

**ECU Board of Trustees  
June 14, 2022  
Special Called Meeting**

**MINUTES**

The ECU Board of Trustees met in a special called session on June 14, 2022. The meeting originated from Spilman 105 on the campus of East Carolina University in Greenville, NC.

Chairman Scott Shook called the session to order.

**ROLL CALL**

Mr. Shook called on Ms. Megan Ayers, Assistant Secretary to the Board of Trustees to call the roll. A quorum was established.

**PRESENT**

Ryan Bonnett  
Cassandra Burt  
Tom Furr  
Leigh Fanning  
Dave Fussell  
Van Isley  
Fielding Miller  
Jason Poole  
Scott Shook  
Vince Smith

**ABSENT**

Angela Moss  
Jeffrey Roberts  
Jim Segrave

**READING OF ETHICS STATEMENT**

In compliance with the State Government Ethics Act, Mr. Shook read the conflict of interest statement and asked if anyone had a conflict to disclose. No conflicts were identified.

**ACADEMIC REORGANIZATION**

Mr. Shook called on Chancellor Philip Rogers to introduce the item on academic reorganization. Chancellor Rogers called on Dr. Grant Hayes and Dr. Ron Mitchelson, Academic Council members, to detail the proposed academic reorganization.

Following the discussion, Mr. Poole motioned the Board endorse the academic reorganization as presented by the Academic Council in Board materials. Ms. Fanning seconded the motion. The board voted to approve the motion, with no negative votes. A memo detailing the reorganization is listed as "Attachment A."

#### **COMPENSATION DELEGATIONS OF AUTHORITY**

Mr. Shook called on Chancellor Rogers to introduce the item on compensation delegations of authority. Chancellor Rogers called on Ms. Stephanie Coleman, Vice Chancellor for Administration and Finance to provide details on the item.

Following the presentation, Mr. Poole moved the Board of Trustees amends and restates the delegations of authority related to salary administration as presented in board materials. Ms. Fanning seconded the motion. The board voted to approve the motion with no negative votes. The resolution is listed as "Attachment B."

#### **CLOSED SESSION**

Mr. Shook asked for a motion to move into closed session.

Mr. Poole motioned the board move into closed session: to prevent the disclosure of confidential information under N.C. General Statutes §126-22 to §126-30 (personnel information); and the federal Family Educational Rights and Privacy Act; to consider the qualifications, competence, performance, character, fitness, or appointment of prospective and/or current employees and/or to hear or investigate a complaint or grievance by or against one or more employees; and to consult with an attorney to preserve the attorney-client privilege between the attorney and the Committee.

Ms. Fanning seconded the motion. The board voted to approve the motion with no negative votes. The board moved into closed session.

**RETURN TO OPEN SESSION**

Once returned to open session, the board had an item for consideration.

Mr. Poole moved the board approve the employment contract for Mr. Michael Schwartz, Head Men’s Basketball Coach as presented in board materials. Ms. Fanning seconded the motion. The board voted to approve the motion with no negative votes. The employment agreement is listed as “Attachment C.”

**MEETING ADJOURNMENT**

Hearing no further business to come before the board, Mr. Shook asked for a motion to adjourn the meeting. The motion was made and seconded, with no negative votes.

The meeting was adjourned.

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**Respectfully Submitted,**  
Megan Ayers  
Assistant Secretary to the Board of Trustees



## ACADEMIC COUNCIL

**Grant Hayes**, PhD, Interim Provost & Senior Vice Chancellor  
Academic Affairs | (252) 328-5419 | [hayesb15@ecu.edu](mailto:hayesb15@ecu.edu)

**Ron Mitchelson**, PhD, Interim Vice Chancellor  
Health Sciences | (252) 744-2265 | [mitchelsonr@ecu.edu](mailto:mitchelsonr@ecu.edu)

**Mike Van Scott**, PhD, Interim Vice Chancellor  
Research, Economic Development, & Engagement | (252) 328-9479 | [vanscottmi@ecu.edu](mailto:vanscottmi@ecu.edu)

**TO:** ECU Board of Trustees

**FROM:** Academic Council

**DATE:** June 6, 2022

**SUBJ:** Academic Council Recommendation of Reorganization Elements

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Academic Council presents the following information for endorsement by the ECU Board of Trustees.

### Background

In a memorandum shared with campus January 14, 2022, Chancellor Rogers named an initial set of priority recommendations from the Fiscal Sustainability Coordinating Committee's *Summary of Recommendations* (July 2021) for implementation in 2022. Recommendation 2.1.1 from the Consolidation and Reorganization section of the Report described divisional reorganization to the extent that "... all academic programs and functions that directly support academic programs report through a single chief academic officer," and Chancellor Rogers stipulated that any restructuring would be complete by the start of the new academic year. The current Academic Council ("AC") members were appointed to oversee the process to operationalize the reorganization efforts.

To that end, AC utilized a wide array of stakeholders within our traditional shared governance structure to devise and begin to operationalize plans to see the divisions of Health Sciences ("HS") and Research, Economic Development, and Engagement ("REDE") move under the division of Academic Affairs ("AA"). Comprehensive planning processes have taken place within two primary categories, the first being reorganization considerations that are academic in nature, and the second being recommendations from a divisional finance and personnel administration perspective. Undertakings in each area are described in more detail, below.

### Academic

A Reorganization Proposal Committee was appointed, chaired by the Dean of the College of Nursing, and charged with drafting recommendations to campus, to include necessary revisions to existing unit codes for the HS academic units (Laupus Library, College of Nursing ["CON"], College of Allied Health Sciences ["CAHS"], School of Dental Medicine ["SODM"], and Brody School of Medicine ["BSOM"]). Membership consisted of 15 representatives, most of whom were faculty members elected from these units. The Chair of the ECU Faculty was also appointed to serve on the Reorganization Proposal Committee.

The Reorganization Proposal Committee proposed changes to the unit codes that were required to integrate the academic units. Laupus Library, CON, CAHS, and SODM will move under AA, while the

BSOM dean will report directly to the Chancellor regarding the clinical activities of ECU Health and academic matters in BSOM will be addressed by the provost.

Two campus forums were held March 17 and 21 to solicit broad constituency input on the proposal and unit code revisions. After receiving feedback, the recommendation was finalized and presented to the Faculty Senate Educational Policies and Planning Committee ("EPPC"), which approved during their April 8 meeting. The proposal then moved forward to the full Faculty Senate, which considered and approved during their April 26 meeting (Faculty Senate Resolution ["FSR"] #22-32), and was presented to Chancellor Rogers for his consideration on April 27. Chancellor Rogers approved FSR #22-32 with comment on May 31, noting that the reorganization requires endorsement by the ECU Board of Trustees, which is the purpose of this memorandum.

To integrate REDE into Academic Affairs, the Vice Chancellor for REDE will be replaced by a Chief Research and Engagement Officer that reports to the Provost. An Acting Chief Research and Engagement Officer has been appointed effective July 1.

Though not a part of the very specific approval process detailed above, it is of note that two additional "town hall" style forums open to campus were held on April 13 and 14 to discuss the reorganization and its implications more broadly. Academic Council shared a fiscal sustainability update, to include the draft organizational chart attached to this communication, and received questions and comments from participants in the town halls.

### **Finance / Personnel Administration**

Parallel to the academic process described above, leaders in all affected divisions - those dissolving as divisions (HS, REDE) and those remaining (Administration and Finance, AA) - formed a campus work group who retained a consulting firm, rpk GROUP, and completed a thorough analysis of the divisional finance and personnel administration support functions for related areas to help determine the best model to align resources most effectively. Goals of the desired model included providing enhanced customer service, streamlined and consistent processes and procedures, and overall increased efficiencies. All relevant staff completed time studies to indicate the percentage of time spent on tasks as well as the area of responsibility for each task; the studies were then analyzed to gain understanding of current workloads and responsibilities and to identify opportunities to eliminate duplication of tasks, appropriate consolidation of functions and responsibilities, and new reporting structures.

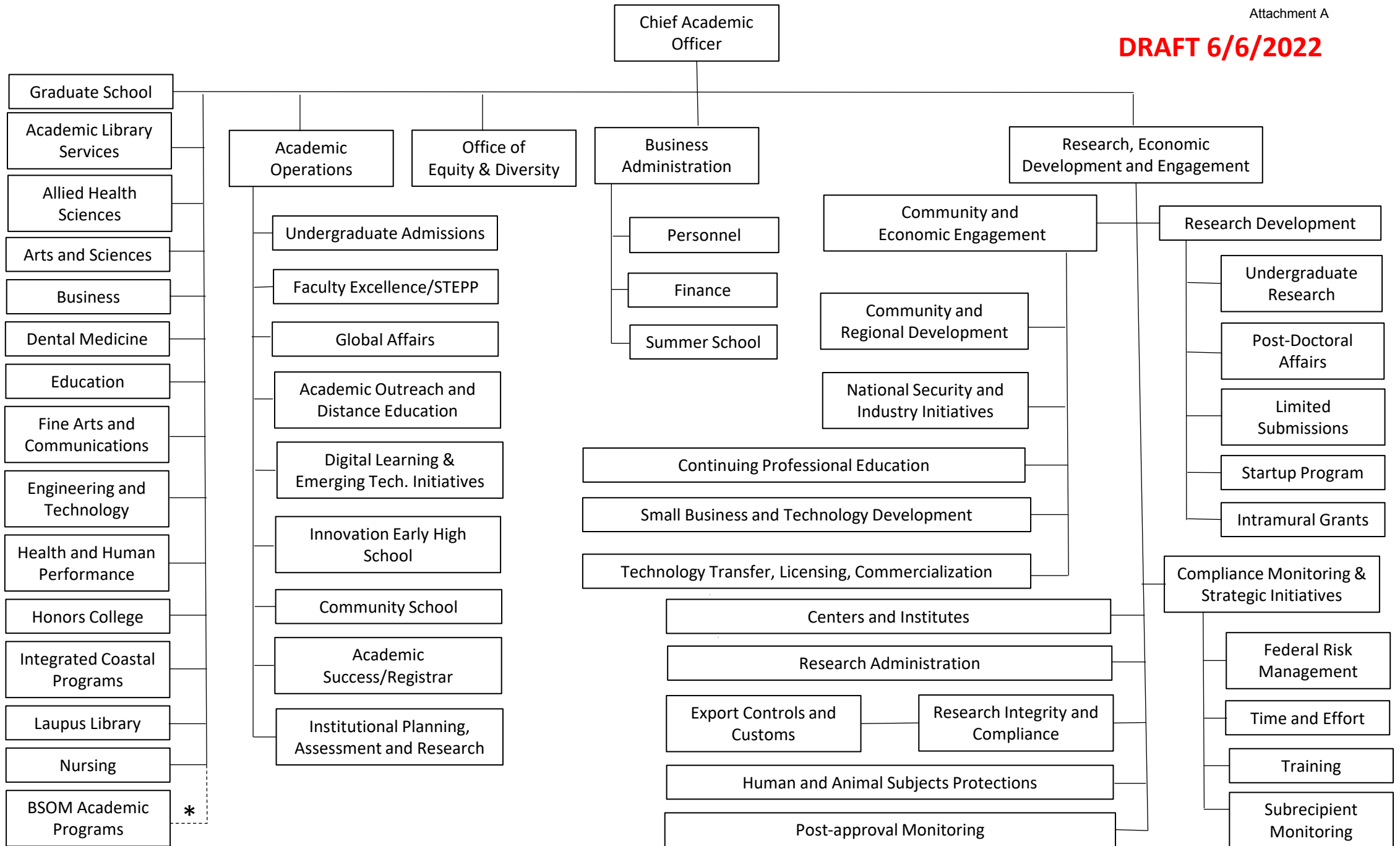
Based on the combined efforts of ECU workgroup members and consultants from rpk GROUP, final recommendations have been made to AC and are reflected in the organizational charts for relevant areas. AC is fully supportive of these outcomes and appreciates the workgroup's expertise.

### **Other HS Divisional Office Transitions**

Two additional transitions of offices formerly in the division of HS have emerged from this collective work but do not fit as well into the categories featured above:

The Office of Prospective Health will move to the Division of Administration and Finance under the Office of Environmental Health and Safety, whose office members have already been involved in collaborative efforts to manage the University response to the pandemic. The Office of Institutional Integrity will move to the Chancellor's Division under the Office of University Counsel, which is a logical fit in terms of compliance oversight.

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\*Dean of BSOM reports directly to the Chancellor, and the Executive Dean reports to the Dean. Clinical matters flow directly to the Chancellor through this reporting structure. Academic matters involving faculty governance - such as curriculum, unit codes, and tenure-track, faculty personnel actions – flow through the Provost/Chief Academic Officer.

**Resolution to Amend and Restate Delegated Authority  
from the Board of Trustees of East Carolina University**

WHEREAS, the Board of Trustees of East Carolina University (“Board of Trustees”) has a duty to promote the sound development of East Carolina University within the functions prescribed for it, helping it to serve the people of the state in a way that will complement the activities of the other institutions and aiding it to perform at a high level of excellence in every endeavor;

WHEREAS, the Board of Trustees serves as an advisor to the Board of Governors on matters pertaining to East Carolina University and serves as an advisor to the chancellor concerning the management and development of East Carolina University;

WHEREAS, the Board of Trustees’ powers and duties are defined by the Board of Governors through the Board of Governors delegating certain authorities and responsibilities to the Board of Trustees;

WHEREAS, the Board of Governors’ approval of the “Resolution to Amend and Restate Constituent Institution Board of Trustees Delegations” on July 22, 2021, directed each board of trustees of the constituent institutions to identify and restate in one binding resolution all instances in which the board of trustees of the constituent institution has delegated all or some of its delegated authority from whatever source to any committee, person, agency, or entity;

WHEREAS, since the Board of Trustees’ adoption of a Resolution to Amend and Restate Delegated Authority on September 10, 2021 and President Hans’s approval of same on October 12, 2021, the Board of Governors and the University of North Carolina System President have modified the delegations of authority related to salary administration;

WHEREAS, the Board of Trustees wishes to update its delegations in light of the Board of Governors’ and President’s revised delegations with respect to salary administration;

NOW THEREFORE, the Board of Trustees amends and restates the following delegations of authority:

**I. DELEGATIONS CONCERNING THE MEDICAL FACULTY PRACTICE PLAN OF THE BRODY SCHOOL OF MEDICINE**

- Pursuant to [North Carolina General Statute § 116-40.6](#), the Board of Trustees has been delegated the power to adopt and establish policies, procedures, rules, and regulations for the Medical Faculty Practice Plan, a division of the School of Medicine of East Carolina University currently known as “ECU Physicians,” concerning the following:
  - Personnel, including but not limited to schedules of pay and other compensation, annual leave, sick leave, incentive awards programs, grounds for dismissal or discipline, office hours, holidays, and employee disciplinary hearings;
  - Purchases, including but not limited to requests for proposals, competitive bidding, contract negotiations, and contract awards for supplies, materials, equipment, and services;



- Property, including but not limited to acquisition and disposition of property, provisions for development of specifications, advertisement, and negotiations with owners for acquisition by purchase, gift, lease, or rental; and
- Construction, including but not limited to design, construction, and renovation of buildings, utilities, and other property developments for negotiations requiring the expenditure of public money for conducting the fee negotiations for all design contracts and supervising the letting of construction and design contracts, performing the Duties of various state agencies such as the Department of Administration and Office of State Construction, using open-end design agreements, submitting construction documents for review and approval by the Department of Insurance and other agencies, and using standard contracts for design and construction currently in use for State capital improvement projects.

