

THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL
MEETING OF THE GENERAL FACULTY AND FACULTY COUNCIL

Friday, September 12, 1997, 3:00 p.m.

**** Assembly Room, 2nd Floor, Wilson Library ****

Chancellor Michael Hooker will preside. Attendance of elected Council members is required.

AGENDA

Type	Time	Item
INFO	3:00	Remarks by Chancellor Hooker.
INFO	3:15	Question Period. [The Chancellor invites questions or comments on any topic.]
ACT	3:25	Presentation of Hettleman Awards: Chancellor Hooker.
INFO	3:30	Remarks by Richard Y. Stevens, Chair of the Board of Trustees.
INFO	3:45	Remarks by Mohan (Mo) Nathan, President of the Student Body.
INFO	3:55	Remarks by Richard N. (Pete) Andrews, Chair of the Faculty.
INFO	4:05	Faculty Council Procedures and Expectations: Joseph S. Ferrell, Secretary of the Faculty.
DISC	4:10	Initiatives to Welcome New Faculty: Richard N. Andrews, Chair of the Faculty.
DISC	4:20	Phased Retirement Policy: William W. Smith, Special Assistant to the Provost.*
INFO	4:45	Interim Reports a. Committee on University Government re Hearings Committee Procedures: Janet Mason, Chair.
INFO	4:50	b. Educational Policy Committee re Carolina Course Review and Oral Competency Requirement: Anthony (Tony) Passannante, Chair.
INFO	4:55	New Business.
INFO	5:00	Announcements.
ACT	5:05	Adjournment

Joseph S. Ferrell
Secretary of the Faculty

KEY:

ACT = Action

INFO = Information

DISC = Discussion

- * Copies of this document are being circulated to members of the Faculty Council and to Chairs and Deans who are encouraged to share them with other faculty. Council members: please bring your copies to the meeting and discuss with your constituents ahead of time.

The Faculty Council meeting dates for 1997-1998 are:

September 12	November 14	January 16	March 27
October 10	December 12	February 13	April 24

All of the meetings will be held in the Wilson Library Assembly Room, except for the October and March meetings, for which sites will be announced later. The Agenda Committee meets approximately 3 weeks before each Council Meeting.

The Agenda Committee will meet on September 22 for the October 10 Faculty Council Meeting.

Initial Address to Faculty Council

Richard N. Andrews, Chair of the Faculty

September 12, 1997

When the Reverend Joseph Caldwell was first invited to come to UNC in October 1796 to become its presiding professor, a Princeton colleague wrote to him that, and I quote, "With all due respect to the faculty of the University of North Carolina ... they seem to constitute as motley a group as I have lately heard of. Presbyterians and Arians, infidels and Roman Catholics. Bless me, what a collection. The Age of Reason has surely come."¹

We are still a motley group, even more so now than then, and I for one rejoice in it. Our diversity, not only of religion but of race, gender, life experience, and of reasoned opinion, is a vital element of our academic excellence and intellectual community. I am deeply honored that you have elected me to serve as your chair for these three years, and shall do my best to continue and encourage that motleyness, both in our faculty and student body, and in our common commitment to academic excellence, public service, and intellectual community. I hope I can

continue the high standards of service set by Jane Brown, Jim Peacock, Harry Gooder, and my earlier predecessors in this office.

Let me also ask that I hear from each of you, whenever you see issues or opportunities that you believe we should address as a faculty, or that I should address on our behalf. Jane Brown often noted that "no one of us is as wise as all of us." If I ever needed to be convinced of this, the past few weeks and months have already done so. It is important to me that we address those matters that are most important to you, and that I speak as best I can for your views and not merely my own. I am a regular e-mail user, but look forward to hearing from you in whatever form best suits you.

Second, let me offer our thanks to Chancellor Hooker for his intensive efforts on our behalf over the past summer and over the past two years.

- His efforts with the General Assembly have helped produce significant increases in support, even though we still face serious unmet needs and were not successful in preventing a legislated tuition increase.

¹ Quoted in William D. Snider, Light on the Hill (UNC Press, 1992), p. 33.

- His visits to all North Carolina's 100 counties have strengthened public good will toward the university throughout the state, and the new-faculty bus tour built an increased sense of community among new faculty as well as introducing them to North Carolina.
- He has recruited to Carolina a series of exceptionally talented deans and other senior administrators--Elson Floyd, Sue Kitchen, Marian Moore as Chief Information Officer, deans of Arts and Sciences, Medicine, Public Health, and Education, our own Dick Richardson as Provost, and a lengthening list of others--whose effectiveness and leadership help all of us to work more productively.

- Finally, he has expressed a strong commitment to the role of the faculty in guiding the university's directions and setting its priorities, including the creation of a University Priorities and Budget Committee on which the faculty are strongly represented, regular consultation with the Faculty Council and its Executive Committee, and at our request, creation of the Task Force on Intellectual Climate and active support of its recommendations.

We have not agreed with every decision he has made, nor with every initiative he has proposed or opinion he has expressed. But such disagreements should not overshadow our appreciation for his commitment of extraordinary energy and leadership to this university and to us. Please join me in thanking him.

