compensation for times when they are performing duties onsite.
- Other employees are expected to telework if possible.
- If employees cannot productively telework, must provide child/elder care as a result of a COVID-19-related facility closing, or are experiencing COVID-19 symptoms or caring for a dependent experiencing COVID-19 symptoms, they may take paid administrative leave.
- Institutions have discretion to expand additional compensation and/or paid administrative leave to temporary and student employees.

Assessment: The provisions incorporate mandatory employee designations, paid administrative leave, and, in April, additional compensation provisions.

A table that compares the March and April provisions is attached with additional detail.

Action: This item is for information only.

Issue	March 16-31, 2020 Special Work/Leave Provisions	April 2020 Special Work/Leave Provisions
Mandatory Employee Designation	<ul style="list-style-type: none"> • Mandatory employees defined as those directed to work at designated University worksite other than home at specific dates/times. • Non-mandatory employees defined as those not directed to work at designated University worksite; <i>expected to telework if feasible.</i> • Mandatory designations may be changed by management based on operational needs. • Mandatory employees meeting specific risk criteria may be allowed to use special leave provisions and/or work remotely. 	<ul style="list-style-type: none"> • Mandatory employees defined as those directed to work at designated University worksite other than home at specific dates/times. • <i>Only mandatory employees allowed to work onsite.</i> • Mandatory designations may be changed by management based on operational needs. • Mandatory employees meeting specific risk criteria may be allowed to use special leave provisions and/or work remotely.
Mandatory Employee Compensation	<ul style="list-style-type: none"> • All employees received regular pay for work performed; <i>no special compensation provisions in effect.</i> 	<ul style="list-style-type: none"> • Mandatory permanent employees receive <i>added compensation for hours required to be worked at designated University worksite</i> other than personal residence, for specific dates and times that onsite work is required. • Teleworking is not subject to added compensation. • <i>Mandatory FLSA non-exempt: 1.5x pay for all hours worked on-site (regular overtime rule apply in addition to COVID pay).</i> • <i>Mandatory FLSA Exempt: 1.5x pay or 0.5x COVID comp time up to 40 hours in a work week</i> • SAAOs, faculty, physicians, directors/deputy directors, department heads, division heads, RADAs, CADAs, coaches and other specified positions are excluded from special compensation provisions. • Institution has discretion to award additional compensation as pay or comp time as lump-sum, series of payments, paid leave or other combination within 12 months of accrual. • <i>Institution has discretion to provide 1.5x pay for temporary</i>

Issue	March 16-31, 2020 Special Work/Leave Provisions	April 2020 Special Work/Leave Provisions
		<i>employees for on-site hours worked</i> , or may increase the hourly rate.
Paid Administrative Leave	<ul style="list-style-type: none"> • Applies to mandatory/non-mandatory employees (<i>including temporary/student employees</i>) who: <ul style="list-style-type: none"> ○ Have child/elder care needs due to COVID-19-related facility closings ○ Cannot telework because duties cannot be performed remotely; reasonable alternate work is not feasible ○ Are sick with COVID-19-related symptoms or are caring for a dependent with such symptoms • Part-time employees may receive Paid Administrative Leave on a pro-rated basis. 	<ul style="list-style-type: none"> • Management has discretion to deny/defer Paid Administrative Leave to mandatory employees whose presence is deemed critical • Applies to employees who: <ul style="list-style-type: none"> ○ Have child/elder care needs due to COVID-19-related facility closings ○ Cannot telework because duties cannot be performed remotely; reasonable alternate work is not feasible ○ Are sick with COVID-19-related symptoms or are caring for a dependent with such symptoms • Part-time employees with irregular schedules may receive paid leave considering their average hours/week over a month. • Part-time employees may receive Paid Administrative Leave on a pro-rated basis. • Institution has discretion to offer full/partial Paid Administrative Leave to <i>temporary and student employees</i> based on fund availability/ business need; may also place on inactive status and/or allow telework.
Additional Compensation	<ul style="list-style-type: none"> • None provided 	<ul style="list-style-type: none"> • Employees may be reassigned to complete assignments outside normal duties and may be compensated accordingly for the duration of the assignment.

