



July 11, 2012

Dear Colleagues,

In May, June and early July, the North Carolina General Assembly met in Raleigh. I want to provide you with an overview of measures passed by the General Assembly that directly impact us at UNC Health Care:

- **A \$15 million appropriation to the UNC School of Medicine**

Included in the state budget for the 2013 fiscal year (July 1, 2012 – June 30, 2013) is a \$15 million appropriation to the UNC School of Medicine for medical education. We are pleased that the legislature recognizes the importance of education to our mission, particularly as it relates to training our residents and fellows. This replaces previous years' appropriations to UNC Hospitals.

As we celebrate the 60th anniversary of UNC Hospitals and the four-year UNC School of Medicine, we are grateful for the support of the people of North Carolina. We have grown tremendously in the past 60 years, but our mission has not changed – we will continue to provide the best possible care to our patients, to move forward with groundbreaking research, and to train the next generation of health professionals.

- **A 1.2 percent pay increase for teachers and state employees**

Also included in the state budget for the 2013 fiscal year is a 1.2 percent pay increase for teachers/state employees. While this is good news for our colleagues in the School of Medicine, remember that this pay increase does not affect UNC Health Care employees since UNC Health Care's compensation system is not tied to the state budget.

UNC Health Care has historically provided annual salary increases and we anticipate that will be the case again this year. Watch News for Employees for updates as they become available.

Also, based on our organizational goals as detailed in the Employee Incentive Plan, we will examine our final results from the 2012 fiscal year and determine if an incentive payment will be made to UNC Health Care employees this fall. I want to thank each of you for a tremendous 2012 fiscal year.

- **Changes to the composition of the UNC Health Care Board of Directors**

The General Assembly passed legislation that gives the UNC Board of Governors, which is appointed by the General Assembly, more direct board appointment authority over the UNC Health Care Board of Directors.

Moving forward, UNC Health Care's Board of Directors will have 24 members. The 24-member board will include 12 members appointed by the Board of Governors after consultation with UNC President Thomas Ross, eight ex-officio members who are UNC faculty/administrators, and four at-large members elected by the UNC Health Care Board of Directors.

These changes to our Board of Directors strengthen our ties to the UNC System to ensure we continue to offer the best service and care for the people of North Carolina.

I look forward to working with each of you in the 2013 fiscal year. Thank you for your continued dedication to the people of North Carolina.

Sincerely,

A handwritten signature in black ink that reads "William L. Roper". The signature is written in a cursive style with a large, prominent initial "W".

William L. Roper
CEO, UNC Health Care System
Dean, UNC School of Medicine