

May 26, 2017  
Transmitted with  
corrected attachment



# TRANSMITTAL LETTER

## The University of North Carolina *General Administration*

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Transmittal Number 112  
May 25, 2017

### THIS LETTER TRANSMITS CHANGES TO THE *UNC POLICY MANUAL*

#### *The Code*

In accordance with recent legislative changes, *The Code* of the *UNC Policy Manual* was updated to bring it into alignment with the legislation. The Chapter Sections listed below were affected and approved by the Board of Governors at its meeting on May 19, 2017.

Chapter II – Section 200\*

Chapter III – Sections 300\*, 301\*, and 302\*

Chapter IV – Sections 400\* and 402\*

The entire *UNC Policy Manual* is accessible online at:

<http://www.northcarolina.edu/apps/policy/index.php>

\*A redline version of the amended sections is attached below.

CHAPTER II- THE BOARD OF GOVERNORS

SECTION 200. MEMBERSHIP.

200 A. Initial Membership.

For terms specified by statute and until their successors are chosen, the Board of Governors shall consist of representatives elected in accordance with state law. [See G.S. 116-5(a), (b), (c), and (d)]

200 B. Subsequent Membership.

(1) Election of Members.

(a) Members of the Board of Governors shall be elected by the Senate and House of Representatives. ~~Sixteen~~ Twelve members shall be elected at the regular legislative session in ~~1993~~ 2017, and every two years thereafter. All terms shall commence on July 1 of odd-numbered years, and all members shall serve for four-year overlapping terms. Beginning with elections held on or after January 1, 2017, No person may be elected to more than three full four-year terms ~~in succession. Election for a partial term to fill a vacancy as provided in G.S. 116-7 shall not count toward the three-term limitation. Resignation from a term of office does not constitute a break in service for the purpose of applying this provision of the law. Service prior to those terms beginning in 1989 shall be included in the limitations.~~ Members elected by the Senate and House of Representatives shall be designated as voting members. [See G.S. 116-6(a), (b), and (c)]

(b) Whenever any vacancy shall occur in the elected membership of the Board of Governors, it shall be the duty of the secretary of the University to inform the General Assembly of the existence of the vacancy, and the General Assembly at its next regular session shall elect a person to fill the unexpired term. Whenever a member shall fail, for any reason other than ill health or service in the interest of the state or nation, to be present for four successive regular meetings of the board, the individual's place as a member shall be deemed vacant. [See G.S. 116-7(c)]

(2) General Qualifications.

(a) [Repealed March 6, 2002]

(b) [Repealed March 6, 2002]

(c) No member of the General Assembly or officer or employee of the state or of any constituent institution or spouse of any such member, officer, or employee may be a member of the Board of Governors. Any member of the Board of Governors who is elected or appointed to the General Assembly or who becomes an officer or employee of the state or of any constituent institution or whose spouse is elected or appointed to the General Assembly or becomes such officer or employee shall be deemed thereupon to resign from membership on the Board of Governors. [See G.S. 116-7(b)]

CHAPTER III- COMMITTEES OF THE BOARD OF GOVERNORS

SECTION 300. ESTABLISHMENT AND MEMBERSHIP OF COMMITTEES.

- A. The Board of Governors may establish such standing committees as it may deem necessary. Standing committees shall be established and their duties prescribed by a vote of two-thirds of the voting membership of the Board of Governors then in office. Special committees may be created by the Board of Governors or the chair of the board to perform specific functions not requiring the continuous existence of a committee.
- B. Each voting member of the board shall at all times serve on no more than one of the standing committees designated in subsections 301 B through E, below.
- C. Special members of the board may be assigned to such standing or special committees as the chair of the Board of Governors may from time to time see fit.
- D. The chair of the board may, upon request of a standing committee chair, appoint any voting member to serve temporarily as a voting member of a subcommittee of a standing committee when the chair of the board deems the work of the subcommittee to require such an appointment.
- E. The vice chair of the Board of Governors shall at all times be a voting member of a standing committee. The vice chair shall be assigned to a committee by the chair of the board following consultation between the chair and the vice chair. The vice chair's membership on a standing committee shall be in addition to the prescribed regular membership of the committee.
- F. The chair of the Board of Governors shall be a voting member of all standing and special committees, but the chair's membership shall not be counted in determining a quorum.

SECTION 301. THE STANDING COMMITTEES' JURISDICTION.

