



# TRANSMITTAL LETTER

The University of North Carolina  
*General Administration*

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Transmittal Number 99  
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THIS LETTER TRANSMITS CHANGES TO THE  
*UNC POLICY MANUAL\**

*The Code*

[Appendix 1](#)

Subsection I. D. – Chancellor Selection\*

[200.7](#)

Duties, Responsibilities, and Expectations of Board Members

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Policy on Chancellor Searches; Board of Governors Participation

\*A redline version reflecting changes to the document is attached.

*CODE*

Appendix 1 -

DELEGATIONS OF DUTY AND AUTHORITY TO BOARDS OF TRUSTEES

Pursuant to authority vested in it by the General Statutes, and consistent with the provisions of *The Code of the University of North Carolina*, the Board of Governors hereby delegates to the boards of trustees of the constituent institutions of the University of North Carolina the following duties and powers:

I. ACADEMIC AND ADMINISTRATIVE PERSONNEL

...

D. Chancellor Selection

In the event of a vacancy in the chancellorship, the board of trustees shall establish, in consultation with the president, a search committee composed of representatives of the board of trustees, the faculty, the student body, staff, the alumni, one member of the Board of Governors designated by the chair of the Board of Governors to serve on the search committee in a nonvoting advisory capacity, and such other representatives of campus constituencies as may be appropriate. 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.

The search committee, through the chair of the board of trustees, shall make a preliminary report to the president when the committee is preparing a schedule of initial interviews. At the completion of the campus interview process, the search committee shall recommend an unranked slate of three candidates to the trustees for consideration.

The board of trustees, following receipt of the report of the search committee, shall recommend the unranked slate of three names for consideration by the president in designating a nominee for the chancellorship for approval by the Board of Governors, or return the slate to the search committee for further action.

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## **Duties, Responsibilities, and Expectations of Board Members**

I. **Applicability and Purpose.** This policy sets forth the duties, responsibilities, expectations, and standards of conduct for members of the Board of Governors of the University of North Carolina, the boards of trustees of the constituent institutions, and the boards of University-affiliated organizations where membership includes individuals appointed by the Board of Governors.

II. **Definitions.** For purposes of this policy:

A. “Board” means the Board of Governors, a board of trustees of a constituent institution of the University of North Carolina, or a board of a University-affiliated organization with members appointed by the Board of Governors.

B. “Board member” means any member of the Board of Governors, a board of trustees of a constituent institution of the University of North Carolina, or the board of a University-affiliated organization.

C. “Institution” means the University of North Carolina or a constituent institution of the University of North Carolina.

D. “University-affiliated organization” means an institution or organization that the Board of Governors is authorized to establish or to which it is authorized to appoint board members pursuant to statute, but does not include Associated Entities covered by Section 600.2.5.2[R] of the UNC Policy Manual or Centers or Institutes covered by Section 400.5[R] of the UNC Policy Manual.

III. **Duties and Responsibilities.** Board members are responsible for performing essential functions that are central to the governance of the University, as described in Chapter 116 of the North Carolina General Statutes, *The Code* of the University of North Carolina, the Policy Manual of the University, and the policies and by-laws of the constituent institutions. Board members shall adhere to the standards of conduct and fulfill duties and expectations set forth in this policy.

A. **Attendance.** Board members shall attend board meetings. If a member of the Board of Governors is, for any reason other than ill health or service in the interest of the State or nation, absent for four (4) successive regular meetings of the Board, his or her place as a board member shall be deemed vacant.<sup>1</sup> If a member of a board of trustees of a constituent institution is, for any reason other than ill health or service in the interest of the State or nation, absent for three (3) successive regular meetings of a board of trustees, his or her place as a board member shall be deemed vacant.<sup>2</sup>

B. **Participation in Policy and Oversight Functions.** Board members are expected to prepare for meetings; actively contribute to the work of the board; and act in accordance with the governance, oversight, and advisory functions allocated to the board by:

1. Reviewing and inquiring about materials that involve the institution or University-affiliated organization, such as board minutes and annual reports;

2. Understanding and participating appropriately in the oversight function allocated to the board with respect to the finances and effectiveness of the institution or University-affiliated organization;

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<sup>1</sup> N.C.G.S. § 116-7(c).

<sup>2</sup> N.C.G.S. § 116-31(j).

3. Seeking information from and consulting appropriately with the chief executive officer of the institution or University-affiliated organization to gain additional context, make well-informed policy decisions, and carry out responsibilities for board-level oversight and monitoring of the affairs of the institution or University-affiliated organization;
4. Participating as requested in the preparation and revision of long-range plans for the institution or University-affiliated organization;
5. Serving on and contributing to the work of assigned committees;
6. Listening to and considering differing opinions, and otherwise making reasonable efforts to conduct oneself in accordance with the practices and customs of formality and decorum articulated in Robert's Rules of Order;<sup>3</sup>
7. Referring matters of administration and management to the chief executive officer of the institution or University-affiliated organization for handling;
8. Respecting and following executive leadership, management, and reporting lines when communicating with the University and the constituent institutions, and refraining from directing matters of administration or executive action except through the chief executive officer of the institution or University-affiliated organization; and
9. Recognizing that board members' authority is collective, not individual, and only arises from their participation with other members of the board when it is officially convened.