AGENDA ITEM

A-6. 2019 Annual SHRA Compensation Review Matthew Brody

Situation:	This is an informational report provided to the committee.
Background:	The annual SHRA compensation scorecard was first published in 2017 to promote more transparency with respect to SHRA staff compensation and to provide this information to the president, the Board of Governors, and to the senior leadership of the constituent institutions to support future planning and decision-making on staff compensation issues. The review was assembled by System Office Human Resources using SHRA data from the Human Resources Data Mart system as of January 2020.
Assessment:	The SHRA compensation review contains overall average market index data by each institution. This information is accompanied by brief PowerPoint slides, which explain the content.
Action:	This item is for information only.



UNC SYSTEM 2019 ANNUAL SHRA COMPENSATION REVIEW

UNC System Human Resources
April 2020

BACKGROUND

- The **Annual SHRA Compensation Review** is used to monitor where the University's SHRA employees sit with respect to their assigned market rates under the career banding compensation system
- This career banding compensation system was implemented by the Office of State Human Resources (OSHR) in 2008 and is used for UNC System SHRA employees
- This system is not used for EHRA faculty or non-faculty employees

BACKGROUND

- Since 2008, the salary ranges and their market rates have only been occasionally updated by the State, *which has caused these rates to lag behind the true labor market.*
 - In 2012, a 1.2% increase was added to the salary ranges and market rates
 - In 2014, \$1,000 was added
 - In 2017, both a 1.5% increase and a \$1,000 increase was added
 - In 2018, a 5.8% increase was added and all salary range minimums below \$31,200 were increased to \$31,200
- UNC System is now participating in a market study with OSHR to consider movement to the new state SHRA compensation system, which would end career banding

MARKET RATE AND MARKET INDEX

- **SHRA Market Rates** are established for each SHRA job title and job level (contributing, journey, and advanced) using relevant market data
- Each market rate is representative of the salary of an employee who is fully performing and functioning at each job classification and level
- The ratio of each individual employee's salary to the established market rate is referred to as the **Market Index**

CALCULATING MARKET INDEX

The division of an employee's salary by the coinciding SHRA market rate creates a market index. The index is expressed as 100% being the target market rate, with 95% being 5% below market, and 105% indicating 5% above market.

TITLE	RANGE MIN	CONTRIBUTING	JOURNEY	ADVANCED	RANGE MAX
Architect	42,314	54,151	65,989	75,831	85,673

The journey market rate for Architects is **\$65,989**.

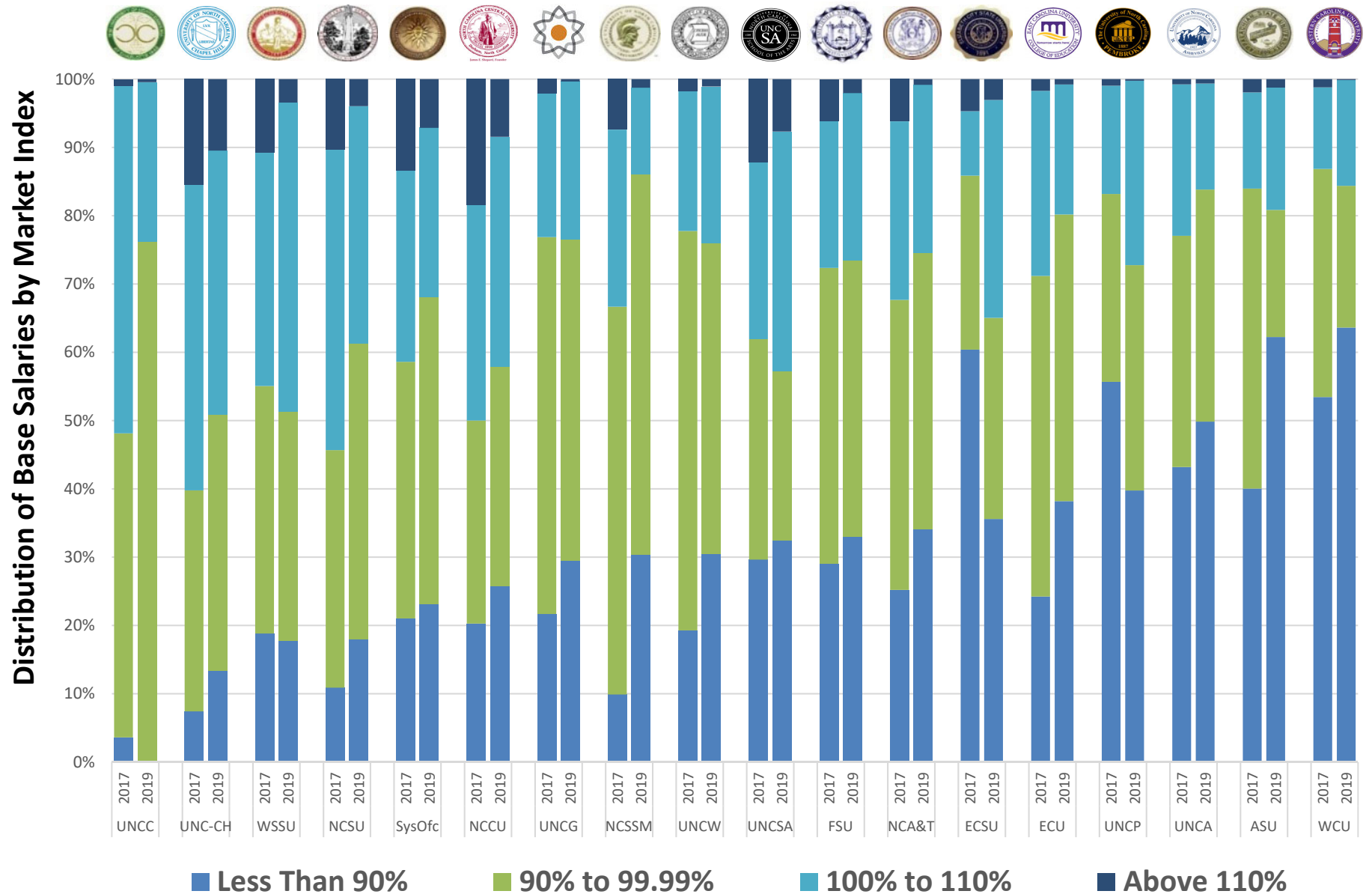
Person A is paid **\$60,000**.