301 A. The standing committees of the Board of Governors shall be: the Committee on Budget and Finance; the Committee on Educational Planning, Policies, and Programs; the Committee on Personnel and Tenure; the Committee on University Governance; the Committee on Public Affairs; and the Committee on Audit, Risk Management, and Compliance. Each of the standing committees shall consist of a number of voting members to be determined by the chair of the board, provided that each standing committee shall have a regular membership of no fewer than five voting members, unless otherwise specified herein.

301 B. The Committee on Budget and Finance ~~shall consist of seven voting members. The committee~~ shall advise and consult with the president concerning budget policy and preparation. The committee shall consider the budget proposed by the president and, upon its approval, shall submit the budget to the Board of Governors for final action. The committee shall make recommendations to the board for the allocation of funds appropriated to the board. It shall also advise and assist the president, and submit recommendations to the board, with respect to real property transactions, investments, endowments, and other fiscal and property matters in accordance with valuation limits established in board policy and within the jurisdiction of the Board of Governors.

301 C. The Committee on Educational Planning, Policies, and Programs shall ~~consist of nine voting members. It shall~~ receive the advice and recommendations of the president and make recommendations to the board in all areas pertaining to the development of a coordinated system of higher education in North Carolina, including: (a) the definition of mission and assignment of functions of each constituent institution; (b) the review of requests for the initiation of new degree programs and recommendations for the termination of existing programs; (c) the provision of supportive services, facilities, and other resources for the instructional, research, and public-service programs of the constituent institutions; (d) the review of policies affecting educational programs and academic affairs; (e) matters

concerning the involvement of students in the University and in university life; (f) review of matters concerning health affairs in the University; and (g) review of matters concerning the utilization of information technology in furtherance of the University's mission. The committee shall also advise and assist the president and the board in maintaining close liaison with the State Board of Education, the State Board of Community Colleges, and the private colleges and universities, including the review of all requests for state aid to the private institutions. It shall further recommend to the board procedures and standards for the licensing of non-public educational institutions.

301 D. The Committee on Personnel and Tenure shall ~~upon consist of seven voting members at point. Upon~~ recommendation of the president, ~~it shall~~ review and make recommendations to the board with respect to the appointment and compensation of all vice chancellors, senior academic and administrative officers, and persons with permanent tenure. Notwithstanding the provision above, the committee shall not review or recommend the appointment and compensation of vice chancellors, senior academic and administrative officers, and persons with permanent tenure for those campuses delegated the authority to appoint and set compensation for such employees so long as the boards of trustees act consistently with the policy and compensation ranges established by the Board of Governors. Further, the committee shall advise and assist the president in the review and evaluation of tenure policies and regulations which the president shall periodically conduct, and it shall review all appeals from faculty members of the constituent institutions which involve an institution's decision to not to reappoint a faculty member, to deny tenure, to discharge a tenured faculty member, or to impose a serious sanction pursuant to the provisions of Chapter VI of this *Code*. It shall also review all appeals from nonfaculty employees of the University who are exempt from the ~~State Personnel Act~~ North Carolina Human Resources Act pursuant to Section 611 of this *Code*.

301 E. The Committee on University Governance shall ~~consist of seven voting members. It shall~~ keep under continuous review the application and interpretation of *The Code of the University of North Carolina* and all delegations of authority under that code, and it shall make such recommendations to the Board of Governors for the amending of *The Code* or delegations of authority as may seem appropriate for the effective and efficient operation of the University of North Carolina and its constituent institutions. The committee shall make nominations to the Board of Governors for elections to the boards of trustees of the constituent institutions. The committee shall receive all requests from students of the constituent institutions for appellate review by the Board of Governors pursuant to Section 502 D(3) of this *Code*.

301 F. The Committee on Public Affairs shall consist of ~~a number of~~ no fewer than three and no more than five voting members to be determined by the chair of the board. A voting member serving on this committee shall also serve on one or more other standing committees. The Committee on Public Affairs shall assist the president and the chair of the board in maintaining a positive relationship with the governor, the North Carolina General Assembly, the United States Congress, and other governmental entities which affect the ability of the University to carry out its mission. The committee will review all state and federal policy priorities of the University.