My own agenda as your chair is first and foremost to maintain the highest values of this faculty, which have made this university the special place that it is: our commitments to excellence in teaching and research, to diversity in our faculty and student body, to public service, and to integrity and community in our relationships with one another.

Our aspiration is for Carolina to be truly the First State University: not only in historical perspective, not only in athletics, and not only by the measures of U.S. News and World Report, but the leader and model for public higher education in the 21st or any century.

During this academic year, we have a number of important issues and opportunities before us. One of my chief goals as your chair is to use our regular meetings of the Faculty Council and General Faculty to address these issues, and more generally, to reaffirm our role and responsibility as a faculty for shaping the university's educational policies, directions and priorities.

First among these issues is the recently completed report of the Task Force on Intellectual Climate--or perhaps more accurately, on Intellectual Community.

This report offers a rich and well-reasoned series of recommendations on many aspects of our common intellectual life together, and it will undoubtedly produce additional initiatives as well.

Let me remind us all that while this task force was appointed by the chancellor, it was created at the specific request of the Faculty Council, based on concerns expressed by a large number of our faculty and students. Its findings and recommendations were developed not by administrators but by nearly 100 of our faculty colleagues.

It is an important report, and one which now comes to us, as well as to the university's administrators, for our discussion, reaffirmation, and implementation. Copies of the executive summary are being sent to all faculty, and copies of the entire report are available on the university's electronic home page and in the libraries, and are being sent to all deans, department heads, and Faculty Council members.

I have proposed that we devote our October meeting primarily or even exclusively to this report, and I anticipate that it will be a continuing subject for our discussions this year.

Second, Chancellor Hooker has expressed a strong commitment to the principle that the faculty should exercise a strong role and shared responsibility for shaping the university's directions and priorities. The University Priorities and Budget Committee which he has recently created offers an important new vehicle for this purpose, but its success will depend on far broader discussion and support by the faculty as a whole.

We need an active conversation as a faculty, about what we most want this university to look like and represent in five years and in twenty years, and about specific priorities and steps to achieve that vision.

There are other subjects that also deserve our serious consideration and action.

- One is our role as a statewide university, both in academic mission and public service and in leadership within the UNC system and the North Carolina higher education community.
- A second is instructional technology: we need to educate ourselves both individually and as a faculty about its benefits and limitations, in some cases for increased distance learning, but first and foremost to improve the quality of education we offer to our students.

- We must create an appropriate process for post-tenure review of faculty performance, as directed by the UNC General Administration.
- We must pay serious attention to how we continue to increase the diversity of our faculty and student body, in a time of significant challenge to affirmative action programs.
- We must make time to welcome new faculty members more actively into the university community, about which I shall say more in a few minutes.
- Finally but not least, we have both old and continuing business that will come to us from the standing committees, and there will undoubtedly be additional issues that arise over the course of the year.

It will be, I hope, an active and productive year. I welcome your responses and suggestions, and I look forward to serving and working with you all.

Date: Mon, 15 Sep 1997 15:47:27 -0400
From: "Joseph S. Ferrell" <rfjsf.ferrel@unc.edu>
Reply-To: council@listserv.olt.unc.edu
To: council@listserv.olt.unc.edu
Subject: Phased Retirement

There were errors in the text of the draft policy on phased retirement distributed for the September Faculty Council meeting. The following is the corrected version.

Phased Retirement Program for the University of North Carolina at Chapel Hill

The major goal of the University of North Carolina at Chapel Hill Phased Retirement Program is to provide additional flexibility and support for individual tenured faculty members who are approaching retirement. Such arrangements will permit faculty nearing retirement to decrease their working hours while simultaneously maintaining their professional commitment to students and the University.

Advantages of the Recommended Phased Retirement Program

1. The program offers an additional benefit to tenured faculty members and will therefore help in recruiting and retaining quality faculty members.
2. The program facilitates institutional planning for allocation of resources by identifying some faculty positions that will become available at an earlier time and with more certainty than anticipated without this plan.
3. The program permits the University to allocate and begin to fill tenured faculty positions with new personnel while retaining the skills and knowledge of experienced faculty on a half-time basis throughout their phased retirement period.
4. The program encourages tenured faculty to continue their affiliation with the institution while decreasing their obligations and thereby providing them a gradual transition into full retirement.

Characteristics of the Recommended Phased Retirement Program

The Phased Retirement Program is a benefit that can be exercised at the option of a tenured member of the faculty. Current practice has allowed some tenured members of the faculty to be employed on a full or part-time basis after retirement. Existing arrangements are not changed by this policy and this policy does not prohibit such arrangements in the future.

