

Regulation for Deferred Compensation for Chancellors

- I. Purpose. The Board of Governors, pursuant to its authority to fix the compensation of the chancellors of the constituent institutions,¹ has authorized the participation of each chancellor in deferred compensation in the form of employer discretionary contributions to the Senior Administrative Officer Retirement Program (SAORP), a qualified executive retirement plan administered by the UNC System Office. Paragraph II.E. of Section 300.2.14 of the UNC Policy Manual, *Policy on Non-Salary and Deferred Compensation*, provides that participation and awards to SAORP accounts for the president and chancellors must be approved by the Board of Governors or, where such authority has been specifically delegated, by the Committee on University Personnel.
- II. Approvals. Chancellor eligibility and participation in the SAORP is outlined in the initial terms and conditions of employment as approved by the Board of Governors.
- III. Contributions.
 - A. Annual Employer Contributions to the SAORP are discretionary and subject to the Board-approved term sheet.
 - B. Supplemental Employer Contributions. The president may direct any supplemental employer discretionary contributions to the SAORP in addition to the Annual Employer Contributions derived from a Chancellors' Incentive Compensation Program or an Enhanced Executive Compensation Program pursuant to paragraphs I.F and I.H of Section 200.6 of the UNC Policy Manual, *Policy on Delegation of Authority to the President*. Chancellors will be immediately vested in supplemental employer contributions.
- IV. Other Conditions.
 - A. Contributions are voluntary and may be suspended or discontinued at the discretion of the Board of Governors or the president. Contributions shall not be made in any year in which the funds identified are insufficient to support the contribution.
 - B. Contributions under this regulation must always be made with non-state funds.
- V. Other Matters.
 - A. Effective Date. The requirements of this regulation shall be effective on the date of adoption of this regulation by the president.

B. Relation to State and Federal Laws. The foregoing regulation as adopted by the president 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 regulation.

¹ G.S. 116-11(4); Section 500 B of *The Code*.