The Board of Trustees delegates all authority of [N.C. Gen. Stat. §116-40.6](#) to the Chancellor as the administrative and executive head of East Carolina University. The Chancellor has the authority to sub-delegate this authority, provided records of any and all sub-delegations are maintained in the office of the Assistant Secretary to the Board of Trustees and any sub-delegations of authority to sign contracts is made in compliance with [Regulation 01.10.01 “Delegation of Authority to Sign Contracts—Interim”](#) as it may be amended

- Pursuant to approval of an Office of Risk Management Professional Liability Insurance Program and Plan in 2014, the Board of Governors delegated its authority from [N.C. Gen. Stat. §116-219](#) to purchase professional liability insurance to the ECU Board of Trustees, and the Board of Trustees delegates this authority to the Chancellor, who may further delegate this authority provided a record of any and all sub-delegations is kept on file in the office of the Assistant Secretary to the Board of Trustees and any sub-delegation of authority to sign contracts is made in compliance with [Regulation 01.10.01 “Delegation of Authority to Sign Contracts—Interim”](#) as it may be amended.

## II. DELEGATIONS FOR HUMAN RESOURCES MATTERS

- Pursuant to [The Code of the Board of Governors of the University of North Carolina, Appendix 1, Section 1](#), the Board of Trustees has been delegated the authority to appoint, promote, and set the compensation for EHRA employees, excluding the Chancellor. The Board of Trustees, pursuant to board action on [March 22, 2002](#), delegated broad authority to the Chancellor, to the extent permissible, pursuant to the [Campus Management Flexibility Plan](#), which is incorporated by reference, to appoint and fix compensation for all senior positions. Any additional authority described herein that was not specifically delegated previously, is hereby specifically delegated to the Chancellor to the extent permissible. The Chancellor may further delegate this authority and change any such sub-delegations, if/as appropriate, provided records of any and all sub-delegations are maintained in the office of the Assistant Secretary to the Board of Trustees and any sub-delegation of authority to sign contracts is made in compliance with [Regulation 01.10.01 “Delegation of Authority to Sign Contracts—Interim”](#) as it may be amended.
- Pursuant to [University of North Carolina Policy Manual 200.6](#) and [University of North Carolina Policy Manual 600.3.4](#), the Board of Trustees has been delegated authority over certain personnel

actions, and the Board of Trustees hereby delegates that authority to the Chancellor to the fullest extent allowed by the delegations and in accordance with applicable UNC Policy Manual provisions and/or Board of Governors directives. [The University of North Carolina Policy Manual 600.3.4 (as amended on 04/07/22 and as may be further amended in the future) enumerates specific authority delegated to the Board of Trustees, and the linked Delegated Authority and Salary Action Thresholds for EHRA Human Resources Classification and Compensation Actions, as revised on 05/11/2022, and as may be further revised in the future, summarizes some of these delegations.] For continuity in operations, if delegations to the Board of Trustees are modified in the future, the Board of Trustees hereby delegates to the Chancellor all such future delegations with respect to salary administration or other personnel matters to the fullest extent allowed by the delegation, provided that the Chancellor informs the Board of Trustees of such new delegations at its next regularly scheduled meeting at which time it may modify the authority delegated to the Chancellor. The Chancellor may further delegate this authority and change any such sub-delegations, if/as appropriate, provided records of any and all sub-delegations are maintained in the office of the Assistant Secretary to the Board of Trustees and any sub-delegation of authority to sign contracts is made in compliance with [Regulation 01.10.01 “Delegation of Authority to Sign Contracts—Interim”](#) as it may be amended.

- Pursuant to [University of North Carolina Policy Manual 300.1.1](#) and [University of North Carolina Policy Manual 300.2.1](#), the Board of Governors delegated authority to make appointments and determine salaries to the Chancellors and the respective Boards of Trustees for Senior Academic and Administrative Officers (SAAO) Tier II appointments, and to the Chancellor for IRIT (formally known as IRPS) appointments. Separations of SAAO Tier II and IRIT (formally known as (IRPS) appointments, including discontinuations with notice, are within the authority of the Chancellor. The Chancellor, pursuant to the [Chancellor’s Delegation of Authority for Personnel Actions Involving Employees Exempt from the State Human Resources Act \(EHRA\) Memo Dated August 31, 2021](#), has delegated that authority to certain specified direct reports.

### III. DELEGATIONS FOR CAPITAL IMPROVEMENT PROJECTS

- Pursuant to [The Code of the Board of Governors of the University of North Carolina, Appendix 1, Section VI](#), and the [University of North Carolina Policy Manual 600.1.1](#), the Board of Trustees has been delegated the authority to approve capital improvement projects that are funded entirely with non-General Fund money that are projected that cost less than \$750,000, and pursuant to [Board of Trustees action on March 17, 2020](#), delegates that authority to the Chancellor.

The Attached Exhibit I: Delegated Authority Table (“Table”) is incorporated herein by reference and all authorities are delegated and sub-delegated as indicated therein, provided that the text of this Resolution shall control in the event of any inconsistency between the Table and the Resolution.

Any authority delegated to the Chancellor in this Resolution or Table may be further delegated provided records of any and all sub-delegations are maintained in the office of the Assistant Secretary to the Board of Trustees and any sub-delegation of authority to sign contracts is made in compliance with [Regulation 01.10.01 “Delegation of Authority to Sign Contracts—Interim”](#) as it may be amended.

Notwithstanding any other provision authorized by the Board of Trustees, all authority that has been delegated to the Board of Trustees and has not been expressly identified and further delegated in this Resolution or Table is hereby vested in the authority of the Board of Trustees.

**Resolution to Amend and Restate Delegated Authority  
from the Board of Trustees of East Carolina University**

WHEREAS, the Board of Trustees of East Carolina University (“Board of Trustees”) has a duty to promote the sound development of East Carolina University within the functions prescribed for it, helping it to serve the people of the state in a way that will complement the activities of the other institutions and aiding it to perform at a high level of excellence in every endeavor;

WHEREAS, the Board of Trustees serves as an advisor to the Board of Governors on matters pertaining to East Carolina University and serves as an advisor to the chancellor concerning the management and development of East Carolina University;

WHEREAS, the Board of Trustees’ powers and duties are defined by the Board of Governors through the Board of Governors delegating certain authorities and responsibilities to the Board of Trustees;

WHEREAS, the Board of Governors’ approval of the “Resolution to Amend and Restate Constituent Institution Board of Trustees Delegations” on July 22, 2021, directed ~~eds~~ each board of trustees of the constituent institutions to identify and restate in one binding resolution all instances in which the board of trustees of the constituent institution has delegated all or some of its delegated authority from whatever source to any committee, person, agency, or entity;

WHEREAS, since the Board of Trustees’ adoption of a Resolution to Amend and Restate Delegated Authority on September 10, 2021 and President Hans’s approval of same on October 12, 2021, the Board of Governors and the University of North Carolina System President have modified the delegations of authority related to salary administration;

WHEREAS, the Board of Trustees wishes to update its delegations in light of the Board of Governors’ and President’s revised delegations with respect to salary administration;

NOW THEREFORE, the Board of Trustees amends and restates the following delegations of authority:

**I. DELEGATIONS CONCERNING THE MEDICAL FACULTY PRACTICE PLAN OF THE BRODY SCHOOL OF MEDICINE**

- Pursuant to [North Carolina General Statute § 116-40.6](#), the Board of Trustees has been delegated the power to adopt and establish policies, procedures, rules, and regulations for the Medical Faculty Practice Plan, a division of the School of Medicine of East Carolina University currently known as “ECU Physicians,” concerning the following:
  - Personnel, including but not limited to schedules of pay and other compensation, annual leave, sick leave, incentive awards programs, grounds for dismissal or discipline, office hours, holidays, and employee disciplinary hearings;
  - Purchases, including but not limited to requests for proposals, competitive bidding, contract negotiations, and contract awards for supplies, materials, equipment, and services;

- Property, including but not limited to acquisition and disposition of property, provisions for development of specifications, advertisement, and negotiations with owners for acquisition by purchase, gift, lease, or rental; and
- Construction, including but not limited to design, construction, and renovation of buildings, utilities, and other property developments for negotiations requiring the expenditure of public money for conducting the fee negotiations for all design contracts and supervising the letting of construction and design contracts, performing the Duties of various state agencies such as the Department of Administration and Office of State Construction, using open-end design agreements, submitting construction documents for review and approval by the Department of Insurance and other agencies, and using standard contracts for design and construction currently in use for State capital improvement projects.

The Board of Trustees delegates all authority of [N.C. Gen. Stat. §116-40.6](#) to the Chancellor as the administrative and executive head of East Carolina University. The Chancellor has the authority to sub-delegate this authority, provided records of any and all sub-delegations are maintained in the office of the Assistant Secretary to the Board of Trustees and any sub-delegations of authority to sign contracts is made in compliance with [Regulation 01.10.01 “Delegation of Authority to Sign Contracts—Interim”](#) as it may be amended

- Pursuant to approval of an Office of Risk Management Professional Liability Insurance Program and Plan in 2014, the Board of Governors delegated its authority from [N.C. Gen. Stat. §116-219](#) to purchase professional liability insurance to the ECU Board of Trustees, and the Board of Trustees delegates this authority to the Chancellor, who may further delegate this authority provided a record of any and all sub-delegations is kept on file in the office of the Assistant Secretary to the Board of Trustees and any sub-delegation of authority to sign contracts is made in compliance with [Regulation 01.10.01 “Delegation of Authority to Sign Contracts—Interim”](#) as it may be amended.

## II. DELEGATIONS FOR HUMAN RESOURCES MATTERS

- Pursuant to [The Code of the Board of Governors of the University of North Carolina, Appendix 1, Section 1](#), the Board of Trustees has been delegated the authority to appoint, promote, and set the compensation for EHRA employees, excluding the Chancellor. The Board of Trustees, pursuant to board action on [March 22, 2002](#), delegated broad authority to the Chancellor, to the extent permissible, pursuant to the [Campus Management Flexibility Plan, which is incorporated by reference](#), to appoint and fix compensation for all senior positions. Any additional authority described herein that was not specifically delegated previously, is [hereby](#) specifically delegated to the Chancellor to the extent permissible. The Chancellor may further delegate this authority and change any such sub-delegations, if/as appropriate, provided records of any and all sub-delegations are maintained in the office of the Assistant Secretary to the Board of Trustees and any sub-delegation of authority to sign contracts is made in compliance with [Regulation 01.10.01 “Delegation of Authority to Sign Contracts—Interim”](#) as it may be amended.
- Pursuant to [University of North Carolina Policy Manual 200.6](#) and [University of North Carolina Policy Manual 600.3.4](#), the Board of Trustees has been delegated authority over certain personnel

actions, and the Board of Trustees hereby delegates that authority to the Chancellor to the fullest extent allowed by the delegations and in accordance with applicable UNC Policy Manual provisions and/or Board of Governors directives, ~~pursuant to board action on September 30, 2016, further delegates that authority to the Chancellor for certain salary actions for Employees Exempt from the State Human Resources Act (EHRA). (Resolution and matrix) [The University of North Carolina Policy Manual 600.3.4 (as amended on 04/07/22 and as may be further amended in the future) enumerates specific authority delegated to the Board of Trustees, and the The linked Delegated Authority and Salary Action Thresholds for EHRA Human Resources Classification and Compensation Actions, as revised on 05/11/2022, and as may be further revised in the future, summarizes some of these delegations are summarized in the linked May 2022 Matrix.]- For continuity in operations, if delegations to the Board of Trustees are modified in the future, the Board of Trustees hereby delegates to the Chancellor all such future delegations with respect to salary administration or other personnel matters to the fullest extent allowed by the delegation, provided that the Chancellor informs the Board of Trustees of such new delegations at its next regularly scheduled meeting at which time it may modify the authority delegated to the Chancellor. The Chancellor may further delegate this authority and change any such sub-delegations, if/as appropriate, provided records of any and all sub-delegations are maintained in the office of the Assistant Secretary to the Board of Trustees and any sub-delegation of authority to sign contracts is made in compliance with Regulation 01.10.01 "Delegation of Authority to Sign Contracts—Interim" as it may be amended.~~

- ~~● Pursuant to University of North Carolina Policy Manual 600.3.4 (Granting of Management Flexibility to Appoint and Fix Compensation), the Board of Trustees has been delegated the power to execute the following personnel actions for faculty and EHRA non-faculty instructional, research, and public service (IRPS) [currently known as IRIT] employees: (1) permanent and temporary appointments and salaries; (2) promotion, including faculty rank changes but excluding tenure; and (3) permanent and temporary salary increases or stipends. The Board of Trustees, pursuant to board action on March 22, 2002, delegated broad authority to the Chancellor, to the extent permissible, pursuant to the Campus Management Flexibility Plan, which is incorporated by reference, to appoint and fix compensation for all senior positions. Any additional authority described herein that was not specifically delegated previously, is hereby specifically delegated to the Chancellor to the extent permissible. The Chancellor may further delegate this authority and change any such sub-delegations, if/as appropriate, provided records of any and all sub-delegations are maintained in the office of the Assistant Secretary to the Board of Trustees.~~

- Pursuant to University of North Carolina Policy Manual 300.1.1 and University of North Carolina Policy Manual 300.2.1, the Board of Governors delegated authority to make appointments and determine salaries to the Chancellors and the respective Boards of Trustees for Senior Academic and Administrative Officers (SAAO) Tier II appointments, and to the Chancellor for IRIT (formally known as IRPS) appointments. Separations of SAAO Tier II and IRIT (formally known as IRPS) appointments, including discontinuations with notice, are within the authority of the Chancellor. The Chancellor, pursuant to the Chancellor's Delegation of Authority for Personnel Actions Involving Employees Exempt from the State Human Resources Act (EHRA) Memo Dated August 31, 2021, has delegated that authority to certain specified direct reports.

- ~~● Pursuant to the UNC Policy Manual 600.3.4, simultaneous with the President's authorization of an institution's management flexibility plan, the Board of Trustees is also delegated the authority for the following personnel actions: 1. Establish faculty salary ranges within different academic disciplines, based on relevant data; 2. Appoint and fix the compensation for faculty awarded the~~

~~designation of Distinguished Professors; and 3. Establish IRPS positions and salary ranges. The Board of Trustees, pursuant to board action on March 22, 2002, delegated broad authority to the Chancellor, to the extent permissible, pursuant to the Campus Management Flexibility Plan, which is incorporated by reference, to appoint and fix compensation for all senior positions. Any additional authority described herein that was not specifically delegated previously, is hereby specifically delegated to the Chancellor. The Chancellor may further delegate this authority and change any such sub-delegations, if/as appropriate, provided records of any and all sub-delegations are maintained in the office of the Assistant Secretary to the Board of Trustees.~~

### III. DELEGATIONS FOR CAPITAL IMPROVEMENT PROJECTS

- Pursuant to *The Code of the Board of Governors of the University of North Carolina, Appendix 1, Section VI*, and the University of North Carolina Policy Manual 600.1.1, the Board of Trustees has been delegated the authority to approve capital improvement projects that are funded entirely with non-General Fund money that are projected that cost less than \$750,000, and pursuant to Board of Trustees action on March 17, 2020, delegates that authority to the Chancellor.

The Attached Exhibit I: Delegated Authority Table (“Table”) is incorporated herein by reference and all authorities are delegated and sub-delegated as indicated therein, provided that the text of this Resolution shall control in the event of any inconsistency between the Table and the Resolution.

Any authority delegated to the Chancellor in this Resolution or Table may be further delegated provided records of any and all sub-delegations are maintained in the office of the Assistant Secretary to the Board of Trustees and any sub-delegation of authority to sign contracts is made in compliance with Regulation 01.10.01 “Delegation of Authority to Sign Contracts—Interim” as it may be amended.

Notwithstanding any other provision authorized by the Board of Trustees, all authority that has been delegated to the Board of Trustees and has not been expressly identified and further delegated in this Resolution or Table is hereby vested in the authority of the Board of Trustees.