1. The program is available to all faculty members having permanent tenure aged 60 and above who have at least 5 years of contributory participation in the State Retirement System (TSERS) or in a Optional Retirement Program (ORP), and to those aged 50 and above who have a minimum of 20 years of contributory participation in TSERS or ORP. In both cases, individuals must have at least 5 years of full-time service at the University of North Carolina at Chapel Hill. The program is not intended to be available to faculty occupying full-time administrative or staff positions unless and until they vacate the full-time administrative position. The decision to enter the program, once made, is irreversible.
2. Upon entering the phased retirement program, faculty members officially retire from the University and, hence, relinquish permanent tenure. In return, they have the right to contract for half-time employment over a period of three calendar years following the date of retirement.
3. Faculty members who enter the phased retirement program retain their

professional rank and the full range of responsibilities and rights associated with that rank as described in The Faculty Code (except for the status of permanent tenure). All benefits associated with the status of "retired faculty" are acquired by faculty in the phased retirement program. In addition, departments and schools within the University are encouraged to extend full departmental responsibilities, rights and

benefits to faculty in the phased retirement program. These may include, but are not limited to, roles in tenure review and promotion, committee memberships, and professional support services

extended by the department or school. In return, faculty in the phased retirement program are expected to maintain high levels of professional commitment to the university.

4. The phased retirement program permits faculty to work half-time for half-time compensation based on their final year of full-time service. Half-time work may take the form of full-time duties one semester per year or part-time duties per semester per year, as determined by mutual agreement. In both instances, remuneration will be paid over a 12 month period.

5. Services to be performed under the phased retirement plan will be negotiated between individual faculty members and the appropriate supervisors. In deriving the appropriate half-time work plan, the complete range of faculty activities (including teaching, research and creative activities, service, advising, work on grants, publications, etc.) should be considered. The specific description of half-time responsibilities may vary by school or college and among departments or even by individuals within the same unit.

6. The negotiated agreement to participate in the program must be in writing and signed by the faculty member, the head of the employing unit, and other appropriate supervisors, including the Provost. Unless approved by the Provost, the agreement must be executed not later than 6 months prior to commencement of phased retirement duties. The individual may resign the part-time position before the end of the three years allowing immediate full termination of university employment. Under Section 3 of the Trustee Policies and Regulations Governing Academic Tenure, faculty in the phased retirement program have tenure for the duration of the agreement and therefore may be suspended or discharged only for the causes and pursuant to the procedures therein specified.

7. Faculty entering the plan will be subject to performance review. They will also be eligible for salary increments and merit pay based on annual evaluations.

Faculty will continue to be subject to The Code of The University of North Carolina, The Faculty Code of University Government of The University of North Carolina at Chapel Hill, and other university policies.

8. Participation in the phased retirement program is limited to no more than 10% of the university tenure track faculty and to no more than 25% of the tenure track faculty positions of any individual department. Should these limits be reached, priority will be based on date of application to enter the program. Exceptions to either of these limits can be made on an individual basis by the Provost upon a determination that the faculty member's participation in the program will not weaken academic quality or disrupt the academic program of the unit involved.

9. This program will be in place for a five-year period. Within the provisions in (1) above, faculty may indicate their intent to enroll in the program at any time during the five-year period. Eligible faculty who begin participation during this five-year period will be allowed to continue and complete their phased retirement program even if the program ends.

10. Review and evaluation of the needs, costs, and benefits of the program will be conducted so that at the end of the five-year period, change, continuation, or cancellation of the program can be recommended. Annual reports of participation and impact will be prepared by units to aid in evaluating this program.

September 12, 1997, Faculty Council Meeting

Memorandum

DRAFT

DATE: August 18, 1997
TO: The Agenda Committee of the Faculty Council
FROM: William W. Smith
RE: Phased Retirement

Enclosed is a draft of a "Phased Retirement Policy". General Administration has instructed the administration to develop such a policy subject to the guidelines stated in Administrative Memorandum Number 370 from the President. The policy from this campus must be submitted to General Administration in October for their review and for approval by the Board of Governors. Due to the timing for submission, this draft has been developed over the past month. It should be made available to the Faculty Council for discussion before a final policy is forwarded to General Administration.

There are some things to keep in mind when reviewing this matter:

1. This is a policy which must be submitted to General Administration for their approval. Hence, not only is the current document a "draft", even when it is completed and sent to General Administration, the policy will not be in effect until approved by the Board of Governors.
2. As clearly stated in this draft, there are currently many cases where faculty have "retired" and continued employment on a part-time basis after retirement. Nothing in this policy is intended to change those arrangements nor to prohibit similar arrangements from being made in the future.
3. Much of what is in this policy is there to conform with the requirements put forth by General Administration. There are two specific items which the University is required to address for which faculty input would be particularly useful:
 - a) Item 2 of the draft states that a faculty member can contract for half-time employment for "a period of three years following the date of retirement." General Administration has stated that each institution must "establish this time period" of not less than one nor more than five years taking into account "issues of program quality and instructional excellence."
 - b) Item 8 of the draft establishes departmental and university limits as to the percentage of qualified faculty who can participate in the program. That such limits be established is also a requirement from General Administration. The effect on quality of institutional programs is the matter under consideration with regard to these limits.

cc: Provost Richardson

September 12, 197 Faculty Council Meeting
Proposed Phased Retirement Program
for the
University of North Carolina at Chapel Hill

Goals of the Recommended Phased Retirement Program

The two major goals of the University of North Carolina Early Retirement Plan are:

- 1) To promote renewal of the professoriate in order to ensure institutional vitality and
- 2) To provide additional flexibility and support for individual faculty members who are approaching retirement.

