

NC STATE UNIVERSITY

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Via hand delivery

This document was not provided for review and approval by the NC State Board of Trustees

May 13, 2009

Dr. Larry A. Nielsen
Provost and Executive Vice Chancellor
North Carolina State University

Dear Larry:

This letter serves as my acceptance of your resignation as Provost and Executive Vice Chancellor, with your intent to return to fulltime faculty status on a 12-month basis in the Department of Forestry and Environmental Resources, effective May 23, 2009.

This letter also outlines the transition of your salary in accordance with the terms of your initial appointment as Provost (*copy attached*). Your base salary will be adjusted according to the following schedule:

Fiscal Year 2008/09: You will continue being paid at your current annualized rate through the remainder of this fiscal year (June 30, 2009), as adjusted by State-mandated furlough requirements.

July 1 – December 31, 2009: Your base salary for the first six months of FY 09-10 (July 1, 2009 through December 31, 2009) will remain the same as your current annualized salary -- \$298,700 -- on a 12-month appointment basis. In accordance with the attached appointment letter, this 6-month transition period will allow you to re-focus your professional activities and prepare for specific new teaching, research, and/or extension responsibilities to be negotiated with the Dean of the College of Natural Resources.

January 1, 2010 & Forward: Effective January 1, 2010, your 12-month salary will be transitioned to realign with those of comparable faculty (senior named professors) in the College of Natural Resources. The figures below assume, and include in the calculations, a 3% average annual salary adjustment after FY09-10.

January 1, 2010 to June 30, 2011	\$251,372
Fiscal Year 2011-12	\$204,043
Fiscal Year 2012-13	\$156,715

Starting July 1, 2013, you will be eligible for annual salary adjustments resulting from Legislative Increases (LI). You will continue to earn paid leave in accordance with applicable policy on 12-month faculty.

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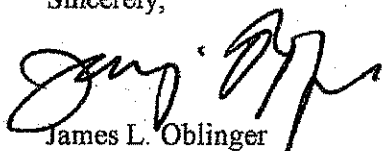
If at any time during this transition period you accept an administrative appointment or other role, the terms, conditions, and salary associated with such an appointment would be as negotiated with the dean or other authorized administrator and would supersede any remaining portion of this transition agreement.

This also will confirm our discussion that pursuant to the provisions of Article 31A of Chapter 143 of the North Carolina General Statutes, upon your request for defense of any civil or criminal action or proceeding brought against you in your official or individual capacity, or both, on account of an act done or omission made in the scope and course of your employment at NC State, your request will be sent to the Attorney General who is responsible for providing a defense for employees or former employees who meet the eligibility requirements set forth in the statute.

I would appreciate your signing and returning a copy of this letter as a record of this transition understanding. Once signed, I will transmit the salary information to the College in order to assure their appropriate processing of these annual adjustments.

Larry, I want to thank you for your efforts and service to NC State as Provost and Executive Vice Chancellor. I wish you well as you return to the College.

Sincerely,



James L. Oblinger
Chancellor



Signed

Date

5/13/09

cc: Personnel File, Human Resources
Robert Brown, Dean, College of Natural Resources