**EXHIBIT 1: DELEGATED AUTHORITY TABLE**

Source	Authority	Delegation	Source	Sub-Delegation	Source
<b>Powers Delegated by the General Assembly</b>					
<a href="#">N.C. Gen. Stat. § 116-36(a).</a>	The board of trustees of each constituent institution shall establish and maintain, pursuant to such terms and conditions, uniformly applicable to all constituent institutions, as the Board of Governors of the University of North Carolina may from time to time prescribe, an endowment fund for the constituent institution.				
<a href="#">N.C. Gen. Stat. § 116-40.6(b)</a>	With respect to the Medical Faculty Practice Plan, the Board of Trustees of ECU shall adopt the policies, procedures, rules and/or regulations governing employment (including compensation, benefits, hours, due process),	Chancellor	Resolution Adopted at September 10, 2021 BOT Meeting		
<a href="#">N.C. Gen. Stat. § 116-40.6(c)</a>	With respect to the Medical Faculty Practice Plan, the Board of Trustees of ECU shall adopt the policies, procedures, rules and/or regulations governing purchasing requirements (including proposals, bidding, contract negotiations, etc.)	Chancellor	Resolution Adopted at September 10, 2021 BOT Meeting		
<a href="#">N.C. Gen. Stat. § 116-40.6(d)</a>	With respect to the Medical Faculty Practice Plan, the Board of Trustees of ECU shall adopt the policies, procedures, rules and/or regulations governing property acquisition and disposal	Chancellor	Resolution Adopted at September 10, 2021 BOT Meeting		
<a href="#">N.C. Gen. Stat. § 116-40.6€</a>	With respect to the Medical Faculty Practice Plan, the Board of Trustees of ECU shall adopt the policies, procedures, rules and/or regulations governing property construction.	Chancellor	Resolution Adopted at September 10, 2021 BOT Meeting		



<a href="#">N.C. Gen. Stat. § 116-219</a>	Board of Governors is authorized to purchase contracts of insurance or create self-insurance trusts, or a combination of the two insurance models, to provide individual healthcare providers with coverage against claims of personal tort liability based on conduct within the course and scope of healthcare functions undertaken by such individuals as employees, agents, or offices of ECU as a constituent institution of UNC.	Chancellor	Resolution Adopted at September 10, 2021 BOT Meeting		
<a href="#">N.C. Gen. Stat. § 116-40.6</a>	Board of Trustees is given authority over various aspects of Medical Faculty Practice Plan	Chancellor	Resolution Adopted at September 10, 2021 BOT Meeting		
<b>Powers Delegated by the Board of Governors or President</b>					
<a href="#">The Code, Appendix 1, Section I</a>	Campuses with Management Flexibility will appoint, promote, and set the compensation for EHRA employees, excluding the Chancellor,	Chancellor	<a href="#">BOT Approved 3/22/02</a> <a href="#">Plan for Management Flexibility to Appoint and Fix Compensation (smaller).pdf (ecu.edu)</a>	Designated Senior Officers	<a href="https://attorney.ecu.edu/wp-content/uploads/sites/158/2019/05/Delegations-of-Contract-Signatory-Authority-from-the-Chancellor.pdf">https://attorney.ecu.edu/wp-content/uploads/sites/158/2019/05/Delegations-of-Contract-Signatory-Authority-from-the-Chancellor.pdf</a>  <a href="#">Delegation of Authority to Sign Contracts – Interim</a>

<a href="#">UNC Policy Manual 200.6</a> and <a href="#">600.3.4</a>	Expanded Authority for certain EHRA Salary Actions	Chancellor	BOT Resolution Approved 6/14/22 the ECU BOT delegated to the Chancellor certain salary actions for Employees Exempt from the State Human Resources Acts (EHRA).  <a href="#">Resolution</a> and May 2022 Delegated Authority and Salary Action Threshold Matrix as may be revised in the future	Designated Senior Officers	BOT Resolution Approved 6/14/22  May 2022 Delegated Authority and Salary Action Threshold Matrix, as may be revised in the future
<a href="#">UNC Policy Manual 300.1.1</a> and <a href="#">300.2.1</a>	Discontinuations of SAO Tier II and IRIT employment	Chancellor	UNC Policy Manual <a href="#">300.1.1</a> and <a href="#">300.2.1</a> (and BOT minutes from September 10, 2021)	Vice Chancellors, Director of Athletics, Chief of Staff	<a href="#">Chancellor's Delegation of Authority for Personnel Actions Involving Employees Exempt from the State Human Resources Act (EHRA) memo dated August 31, 2021</a>
<a href="#">The Code, Appendix 1,</a>	Chancellor Selection				

Section <u>1.D.</u>					
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<a href="#">The Code, Appendix 1, Section II</a>	<p>The board of trustees shall be responsible for ensuring the institution's compliance with the educational, research, and public service roles assigned to it by the Board of Governors, either by express directive or by promulgated long-range plans of the Board of Governors.</p>				
<a href="#">The Code, Appendix 1, Section III</a>	<p>The board of trustees will determine whether an individual student shall be entitled to receipt of a particular degree.</p>				
<a href="#">The Code, Appendix 1, Section IV.</a>	<p>The board of trustees will be responsible for approving the names of all individuals on whom it is proposed that an honorary degree or other honorary or memorial distinction be conferred by the institution.</p>				
<a href="#">The Code, Appendix 1, Section V.</a>	<p>The board of trustees shall advise the chancellor with respect to budget estimates for the institution and with respect to the execution and administration of the budget of the constituent institution, as approved by the General Assembly and the Board of Governors.</p>				
<a href="#">The Code, Appendix 1, Section VI</a>	<p>The board of trustees has been delegated the authority to prepare and maintain a master plan for the physical development of the institution, consistent with the academic and service mission of the institution as defined and approved by the Board of Governors.</p>				

<p><a href="#">The Code, Appendix 1, Section VI.</a></p> <p><a href="#">The UNC Policy Manual, 600.1.1</a></p>	<p>The board of trustees has been delegated the authority to approve capital improvement projects that are funded entirely with non-General Fund money that are projected to cost less than \$750,000.</p>	<p>Chancellor</p>	<p><a href="#">BOT Minutes March 17, 2020</a></p> <p>BOT delegates to the Chancellor, in consultation with the BOT Finance Committee chair, approval of non-General Fund repair and/or renovation projects whose cost is expected to be less than \$750,000 and report at each Board of Trustees meeting actions taken since the last meeting.</p>		
<p><a href="#">The Code, Appendix 1, Section VI.</a></p> <p><a href="#">The UNC Policy Manual, 600.1.1</a></p>	<p>The board of trustees has been delegated the authority to approve advance planning of capital improvement projects, where the advance planning effort is to be funded entirely with non-General Fund money.</p>				

<p><a href="#">The Code, Appendix 1, Section VI.</a></p> <p><a href="#">UNC Policy Manual 600.1.3</a></p>	<p>The board of trustees have been delegated the power to authorize acquisition or disposition by the institutions of the following interests in real property without obtaining approval of the Board of Governors:</p> <ol style="list-style-type: none"> <li>1. Any interest in real property, other than a leasehold, with a value less than \$500,000; and</li> <li>2. A leasehold interest in real property with an annual value less than \$500,000 and a term of not more than 10 years.</li> </ol>	<p>Chancellor</p>	<p><a href="#">UNC Policy Manual 600.1.3 [R]</a></p> <p>The Chancellor is delegated the authority to authorize for their institutions acquisition or disposition of an interest in real property valued at less than \$50,000 (\$150,000 per management flex) without obtaining the approval of the Board of Trustees or the Board of Governors.</p>	<p>Vice Chancellor for Administration and Finance</p>	<p><a href="https://attorney.ecu.edu/wp-content/uploads/sites/158/2019/05/Delegations-of-Contract-Signatory-Authority-from-the-Chancellor.pdf">https://attorney.ecu.edu/wp-content/uploads/sites/158/2019/05/Delegations-of-Contract-Signatory-Authority-from-the-Chancellor.pdf</a></p> <p><a href="#">Delegation of Authority to Sign Contracts – Interim</a></p>
<p><a href="#">The Code, Appendix, 1, Section IX.</a></p>	<p>The boards of trustees of the constituent institutions shall cause to be collected from each student, at the beginning of each semester, quarter, or term, such tuition, fees, and other amounts necessary to pay other expenses for the term, as have been approved by the Board of Governors. [See G.S. 116-11(7) and G.S. 116-143]</p>				

<p><a href="#"><u>The Code, Appendix 1, Section X.</u></a></p>	<p>All scholarships and other forms of financial aid to students which are limited in their application to or are supported from sources generated by an individual campus shall be administered by the constituent institution pursuant to such regulations as may be prescribed by the board of trustees and subject to the terms of any applicable laws and to policies of the Board of Governors.</p>				
<p><a href="#"><u>The Code, Appendix 1, Section XI.</u></a></p>	<p>Each board of trustees, upon recommendation of the chancellor, shall determine the type, level, and extent of student services (such as health care, athletic programs, and counseling) to be maintained for the benefit of students at the institution, subject to general provisions concerning types and levels of student services as may be prescribed by the Board of Governors.</p>				

Powers Delegated Through Special Responsibility Constituent Institution or Management Flexibility Status					
<p><a href="#">The UNC Policy Manual, 600.3.4</a></p>	<p>Expanded Authority for certain EHRA Salary Actions</p>	<p>Chancellor</p>	<p><a href="#">BOT Approved 3/22/02</a></p> <p><a href="#">Plan for Management Flexibility to Appoint and Fix Compensation (smaller).pdf (ecu.edu)</a></p> <p>BOT Resolution Approved 6/14/22 the ECU BOT delegated to the Chancellor certain salary actions for Employees Exempt from the State Human Resources Acts (EHRA).</p> <p><a href="#">Resolution</a> and May 2022 Delegated Authority and Salary Action Threshold Matrix, as may be revised in the future</p>	<p>Designated Senior Officers</p>	<p>BOT Resolution Approved 6/14/22</p> <p>May 2022 Delegated Authority and Salary Action Threshold Matrix, as may be revised in the future</p>



**EXHIBIT 1: DELEGATED AUTHORITY TABLE**

Source	Authority	Delegation	Source	Sub-Delegation	Source
<b>Powers Delegated by the General Assembly</b>					
<a href="#">N.C. Gen. Stat. § 116-36(a).</a>	The board of trustees of each constituent institution shall establish and maintain, pursuant to such terms and conditions, uniformly applicable to all constituent institutions, as the Board of Governors of the University of North Carolina may from time to time prescribe, an endowment fund for the constituent institution.				
<a href="#">N.C. Gen. Stat. § 116-40.6(b)</a>	With respect to the Medical Faculty Practice Plan, the Board of Trustees of ECU shall adopt the policies, procedures, rules and/or regulations governing employment (including compensation, benefits, hours, due process),	Chancellor	Resolution Adopted at September 10, 2021 BOT Meeting		
<a href="#">N.C. Gen. Stat. § 116-40.6(c)</a>	With respect to the Medical Faculty Practice Plan, the Board of Trustees of ECU shall adopt the policies, procedures, rules and/or regulations governing purchasing requirements (including proposals, bidding, contract negotiations, etc.)	Chancellor	Resolution Adopted at September 10, 2021 BOT Meeting		
<a href="#">N.C. Gen. Stat. § 116-40.6(d)</a>	With respect to the Medical Faculty Practice Plan, the Board of Trustees of ECU shall adopt the policies, procedures, rules and/or regulations governing property acquisition and disposal	Chancellor	Resolution Adopted at September 10, 2021 BOT Meeting		
<a href="#">N.C. Gen. Stat. § 116-40.6€</a>	With respect to the Medical Faculty Practice Plan, the Board of Trustees of ECU shall adopt the policies, procedures, rules and/or regulations governing property construction.	Chancellor	Resolution Adopted at September 10, 2021 BOT Meeting		

<a href="#">N.C. Gen. Stat. § 116-219</a>	Board of Governors is authorized to purchase contracts of insurance or create self-insurance trusts, or a combination of the two insurance models, to provide individual healthcare providers with coverage against claims of personal tort liability based on conduct within the course and scope of healthcare functions undertaken by such individuals as employees, agents, or offices of ECU as a constituent institution of UNC.	Chancellor	Resolution Adopted at September 10, 2021 BOT Meeting		
<a href="#">N.C. Gen. Stat. § 116-40.6</a>	Board of Trustees is given authority over various aspects of Medical Faculty Practice Plan	Chancellor	Resolution Adopted at September 10, 2021 BOT Meeting		
<b>Powers Delegated by the Board of Governors or President</b>					
<a href="#">The Code, Appendix 1, Section I</a>	Campuses with Management Flexibility will appoint, promote, and set the compensation for EHRA employees, excluding the Chancellor,	Chancellor	<a href="#">BOT Approved 3/22/02</a> <a href="#">Plan for Management Flexibility to Appoint and Fix Compensation (smaller).pdf (ecu.edu)</a>	<a href="#">Provost &amp; Vice Chancellors Designated Senior Officers</a>	<a href="https://attorney.ecu.edu/wp-content/uploads/sites/158/2019/05/Delegations-of-Contract-Signatory-Authority-from-the-Chancellor.pdf">https://attorney.ecu.edu/wp-content/uploads/sites/158/2019/05/Delegations-of-Contract-Signatory-Authority-from-the-Chancellor.pdf</a>  <a href="#">Delegation of Authority to Sign Contracts – Interim</a>

<p><a href="#">UNC Policy Manual 200.6 and 600.3.4</a></p>	<p>Expanded Authority for certain EHRA Salary Actions</p>	<p>Chancellor</p>	<p><a href="#">BOT Resolution Approved 6/14/22 Board of Trustees Minutes Sept. 30, 2016</a>  the ECU BOT delegated to the Chancellor certain salary actions for Employees Exempt from the State Human Resources Acts (EHRA).</p> <p><a href="#">Resolution and May 2022 Delegated Authority and Salary Action Threshold Matrix as may be revised in the future</a>  <a href="#">Resolution and May 2022 Delegated Authority and Salary Action Threshold Matrix Salary Increase Pre-Approval Matrix</a></p>	<p><a href="#">Certain members of the Chancellor's direct reports Designated Senior Officers</a></p>	<p><a href="#">BOT Resolution Approved 6/14/22</a>  <a href="#">May 2022 Delegated Authority and Salary Action Threshold Matrix, as may be revised in the future</a>  <a href="#">Salary Increase Pre-Approval Matrix</a></p>
<p><a href="#">UNC Policy Manual</a></p>	<p>Discontinuations of SAAO Tier II and IRIT employment</p>	<p>Chancellor</p>	<p>UNC Policy Manual <a href="#">300.1.1</a> and <a href="#">300.2.1</a> (and</p>	<p>Vice Chancellors, Director of</p>	<p><a href="#">Chancellor's Delegation of Authority for</a></p>

<a href="#">300.1.1</a> and <a href="#">300.2.1</a>			BOT minutes from September 10, 2021)	Athletics, Chief of Staff	<a href="#">Personnel Actions Involving Employees Exempt from the State Human Resources Act (EHRA) memo dated August 31, 2021</a>
<a href="#">The Code, Appendix 1, Section 1.D.</a>	Chancellor Selection				

<a href="#"><u>The Code, Appendix 1, Section II</u></a>	The board of trustees shall be responsible for ensuring the institution's compliance with the educational, research, and public service roles assigned to it by the Board of Governors, either by express directive or by promulgated long-range plans of the Board of Governors.				
<a href="#"><u>The Code, Appendix 1, Section III</u></a>	The board of trustees will determine whether an individual student shall be entitled to receipt of a particular degree.				
<a href="#"><u>The Code, Appendix 1, Section IV.</u></a>	The board of trustees will be responsible for approving the names of all individuals on whom it is proposed that an honorary degree or other honorary or memorial distinction be conferred by the institution.				
<a href="#"><u>The Code, Appendix 1, Section V.</u></a>	The board of trustees shall advise the chancellor with respect to budget estimates for the institution and with respect to the execution and administration of the budget of the constituent institution, as approved by the General Assembly and the Board of Governors.				
<a href="#"><u>The Code, Appendix 1, Section VI</u></a>	The board of trustees has been delegated the authority to prepare and maintain a master plan for the physical development of the institution, consistent with the academic and service mission of the institution as defined and approved by the Board of Governors.				