Achievement of these two primary goals will a) facilitate reallocation of institutional resources; b) improve the ability of institutions to anticipate faculty attrition; c) permit end-of-career faculty to decrease their working hours while simultaneously maintaining their professional commitment to students and the institutions; and d) provide an added benefit for recruiting and retaining outstanding faculty members.

Characteristics of the Recommended Phased Retirement Program

1. The program will be made available to all tenured faculty members aged 60 and above who have at least 5 years of contributory participation in the State Retirement System (TSERS) or in an Optional Retirement Program (ORP), and to those aged 50 and above who have a minimum of 20 years of contributory participation in TSERS or ORP. In both cases, individuals must have at least 5 years of full-time administrative or staff positions unless and until they vacate the full-time administrative position. The decision to enter the program, once made, is irreversible.
2. Upon entering the phased retirement program, faculty members relinquish tenure. In return, they can contract for half-time employment over a period of not less than 1 year nor more than 5 years, as established by each constituent institution.
3. Faculty members who enter the phased retirement program retain their professional rank and the full range of responsibilities and rights associated with that rank as described in Code (except for the status of tenure). All benefits associated with the status of "retired faculty" are retained by those faculty in the phased retirement program. In addition, departments and schools within the University are encouraged to extend full responsibilities, rights and benefits to faculty in the phased retirement program. These may include, but are not limited to, roles in tenure review and promotion, committee memberships, and professional support services extended by the department or school. In return, faculty in the phased retirement program are expected to maintain high levels of professional commitment to the university.

4. The phased retirement program permits faculty to work half-time for half-time compensation based on their final year of full-time service. Half-time work may take the form of full-time duties one semester per year or part-time duties two semesters per year, as determined by the mutual agreement. In both instances, remuneration will be paid over a 12 month period.
5. Services to be performed under the phased retirement plan will be negotiated between individual faculty members and the appropriate supervisors and/or personnel committee(s). In deriving the appropriate half-time work plan, the complete range of faculty activities (including teaching research and creative activities, service advising, writing of grants, publications, etc.) should be considered. Half-time responsibilities may vary by school or college and among departments.
6. The negotiated agreement to participate in the program must be stated in writing and co-signed by the faculty member, the head of the employing department or division, and other appropriate supervisors, including the Provost. The agreement must be executed not later than 6 months prior to commencement of phased retirement duties. The agreement may be terminated at any time upon the mutual agreement of the parties allowing immediate full retirement from the university.
7. Faculty entering the plan will be subject to performance review. They will also be eligible for salary increments and merit pay based on annual evaluations. Faculty will continue to be subject to The Code of The University of North Carolina, The Faculty Code of University Government of The University of North Carolina at Chapel Hill, and other university policies.
8. Participation in the phased retirement program is limited to no more than 10% of the university faculty and to no more than 25% of the faculty of any individual department. Exceptions to either of these limits can be made on an individual basis by the Provost after a determination is made that the faculty member's participation in the program will not weaken academic quality or disrupt the academic program of the unit involved.
9. This program will be in place for a five year period. Within the provisions in (1) above, faculty may indicate their intent to enroll in the program at any time during the five year period. Eligible faculty who begin participation during this five year period will be allowed to continue and complete their phased retirement program even if the program ends.
10. Review and evaluation of the needs, costs, and benefits of the program will be conducted so that at the end of the five year period, change, continuation, or cancellation of the program can be recommended. Annual reports of participation and impact will be prepared by units to aid in evaluating this program.

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2. The program facilitates institutional planning by identifying faculty positions that will become available at an earlier time and with less uncertainty than anticipated without this plan.
3. The program permits institutions to fill tenured faculty positions with new personnel while retaining the skills and knowledge of experienced faculty on a half-time basis throughout their phased retirement period.
4. The program encourages tenured faculty to continue their affiliation with their institution while decreasing their workload and thereby providing them an easier transition into retirement.

MINUTES OF THE GENERAL FACULTY AND THE FACULTY COUNCIL

September 12, 1997, 3:00 P.M.

Attendance

Present (60): L. Bailey, Bangdiwala, Barefoot, Bluestein, Bose, Brice, Bromberg, Clegg, Collins, Conover, Cordeiro-Stone, Covach, Cravey, Crimmins, J. Dalton, R. Dalton, Eckel, Estroff, Farel, Favorov, Fink, Fletcher, Fox, Gasaway, Gatz, Haggis, Harrison, Hattem, Hodges, Holmgren, Hooper, Howard, Hyatt, Johnson, Lentz, Loda, Lubker, Margolis, Marshall, Matson, Mauriello, Melchert, Owen, Pagano, Parter, Praff, Pielak, Plante, Platin, Raper, Salgado, Schaller, Searles, Skelly, Stabler, Stidham, Tyssinger, Veeva, Weiss, M. Williams.

