

THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES
FALL MEETING

1:00 p.m. EDT
Friday
October 9, 2015

Hollingsworth Auditorium
2421 Joe Johnson Drive
Knoxville, Tennessee

ORDER OF BUSINESS

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- II. Roll Call
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**The University of Tennessee
Board of Trustees**

**Resolution in Honor of Thaddeus A. Wilson
October 9, 2015**

WHEREAS, Dr. Thaddeus A. Wilson earned a bachelor's of science degree at Christian Brothers University and a doctor of philosophy at the University of Wisconsin-Madison; and

WHEREAS, he was certified by the American Board of Radiology in Diagnostic Radiological Physics in 2003 and in Medical Nuclear Physics in 2009; and

WHEREAS, Dr. Wilson began his work as a researcher in the Department of Medical Physics at the University of Wisconsin-Madison in 1993; and

WHEREAS, he joined the faculty at The University of Tennessee Health Science Center in the Department of Radiology as an assistant professor in 2000; and

WHEREAS, Dr. Wilson was promoted to associate professor and awarded tenure in 2006 and has authored numerous peer-reviewed journal articles; and

WHEREAS, he served as the UTHSC Faculty Senate President from 2012-2013 and has served on numerous committees both at the University and within his field of expertise; and

WHEREAS, Dr. Wilson was appointed by Governor Bill Haslam in 2013 as a Faculty Trustee on The University of Tennessee Board of Trustees, where he has served with distinction, holding membership on the Academic Affairs and Student Success Committee and the Research, Outreach, and Economic Development Committee;

NOW THEREFORE BE IT RESOLVED that The University of Tennessee Board of Trustees, meeting in Knoxville, Tennessee, on June 25, 2015, commends Dr. Thaddeus A. Wilson for his valuable service to the Board, the University, and the Memphis community.

**The University of Tennessee
Board of Trustees**

**Resolution in Honor of Charles M. Peccolo
October 9, 2015**

WHEREAS, Mr. Charles M. Peccolo, better known as Butch, earned a Bachelor of Science in Accounting in 1973 and a Master of Accountancy in 1980 from The University of Tennessee, Knoxville and earned licensure as a Certified Public Accountant and designation as a Certified Cash Manager; and

WHEREAS, in 1976 he began nearly 40 years of faithful and selfless service to the University as a staff internal auditor and a year later moved to a financial analyst position where he headed up the University's cash management program and capital outlay accounting; and

WHEREAS, in 1982 Mr. Peccolo was promoted to Assistant Treasurer of the University, promoted to Controller in 1986, and named Acting Treasurer in 1989; and

WHEREAS, the Board of Trustees elected Mr. Peccolo Treasurer of the University in 1990, and under his care as the chief investment officer, the University's endowments have earned millions of dollars over the past 25 years; and

WHEREAS, the Board of Trustees designated Mr. Peccolo to assume the additional responsibilities of Chief Financial Officer in 2012; and

WHEREAS, under his outstanding leadership, the University received an unqualified opinion by the Division of State Audit for Fiscal Year 2014, without a single finding; and

WHEREAS, Mr. Peccolo has been a leader in his profession, serving as a past President of the Southern Association of College and University Business Officers and as a board member for the National Association of College and University Business Officers; and

WHEREAS, he is a 1996 graduate of Leadership Knoxville and has served the Knoxville community as Treasurer of UT Federal Credit Union, President of the Knoxville Chapter of the Financial Management Association and the Knoxville Exchange Club, member of the East Tennessee Foundation board of directors, Treasurer and member of the board of directors of the Ronald McDonald House Charities in Knoxville, and Vice President of Investments and member of the Executive Board of the Boy Scouts of America, Great Smoky Mountain Council; and

WHEREAS, Mr. Peccolo exemplifies the term "UT family," as the son of a revered former University professor, Dr. Charles M. Peccolo, Sr., husband of Dr. Dulcie Peccolo, who recently retired as professor in the College of Education, Health, and Human Sciences, and proud father of two daughters who are UT graduates; and

WHEREAS, as a mentor to many and kind to all, he is beloved by his UT work family, always willing and seemingly never too busy to help a colleague; and

WHEREAS, Mr. Peccolo has received acclaim as the best wood-fired pizza chef in the UT System despite a certain mishap leading to non-elective plastic surgery; and

WHEREAS, stepping away from long and devoted service to the University, he looks forward to years of enjoyment with Dulcie, daughter Meredith, daughter Jessica, son-in-law Andrew, and grandchildren Callum, Catey Beth, and Conner.

NOW THEREFORE BE IT RESOLVED that The University of Tennessee Board of Trustees, meeting in Knoxville, Tennessee, on October 9, 2015, commends Mr. Charles (Butch) M. Peccolo for his exceptional service to the Board, the University, and the State of Tennessee and extends best wishes to him for many years of happiness in retirement.

**The University of Tennessee
Board of Trustees**

**Resolution in Honor of Lofton K. Stuart Jr.
October 9, 2015**

WHEREAS, Mr. Lofton K. Stuart Jr. earned a Bachelor's degree in Agriculture from The University of Tennessee, Knoxville in 1971; and

WHEREAS, he was named a Torchbearer, the highest student honor awarded by the Knoxville campus, signifying academic achievement and outstanding commitment to others; and

WHEREAS, Mr. Stuart has dedicated his entire career of 43 years to the University, serving as Assistant Director of Annual Giving, Director of Alumni Programs, Director of Alumni Affairs for UT Knoxville, and Assistant Vice President for Alumni Programs before assuming leadership of the University of Tennessee Alumni Association, serving as its Executive Director from 2007 to May 2015; and

WHEREAS, he also served as Executive Assistant to two University Presidents, Dr. Joe Johnson and Dr. John Petersen; and

WHEREAS, he represented the University on the board of trustees of the Council for the Advancement and Support of Education, which established and presented him with the inaugural distinguished service award named in his honor; and

WHEREAS, in keeping with the Volunteer spirit he personifies, Mr. Stuart graciously agreed to delay his retirement to serve as Interim Vice President for Development and Alumni Affairs and President of the UT Foundation for a 17-month period in 2014 and 2015; and

WHEREAS, he was named 2015 Executive of the Year by the Knoxville Chapter of the Public Relations Society of America; and

WHEREAS, Mr. Stuart is a native of Haywood County in Tennessee and is a member of an "All Vol" family, as both of his brothers are also UT Knoxville graduates; and

WHEREAS, he will be remembered affectionately by all for his big smile, kind heart, noble service, and consummate collection of bow ties;

NOW THEREFORE BE IT RESOLVED that The University of Tennessee Board of Trustees, meeting in Knoxville, Tennessee, on October 9, 2015, commends Mr. Lofton K. Stuart Jr. for his exceptional service to the Board, the University, and the State of Tennessee and extends to him best wishes for much happiness in retirement.

THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

ACTION ITEM

DATE: October 9, 2015

COMMITTEE: Executive and Compensation

ITEM: **FY 2015-16 Compensation for University Officers Reporting to the President**

RECOMMENDATION: Approval

PRESENTED BY: Joseph A. DiPietro, President

The following currently filled positions are designated by the Bylaws as elected officers of the University (University Officers):

- Chancellors
- Executive Vice President/Vice President for Research and Economic Development
- General Counsel and Secretary
- Treasurer (designated by the Board as Chief Financial Officer)
- Vice President for Development and Alumni Affairs

These University Officers were re-elected at the Annual Meeting on June 25, 2015, but any increase in their compensation was deferred pending completion of analysis of market data and development of a variable compensation plan. Compensation increases for the staff vice presidents and other senior staff who are not elected by the Board were implemented by the President as of July 1, 2015.

As in the past, the System Budget Office calculated a salary pool for all senior administrators reporting to the President. A description of the salary pool and the methodology for calculating the pool follows this memorandum at Tab 3.1.

For the University Officers reporting to him, President DiPietro recommends the FY 2015-16 compensation shown at Tab 3.2, retroactive to July 1, 2015. On September 9, 2015, the Executive and Compensation Committee approved the President’s recommendation for submission to the Board of Trustees for approval.

RESOLVED:

That the proposed FY 2015-16 compensation for University Officers reporting to the President be approved and effective retroactively to July 1, 2015.

President's Salary Pool for Senior-Level Staff FY 2015-16

The System Budget Office has calculated a salary pool for senior-level employees reporting to the President. It includes elected officers of the university and other senior officers reporting directly to the President. Each campus, institute, and unit has its own salary plan for FY 2016. The President's salary pool is designed to ensure that salary increases for senior-level staff are consistent with unit salary plans as well as UT's overall compensation guidelines.

The funds for each individual's increase comes from his/her unit's resources, not this pool. The pool provides limits within which the President may make market and merit adjustments. Merit increases are based on employee performance as documented in annual performance appraisals. The Board of Trustees determines compensation for elected officers based on Executive and Compensation Committee recommendations, which take into consideration recommendations from the President. The President has final say on compensation for all other senior-level direct reports.

The pool is calculated as follows:

1. An amount is calculated using the base salary and local unit guidelines for each senior-level position reporting to the President.
2. These amounts are summed to produce a total amount for the President's salary pool.
3. The salary increases recommended by the President cannot exceed this total.

All units other than UT Martin have 3.0% salary pools. The President's salary pool includes 3.0% of the base salaries of senior-level positions in those units. UT Martin has a 1.5% pool, so its Chancellor position adds only 1.5% of base salary to the pool.

The calculations are shown on the following page. The size of the pool generated by these calculations (\$120,745) provides a boundary to ensure that salary increases for senior-level staff are consistent with the salary plan for all university employees. Total proposed base salary increases are \$101,389, well within the limits of the salary pool.

President's FY2016 Salary Pool for Senior-Level Staff

Name	Title	A	B	C	D
		June 30 Base Salary	Campus/Institute Salary Pool	(A*B)/100 Amount Included in President's Salary Pool	Proposed Base Salary Increase
Angle, Steven R.	Chancellor, UTC	\$ 291,000	3.0%	\$ 8,736	\$ 8,736
Arrington, Larry R.	Chancellor, UTIA	294,091	3.0%	8,825	8,825
Byrd III, William H.	Interim VP, Institute for Public Service	109,389	3.0%	3,282	1,641
Carver, Keith S.	Executive Assistant to the President	203,107	3.0%	6,093	6,093
Cheek, Jimmy G.	Chancellor, UTK	434,452	3.0%	13,040	13,040
Harig, Linda Hendricks	VP for Human Resources	245,279	3.0%	7,358	7,358
Haynes, Anthony C.	VP for Gov Relations & Advocacy	180,250	3.0%	5,407	5,407
High, Katherine H.	VP for Acad Affairs & Student Success	235,330	3.0%	7,060	7,060
Johnson, Tonjanita L.	VP for Communications & Marketing	223,296	3.0%	6,699	6,699
McCurry, Rickey N.	VP Dev & Alum Aff/Pres & CEO of UTFI	307,000	3.0%	9,210	3070
Millhorn, David E.	Executive VP/VP Resch & Econ Dev	333,070	3.0%	9,998	9,998
Mizell, Catherine S.	General Counsel and Secretary	219,527	3.0%	6,589	6,589
Peccolo, Charles M.	Treasurer and Chief Financial Officer	273,362	3.0%	8,201	-
Schwab, Steven J.	Chancellor, UTHSC	562,380	3.0%	16,872	16,872
Smith, Robert	Interim Chancellor, UTM	225,000	1.5%	3,375	-
TOTAL		\$ 4,136,533		\$ 120,745	\$ 101,389

A. June 30 Base Salary: does not include pay to Millhorn and Byrd for temporary additional job duties.

B. Campus/Institute Salary Pool: the size of each employee's campus/institute salary pool.

C. Amount included in President's Salary Pool: based on June 30 Base Salary and Campus/Institute Salary Pool.

D. Proposed Base Salary Increase: does not include non-recurring bonuses proposed for Byrd and Peccolo.

The University of Tennessee
 Elected Officers of the University
 Compensation - July 1, 2015

		Current	Proposed	Housing Allowance	Expense Allowance
Angle, Steven R.	Chancellor, UTC	291,000.00	299,736.00	20,000.04	6,999.96
Arrington, Larry R.	Chancellor, UTIA	294,090.96	302,916.00		5,000.04
Cheek, Jimmy G.	Chancellor, UTK	434,451.96	447,492.00	20,000.04	9,999.96
Schwab, Steven J.	Chancellor, UTHSC	562,380.00	579,252.00	20,000.04	9,999.96
Millhorn, David E. ⁽¹⁾	Executive VP/VP Research & Econ Development	383,069.76	393,068.04		6,999.96
McCurry, Rickey N.	Vice President for Development & Alumni Affairs	306,999.96	310,069.92		5,000.04
Mizell, Catherine S.	General Counsel and Secretary	219,527.16	226,116.00		5,000.04
Peccolo, Charles M. ⁽²⁾	Treasurer and Chief Financial Officer	273,362.04	273,362.04		5,000.04

Amounts presented in dollars and cents to ensure that annual salaries approved by the Board of Trustees can be paid out in equal monthly amounts over a 12-month period.

