



REGULATION TRANSMITTAL LETTER

Transmittal # 22

February 2, 2026

Regulation	Title	Action
<u>300.2.14[R]</u>	Regulation for Deferred Compensation for Chancellors	Amended 1/30/26 <i>Redline Version Attached</i>
<u>300.2.14.1[R]</u>	Regulation for Deferred Compensation for Senior Academic and Administrative Officers	Amended 1/30/26 <i>Redline Version Attached</i>
<u>300.2.14.3[R]</u>	Regulation for Deferred Compensation for Senior Athletic Employees	Adopted 1/30/26
<u>300.2.22.2[R]</u>	Regulation on Additional Leave Programs for EHRA Faculty and Staff	Adopted 1/30/26

The actions taken on the above regulations were reviewed and approved by the President for inclusion in the UNC Policy Manual.

The entire UNC Policy Manual is accessible at: <https://www.northcarolina.edu/apps/policy/index.php>

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 ~~annual employer discretionary~~ contributions to ~~the Senior Administrative Officer Retirement Program (SAORP)~~, a qualified ~~executive~~ retirement plan ~~to encourage the chancellors' continued service to their respective institutions and the University of North Carolina (administered by the UNC)~~ System. ~~Contributions may be made only upon the recommendation~~ 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, ~~subject to final review and approval~~ 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. ~~shall not exceed ten percent (10%) of base salary paid in~~

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 ~~year and must derive solely supplemental employer discretionary contributions to the SAORP in addition to the Annual Employer Contributions derived from non-state funding sources~~ 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.

~~Any contribution is~~ IV. Other Conditions.

A. Contributions are voluntary, and ~~contributions~~ 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. The president shall specify the vesting period that will apply to the contributions, not to exceed five (5) years.

II. The president may direct additional discretionary contributions to the plan derived from any chancellor incentive compensation. Chancellors will be immediately vested in these additional discretionary contributions and funding for these contributions can be made from any eligible sources of funds, which may be state or non-state appropriations, as long as the funding source permits an expenditure for this purpose.

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 ~~September 1, 2024~~on the date of adoption of this regulation by the president~~January 30, 2026~~.
- 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*.

**Regulation for Deferred Compensation
for Senior Academic and Administrative Officers
Other than Chancellors or the President**

Introduction

I. Purpose. To support ~~recruitment and~~ retention of executive-level talent by the University, the ~~UNC System~~ Board of Governors has ~~authorized~~^{authorized} the eligibility of ~~any~~ Senior Academic and Administrative Officer ~~(SAAO)~~ Officers (SAAOs) for deferred compensation in the form of ~~annual~~~~discretionary employer~~ contributions to ~~the Senior Administrative Officer Retirement Program (SAORP)~~, a qualified executive retirement plan administered by the UNC System Office. Pursuant to paragraph II.E. of Section 300.2.14, *Policy on Non-Salary and Deferred Compensation*, of the UNC Policy Manual, the Board has delegated approval of SAAOs to participate in the SAORP to the president. In addition, the Board has delegated the administration of the SAORP program to the president.

II. Approvals.

A. SAAO approval to participate in the SAORP is on the recommendation of the chancellor with the approval of the president. The president may also approve such contributions directly for any SAAO of the UNC System Office. ~~Any constituent institution that seeks to make contributions as prescribed in this regulation shall have a written policy on Non-Salary and Deferred Compensation, consistent with Section 300.2.14 of the UNC Policy Manual.~~

Notification. B. The chancellor must deliver a written recommendation ~~procedures and templates to request participation of an SAAO in~~ the SAORP ~~will be sent by the UNC System Office to an institution upon request.~~

I. III. Contributions. Participating SAAOs with approval of the president for each SAAO to ~~may receive one or both of the following contributions to the plan, which shall include the following items:~~

A. The source(s) of funds from which the contributions will be made and the amount of the proposed contribution(s) as a percent of the eligible employee's base salary;

B. Whether the contribution(s) will be ongoing until appointment end or shall expire in a specified period;

C. The vesting period that shall apply to all contributions made to the eligible employee's qualified executive retirement plan account.

Permissible Contribution Amount. Contributions to ~~for~~ any individual employee given year.

A. Annual Employer Retention Contributions. ~~The president may direct for any participating SAAO in the qualified executive retirement plan set forth in this regulation shall occur once~~

~~annually and contributions that~~ may not exceed ten percent (10%) of the employee's ~~current base salary in effect at the time the contribution is made by the UNC System Office to total compensation (including base salary and any performance bonus earned for that covered period)~~. The ~~p~~President may set vesting terms for these contributions. Employees must complete at least twelve months of University service prior to the receipt of any award.

~~Entitlement to Contributions.~~ There is no automatic entitlement for any individual employee, position, or group of positions to contributions under the provisions of this regulation. All such contributions.

B. Annual Supplemental Employer Contributions. The president may direct any incentive compensation for participating SAAOs derived from any incentive compensation outlined in paragraph I.H. of Section 200.6, paragraph I.F.3. of Section 300.2.14 of the UNC Policy Manual, *-Policy on Non-Salary and Deferred Compensation, of The UNC Policy Manual*, or as otherwise determined by the president. SAAOs will be immediately vested in supplemental employer contributions.

IV. Other Conditions.

A. Contributions are voluntary on the part of constituent institutions and/or the UNC System Office and may be suspended or discontinued at any time and for any reason by the UNC Board of Governors or the president. ~~Further, contributions~~

B. Contributions are subject to availability of institutional funds, and no contribution shall be ~~accomplished funded~~ if an employee has received notice of an end of appointment and/or is no longer currently actively employed by the institution or the UNC System Office, regardless of prior approvals or written commitments ~~of same.~~ Contributions under this regulation must be made with non-state funds.

II. Source of Funds. Contributions under this regulation may be made with any source of funds which ~~may be state or non-state appropriations if the funding source permits an expenditure for this purpose.~~

III. Vesting Period. ~~Immediate vesting or a specified vesting period, not to exceed five (5) years, must be identified for each eligible employee and their account approved for participation under the provisions of this regulation and shall be communicated to the employee at the time of the initial contribution.~~

IV. Administrative Procedures. Contributions under this regulation may only be made to the applicable qualified executive retirement plan administered by the UNC System Office using forms and procedures established by the Plan Administrator. These forms and procedures will be provided to each constituent institution's chief human resources officer upon request.

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. ~~September 1, 2024~~January 30, 2026.

A. 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.

[‡]UNC Board Resolution—Delegated Authorities Regarding the Senior Administrative Officer and Senior Athletic Employee Retirement Programs, adopted April 7, 2022.