<p><a href="#">The Code, Appendix 1, Section VI.</a></p> <p><a href="#">The UNC Policy Manual, 600.1.1</a></p>	<p>The board of trustees has been delegated the authority to approve capital improvement projects that are funded entirely with non-General Fund money that are projected to cost less than \$750,000.</p>	<p>Chancellor</p>	<p><a href="#">BOT Minutes March 17, 2020</a></p> <p>BOT delegates to the Chancellor, in consultation with the BOT Finance Committee chair, approval of non-General Fund repair and/or renovation projects whose cost is expected to be less than \$750,000 and report at each Board of Trustees meeting actions taken since the last meeting.</p>		
<p><a href="#">The Code, Appendix 1, Section VI.</a></p> <p><a href="#">The UNC Policy Manual, 600.1.1</a></p>	<p>The board of trustees has been delegated the authority to approve advance planning of capital improvement projects, where the advance planning effort is to be funded entirely with non-General Fund money.</p>				

<p><a href="#">The Code, Appendix 1, Section VI.</a></p> <p><a href="#">UNC Policy Manual 600.1.3</a></p>	<p>The board of trustees have been delegated the power to authorize acquisition or disposition by the institutions of the following interests in real property without obtaining approval of the Board of Governors:</p> <ol style="list-style-type: none"> <li>1. Any interest in real property, other than a leasehold, with a value less than \$500,000; and</li> <li>2. A leasehold interest in real property with an annual value less than \$500,000 and a term of not more than 10 years.</li> </ol>	<p>Chancellor</p>	<p><a href="#">UNC Policy Manual 600.1.3 [R]</a></p> <p>The Chancellor is delegated the authority to authorize for their institutions acquisition or disposition of an interest in real property valued at less than \$50,000 (\$150,000 per management flex) without obtaining the approval of the Board of Trustees or the Board of Governors.</p>	<p>Vice Chancellor for Administration and Finance</p>	<p><a href="https://attorney.ecu.edu/wp-content/uploads/sites/158/2019/05/Delegations-of-Contract-Signatory-Authority-from-the-Chancellor.pdf">https://attorney.ecu.edu/wp-content/uploads/sites/158/2019/05/Delegations-of-Contract-Signatory-Authority-from-the-Chancellor.pdf</a></p> <p><a href="#">Delegation of Authority to Sign Contracts – Interim</a></p>
<p><a href="#">The Code, Appendix, 1, Section IX.</a></p>	<p>The boards of trustees of the constituent institutions shall cause to be collected from each student, at the beginning of each semester, quarter, or term, such tuition, fees, and other amounts necessary to pay other expenses for the term, as have been approved by the Board of Governors. [See G.S. 116-11(7) and G.S. 116-143]</p>				

<p><a href="#"><u>The Code, Appendix 1, Section X.</u></a></p>	<p>All scholarships and other forms of financial aid to students which are limited in their application to or are supported from sources generated by an individual campus shall be administered by the constituent institution pursuant to such regulations as may be prescribed by the board of trustees and subject to the terms of any applicable laws and to policies of the Board of Governors.</p>				
<p><a href="#"><u>The Code, Appendix 1, Section XI.</u></a></p>	<p>Each board of trustees, upon recommendation of the chancellor, shall determine the type, level, and extent of student services (such as health care, athletic programs, and counseling) to be maintained for the benefit of students at the institution, subject to general provisions concerning types and levels of student services as may be prescribed by the Board of Governors.</p>				



Powers Delegated Through Special Responsibility Constituent Institution or Management Flexibility Status					
<p><a href="#">The UNC Policy Manual, 600.3.4</a></p>	<p><u>Expanded Authority for certain EHRA Salary Actions</u>            Simultaneous with the president's authorization of an institution's management flexibility plan, the board of trustees of that institution is also delegated the authority for the following personnel actions, which it may further delegate to the chancellor and may authorize the chancellor to further delegate on a limited basis.</p> <ol style="list-style-type: none"> <li>1. Establish faculty salary ranges within different academic disciplines, based on relevant data.</li> <li>2. Appoint and fix the compensation for faculty awarded the designation of Distinguished Professors.</li> <li>3. Establish IRPS positions and salary ranges.</li> </ol>	<p>Chancellor</p>	<p><a href="#">BOT Approved 3/22/02</a></p> <p><a href="#">Plan for Management Flexibility to Appoint and Fix Compensation (smaller).pdf (ecu.edu)</a></p> <p><a href="#">BOT Resolution Approved 6/14/22 the ECU BOT delegated to the Chancellor certain salary actions for Employees Exempt from the State Human Resources Acts (EHRA).</a></p> <p><a href="#">Resolution and May 2022 Delegated Authority and Salary Action Threshold Matrix, as may be revised in the future</a></p>	<p><a href="#">Designated Senior Officers</a></p>	<p><a href="#">BOT Resolution Approved 6/14/22</a></p> <p><a href="#">May 2022 Delegated Authority and Salary Action Threshold Matrix, as may be revised in the future</a></p>

	Position Type	Authority Delegated to All BOTs (may delegate to Chancellor)	Authority Delegated only to BOTs with Management Flexibility	Authority Delegated to the President	Authority Retained by Board of Governors
SAAO TIER I	<ul style="list-style-type: none"> <li>Chancellors</li> <li>CEO, UNC Health</li> <li>CEO, PBS NC</li> </ul>	<ul style="list-style-type: none"> <li>n/a</li> </ul>	<ul style="list-style-type: none"> <li>n/a</li> </ul>	<ul style="list-style-type: none"> <li>n/a</li> </ul>	<ul style="list-style-type: none"> <li><b>All permanent and temporary</b> salary adjustments</li> </ul>
	<ul style="list-style-type: none"> <li>Provosts</li> <li>Vice Chancellors</li> <li>Deans</li> <li>Other SAAO Tier I</li> </ul>	<ul style="list-style-type: none"> <li>n/a</li> </ul>	<ul style="list-style-type: none"> <li><b>All promotional</b> salary increases (cannot be delegated to the chancellor)</li> <li><b>Permanent non-promotional</b> salary actions that do not exceed <u>EITHER</u> 10% of the June 30 salary <u>OR</u> the 75<sup>th</sup> percentile of the range (cannot be delegated to the chancellor)</li> <li><b>Temporary</b> salary adjustments with a duration up to 36 months <u>OR</u> up to \$50,000 annually above June 30 base salary (cannot be delegated to the chancellor)</li> </ul>	<ul style="list-style-type: none"> <li>For institutions <u>WITHOUT</u> management flexibility (actions must have formal endorsement from institution's BOT): <ul style="list-style-type: none"> <li><b>All promotional</b> salary increases</li> <li><b>Permanent non-promotional</b> salary increases up to both 10% of the June 30 salary <u>AND</u> the 75<sup>th</sup> percentile of the range</li> <li><b>Temporary</b> salary adjustments regardless of duration or amount</li> </ul> </li> <li>For institutions <u>WITH</u> management flexibility (actions must have formal endorsement from institution's BOT): <ul style="list-style-type: none"> <li><b>Permanent non-promotional</b> salary increases that exceed <u>EITHER</u> 10% of the June 30 salary <u>OR</u> the 75<sup>th</sup> percentile of the range</li> <li><b>Temporary</b> salary adjustments with a duration over 36 months <u>AND/OR</u> over \$50,000 annually above June 30 base salary</li> </ul> </li> <li><b>Emergency retention</b> salary increases in consultation with CUP chair</li> </ul>	<ul style="list-style-type: none"> <li><b>Non-promotional</b> salary increases that exceed 10% of the June 30 base salary <u>AND</u> exceed the 75<sup>th</sup> percentile of the range (must have formal endorsement from institution's BOT)</li> <li><b>All other salary actions</b> not otherwise delegated to BOTs or to the president</li> </ul>
SAAO TIER II	<ul style="list-style-type: none"> <li>Assoc./Asst. Provosts</li> <li>Assoc./Asst. VCs</li> <li>Vice Deans</li> <li>Assoc./Asst. Deans</li> <li>Athletic Directors</li> <li>Other SAAO Tier II</li> </ul>	<ul style="list-style-type: none"> <li><b>All promotional</b> salary increases</li> <li><b>Permanent non-promotional</b> salary increases up to a new base salary of \$125,000 that do not (1) exceed 10% of the June 30 base salary or (2) exceed the 75<sup>th</sup> percentile of the range, or both</li> <li><b>Temporary</b> salary adjustments related to interim, acting, or other time-limited assignments or appointments with a duration of up to 36 months <u>OR</u> up to \$50,000 annually above June 30 base salary</li> </ul>	<ul style="list-style-type: none"> <li>n/a</li> </ul>	<ul style="list-style-type: none"> <li><b>Permanent non-promotional</b> salary increases that <b>both</b> exceed a new base salary of \$125,000 <u>AND EITHER</u> (1) exceed 10% of the June 30 salary or (2) exceed the 75<sup>th</sup> percentile of the range, or both</li> <li><b>Temporary</b> salary adjustments with a duration over 36 months <u>AND</u> \$50,000 annually above June 30 base salary</li> </ul>	

	Position Type	Authority Delegated to All BOTs (may delegate to Chancellor)	Authority Delegated only to BOTs with Management Flexibility	Authority Delegated to the President	Authority Retained by Board of Governors
IRIT	<ul style="list-style-type: none"> <li>Instructional</li> <li>Research</li> <li>Information Technology</li> <li>Other IRIT</li> </ul>	<ul style="list-style-type: none"> <li>All promotional salary increases</li> <li>Permanent non-promotional salary adjustments within established salary ranges</li> <li>Temporary salary adjustments related to interim, acting, or other time-limited assignments or appointments with a duration of up to 36 months OR up to \$50,000 annually above June 30 base salary</li> </ul>	<ul style="list-style-type: none"> <li>n/a</li> </ul>	<ul style="list-style-type: none"> <li>Temporary salary adjustments with a duration over 36 months AND \$50,000 annually above June 30 base salary</li> </ul>	
	<ul style="list-style-type: none"> <li>Head Coaches</li> <li>Assoc./Asst. Coaches</li> </ul>	<ul style="list-style-type: none"> <li>All promotional salary increases</li> <li>Permanent non-promotional salary increases that do not exceed 25% of the June 30 base salary AND do not exceed \$25,000</li> <li>Temporary salary adjustments related to interim, acting, or other time-limited assignments or appointments with a duration of up to 36 months OR up to \$50,000 annually above June 30 base salary</li> </ul>	<ul style="list-style-type: none"> <li>n/a</li> </ul>	<ul style="list-style-type: none"> <li>Temporary salary adjustments with a duration over 36 months AND exceed \$50,000 annually above June 30 base salary</li> </ul>	<ul style="list-style-type: none"> <li>Permanent non-promotional salary increases that exceed 25% of the June 30 salary AND exceed \$25,000</li> </ul>
FACULTY		<ul style="list-style-type: none"> <li>All promotional salary increases</li> <li>Permanent non-promotional salary adjustments within established salary ranges</li> <li>Academic department chair or academic department head increases not greater than \$50,000 annually above June 30 total compensation</li> <li>Clinical department chair, clinical department head, or clinical division head appointments within a School of Medicine or Dentistry increases not greater than \$75,000 annually for the duration of such appointment</li> <li>Temporary salary adjustments with a duration of up to 36 months OR up to \$50,000 annually above June 30 base salary</li> </ul>	<ul style="list-style-type: none"> <li>Permanent salary increases for Distinguished Professorships (may be delegated to chancellor or designees)</li> </ul>	<ul style="list-style-type: none"> <li>Permanent salary increases for Distinguished Professorships (for institutions without Management Flexibility)</li> <li>Academic department chair or academic department head increases greater than \$50,000 annually above June 30 total compensation</li> <li>Clinical department chair, clinical department head, or clinical division head appointments within a School of Medicine or Dentistry increases greater than \$75,000 annually for the duration of such appointment</li> <li>Temporary salary adjustments with a duration over 36 months AND \$50,000 annually above June 30 base salary</li> </ul>	

**NOTES**

- The term “appoint” means the initial appointment, reappointment, or an appointment that constitutes a formal promotion. “Promotion” includes externally and internally posted events with an application pool of 2 or more people; EHRA waivers approved by the campus EEO Officer; and Academic Rank Promotions.
- The term “non-promotional” means salary actions that do not relate to assuming an entirely new position but rather adjusting the salary of the existing position for reasons such as labor market, equity, retention, additional duties, reclassification, and other permitted miscellaneous reasons. This also includes sustained supplemental pay for secondary or administrative assignments (as opposed to temporary, acting, and interim appointments)
- Any listed delegated authority listed above does not permit exceeding the relevant salary range established by the UNC System Office for the position in which an individual is serving in an interim or acting capacity.

The UNC Policy Manual  
 600.3.4  
 Adopted 01/11/02  
 Amended 07/12/02  
 Amended 01/09/04  
 Amended 02/11/05  
 Amended 07/01/07  
 Amended 07/29/16  
 Amended 03/23/18  
 Technical Corrections 09/22/21  
Amended 04/07/22

**Policy on the Delegations of Authority and Granting of Management Flexibility to Appoint and Fix Compensation on Human Resources Matters**

I. Purpose

A. Pursuant to N.C.G.S. 116-11(13) (G.S.), and other North Carolina law as referenced herein, and in an effort to enhance the administrative efficiency of the University, the Board of Governors has delegated to the president the authority to establish a human resources program and to approve management flexibility plans at constituent institutions for faculty and EHRA non-faculty (those employees exempt from various provisions within Chapter 126 of the North Carolina General Statutes).<sup>1</sup>

B. In accordance with this authority, the president may further delegate authority for approving human resources matters ~~within the UNC System Office. Section II of this policy describes authorities that may be delegated by the president for human resources actions to the boards of trustees of all the constituent institutions. Section III delineates such delegations that are reserved solely for institutions with management flexibility (special responsibility constituent institutions as per UNC Policy Manual 600.3.1).~~

~~C. — Also in accordance with this authority, the president hereby further delegates the authority to administer certain human resources actions as described in section II of this policy to the boards of trustees for all constituent institutions.~~

~~D. — Also in accordance with this authority, the president hereby further delegates additional authority to administer certain human resources actions as described in section III of this policy to the boards of trustees for institutions with management flexibility (special responsibility constituent institutions).~~

EC. The authority granted by the Board of Governors through the president is subject to *The Code* of the University of North Carolina (*The Code*), policies of the Board of Governors, and all applicable federal and state laws, policies, regulations, and rules.<sup>2</sup> Along with any other rules and regulations the Board of Governors and/or the president adopt, this policy requires each constituent institution to comply with all rules and regulations concerning equal employment opportunity; to act in recognition of funding availability and constraints within each institution's budget; and to take into account the actions of the Governor, the Office of State Budget and Management, and the North Carolina General Assembly.

II. Authority Delegated to All Constituent Institutions (With or Without Management Flexibility)

A. The president delegates to the ~~board~~boards of trustees for ~~each~~all constituent ~~institution~~institutions the authority to execute the following personnel actions for ~~faculty and EHRA non-faculty instructional, research, and public service (IRPS)-EHRA~~ employees:

1. Permanent and temporary appointments<sup>3</sup> and salaries within the salary ranges established by the UNC System Office, excluding Tier I Senior Academic and Administrative Officers (Tier I SAAOs).

~~2. Promotion, including faculty rank changes but excluding tenure.~~

~~3. Permanent and temporary salary increases or stipends.~~

2. Permanent non-promotional<sup>4</sup> salary adjustments within the salary ranges established by the UNC System Office for all EHRA non-faculty employees excluding Tier I and Tier II SAAOs and head coaches, associate coaches, and assistant coaches for which delegations are otherwise specified herein.

3. Permanent non-promotional salary adjustments within the salary ranges established by the UNC System Office for Tier II SAAOs up to a new base salary of \$125,000 and that do not exceed 10 percent of the June 30 base salary as of the most recent fiscal year or that do not exceed the 75<sup>th</sup> percentile of the salary range regardless of amount of increase.

