

THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

MINUTES OF THE EXECUTIVE AND COMPENSATION COMMITTEE

January 17, 2014
Nashville, Tennessee

The Executive and Compensation Committee of The University of Tennessee Board of Trustees met at 11:30 a.m. CST on Friday, January 17, 2014, at the offices of Bradley Arant Boult Cummings in Nashville, Tennessee.

I. CALL TO ORDER

Chair Ferguson called the meeting to order and asked the Secretary to review the requirements under the Tennessee Open Meetings Act for meetings conducted with members participating by telephone. The Secretary explained that those participating in the meeting at each location must be identified and that all votes must be taken by a roll call. She announced those present at the meeting location in Nashville. Trustees Gregg and Gallimore, who participated by telephone, stated that no one else was present at their locations.

II. ROLL CALL

The Secretary called the roll, and the following members of the Executive and Compensation Committee were present:

J. Brian Ferguson, Chair
Charles C. Anderson
George E. Cates
Joseph A. DiPietro
D. Crawford Gallimore
Vicky B. Gregg
James L. Murphy, III
Don C. Stansberry, Jr.
Charles E. Wharton

The Secretary announced the presence of a quorum. Other Trustees and members of the administrative staff were also present.

III. MINUTES OF LAST MEETING

Chair Ferguson called for any additions or corrections to the minutes of September 5, 2013 meeting. Hearing none, Trustee Wharton moved approval of the minutes as presented. The Secretary conducted a roll call vote, and the motion carried unanimously.

IV. OPENING REMARKS BY COMMITTEE CHAIR

Trustee Ferguson advised the Committee that because President DiPietro's current employment agreement expires at the end of December 2014, a comprehensive performance review will be conducted this year prior to action on the employment agreement. Chair Ferguson stated that the process for completing the comprehensive review requires engaging an external advisor to do much of the work. To accomplish the process in a timely manner, engagement of the external advisor will need to be initiated immediately.

V. PRESIDENT'S REPORT

Dr. DiPietro updated the Committee on progress toward various system-wide goals. He then discussed the current legislative session.

He reported that he recommended to the Governor full funding of the Complete College Tennessee Act, full funding of salary adjustments at the formula units, ancillary funding for the non-formula units, and no further budget cuts. In exchange, the University would limit a tuition increase to 3 percent. He also requested consideration of funding to address compensation gaps and funding for additional full-time advisors. He reported that his recommendations were received positively, but state revenue is under projections.

Dr. DiPietro also advised the Committee that the UT Foundation has a shortfall in revenue projections, in part because revenue under the affinity card contract has decreased substantially and in part because of record low interest rates. Interim Foundation President Lofton Stuart is currently working with the Chancellors to reconcile the budget to be presented to the UTFI Board.

The President asked Chancellor Cheek to share his experience at the White House the day before. The Chancellor described his meeting with Gene Sperling, Director of the National Economic Council, along with five other university presidents and chancellors, to discuss the President's interest in working with

low income students to achieve a Bachelor's degree or higher. Chancellor Cheek stated UT Knoxville is very proud to be a highly selective institution and still have 30% students who are Pell eligible. Three specific initiatives UT Knoxville pledged to implement to assist these low income students are: implement a coaching program for students who face barriers to success, effective Fall 2014; hold a math camp for incoming freshmen who have interest in math-intensive majors but may not have either ACT or high school scores needed, effective Summer 2014; and expand community college transfer programs.

President DiPietro asked Anthony Haynes to comment on the current legislative session. Mr. Haynes said Common Core will face significant resistance. Chambers of commerce, business interests, and education reform groups are aligned in favor of the Common Core, and more conservative groups that advocate on social and religious issues are fighting it. Chair Ferguson asked whether the University needs to take a position on the issue since it is not directly affected. Dr. DiPietro responded that the University supports the Common Core because it better prepares students for college. Mr. Haynes said the conflict will be at the K-12 level, so the University should not have to defend its position. The University's direct interest is for its teacher education training programs.

Dr. DiPietro also informed the Committee that a draft of the Sunset Audit report has been received, and the required hearing before the Joint Government Operations subcommittee is set for February 10. The audit report includes six relatively minor findings, four of which deal with the Complete College Tennessee Act. The University has concurred in all the findings, and corrective actions are already underway. Chair Ferguson expressed his congratulations to the administrative team for such a clean audit.

VI. TENTATIVE SCHEDULE AND AGENDA FOR THE WINTER MEETING

Chair Ferguson reminded the Trustees of the Winter Meeting on February 26-27 at UT Martin, and asked the Secretary to review the details. The Secretary reviewed the tentative schedule and agenda items (Exhibit 1). Chair Ferguson asked committee chairs to impress upon presenters the importance of adhering to the allotted time.

VII. GRANT OF TENURE TO TWO UT KNOXVILLE FACULTY MEMBERS UNDER EXPEDITED PROCEDURES

President DiPietro presented his recommendation that two UT Knoxville faculty members be granted tenure by the Committee under expedited procedures (Exhibit 2).

Trustee Murphy moved (1) that tenure be granted to Dr. Claudia Rawn in her faculty appointment in the Department of Material Science and Engineering at The University of Tennessee, Knoxville; and (2) that tenure be granted to Dr. Steven Zinkle in his faculty appointment in the Department of Nuclear Engineering at The University of Tennessee, Knoxville. Trustee Stansberry seconded the motion, the Secretary conducted a roll call vote, and the motion carried unanimously.

VIII. OTHER BUSINESS

There was no other business to come before the Committee for action.

IX. ADJOURNMENT

There being no further business to come before the Executive and Compensation Committee, the meeting was adjourned.

Respectfully Submitted,


Catherine S. Mizell
Secretary