Excused absences (20): B. Anderson, C. Anderson, Carl, Daye, Debrezeny, Foshee, Irene, Jackson, Lachiewicz, Lord, Maffly-Kipp, Mandel, L. McNeil, Mill, Passannante, Shea, Strauss, Tauchen, White, D. Williams. Unexcused absences (6): Brink, Devellis, Graves, Moreau, Rabinowitz, Rosenman.

Chancellor's Remarks and Responses to Questions

Hettelman Awards. Chancellor Hooker announced the four winners of this year's Hettelman Awards. They are Professors Albert Baldwin (Biology), Laurie Langbauer (English), Thomas Tweed (Religious Studies), and Keith Walloo (Social Medicine).

Administrative appointments. Chancellor Hooker began by reporting on recent administrative appointments. Jerome (Jerry) Lucido has been appointed Associate Vice Chancellor and Director, Undergraduate Admissions, effective October 15. He currently holds a similar position at the University of Arizona, Tucson. We are in the final phases of selecting a new dean for the Kenan-Flagler Business School. He hopes to be able to announce this appointment soon. The search for a vice chancellor for administration continues. The primary difficulty in filling this position is the maximum salary that has been established by General Administration.

Overhead receipts. The chancellor said that he is greatly pleased with the outcome of the 1997 General Assembly as it affects the university. The most significant victory for us is the agreement to end the practice of retaining 10% of overhead receipts for general budget uses, effective for the 1997-98 fiscal year. The amount of money involved is about \$5 million. He has made a commitment to the legislative leadership that the revenue gained from this source will be used for laboratory renovations.

Faculty salaries. The faculty and staff salary increases awarded this year amount to an average of 4%, effective July 1. There are both positive and negative aspects of this outcome. The positive side is the increase could easily have been less. One chamber of the legislature had proposed only 3% and it was feared that the conference would compromise at 3.5%. There was also some concern that the effective date would be pushed back to January. The negative side is that we continue to fall behind in comparison with our peer institutions, especially at the full professor level. We are a little better off at the associate and assistant professor levels, but the gap is widening, not narrowing, because our faculty pay increases continue to be tied to increases granted to state employees generally. We need to uncouple the issues of faculty salaries and salary policy for governmental employees generally. This has already been done with respect to salaries for public school teachers. Attempting to get faculty pay increases considered independently will be one of the chancellor's highest priorities in the 1998 budget process.

Intellectual Climate Task Force. The chancellor next turned to the report of the Task Force on Intellectual Climate. "It has the potential," he said, "to energize us for years to come. If we implement a significant number of the recommendations in their existing form or in some form revised as a result of community discussion, I think we could easily have the very best undergraduate liberal arts education in a research university in this country." He declined to associate himself specifically with many of the recommendations "because I don't want to preempt the discussion of the task force report [by the community generally] even though I think some of the recommendations are obvious and should be implemented."

University Priorities and Budget Committee. The chancellor reported that during the summer he appointed the University Priorities and Budget Committee on a pilot basis. The committee is charged to recommend overall institutional priorities and to evaluate and recommend funding for academic and administrative uses that will achieve the university's vision to be the leader among public universities. He pointed out that he has repeatedly emphasized the need to spend more money on technology, and that it is not realistic to expect that adequate funding is going to be provided from outside sources. Instead, we will need to reallocate our own budgets to secure funding for technology needs. It is important to involve faculty in budget reallocation decisions because those decisions determine academic priorities. Creating a mechanism to involve faculty in this kind of decision-making would be very difficult in any

university and it has not been easy here, but with the help of the Executive Committee of the Faculty Council, he is pleased that a process has been established here and is now moving forward.

Fall Fest. The chancellor expressed his delight at the success of Fall Fest. This event was planned as an alcohol-free way for students to begin the new academic year. It was held on South Road. Participation far exceeded our wildest hopes. One estimate of the crowd was 7,000. We will definitely continue this in the future and perhaps on other occasions as well. He expressed special thanks to Sue Kitchen (Vice chancellor for student affairs), Shirley Hunter (director of orientation) and Don Luce (Carolina Union).

Hundred-county tour. The chancellor plans to issue a formal report on his tour of the state's 100 counties, but wanted to highlight a few impressions. He found it a life-changing experience. First, he was especially heartened by how much pride people with no direct association with the university have in this institution. Second, he was impressed with discovering how much we are doing for the state. Before each visit, Nancy Davis (director of community relations) and her staff prepared a briefing book summarizing university contacts with that specific area. This information is really inspiring. Third, perhaps his strongest impression is that there are two North Carolinas: the prosperous Golden Crescent that tracks the interstate highway system from Johnston County to Charlotte, and the rural east and west on either side of that. Rural North Carolina is not enjoying the economic prosperity of the Crescent. Furthermore, even within the prosperous Crescent there are many North Carolinians who fail to find good-paying jobs because they are not prepared with the skills needed. Too many of those jobs are going to in-migrants. It is the chancellor's view that the only ultimate economic hope for the residents of North Carolina is high quality education from cradle to grave. The existing work force must be continually retrained. Those of us who are intimately involved in the education system, whether that be at the public school level or in higher education, have an awesome responsibility in this regard. He invited the faculty's partnership as we embrace the challenge of discerning how the university can serve the state in moving more and more of our people into the prosperous segment of our economy.

