



THE UNIVERSITY OF NORTH CAROLINA SYSTEM

TRANSMITTAL LETTER

Transmittal Number 122

October 19, 2018

THIS LETTER TRANSMITS CHANGES TO THE UNC POLICY MANUAL

200.8 *Policy on Chancellor Searches and Elections (Amended)**

This policy was amended and approved by the Board of Governors at its meeting on October 10, 2018.

A copy of the policy is attached herein and is accessible on the website at: <http://www.northcarolina.edu/apps/policy/index.php>. *The redline version reflecting the changes to the amended policy is attached to this letter.

Policy on Chancellor Searches and Elections

The Board of Governors adopts the following policy regarding the chancellor search and election process.

I. Purpose. The search for and election of a new chancellor of a constituent institution of the University of North Carolina requires the participation, involvement, and collaboration of the board of trustees of the constituent institution, the chancellor search committee, the president, and the Board of Governors, each of which performs distinct roles and functions. Within the University, chancellors report to the president. The president therefore has the primary responsibility for ensuring there is a thorough and reliable process for chancellor searches, culminating in the election of the chancellor by the Board of Governors.

Consistent with the statutory responsibilities of the board of trustees, president, and Board of Governors, this policy establishes requirements for the chancellor search and election process, and describes the resources that shall be provided through the UNC System Office and the constituent institutions during each search.

II. Search Process

A. President. As further described in this policy, the president shall have the overall responsibility for overseeing System Office staff with responsibility for managing and supporting chancellor searches, helping determine search committee membership, charging the search committee, developing chancellor leadership competencies, interviewing chancellor finalists, participating in the reference checking process, negotiating the terms of employment for a chancellor-elect consistent with state law and Board policy, and offering a chancellor-elect for final consideration by the Board of Governors.

B. Board of Trustees. As further described in this policy, members of the boards of trustees shall serve as members of the search committee, shall consider candidates proposed by the search committee as potential finalists, and shall refer a final slate of candidates to the president for additional vetting and consideration.

C. Board of Governors. As further described in this policy, selected members of the Board of Governors shall provide input and advice to the president on a slate of finalists and the governors both in committee and then as the full body shall consider and vote on a proposed chancellor-elect.

D. Search Committee

1. The search committee shall be composed of representatives of the board of trustees, the faculty, the student body, the staff, the alumni, the local community, and other campus constituencies as may be deemed appropriate, which can ordinarily be achieved with a committee of no more than 20 members.

2. No member of the Board of the Governors may serve as a member of the search committee.

3. The chair of the board of trustees in consultation with the president shall identify a chair of the search committee; the chair of the board of trustees may also serve as chair of the search committee with the agreement of the president.

4. As further described in this policy, the search committee shall work on behalf of the board of trustees and the president to receive the input of institutional stakeholders and community members, to develop a leadership statement that describes the desired qualities for the new chancellor, to conduct interviews and consider the qualifications of candidates, and to propose a slate of finalists for consideration of the board of trustees, who recommends the slate to the president.

E. Budget and Staff. Upon the establishment of the search committee, the chair of the board of trustees, in consultation with the president, shall establish a budget and identify staff for the committee. With the exception of assigned System Office professional staff and their direct expenses, the costs for a chancellor search are the responsibility of the constituent institution. This shall include the fees and expenses of any engaged outside professional search and/or background investigation firms.

F. UNC System Office. The UNC System Office shall provide the necessary resources and support to effectively carry out a chancellor search, including but not limited to qualified human resources staff with expertise in executive search, logistical and administrative support to the chair of the search committee, and training materials which shall serve to orient trustees and search committee members with respect to their roles and responsibilities in the search process. The System Office may also obtain the support of the constituent institution in providing local logistical support to the operations of the search committee.

G. Search Status. Members of the Board of Governors may elect to receive public notices of search committee meetings and chancellor search open forums. The chair of the board of trustees shall ensure that the president receives periodic updates concerning the status of the search and the projected schedule for concluding interviews and delivering recommendations of three (3) candidates to the president.