⁽¹⁾ Includes temporary additional pay of \$50,000.04 for additional assignment as CEO & President of the UT Research Foundation.

⁽²⁾ The CFO will retire December 31, 2015. Until his retirement, he will receive his current base salary of \$22,780.17 per month and a proposed one-time bonus of \$8,200.

THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

INFORMATION ITEM

DATE: October 9, 2015

COMMITTEE: Executive and Compensation

ITEM: **FY 2015-16 Compensation of Other Senior Administrators**

PRESENTED BY: Joseph A. DiPietro, President

The FY 2015-16 increases in compensation approved by President DiPietro for senior members of the System Administration who are not elected University Officers is shown on the schedule at Tab 4.1. These increases were effective as of July 1, 2015. This schedule is provided for the Trustees' information and does not require action.

At the Executive and Compensation Committee meeting in June 2013, Trustees Cates and Murphy requested that in the future the Board be provided the ratio of system administration salaries to total University salaries and the ratio of system administration salaries to total revenues. Trustee Murphy added that the information should be shown on a trending basis. At Tab 4.2 is a graph provided in response to the request.

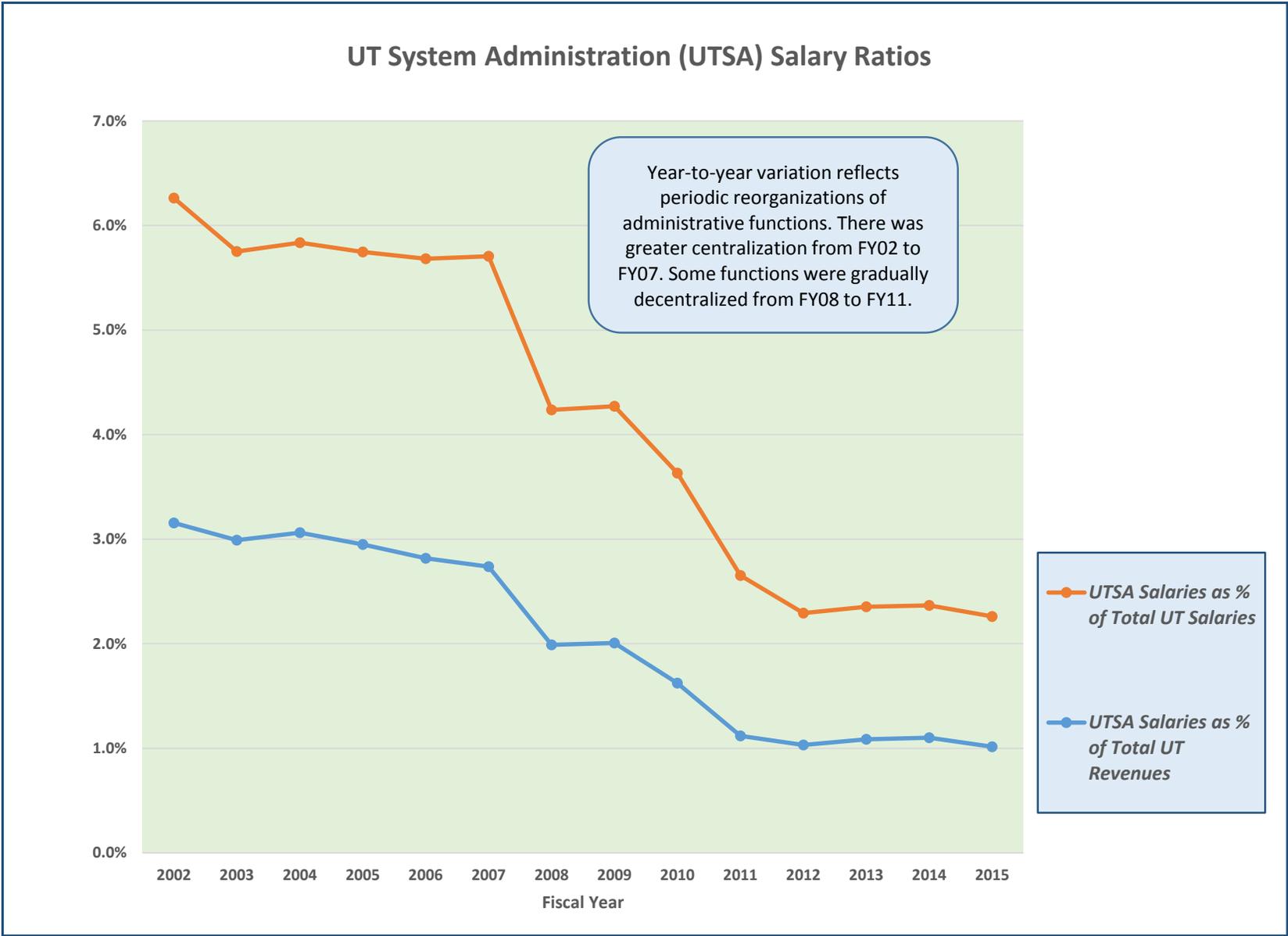
The University of Tennessee
 Other Senior Staff
 Compensation - July 1, 2015
Presented as an Information Item - No Board Action Required

		Current	Across-the-Board	Merit Increase	Other Increases	Proposed	Housing Allowance	Expense Allowance
Byrd III, William H.	Interim VP, Institute for Public Service	\$ 154,999.92	\$ 1,640.88		\$ 3,000.00 ⁽²⁾	\$ 159,640.80		\$ 5,000.04
Carver, Keith S.	Executive Assistant to the President	203,107.44	3,046.56	\$ 3,046.56		209,200.56		5,000.04
Harig, Linda Hendricks	VP for Human Resources	245,278.68	3,679.20	3,679.20		252,637.08		5,000.04
Haynes, Anthony C.	VP for Government Relations & Advocacy	180,249.96	2,703.72	2,703.72		185,657.40		5,000.04
High, Katherine H.	VP for Academic Affairs & Student Success	235,330.20	3,529.92	3,529.92		242,390.04		5,000.04
Jansen, Sandy S. ⁽¹⁾	Executive Director, Audit & Compliance	160,050.00	2,400.72	2,700.00		165,150.72		
Johnson, Tonjanita L.	VP for Communications & Marketing	223,296.00	3,349.44	3,349.44		229,994.88		5,000.04
Smith, Robert	Interim Chancellor, UTM	225,000.00				225,000.00	9,999.96	5,000.04

Amounts presented in dollars and cents to ensure that the annual amounts reported to the Board of Trustees can be paid out in equal monthly amounts over a 12-month period.

⁽¹⁾ The Executive Director reports to the Board of Trustees Audit Committee and is administratively responsible to the CFO.

⁽²⁾ Non-recurring bonus due to interim status.



THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

ACTION ITEM

5

DATE: October 9, 2015

COMMITTEE: Executive and Compensation

ITEM: **Compensation for President DiPietro over the New Four-Year Term of His Employment Agreement, FY 2015-19**

RECOMMENDATION: Approval

PRESENTED BY: Raja J. Jubran, Vice Chair of the Board

During 2014, the Board, with the assistance of an external consultant, AGB Senior Fellow Dr. Terry MacTaggart, conducted a comprehensive review of President DiPietro’s performance since assuming office on January 1, 2011. In Dr. MacTaggart’s report of the comprehensive review, he said the consistent praise of Dr. DiPietro by some seventy individuals he interviewed far exceeded anything he had heard in conducting many previous presidential performance reviews. Dr. MacTaggart described Dr. DiPietro as a remarkable leader who is the right person at the right time to lead the University in positive new directions for the future. Dr. MacTaggart challenged Dr. DiPietro and the Board to consider launching a systematic, comprehensive initiative to reposition the University as one of the most important instruments for a brighter economic and educational future for Tennesseans.

At the October 3, 2014 meeting, the Board approved Dr. MacTaggart’s report of the comprehensive performance review. (A copy of the report is at Tab 5.4.) The Board also approved the goal of pursuing a systematic and comprehensive initiative to address unfavorable financial realities facing the University. Dr. DiPietro accepted this challenge enthusiastically, proceeded to identify the ten-year funding gap facing the University, and appointed the Budget Advisory Group to advise him on a strategy to address the funding gap.

Based on Dr. DiPietro’s outstanding performance during the first term of his employment agreement, the Board approved an extension of his original 4.5-year employment agreement for a new four-year term through June 30, 2019. With Dr. DiPietro’s gracious concurrence, consideration of his compensation over the new four-year term was deferred, pending development of specific goals and measures related to the comprehensive initiative to address the funding gap. Those goals and measures have been developed and are included in the proposal for a Performance-Based Variable Compensation Plan being presented to the Board for approval at this meeting. Dr. DiPietro’s performance on the approved goals will be evaluated on an annual basis, and he will be considered for an annual lump-sum performance payment of up to 25% of his base salary.

The Vice Chair and Dr. DiPietro have reached agreement on the four-year compensation terms presented at Tab 5.1. Benchmarking data for the position of President, prepared by Sibson Consulting, appears at Tab 5.2. A compensation analysis for the position of President, prepared by the System Human Resources Office, appears at Tab 5.3.

At its meeting on September 9, 2015, the Executive and Compensation Committee approved the four-year compensation terms for recommendation to the Board of Trustees, with the further recommendation that the Board authorize the Vice Chair to execute an amendment to Dr. DiPietro's employment agreement to incorporate the new compensation terms. Because there have been three prior amendments to the original employment agreement, the Vice Chair requests that the Board also authorize him to execute a new employment agreement (instead of a fourth amendment), if he deems it appropriate, modifying the original agreement to incorporate the new compensation terms and any still effective terms included in previously executed amendments.

RESOLVED:

That the proposed terms of compensation for President DiPietro over the new four-year term of his employment agreement be approved; and that the Board authorize the Vice Chair to execute an amendment to the employment agreement to incorporate the new terms of compensation.

MOTION:

That the Vice Chair also be authorized to execute a new employment agreement (instead of a fourth amendment), if he deems it appropriate, modifying the original agreement to incorporate the new compensation terms and any still effective terms included in previously executed amendments.

President Joseph A. DiPietro
Four-Year Compensation Terms

	% Increase	Current		New Contract		Minimum	Maximum
		Minimum	Maximum	Minimum	Maximum		
		Comp.	Comp.	Comp.	Comp.	\$ Increase	\$ Increase
Base Salary*	5.00%	\$ 465,618	\$ 465,618	\$ 488,899	\$ 488,899	\$ 23,281	\$ 23,281
Current % Range for performance Pay	0%-15%						
New % Range for performance Pay **	0%-25%	0.00%	15.00%	0.00%	25.00%		
New Annual Performance Based Payment		\$ -	\$ 69,843	\$ -	\$ 122,225	\$ -	\$ 52,382
Housing Allowance	25.00%	\$ 20,000	\$ 20,000	\$ 25,000	\$ 25,000	\$ 5,000	\$ 5,000
Retirement Pay	0.00%	\$ 39,678	\$ 39,678	\$ 39,678	\$ 39,678	\$ -	\$ -
Non-accountable Expense Allowance	75.00%	\$ 12,000	\$ 12,000	\$ 21,000	\$ 21,000	\$ 9,000	\$ 9,000
Total Compensation		\$ 537,296	\$ 607,139	\$ 574,577	\$ 696,802	\$ 37,281	\$ 89,663
% Increase						6.94%	14.77%
Sibson Consulting Benchmarking		Peer	Peer Big 10				
25th Percentile		\$ 448,484	\$ 508,985				
Median		\$ 574,428	\$ 684,471				
75th Percentile		\$ 692,522	\$ 1,072,565				
* Base Salary to increase 5% per year during the new Contract Period if the Board judges President's performance to be satisfactory.							

