

THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

MINUTES OF THE EXECUTIVE AND COMPENSATION COMMITTEE

August 4, 2017
Knoxville, Tennessee

The Executive and Compensation Committee of The University of Tennessee Board of Trustees met at 11:30 a.m. EDT on Friday, August 4, 2017, 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 called the roll, and the following members of the Executive and Compensation Committee were present:

Charles C. Anderson, Jr. (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 (by telephone)

The Secretary announced the presence of a quorum. Administrative staff, faculty representatives, and media representatives were also present at the meeting location. Other Trustees also participated by telephone.

The Secretary noted the requirements for meetings conducted with members participating by telephone, including the requirement that all votes be conducted by roll call. Committee members participating by telephone acknowledged that no one else was present at their respective locations.

III. MINUTES OF THE LAST MEETING

Chair Jubran called for any additions or corrections to the minutes of the May 3, 2017 meeting as presented in the meeting materials. Hearing none, Trustee Pryse moved approval of the minutes. Trustee Evans seconded, and the motion carried by roll-call vote (Exhibit 1).

IV. PRESIDENT'S REPORT

Dr. DiPietro reported that the search for a Vice President for Academic Affairs and Student Success concluded with the hiring of Dr. Linda Martin, from The Ohio State University, and she will take office on or before November 1. He stated that a national search for a Title IX coordinator with system-wide oversight will launch in August, and Dr. Stacey Patterson, Associate Vice President for Research since 2015, began serving as interim Vice President for Research, Outreach and Economic Development, on July 1.

V. ESTABLISHING COMPARABLE PEER AND ASPIRATIONAL INSTITUTIONS

Chair Jubran noted that at the Annual Meeting on June 22, the Board approved a set of criteria to be used to establish peer institutions for the four campuses, the Institute of Agriculture (UTIA) and the UT System. He said that CFO David Miller worked with the provosts/ chief academic officers and Dennis Hengstler, System Director of Institutional Research, to develop a set of comparable peer and aspirational institutions for each unit based on the criteria approved by the Board. Mr. Miller then presented the recommended comparable peer and aspirational institutions to the Committee and described the mathematical and subjective scoring process by which they were developed (Exhibit 2).

Trustee Gregg asked whether institutions from which we see ourselves trying to attract both faculty and students were considered. CFO Miller said that was one of the considerations voiced by many of the campus representatives when subjective criteria were used to deviate from a purely mathematical score. Chair Jubran pointed out that at the June meeting, Trustee Pryse had urged a collaborative process, and Mr. Miller confirmed that each campus and institute had involvement in this process. Trustee Pryse then asked whether there is now a good consensus between the campuses and the system administration on what both peer groups should look like. Mr. Miller responded that, as an example, UTC already had a working list of proposed peers before this process began, and there was a crossover on six institutions using completely different criteria.

Trustee Evans thanked Mr. Miller for clarifying the filters, how they were established, and the rationale used. He said comparable peers are very important, and aspirational institutions tell us where leadership wants to take the institution. He added, however, that there seem to be some obvious peers based on location and other factors that would be appropriate down the road. He mentioned various institutions that would seem to be logical peers for UTHSC and UT Knoxville. Mr. Miller explained that for UTHSC, research played a major role, and some institutions are recommended as aspirational for UTHSC because of the amount of research dollars those institutions currently bring in. He also explained that only medical schools that are not a unit of a flagship campus were considered comparable or aspirational for UTHSC since it is not a unit of the flagship Knoxville campus. Trustee Evans said he was not convinced that elimination of flagship medical schools is a logical rationale. Dennis Hengstler responded that standardized data sets were not available for some flagship medical schools.

Chair Jubran said the comparable peers and aspirational institutions should be revisited on an annual basis now that the established criteria will allow tracking, comparing performance against comparable peers and aspirational institutions, and measuring progression.

Responding to Trustee Evans' questions about peers for UT Knoxville, Chancellor Davenport said some institutions that might seem comparable or aspirational have significantly greater endowments. Chair Jubran asked Chancellor Davenport if she generally supports the 12 recommended comparable peers and aspirational institutions for UT Knoxville. She responded that the 12 are acceptable, each presenting something UT Knoxville should be measuring, and agreed that aspirational institutions must be realistically reachable.

Mr. Miller then explained that the Institute of Public Service was not part of the process because the criteria relevant to traditional academic institutions do not apply to IPS due to its specific mission. Nevertheless, IPS would like to have a Board-sanctioned set of peers, and IPS peers are needed before the salary gap study can be initiated. Therefore, Mr. Miller said the administration requests that the Committee act for the Board to approve the recommended set of comparable IPS peers presented in the meeting materials (Exhibit 3). Mr. Miller said a core set of seven institutions with missions, programs and service territories most similar to IPS was identified. These institutions have all the units IPS has. In addition, a larger set of institutions with one or more programs comparable to units within IPS was identified. With respect to this larger set of institutions, he explained that comparisons will only be made to a specific, relevant unit.

Chair Jubran asked that input be sought from THEC on the process used to identify the comparable peers and aspirational institutions for the four campuses, UTIA, and the UT System. Dr. DiPietro and Mr. Miller agreed to discuss the process with Executive Director Mike Krause.

Trustee Evans reiterated Chair Jubran's earlier call for a periodic review of peer institutions. Chair Jubran cautioned, however, that the established comparable peer and aspirational institutions must be fixed for at least a year so that there is a time certain that we are measuring against. Chair Jubran then called for a motion as presented in the materials, but including the caveat that the comparable peers and aspirational institutions will be reviewed in one year. Trustee Evans moved adoption of the following resolution:

RESOLVED: Acting on behalf of the Board of Trustees, the Executive and Compensation Committee approves the recommended comparable peer and aspirational institutions for UTC, UTHSC, UTIA, UT Martin, and UT Knoxville and the recommended comparable peers for the UT System and IPS, subject to the requirement of further review after one year.

Trustee Anderson seconded the motion. A roll-call vote was taken, and the motion carried (Exhibit 4).

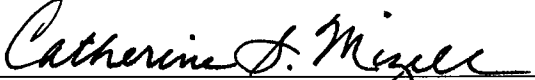
VI. OTHER BUSINESS

There was no other business to come before the Committee.

VII. ADJOURNMENT

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

Respectfully Submitted,


Catherine S. Mizell, Secretary