H. Engagement of Key Stakeholders

1. The chair of the search committee shall assure that the search process engages a broad cross-section of institutional stakeholders to obtain well-rounded input on candidates. At the discretion of the search committee chair, such engagement could involve students, faculty, staff, alumni, and community members.

2. The search committee chair is encouraged to engage selected members of the Board of Governors who may live within proximity to the institution or otherwise have a particular interest in or knowledge of the institution and its mission to attend constituent forums, candidate receptions, or other events at which candidates are present.

3. All individuals provided the opportunity to meet with chancellor candidates on campus will be expected to sign confidentiality agreements equivalent to that signed by members of the search committee.

I. Confidential Searches and Confidentiality

1. Consistent with state law protecting the identity of applicants, searches for chancellors of the University of North Carolina shall be conducted as “confidential searches,” which shall mean the identity of candidates, semi-finalists, or finalists shall not be disclosed to the general public. Conducting confidential searches is intended to maximize the quality of the candidate pool by not discouraging the interest of individuals who would not otherwise apply in the event of a publicly disclosed candidate pool.

2. Any individual involved in the search process, including but not limited to members of the Board of Governors, the search committee, the board of trustees, and staff, shall keep confidential all search-related records and information that are required by law to be kept confidential. Confidential information includes, but is not limited to, personnel records and information of candidates, attorney-client communications, and closed session deliberations and information.

III. Search Philosophy and Candidates for Chancellor

A. Each chancellor search committee and the boards of trustees for constituent institutions shall make every effort to recruit and consider a pool of exceptionally well-qualified individuals for chancellor vacancies and to consider candidates with both traditional academic experience as well as candidates with alternative backgrounds in business, industry, government, the military, and the not-for-profit sector.

B. The president shall undertake reasonable efforts to develop an internal pipeline of talent within the University of North Carolina that shall serve to benefit future applicant pools for the position of chancellor.

C. The president shall assure that opportunities for chancellor vacancies shall be promoted in a manner that encourages interest from well qualified candidates who are current residents of the State of North Carolina.

D. In keeping with Board policy in order to avoid actual or potential conflicts of interests, no presently serving member of the Board of Governors or a board of trustees shall be eligible to be appointed as an acting or interim chancellor or to be considered for the position of chancellor unless they first resign their position on said body.

IV. Board of Trustees Recommendations to the President. The institutional search committee shall recommend an unranked slate of three candidates to the board of trustees for consideration. The board of trustees, following receipt of the report of the search committee, shall recommend the unranked slate of three candidates for consideration by the president in designating a nominee for the chancellorship, or return the slate to the search committee for further action.

V. Consideration by the President. Once the slate of candidates is received from the board of trustees, the president may choose to interview one (1) or more of the candidates and may include members of his or her senior staff in the interviews, as deemed appropriate. The president may also consider asking the appointed officers of the Board of Governors and the chair and vice chair of the Committee on Personnel and Tenure to participate in these interviews to advise on the suitability of the candidates and to build support for a selected finalist before advancing to the next stage of the search process.

VI. Review of Candidate Qualifications and Background Investigation

A. Timing. The president shall initiate a detailed background investigation on one or more of the candidates received from the board of trustees for determining their suitability for election as chancellor.

B. Scope. Any candidate presented to the Board of Governors for election as chancellor must have had a completed background investigation that includes, but is not limited to verification of prior work history and educational credentials, confirmation of most recent total compensation, reference checks, criminal background check, credit check, civil litigation check, and scans of relevant social media and news media references applicable to the candidate. This investigation may address any other issues deemed of relevance to the president to confirm the candidate's suitability to serve as a chancellor.

C. Review of Results. The final results of this background investigation shall be reviewed by the president, appropriate members of the president's senior staff, the officers of the Board of Governors, and the chair and vice chair of the Committee on Personnel and Tenure. This information may be shared with other members of the Board of Governors only with the direct authorization of the chair and the president when deemed necessary for the proper conduct of a search.