5.1

President Joseph A. DiPietro
Four-Year Compensation Terms

		July 1 ,2015	July 1 ,2016	July 1 ,2017	July 1 ,2018	July 1 ,2019
Minimum Base Salary for next 4 years	5.00%	\$ 488,899	\$ 513,344	\$ 539,011	\$ 565,962	\$ -
Other Compensation (Housing Allowance, Retirement Pay, Non-accountable Expense Allowance)		\$ 85,678	\$ 85,678	\$ 85,678	\$ 85,678	\$ -
Total Minimum Compensation		\$ 574,577	\$ 599,022	\$ 624,689	\$ 651,640	\$ -
Maximum Performance Payment Based on Previous Year performance	25.00%	\$ -	\$ 122,225	\$ 128,336	\$ 134,753	\$ 141,490
Maximum Payment under 3-Year Performance & Retention Plan (15% of 7/1/12 base salary x 3 yrs)		\$ 200,505	\$ -	\$ -	\$ -	\$ -
Total Maximum Compensation		\$ 775,082	\$ 721,247	\$ 753,025	\$ 786,392	\$ 141,490

5.1



University of Tennessee System

PRESIDENTIAL BENCHMARKING

October 28, 2014

Introduction

- The University of Tennessee (“University”) requested Sibson Consulting (“Sibson”) perform a competitive assessment for the system President’s position
- Sibson developed an executive compensation peer group consisting of 25 public systems and multi-campus institutions using criteria identified through our experience working with other higher education clients as well as feedback from the University¹
- In addition, the assessment was also conducted relative to the public Big 10 institutions²
- The competitive assessment includes an analysis of the following compensation components:
 - Base Pay
 - Bonus Pay
 - Deferred Comp, Paid Out
 - Deferred Comp, Set Aside
 - Retirement Pay
 - Severance Pay
- We also gathered details on housing and car benefits where provided
- Peer compensation data was obtained from The Chronicle of Higher Education Executive Compensation at Public Colleges. Data reflects compensation from the 2013 fiscal year ending June 30, 2013. Compensation is annualized for incumbents who were in their role for less than the full fiscal year. Compensation is aged one year to an effective date of October 1, 2014 using a 2.7% annual update factor³
- President DiPietro’s compensation reflects his current base salary and retirement contributions

¹ Please see pages 3 and 4 for details.

² Northwestern University was not included as it is a private institution.

³ Source: Sibson’s Annual Compensation Planning Survey analyzing salary increase budgets by industry and job classification.

Public Systems and Multi-Campus Institutions

Peer Group Development Methodology

5.2

Outlined below are the key criteria in the development of the peer group for executive compensation. These criteria are based on Sibson’s experience in working with other higher education clients and feedback from the University of Tennessee. The ranges listed below are necessary in order to result in a peer group of sufficient size to represent a true “market” for comparison.

Criteria Evaluated ¹	Range
1. Number of Institutions/Campuses/Locations	2 – 10 ²
2. Estimated Fall 2013 Total Enrollment	25,000 – 100,000 ²
3. 2011-2012 Total Expenses ³	\$1,000,000,000 – \$4,000,000,000 ²

Institutions that were initially selected met all three of the above criteria. This list was then augmented by adding and/or removing institutions based on feedback from the University of Tennessee. This resulted in 25 peers.

¹ Source of information: IPEDS Data Center.
² Only includes institutional records reported to IPEDS and may include the system/central office.
³ Total Expenses reflects the sum of operating and non-operating expenses and deductions.

Public Systems and Multi-Campus Institutions Resulting Peer Group

5.2

Institution Name ¹	Control	# of Institutions/ Campuses ²	Estimated Fall 2013 Total Enrollment ²	2011 – 2012 Total Expenses ^{2,3}
Arkansas State University System	Public	5	21,450	\$ 268,500,278
Colorado State University System ⁴	Public	4	41,698	\$ 993,975,760
Indiana University	Public	6	76,644	\$ 1,552,196,413
Kansas State University System	Public	6	92,394	\$ 2,374,779,515
Louisiana State University System	Public	7	43,155	\$ 2,198,773,371
Oregon University System	Public	9	99,672	\$ 2,373,272,896
Pennsylvania State System of Higher Education	Public	15	111,371	\$ 1,915,170,911
Purdue University	Public	4	68,789	\$ 1,870,629,583
Rutgers University	Public	3	65,541	\$ 1,948,937,000
The Ohio State University	Public	6	63,964	\$ 4,636,450,669
The Pennsylvania State University	Public	24	87,395	Not Reported
The University of Alabama System	Public	4	60,696	\$ 3,139,498,995
University of Arkansas System	Public	11	60,803	\$ 2,558,738,054
University of Colorado	Public	4	62,310	\$ 2,743,741,133
University of Connecticut	Public	4	29,932	\$ 1,835,756,546
University of Illinois Board of Trustees	Public	4	77,668	\$ 4,854,814,943
University of Massachusetts	Public	6	71,810	\$ 2,724,544,058
University of Michigan	Public	3	60,686	\$ 5,651,202,000
University of Minnesota	Public	5	68,047	\$ 3,024,421,342
University of Missouri	Public	5	75,272	\$ 2,748,888,021
University of Nebraska	Public	6	50,705	\$ 1,698,429,889
University of New Mexico	Public	5	34,630	\$ 1,758,793,554
University of Oklahoma	Public	3	30,838	\$ 1,661,181,000
University of Washington	Public	3	53,072	\$ 3,970,536,795
Utah System of Higher Education	Public	7	136,365	\$ 4,260,113,616
University of Tennessee System	Public	3⁵	49,127⁵	\$1,883,934,735⁵
25th Percentile		4	50,705	\$1,758,793,554
Median	N/A	5	63,964	\$2,373,272,896
75th Percentile		6	76,644	\$3,024,421,342

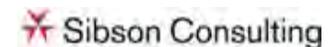
¹ Source: IPEDS Data Center. Data was reported for each institution/campus/location and aggregated at the system/institution level.

² Only includes institutional records reported to IPEDS and may include the system/central office.

³ Total Expenses reflects the sum of operating and non-operating expenses and deductions.

⁴ The Colorado State University System did not participate in the FY2013 Chronicle study and is not included in the following assessment.

⁵ While UT has six institutes/campuses, data reported to IPEDS only includes the three undergraduate campuses of Chattanooga, Knoxville, and Martin.



Big 10 Peer Group

5.2

- Indiana University
- Michigan State University
- Purdue University
- Rutgers University
- The Ohio State University
- The Pennsylvania State University
- The University of Iowa
- University of Illinois at Urbana—Champaign
- University of Maryland, College Park
- University of Michigan, Ann Arbor
- University of Minnesota
- University of Nebraska-Lincoln
- University of Wisconsin-Madison

Market Competitiveness Summary: President

TOTAL COMPENSATION SUMMARY¹

		Deferred Compensation				Retirement Pay	Severance Pay	Total Compensation ²
		Base Pay	Bonus Pay	Paid Out	Set Aside			
Public Systems and Multi-Campus Institutions	25 th Percentile	\$370,228	\$0	\$0	\$0	\$26,221	\$0	\$448,484
	Median	\$465,273	\$0	\$0	\$0	\$32,395	\$0	\$574,428
	75 th Percentile	\$599,261	\$2,533	\$0	\$50,446	\$55,962	\$0	\$692,522
Big 10 Peers	25 th Percentile	\$474,578	\$0	\$0	\$0	\$31,167	\$0	\$508,985
	Median	\$537,649	\$0	\$0	\$40,552	\$34,406	\$0	\$684,471
	75 th Percentile	\$623,835	\$82,153	\$0	\$103,394	\$53,765	\$0	\$1,072,565
University of Tennessee	Joseph DiPietro	\$465,618	\$0	\$0	\$0	\$39,678	\$0	\$505,296
Compared to Public Systems and Multi-Campus Institutions	Percent of Median	100%	N/A	N/A	N/A	122%	N/A	88%
	Percent Rank	54 th	N/A	N/A	N/A	63 rd	N/A	46 th
Compared to Big 10 Peers	Percent of Median	87%	N/A	N/A	N/A	115%	N/A	74%
	Percent Rank	23 rd	N/A	N/A	N/A	54 th	N/A	23 rd

- > **Pay Levels:**
 - *Public Systems and Multi-Campus Institutions:* President DiPietro is at the 54th percentile for base pay and at the 46th percentile of the peer group for total compensation
 - *Big 10 Peers:* President DiPietro is at the 23rd percentile of the peer group for base pay and for total compensation
- > **Bonus Pay:** President DiPietro does not receive bonus pay
 - *Public Systems and Multi-Campus Institutions:* Six presidents (out of 24) received meaningful amounts of bonus pay (average of \$136,758)
 - *Big 10 Peers:* Four presidents (out of 13) received meaningful amounts of bonus pay (average of \$184,369)
- > **Deferred Compensation and Retirement Pay:** President DiPietro's retirement pay is at the 63rd percentile of the Public Systems and Multi-Campus Institutions and at the 54th percentile of the Big 10 Peers
 - *Public Systems and Multi-Campus Institutions:* Nine institutions provided deferred compensation with an average value of approximately \$500K; all are in addition to retirement contributions
 - *Big 10 Peers:* Seven institutions provided deferred compensation with an average value of approximately \$700K; all are in addition to retirement contributions
- > **Car and Housing:** President DiPietro's annual housing allowance is 50% of the Public Systems and Multi-Campus Institution average and 58% of the Big 10 Peer average; he does not receive a car allowance

¹ Source: *The Chronicle of Higher Education*.

² Sum of: Base Pay; Bonus Pay; Deferred Comp, Paid Out; Deferred Comp, Set Aside; Retirement Pay; Severance Pay.

Peer Group Compensation Details¹

Public Systems and Multi-Campus Institutions

5.2

Institution	Incumbent ²	Base Pay	Bonus Pay	Deferred Compensation		Retirement Pay	Severance Pay	Total Compensation ³
				Paid Out	Set Aside			
Arkansas State University System	Charles L. Welch	\$300,566	\$620	\$0	\$0	\$30,119	\$0	\$331,305
Indiana University	Michael A. McRobbie	\$563,340	\$82,153	\$327,075	\$103,394	\$73,700	\$0	\$1,149,662
Kansas State University System	John A. Tompkins	\$203,686	\$8,272	\$0	\$0	\$18,016	\$0	\$229,974
Louisiana State University System	William L. Jenkins ⁴	\$679,978	\$0	\$0	\$0	\$0	\$0	\$679,978
Oregon University System	George P. Pernsteiner ⁴	\$366,160	\$0	\$0	\$0	\$80,115	\$0	\$446,275
Pennsylvania State System of Higher Education	John C. Cavanaugh ⁴	\$464,069	\$0	\$0	\$0	\$22,270	\$0	\$486,339
Purdue University	Mitchell E. Daniels ⁴	\$408,382	\$0	\$0	\$0	\$40,838	\$0	\$449,220
Rutgers University	Robert Barchi ⁴	\$653,304	\$0	\$0	\$0	\$31,167	\$0	\$684,471
The Ohio State University	E. Gordon Gee	\$880,196	\$345,141	\$2,430,457	\$1,002,223	\$54,282	\$1,550,909 ⁵	\$6,263,208
The Pennsylvania State University	Rodney Erickson	\$591,070	\$0	\$0	\$0	\$48,132	\$0	\$639,202
The University of Alabama System	Robert E. Witt	\$641,043	\$108,564	\$0	\$0	\$0	\$0	\$749,606
University of Arkansas System	Donald R. Bobbit	\$367,049	\$0	\$0	\$0	\$25,786	\$0	\$392,835
University of Colorado	Bruce D. Benson	\$371,288	\$0	\$0	\$0	\$26,365	\$0	\$397,653
University of Connecticut	Susan Herbst	\$516,970	\$0	\$51,697	\$0	\$39,290	\$0	\$607,957
University of Illinois Board of Trustees	Robert A. Easter	\$465,273	\$0	\$0	\$0	\$29,873	\$0	\$495,145
University of Massachusetts	Robert L. Caret	\$465,273	\$69,629	\$0	\$0	\$78,143	\$0	\$613,045
University of Michigan	Mary Sue Coleman	\$623,835	\$206,788	\$0	\$180,939	\$61,002	\$0	\$1,072,565
University of Minnesota	Eric W. Kaler	\$630,703	\$0	\$0	\$51,697	\$34,275	\$0	\$716,675
University of Missouri	Timothy M. Wolfe	\$469,538	\$0	\$0	\$0	\$0	\$0	\$469,538
University of Nebraska	James B. Milliken	\$457,784	\$0	\$0	\$50,029	\$33,086	\$0	\$540,899
University of New Mexico	Robert G. Frank	\$367,049	\$0	\$103,394	\$0	\$31,705	\$0	\$502,147
University of Oklahoma	David L. Boren	\$449,666	\$0	\$0	\$93,055	\$88,917	\$0	\$631,637
University of Washington	Michael K. Young	\$568,667	\$0	\$0	\$200,067	\$27,399	\$0	\$796,134
Utah System of Higher Education	David L. Buhler	\$242,976	\$0	\$0	\$0	\$91,942	\$0	\$334,918
	25th Percentile	\$370,228	\$0	\$0	\$0	\$26,221	\$0	\$448,484
	Median	\$465,273	\$0	\$0	\$0	\$32,395	\$0	\$574,428
	75th Percentile	\$599,261	\$2,533	\$0	\$50,446	\$55,962	\$0	\$692,522