301 G. The Committee on Audit, Risk Management, and Compliance (CARMC) shall consist of ~~a number of voting members to be determined by the chair of the board. The~~ voting members servng on this committee shall also serve on one or more ~~be appointed from the membership of the~~ other standing committees. The CARMC shall recommend a committee charter for review and approval by the board, addressing the University's internal audit, enterprise risk management, and compliance functions; recommend for approval University-wide policies regarding internal audit, enterprise risk management, and compliance; review annual and other audit reports of the constituent institutions and UNC General Administration and affiliated entities; review a summary of the internal audit plans and work of the audit committees of the constituent institutions; review a summary of the annual financial audit reports and management letters on University major associated entities; meet with the state auditor annually; and take such other actions as are necessary or appropriate to ensure that risks are identified and properly managed and to assure the integrity of the finances, operations, and controls of the University.

SECTION 302. GENERAL PROVISIONS CONCERNING STANDING COMMITTEES.

302 A. Appointment of Members.

The chair of the Board of Governors shall appoint voting members of the board to standing committees. The term of each voting member of a standing committee shall ~~normally-ordinarily~~ be two years, commencing upon the effective date of the appointment to the committee and extending until the chair appoints a successor. The chair shall make appointments and reassignments in such a manner as to ensure that members gain experience on each of the standing committees and to utilize the expertise and talent of board members. To achieve balance and efficiencies in the committee system, to support full consideration of the governance and policy matters coming before the board, and to accommodate new appointments to the board, the chair may appoint members to one-year terms, reassign members who have served one year of a two-year term, or appoint members to successive one- or two-year terms. The chair shall appoint members of standing committees to take effect at the first meeting of the committee after July 1, ~~commencing upon the effective date of the appointment to the committee and extending until the chair appoints a successor. The chair shall make appointments and reassignments in such a manner as to ensure that members gain experience on each of the standing committees and to utilize the expertise and talent of the members. To achieve balance and efficiencies in the committee system to support full consideration of the governance and policy matters coming before the board, and to accommodate new appointments to the board, the chair may appoint members to one-year terms or reassign members who have served one year of a two-year term, or reassign members to successive one- or two-year terms. The chair shall appoint members of standing committees to take effect at the first meeting of the committee after July 1.~~ If a vacancy occurs on a standing committee during a term, the chair of the board may appoint a voting member of the board to fill the remainder of the unexpired term, notwithstanding Section 300 B of *The Code*.

302 B. Officers of Standing Committees.

A chair, vice chair, and secretary of each standing committee shall be designated by the chair of the Board of Governors for a one-year term starting at the first meeting after July 1 of the year and continuing until their successors are appointed. No person may serve more than ~~two~~four successive terms as chair of the same standing committee.

302 C. Meetings of Standing Committees.

Each standing committee shall meet at such times as either the chair of the standing committee or the Board of Governors shall designate. Written notice of each meeting of a standing committee shall be mailed to members of the Board of Governors by the secretary of the University at least five days in advance of the meeting date; but any notice which complies with the North Carolina Open Meetings Law may be given by telephone or other reliable means when, in the judgment of the chair of the committee or the chair of the Board of Governors, a necessity exists. The agenda for a meeting of a standing committee shall be prepared by the president with the approval of the chair of the committee, and, if practicable, a copy shall be mailed to the members of the Board of Governors, or transmitted by other reliable means, at least five days in advance of the meeting date; however, if such advance notice is not practicable in the judgment of the chair, the agenda shall be presented to the members of the committee and other members of the Board of Governors who are attending the meeting at the commencement of the meeting. Such materials as the committee may designate by standing rule, or as the chair of the committee may designate in the absence of a standing rule, shall be sent with the agenda and notice of the meeting.

If notice of an agenda item is not provided to the members of the Board of Governors at least 48 hours before the committee meeting, then any recommended action resulting from that item shall not be placed on the consent agenda of the Board of Governors. In the committee report the chair shall state that the recommended action was added to the committee agenda.

A majority of the elected committee membership shall constitute a quorum for the conduct of business of a standing committee. The chair of the standing committee shall preside at all committee meetings; in the absence of the chair, the vice chair shall preside. The procedures and rules of order governing the conduct of committee business shall be the same as those applicable to meetings of the Board of Governors. Minutes of every meeting of a standing committee shall be kept by the secretary of the committee.

302 D. Subcommittees.

Each standing committee may establish from its elected membership such subcommittees as it may deem necessary and appropriate for the effective discharge of its assigned responsibilities. The chair of the standing committee shall appoint the chair and the members of each subcommittee and shall report to the board the establishment of any subcommittee.