Faculty benefits. Professor Steven Bachenheimer (Microbiology), chair of the Faculty Welfare Committee, remarked that as bad as our competitive stance in faculty salaries is, the situation is probably worse when benefits are computed as part of total compensation. He asked what is being done to improve benefits. The chancellor agreed that our benefits package needs improvement but said that we do not yet have specific suggestions to take to the General Assembly.

Nike contract. Professor Paul Farel (Physiology) asked the chancellor to comment on the morality of the university's contract with Nike concerning athletic apparel. Chancellor Hooker began by saying "It is a very complicated situation [in which] there are no clear blacks and whites." He has toured apparel factories in Malaysia and Thailand and has read reports of Andrew Young's visit to the factories. It is his conjecture that, because of its exposure, the factories of Nike and its subcontractors are probably better in terms of working conditions than most apparel factories in those countries. He has also observed that there is a very great demand for jobs in those factories because wages there are significantly better than what can be obtained in other kinds of jobs. He has also toured maquiladoras in northern Mexico, has seen some of the villages in southern Mexico from which many of the workers have migrated, and has spent a fair amount of time studying the sociology of workers moving back and forth between work and home in those areas. From one point of view, the workers are blessed to have this outsourcing of jobs from what might otherwise have been apparel factories in North Carolina. The wages are so much better than anything else available. On the other hand, the working conditions are appalling to you and me. But relative to what else is available they would be considered good, and so workers are clamoring for the jobs. It would be sad indeed if the apparel manufacturers pulled out of those economies. This is part of the development cycle of economies that we saw in post-war Taiwan and Japan. Wage rates in those countries eventually went up. Now, in Taiwan, wage rates exceed those in the United States on the average. "That having been said," he continued, "it bothers me that workers in those factories [experience] working conditions that are much worse than they would face in U.S. factories."

It strikes him as odd, the chancellor said, that Nike has received so much attention when, because of its visibility, that company has better working conditions for its laborers than other apparel manufacturers. It also bothers him when people who express great concern about the Nike contract have closets full of clothes manufactured in southeast Asia under working conditions of which they have no idea. He has seen those conditions first hand and they are "pretty bad." This is, however, a fact of the international economy and he has personally come to terms with the moral and ethical aspects of supporting factories in southeast Asia.

The chancellor then turned to the suggestion that the university should not be selling its good name. He has trouble understanding that objection to the Nike contract. We control any use that Nike makes of our name. What Nike is doing, fundamentally, is paying us for wearing its apparel. To those who object that we are turning our players into human billboards, he would say that the Nike "swoosh" would be on the uniforms whether we were paying for them or

were being paid to wear them. The size and number of logos (one per item) is determined by NCAA regulations. Universities that have to buy their own uniforms are displaying the same logo. "So we're not in that sense turning our players into human billboards." The chancellor concluded by saying that although he has trouble understanding the argument, "because so many people react emotionally to it I'm convinced that there's something there that I don't understand that needs to be addressed."

University ties to corporate sponsors. Professor Leon Fink (History) asked the chancellor to comment on the procedures by which the university agrees to ties with corporate products. He mentioned as an example a news article about the dedication of the new McColl Building (Kenan-Flagler Business School) that referred to students working on launching a new product for Johnson & Johnson. Chancellor Hooker distinguished the business school arrangement to which Prof. Fink referred from the Nike contract. Any arrangement like the Nike contract must be approved by the board of trustees. The Johnson & Johnson tie-in, on the other hand, is part of the training of business school students and is done with other companies as well. There is no endorsement of the products involved. Another example is conducting drug tests in our hospital, for which we are paid. The drug company and its informational brochures will identify the test site, but that is not an implied endorsement of the drug by the university. The chancellor said that he does not think it is improper, per se, for a nonprofit organization to endorse a commercial product and to be paid for that endorsement if the organization truly believes the product to be superior. It would be improper to do that for pay if there was reason to think the product was inferior, that would signal a lack of institutional integrity.

The chancellor observed that the broad issue of commercial endorsements is a complex one on which he invites the faculty's advice. As an example, he asked whether it would be proper for the university to permit passive advertising on our Internet sites by a company such as McGraw Hill. Would we put the McGraw Hill logo on the site and invite users to click on it to obtain the company's list of books in print? Similarly, is there anything wrong with including advertisements for local restaurants in a Playmakers playbill? No one is disturbed by the latter practice because it is of long standing and is part of the culture. He concluded by observing "these are not easy issues to tease out the moral implications of and certainly not easy issues to make decisions regarding." He invited advice.

The Ram Road. Professor Lewis Margolis (Maternal & Child Health) asked "how the building of the Ram Road advances the mission of the university." The chancellor responded that he does not really understand how the Ram Road came about. When it went through the board of trustees, no one focused closely on it because it seemed unlikely that it would be accomplished quickly, if at all. It was initially presented to him as a project to pave a gravel road that connects the back of the Ram parking lot to Manning Drive. It seemed innocuous at the time and he did not really focus on it. But when it left the board of trustees and went to the state Department of Transportation "it somehow grew much larger." At that point it became a DOT project and we lost control of it.