¹ Source: *The Chronicle of Higher Education*.

² Reflects the incumbent for fiscal year 2013.

³ Sum of: Base Pay; Bonus Pay; Deferred Comp, Paid Out; Deferred Comp, Set Aside; Retirement Pay; Severance Pay.

⁴ Partial year compensation reported to *The Chronicle of Higher Education*. Compensation data has been annualized to reflect a full year.

⁵ In FY14, the University made a payment to Dr. Gee in the amount of \$1.5 million, which released the University from any obligations related to his presidency. The payment is being reported for FY13, instead of FY14, because he retired from the presidency at the end of FY13.

Peer Group Compensation Details¹

Big 10 Peers

5.2

Institution	Incumbent ²	Base Pay	Bonus Pay	Deferred Compensation		Retirement Pay	Severance Pay	Total Compensation ³
				Paid Out	Set Aside			
Indiana University	Michael A. McRobbie	\$563,340	\$82,153	\$327,075	\$103,394	\$73,700	\$0	\$1,149,662
Michigan State University	Lou Anna K. Simon	\$537,649	\$103,394	\$0	\$0	\$53,765	\$0	\$694,807
Purdue University	Mitchell E. Daniels ⁴	\$408,382	\$0	\$0	\$0	\$40,838	\$0	\$449,220
Rutgers University	Robert Barchi ⁴	\$653,304	\$0	\$0	\$0	\$31,167	\$0	\$684,471
The Ohio State University	E. Gordon Gee	\$880,196	\$345,141	\$2,430,457	\$1,002,223	\$54,282	\$1,550,909 ⁵	\$6,263,208
The Pennsylvania State University	Rodney Erickson	\$591,070	\$0	\$0	\$0	\$48,132	\$0	\$639,202
The University of Iowa	Sally Mason	\$510,013	\$0	\$486,916	\$155,091	\$26,365	\$0	\$1,178,386
University of Illinois at Urbana-Champaign	Phyllis Wise	\$529,894	\$0	\$0	\$103,394	\$29,873	\$0	\$663,161
University of Maryland, College Park	Wallace Loh	\$474,578	\$0	\$0	\$0	\$34,406	\$0	\$508,985
University of Michigan, Ann Arbor	Mary Sue Coleman	\$623,835	\$206,788	\$0	\$180,939	\$61,002	\$0	\$1,072,565
University of Minnesota	Eric W. Kaler	\$630,703	\$0	\$0	\$51,697	\$34,275	\$0	\$716,675
University of Nebraska-Lincoln	Harvey Perlman	\$352,628	\$0	\$0	\$40,552	\$6,204	\$0	\$399,384
University of Wisconsin-Madison	David Ward	\$451,832	\$0	\$0	\$0	\$31,741	\$0	\$483,573
	25th Percentile	\$474,578	\$0	\$0	\$0	\$31,167	\$0	\$508,985
	Median	\$537,649	\$0	\$0	\$40,552	\$34,406	\$0	\$684,471
	75th Percentile	\$623,835	\$82,153	\$0	\$103,394	\$53,765	\$0	\$1,072,565

¹ Source: *The Chronicle of Higher Education*.

² Reflects the incumbent for fiscal year 2013.

³ Sum of: Base Pay; Bonus Pay; Deferred Comp, Paid Out; Deferred Comp, Set Aside; Retirement Pay; Severance Pay.

⁴ Partial year compensation reported to *The Chronicle of Higher Education*. Compensation data has been annualized to reflect a full year.

⁵ In FY14, the University made a payment to Dr. Gee in the amount of \$1.5 million, which released the University from any obligations related to his presidency. The payment is being reported for FY13, instead of FY14, because he retired from the presidency at the end of FY13.

Housing and Car Benefits

Public Systems and Multi-Campus Institutions

5.2

Institution	Incumbent	Housing		Car	
		Benefit	Value	Benefit	Value
Arkansas State University System	Charles L. Welch	University-owned house	\$26,010 ¹	University-owned car	\$28,560
Indiana University	Michael A. McRobbie	Annual housing allowance	\$48,000	University-owned car	\$46,235
Kansas State University System	John A. Tompkins	None		None	
Louisiana State University System	William L. Jenkins	University-owned house	\$277,918	University-owned car	\$43,000
Oregon University System	George P. Pernsteiner	University-owned house	Undisclosed	None	
Pennsylvania State System of Higher Education	John C. Cavanaugh	University-owned house	Undisclosed	None	
Purdue University	Mitchell E. Daniels	University-owned house	\$2,400,000	None	\$3,100
Rutgers University	Robert Barchi	University-owned house	\$1,044,700	University-owned car	\$31,807
The Ohio State University	E. Gordon Gee	University-owned house	Undisclosed	University-owned car	\$10,168
The Pennsylvania State University	Rodney Erickson	None		University-owned car	\$2,243
The University of Alabama System	Robert E. Witt	University-owned house	Undisclosed	Annual car allowance	\$2,000
University of Arkansas System	Donald R. Bobbit	University-owned house	\$1,300,000	University-owned car	\$18,600
University of Colorado	Bruce D. Benson	Annual housing allowance	\$49,500	None	
University of Connecticut	Susan Herbst	University-owned house	Undisclosed	Annual car allowance	\$15,000
University of Illinois Board of Trustees	Robert A. Easter	University-owned house	Undisclosed	None	
University of Massachusetts	Robert L. Caret	Annual housing allowance	\$60,000	Annual car allowance	\$12,500
University of Michigan	Mary Sue Coleman	University-owned house	Undisclosed	Annual car allowance	\$1,300
University of Minnesota	Eric W. Kaler	University-owned house	Undisclosed	None	
University of Missouri	Timothy M. Wolfe	University-owned house	\$2,427,008	Annual car allowance	\$12,148
University of Nebraska	James B. Milliken	Annual housing allowance	\$24,000	Annual car allowance	\$12,750
University of New Mexico	Robert G. Frank	University-owned house	Undisclosed	Annual car allowance	\$12,000
University of Oklahoma	David L. Boren	None		None	
University of Washington	Michael K. Young	University-owned house	\$8,500,000	Annual car allowance	\$12,000
Utah System of Higher Education	David L. Buhler	Annual housing allowance	\$19,950	Annual car allowance	\$6,840
University of Tennessee	Joseph DiPietro	Annual housing allowance	\$20,000	None	

- Housing**
 - 5 peers offer an annual housing allowance with an average value of \$40,290
 - 16 peers offer the use of a University-owned house with an estimated average current value (where disclosed) of \$2.66MM
- Car**
 - 9 peers offer an annual car allowance with an average value of \$10,726
 - 7 peers offer the use of a University-owned car with an estimated average current value (where disclosed) of \$25,802

¹ Reported as annual rental value.

Housing and Car Benefits

Big 10 Peers

Institution	Incumbent	Housing		Car	
		Benefit	Value	Benefit	Value
Indiana University	Michael A. McRobbie	Annual housing allowance	\$48,000	University-owned car	\$46,235
Michigan State University	Lou Anna K. Simon	None		Annual car allowance	\$10,348
Purdue University	Mitchell E. Daniels	University-owned house	\$2,400,000	None	\$3,100
Rutgers University	Robert Barchi	University-owned house	\$1,044,700	University-owned car	\$31,807
The Ohio State University	E. Gordon Gee	University-owned house	Undisclosed	University-owned car	\$10,168
The Pennsylvania State University	Rodney Erickson	None		University-owned car	\$2,243
The University of Iowa	Sally Mason	University-owned house	Undisclosed	Annual car allowance	\$8,400
University of Illinois at Urbana-Champaign	Phyllis Wise	Annual housing allowance	\$30,000	None	
University of Maryland, College Park	Wallace Loh	Annual housing allowance	\$35,000	University-owned car	\$16,000
University of Michigan, Ann Arbor	Mary Sue Coleman	University-owned house	Undisclosed	Annual car allowance	\$1,300
University of Minnesota	Eric W. Kaler	University-owned house	Undisclosed	None	None
University of Nebraska-Lincoln	Harvey Perlman	Annual housing allowance	\$25,200	University-owned car	\$8,388
University of Wisconsin-Madison	David Ward	University-owned house	Undisclosed	University-owned car	\$4,800 ¹
University of Tennessee	Joseph DiPietro	Annual housing allowance	\$20,000	None	

Housing

- 4 peers offer an annual housing allowance with an average value of \$34,550
- 7 peers offer the use of a University-owned house with an estimated average current value (where disclosed) of \$1.72MM

Car

- 3 peers offer an annual car allowance with an average value of \$6,683
- 7 peers offer the use of a University-owned car with an estimated average current value (where disclosed) of \$17,092

¹ Vehicle is leased.

