

The UNC Policy Manual
200.6
Adopted 11/13/06
Amended 06/08/07
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Policy on Delegation of Authority to the President

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

A. Human Resources

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

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

b. The president may approve management flexibility plans for Special Responsibility Constituent Institutions and may delegate limited authority for human resources actions to constituent institutions that are not authorized as Special Responsibility Constituent Institutions.⁴

c. Notwithstanding the above provisions, unless otherwise delegated:

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

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

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

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

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

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

B. Governance

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

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

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

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

D. Real Property

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

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

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

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

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

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

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

F. Chancellors' Incentive Compensation Program

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

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

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

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

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

IV. Other Matters

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

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

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

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

²G.S. Chapter 126.

³Sections 300.1.1, 300.1.2, and 300.2.1 of the UNC Policy Manual.

⁴Section 600.3.4 of the UNC Policy Manual.

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

⁶Section 1100.3 of the UNC Policy Manual.

⁷G.S.135-5.1

⁸Section 300.7.2 of the UNC Policy Manual.

⁹Section 200.5 of the UNC Policy Manual.

¹⁰Section 200.5 of the UNC Policy Manual.

¹¹ Section 300.5.1 of the UNC Policy Manual.

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

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

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

¹⁵Sections 600.2.4 and 600.2.4.1 of the UNC Policy Manual.