

Regulation on Planning, Establishing, and Reviewing Centers and Institutes in the University of North Carolina

I. Introduction, Purpose, and Definitions

The University of North Carolina (UNC) encourages partnerships – within, across, and beyond its constituent institutions – that maximize the capacities of the University and the constituent institutions to address complex problems of importance to North Carolina, the nation, and the world. Such partnerships may take the form of centers and institutes. Centers and institutes are particularly effective structures when efforts require cross-disciplinary or cross-unit coordination. Centers and institutes, when formed, should result in strengthened and enriched programs around the core missions of research, service, and instruction; enhanced opportunities for faculty, staff and students; heightened economic impact in the state; and a reduction in duplication within UNC.

A. Purpose. This regulation has three purposes:

1. Provide a framework upon which campuses should build detailed policies and protocols to guide the planning, establishment, management, and discontinuation of institutional centers and institutes (Section II);
2. Define University System Multi-Campus Centers or Institutes and the role of UNC General Administration (UNC-GA) in the management and oversight of them (Section III); and
3. Establish requirements for management oversight and reporting on centers and institutes (Section IV).

B. Definitions

1. “Center or Institute.” For purposes of classification, there is no technical distinction between the terms *center* and *institute*. In practice, an institute frequently refers to an entity having a broader scope of activity than a center. For example, an institute may create centers as separate units within its administrative structure. Centers and institutes may require new infrastructures to facilitate administration, fiscal management, and on-going activities. Many centers and institutes report to or involve only a single UNC campus. Some involve more than one UNC campus and require significant, sustained, and necessary multi-campus collaboration in one or more aspects including leadership, governance, mission, core activities, funding, and other resources. A center or institute within UNC may, under appropriate circumstances, include the participation of other institutions, agencies, or organizations, such as other colleges and

universities, schools, hospitals, industry, foundations, or governmental bodies. Centers and institutes do not have jurisdiction over academic curricula, although they may offer courses in cooperation with academic units.

2. “General Fund sources” means financial resources originating from the State’s General Fund, including state appropriations and tuition receipts.

3. “Non-General Fund sources” means financial resources originating from sources other than the State’s General Fund, including fee receipts, endowment income, institutional trust funds, and outside grants.

4. “In-Kind sources” means support that one or more constituent institutions provides to a center or institute in the form of space, services (including faculty course buyout), or use of equipment or other materials, and for which it does not receive cash payment.

5. “Political activity” means, as described in Section 300.5.1 of the UNC Policy Manual, actions directed toward the success or failure of a candidate for public office, political party, or partisan political group including, but not limited to, campaigning, political management, and soliciting financial contributions for political purposes.

II. Regulations for Centers and Institutes

The following regulations apply to each constituent institution that (1) serves as the administrative campus for a multi-campus center or institute, or (2) administers a center or institute that reports to only one UNC campus.

A. Authority. Campuses will adopt the following authoritative roles in their own policies and procedures.

1. Administrative campus. Each center or institute must designate an administrative campus. For centers and institutes situated on a single campus, this designation is straightforward. Full authority and responsibility for the oversight of institutional centers and institutes rests at the campus level, including establishment, management, and discontinuation. For centers and institutes involving more than one UNC constituent institution, agreement on an administrative campus must be reached. Administrative campuses are responsible for the general and fiscal oversight and management of their institutional centers and institutes, in accordance with this regulation and campus level policies and procedures.

2. Board of trustees. The board of trustees of each administrative campus has the authority to approve campus level policies on centers and institutes and to authorize establishment and discontinuation of institutional centers and institutes consistent with these regulations and the directions of the president or the Board of Governors. The board of trustees may delegate to the chancellor the authority to approve the discontinuation of institutional centers and institutes.

3. Chancellor. The chancellor of each administrative campus, as the executive and administrative head of the constituent institution, is responsible for the oversight and management of each center or institute situated at the campus. The chancellor is responsible for carrying out the requirements of the applicable policies of the Board of Governors and board of trustees with respect to centers and institutes, and for ensuring that all requirements of this regulation are implemented and followed.

4. Directors. Subject to the approval of the chancellor of the administrative campus, each center or institute must have a director, who shall report to a senior academic officer designated by the chancellor. Center and institute directors are responsible for the day-to-day programmatic, fiscal, and personnel decisions associated with the center and institute mission and core personnel.

5. Center or institute boards or committees. A chancellor of a constituent institution may determine that an advisory or policy board is needed for a particular center or institute. Boards or committees are particularly useful when the center or institute must coordinate efforts across departments, units, or institutions. Such boards do not have the authority to make hiring offers to directors or other staff. While boards may make recommendations regarding the use of center and institute funds, such entities do not have the authority to access, use, or otherwise control funds associated with the centers and institutes.