Retirement Plan Analysis

Twenty eight of the identified UT peers participate in Sibson’s survey of plan designs. The key results for retirement benefits for administrators are as follows:

Defined Contribution Plans

1. Do you offer any Defined Contribution Plan?	Yes	100%
	No	0%
2. Does the plan require a minimum employee contribution in order to receive a matching contribution?	Yes	68.75%
	No	31.25%
3. If “yes,” what is the required deferral percentage?	25 th	5.00%
	50 th	6.00%
	75 th	8.00%
	Avg.	6.36%
4. What is the employer provided percentage for matching contributions?	50%	8.33%
	100%	41.67%
	125%	8.33%
	150%	16.67%
	200%	25.00%
5. What is the maximum match? (Example, if 200% of 3% is matched the answer is 6%)	25 th	5.00%
	50 th	8.00%
	75 th	10.00%
	Avg.	7.22%

Retirement Plan Analysis *continued*

Defined Benefit Plans

1. Do you offer any Defined Benefit Plans?	Yes	95.24%
	No	4.76%
2. Are employee contributions required?	Yes	100%
	No	0%
3. If employee contributions are required, what is the contribution percentage?	25 th	4.0%
	50 th	7.0%
	75 th	7.0%
	Avg.	5.8%
4. Definition of compensation used in the benefit formula?	Highest 3	53.85%
	Highest 5	30.77%
	Other	15.38%
5. Is the benefit formula based on a fixed dollar amount per year of service?	Yes	41.67%
	No	58.33%
6. What is the age requirement for normal retirement?	25 th	60.00
	50 th	65.00
	75 th	65.00
	Avg.	63.62
7. What is the multiplier for compensation in the pension formula per year of service (no integration with Social Security)?	25 th	1.70%
	50 th	2.00%
	75 th	2.20%
	Avg.	2.00%

UNIVERSITY OF TENNESSEE
President, University Administration
Pay Grade 75

INCUMBENT: Joseph DiPietro \$465,618

<i>Base Salary</i>	<i>Housing Allowance</i>	<i>Expense Account</i>	<i>Mobile Phone Allowance</i>	<i>Employer Retirement Contribution</i>	<i>Employer Deferred Compensation Contribution</i>	<i>Total Compensation</i>
\$465,618	\$20,000	\$12,000	\$1,140	\$39,829	\$600	\$539,187

INTERNAL DATA:

<u>JOB TITLE</u>	<u>NAME</u>	<u>PAY GRADE</u>	<u>ANNUAL SALARY</u>
Chancellor, UTK	Cheek, Jimmy	75	\$434,452

BASE SALARY MARKET DATA:

SOURCE	Reference 25 th Percentile	Target 50 th Percentile	Reference 75 th Percentile
CUPAHR	\$517,425	\$537,583	\$653,322
Sibson*	\$452,874	\$492,250	\$546,378
SEC Web Search **	\$469,622	\$504,394	\$576,825
Sibson Executive Compensation (Base Pay)	\$452,863	\$514,286	\$613,588
TOTAL REMUNERATION			
Sibson Executive Compensation (Total Pay)***	\$534,668	\$627,628	\$770,557

* Data aged 2.0% for 2011, 2.5% for 2012, 3.0% for 2013, and 3.0% for 2014

**Data generated from web searches is more variable than data from professional surveys

*** Includes base salary plus incentives, total cash compensation, retirement/deferred compensation.

BASE SALARY RECOMMENDATION: \$520,000 – \$540,000

5/22/15

**Report of a Comprehensive Presidential Performance Review
of President Joseph A. DiPietro**

**Presented to the
University of Tennessee Executive and Compensation Committee
September 10, 2014
by
Terrence MacTaggart
Consultant, Association of Governing Boards**

Introduction and Summary

This document reports the results of a comprehensive performance review of President Joseph DiPietro. Consistent with University of Tennessee Trustees' policy on comprehensive reviews, it summarizes the comments of internal and external stakeholders, offers suggestions for adjustments in the President's style of organizational leadership, and recommends that during what is likely to be Dr. DiPietro's second term he lead the system in a major initiative to position the University as one of the key instruments for the educational and economic advancement of the state.

The Review Process

I interviewed some fifty individuals across Tennessee beginning on March 23rd, 2014 through March 28th of that year in the cities of Knoxville, Chattanooga, Nashville and Memphis. From March 31st through April 2, I engaged in phone interviews with nineteen more individuals and subsequently interviewed a Trustee at a national conference we were both attending, for a total of about seventy interviews. I had the pleasure of speaking with a range of Tennesseans including the Governor, all other members of the Board of Trustees, all Chancellors, most senior system administration staff, the faculty senate president for each campus, staff representatives for each campus, the student government president for each campus, three foundation board chairs, the Lieutenant Governor/Speaker of the Tennessee Senate, Speaker of the Tennessee House of Representatives, and representatives of the University's alumni and donor base. Thanks to the number and range of individuals who shared insights with me, I believe this report is accurate when it asserts that Dr. DiPietro is a man of integrity, courage and high intelligence who will lead UT forward in what is likely to be a second term.

Principles and Criteria

This review adhered to the principles of confidentiality, transparency and future orientation. I promised interviewees that their words and names would not be linked. Transparency in this case required that I share virtually the same conclusions with the President and the Vice Chair. Finally, the process is forward looking in that I sought to

understand the President's capacity for leadership in the future and to offer some options for the exercise of that leadership going forward.

The three main criteria I employ to evaluate presidents includes their "duty of trust" or fiduciary obligation in the largest sense, their ability to inspire trust and confidence among stakeholders, and their capacity to lead positive change that will advance the University and the state it serves. The fiduciary responsibility requires sound stewardship of financial and physical assets, but also care for the reputation, brand and integrity of the University. Its key virtue is prudence. Universities are best served when presidents relate to a wide range of individuals so as to elicit trust in the executive's honesty and confidence in their ability to lead.

Integrity and the ability to relate to others are essential but not sufficient qualities in a president of the top rank. Especially in these times of diminishing public fiscal support, decreasing student capacity to afford ever higher tuition bills and heightened demands for quality education to enable students and state to compete in the global market place, presidents must lead their institutions to perform differently and at higher levels than in the past. The best presidents challenge themselves, their boards and fellow leaders across the academic community to change the way they operate to excel in a more restrictive environment. The personal qualities required for this work include the integrity and relational skills of the first two criteria, plus the wisdom to know what to do and the savvy to get it done. The good news is that Joe DiPietro possesses these qualities in abundance.

Stability and Trust

These two words—stability and trust-- echoed through many of my conversations across the state. In the twenty years of hiring, evaluating, supporting and occasionally dismissing presidents, I have never heard such consistent praise for a sitting president, especially one for whom after three years in office the honeymoon should be long over. Of the seventy people interviewed, only an astonishingly low number proffered serious criticism. In two instances, the interviewees felt the President should have usurped the role of a Chancellor in a particular matter; the third commentator differed with the President on political strategy. These criticisms were well intentioned, but in my view based on a misunderstanding of the division of responsibility between a system head and the leader of a single university on the one hand and on the other a naïve understanding of statehouse politics.

The following quotations and paraphrases capture the very positive attitudes toward President DiPietro:

- A most ethical president
- Expects his staff to be 'truth tellers'

- Absolutely the right person for the times
- Humble
- Intelligent
- Emotionally mature...never loses it
- Caring ...loves the UT System
- Exhibits the common touch without being patronizing
- Excellent communicator in small groups
- Helps the academic community feel good about itself
- Outstanding credibility with the campuses
- Open to suggestions
- Huge asset to Tennessee
- Thinks before acting
- Has the political capital to make tough decisions
- Widely respected with farmers and business leaders
- Chancellors recognize he is the boss and respect him
- Respects and knows the campuses
- With Joe in charge, this could be our decade

Does this President appear so good only in comparison with some of his less successful predecessors? Respondents to this question declared that Joe DiPietro would be a strong President in any league. I concur completely with this judgment.

Advice and Suggestions

I asked most interviewees for advice and suggestions they would like me to share with the President without, of course, attribution. From the many who worked reasonably close to the President or were in a position to observe his leadership style, these were the most frequent recommendations:

- Reduce by at least fifty percent the President’s direct reports. Currently, about twenty people report more or less directly to the President. Because he is a tireless worker and very well organized, the President can manage this scheme and clearly it offers some benefits when it comes to really knowing the operation. However, as several pointed out, it leaves less time for longer term, strategic work that the Presidency of this complex system demands.
- Currently the executive responsible for research doubles as executive vice president. As able and experienced as this individual is, these responsibilities require separate leadership to do justice to each. Accelerating the University’s research productivity and developing the Cherokee Farm research campus to achieve its full potential are full-time tasks in themselves. The President should allow the incumbent to focus exclusively on the research enterprise and acquire

a true “second-in-command” who has the respect of the University and can speak and act for the President on a variety of matters.

- Engage in systematic succession planning throughout the University but especially at the levels of President and Chancellor as well as the staff who report to the President and the Chancellors. The habit in higher education of hiring from outside the organization has its merits, but developing leadership from within and testing candidates for promotion in competitive national searches offers the best of both worlds. As President DiPietro’s own appointment demonstrates, hiring a known executive who also possesses external experience is a winning combination.
- Reflect on key past decisions and pending ones with an eye toward speeding up the decision making process. Thoughtfulness and willingness to hear all sides of an issue are important virtues, but making choices in a timely fashion is too. No one suggested that the President is timid or indecisive, but several encouraged him to speed up his decision making where possible.
- Retain a coach to develop greater skill in speaking before large groups. Authenticity and character are the most important traits of a public speaker, and these the President has aplenty. However, several suggested that the President could become even more effective with large audiences with guidance from an experienced communications coach.

What Next?

After seeking input on the quality of the President’s leadership in the recent past and currently, I also sought answers to the question “What next?” on the assumption that the President would be offered and would accept a second term of four or five years. To be sure, several respondents suggested that he continue to march as he has until now. Others, however, proffered ideas for initiative on a variety of fronts: devote more attention to advocacy with policy makers, accelerate fundraising, find ways to monetize intellectual and other property, partner more aggressively with employers and the business community, use the Top 25 initiative as the occasion to review programs and services and reallocate among them, and market the system more forcefully both in state and beyond.

In addition to these individual recommendations, some observed that the President has amassed such substantial political capital and credibility that he should consider some major push on behalf of the University and the State. These interviewees sometimes noted that policy leadership for higher education in Tennessee has shifted to the Governor’s Office. Big ideas like Drive to 55 and the Tennessee Promise seem to have originated there, while others like Top 25 received major emphasis from the Governor.

If strategic and policy leadership is coming more from the Capitol, more money is not. The shift of monies from the Hope Scholarship to community college students, while far from a repudiation of the University, still represents an investment in the two year system and not UT. The Top 25 aspiration, currently defined largely as a Knoxville initiative, will require substantial financing to be achieved, but has received very little state support thus far. Finally, whatever the status of state revenues next year and thereafter, no one I spoke with believes there will be major hikes in state support anytime soon. And sooner rather than later, I was told, there will be legislative caps on tuition increases. All this leads one to believe that the fortunes of the University of Tennessee lie in its own hands for the foreseeable future.

Faced with these trends and realities, three major strategies present themselves: defer action until a crisis makes it inevitable; get smaller and hopefully better; engage in a major initiative to position the university at the center of the state's agenda. The deferral option may eventually yield the energy to change ignited by a fiscal crisis. But just as likely, it would lead down a sorry path of across-the-board cuts and tuition hikes. Students wind up paying more for less. The second option, rightsizing, runs counter to Tennessee's historic commitment to access. Syracuse University, for example, used this option to reduce enrollment by 2,000 students and rise in the national rankings. But Syracuse is a private institution without the public mandate of a state sponsored university.

The third option deserves careful attention. Many I listened to suggested aspects of a major strategic initiative, and some envisioned it as an integrated package. The idea as I understand it would be to engage in a systematic, comprehensive initiative to reposition UT as one of the most important instruments for a brighter economic and educational future for Tennesseans. Such an effort would require seeking equally strong internal efficiencies and reallocations on the one hand, and public communications, advocacy and fundraising on the other. This choice would also afford the President of the University of Tennessee the opportunity to serve as the spokesperson for higher education in the state.

It would be a mistake to regard this effort solely as political advocacy or a public relations campaign, though both of these dimensions are important. What also needs to occur would be a fundamental review of the current business model, program array and staffing patterns. One purpose of this analysis would be to identify programs and services most important to Tennessee, those of lesser priority but worth sustaining, and those which should be reduced or eliminated. This review, reduction and reallocation process is the painful element in an overall change strategy. However, embracing it sooner will engender far less difficulty, allow adjustments to be made over time and ensure better decisions than waiting for the all but inevitable fiscal crisis.

Properly planned, communicated and supported by the Governor, Trustees, University leaders as well as the rank and file, legislators, business leaders, alumni, and community leaders statewide, a comprehensive effort to realign the University with the state's most compelling needs and priorities could yield long term benefits. To be sure, the advocacy elements suggested here will be attractive to many, but the cuts and reallocations will arouse opposition. But then worthwhile change always does. If successfully operationalized and communicated, however, this kind of initiative could strengthen the University and the state for years to come.

Conclusion

President Joseph DiPietro is a remarkable leader who has earned the trust and confidence of a wide spectrum of Tennesseans. He possesses the "right stuff" not only to manage this complex and very important university, but to lead it in positive new directions going forward.