VII. Nomination to the Board of Governors. Following interviews and successful completion of an appropriate background investigation, the president may either identify one (1) of the three (3) candidates for nomination to the Board of Governors, or return the slate to the board of trustees with instructions for further action.

VIII. Negotiation of Terms and Conditions of Appointment. The president shall consult with the Board of Governors officers and the chair of the Committee on Personnel and Tenure about the president's proposed nomination and negotiation of conditional terms and conditions of appointment. The negotiated terms and conditions may include: compensation (including base salary, consistent with the Board of Governors approved market salary ranges), retirement plan participation; deferred compensation incentive and retention plans; stipends, and allowances; and written contract provisions, including length of appointment and retreat rights.

IX. Election of the Chancellor

A. The Board of Governors shall vote on the president's nominee and the proposed terms of appointment.

B. All the members of the Board shall have no less than seven (7) calendar days to review written materials for the proposed candidate for chancellor-elect prior to being asked to vote on said nomination.

C. Prior to being considered by the full Board of Governors, the Committee on Personnel and Tenure shall convene to consider and make a recommendation concerning the president's nomination and the proposed terms and conditions of appointment, including the elements of any employment contract. The Committee on Personnel and Tenure meeting shall be scheduled so as to reasonably accommodate participation by Board of Governors members in person or by telephone.

D. Any Board of Governors member who shall have a concern regarding the veracity or accuracy of any element of a candidate's background for chancellor shall address such concern directly to the president. The president shall have the responsibility to investigate and follow-up on such concerns with the Board of Governors in a timely manner.

E. The chancellor-elect shall not be physically present at any board meeting at which such vote shall be undertaken.

X. Other Matters

A. **Effective Date.** The requirements of this policy shall be effective for chancellor searches that are initiated on or after the date of adoption of this policy by the Board of Governors.

B. **Relation to State Laws.** The foregoing policies as adopted by the Board of Governors are meant to supplement, and do not purport to supplant or modify, those statutory enactments which may govern or relate to chancellor searches.

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

Policy on Chancellor Searches; ~~Board of Governors Participation and Elections~~

The Board of Governors adopts the following policy regarding the chancellor search and election process.

I. Purpose. The search for and election of a new chancellor of a constituent institution of the University of North Carolina requires the participation, involvement, and collaboration of the board of trustees of the constituent institution, the chancellor search committee, the president, and the Board of Governors, each of which performs distinct roles and functions. Within the University, chancellors report to the president. The president therefore has the primary responsibility for ensuring there is a thorough and reliable process for chancellor searches, culminating in the election of the chancellor by the Board of Governors.

Consistent with the statutory responsibilities of the board of trustees, president, and Board of Governors, this policy establishes requirements for the chancellor search and election process, and describes the resources ~~and expertise~~ that shall be ~~maintained and~~ provided through the UNC General Administration System Office and the constituent institutions during each search.

II. Search Process. ~~In the event~~

A. President. As further described in this policy, the president shall have the overall responsibility for overseeing System Office staff with responsibility for managing and supporting chancellor searches, helping determine search committee membership, charging the search committee, developing chancellor leadership competencies, interviewing chancellor finalists, participating in the reference checking process, negotiating the terms of employment for a vacancy in the chancellorship, the chair of the Board of Governors shall, in consultation with the president and the chair of the board of trustees, designate chancellor-elect consistent with state law and Board policy, and offering a member of chancellor-elect for final consideration by the Board of Governors. ~~to~~

B. Board of Trustees. As further described in this policy, members of the boards of trustees shall serve ~~on~~ as members of the search committee, shall consider candidates proposed by the search committee as potential finalists, and shall refer a final slate of candidates to the president for additional vetting and consideration.

C. Board of Governors. As further described in this policy, selected members of the Board of Governors shall provide input and advice to the president on a slate of finalists and the governors both in committee and then as the full body shall consider and vote on a proposed chancellor-elect.