4. Non-promotional salary increases for head coaches, associate coaches, and assistant coaches that do not exceed 25 percent of the June 30 base salary as of the most recent fiscal year and do not exceed \$25,000.

5. Temporary salary actions for the duration of an appointment as an academic department chair or academic department head not greater than \$50,000 annually above the total compensation in effect at the end of the last fiscal year. For clinical department chair, clinical department head, or clinical division head appointments within a School of Medicine or Dentistry, this delegated authority is not greater than \$75,000 annually for the duration of such appointment.

6. All other temporary salary adjustments related to interim, acting, or other time-limited assignments or appointments with a duration of up to 36 months or up to \$50,000 annually above the base salary in effect at the end of the last fiscal year, excluding such actions for Tier I SAAOs. This delegated authority does not permit exceeding the relevant salary range established by the UNC System Office for the position in which an individual is serving in an interim or acting capacity.

7. Faculty rank promotions but excluding conferral of tenure. All such faculty rank promotions must fall within the established salary range for the role.

B. The president further authorizes the boards of trustees for the constituent institutions to delegate any of these actions to their chancellors, or to specific designees of the chancellor by title, as they deem appropriate, excluding actions for Tier I SAAOs.

C. Notwithstanding the ~~delegations above provisions in sections II.A. and II.B.,~~ the president may ~~establish regulations and guidelines that modify, suspend, or limit delegation for certain actions (for example, salary adjustments) within these categories~~ one or more of the aforementioned delegations of authority at the president's discretion by administrative memorandum or duly authorized regulation.

### III. Delegation of Authority to Boards of Trustees of Institutions with Management Flexibility

A. Simultaneous with the president's authorization of an institution's management flexibility plan, the board of trustees of that institution is delegated the authority to execute the following additional personnel actions in addition to those enumerated in section II.A. of this policy, which it shall not delegate further unless the president or the Board of Governors shall allow/permit.<sup>5</sup>

1. Upon recommendation of the chancellor, appoint all permanent and temporary appointments<sup>6</sup> and fix the salary and non-salary compensation<sup>7</sup> for all vice chancellors and other Tier 1 senior academic and administrative officers (as defined in Section 300.1.1 I.A. of the UNC Policy Manual) Tier I SAAOs, with the exclusion of the chancellor, within the salary ranges established by the UNC System Office.

~~2. Approve appointments and salary changes for SAAO Tier 1 appointments, with the exclusion of the chancellor.~~

~~3. Upon recommendation of the chancellor, establish salary ranges for SAAO Tier 2 positions, consistent with both the salary ranges and the policies established by the Board of Governors and the regulations and guidelines established by the president. The institution may otherwise elect to adopt salary ranges established by the UNC System Office for these positions.~~

4.2. Upon recommendation of the chancellor, and consistent with the approved tenure policies and regulations of each institution, confer permanent tenure.

3. Upon recommendation of the chancellor, all permanent non-promotional salary adjustments for Tier I SAAOs within the salary ranges established by the UNC System Office that do not exceed either 10 percent of the June 30 base salary as of the most recent fiscal year or that do not exceed the 75<sup>th</sup> percentile of the salary range regardless of amount of increase. Any Tier I SAAO actions transmitted for approval by the president and/or Board of Governors must receive prior formal endorsement by the institution's board of trustees.

B. Simultaneous with the president's authorization of an institution's management flexibility plan, the board of trustees of that institution is also delegated the authority for the following personnel actions, which it may further delegate to the chancellor and may authorize the chancellor to further delegate ~~on a limited basis to specific designees of the chancellor by title, as~~ they deem appropriate.<sup>8</sup>

~~1. Establish faculty salary ranges within different academic disciplines, based on relevant data.~~

21. Appoint and fix the compensation for faculty awarded the designation of Distinguished Professors.

32. ~~Establish IRPS positions and salary ranges.~~ When authorized by the president or the president's designee, establish faculty salary ranges within different academic disciplines, based on relevant market data. These salary ranges shall be subject to review and approval by the UNC System Office upon request. Absent such an authorization by the president, the constituent institutions shall utilize faculty salary ranges established by the UNC System Office.

C. ~~Salaries and salary ranges shall be consistent with salary ranges established or authorized by the UNC System Office and consistent with guidelines established by the president. Notwithstanding the delegations above and the provisions of any existing approved management flexibility plan, the Board of Governors and/or in sections III.A. and III.B., the president may establish policies, regulations, or guidelines that modify, suspend, or limit delegation for certain actions (such as establishing mandatory salary ranges or salary adjustments) within the delegations listed in III.A., and III.B. one or more of the aforementioned delegations of authority at his or her discretion by administrative memorandum or duly authorized regulation.~~

#### IV. Responsibility of the Board of Governors and the President

A. The Board of Governors ~~shall~~:

1. ~~Issue~~ Shall issue a resolution each year that ~~(a)~~ interprets legislative action regarding University employee salaries ~~and (b) sets annually or delegates such authority by resolution as it deems appropriate to the president.~~

2. Shall set every other year, or more frequently as it shall decide, the salary range for the president and, in consultation with the president, the salary ranges for the chancellors. These ranges will be based upon relevant available market data.

23. ~~Authorize~~ Shall authorize the president's salary and, based on recommendations from the president, the chancellors' salaries.

34. ~~Authorize~~ Shall authorize appointments and employment contracts for the chancellors, the president, the chief executive officer of the UNC Center for Public Media<sup>9</sup> ~~director~~, and the chief executive officer of the UNC Health Care System as well as authorize certain contract terms and conditions for athletic directors and head coaches at constituent institutions as defined in Section 1100.3 of the UNC Policy Manual.

5. May authorize permanent salary adjustments for the president and chancellors, regardless of amount. The president will continue to consult with the Board on salary adjustments for the president's senior team.

6. May authorize all non-promotional salary increases for head coaches, associate coaches, and assistant coaches that exceed 25 percent of the base salary in effect at the end of the last fiscal year and exceed \$25,000.

7. May authorize all other salary actions for Tier I SAAOs that are not otherwise delegated to the boards of trustees of the constituent institutions or to the president.

B. The president ~~or president's designees shall:~~

1. ~~Establish~~ Will review and approve the establishment of all SAAO Tier 1 and SAAO Tier 2 positions and their salary ranges, with the exclusion of those defined in IV.A., above. In addition, the president will consult with the Board's Committee on University Personnel for appointments and compensation for senior officers who report directly to the president and may approve emergency retention salary adjustments for Tier I SAAOs of the constituent institutions and of the UNC System Office in consultation with the chair of the committee. Any such emergency retention salary adjustments will be reported to the Committee on University Personnel at its next scheduled meeting.

2. ~~The president may~~ May authorize any significant changes in the organizational structure of a constituent institution, such as re-organization resulting in the creation of a new vice chancellor, dean, or equivalent administrative position.

3. ~~Review~~ Will review annually the faculty salaries set by the medical schools at the University of North Carolina at Chapel Hill and East Carolina University to ensure that the salaries are coordinated and are consistent with relevant data in a national medical labor market.

4. ~~Provide~~ Will provide at least annually to the constituent institutions guidelines regarding EHRA appointments and salary actions.

~~5. Provide periodic faculty salary studies based on peer data.~~

5. Will provide faculty salary ranges by rank and discipline to the constituent institutions for their use unless an institution is authorized by the president or president's designee to develop such ranges independently subject to UNC System Office review.

6. ~~Withdraw~~ May withdraw or further limit the delegation of management flexibility from any institution that does not adhere to the policies and procedures set forth in this policy. The president will notify the institution of the discrepancies, and if these are not adequately addressed in the judgment of the president, then the president shall withdraw the delegation. The president may reinstate delegation or remove restrictions to a constituent institution upon further review and following the requirements established in section V., of this policy.

7. Will establish classification categories and salary ranges for EHRA IRIT positions.

8. May approve temporary salary adjustments for EHRA employees that exceed the authority granted to constituent institution boards of trustees and not otherwise retained by the Board of Governors.

9. May authorize Tier I SAAO non-promotional salary increases for institutions with management flexibility that exceed 10 percent of the June 30 base salary as of the most recent fiscal year or the 75<sup>th</sup> percentile of the salary range regardless of amount of



increase. Any Tier I SAAO actions transmitted for approval by the president must receive prior formal endorsement by the institution's board of trustees.

10. May authorize Tier I SAAO non-promotional salary increases for institutions without management flexibility that do not exceed 10 percent of the base salary in effect at the end of the last fiscal year and the 75th percentile of the salary range. Any Tier I SAAO actions transmitted for approval by the president must receive prior formal endorsement by the institution's board of trustees.

11. May authorize all Tier II SAAO non-promotional salary increases not otherwise delegated to the boards of trustees of the constituent institutions.

C. The Board of Governors and/or the president shall:

1. Conduct performance audits on policies, practices, and other matters related to delegation of management flexibility.

2. For institutions without management flexibility, the president and the Board of Governors shall have the same responsibilities and authority as set forth in Section 300.6.1 of the UNC Policy Manual, *Policy on Selection Criteria and Operating Guidelines for Special Responsibility Constituent Institutions*.<sup>10</sup>

V. Submitting Institutional Plans for Management Flexibility for Personnel Appointments. The president has the authority to approve institutional management flexibility plans for personnel appointments. Upon approval, the board of trustees of a special responsibility constituent institution<sup>11</sup> shall have the authority delegated by this policy. An institutional plan shall include the following:

A. Policies and procedures for promotion and tenure of faculty.

1. An institutional policy for promotion and tenure<sup>12</sup> that complies with *The Code of the University of North Carolina System*, complies with current federal and state law, and provides clear requirements for promotion and the conferral of permanent tenure.

2. A schedule and process for periodic review of promotion and tenure policies, including a process for amending promotion and tenure policies subject to review by the president or president's designee.

B. Policies and procedures for salary administration and recruitment and selection of senior academic and administrative officers (SAAO) and EHRA non-faculty.

~~1. Policies and procedures for establishing salary ranges for SAAO Tier 2 and for instructional, research, and public service (IRPS) EHRA non-faculty positions, consistent with the salary ranges and the policies established by the Board of Governors and the regulations and guidelines established by the president. The institution may otherwise elect to adopt salary ranges established by the UNC System Office for these positions.~~

~~2. Policies and procedures for the recruitment and selection of senior academic and administrative officers and other EHRA non-faculty positions.~~

- C. Policies and procedures for compensation policies for faculty and EHRA non-faculty.
1. An institutional policy on non-salary compensation of faculty and EHRA non-faculty, and on compensation from non-state sources such as grants, endowment funds, practice plan funds, etc.
  2. Documentation of comprehensive salary studies that establish salary ranges for tenured faculty within different disciplines based on relevant ~~data and for EHRA non-faculty, including methodology and relevant data~~ market data in the event the constituent institution is delegated authority to establish such ranges by the UNC System Office.<sup>13</sup>
  3. Documentation of EHRA salary-setting guidelines provided to institutional management.
- D. Policies and procedures for audits and accountability.
1. Documentation that the institution has not had audit findings related to personnel practices, salary, or payroll for the previous three years or, if there have been audit findings in this period, documentation supporting that any findings have been remedied.
  2. Documentation of appropriate accountability procedures ~~in the event that if~~ the board of trustees delegates the authority granted pursuant to this policy to the chancellor.
- VI. Implementation of the Delegated Authority under Management Flexibility. The president shall determine the effective date of the delegation authorized by this policy upon approval of the institution's management flexibility plan.
- VII. Other Matters
- A. Effective Date. The requirements of this policy shall be effective on the date of adoption of this policy by the Board of Governors.
  - B. Relation to State Laws. The foregoing policy as adopted by the Board of Governors is meant to supplement, and does not purport to supplant or modify, those statutory enactments which may govern or relate to the subject matter of this policy.
  - C. Regulations and Guidelines. This policy shall be implemented and applied in accordance with such regulations and guidelines as may be adopted from time to time by the president.

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<sup>1</sup>Section 200.6 of the UNC Policy Manual.

<sup>2</sup>See Section 200.6 of the UNC Policy Manual for limitations on the president's delegated authority.

<sup>3</sup>For the purpose of this policy, the term "appoint" means the initial appointment, reappointment, or an appointment that constitutes a formal promotion.

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<sup>4</sup>~~For the purpose of this policy, the term “non-promotional” means salary actions that do not relate to assuming an entirely new position but rather adjusting the salary of the existing position for reasons such as labor market, equity, retention, additional duties, reclassification, and other permitted miscellaneous reasons.~~

<sup>5</sup>The delegation authorized by this policy is in addition to the delegation by the Board of Governors to the boards of trustees contained in the Appendix 1 to *The Code*.

<sup>6</sup>~~For the purpose of this policy, the term “appoint” means the initial appointment, reappointment, or an appointment that constitutes a promotion or a significant change in position responsibilities.~~

<sup>7</sup>Throughout this policy, all actions of a board of trustees of a special responsibility constituent institution to “fix the compensation” of employees are subject to the limitations contained in sections II and III of this policy; the policies of the Board of Governors; guidelines and regulations established by the president; and institutional plans, policies, and procedures.

<sup>8</sup>The chancellor may delegate authority only to the executive vice chancellor, provost, chief financial officer/chief business officer, and/or chief human resources officer, or any other director-level or senior officer with responsibility for campus-wide EHRA human resources actions.

<sup>9</sup>~~Use of “UNC Center for Public Media” in statute refers to PBS North Carolina.~~

<sup>10</sup>See in particular Section 600.3.1.A.2.

<sup>11</sup>In order for an institution to have management flexibility for personnel appointments, the institution must be designated and maintain the status of a special responsibility constituent institution.

<sup>12</sup>As applied to the North Carolina School of the Arts and the North Carolina School of Science and Mathematics, the terms “tenure policy” or “policy for promotion and tenure,” as used herein, refer to the institution’s policy governing the appointment of faculty.

<sup>13</sup>When used in this policy, the phrase “relevant data” indicates that the institution shall draw comparisons to peer institutions as approved by the Board of Governors. Data from peer institutions will be used when available except in instances in which a campus can demonstrate legitimate labor market differences that justify the use of a supplemental or alternative set of peer institutions.

**Office of University Counsel**

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## MEMORANDUM

To: Dr. Philip Rogers, Chancellor  
From: Joseph A. Newsome, Associate University Attorney  
Date: June 6, 2022  
Re: Contract for Michael Schwartz, Head Men's Basketball Coach  
cc: Paul H. Zigas, General Counsel and Vice Chancellor for Legal Affairs

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The purpose of this Memorandum is to provide a summary of the Employment Agreement (“contract”) for Michael Schwartz, Head Men’s Basketball Coach.

Coach Schwartz has been working at ECU since March 24, 2022, under the terms of a Memorandum of Understanding that was entered into and approved by the Board of Trustees on March 16, 2022. The terms set out in the MOU have been detailed in this long-form contract.

The contract sets the initial term for his employment for five years from March 24, 2022 through March 31, 2027. His base salary is set at \$400,000 per year, with an additional \$500,000 per year in supplemental compensation for his work promoting the sale of season tickets, supporting the Pirate Club, and for the production and marketing of broadcast and internet-based programming. Coach Schwartz will also receive the customary benefits of State employees, along with moving expenses and cell phone and automobile allowances. The contract also contains a customary set of incentive bonuses based on academic and athletic achievements.

The contract contains an automatic extension provision that is triggered by Coach Schwartz meeting specific goals during the first four years of his employment. If the team finishes its season with 20 or more wins or if the team finishes in the top third of the AAC, then the term automatically extends for an additional year. There can only be a single one-year extension.

The contract contains a buyout clause. If Coach Schwartz terminates the contract during the first year, the buyout is \$1,600,000. The buyout then decreases each year by \$400,000 through the end of year 4.

The contract contains the customary terms and conditions requiring compliance with NCAA, AAC, ECU, and UNC System policies, along with a provision for termination with cause upon certain circumstances.