Remarks by Chair of the Board of Trustees

Professor Andrews introduced Mr. Richard Y. Stevens, newly elected chair of the board of trustees.

Mr. Stevens began by expressing his view that the board of trustees needs to gain a wider and more balanced knowledge of the university than has sometimes been the case. He hopes to change that and will begin by focusing each board meeting on a distinct aspect of the university and holding the meeting at a site symbolic of that focus. The October board meeting will be held in the Student Union and will focus on student issues. The November meeting will concentrate on faculty issues and will take place in the Wilson Library Assembly Room. He has asked Prof. Andrews to help plan the agenda for that meeting. A subsequent meeting will focus on the university staff and another on alumni. He expressed the hope that the town or county government would ask the board to meet at the courthouse or town hall to talk about town/gown issues.

Mr. Stevens mentioned eight major areas in which he hopes the board will focus its efforts in 1997-98. The are listed without implying any order of priority.

- Physical Plant. Mr. Stevens hopes that the board will work to improve planning for the long-range physical development of the campus, including parking and transit.
- Advocacy. The board should work to improve representation of the university's interests to the General Assembly and the Board of Governors. Our alumni no longer dominate either the legislature or the Board of Governors. In particular, the board of trustees has a duty to make sure that the Board of Governors understands that working for the long-range benefit of the flagship campus is in the best interests of the entire system.
- Tuition. The General Assembly has mandated a comprehensive study of graduate and professional school tuition.

- Technology. The board is delighted at the initiatives Chancellor Hooker has taken in this regard and has asked for progress reports at each board meeting. Mr. Stevens endorsed Provost Richardson's remark that although attention to technology is critically important for the future, the product that goes into it is more important. It is essential that the university's academic excellence be maintained and improvement of faculty salaries and benefits is a part of that task.
- Advising. The board is aware of the study of academic advising now going on and endorses that effort.
- Substance Abuse. The board will continue to monitor implementation of recommendations of the Substance Abuse Task Force.
- Budget. Mr. Stevens suggested that the board of trustees needs to be more actively involved in the development and administration of the university's budget but in a strictly advisory role. It is not the board's intent to interfere in the chancellor's administration of the university.
- Endowment Funds. Mr. Stevens hopes to improve administration of the university's endowment funds.

Remarks by the President of the Student Body

Professor Andrews introduced Mr. Mohan (Mo) Nathan, President of the Study Body.

Mr. Nathan said that he had gone to the dedication of the McCoil Building and, although it is an amazing building, buildings are not what make the university run. Our most critical resources are people. We are a community of learners. He hopes to foster a cooperative partnership between students and faculty. As examples, he mentioned the weekly meetings that he has with Prof. Andrews and a recent joint meeting of the Executive Committee of the Faculty Council and the Executive Branch of Student Government to discuss the report of the Task Force on Intellectual Climate. He said that students are committed to seeing that the report's recommendations are implemented and he hopes the faculty will do so as well.

Mr. Nathan then spoke of student needs. "First," he said, "we need you. Faculty members are very, very important to our experience here. Faculty are our experience in many ways. We are here to learn from you and from your example." In talks with Katherine Kraft, president of the Graduate and Professional Students Association, he has learned that graduate students need the support of the faculty. "They need to be made to feel that they are an integral part of what goes on here, because they really are." Undergraduate students need more direction. "We're confused, quite frankly" by the bewildering pace of change in the economy, technology, and the array of opportunities that students face today. As the university becomes more technically advanced, larger, and more specialized, the importance of faculty-student interaction will become greater. Many students have chosen different paths in life because of the influence of a faculty member and, ultimately, that's part of the university's job. Distance learning is important, but we would be losing something in that. The key kernel is that personal interaction that can really change student's lives.

Remarks of the Chair of the Faculty

Professor Richard N. Andrews addressed the faculty on the occasion of his first meeting of the General Faculty and Faculty Council as chair of the faculty. He expressed his resolve to attempt to continue the high standards of service set by his predecessors and urged members of the faculty to contact him about issues or opportunities that should be addressed by the faculty.

Prof. Andrews thanked Chancellor Hooker for his intensive efforts on behalf of the faculty over the past two years. He mentioned in particular significant increases in support from the General Assembly, the chancellor's visits to all 100 North Carolina counties, the recruitment of a series of exceptionally talented deans and other senior administrators, and the chancellor's strong commitment to the role of the faculty in guiding the university's priorities as evidenced by creation of the University Priorities and Budget Committee, his regular consultations with the Faculty Council and its Executive Committee, and his creation and active support of the Task Force on Intellectual Climate. He asked that the faculty join with him in thanking the chancellor. The assembly did so with a hearty round of applause.