Respectfully submitted,

Terrence MacTaggart

AGB Consultant

THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

ACTION ITEM

DATE: October 8, 2015

COMMITTEE: Executive and Compensation

ITEM: **Evaluation of Performance and Determination of Retention Payments under the Performance and Retention Plan, FY 2013-2015**

PRESENTED BY: Raja J. Jubran, Vice Chair of the Board
Joseph A. DiPietro, President

6

On March 1, 2013, the Board of Trustees approved a Performance and Retention Plan (Plan) for the President, Chancellors, and Executive Vice President, with strategic performance goals and a three-year retention period from July 1, 2012 through June 30, 2015. The objectives of the Plan were to:

- Motivate and reward achievement of strategic performance goals
- Reinforce UT system values, mission, and strategic goals
- Promote accountability and excellence at the chief executive level
- Encourage retention of high performing chief executive officers

The Board also approved a maximum retention amount under the plan of 15% of base salary as of July 1, 2012, multiplied by three years. At the time of the Board’s action in 2013, Chancellor Steve Angle had not begun employment with the University. Under the Plan, Chancellor Angle became eligible to participate on July 1, 2014. Accordingly, on June 19, 2014, the Board approved strategic performance goals for Chancellor Angle, for the retention period July 1, 2014 through June 30, 2017, and a maximum retention amount of 15% of his base salary as of July 1, 2014, multiplied by three years. [The Plan document and maximum retention amounts appear at **Tab 6.8.**]

For all participants except Chancellor Angle, the spreadsheet at **Tab 6.1** shows the objective goals and the participants’ performance on the objective goals as of June 30, 2015. For Chancellor Angle, the spreadsheet at **Tab 6.2** shows the objective goals and his performance on the goals as of June 30, 2015. The subjective goals for all participants appear at **Tab 6.3**. The participants’ self-evaluations appear at **Tab 6.4**.

The Plan provides that at the end of the retention period, the President will evaluate the performance of the Chancellors and Executive Vice President, and the Vice Chair will

evaluate the performance of the President, and they will make a recommendation to the Executive and Compensation Committee as to whether a participant should receive the maximum retention amount or some portion of it. For all participants except Chancellor Angle, the initial three-year period of the Plan ended on June 30, 2015. Chancellor Angle is being considered for a one-year retention payment based on his performance for the period July 1, 2014 through June 30, 2015 because the Plan expressly reserved to the Board discretion to terminate the Plan at any time and to award a pro rata retention amount to participants upon a determination that performance as to the strategic goals has been more than satisfactory. With the adoption of a new Performance-Based Variable Compensation Plan at this meeting, the Board will be terminating the Plan adopted in 2013.

The Vice Chair and President developed a methodology for evaluating the participants' performance and calculating a proposed retention payment for each Participant. A description of the methodology appears at **Tab 6.5**.

Applying the methodology produced the scoresheet for each participant appearing at **Tab 6.6**. The second page of the scoresheet for the President shows the retention payment the Vice Chair is recommending for the President. The second page of the other scoresheets shows the retention payment the President is recommending for the other participants.

At the request of the Vice Chair, the Office of Audit and Compliance conducted a review of the performance data for the objective goals (Tabs 6.1 and 6.2), which represent 70% of each participant's total score. The audit report from Executive Director Sandy Jansen to Trustee Gallimore, Chair of the Audit and Compliance Committee, appears at **Tab 6.7**.

Based on the Vice Chair's assessment of President DiPietro's performance over the three-year period on his objective goals (70%), his subjective goals (20%), and his advocacy and leadership (10%), the Vice Chair recommends that the Board approve a retention payment to President DiPietro in the amount of \$62,100 per year for a total of \$186,301 for all three years.

Based on the President's assessment of the other participants' performance over the three-year period (or one-year period in the case of Chancellor Angle) on their objective goals (70%), their subjective goals (20%), and their advocacy and leadership (10%), the President recommends that the Board approve retention payments in the following amounts for the other participants:

Chancellor Angle:	\$ 36,259 per year for a total of \$36,259
Chancellor Arrington:	\$ 30,887 per year for a total of \$92,661
Chancellor Cheek:	\$ 52,699 per year for a total of \$158,098
Chancellor Schwab:	\$ 75,076 per year for a total of \$225,227
Executive Vice President Millhorn:	\$ 37,159 per year for a total of \$111,477

The Plan provides that payment of the retention amount approved by the Board will be paid within thirty (30) days of the Board’s approval if the participant is in active service as President, Executive Vice President, or Chancellor on the date payment is to be made, except as other provided in provisions of the Plan concerning termination of the Participant’s employment prior to the payment date for medical reasons or by reason of death. The recommendations of the Vice Chair and the President are subject to these provisions of the Plan.

The Trustees should note that the FY 2015 data shown at Tab 6.1 and Tab 6.2 for one of the objective goals, Restricted and Unrestricted Research Expenditures Report to NSF, is an estimate because the final data for FY 2015 will not be available until January 2016. In light of this, the recommendations of the Vice Chair and the President are subject to the following conditions:

1. The final FY 2015 data for Restricted and Unrestricted Research Expenditures Reported to NSF, and the resulting recalculation of the objective scores and the retention payments, shall be audited by the University’s Office of Audit and Compliance;
2. The results of the audit will be presented to the next meeting of the Executive & Compensation Committee, and the Committee shall be authorized to approve any increase or decrease in the retention payment to a participant based on the audited recalculation of the objective scores and retention payments;
3. If the Committee approves a decrease in the retention payment based on the audited recalculation, the amount shall be deducted from the participant’s next paycheck if practicable and if not, from the following paycheck; and
4. If the Committee approves an increase in the retention payment based on the audited recalculation, the amount shall be paid to the participant within thirty (30) days of the Committee’s approval.

The Vice Chair and the President believe the Performance and Retention Plan has clearly been successful in accomplishing key objectives—specifically, motivation to achieve strategic performance goals and retention of high performing chief executives— and the retention payments are a due reward for the outstanding achievements by these leaders.

RESOLVED:

That the Board of Trustees approve a three-year retention payment to President DiPietro in the amount of \$62,100 per year for a total of \$186,301 for all three years as long as he remains in active service as President on the date payment is to be made, except as otherwise provided in the Performance and Retention Plan, and subject to the conditions stated in the meeting materials concerning recalculation of the objective scores and retention payments based on final FY 2015 Restricted and Unrestricted Research Expenditures Reported to NSF.

RESOLVED:

That the Board of Trustees determine that the performance of Chancellor Angle during the one-year period from July 1, 2014 through June 30, 2015 has been more than satisfactory and approve a one-year retention payment to him in the amount of \$36,259 as long as he remains in active service as Chancellor on the date payment is to be made, except as otherwise provided in the Performance and Retention Plan, and subject to the conditions stated in the meeting materials concerning recalculation of the objective scores and retention payments based on final FY 2015 Restricted and Unrestricted Research Expenditures Reported to NSF.

RESOLVED:

That the Board of Trustees approve a three-year retention payment to Chancellor Arrington in the amount of \$30,877 per year for a total of \$92,661 for all three years as long as he remains in active service as President on the date payment is to be made, except as otherwise provided in the Performance and Retention Plan, and subject to the conditions stated in the meeting materials concerning recalculation of the objective scores and retention payments based on final FY 2015 Restricted and Unrestricted Research Expenditures Reported to NSF.

RESOLVED:

That the Board of Trustees approve a three-year retention payment to Chancellor Cheek in the amount of \$52,699 per year for a total of \$158,098 for all three years as long as he remains in active service as Chancellor on the date payment is to be made, except as otherwise provided in the Performance and Retention Plan, and subject to the conditions stated in the meeting materials concerning recalculation of the objective scores and retention payments based on final FY 2015 Restricted and Unrestricted Research Expenditures Reported to NSF.

RESOLVED:

That the Board of Trustees approve a three-year retention payment to Chancellor Schwab in the amount of \$75,076 per year for a total of \$225,227 for all three years as long as he remains in active service as Chancellor on the date payment is to be made, except as otherwise provided in the Performance and Retention Plan, and subject to the conditions stated in the meeting materials concerning recalculation of the objective scores and retention payments based on final FY 2015 Restricted and Unrestricted Research Expenditures Reported to NSF.

RESOLVED:

That the Board of Trustees approve a three-year retention payment to Executive Vice President Millhorn in the amount of \$37,159 per year for a total of \$111,477 for all three years as long as he remains in active service as Executive Vice President on the date payment is to be made, except as otherwise provided in the Performance and

Retention Plan, and subject to the conditions stated in the meeting materials concerning recalculation of the objective scores and retention payments based on final FY 2015 Restricted and Unrestricted Research Expenditures Reported to NSF.

Executive Officer Performance Data (FY2013-2015)

Base Year								Chancellors' Goals	Exec/VP's Goal	President's Goal
FY2012	Adj.	FY2013	FY2014	FY2015 actual or est.	FY2015 Goal	% of Goal Achieved	Weight	FY15 3-Yr Incr	FY15 3-Yr Incr	FY15 3-Yr Incr

* = Base Year data and/or FY15 Goals were adjusted; see attached Addendum/Notes for explanation

(N,I,H = Normal, Intermediate, High)

0% if Below Base Year	= Below Goal	= Met / Exceeded Goal
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6.1

Enhancing Educational Excellence

1 Six-Year Freshman Graduation Rate		<i>Actual</i>									
UT System	56.3%	*	56.1%	57.3%	56.9%	58.3%	98%	H		NA	2.0%
UTK	66.1%		67.5%	69.3%	70.3%	69.0%	102%	H	2.9%		
UTM	48.9%		46.6%	47.0%	42.2%	NA	NA	H	2.0%		
UTIA (Students in UTIA are included in UTK data)								I	2.0%		
2 Freshman Retention Rate		<i>Actual</i>									
UT System	77.4%		78.1%	79.3%	79.6%	79.4%	100%	H		NA	2.0%
UTK	84.6%		85.6%	86.6%	84.6%	85.6%	99%	H	1.0%		
UTM	70.7%		69.9%	70.8%	74.5%	NA	NA	H	2.0%		
UTIA (Students in UTIA are included in UTK data)								I	2.0%		
3 Total Degrees Awarded (Summer/Fall/Spring)		<i>Actual</i>									
UT System	11,058		11,182	11,152	11,503	11,279	102%	H		NA	2.0%
UTK	6,885		6,793	6,689	6,757	6,954	0%	H	1.0%		
UTM	1,265		1,372	1,346	1,329	NA	NA	H	3.0%		
UTHSC	1,072		1,189	1,225	1,236	1,104	112%	N	3.0%		
UTIA	447	*	409	420	449	460	98%	I	3.0%		

Executive Officer Performance Data (FY2013-2015)

Base Year								Chancellors' Goals	Exec/VP's Goal	President's Goal
FY2012	Adj.	FY2013	FY2014	FY2015 actual or est.	FY2015 Goal	% of Goal Achieved	Weight	FY15 3-Yr Incr	FY15 3-Yr Incr	FY15 3-Yr Incr

* = Base Year data and/or FY15 Goals were adjusted; see attached Addendum/Notes for explanation

(N,I,H = Normal, Intermediate, High)

0% if Below Base Year	= Below Goal	= Met / Exceeded Goal
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6.1

Expand Research Capacities

4 Research and Sponsored Projects (Restricted) Expenditures (in \$millions) Reported to THEC

<i>Actual</i>											
UT System	\$465.00		\$440.35	\$422.07	\$435.55	\$500.00	0%	H		7.5%	7.5%
UTK+ Vet Med	\$167.30		\$166.89	\$162.48	\$155.78	\$177.34	0%	H	6.0%	<i>Contingent upon federal budget</i>	
UTM	\$3.33		\$2.30	\$2.57	\$2.63	NA	NA	N	5.0%		
UTHSC	\$201.07		\$202.51	\$203.12	\$222.67	\$221.17	101%	H	10.0%		
UTIA (includes Vet Med)	\$43.23		\$44.07	\$36.34	\$42.84	\$46.48	0%	H	7.5%		

5 Restricted and Unrestricted Research Expenditures Reported to NSF (in \$millions)

<i>Est.</i>											
UT System	\$336.96	*	\$341.11	\$320.89	\$316.92	\$362.23	0%	H		7.5%	7.5%
UTK	\$179.25	*	\$193.05	\$179.04	\$174.88	\$188.21	0%	H	5.0%	<i>Contingent upon federal budget</i>	
UTM	\$0.58	*	\$0.42	\$0.55	\$0.50	NA	NA	N	5.0%		
UTHSC	\$77.75		\$71.90	\$67.84	\$65.55	\$85.53	0%	H	10.0%		
UTIA	\$68.48	*	\$67.89	\$67.17	\$68.72	\$72.59	95%	H	6.0%		