If ECU chooses to terminate the Agreement or Schwartz’s employment without cause prior to the end of the term, ECU’s obligation will be to pay the remaining years of base salary, plus any bonuses accrued up to the time of termination. Schwartz would be required to minimize these payments by seeking other employment and the amounts to be paid would be offset by the total compensation Schwartz would expect to receive in his new position.

STATE OF NORTH CAROLINA

COUNTY OF PITT

**EMPLOYMENT AGREEMENT**

**HEAD MEN'S BASKETBALL COACH**

THIS EMPLOYMENT AGREEMENT is made and entered into on this \_\_\_ day of June, 2022 by and between East Carolina University ("ECU" or "UNIVERSITY"), an educational institution and agency of the State of North Carolina, and Michael Schwartz ("COACH") (the "Agreement"), records the agreement of the University and Coach as to the principal terms and conditions under which the University shall employ Coach, and Coach accepts employment as ECU's Head Men's Basketball Coach. This Agreement constitutes a binding agreement between Coach and the University and cancels and supersedes all prior existing oral and written agreements between the University and Coach. In consideration of the mutual promises contained herein, the parties agree as follows:

**I. TERM OF EMPLOYMENT:**

COACH shall be employed as ECU's Men's Basketball Head Coach from March 24, 2022 through March 31, 2027 ("Term"), with the duties and authority ordinarily associated with a head men's basketball coach at a major university that participates at the NCAA Division I. Each twelve-month period during the Term beginning on April 1 and ending on March 31 shall be referred to herein as a "Contract Year." COACH's employment under this Agreement shall continue until the ending date set forth above, unless terminated earlier as provided herein or extended beyond the date as the parties shall agree in writing and as approved by ECU's Chancellor (the "Chancellor") and, if required by applicable policy, by UNIVERSITY'S Board of Trustees. This Agreement is subject to the possibility of a one-time, one-year extension by operation of Section XI.

**II. COMPENSATION & BENEFITS (ALL SUBJECT TO APPLICABLE STATE AND FEDERAL LAWS; DOLLARS STATED IN GROSS AMOUNTS; ALL PARTIAL MONTHS/YEARS PRORATED):**

The University shall provide COACH with the following compensation and benefits:

- a. Annual salary compensation of \$400,000.00 ("Base Salary"), based on a twelve (12) month employment period. The salary will be paid in semi-monthly installments and COACH will receive a pro-rata amount of the Base Salary for each Contract Year. Such installment payment may be in addition to any pro-rata monthly payment amount accrued of any supplemental compensation or bonus due and payable as described herein, and in accordance with Appendix A.
- b. Annual additional compensation of \$500,000.00 for promoting the sale of season tickets, supporting the Pirate Club, and for marketing of weekly broadcast programs (television, radio, and internet) as set out in Appendix A (Section V "Supplemental Compensation") in the amounts and under the conditions herein, subject to such other contingencies as may be stated in this Agreement and Appendix A.
- c. All benefits and other non-salary compensation (such as vehicle allowance, cell phone allowance, and moving expenses) included and as specified in Appendix A, attached hereto and incorporated by reference, and all other regular employment benefits provided by the State of North Carolina to similarly

situated employees, plus benefits provided to University EHRA Non-Faculty employees based upon the Base Salary.

- d. Annual incentive compensation for athletic and academic achievements as set out in detail in Appendix A, which is incorporated herein by reference.

### **III. EMPLOYMENT TERMS:**

COACH will serve as the Head Men's Basketball Coach of the Team and devote his full time, energy, and abilities for the exclusive benefit of ECU as specifically set forth herein. In addition to the terms and duties outlined in this agreement, the parties agree:

- a. The position of COACH is classified as an employee exempt from the North Carolina State Human Resources Act ("EHRA"), such positions being known as EHRA Non-Faculty (or EPA Non-Faculty) at ECU. COACH'S employment is subject to the East Carolina University "Employment Policy for Employees Exempt from the State Human Resources Act" as adopted by the Board of Trustees, and as revised from time to time (the "Policy"). The Policy and other policies and rules to which COACH is subject and shall abide are contained in the Code of the UNC Board of Governors and ECU's policies, regulations and rules, as revised from time to time. Such policies may be accessed at: <http://www.ecu.edu/PRR>, and <https://www.northcarolina.edu/apps/policy/index.php#policy-tab>, and are incorporated herein by reference. COACH accepts and shall abide by the Code of the UNC Board of Governors and ECU's policies, regulations and rules.
- b. It is expressly understood and agreed by the parties that this Agreement is not effective until COACH has satisfied ECU's background check requirements and, should COACH not satisfy said requirements, this Agreement is null and void and without legal consequence to the Parties.
- c. COACH agrees that ECU may use, without payment of additional compensation to COACH, COACH's name, picture, likeness and voice in connection with any such programs and endorsements that promote ECU. This provision shall survive expiration or termination of this Agreement.
- d. COACH shall report to and be under the immediate supervision of the Director of Athletics. COACH agrees that the failure to discharge any of the duties of Head Men's Basketball Coach constitutes a breach of this Agreement that would allow ECU to terminate COACH for cause pursuant to Section VII of this Agreement.
- e. The Director of Athletics for the UNIVERSITY ("Director" or "Director of Athletics") shall provide a written evaluation of the COACH's performance on an annual basis.
- f. If COACH is found to have committed violations of NCAA rules or regulations, whether while employed by ECU or during prior employment at another NCAA member institution, COACH shall be subject to disciplinary action as set forth in the provisions of the NCAA infractions process and applicable ECU policies, regulations or rules, including the Policy. Such disciplinary action may include suspension without pay or termination for cause in accordance with Section VII of this Agreement. In the event that any future or amended NCAA or Conference rule, regulation, bylaw, or constitutional provision should render ineffectual this Section III.f. as a basis for protecting the institutional integrity of ECU, then COACH and ECU will, to the extent possible, engage in good faith negotiations to revise this Section III.f. or to substitute an alternative provision that would allow for a materially similar duty to be

imposed upon the COACH with materially similar consequences for failure to perform said duty while preserving for ECU as much of the bargained for institutional benefit as reasonably possible.

- g. COACH may earn other compensation from sources outside of ECU while employed by ECU only with prior approval by the Chancellor. Any outside compensation is subject to compliance with ECU's "Regulation on Conflicts of Interest, Commitment, and External Professional Activities for Pay" and the "Policy on External Professional Activities for Pay" of the UNC Board of Governors, both of which are herein incorporated by reference, and is subject to all other relevant State and Federal policies and laws concerning conflict of interest.
- h. Only with prior written approval of the Director of Athletics and in compliance with applicable ECU policy, the COACH will be allowed to accept remuneration for commercial endorsements if they: (i) fall within the guidelines of the NCAA and the AAC; (ii) do not conflict with sponsorship agreements entered into by ECU; and (iii) do not reflect unfavorably upon ECU.
- i. COACH may conduct basketball clinics/camps in/at ECU facilities at the discretion of the Athletic Director provided that COACH and COACH'S operation of any such camp must comply with all applicable laws, NCAA and ECU regulations and policies, including ECU's "ECU Programs Serving Minors" Regulation.
- j. In accordance with ECU policy and NCAA Bylaw 11.3.2, which are incorporated herein by reference, COACH shall report annually on July 1 to the Director of Athletics and the Chancellor all athletically-related income from sources outside ECU, including but not limited to, income from sports camps and clinics, television and radio programs, commercial endorsements, consulting agreements, and all other athletically-related income from whatever outside source. Such income shall be reported in a manner as prescribed by the Athletics Department, which may be subject to change. COACH shall ensure that upon request ECU has reasonable and prompt access to all records of COACH to verify this report.
- k. For the duration of this Agreement, the COACH shall not enter into or be a party to any shoe, apparel, or equipment agreement, including any agreement that obligates the COACH to wear, promote, endorse, or consult with a manufacturer or seller concerning the design and/or marketing of shoes, apparel, or equipment. This notwithstanding, ECU may require the COACH to comply and COACH shall cooperate with the terms of any shoe, apparel, and equipment agreements entered into by ECU, including but not limited to, requiring the COACH to wear or use a particular brand of shoe, apparel or equipment while performing his duties as the Head Men's Basketball Coach. ECU is entitled to all revenue and/or proceeds derived from any shoe, apparel, or equipment contract entered into by ECU.

#### **IV. COACH'S DUTIES:**

ECU hereby employs COACH as the Head Men's Basketball Coach of the Team with all the duties, responsibilities, and obligations normally associated with the position of Head Men's Basketball Coach at a major university. Duties include, but are not limited to, those articulated in the Head Coach's Addendum, Appendix B, which is fully incorporated by reference.

#### **V. COACH REPRESENTATION AND WARRANTIES:**

COACH represents and warrants that he has disclosed to ECU: (a) any known previous material breach or alleged material breach by COACH of his duties or his employment agreement or other agreement at any

other NCAA member institution; (b) any known material violation or alleged violation of any law or rule applicable to intercollegiate athletics by COACH or any person under his direct or indirect supervision; (c) any known material violation or alleged violation by any athletic program under the direction of COACH, including, but not limited to, a member of the coaching staff, a player, or any other person affiliated with the intercollegiate athletics program who reported directly or indirectly to COACH, of rules or regulations of the NCAA or any other association, conference or like organization associated with another NCAA member institution, state or federal laws, rules or regulations, or any rules or policies of another NCAA member institution; (d) other known material misconduct or alleged misconduct, including without limitation fraud, dishonesty, acts of violence, or other conduct that is contrary to the mission of another NCAA member institution or an educational institution; and (e) all convictions and guilty pleas of COACH, including an Alford Plea, to (i) a felony or (ii) a criminal offense which constitutes fraud, dishonesty or moral turpitude, the underlying offense or activity, but not the conviction or guilty plea, having occurred prior to the date of COACH's signature below. COACH understands and agrees that this representation and warranty is a material inducement for ECU to enter into this Agreement, and that ECU has relied upon this representation and warranty in entering into this Agreement with COACH. For the purpose of clarity, the term "alleged" as used in this Section V means a claim or assertion of which COACH is aware.

#### **VI. COACH SUBJECT TO REASSIGNMENT:**

Throughout the Term of this Agreement, COACH shall use his best full-time energies and abilities for the exclusive benefit of ECU. It is understood by the parties, however, that during the Term of this Agreement, ECU retains the right to reassign the COACH to other positions, for a period not to exceed sixty (60) days and as agreed upon in good faith by COACH, the Director of Athletics, and the Chancellor, with different duties that ECU deems to be reasonably consistent with COACH's education and experience, with no diminution in Base Salary. ECU's obligation to provide non-salary or deferred compensation under Appendix A, Sections II, III, IV, V, and Section VI (if applicable) will terminate upon reassignment at ECU's sole discretion, except that ECU shall pay, subject to the conditions in Appendix A, Sections VI.e, VI.f, and VI.g, the COACH any bonuses earned under Appendix A, Section VI prior to reassignment and any supplemental compensation earned under Appendix A, Section V on a pro-rata basis up to the date of the reassignment. Upon cessation of Head Men's Basketball Coach duties and responsibilities, COACH shall voluntarily relinquish all appointments on NCAA or athletic conference committees, subcommittees and/or councils of any nature. If ECU makes such a decision to reassign COACH and COACH refuses to accept such reassignment, then ECU may terminate this Agreement for cause pursuant to Section VII of this Agreement.

#### **VII. TERMINATION BY ECU FOR CAUSE**

This Agreement may be terminated by ECU for cause as determined in the reasonable and good faith judgment of the University. "Cause" shall include, but is not limited to, the acts, omissions, events and/or conditions set forth and defined in the Head Coaches Addendum, Exhibit B, which is fully incorporated herein by reference. In the event ECU exercises its right to terminate the Agreement with cause, the University shall be obligated to pay COACH one month of his Base Salary and no more. ECU shall not be obligated to pay COACH any other compensation or benefits described in the Agreement, including but not limited to any loss of business opportunities or loss of other compensation, income, benefits, or perquisites from any sources, that might occur as a result of such termination. Any process to terminate COACH for cause shall be conducted in compliance with the Policy and all other applicable policies and regulations, and University may suspend Coach with pay pending an investigation or decision relating to termination for "cause." For any one or more acts, omissions, or events that would be grounds for termination for "cause," the University may take other disciplinary or corrective action against Coach short of termination, including



but not limited to suspension without pay (said suspension not to exceed 90 days). Coach voluntarily waives all rights to a post-termination opportunity to contest a for-cause termination, including but not limited to his rights under the Policy. In the event a termination of this Agreement is ultimately found to be a breach of this Agreement by a court of competent jurisdiction, after any available appeals have been exhausted, then Coach shall be entitled only to the remedies that would be available to him under this Agreement if the University terminated the Agreement without cause, according to the date of termination, in lieu of all other legal remedies or equitable relief.

#### **VIII. TERMINATION BY ECU WITHOUT CAUSE**

- a. This Agreement may be terminated by ECU at any time without cause. In the event ECU exercises its right to terminate COACH's employment or this Agreement without cause, ECU's sole financial obligation shall be limited to paying COACH the remaining and unpaid amount of Base Salary that would have been due and payable to him under Section II(a) of this Agreement had COACH remained employed by ECU for the remaining Term of the Agreement and, if applicable, any bonuses earned as of the effective date of termination. COACH shall only be entitled to receive Supplemental Compensation set out in Section V of Appendix A pro-rata through the date of termination and no more. The obligation to pay an amount equal to Base Salary shall be reduced by any amount COACH earns or is paid by any third party during the period that the Agreement would have been in effect had it been allowed to expire naturally, without early termination. In the event ECU exercises its right to terminate COACH's employment or the Agreement without cause, ECU shall not be obligated to pay COACH any other compensation described in the Agreement or be responsible for consequential damages, including but not limited to any loss of business opportunities or loss of other income, benefits, or perquisites from any sources, that might occur as a result of such termination.
- b. Payment of the remaining and unpaid amount of Base Salary will be made on a semi-monthly prorated basis up to and including March 31, 2027 if less than twenty-four (24) calendar months remain on the Term or, alternatively, on a semi-monthly prorated basis over twenty-three (23) calendar months from the termination date, if twenty-four (24) calendar months or more remain on the Term. As a precondition for COACH's receipt of the amounts payable under this Section VIII, ECU may, in its sole discretion, require COACH to execute a release in favor of ECU, and any affiliated entities, releasing them and their agents, trustees, directors, officers, representatives and employees from any and all federal or state law claims that COACH may have against them at the time of the release, including, but not limited to, claims resulting from the breach or termination of this Agreement or the severance of COACH's relationship with ECU.
- c. COACH acknowledges his obligation to minimize the payments due to him under Section VIII and agrees to make every reasonable effort to obtain other employment as long as ECU has the obligation to make payments under Section VIII. ECU's financial obligations under Section VIII to pay an amount equal to Base Salary shall be reduced by any amount COACH earns or is paid by any third party during the period that the Agreement would have been in effect had it been allowed to expire naturally, without early termination. COACH shall immediately, upon acceptance of other employment, notify the Chancellor in writing of such employment and the total compensation to be paid to COACH for the employment. In addition, COACH agrees to provide ECU with a copy of his W-2 form for each calendar year as long as ECU has the obligation to make payments under Section VIII. If COACH's total expected compensation in the new position exceeds that which COACH would have been paid at ECU as set forth in Section II.a, then ECU's financial obligations under Section VIII shall terminate, and ECU shall have no additional or future financial obligations to COACH.

- d. In the event that ECU provides written notice to COACH of documented evidence that, during COACH's period of employment would have been grounds for termination by ECU with cause pursuant to the Policy or Section VII of this Agreement, ECU's financial obligations under Section VIII shall terminate upon thirty (30) days of such written notice.
- e. COACH acknowledges and agrees that ECU's sole financial obligation in the event that COACH is terminated without cause is governed by Section VIII of this Agreement, and any prior agreements or promises in regard to ECU's payments to COACH due to termination without cause, if any, are null and void.