We calculate to identify the distance between \$60,000 and \$65,989.

$$\text{\$60,000} / \text{\$65,989} = 0.90924 \text{ (or, 90.92\%)}$$

Person A is paid **90.92%** of the market rate for journey-level Architects.

SHRA COMPENSATION REVIEW – 2017 vs 2019



AVERAGE MARKET INDEX – 2017 vs 2019

	2017	2019	Difference
WCU	89.3%	88.1%	-1.2%
ASU	91.6%	89.9%	-1.7%
UNCA	92.0%	90.0%	-2.0%
UNCP	88.7%	91.8%	3.1%
ECSU	86.4%	92.1%	5.7%
NCSSM	97.3%	92.3%	-5.0%
ECU	95.5%	92.8%	-2.8%
NCA&T	95.8%	92.8%	-3.0%
UNCW	95.6%	93.5%	-2.1%
FSU	95.5%	93.6%	-1.8%
UNCG	95.1%	93.6%	-1.5%
UNCSA	96.0%	94.3%	-1.7%
UNCC	98.5%	95.7%	-2.8%
<u>SysOfc</u>	98.6%	96.3%	-2.2%
NCCU	99.9%	96.6%	-3.3%
NCSU	99.9%	96.9%	-3.0%
WSSU	98.7%	97.1%	-1.7%
UNC-CH	101.9%	99.0%	-2.9%