D. Search Committee ~~in a nonvoting, advisory capacity as the Board of Governors' representative. The Board of Governors' representative shall,~~

1. The search committee shall be composed of representatives of the board of

trustees, the faculty, the student body, the staff, the alumni, the local community, and other campus constituencies as may be deemed appropriate, which can ordinarily be achieved with a committee of no more than 20 members.

~~2. The search committee shall to the extent practicable include one to two individuals recommended by the Board of Governors chair and/or chair of the Board's Committee on Personnel and Tenure in collaboration with the president, encourage members of the Board of Governors to recommend individuals who are not members of the Board of Governors for possible service on the search committee.~~

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~~A. Composition of the Search Committee. The chair of the board of trustees shall establish the search committee in consultation with the president. The committee shall be composed of:~~

~~1. Representatives of the board of trustees, the faculty, the student body, staff, the alumni, and such other representatives of campus constituencies as may be appropriate;~~

~~2. The Board of Governors' representative, who shall serve in a nonvoting, advisory capacity; and~~

~~3. In consultation with the Board of Governors' representative, one to two individuals recommended by Board of Governors members for possible service on the search committee.~~

~~1.2. No member of the Board of the Governors may serve as a voting member of the search committee.~~

~~B. BoardThe chair of Governors' Representative. The Boardthe board of Governors' representative shall have the following duties and responsibilities:~~

~~3. 1. CollaborateThe chair of the board of trustees in consultation with the president andshall identify a chair of the search committee; the chair of the board of trustees in developing a matrixmay also serve as chair of skillsthe search committee with the agreement of the president.~~

~~5. The search committee membership shall not exceed twenty (20) individuals.~~

~~46. As further described in this policy, the search committee shall work on behalf of the board of trustees and backgrounds the president to be represented among receive the input of institutional stakeholders and community members of the search committee, to develop a leadership statement that describes the desired qualities for the new chancellor, to conduct interviews and consider the qualifications of candidates, and to propose a slate of finalists for consideration of the board of trustees, who recommends the slate to the president.~~

~~2. Encourage members of the Board of Governors to recommend individuals, who~~

~~are not themselves members of the Board of Governors, for consideration for possible service on the search committee;~~

~~3. Assist the president, the chair of the board of trustees, and UNC General Administration professional staff in narrowing the recommendations for search committee membership received from Board of Governors members;~~

~~4. Attend search committee meetings as an additional resource to the search committee;~~

~~5. Refrain from actively participating in interviews of candidates and in search committee deliberations regarding candidates;~~

~~6. Observe all confidentiality requirements applicable to search committee members and board members, and sign such confidentiality agreements as may be appropriate to reflect such commitments; and~~

~~7. Assist the president, when requested, in providing general updates to the Board of Governors concerning the status of the search, but avoid providing information concerning individual candidates.~~

~~CE.~~ Budget and Staff. Upon the establishment of the search committee, the chair of the board of trustees, in consultation with the president, shall establish a budget and identify staff for the committee. With the exception of assigned System Office professional staff and their direct expenses, the costs for a chancellor search are the responsibility of the constituent institution. This shall include the fees and expenses of any engaged outside professional search and/or background investigation firms.

~~DF.~~ ~~UNC General Administration.~~ ~~System Office.~~ The UNC General Administration System Office shall maintain expertise and provide the necessary resources necessary to and support to effectively carry out a chancellor and other executive searches search, including but not limited to:

~~1. Qualified professional and administrative- qualified human resources staff with expertise in supporting and managing searches for chancellors and other senior academic executive search, logistical and administrative officers;~~

~~2. Regularly updated knowledge and understanding support to the chair of the educational and operational landscape of public higher education;~~

~~3. Knowledge of the unique skills sets that chancellor candidates must possess to be successful leaders in higher education;~~

~~4. Knowledge of industry standards associated with the recruitment, selection, and hiring of institutional leaders; and~~

~~5. Regularly updated search committee, and training materials for an instructional seminar to be presented to which shall serve to orient trustees and search committee members at the~~

~~commencement of the~~ with respect to their roles and responsibilities in the search process. ~~The seminar shall address topics relevant~~ The System Office may also obtain the support of the constituent institution in providing local logistical support to the educational and operational landscape of public higher education and the skills that chancellor candidates must possess in order to be effective leaders operations of the search committee.

