

THE UNIVERSITY OF TENNESSEE  
BOARD OF TRUSTEES

MINUTES OF THE EXECUTIVE AND COMPENSATION COMMITTEE

February 22, 2018  
Knoxville, Tennessee

The Executive and Compensation Committee of The University of Tennessee Board of Trustees met at 11:00 a.m. EST on Thursday, February 22, 2018, on the campus of The University of Tennessee, Knoxville.

**I. CALL TO ORDER**

Raja J. Jubran, Vice Chair of the Board and Committee Chair, called the meeting to order.

**II. ROLL CALL**

The Secretary noted the requirements for meetings conducted with members participating by telephone or video, including the requirement that all votes be conducted by roll call. She announced all persons present at the meeting location in Knoxville and then proceeded to call the roll. The following members of the Executive and Compensation Committee were present:

Charles Anderson (by telephone)  
Shannon A. Brown (by telephone)  
Joseph A. DiPietro  
Spruell Driver, Jr. (by telephone)  
William E. Evans (by telephone)  
D. Crawford Gallimore (by telephone)  
Vicky B. Gregg (by telephone)  
Raja J. Jubran  
Sharon J. Miller Pryse

The Secretary announced the presence of a quorum. Trustee Wharton was present in Knoxville, and Trustee Cooper participated by telephone. Administrative staff, faculty, and a reporter were present in Knoxville. Those participating remotely acknowledged that no one else was present at their location.

### **III. MINUTES OF THE LAST MEETING**

Chair Jubran called for any additions or corrections to the minutes of the December 18, 2017 meeting as presented in the meeting materials. Hearing none, Trustee Driver moved approval of the minutes. Trustee Pryse seconded, and the motion carried by roll-call vote (Exhibit 1).

### **IV. UPDATES FROM THE PRESIDENT**

President DiPietro reported that Special Advisor Bob Smith has reviewed the Vice President for Human Resources position and recommended filling a position separate from the UT Knoxville Vice Chancellor position. Concerning the Vice President of Development and Alumni Affairs and Programs and President and CEO of the UT Foundation, currently filled on an interim basis by Kerry Witcher, he reported that he met with members of the UT Foundation executive committee to discuss leadership of the UT Foundation. Bob Smith will also review the role and scope of this position before a search is initiated. He added that Ashley Blamey, UT Knoxville Title IX coordinator, was selected to serve as Title IX coordinator for the System. She will assume the new role in addition to her campus role.

President DiPietro then addressed the current state legislative session, commenting on the budget hearings, Sunset hearing, and several proposed bills impacting UT. He reported that the Governor was very supportive of education in his State of the State address. He announced that the University will be launching a new system-level media campaign in the next few weeks to increase recognition and awareness of the statewide, connected nature of the UT system and its value to the state; and to grow internal and external support for the UT system and its constituent parts.

### **V. DISPOSAL OF PROPERTY LOCATED AT EAST 8<sup>th</sup> STREET IN CHATTANOOGA**

Dr. Tonja Johnson, Executive Vice President and Chief Operating Officer, stated that The University of Tennessee at Chattanooga proposes to dispose of approximately 0.22+/- acres located at East 8th Street in Chattanooga (Exhibit 2).

The property is adjacent to the congregation hall of First Baptist Church and has 26 parking spaces. The church currently uses the lot for parking under a license agreement. UTC proposes to sell the property and enter into a long-term

agreement for use of a nearby church-owned parking lot containing 38 parking spaces. Trustee Wharton asked if the church is amenable to the arrangement, Dr. Johnson responded that it is.

Chair Jubran then called for a motion, and Trustee Pryse moved adoption of the following resolution:

**RESOLVED: The administration is authorized to sell 0.22+/- acres located at East 8th Street in Chattanooga, Tennessee, at or above the appraised value.**

Trustee Anderson seconded the motion. A roll-call vote was taken, and the motion carried (Exhibit 3).

## **VI. DISPOSAL OF PROPERTY LOCATED AT 294 SUMMAR DRIVE IN JACKSON**

Dr. Johnson explained that the Health Science Center proposes to dispose of approximately 1.23+/- acres and improvements located at 294 Summar Drive in Jackson, Tennessee (Exhibit 4). The property includes a 29,900 square-foot, three-story medical and professional office building that serves as the academic home and clinical practice site for the UTHSC Department of Family Medicine in Jackson.

UTHSC has pursued a strategy of closely aligning its physician practice groups with partner hospitals, and this location is one of the last stand-alone practices inside the University. As a result, UTHSC desires to sell the building and enter into an affiliation agreement with West Tennessee Healthcare (WTH). WTH (Jackson-Madison County General Hospital) is a subsidiary entity of the hospital district created by the legislature for and on behalf of the City of Jackson, Tennessee, and Madison County, Tennessee. WTH would acquire the building and own and manage the practice utilizing University physicians.

Trustee Pryse clarified that this transaction will not happen until the affiliation agreement is signed.

Chair Jubran called for the motion presented in the materials. Trustee Pryse moved adoption of the following resolution:

**RESOLVED: The administration is authorized to sell 1.23 +/- acres and improvements located at 294 Summar Drive in Jackson,**

Tennessee, at or above the appraised value.

Trustee Gallimore seconded, and the motion carried by roll-call vote (Exhibit 5).

**VII. PROPOSED REVISIONS TO THE POLICY ON SETTING FACULTY SALARIES UPON CONCLUSION OF ADMINISTRATIVE APPOINTMENTS**

Secretary Mizell stated that on December 18, 2017, the Committee, acting on behalf of the Board, approved the "Policy on Setting Faculty Salaries upon Conclusion of Administrative Appointments." The new policy included one set of provisions to govern appointments with a full-time administrative salary and another set to govern appointments with a stipend or other supplement added to the faculty salary.

In the process of implementing the new policy, it became apparent that current practices for administrative appointments compensated with a supplement vary widely within a campus and from campus-to-campus. As a result, the wording of the policy would require a change in some current practices, including payroll practices. These appointments are typically at the level of department head, assistant/associate dean, vice provost, and similar positions in which the employee may continue to have faculty duties while serving in the administrative position. She stated that in consultation with CFO David Miller, the administration recommends that these supplement-based appointments be governed by a system-wide fiscal policy rather than the Board policy. This will allow CFO Miller to work with the campus chief academic officers and chief business officers to develop a fiscal policy that will achieve greater consistency in how these appointments are made and compensated, while accommodating any documented need for variance.

Ms. Mizell directed the Committee's attention to the proposed revisions in the meeting materials (Exhibit 6). She stated that because the Board of Trustees will not meet again until March 23, 2018, the Committee is asked to act on behalf of the Board to approve the policy revisions so they will be effective immediately. Trustee Pryse moved adoption of the following resolution:

**RESOLVED: The Executive and Compensation Committee, acting on behalf of the Board of Trustees, approves the proposed revisions to the Policy on Setting Faculty Salaries upon Conclusion of Administrative Appointments as presented in the meeting materials.**

Trustee Anderson seconded, and the motion carried by roll-call vote (Exhibit 7).

**VIII. SCHEDULE AND TENTATIVE AGENDA FOR SPRING MEETING**

Chair Jubran called attention to the tentative schedule and agenda for the Spring Meeting (Exhibit 8). No action was required.

**IX. SETTING THE NEXT MEETING DATE**

The Secretary said she would poll the members concerning possible dates for the next meeting of the Committee.

**X. OTHER BUSINESS**

There was no other business to come before the Committee.

**XI. ADJOURNMENT**

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

Respectfully Submitted,

  
Catherine S. Mizell, Secretary