C. Ethical Conduct. Board members shall adhere to high standards of ethical conduct by complying with laws, regulations, and University policies applicable to their service as board members and public officials, which include the obligations to:

1. Exercise authority honestly and fairly, free from impropriety, threats, favoritism, and undue influence, as required by the State Ethics Act.<sup>4</sup>
2. Keep confidential all information and records that are required by law to be kept confidential, including, but not limited to, personnel records and information, student records and information, attorney-client communications, and closed session deliberations and information;
3. Comply with North Carolina open meetings and public records laws;
4. Bring matters of concern, potential or real conflicts of interest, and reports of unlawful and/or noncompliant activity to the attention of the appropriate institutional or organizational officer, such as the president, chancellor, board chair, or committee chair;
5. Avoid any personal or business interest that may conflict with the member's responsibilities to the institution or University-affiliated organization;
6. Avoid even the appearance of impropriety when conducting the institution's or University-affiliated organization's business; and
7. Recuse oneself from consideration of matters during meetings when required.

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<sup>3</sup> Section 202C(4) of *The Code* of the University of North Carolina.

<sup>4</sup> N.C.G.S. § 138A-2.

D. Support for the Institution. Board members shall discharge their duties to the institution with care, skill, prudence, and diligence by:

1. Exercising the degree of diligence, care, and skill that a prudent individual familiar with such matters would use under similar circumstances in a like position;
2. Acting in good faith with the best interest of the institution or University-affiliated organization in mind;
3. Conducting oneself, at all times, in furtherance of the institution's or University-affiliated organization's goals and not the member's personal or business interests;
4. Providing oversight to ensure that the institution's or University-affiliated organization's resources are dedicated to the fulfillment of its mission; and
5. Becoming knowledgeable about issues that affect the University and seeking to understand the educational needs and desires of all the State's citizens, and their economic, geographic, political, racial, gender, and ethnic diversity.<sup>5</sup>

IV. Removal. A board member may be removed, or recommended for removal, for specified cause by affirmative vote of two-thirds (2/3) of the voting membership of the Board of Governors then in office.

A. Removal of a Member of a Board of Trustees or University-affiliated Organization. The Board of Governors may remove from the board of trustees of a constituent institution or from the board of a University-affiliated organization a board member who was elected by the Board of Governors. With respect to a member of a board of trustees who was appointed by the Governor, the Board of Governors may vote to recommend to the Governor that the member be removed.

B. Removal of a Member of the Board of Governors. The Board of Governors may recommend to the State House of Representatives or State Senate, whichever chamber elected the member, that a member of the Board of Governors be removed.

C. Procedure for Removal; Specification of Cause; Notice and Opportunity to Respond

1. The chair of the Committee on University Governance shall send the board member a written specification of reasons to consider the board member's removal. In the event that the chair of the Committee on University Governance is the subject of the board's consideration of a recommendation of removal, the vice chair of the Committee on University Governance will temporarily serve in the chair's role. The notice shall state that the board member may submit a written response to the chair of the Committee on University Governance within five (5) business days of receipt of the written notice.
2. The Committee on University Governance shall consider the written response of the board member and recommend to the Board of Governors action that the committee deems appropriate. If the board member submits no written response to the chair of the Committee on University Governance within the specified timeframe, the Committee on University Governance may continue with its consideration of removal of the board member, or a recommendation that the appropriate appointing or electing authority remove the board member.

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<sup>5</sup> N.C.G.S. § 116-7.

3. In its consideration of each matter, the Committee on University Governance may review any documents or establish any procedures it considers necessary based on the particular circumstances involved.

V. Other Matters

A. **Effective Date.** The requirements of this policy shall be effective on the date of adoption 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 the activities of public officials.

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**

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. This policy establishes requirements for the chancellor search and election process, and describes the resources and expertise that shall be maintained and provided through UNC General Administration during each search.

II. Search Process. In the event of 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 a member of the Board of Governors to serve on the search committee in a nonvoting, advisory capacity as the Board of Governors' representative. The Board of Governors' representative shall, 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.

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.

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

B. Board of Governors' Representative. The Board of Governors' representative shall have the following duties and responsibilities:

1. Collaborate with the president and the chair of the board of trustees in developing a matrix of skills and backgrounds to be represented among members of the search committee;
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.

C. 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.

D. UNC General Administration. UNC General Administration shall maintain expertise and resources necessary to support chancellor and other executive searches, including but not limited to:

1. Qualified professional and administrative staff with expertise in supporting and managing searches for chancellors and other senior academic and administrative officers;

2. Regularly updated knowledge and understanding 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 materials for an instructional seminar to be presented to trustees and search committee members at the commencement of the search process. The seminar shall address topics relevant to the educational and operational landscape of public higher education and the skills that chancellor candidates must possess in order to be effective leaders.

E. 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.

III. Board of Trustees' Recommendations to the President. The institutional search committee shall recommend an unranked slate of three (3) 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 (3) candidates for consideration by the president in designating a nominee for the chancellorship, or return the slate to the search committee for further action.

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 of the Board of Governors and the 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 in candidate interviews as necessary or appropriate, and may engage in additional investigation and review of candidates as the president deems appropriate under the circumstances. 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. Negotiation of Terms and Conditions of Appointment. The president shall consult with the Board of Governors' Committee on Personnel and Tenure about the president's nomination. The Committee on Personnel and Tenure may authorize the president to negotiate all terms and conditions of appointment to the position of chancellor. The negotiated terms and conditions may include:

- 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. Election of the Chancellor. The Board of Governors shall vote on the president's nominee and the proposed terms of appointment. At least forty-eight (48) hours prior to the 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.

VII. 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. 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. 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.