#### **IX. TERMINATION BY COACH PRIOR TO EXPIRATION**

- a. COACH agrees that the promise to work for ECU for the entire Term of the Agreement is essential to ECU. The parties agree that the COACH has special, exceptional, and unique knowledge, skill and ability as a COACH, which, in addition to the continuing acquisition of experience at ECU, as well as ECU's special need for continuity in its intercollegiate sports program, render the COACH's services unique. COACH therefore agrees, and hereby specifically promises, not to actively seek, negotiate for or accept athletics related employment, under any circumstances, without first informing or obtaining written permission from the Chancellor or Athletics Director, such employment including, but not limited to, a sports commentator, or an athletics director or administrator of or over an intercollegiate sports program at any institution of higher education which is a member of the NCAA or for any professional team participating in any professional league or conference in the United States or elsewhere, requiring performance of duties prior to the expiration date of the Term of this Agreement or any extension thereof.
- b. In the event COACH terminates his employment or this Agreement without cause or commits any breach of this Agreement, including but not limited to accepting other employment without first obtaining the permission of the Chancellor, COACH shall pay ECU liquidated damages in lieu of any and all other legal remedies or equitable relief that ECU would be entitled to solely as a direct result of the early termination of this Agreement, equal to the following amounts in each year of this Agreement, respectively:

CONTRACT YEAR	LIQUIDATED DAMAGES OWED
i. Contract Year 1 (March 24, 2022- March 31, 2023)	\$1,600,000.00
ii. Contract Year 2	\$1,200,000.00
iii. Contract Year 3	\$800,000.00
iv. Contract Year 4	\$400,000.00

In the event the Automatic Extension in Section XI below is triggered, the liquidated damages amount for the Contract Year in which the performance goal(s) are met shall be repeated for the next Contract Year and the remaining liquidated damages amounts shall be adjusted to the next Contract Year. For example, if Coach meets a performance goal during Contract Year 3 triggering the Automatic Extension, then the liquidated damages amount for Contract Year 4 shall be \$800,000, Contract Year 5 - \$400,000 and Contract Year 6 - \$0. The payment of liquidated damages to ECU does not prohibit ECU from bringing claims against Coach that are not directly related to the termination of his employment (including, but not limited to, damages attributable to a Title IX issue, etc.).

- c. COACH, or COACH's designee, shall pay the total of any amounts owed to ECU by COACH under Section IX.b within ninety (90) days following termination of COACH's employment or this Agreement. In the event COACH designates a third party to pay ECU on COACH's behalf, COACH shall remain ultimately responsible to ensure that such third-party designee fully satisfy any and all financial obligations as specified herein.
- d. This is an Agreement for personal services. The parties recognize and agree that a termination of this Agreement by COACH prior to its natural expiration could cause ECU to lose its valuable investment in COACH's continued employment at ECU and could cause ECU additional damages beyond its lost investment, including but not limited to a possible adverse effect on the intercollegiate sports program. The parties further agree that it is difficult or impossible to determine with certainty the damages that may result from such termination by COACH and that the liquidated damages provisions of this paragraph are not to be construed as a penalty, but as an attempt by COACH and ECU to establish adequate and reasonable compensation to the University in the event COACH terminates this Agreement. Notwithstanding the foregoing, nothing in this Section IX shall be construed to, in any way, limit or preclude any claim or legal remedy which ECU may have against COACH that is the result of any other action, inaction or malfeasance of COACH, including any breach of this Agreement not related to COACH's early termination.

**X. AUTOMATIC TERMINATION UPON DEATH OR DISABILITY OF COACH**

- a. This Agreement shall terminate automatically upon the death of COACH. If this Agreement is terminated pursuant to this section because of death, the COACH's Base Salary and all other benefits shall terminate as of the end of the calendar month in which death occurs, except that COACH's personal representative or other designated beneficiary shall be paid any bonuses earned under Appendix A, prior to death, any supplemental compensation earned under Appendix A, Section V on a pro-rata basis prior to death, and all such death benefits, if any, as may be contained in any benefit plan and due to COACH as an EHRA non-faculty employee.
- b. This Agreement shall terminate automatically upon the permanent disability of COACH. For purposes of this provision, COACH shall be deemed permanently disabled if, due to a mental or physical impairment, COACH is unable to perform the essential functions of the job with or without reasonable accommodation for a period of ninety (90) days. If this Agreement is terminated pursuant to this section because of permanent disability, ECU's sole obligation shall be to pay that portion of the Base Salary as set forth in Section II(a) due to COACH as of the date of termination, disability benefits to which COACH may be entitled to under any disability program in which COACH is enrolled through ECU, any bonuses earned under Appendix A, prior to permanent disability, and any supplemental compensation earned under Appendix A, Section V on a pro-rata basis up to the date of permanent disability.

**XI. AUTOMATIC EXTENSION:**

This Agreement shall automatically be extended upon completion of certain performance goals by COACH. In the event that the Team finishes with twenty (20) or more wins during any one of the initial four seasons of the Term, this Agreement shall automatically be extended upon all terms and conditions, by mutual agreement of the parties, for one (1) year. Alternatively, in the event that Team finishes in the top-third of the American Athletic Conference (or any other conference the Team is a member of) final standings during any one of the initial four seasons of the Term, this Agreement shall automatically be extended upon

all terms and conditions, by mutual agreement of the parties, for one (1) year. **The automatic extensions contemplated herein are non-cumulative.** For purposes of clarity, only a single one-year extension can be triggered by this section. Under no circumstances does the meeting of these performance goals, and the subsequent automatic extension of this Agreement, prohibit the renegotiation of this Agreement's terms and conditions, including but not limited to, the extension of this Agreement beyond that required by the terms of this Section.

**XII. COMPENSATION CONDITIONAL:**

The payment of all forms of compensation set forth in this Agreement is subject to and contingent upon the approval of the annual operating budget by ECU, its Board of Trustees, and The University of North Carolina Board of Governors, and the sufficiency of appropriations or the availability of sufficient funds within the Athletic Department's budget to pay such compensation

**XIII. MERGER:**

This Agreement constitutes the full and complete agreement of the parties. No prior or subsequent written or oral understandings or representations pertaining to the subject matter of this Agreement shall be binding upon the parties unless contained herein or set forth in the form of written amendment(s) to this Agreement, executed by both parties prior to becoming effective.

**XIV. INTERPRETATION AND APPLICABLE LAW:**

This Agreement is made under and shall be interpreted according to the laws of the State of North Carolina. Any rule to the effect that an agreement shall be construed against the party drafting shall have no application to this Agreement.

**XV. NOTICES**

Any notice or other communication required under this Agreement shall be in writing and shall be deemed effective when personally delivered or sent by confirmed facsimile or five (5) days after being deposited in the United States mail, postage prepaid, registered or certified, addressed to the other party at its/his respective address or facsimile number set forth below, or such other address or facsimile number as may be given by such party in writing to the other, or with respect to COACH, to the address or facsimile of his attorney of record if COACH has provided such in writing to the Chancellor.

ECU:

Chancellor

105 Spilman Building

East Carolina University

Greenville, NC 27858

COACH:

Michael Schwartz

Ward Sports Medicine Building

East Carolina University

Greenville, NC 27858

**XVI. APPROVAL BY BOARD OF TRUSTEES/BOARD OF GOVERNORS**

It is expressly understood and agreed by the parties that this Agreement, and any subsequent amendments is/are not effective until approved by ECU's Board of Trustees and COACH has satisfied ECU's background check requirements.

**XVII. PUBLIC RECORDS**

COACH acknowledges and understands that upon execution of this Agreement, the payment amounts and other terms and conditions contained herein shall not be confidential and this Agreement shall be considered a public record within the meaning of the North Carolina Public Records Act, N.C. Gen. Stat. § 132-1 et seq.

**XVIII. ASSIGNMENT**

COACH's rights and interest under this Agreement may not be assigned, pledged, or encumbered by COACH. The parties understand and agree that there are no third-party beneficiaries to this Agreement.

**XIX. NO WAIVER OF DEFAULT**

No waiver by the parties hereto of any default or breach of any covenant, term, or condition of this Agreement shall be deemed to be a waiver of any other default or breach of the same or any other covenant, term, or condition contained herein.

**XX. SAVINGS CLAUSE**

In the event one or more clauses of this Agreement are declared illegal, void or unenforceable, that shall not affect the validity of the remaining portions of said Agreement.

**XXI. COUNTERPARTS**

The Parties agree that this Agreement may be executed in multiple, identical original counterparts, each of which is an original, and all said counterparts form only one single Agreement; and may be executed via electronic means (including DocuSign, facsimile, and e-mail).

**XXII. SURVIVAL**

The terms and conditions of this Agreement which by their nature are intended to survive termination or expiration of this Agreement shall so survive.

***SIGNATURE PAGE FOLLOWS***

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

EAST CAROLINA UNIVERSITY

COACH

By: \_\_\_\_\_  
Dr. Philip Rogers  
Chancellor

\_\_\_\_\_  
Michael Schwartz  
Head Coach

**As required under UNC Policy Manual Section 1100.3, all terms and conditions of the foregoing agreement have been approved as of the \_\_\_ day of \_\_\_\_\_, 2022, by the Board of Trustees of East Carolina University.**

By: \_\_\_\_\_  
Scott Shook, Chairman, Board of Trustees

\_\_\_\_\_  
Date signed

Attested to:

By: \_\_\_\_\_  
Megan Ayers, Assistant Secretary to  
the Board of Trustees

\_\_\_\_\_  
Date signed

**APPENDIX A**

**BENEFITS, SUPPLEMENTAL COMPENSATION AND OTHER NON-SALARY  
COMPENSATION**

- I. **STATE BENEFITS** As an EHRA Non-Faculty Employee, COACH shall be entitled to receive any and all employee-related benefits that are normally available to other twelve-month EHRA Non-Faculty Employees, unless and except as may be expressly stated herein. As an EHRA Non-Faculty Employee, COACH is currently entitled to twenty-four (24) annual leave days per year. COACH acknowledges and agrees that benefits or classifications provided by ECU are subject to change from time to time by the North Carolina General Assembly, the University of North Carolina, or ECU.
- II. **MOVING EXPENSES** UNIVERSITY shall reimburse COACH for documented personal moving and temporary housing expenses of up to \$15,000.00 reasonably incurred by COACH within twelve months of the effective date of this Agreement, in accordance with standard procedures and applicable policies of the UNIVERSITY.
- III. **AUTOMOBILE** ECU shall make arrangements for and provide one (1) courtesy or leased vehicle for the COACH to use, contingent upon and while performing his duties under this Agreement. ECU shall be responsible for maintaining collision and comprehensive liability insurance on the vehicle. Alternatively, ECU may provide an annual automobile allowance in the amount of \$9,071.00, which amount may be adjusted annually consistent with UNIVERSITY policy. COACH shall be responsible for providing fuel and maintenance on any vehicle.
- IV. **CELL PHONE** UNIVERSITY shall pay COACH a cell phone allowance in an amount of \$60/month for a total of \$720 per twelve (12) months.
- V. **SUPPLEMENTAL COMPENSATION** For promoting sales of season tickets, supporting the Pirate Club, and for the production and marketing of weekly broadcast programs (television, radio, and internet), the ECU will pay COACH the amount of \$500,000.00 annually, in accordance with the terms herein.

ECU and COACH will produce and market weekly broadcast programs (television, radio and Internet programs), including weekly thirty-minute television programs and weekly one-hour radio programs, and Internet programs (collectively, "Broadcast Programs") during the entire competitive intercollegiate men's basketball season, including "regular season" games, any conference tournament games and any national tournament game(s). The COACH shall have no ownership interest in the Broadcast Programs or any part thereof, including but not limited to copyright. ECU will be responsible for payment of expenses incurred in marketing and producing the Broadcast Programs and COACH and ECU will mutually define the role of the COACH in the Broadcast Programs. All rights, title and interests in the Broadcast Programs, whether in whole or any part thereof, and all copies thereof, and all copyrights shall be and remain the sole property of ECU, which may use, assign, convey and otherwise use and dispose of the Broadcast Programs, and any parts thereof, as ECU determines appropriate in its sole discretion and without further consent or participation of the COACH, including, but not limited to, revising, editing, reproducing, broadcasting and transmitting as often and whenever ECU desires. COACH shall be entitled to no consideration for his participation in or contribution to any aspect of production, broadcast, rebroadcast, or reproduction of the Broadcast Programs, in whole or part, other than the amount of consideration provided under this Section. Notwithstanding the foregoing, ECU may, in its sole discretion, reduce the frequency of

or eliminate entirely production and/or marketing of any or all of the Broadcast Programs at any time and, in such event, ECU's sole obligation to the COACH shall be to pay COACH, while he remains employed as Head Men's Basketball Coach, the compensation that COACH would have earned under this Section had production and marketing continued and had the COACH participated cooperatively with ECU in said production and marketing. ECU's obligation to pay COACH any compensation under this Section shall terminate immediately in the event that COACH is no longer employed by ECU as and with the duties of Head Men's Basketball Coach.

UNIVERSITY's obligation under this Section shall be paid in semimonthly payments to COACH beginning on April 15, 2022; provided however, in the event COACH's employment is terminated pursuant to the Policy or Sections VII, VIII, IX, or X of this Agreement, then COACH will be deemed to have earned only the pro-rata Supplemental Compensation due through the date of termination of COACH's employment. Any such earned and unpaid pro-rata Supplemental Compensation shall be paid to COACH within 30 days of the termination of his employment.

**VI. INCENTIVE BONUSES** For so long as COACH is employed as Head Men's Basketball Coach, COACH shall be eligible for additional incentive bonuses, in the amounts and under the conditions as follows, subject to such other contingencies as may be stated in this Agreement:

a. Ticket Sales Incentive.

*Either*

i. Bonus for increased sales of Men's Basketball season tickets as follows:

<u>Increase in Men's Basketball Season Tickets Sold Over Immediately Preceding Year Where Full Slate of Games Were Played and Full Attendance Permitted</u>	<u>Men's Basketball Season Ticket Sales Increase Incentive Payment</u>
250-499	\$10,000.00
500-749	\$15,000.00
750-999	\$20,000.00
1000-1249	\$25,000.00

; or

ii. Bonus for total season ticket Sales of 4700 or more. If sales of Men's Basketball Season Tickets Sold is equal to 4,700 tickets or more, COACH shall receive a one-time payment of \$30,000.00 in lieu of any bonus for increased Men's Basketball Season Tickets Sold as described in the above chart.

b. Academic Performance Incentives.

i. APR. With regard to the single-year Academic Performance Rate ("APR") for the Men's Basketball Team, beginning with the 2022-23 school year released in the Spring of 2024:

1. An APR equal to 985 or greater will entitle COACH to \$15,000.00



- ii. GPA. With regard to the Grade Point Average ("GPA") for the Men's Basketball Team, beginning with the 2022-23 school year:
  - 1. A GPA of 3.00-3.24 will entitle COACH to receive \$2,500.00;
  - 2. A GPA of 3.25-3.49 will entitle COACH to receive \$5,000.00; or
  - 3. A GPA of 3.50 or above will entitle COACH to receive \$10,000.00 (the three potential GPA bonuses are not cumulative).
- iii. GSR. For a Men's Basketball Team single-year Graduation Success Rate ("GSR") equal to or greater than 80% beginning with the 2022-23 school year, COACH will receive \$15,000.00
- iv. Conference Academic Award. If the Men's Basketball Team earns the Conference Academic Award for the academic year, COACH will receive \$5,000.00.

These bonuses are cumulative.

c. Team Performance Incentives.

- i. For each regular season in which the Men's Basketball team wins twenty (20) or more regular season games, COACH will receive \$10,000.00.
- ii. For each regular season in which the Men's Basketball team wins fifty percent (50%) or more of its American Athletic Conference ("AAC") games, COACH will receive \$25,000.00.
- iii. For each regular season in which the Men's Basketball team is the regular season champion of the AAC, COACH will receive \$50,000.00. COACH will receive this amount where the men's basketball team is a co-champion with one or more other AAC teams.

These bonuses are cumulative.