SHRA Compensation Scorecard Data Table

Distribution of Base Salaries by Market Index

2019		UNCC	UNC-CH	WSSU	NCSU	SysOfc	NCCU	UNCG	NCSSM	UNCW	UNCSA	FSU	NCA&T	ECSU	ECU	UNCP	UNCA	ASU	WCU
	Less Than 90%	0.17%	13.38%	17.72%	17.96%	23.11%	25.75%	29.47%	30.38%	30.40%	32.48%	33.04%	34.06%	35.58%	38.19%	39.75%	49.84%	62.23%	63.61%
	90% to 99.99%	76.06%	37.53%	33.60%	43.32%	44.96%	32.14%	47.02%	55.70%	45.61%	24.79%	40.41%	40.48%	29.45%	41.99%	33.00%	33.98%	18.61%	20.75%
	100% to 110%	23.31%	38.62%	45.24%	34.76%	24.79%	33.65%	23.15%	12.66%	22.90%	35.04%	24.48%	24.61%	31.90%	19.02%	27.00%	15.53%	17.91%	15.49%
	Above 110%	0.46%	10.47%	3.44%	3.97%	7.14%	8.46%	0.36%	1.27%	1.09%	7.69%	2.06%	0.85%	3.07%	0.80%	0.25%	0.65%	1.25%	0.15%
2018		UNCC	UNC-CH	WSSU	NCSU	SysOfc	NCCU	UNCG	NCSSM	UNCW	UNCSA	FSU	NCA&T	ECSU	ECU	UNCP	UNCA	ASU	WCU
	Less Than 90%	0.11%	14.80%	19.78%	19.15%	28.35%	25.28%	32.75%	32.89%	30.09%	38.91%	35.60%	35.34%	37.97%	39.48%	56.69%	53.55%	61.92%	63.65%
	90% to 99.99%	80.48%	43.54%	35.23%	46.94%	46.36%	30.63%	47.42%	47.37%	53.72%	31.80%	41.03%	41.02%	29.75%	37.66%	25.46%	31.29%	19.84%	21.07%
	100% to 110%	19.31%	32.13%	40.65%	29.77%	18.77%	35.98%	19.30%	18.42%	15.00%	28.87%	20.92%	22.34%	29.11%	21.90%	17.59%	14.52%	16.96%	14.85%
	Above 110%	0.11%	9.53%	4.34%	4.14%	6.51%	8.12%	0.52%	1.32%	1.19%	0.42%	2.45%	1.30%	3.16%	0.96%	0.26%	0.65%	1.28%	0.42%
2017		UNCC	UNC-CH	WSSU	NCSU	SysOfc	NCCU	UNCG	NCSSM	UNCW	UNCSA	FSU	NCA&T	ECSU	ECU	UNCP	UNCA	ASU	WCU
	Less Than 90%	3.59%	7.41%	18.82%	10.87%	21.02%	20.26%	21.66%	9.88%	19.27%	29.63%	29.01%	25.19%	60.38%	24.23%	55.66%	43.19%	40.03%	53.44%
	90% to 99.99%	44.53%	32.36%	36.24%	34.79%	37.58%	29.74%	55.20%	56.79%	58.48%	32.28%	43.34%	42.48%	25.47%	46.94%	27.51%	33.85%	43.93%	33.40%
	100% to 110%	50.92%	44.77%	34.15%	43.98%	28.03%	31.54%	21.04%	25.93%	20.49%	25.93%	21.50%	26.13%	9.43%	27.10%	15.86%	22.18%	14.09%	11.94%
	Above 110%	0.96%	15.46%	10.80%	10.36%	13.38%	18.46%	2.10%	7.41%	1.76%	12.17%	6.14%	6.20%	4.72%	1.73%	0.97%	0.78%	1.95%	1.21%

KEY UNIVERSITY-SPECIFIC CONSIDERATIONS

- Each campus determines how internal equity is considered – some look across units / departments, while others use campus-wide equity comparisons
- Each campus develops its own compensation philosophy based on its unique business needs, strategic priorities, funding profile, and local market
- Each campus' level of delegated authority and specific needs can affect how job classifications are used, which in turn impacts how compensation is set

FACTORS THAT IMPACT SALARY SETTING

FACTOR/IMPACT	AFFECT
Specialized and/or highly competitive sectors	<p>Certain sectors of higher education draw on a more competitive labor market and drive higher market rates:</p> <ul style="list-style-type: none">• Health care and clinical enterprise• Sponsored research enterprise
Geographical and regional factors	<p>Average market indexes can vary significantly given regional economic and labor market factors:</p> <ul style="list-style-type: none">• Lower market demand in mountain regions and the eastern part of the state, given a smaller concentration of large employers• Higher labor market demand in more urban centers like Raleigh/Durham/RTP and Charlotte, given a concentration of other large public and private sector employers

FACTORS THAT IMPACT SALARY SETTING

FACTOR/IMPACT	AFFECT
Highly specialized and/or high demand occupations	Typically higher market rates for information technology, engineers, and skilled trades such as high voltage, electricians, plumbers, and HVAC
Market rate stagnation	Market rates have remained nearly stagnant since the 2008 implementation, creating some compression near the 100% mark
Budgetary Resources	Constituent institutions do not have equal access to funding resources. Some institutions rely heavily on State funds and others are able to leverage significant non-State sources to fund pay improvements to move employees toward and beyond the market rate

QUESTIONS?

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