6. Authority through bylaws, memoranda of understanding, or other governing documents. Centers and institutes, particularly those requiring sustained involvement across multiple constituent institutions, may address certain aspects of their management through bylaws, memoranda of understanding (MOUs), or other governing documents, subject to the oversight and approval of the chancellor or the chancellor's designee. Examples of decisions that may be localized at the center or institute level include processes for appointing and staggering terms of board members, requirements for adding new partners or partner campuses, or agreements on leadership and logistics for specified collaborative initiatives. Centers and institutes that involve multiple campuses, but without such documents, are considered under the full authority of the administrative campus as defined above, in Sections II.A.1., through II.A.2.

B. Planning. A planning period can serve many purposes for a conceptualized center or institute, including time to demonstrate the validity of the concept, define partner relationships and roles, or identify fiscal and other resources required for sustainability. Administrative campuses must have policies that address the following aspects of the planning of institutional centers and institutes:

1. Clear process for requesting authorization to plan a center or institute. Minimum required documentation should include:

a. Relevance of the proposed center or institute to the mission of the administrative campus and UNC;

b. Objectives of the proposed center or institute and why the objectives cannot be achieved within existing institutional or University structures, including individual schools, departments, and/or programs;

c. Discussion of differentiation from similar centers, institutes, or units within the campus, UNC and the State, and proposed relationships with them;

d. Potential sources and estimated funding to initiate and sustain the proposed center or institute, presented as a five-year projection, including the amounts of (1) General Fund support; (2) non-General Fund support; and (3) in kind support; and

e. When relevant, statements on the inter-institutional nature of the proposed center or institute, whether it be mission, leadership, activities, funding, or other aspects.

2. Milestones, timelines, and responsible parties associated with center and institute planning periods.

3. Clear process for granting and notification of authorization to plan a center or institute, which shall require approval by the chancellor and a report to the board of trustees and the Office of Research and Graduate Education at UNC General Administration within 30 days of the chancellor's approval, or by the next regular meeting of the board, whichever is later.

C. Establishment. When a center or institute approved for planning is ready and able to demonstrate its viability, a formal request for authorization to establish is prepared. Administrative campuses must have policies that address the following aspects of the establishment of institutional centers and institutes:

1. Clear process for requesting authorization to establish a center or institute. Minimum required documentation should include the items listed in the authorization to plan documentation (Section B.1., above) as well as:

a. Name of the proposed center or institute, which appropriately reflects the center or institute mission and scope;

b. Identification of the proposed center or institute as either a research, public service, or instructional unit, in accordance with its primary mission and core activities, with the understanding that the center or institute may also conduct complementary activities outside of its primary designated mission;

c. Organizational structure of the proposed center or institute, including name of a proposed director, description of the membership and function of any proposed advisory or policy boards, and proposed responsibility structure;

d. Statement on the anticipated effects of the proposed unit on the instructional, research and/or public service programs of the administrative campus; and, when inter-institutional arrangements are involved, a statement on the anticipated effects of the proposed collaboration on the instructional, research and/or public service programs of all participating campuses;

e. Statement on immediate financial needs, including the amount of General Fund, non-General Fund, and in kind support that will be required;

f. Statement on immediate operating needs, such as equipment, library resources, and space needs, and five-year projections of future space needs;

g. When relevant, evidence that inter-institutional arrangements regarding leadership, governance, activities, funding, or other aspects have been reached by the cooperating chancellors or designees; and

h. An accountability plan that complies with policy of the administrative campus, noting specific dates for the initial director and center reviews.

2. Milestones, timelines, and responsible parties associated with establishment; and
3. Clear process for granting and notification of the establishment of a center or institute, which includes approval by the chancellor and board of trustees and notification to the Office of Research and Graduate Education at UNC General Administration prior to establishment.

D. Management. The chancellor of each administrative campus will ensure that each active center and institute associated with the administrative campus undergoes a comprehensive review at least once every five (5) years to evaluate ongoing alignment with departmental, college and/or institutional missions and resources, success in accomplishing stated objectives, and sound fiscal status and practices. Administrative campuses must have policies that include the following aspects of the management of centers and institutes as part of the comprehensive review:

