



ANNUAL REPORT TO THE UNC BOARD OF GOVERNORS
Committee on University Personnel
July 1, 2021 through June 30, 2022

DUTIES AND MEMBERSHIP

The major responsibilities of the Committee on University Personnel 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 act on compensation matters that exceed prescribed thresholds; (4) to consult with the president on compensation matters for the president's direct reports, chancellors, and the CEOs of UNC Health Care and PBS North Carolina; and (5) to act on new or modified policies regarding human resources-related matters.

Board members who served on the committee during the fiscal year July 1, 2020, through June 30, 2021, were Kellie Hunt Blue, W. Louis Bissette, Jr., C. Philip Byers, Carolyn Coward, John Fraley, Reginald Ronald Holley, and Art Pope. The committee officers were Ms. Blue as chair, Mr. Holley as vice chair, and Mr. Pope as secretary. Chancellors Johnson Akinleye, Harold Martin, and Jose Sartarelli served as chancellor representatives to the committee.

ACTIONS

The committee met in seven regular or special meetings between July 1, 2020, and June 30, 2021. 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 salary requests for System employees exempt from the State Personnel Act (EHRA).

Delegated Salary Actions: The committee also received informational reports on 73 EHRA Faculty and 168 EHRA Non-Faculty salary requests approved by the UNC System Office under authority delegated to the president or his designee.

Annual Raise Process: In September 2021 and May 2022, acting on the committee's recommendation, the Board delegated to the president the necessary authority to implement the legislative salary adjustments anticipated to be provided for in the Appropriations Act of 2021 and the Appropriations Act of 2022. The president then developed guidelines for an annual raise process for employees.

Campus Law Enforcement Transition to EHRA Status: In May 2022, the Board voted to delegate authority to the president to issue regulations allowing specific commissioned System police officers to retain select provisions of SHRA human resources policies after transitioning to EHRA non-faculty status.

Chancellor Searches: The committee was periodically apprised of the status of chancellor search for University of North Carolina Wilmington. Once concluded, a recommended candidate was brought before the committee before being forwarded to the full Board for a final vote. In May 2022, Dr. Aswani Volety was selected as the chancellor of UNCW.

COVID-19 Updates: The committee was given periodic updates to the UNC System's response to the COVID-19 pandemic with respect to workplace and workforce impacts. Topics shared with the committee included special work and leave provisions, incorporating mandatory employee designations, and COVID-19 related paid administrative leave provisions.

Early Retirement Incentive Program: After receiving legislative authority to authorize the adoption of an early retirement incentive program, the Board voted in September 2021 to delegate authority to the president to establish and implement such a program.

Employee Engagement Metrics: In May 2022, the committee was presented with preliminary analysis of the latest System-wide employee engagement survey results. In general, 2022 survey participation decreased, while overall positive survey responses increased compared to the survey conducted in 2020.

Non-Base Salary Compensation Delegation: In May 2022, the Board voted to authorize the delegation of authority to the president to establish regulations permitting non-base salary compensation for EHRA employees. This allowed options such as sign-on bonuses, retention bonuses, and performance-based bonus compensation, within prescribed limits.

Optional Retirement Program: In November 2021, the Board voted to grant authority to the president and his designees to execute the required documents to enter Collective Investment trust to lower the investment fees charged to university employees through the Optional Retirement Program.

Policy Manual Revisions: In February 2022, the committee reviewed proposed revisions to Section 200.6 of the UNC Policy Manual, *Policy on Delegation of Authority to the President*, and Section 600.3.4 of the UNC Policy Manual, *Policy on Granting Management Flexibility to Appoint and Fix Compensation*. The proposed revisions increased delegations of authority to the president and boards of trustees for various EHRA compensation actions. In April 2022, the Board voted to approve these revisions via the consent agenda.

Policy Manual Technical Corrections: In January 2022, the committee discussed technical corrections made to the UNC Policy manual to address recent statutory changes that extended EHRA non-faculty status to IT professionals, commissioned police officers, and audit, business, and financial professionals.

Salary Increase Metrics: Given the COVID-19 event, the committee was provided frequent informational reports on all salary increase activity subject to approval by the president. These reports compared activity approved under the president's delegated authority each period compared to the equivalent timeframe of the year before.

Senior Administrative Officer and Senior Athletic Employee Retirement Programs: In April 2022, the Board voted to expand eligibility for the existing Senior Administrative Officer Retirement Program to other campus and System Office senior administrators, as well as to delegate increased authorities to the president for administration of the program as well as a similar plan that serves selected head coaches and athletic directors.

Turnover Metrics: In April 2022, the committee was presented with four years of detailed System-wide turnover data, with a specific focus on data following the summer of 2021. In general, voluntary turnover had been at or below relevant benchmarks for higher education institutions. Beginning in the summer of 2021, a little over a year after the beginning of the pandemic, the University's employee turnover rates increased drastically and continued to remain elevated through the time of the presentation of the report.

Tutorials: The committee was presented with periodic tutorials on matters such as athletic contracts, Carnegie classifications, the constituent institution peer setting process, and employee compensation.

Academic Affairs Actions

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. At committee meetings throughout the year, Dr. Kimberly van Noort apprised committee members on the status and utilization of this fund.

Performance Review of Tenured Faculty: The committee received the Performance Review of Tenured Faculty from fiscal year 2019-20. Of the 548 tenured faculty reviewed, 21 were deemed deficient.

Tenure Conferrals: Academic Affairs reported on 28 tenure conferrals or promotions from campuses that lack management flexibility.