6 Research and Sponsored Program Proposals

<i>Actual</i>											
UT System	3,165	*	3,217	3,482	3,651	3,355	109%	H		6.0%	6.0%
UTK	1,593	*	1,532	1,642	1,785	1,597	112%	H	3.0%	<i>Contingent upon federal budget</i>	
UTM	46	*	52	52	50	NA	NA	N	5.0%		
UTHSC	732	*	787	857	843	878	96%	H	20.0%		
UTIA	618	*	688	791	812	655	124%	H	6.0%		

Executive Officer Performance Data (FY2013-2015)

Base Year								Chancellors' Goals	Exec/VP's Goal	President's Goal
FY2012	Adj.	FY2013	FY2014	FY2015 actual or est.	FY2015 Goal	% of Goal Achieved	Weight	FY15 3-Yr Incr	FY15 3-Yr Incr	FY15 3-Yr Incr

* = Base Year data and/or FY15 Goals were adjusted; see attached Addendum/Notes for explanation

(N,I,H = Normal, Intermediate, High)

0% if Below Base Year	= Below Goal	= Met / Exceeded Goal
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6.1

Expand Research Capacities

7 Number of Disclosures (Inventions) (3-yr average) <i>Actual</i>											
UT System	107		125	147	138	112	123%	H		5.0%	5.0%
UTK	39		53	67	75	41	185%	H	5.0%		
UTM	0		1	2	1	NA	NA	N	-		
UTHSC	28		28	29	28	29	0%	H	3.0%		
UTIA	36		41	46	31	37	0%	H	5.0%		

8 Revenue From Executed License Agreements (in \$Thousands) (3-yr average) <i>Actual</i>											
UT System	\$1,436		\$1,318	\$1,122	\$1,768	\$1,479	119%	I		3.0%	3.0%
UTK	\$722	*	\$606	\$411	\$1,076	\$744	145%	I	3.0%		
UTM	\$0		\$0	\$0	\$0	NA	NA	N	-		
UTHSC	\$474	*	\$447	\$452	\$532	\$488	109%	I	3.0%		
UTIA	\$246		\$288	\$301	\$222	\$253	0%	H	3.0%		

Executive Officer Performance Data (FY2013-2015)

Base Year								Chancellors' Goals	Exec/VP's Goal	President's Goal
FY2012	Adj.	FY2013	FY2014	FY2015 actual or est.	FY2015 Goal	% of Goal Achieved	Weight	FY15 3-Yr Incr	FY15 3-Yr Incr	FY15 3-Yr Incr

* = Base Year data and/or FY15 Goals were adjusted; see attached Addendum/Notes for explanation

(N,I,H = Normal, Intermediate, High)

0% if Below Base Year	= Below Goal	= Met / Exceeded Goal
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6.1

Engage in Outreach and Service

9 Number of Participants in Outreach and Engagement Activities <i>Actual</i>										
UT System	3,885,429	*	4,082,304	4,260,230	4,408,125	4,040,846	109%	N		
UTK	12,216	*	12,076	7,579	14,893	12,705	117%	N	4.0%	
UTM	2,638		3,438	3,143	3,614	NA	NA	N	5.0%	
UTHSC	41,157	*	42,483	48,318	62,727	Increase	100%	N	increase	
UTIA	3,823,084	*	4,019,148	4,194,665	4,320,120	4,109,815	105%	H	7.5%	
10 Number of Patient Billings or Clients Served <i>Actual</i>										
HSC (Billings - \$millions)	\$738.5	*	\$935.3	\$959.3	\$994.4	\$960.1	104%	H	30.0%	30.0%
HSC (RVUs)	3,658,609	*	3,982,854	3,733,407	3,940,641	4,756,191	83%	H	30.0%	30.0%
Vet Med (Clients)	215,190	*	390,541	387,275	323,661	221,646	146%	I	3.0%	3.0%
<i>Billings are charges for clinical patient services provided by UTHSC faculty; RVU = Relative Value Units (number of billable medical procedures); RVUs do not include Dentistry, Pharmacy, Nursing, Allied Health</i>										
11 Number of Alumni Who Donate <i>Actual</i>										
UT System	26,323	*	26,504	28,114	30,926	27,113	114%	N		3.0%
UTK	18,464	*	18,385	19,546	21,385	19,018	112%	N	3.0%	
UTM	1,866	*	2,040	2,248	2,546	NA	NA	I	5.0%	
UTHSC	3,442	*	3,563	3,562	3,898	3,459	113%	N	0.5%	
UTIA	1,349	*	1,302	1,415	1,423	1,389	102%	N	3.0%	

Executive Officer Performance Data (FY2013-2015)

Base Year								Chancellors' Goals	Exec/VP's Goal	President's Goal
FY2012	Adj.	FY2013	FY2014	FY2015 actual or est.	FY2015 Goal	% of Goal Achieved	Weight	FY15 3-Yr Incr	FY15 3-Yr Incr	FY15 3-Yr Incr

* = Base Year data and/or FY15 Goals were adjusted; see attached Addendum/Notes for explanation

(N,I,H = Normal, Intermediate, High)

0% if Below Base Year	= Below Goal	= Met / Exceeded Goal
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Increase Effectiveness and Efficiency

12 Fundraising Progress (in \$m)*		<i>Actual</i>									
UT System	\$148,998		\$149,134	\$179,788	\$303,347	\$154,958	196%	H		NA	4%
UTK	\$104,782		\$92,690	\$130,871	\$234,528	\$107,926	217%	H	3.0%		
UTM	\$3,045		\$3,285	\$3,111	\$3,880	NA	NA	H	5.0%		
UTHSC	\$12,879		\$30,877	\$21,284	\$39,248	\$14,167	277%	H	10.0%		
UTIA	\$18,800		\$10,954	\$16,038	\$10,416	\$19,364	0%	H	3.0%		
13 Unrestricted E&G Expense per Student FTE (in 2012 \$)		<i>Actual</i>									
UT System	\$24,366		\$25,130	\$25,195	\$25,691	\$24,366	95%	H		NA	0.0%
UTK (incl Vet Med)	\$21,434		\$22,621	\$22,323	\$22,860	\$21,434	94%	H	0.0%		
UTM	\$12,019		\$12,330	\$12,569	\$12,999	NA	NA	H	0.0%		
UTHSC	\$77,066		\$73,302	\$77,041	\$75,327	\$78,607	104%	H	2.0%		
14 Unrestricted E&G Expense per Degrees Awarded (in 2012 \$)		<i>Actual</i>									
UT System	\$98,130		\$100,574	\$101,795	\$89,335	\$98,621	110%	H		NA	0.5%
UTK (incl Vet Med)	\$78,099		\$82,334	\$83,444	\$80,191	\$78,099	97%	H	0.0%		
UTM	\$65,052		\$60,636	\$61,060	\$55,879	NA	NA	H	1.5%		
UTHSC	\$276,153		\$276,586	\$299,425	\$284,609	\$281,676	99%	H	2.0%		

6.1

Executive Officer Performance Data (FY2013-2015)

Base Year								Chancellors' Goals	Exec/VP's Goal	President's Goal
FY2012	Adj.	FY2013	FY2014	FY2015 actual or est.	FY2015 Goal	% of Goal Achieved	Weight	FY15 3-Yr Incr	FY15 3-Yr Incr	FY15 3-Yr Incr

* = Base Year data and/or FY15 Goals were adjusted; see attached Addendum/Notes for explanation

(N,I,H = Normal, Intermediate, High)

0% if Below Base Year	= Below Goal	= Met / Exceeded Goal
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6.1

Increase Effectiveness and Efficiency

15 Net Cost of Tuition and Fees. (Average percentage of total cost of tuition and mandatory fees that an undergraduate pays after subtracting financial aid grants and scholarships)

<i>Actual</i>											
UT System	26.8%		32.6%	35.2%	38.2%	31.8%	83%	H		NA	5.0%
UTK	35.2%		38.1%	40.9%	45.1%	40.2%	89%	H	5.0%		
UTM	19.9%		25.3%	27.7%	26.0%	NA	NA	H	5.0%		

16 Tuition/Mandatory Fees as % of Peer Average

<i>Actual</i>											
UT System	81.7%	*	84.4%	95.8%	95.4%	81.2%	85%	H		NA	-0.5%
UTK	77.5%	*	80.8%	97.5%	96.7%	76.5%	79%	H	-1.0%		
UTM	92.5%	*	89.5%	91.2%	91.4%	NA	NA	H	0.0%		

17 E&G Expense Per Direct Service Contact (in 2012 \$)

<i>Actual</i>											
UTIA	17.35	*	17.09	16.72	15.99	\$17.35	108%	H	0.0%	NA	0.0%

18 State Capital Maintenance Funded (\$ in millions)

<i>Actual</i>											
UT System	\$23.92		\$31.46	\$25.15	\$38.60	\$25.71	150%	N		7.5%	7.5%
UTK	\$4.75	*	\$11.30	\$6.00	\$14.00	\$5.11	274%	N	7.5%		
UTM	\$3.75	*	\$6.78	\$2.35	\$11.10	\$5.02	221%	N	34.0%		
UTHSC	\$3.13	*	\$3.00	\$5.00	\$3.00	enhance	0%	N	Enhance		
UTIA	\$4.84	*	\$5.48	\$3.10	\$2.70	\$5.20	0%	N	7.5%		

As the President is the only Participant able to influence the achievement of this goal, the Vice Chair and the President recommend that this metric be disregarded in evaluating the performance and calculating the retention payment for the Chancellors and Executive Vice President.

PERFORMANCE AND RETENTION PLAN

Addendum and Notes for FY 2013-FY 2015 Performance Goals

6.1

I. Goal 1: Enhancing Educational Excellence

1 Six-Year Freshman Graduation Rate

- Rates are based on full-time new freshmen.
- Students in UTIA are included in UTK data.
- Base Year FY 2012 rate for the UT System was corrected from 55.6% to 56.3% to reflect full-time new freshmen rather than total new freshman.

2 Freshman Retention Rate

- Rates are based on full-time new freshmen.
- Students in UTIA are included in UTK data.

3 Total Degrees Awarded

- Degrees Awarded are based on the Academic Year (Summer, Fall, Spring).
- UTHSC includes Graduate Medical Education Residents/Fellows and Non-GME program graduation recipients.
- New UTK students in Fall 2009 declined by ~550 students resulting in a lower number of degrees awarded four to six years later.
- UTIA number for Base Year FY 2012 was corrected from 419 to 447 to reflect actual degrees awarded rather than only the number of students receiving degrees.

II. Goal 2: Expand Research Capacities

4 Research and Sponsored Projects Expenditures as Reported to the Tennessee Higher Education Commission (THEC)

- Vet Med expenditures are included in both UTK and UTIA totals.
- The decreases in Research Expenditures in FY 2013 were mostly attributable to the withdrawal of the ARRA (stimulus) funds.
- Research Expenditures were also impacted by the federal sequestration and budget reductions.
- UTC lost some long-term earmarks for the SimCenter that decreased extramural funds by nearly \$2M.

5 Restricted and Unrestricted Research Expenditures Reported to NSF

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- Research Expenditures were also impacted by the federal sequestration and budget reductions.
- UTC lost some long-term earmarks for the SimCenter that decreased extramural funds by nearly \$2M.