1. Process for director searches, including steps of the process, participants and responsible parties, and appropriate decision-making procedures;
2. Cycle(s) for annual and comprehensive reviews of center and institute activities, including designation of the responsible office or offices;
3. Evaluation criteria to include at a minimum:
 - a. Performance against specific objectives and goals;
 - b. Quality and quantity of scholarly activity (as appropriate per mission), teaching and other instructional activity (as appropriate per mission), and service (as appropriate per mission);
 - c. Sufficient budget to continue operation, including the amount and proportion of funds received from General Fund and non-General Fund sources as well as in kind support;
 - d. Fiscal oversight;
 - e. Analysis and assurance that the entity does not duplicate other institutional, UNC, or State entities;
 - f. Analysis and consideration as to whether the entity's work can be effectively accomplished by a single department or program; and
 - g. Stakeholder feedback (stakeholder defined as appropriate per the unit's mission).
4. Listing of other considerations, outside of the above performance review criteria, to be discussed during review periods, including facilities, personnel, or other operational needs;
5. Cycle(s) for reviews of center and institute directors, including designation of the office or offices responsible for conducting the review;
6. Criteria for director review, to include at minimum:
 - a. Performance against individual objectives and goals;

- b. Feedback on leadership and communication from center/institute staff, partners and/or clients; and
- c. Management of fiscal and human resources.

7. Standard practices and procedures for involving other UNC constituent institutions in review processes, when relevant;

8. Articulation of the type of unsatisfactory performance that could merit conditions for discontinuation of a center, institute, director, or others; and

9. Clear plans for occasions when centers, institutes or directors do not meet minimum review expectations, including process, milestones, and responsible parties.

E. Discontinuation

1. A center or institute may be discontinued for a variety of reasons, including but not limited to lack of fiscal resources for sustainability, termination of a supporting grant or award, lack of fit with departmental, college or institutional missions or objectives, or a change in institutional priorities.

a. Campus level policies must provide a clear process for the discontinuation of centers and institutes, whether on probationary status, performing satisfactorily, or in other circumstances. For those entities that involve only a single campus, the campus-level process should include approval by the board of trustees and notification to the Office of Research and Graduate Education at UNC General Administration, prior to discontinuation. For those centers and institutes that require significant and sustained cooperation among more than one UNC constituent institution, campus level policies must provide for agreement to be reached and documented by the partner chancellors or designee before the discontinuation recommendation goes before the board of trustees at the administrative campus. If such an agreement cannot be reached by partner chancellors or designees, then UNC General Administration, through the Office of Research and Graduate Education, will convene partners and determine an acceptable solution.

b. If the president or the Board of Governors determines that a center or institute should be considered for discontinuation, the president shall give written notice of that determination to the chancellor and chair of the board of trustees of the constituent institution functioning as the administrative campus, notifying them that they may request a hearing on the matter before the Committee on Educational Planning, Policies, and Programs by transmitting a written request for a hearing to the president within thirty (30) days after receipt of the president's notice. The chancellor and board of trustees chair may bring to this hearing such administrative staff members and faculty members as they may deem useful in representing the institution. If the chancellor and board of trustees chair request a hearing, they shall, not later than two weeks prior to the hearing, file with the president a written statement of reasons why the center or institute should not be discontinued, together with such supporting data as they may wish to provide. After such hearing, the Committee shall recommend to the Board of Governors action that the Committee deems appropriate.

2. The “phase-out” period for centers and institutes that are to be discontinued shall be sufficient to permit an orderly termination or transfer of contractual obligations and to allow an effort to find alternative employment for full-time staff. Normally, the “phase-out” period shall be no more than one year after the end of the academic year in which final approval is given to discontinue the center or institute.

F. Other Entities. Other coordinating entities, such as partnerships, consortia, collaboratives, or centers that form within existing centers or single departments, may be considered exempt from these regulations. For example, faculty within a department may decide to form a collaborative in order to more intentionally connect their research projects and professional networks. While such a group may prove a valuable resource to external partners or other disciplinary contacts, it would likely require little to no structure, funds, or management to function. A final determination will be left to the discretion of each constituent institution as to whether such entities will be governed under institution level processes. Campuses should make appropriate provisions in their policies and procedures to ensure they remain knowledgeable of the existence and viability of such entities.

III. University System Multi-Campus Centers and Institutes

Some centers and institutes are established either to represent North Carolina in a federally funded and formula-based program, many of which require state matching funds, or through legislative action with requirements of multiple campus engagement. These entities, known as University System Multi-Campus Centers and Institutes, will maintain varying levels of involvement from UNC General Administration throughout their life cycle, as described below.