Prof. Andrews said that his agenda as chair of the faculty is "first and foremost to maintain the highest values of this faculty, which have made this university the special place it is: our commitments to excellence in teaching and research, to diversity in our faculty and student body, to public service, and to integrity and community in our relationships with one another." He then identified a number of important issues and opportunities to come before the faculty in this academic year:

- Discussion and implementation of the report of the Task Force on Intellectual Climate, which will be the principal agenda item for the October Faculty Council meeting;
- Broad discussion of the role of the faculty in shaping the university's directions and priorities;
- Consideration of our role as a statewide university;
- Instructional technology;
- Post-tenure review;
- How to increase the diversity of the faculty and student body in a time of challenge to affirmative action programs; and
- How to welcome new faculty members more actively into the university community.

At the suggestion of Prof. Andrews, it was agreed that each member of the Faculty Council will arrange to have lunch, on a "dutch treat" basis, with two new members of the faculty and one other colleague. This idea is the result of conversations he had with new faculty members on the recent bus tour. It was suggested to him that there are too few opportunities for new faculty members to become acquainted with colleagues outside their own departments.

Faculty Council Procedures and Expectations

Professor Joseph S. Ferrell, secretary of the faculty, briefed Council members on a few points of procedure and expectation:

- Members are asked to check in upon arrival, to wear name tags, to identify themselves when speaking, and to request an excused absence when unable to attend.
- There are separate rules of procedure for the General Faculty and the Faculty Council; they are printed at the end of the Faculty Code.
- A quorum of the General Faculty is defined as 125 members, but a quorum is presumed unless someone enters a quorum call.
- "Due notice" is required for any matter that requires a vote of the Council. This means that the matter must be identified on the agenda and the resolution or other document on which the vote is taken must be distributed in advance.
- The Council operates in three modes: information, discussion, and action. Rules of procedure are important in the action mode, less so in the other modes.
- The Office of Faculty Governance is setting up email list serves for the Council and all faculty committees. The Office plans to move rapidly toward distributing information to the Council and General Faculty via the Faculty Governance web page.

Professor Andrews introduced the staff of the Office of Faculty Governance, Rosemary Munsat and David Thompson.

Phased Retirement Policy

Professor William Smith, special assistant to the provost, led a discussion of the draft policy on phased retirement. Professor Smith made the following points about the draft:

- The draft document responds to Administrative Memorandum #370 from General Administration. This directive requires each campus to develop a phased retirement policy that conforms to specified guidelines. It is expected that this campus' policy will be in place no later than February 1998.
- The policy can in no way compel any member of the faculty to retire. Although the policy speaks of "phased retirement," it is perhaps more properly a post-retirement employment opportunity. It gives to each faculty member who takes full retirement the right to continue employment on a half-time basis for as long as three years.
- The new policy will in no way curtail or interfere with existing arrangements whereby faculty members retire and negotiate re-employment under conditions mutually agreeable to the faculty member and the department. For example, it would still be possible for a faculty member to retire and contract for continued

employment for up to five years. A contract term of longer than three years, however, would be a matter for negotiation; the retired faculty member would not have a right to a longer term.

- The policy will apply only to faculty members having permanent tenure and will apply only with respect to one's faculty appointment. A faculty member holding a full-time administrative appointment must resign from the administrative appointment in order to enter the phased retirement program.
- The portions of the policy that limit the number of faculty members who may participate in the program at any given time are there to protect the institution from adverse consequences should unusually large numbers of faculty wish to participate in the early years of the program.

Professor Smith summarized some data that forecast the possible impact of the phased retirement program on the university's academic program. About 600 tenured faculty are now eligible out of a total of 1,700. Although the phased retirement plan will not be an attractive option for most of them, the large number of those eligible is a cause for some concern. The pool of those eligible will also grow for the next several years. In 1980 6.2% of the tenured faculty were over the age of 60. Today, 11.8% are in that category. This is the result of two factors: there is no longer a mandatory retirement age, and the size of the faculty grew rapidly between 1965 and 1975. For the next several years, about 40 faculty members will become eligible to retire annually; that number will grow to about 60 per year by 2010. Although it is difficult to predict how many faculty will want to participate in the phased retirement program, Professor Smith's best estimate at this time is that somewhere between 150 and 180 faculty will be in the program in any given year. An analysis of salary funds freed up due to retirement indicates that only about 80% of the total number of positions vacated by retirement could be filled with new hires if the retirees chose to participate in the phased retirement program. Thus, one effect of the program could be a net loss of at least 40 tenure-track full-time faculty members. It is also important to note that the faculty are not evenly distributed by age across all appointing units. Some units could be hit hard by a large number of faculty entering the phased retirement program in the initial years.

Interim Reports

Professor Elizabeth Gibson reported on behalf of the Committee on University Government about the committee's progress in working on Resolution 97-13 which was referred to the committee in April. The resolution would petition the board of trustees to amend the tenure regulations with respect to the procedure to be followed when the chancellor declines to accept the recommendations of the Hearings Committee in a discharge proceeding. Professor Gibson said that the Committee on University Government is making good progress in this matter and expects to be able to report to the Council as early as October if desired, but certainly by November.

There was no report from the Educational Policy Committee as indicated on the agenda. Professor Passanante, chair of the committee, had expected to attend but was unavoidably detained.

New Business

There was no new business. Whereupon, the agenda having been completed, the General Faculty and Faculty Council adjourned.

Joseph S. Ferrell
Secretary of the Faculty