302 E. Report of Standing Committees.

Each standing committee shall make a written report to the Board of Governors at least annually, reviewing the work of the committee during the preceding year.

302 F. Closed Sessions.

All meetings of committees shall be open to the public unless, consistent with the requirements of state law, a meeting of a committee is closed to the public by a motion duly made and adopted by the committee in an open meeting.

SECTION 303. SPECIAL COMMITTEES OF THE BOARD OF GOVERNORS.

Special committees may be created by the Board of Governors or the chair of the board to perform specific functions not requiring the continuous existence of a committee. The size, function, and procedures of special committees shall be determined either by majority vote of the board or by the chair of the board. The chair and members of a special committee shall be appointed by the chair of the board from the voting membership of the board unless the Board of Governors otherwise provides. Special committees shall cease to exist when their functions have been discharged; however, every special committee shall cease to exist one year after the date of its creation, unless continued by affirmative action of the board or the chair of the board. Notwithstanding the above, the size, function, procedures, membership, and selection of the chair of a presidential search committee shall be determined by majority vote of the Board of Governors.

CHAPTER IV - BOARDS OF TRUSTEES

SECTION 400. MEMBERSHIP.

400 A. General Provisions.

(1) Each constituent institution shall have a board of trustees composed of 13 persons<sup>6</sup> chosen as follows: (a) eight elected by the Board of Governors; (b) four appointed by the ~~governor~~ General Assembly, two of whom shall be appointed upon the recommendation of the President Pro Tempore of the Senate, and two of whom shall be appointed upon the recommendation of the Speaker of the House of Representatives; ; and (c) the president of the student government of the institution, ex-officio. [See G.S. 116-31(d)]

(2) In every odd-numbered year, the Board of Governors shall elect four persons to each board of trustees; and the ~~governor~~ General Assembly shall appoint ~~two persons~~ one person upon the recommendation of the President Pro Tempore of the Senate, and one person upon the recommendation of the Speaker of the House of Representatives to each such board; and the term of office of all such elected or appointed trustees (excluding ex-officio trustees) shall be four years, commencing on July 1, of such odd-numbered year. [~~Compare See~~ See G.S. 116-31(e) ~~and (f)~~]

(3) Whenever any vacancy shall occur in the membership of a board of trustees among those seats to be appointed by the ~~governor~~ General Assembly, it shall be the duty of the secretary of the board of trustees to inform the ~~governor~~ General Assembly of the existence of such vacancy, and the ~~governor shall appoint a person to fill the unexpired term~~ vacancy shall be filled as provided in G.S. 120-122, and whenever any vacancy shall occur among those elected by the Board of Governors, it shall be the duty of the secretary of the board of trustees to inform the Board of Governors of the existence of the vacancy, and the Board of Governors shall elect a person to fill the unexpired term. Whenever a member shall fail, for any reason other than ill health or service in the interest of the state or nation, to be present for three successive regular meetings of a board of trustees, the individual's place as a member shall be deemed vacant. [See G.S. 116-31(j)]

(4) Any person who has served two full four-year terms in succession as a member of a board of trustees shall, for a period of one year, be ineligible for election or appointment to the same board but may be elected or appointed to the board of another institution. [See G.S. 116-31(g)]

(5) No member of the General Assembly or officer or employee of the State, The University of North Carolina, or of any constituent institution shall be eligible for election or appointment as a trustee. No spouse of a member of the General Assembly, or of an officer or employee of a consistent institution may be a trustee of that constituent institution. Any trustee who is elected or appointed to the General Assembly or who becomes an officer or employee of the State, The University of North Carolina, or any constituent institution or whose spouse is elected or appointed to the General Assembly or becomes an officer or employee of that constituent institution shall be deemed thereupon to resign from his membership on the board of trustees. [See G.S. 116-31(h)]

<sup>6</sup>Fifteen trustees in the case of the University of North Carolina School of the Arts. [See G.S. 116-65]  
Twenty-seven trustees in the case of the North Carolina School of Science and Mathematics. [See G.S. 116-233 et seq.]

CHAPTER IV - BOARDS OF TRUSTEES  
SECTION 402. MEETINGS.

402 C. Keeping Board of Governors Informed.

The secretary of each board of trustees shall keep the Board of Governors, through the secretary of the University, fully and promptly informed concerning activities of the board of trustees, including notice of any changes in the membership of the board or in its committee structure or bylaws, and notices of meetings, ~~and a copy of the minutes of all meetings.~~