A. Participants in a Federal Program. Centers and institutes that are established via a federally funded and formula-based program must, with guidance from UNC General Administration, identify an administrative campus in UNC. The administrative campus will retain responsibility for general and fiscal oversight with exception of the budget expansion request process, in which UNC General Administration will assist. A reporting line to UNC General Administration through the UNC Office of Research and Graduate Education will be maintained throughout the existence of these centers and institutes to ensure appropriate system level involvement in the center mission and the federal review processes for these centers, institutes, and their directors. These entities shall reach agreements with their administrative campuses to have any regularly occurring and extensive federal review meet the requirement for periodic comprehensive review. A center or institute participating in a federally-funded and formula-based matching program may be discontinued if the sponsoring unit of the federal government terminates funding for the program. Otherwise, when it becomes necessary for UNC to discontinue one of these centers or institutes, the chancellor of the administrative campus should, in consultation with the other participating constituent institutions, prepare and forward a written request to the UNC president, with copy to the vice president for research. The president will then make such recommendations as are necessary to the Board of Governors for approval of the discontinuation. The “phase out” period considerations noted in Section II.E., above, also apply to these centers and institutes.

B. Legislatively Sanctioned Multi-Campus Centers and Institutes. Centers and institutes that are established via legislative action of the North Carolina General Assembly and that require multiple campus engagement must, with guidance from UNC General Administration, identify an administrative campus in UNC. At the time of the enactment of the legislation, UNC General Administration will assist these entities and the administrative campus in the creation of planning,

establishment, and other governing documentation (e.g., bylaws, memoranda of understanding). After these governing documents are effective, the entity will come fully under the auspices of the administrative campus for general and fiscal oversight. Discontinuation provisions should be noted in the governing documents and should involve the counsel of UNC General Administration in the discontinuation process, through the Office of Research and Graduate Education.

C. Other multi-campus centers and institutes. The provisions of this regulation are intended to enable campuses to effectively manage centers and institutes, whether institutional or involving multiple campuses. Inter-institutional centers and institutes are hence not singled out as exceptional circumstances requiring system-level oversight but rather to be considered as a customary practice that may require some additional considerations. UNC General Administration, through the Office of Research and Graduate Education, can offer assistance during the planning phase of complex multi-campus efforts. Upon the need to discontinue one of these entities, the provisions in Section II.E., of this regulation will apply.

IV. Other

A. Reporting. Each administrative campus shall notify the Office of Research and Graduate Education at UNC General Administration of the establishment or discontinuation of any center or institute. The Office of Research and Graduate Education at UNC General Administration will maintain a current listing of all UNC centers and institutes, which will be posted on the UNC website and categorized by mission. Each center or institute must be designated as a *research, public service, or instructional* unit in accordance with its primary mission and core activities, with the understanding that many centers and institutes will also conduct complementary activities outside of their primary designated mission. Administrative campuses must also designate when a center or institute that they administer is a UNC System Multi-Campus Center or Institute.

B. Exceptions. This regulation does not apply to affiliated or associated entities as defined in University policy, including but not limited to the North Carolina Center for International Understanding, the UNC Center for Public Television, and the UNC Center for School Leadership Development. Any other exceptions or modifications to these regulations must be approved by the president.

C. Political activity and legislative activity. Each center or institute functions as part of one or more constituent institutions of the University and is subject to the administrative management, oversight, and control of the chancellor of the administrative campus (or the chancellor's designee(s)) as to all activities undertaken by the center or institute, including with respect to the use of funds, services, supplies, equipment, information technology resources, vehicles or other University property.

University employees assigned to centers and institutes are subject to UNC Policy Manual Section 300.5.1, concerning Political Activities of Employees, which includes prohibitions against engaging in political activity while on duty and using the authority of one's position or University or center or institute funds, services, supplies, equipment, information technology resources, vehicles or other resources for such activities, as described in the policy.

The Internal Revenue Code (IRC) limits the extent to which charitable organizations that are tax-exempt pursuant to Section 501(c)(3) of the IRC may engage in activities directed towards influencing legislation (lobbying), subject to applicable exceptions. The University and its constituent institutions are tax-exempt bodies pursuant to IRC Section 115, IRC Section 501(c)(3),

or both. The University and its constituent institutions are also covered by the Lobbying Disclosure Act of 1995, as amended by the Honest Leadership and Open Government Act, 2 U.S.C. § 1601, *et seq.* Regardless of the basis for the tax-exempt status of the administrative campus and its reporting requirement under the Lobbying Disclosure Act, each center or institute remains subject to the direction of its administrative campus when engaging in legislative (lobbying) activities, which shall be conducted in compliance with all State and federal laws, including regulations adopted by the U.S. Department of Treasury and the Internal Revenue Service. Each center or institute will be guided by the IRC Section 501(c)(3) limits on lobbying activities that would apply if it were an independent charitable organization described in IRC Section 501(c)(3).

The chancellor (or chancellor's designee(s)) of each administrative campus is responsible for overseeing and exercising appropriate control over the activities of each center or institute, and for ensuring that the director and professional staff of each center or institute receive comprehensive annual training concerning Internal Revenue Code restrictions on political and legislative activities by section 501(c)(3) organizations covered by the Lobbying Disclosure Act.