- iv. AAC Tournament (or any conference to which ECU subsequently belongs)
  - 1. For each regular season in which the Men's Basketball team makes an appearance in the final game of the Men's Basketball tournament of the AAC, COACH will receive \$10,000.00.
  - 2. For each regular season in which the Men's Basketball team wins the Men's Basketball tournament of the AAC, COACH will receive \$15,000.00.

These bonuses (c.iv.1.-2.) are not cumulative.

v. NCAA Tournament.

- 1. If the Men's Basketball team participates by playing in the NCAA Division I Tournament, COACH will receive \$25,000.00

2. If the Men's Basketball team advances to the Regional Semifinals (earns Sweet 16 appearance) of the NCAA Division I Tournament, COACH will receive \$30,000.00.
3. If the Men's Basketball team advances to the Final Four by winning a Regional Championship of the NCAA Division I Tournament, COACH will receive \$40,000.00.
4. If the Men's Basketball team plays in the NCAA Division I Tournament Championship Game, COACH will receive \$50,000.00.
5. If the Men's Basketball team wins the NCAA Division I Tournament Championship Game, COACH will receive \$100,000.00.

These bonuses are cumulative.

vi. National Ranking and Recognition.

1. Final AP Poll. In each year where the Men's Basketball team is ranked as one of the top 25 teams in the nation in the Final Associated Press (AP) Poll, COACH will receive \$50,000.00.
  2. National Coach of the Year. If COACH is named "National Coach of the Year" in NCAA Division I Basketball by the Associated Press, COACH will receive \$50,000.00.
  3. Conference Coach of the Year. If COACH is named as "Men's Basketball Coach of the Year" in the AAC, as tallied by the AAC, or of any conference to which UNIVERSITY subsequently belongs, COACH will receive \$25,000.00.
- d. All Incentive Bonuses are immediately earned and vested when the prerequisite performance condition is satisfied. At the discretion of ECU, Incentive Bonuses will be unavailable in any season during which (a) the Basketball Program under COACH's supervision, including, but not limited to, a member of the men's basketball Coaching staff, a player, or any other person affiliated with the basketball program who reports directly or indirectly to COACH, is under investigation, on probation, or has been sanctioned by the NCAA or the AAC, for conduct occurring while COACH is head coach for ECU; or (b) for COACH being under investigation, probation, or sanctioned for conduct occurring while he is at ECU or when he worked previously at another university. In the event payment is delayed because of an investigation, if the investigation clears COACH of the alleged violation within 24 months of the bonus being earned, he will be paid the bonus.
- e. COACH agrees that in addition to the salary provided under this Agreement, some benefits and non-salary compensation he receives incident to his employment relationship with ECU may give rise to taxable income. COACH agrees to be responsible for the payment of any taxes (including federal, state and local taxes) due on such income. COACH also acknowledges that ECU shall withhold tax, including FICA withholding, on amounts paid or due to COACH and the value of benefits of other non-salary compensation provided to COACH, to the extent ECU determines it is required by applicable law and regulation. In no event shall the payment of any Bonus be considered part of Base Salary.

- f. In the event any future or amended state or federal law, rule, or regulation, or NCAA or AAC rule or regulation should prohibit payment of any bonus listed herein, render any bonus illegal or ineffectual, or subject ECU to a penalty or assessment or violation of law if such bonus were to be paid, ECU will make a good faith effort to revise such bonus or substitute an alternative incentive payment that would allow for a similar economic benefit to be provided to COACH while preserving for ECU as much of the bargained for institutional benefit as reasonably possible.
- g. The payment of the bonuses and other compensation described in this Appendix A is subject to the availability of non-State appropriated funds in the Department's budget and contingent upon a satisfactory performance review of the COACH by the Athletic Director. A Bonus is deemed "earned":
  - i. on the date that the milestone tied to the applicable Bonus has been fully completed and/or achieved; or
  - ii. where the milestone for a Bonus is based on performance over an entire season, on the date of the last day of the regular season for the Men's Basketball Program; and
  - iii. provided further, on the date specified in (i) or (ii), where:
    - (a) the Men's Basketball Program is in compliance with all NCAA, Conference, and UNC and ECU policies, regulations, bylaws, and constitutional provisions;
    - (b) the COACH is actively employed as Head Men's Basketball Coach at ECU; and
    - (c) there are no pending or active NCAA or Conference or ECU investigations of violations relating to the Men's Basketball Program.

No bonus will be deemed earned where a condition specified in this subsection g is not satisfied.

**VII.** SIGNING BONUS COACH shall be entitled to a one-time bonus upon execution of the Head Men's Basketball Coach Employment Agreement in accordance with the following milestones:

- a. \$5,000.00 if the Head Men's Basketball Coach Employment Agreement is fully executed by the Parties on or before June 15, 2022; or
- b. \$2,500.00 if the Head Men's Basketball Coach Employment Agreement is fully executed by the Parties on or before July 15, 2022.

The bonuses in this Section VII are not cumulative and will be paid within sixty (60) days of achievement of the applicable milestone.

**APPENDIX B**

**HEAD COACHES ADDENDUM**

**Duties and Cause for Termination**

**I. HEAD COACH DUTIES:**

- A. ECU hereby employs COACH as the Head Men's Basketball Coach of the Team with all the duties, responsibilities, and obligations normally associated with the position of Head Men's Basketball Coach at a major university. Duties include, but are not limited to:
- B. COACH will serve as the Head Men's Basketball Coach of the Team and devote his/her full time, energy, and abilities for the exclusive benefit of ECU as specifically set forth herein. COACH will be responsible for performing all the duties, responsibilities, and obligations normally associated with the position of Head Men's Basketball Coach at a major university;
- C. The COACH shall perform all duties specified herein in strict compliance with the constitution, by-laws, rules, and regulations of the NCAA, and the American Athletic Conference (the "AAC") and any other association, conference, or like organization approved by the NCAA with which ECU is or may become affiliated (the "Conference"), including recruiting rules, and with the policies of East Carolina University and its Athletics Department and of the Board of Governors of The University of North Carolina (the "BOG") and any applicable State or federal law, rule or regulation, as, collectively, the same are now constituted or as any of the same may be amended during the Term;
- D. The Men's Basketball Program under the direction of the COACH must comply with all policies, rules, and regulations of ECU and the BOG and the constitutions, bylaws, policies, rules and regulations of the NCAA and the Conference. Each time "Athletic Program Personnel" or "Men's Basketball Program Personnel" is used throughout this Agreement, the phrase shall refer to all assistant Men's Basketball coaches and other ECU employees, contractors, student athletes and volunteers under the supervisory responsibility, both direct and indirect, of the COACH, as well as all functions and responsibilities assigned to persons in those positions. The COACH shall be responsible for instructing, supervising, and monitoring the conduct of Men's Basketball Program Personnel with the goal of assuring full compliance with the constitution, by-laws, rules, and regulations of the NCAA and the Conference, including recruiting rules, and with the policies of East Carolina University and its Athletics Department and of the BOG and any applicable State or federal law, rule or regulation, as, collectively, the same are now constituted or as any of the same may be amended during the Term. In the event the Coach becomes aware of or has reasonable cause to believe that any violation of the constitution, bylaws, rules or regulations of the NCAA or the Conference or other applicable policies or laws may have taken place, he shall report the same promptly to the Director of Athletics or the Chancellor;
- E. The COACH shall make all reasonable efforts to promote and encourage sportsmanship in his coaches, players, and fans in attendance at intercollegiate Men's Basketball contests;
- F. Devote his best efforts full time in leadership, supervision, and promotion of ECU's Team and Men's Basketball Program that supports said Team, including, but not limited to, with regard to using best efforts to ensure compliance with applicable laws, rules, and requirements, and the promotion of the mission of ECU and its intercollegiate athletics program, ECU's high standard of academic excellence, and the general health and welfare of student-athletes;
- G. The parties agree that the policies regarding the athletic program at ECU shall be determined by ECU; however, the implementation of the daily routine and administration as they pertain to the Men's Basketball Program shall be the primary responsibility of the COACH in compliance with all policies, rules, and regulations of the NCAA, Conference, ECU, and the BOG;

- H. Use best efforts to ensure that the Men's Basketball Program is and/or operates in compliance with the Constitution and Bylaws of the Conference and also with the Constitution, Bylaws, rules and regulations of the NCAA; all State and Federal laws, and policies and procedures of The University of North Carolina and ECU;
- I. Understand, observe and uphold all standards, including but not limited to academic standards and requirements, policies, rules and regulations of ECU as well as the Constitution and Bylaws of the Conference and of the NCAA, all applicable State and Federal laws, and all policies and procedures of The University of North Carolina and ECU as may be amended from time to time, and use best efforts to ensure compliance with all of the same standards, requirements, policies, rules, regulations, Constitution, Bylaws, laws and procedures by all coaches and other athletic department personnel under the supervisory responsibility of COACH, both direct and indirect, as well as the Men's Basketball Program and all functions and responsibilities assigned to those persons;
- J. Use best efforts to foster academic values, maintain program integrity, and encourage and contribute to the academic progress of all Team members under his supervision and to use best efforts to ensure that all academic standards, requirements, and policies of ECU are observed including those in connection with the recruiting and eligibility of prospective and current student athletes, and specifically with regard to the recruiting of student athletes who are academically qualified;
- K. Use best efforts to ensure the safety and welfare of student-athletes under COACH's supervision; use best efforts to ensure that coaching and administrative staff actively support the Men's Basketball Program and ECU's joint commitment to academic achievement for each student-athlete under COACH's supervision, to include promoting academic advising and counseling services; promote an environment that encourages student-athletes to achieve the best grades possible and to make progress toward a degree in a defined academic program;
- L. Interview, screen, and recommend to the Director of Athletics for employment all assistant Men's Basketball coaches. The hiring of assistants and all personnel within the Men's Basketball Program shall comply with all applicable ECU policies and regulations. The COACH shall recommend to the Director of Athletics the salaries of the assistant coaches and each year shall provide written annual evaluations of their performances to the Director. The COACH shall recommend to the Athletic Director that an assistant coach be terminated if the assistant's services are not satisfactory to the COACH;
- M. Maintain and enforce any and all disciplinary policies and drug/alcohol policies of ECU;
- N. Maintain effective relations with governing boards, associations, conferences, committees, alumni, students, faculty, and staff;
- O. Each Contract Year make appearances/speeches at Pirate Club fundraising socials and events. COACH agrees to make reasonable efforts to accommodate any such requests based upon his other outstanding commitments. Only those appearances made at the request of ECU shall count toward satisfaction of the obligations of COACH under this paragraph;
- P. Promptly advise the Director of Athletics if the COACH has any reason to believe that any violation of NCAA or Conference constitutional provisions, bylaws, rules, or regulations has occurred or will occur and shall cooperate fully in any investigation of possible violations conducted or authorized by the UNIVERSITY, the Conference, or the NCAA at any time, including but not limited to the NCAA infractions process, including the investigation and adjudication of a case;
- Q. Promptly advise the Chancellor, Director of Athletics, and the Senior Associate Athletic Director for Compliance if the COACH has any reason to believe that ECU's Men's Basketball Program

- may be at risk of being deemed ineligible to compete in any NCAA or Conference competition due to academic, conduct related or other compliance concerns;
- R. Perform such other duties as assigned from time to time by the Director of Athletics;
  - S. The COACH shall not attempt to raise money to support the Men's Basketball budget without the prior written approval of the Director of Athletics. All requests of financial support from the Pirate Club for the Men's Basketball program will be channeled through the Director of Athletics to the Executive Committee of the Pirate Club;
  - T. The COACH shall not instruct or knowingly permit his assistants to do anything that this Agreement prohibits COACH from doing; and
  - U. If COACH is found to have committed violations of NCAA rules or regulations, whether while employed by ECU or during prior employment at another NCAA member institution, COACH shall be subject to disciplinary action as set forth in the provisions of the NCAA infractions process and applicable ECU policies, regulations or rules, including the Policy. Such disciplinary action may include, but is not limited to, suspension without pay or termination for cause.

## **II. CAUSE for Termination**

- A. As provided in Section VII of the Employment Agreement, COACH may be terminated by ECU for cause.
  - a. "Cause" shall include, but not be limited to, the following:
    - i. Failure to satisfactorily carry out the duties of COACH as defined in Section I of Appendix B, Head Coaches Addendum, of this Agreement and, where applicable, failure to cure same within thirty (30) calendar days of receiving written notice of such failure from ECU, or within such additional timeframe as reasonably necessary and as approved by the Director of Athletics;
    - ii. A major or willful violation or multiple minor or secondary violations by COACH, or knowing participation by COACH in a violation by an assistant/associate COACH or coach or other staff member of which COACH had reason to know, or should have known through the exercise of reasonable diligence or which COACH condoned of an NCAA regulation or bylaw or a Conference regulation or bylaw, whether while employed by ECU or during prior employment at another NCAA member institution;
    - iii. Any act or omission that constitutes a violation by COACH of any policy or regulation of ECU or of the Board of Governors of the University of North Carolina, of the constitution, or any bylaw, rule or regulation of the NCAA, AAC, or any other association, conference or like organization with which ECU is or may become affiliated, to the extent such violation is deemed in the sole discretion of ECU to be grounds for termination of the Agreement for cause. ECU will deem a violation to be grounds for termination under Section VII, if it is serious or intentional or negligently committed, including with regard to NCAA provisions any major or serious violation (e.g., repeated violations or any violation that the University determines could reasonably be expected to result in sanctions such as probation, forfeiture of athletic contests, loss of one or more scholarships, prohibitions against conference or championship or telecast appearances, restrictions on a coach's right to recruit, etc.);
    - iv. Failure of COACH to appropriately monitor and report any compliance or NCAA eligibility issues of which COACH is aware, or with the appropriate and reasonable monitoring of ECU's Men's Basketball Program, COACH should have been aware;

- v. Failure of the COACH to appropriately monitor, manage, and report to the Director of Athletics, the Chancellor and other appropriate ECU personnel, any issues or conditions within the COACH's purview that adversely affect the safety and welfare of student athletes, including, but not limited to, failing to ensure that coaching staff of the Men's Basketball Program are directed to comply with, and are complying with, best practices with regard to the management of suspected concussions, heat stroke, and other serious medical conditions known to affect student athletes;
  - vi. Conviction of, or a guilty plea, including an Alford Plea, to (i) a felony or (ii) a criminal offense which constitutes fraud, dishonesty, or moral turpitude;
  - vii. Misconduct of the COACH, (or misconduct of any assistant or associate coach or of a coach or of his staff of which the COACH knew, had reason to know, or should have known through the exercise of reasonable diligence, and which COACH condoned or otherwise failed to inform and appropriately address with the Director of Athletics), of such a nature, as reasonably determined in the discretion of ECU, that would tend to bring disrespect, contempt or ridicule upon ECU, or which brings discredit to ECU, or which harms ECU's reputation, or which reasonably brings into question the integrity of the COACH or that, as determined in the sole discretion of the Chancellor, would render COACH unfit to serve in the position of Head Men's Basketball Coach;
  - viii. Prolonged absence from duty without the consent of the Chancellor;
  - ix. Failure by COACH to use best efforts to support and contribute to the academic progress of academically qualified student athletes in a defined degree program;
  - x. Refusal of COACH to carry out reasonable directives from the Director of Athletics and/or the Chancellor;
  - xi. Seeking, interviewing for or negotiating terms for, whether directly or through any agent or representative (acting with or without COACH's knowledge), employment with another sports-related business or program without the express written approval of the Director of Athletics or the Chancellor, which approval shall not be unreasonably withheld;
  - xii. A breach of any representation and/or warranty made by COACH in Section V or any other act, whether occurring prior to or during the Term, which brings serious discredit to the Men's Basketball Program or would be likely to cause prospective student-athletes to elect not to attend ECU; or
  - xiii. Any of those causes specified in the Employment Policies for EHRA employees of the University of North Carolina or ECU, as adopted and revised from time to time.
- b. Any process to terminate COACH for cause shall be conducted in compliance with the Policy and all other applicable policies and regulations.