~~EG.~~ Search Status. Members of the Board of Governors may elect to receive public notices of search committee meetings and chancellor search open forums. The chair of the board of trustees shall ensure that the president receives periodic updates concerning the status of the search and the projected schedule for concluding interviews and delivering recommendations of three (3) candidates to the president.

H. Engagement of Key Stakeholders

1. The chair of the search committee shall assure that the search process engages a broad cross-section of institutional stakeholders to obtain well-rounded input on candidates. At the discretion of the search committee chair, such engagement could involve students, faculty, staff, alumni, and community members.

2. The search committee chair is encouraged to engage selected members of the Board of Governors who may live within proximity to the institution or otherwise have a particular interest in or knowledge of the institution and its mission to attend constituent forums, candidate receptions, or other events at which candidates are present.

3. All individuals provided the opportunity to meet with chancellor candidates on campus will be expected to sign confidentiality agreements equivalent to that signed by members of the search committee.

I. Closed Confidential Searches and Confidentiality

1. Consistent with state law protecting the identity of applicants, searches for chancellors of the University of North Carolina shall be conducted as “closed confidential searches,” which shall mean the identity of candidates, semi-finalists, or finalists shall not be disclosed to the general public. Conducting closed confidential searches is intended to maximize the quality of the candidate pool by not discouraging the interest of individuals who would not otherwise apply in the event of a publicly disclosed candidate pool.

2. Any individual involved in the search process, including but not limited to members of the Board of Governors, the search committee, the board of trustees, and staff, shall keep confidential all search-related records and information that are required by law to be kept confidential. Confidential information includes, but is not limited to, personnel records and information of candidates, attorney-client communications, and closed session deliberations and information.

III. Search Philosophy and Candidates for Chancellor

A. Board of Trustees’ Recommendations to the President. Each chancellor search committee and the boards of trustees for constituent institutions shall make every effort to recruit and

consider a pool of exceptionally well-qualified individuals for chancellor vacancies and to consider candidates with both traditional academic experience as well as candidates with alternative backgrounds in business, industry, government, the military, and the not-for-profit sector.

B. The president shall undertake reasonable efforts to develop an internal pipeline of talent within the University of North Carolina that shall serve to benefit future applicant pools for the position of chancellor.

C. The president shall assure that opportunities for chancellor vacancies shall be promoted in a manner that encourages interest from well qualified candidates who are current residents of the State of North Carolina.

D. In keeping with Board policy in order to avoid actual or potential conflicts of interests, no presently serving member of the Board of Governors or a board of trustees shall be eligible to be appointed as an acting or interim chancellor or to be considered for the position of chancellor unless they first resign their position on said body.

~~III.~~ IV. Board of Trustees Recommendations to the President. The institutional search committee shall recommend an unranked slate of three candidates to the board of trustees for consideration. -The board of trustees, following receipt of the report of the search committee, shall recommend the unranked slate of three candidates for consideration by the president in designating a nominee for the chancellorship, or return the slate to the search committee for further action.

~~V.~~ ~~IV.~~—Consideration by the President. -Once the slate of candidates is received from the board of trustees, the president may choose to interview one (1) or more of the candidates. ~~The president shall consult with the chair and may include members of his or her senior staff in the interviews, as deemed appropriate. The president shall also invite may also consider asking the appointed officers~~ of the Board of Governors and the chair and vice chair of the Committee on Personnel and Tenure. ~~The president may consult with UNC General Administration professional staff and involve one (1) or more UNC General Administration staff members to participate in these candidate interviews to advise on the suitability of the candidates and to build support for a selected finalist before advancing to the next stage of the search process as necessary or appropriate, and may engage in additional.~~

VI. Review of Candidate Qualifications and Background Investigation

A. Timing. The president shall initiate a detailed background investigation and review on one or more of the candidates received from the board of trustees for determining their suitability for election as chancellor.

B. Scope. Any candidate presented to the Board of Governors for election as chancellor must have had a completed background investigation that includes, but is not limited to verification of prior work history and educational credentials, confirmation of most recent total compensation, reference checks, criminal background check, credit check, civil litigation check, and scans of relevant social media and news media references applicable to the candidate. This investigation may address any other issues deemed of relevance to the president deemsto confirm the candidate's suitability to serve as a chancellor.

C. Review of Results. The final results of this background investigation shall be reviewed by

~~the president, appropriate under the circumstances. The members of the president's senior staff, the officers of the Board of Governors, and the chair and vice chair of the Committee on Personnel and Tenure. This information may be shared with other members of the Board of Governors only with the direct authorization of the chair and the president when deemed necessary for the proper conduct of a search.~~

~~IV. VII. Nomination to the Board of Governors. Following interviews and successful completion of an appropriate background investigation, the~~ president may either identify one (1) of the three (3) candidates for nomination to the Board of Governors, or return the slate to the board of trustees with instructions for further action.

~~V. VIII. Negotiation of Terms and Conditions of Appointment. The president shall consult with the Board of Governors' Governors officers and the chair of the~~ Committee on Personnel and Tenure about the president's ~~proposed nomination, and negotiation of conditional terms and conditions of appointment. The Committee on Personnel and Tenure chair of the Board of Governors may authorize the president to negotiate all terms and conditions of appointment to the position of chancellor. The negotiated terms and conditions may include: conditional on the approval of the Board of Governors. The negotiated terms and conditions may include: compensation (including base salary, consistent with the Board of Governors approved market salary ranges), retirement plan participation; deferred compensation incentive and retention plans; stipends, and allowances; and written contract provisions, including length of appointment and retreat rights.~~

~~A. Compensation, including base salary;~~

~~B. Retirement plan participation;~~

~~C. Deferred compensation incentive and retention plans;~~

~~D. Stipends, and allowances; and~~

~~E. Written contract provisions, including length of appointment and retreat rights.~~

~~VI.IX. Election of the Chancellor.~~

~~A. The Board of Governors shall vote on the president's nominee and the proposed terms of appointment. At least forty eight (48) hours~~

~~B. All the members of the Board shall have no less than seven (7) calendar days to review written materials for the proposed candidate for chancellor-elect prior to being asked to vote on said nomination.~~

~~C. Prior to being considered by the full Board of Governors meeting in which the president's nomination will be presented, the Committee on Personnel and Tenure shall convene to consider and make a recommendation concerning the president's nomination and the proposed terms and conditions of appointment, including the elements of any employment contract. The Committee on Personnel and Tenure meeting shall be scheduled so as to reasonably accommodate participation by Board of Governors members in person or by telephone.~~

D. Any Board of Governors member who shall have a concern regarding the veracity or accuracy of any element of a candidate's background for chancellor shall address such concern directly to the president. The president shall have the responsibility to investigate and follow-up on such concerns with the Board of Governors in a timely manner.

E. The chancellor-elect shall not be physically present at any board meeting at which such vote shall be undertaken.

VI. X. Other Matters-

A. Effective Date.- The requirements of this policy shall be effective for chancellor searches that are initiated on or after the date of adoption of this policy by the Board of Governors.

~~B. Confidentiality. Members of the Board of Governors, the search committee, the board of trustees, and staff shall keep confidential all search related records and information that are required by law to be kept confidential, including, but not limited to, personnel records and information of candidates, attorney-client communications, and closed session deliberations and information.-~~

~~C. B. Relation to State Laws.-~~ The foregoing policies as adopted by the Board of Governors are meant to supplement, and do not purport to supplant or modify, those statutory enactments which may govern or relate to chancellor searches.-

~~D. C. Regulations and Guidelines.-~~ These policies shall be implemented and applied in accordance with such regulations and guidelines as may be adopted from time to time by the president.