- Base Year FY 2012 data reflected preliminary numbers for Research Expenditures. When final numbers became available, Base Year FY 2012 data were revised to reflect actual numbers reported to NSF:

	<u>Original #s (\$Millions)</u>	<u>Corrected #s (\$ Millions)</u>
UT System	\$338.60	\$336.96
UTK	\$179.76	\$179.25
UTM	\$ 0.57	\$ 0.58
UTIA	\$ 69.62	\$ 68.48

6 Research and Sponsored Program Proposals

- UTK focused more on developing larger multidisciplinary grant proposals that required greater work and collaboration than individual proposals.
- UTIA proposals were also impacted by the federal sequestration which led to an 8% budget reduction and a similar reduction in faculty/staff.
- Revised numbers for the FY 2012 Base Year were received from the campuses regarding the number of proposals submitted:

	<u>Original #s</u>	<u>Corrected #s</u>
UT System	3,106	3,165
UTK	1,550	1,593
UTM	49	46
UTHSC	581	732
UTIA	727	618

7 Number of Disclosures (Inventions) (3-yr average)

8 Revenue From Executed License Agreements (in \$Thousands) (3-yr average)

- The largest contributors to revenue decline have been a series of licensed patents that expired in 2011 and 2012. Additionally, a large licensee’s contract with the federal government was terminated and therefore the licensee was forced to terminate its agreement with UTRF. Over the past six-eight years, deal flow (executed licenses and options) within UTRF is at an all-time high. However, in many cases, these deals take years to mature and generate significant revenue. This is an important, yet lagging indicator of success and should be evaluated over long time horizons.
- Base Year FY 2012 data for the Graduate School of Medicine at the UT Medical Center in Knoxville were erroneously credited to UTK and have now been credited to UTHSC.

	<u>Original #s</u>	<u>Corrected #s</u>
UTK	\$730 Thousand	\$722 Thousand
UTHSC	\$456 Thousand	\$474 Thousand

III. Goal 3: Engage in Outreach and Service

9 Number of Participants in all Outreach and Engagement Activities

- Includes participants in non-credit programs and direct contacts with clients in Extension, Ag Science, and IPS.

- UTIA outreach and engagement activity is reported on a calendar year basis instead of fiscal year. For example, FY 2015 data reflect calendar year 2014.
- Base Year FY 2012 data was inaccurately reported for UTK, UTHSC, and UTIA. UTK reported training hours instead of participants for non-Continuing Education Unit activity. UTHSC revised its number based on more accurate data from the colleges. The original UTIA data for FY 2012 included TSU data, which has now been excluded.

	<u>Original #s</u>	<u>Corrected #s</u>
UT System	4,683,913	3,885,429
UTK	22,612	12,216
UTHSC	41,097	41,157
UTIA	4,467,718	3,823,084

10 Number of Patient Billings or Clients Served

- Billings are charges for clinical patient services provided by UTHSC faculty.
- RVU = Relative Value Units (number of billable medical procedures); RVUs do not include Dentistry, Pharmacy, Nursing, and Allied Health.
- Base Year FY 2012 data for UTHSC billings and RVUs did not capture all faculty practice plans and RVUs. In the Spring of 2012, UTHSC and the West Clinic formed the UT- West Cancer Center as a new faculty practice plan. Only nine months of data for West Cancer Center were captured for FY 2012. Revised numbers for FY 2012 were also received for the number of clients at the Vet Med Center based on more accurate patient counts.

	<u>Original #s</u>	<u>Corrected #s</u>
UTHSC Billings	\$353.0 million	\$738.5 million
UTHSC RVUs	2,021,304	3,658,609
Vet Med Clients	130,859	215,190

11 Number of Alumni Who Donate

- UT Foundation provided revised numbers for FY 2012 based on an error in the programming.

	<u>Original #s</u>	<u>Corrected #s</u>
UT System	30,619	26,323
UTK	20,356	18,464
UTC	2,823	2,541
UTM	2,313	1,866
UTHSC	3,713	3,442
UTIA	1,453	1,349

IV. Goal 4: Increase Effectiveness and Efficiency

12 Fundraising Progress

- Includes new gifts, pledges, and bequests.
- UTK number does not include the College of Agricultural Sciences and Natural Resources or the College of Veterinary Medicine.
- Variations in year-to-year progress are expected due to one-time major gifts and gifts in-kind.

13 Unrestricted E&G Expenditures per Student FTE

- Unrestricted Educational and General (E&G) expenditures generally reflect the money spent from state appropriations and tuition and fee revenue on the operations of the university excluding auxiliary functions (e.g., residence halls, parking, food service) and new construction projects.

14 Unrestricted E&G Expenditures per Degrees Awarded

15 Net Cost of Tuition and Fees

- Net Cost represents the average percentage of total cost of tuition and mandatory fees that an undergraduate pays after subtracting student grants and scholarships.

16 Tuition/Mandatory Fees as % of Peer Average

- The overall objective has been to keep Tuition and Fees below the peer average. Although the more challenging goals approved by the Board for this metric were not achieved, Tuition and Fees at all campuses are below the peer average.
- Base Year FY 2012 data was adjusted to more accurately reflect mandatory fees as published on peer campus websites.

	<u>Original #s</u>	<u>Corrected #s</u>
UT System	81.9%	81.7%
UTK	75.4%	77.5%
UTC (Base Year FY13)	92.3%	92.6%
UTM	95.1%	92.5%

17 E&G Expense Per Direct Service Contact

- This metric was modified to reflect reported revenues rather than expenditures. The cost per contact is based upon published revenue figures for UTIA including all state appropriations. The revenue information is from UT Revised Budget Documents, published annually. Contact data is collected using procedures and systems established by each unit.

	<u>Original #s</u>	<u>Corrected #s</u>
UTIA	\$21.93	\$17.35

18 State Capital Maintenance Funded

- As the President is the only Participant able to influence the achievement of this goal, the Vice Chair and the President recommend that this metric be disregarded in evaluating the performance and calculating the retention payment for the Chancellors and Executive Vice President.

UT Chattanooga Executive Officer Performance Data (FY2014-2015)

Base Year							Chancellor's FY17 Goals			
FY2013	Adj.	FY2014	FY2015 actual or est.	FY2015 Goal	% of Goal Achieved	Weight	GOAL FY17	FY17 4-Yr Incr	Incr / Yr	

* = Base Year data and/or FY15 Goal were adjusted; see attached Addendum/Notes for explanation = Normal, Intermediate, High)

= 0% if Below Base Year
= Below Goal
= Met / Exceeded Goal

6.2

Enhancing Educational Excellence

1 Six-Year Freshman Graduation Rate <i>Actual</i>										
UTC	37.1%		39.8%	43.6%	42.1%	104%	H	47.0%	9.9%	2.5%
2 Freshman Retention Rate <i>Actual</i>										
UTC	69.1%		70.0%	71.4%	71.1%	100%	H	73.0%	3.9%	1.0%
3 Total Degrees Awarded (Summer/Fall/Spring) <i>Actual</i>										
UTC	2,232		2,350	2,375	2,361	101%	H	2,490	11.6%	2.9%

Expand Research Capacities

4 Research and Sponsored Projects (Restricted) Expenditures (in \$millions) Reported to THEC <i>Actual</i>										
UTC	\$11.20		\$9.74	\$9.42	\$11.23	0%	I	\$11.27	0.6%	0.1%
5 Restricted and Unrestricted Research Expenditures Reported to NSF (in \$millions) <i>Est.</i>										
UTC	\$7.84		\$6.24	\$7.22	\$8.65	0%	I	\$9.45 <small>5% over FY15</small>	20.5%	5.1%
6 Research and Sponsored Program Proposals <i>Actual</i>										
UTC	131		123	145	156	93%	I	180 <small>5% over FY15</small>	37.5%	9.4%
7 Number of Disclosures (Inventions) (3-yr average) <i>Actual</i>										
UTC	3		4	2	4	0%	I	5	57.5%	14.4%
8 Revenue From Executed License Agreements (in \$Thousands) (3-yr average) <i>Actual</i>										
UTC	\$5		\$5	\$0	\$6	0%	I	\$6	26.0%	6.5%

UT Chattanooga Executive Officer Performance Data (FY2014-2015)

Base Year							Chancellor's FY17 Goals			
FY2013	Adj.	FY2014	FY2015 actual or est.	FY2015 Goal	% of Goal Achieved	Weight	GOAL FY17	FY17 4-Yr Incr	Incr / Yr	

* = Base Year data and/or FY15 Goal were adjusted; see attached Addendum/Notes for explanation = Normal, Intermediate, High

= 0% if Below Base Year
= Below Goal
= Met / Exceeded Goal

6.2

Engage in Outreach and Service

9 Number of Participants in all Outreach and Engagement Activities *Actual*

UTC	5,159		6,525	6,672	5,907	113%	N	6,655	29.0%	7.2%
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11 Number of Alumni Who Donate *Actual*

UTC	2,601		2,746	2,629	2,680	98%	N	2,759	6.1%	1.5%
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Increase Effectiveness and Efficiency

12 Fundraising Progress (in \$m)* *Actual*

UTC	\$10.046		\$6.375	\$14.080	\$10.523	134%	H	\$11.000	9.5%	2.4%
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13 Unrestricted E&G Expense per Student FTE (in 2012 \$) *Actual*

UTC	\$12,582		\$12,539	\$13,040	\$13,041	100%	H	\$13,500	7.3%	1.8%
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14 Unrestricted E&G Expense per Degrees Awarded (in 2012 \$) *Actual*

UTC	\$58,196		\$54,570	\$51,486	\$57,098	111%	H	\$56,000	-3.8%	-0.9%
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15 Net Cost of Tuition and Fees. (Average percentage of total cost of tuition and mandatory fees that an undergraduate pays after subtracting financial aid grants and scholarships) *Actual*

UTC	24.4%		28.7%	31.9%	30.2%	95%	H	36.0%	11.6%	2.9%
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16 Tuition/Mandatory Fees as % of Peer Average *Actual*

UTC	92.6%	*	92.0%	95.3%	94.8%	99%	H	97.0%	4.7%	1.2%
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18 State Capital Maintenance Funded (\$ in millions) *Actual*

UTC	\$4.90	*	\$8.70	\$7.80	\$5.90	132%	N	\$6.90	40.8%	10.2%
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As the President is the only Participant able to influence the achievement of this goal, the Vice Chair and the President recommend that this metric be disregarded in evaluating the performance and calculating the retention payment for the Chancellors and Executive Vice President.

PERFORMANCE AND RETENTION PLAN

Addendum and Notes for FY 2013-FY 2015 Performance Goals

6.2

I. Goal 1: Enhancing Educational Excellence

1 Six-Year Freshman Graduation Rate

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- Students in UTIA are included in UTK data.
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IV. Goal 4: Increase Effectiveness and Efficiency

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UTM	95.1%	92.5%

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- This metric was modified to reflect reported revenues rather than expenditures. The cost per contact is based upon published revenue figures for UTIA including all state appropriations. The revenue information is from UT Revised Budget Documents, published annually. Contact data is collected using procedures and systems established by each unit.

	<u>Original #s</u>	<u>Corrected #s</u>
UTIA	\$21.93	\$17.35

18 State Capital Maintenance Funded

- As the President is the only Participant able to influence the achievement of this goal, the Vice Chair and the President recommend that this metric be disregarded in evaluating the performance and calculating the retention payment for the Chancellors and Executive Vice President.

Executive Officer Performance & Retention Plan Goals

Additional Goals for President DiPietro

- * Establish a development strategy for the Cherokee Farm Campus.
- * Explore best practices from other university system structures and determine possible application to UT.
- * Develop an "Employer of Choice" model for UT.
- * Demonstrate improvement in employee satisfaction on the Employee Engagement Survey to facilitate recruiting and retaining a diverse employee base (i.e.: compensation, work balance, training, and sense of community.)
- * Complete GAP analyses for UT Martin and UTIA.
- * Fill current vacancies on the President's Staff.
- * Reduce the gap in freshmen six-year graduation rates between minority and multi-racial students and the total.
- * Bring faculty and staff salaries closer to the median of the peer group.
- * Increase the amount of capital funding to support renovation and new construction needs.

Additional Goals for Executive Vice President Millhorn

- * Facilitate the appointment of three Governor Chairs over next three years
- * Establish a development framework for Cherokee Farm and secure commitment for one privately funded building
- * Continue to oversee management of ORNL
 - Increase joint faculty from 112 to 130 over next 3 years
 - Develop and implement recompetition plan for M&O contract at ORNL
- * Manage the NSF TN-Score program at UT and Vanderbilt
- * Demonstrate improvement in employee satisfaction on the Employee Engagement Survey to facilitate recruiting and retaining a diverse employee base (i.e.: compensation, work balance, training, and sense of community.)

Additional Goals for Chancellor Cheek at UT Knoxville

- * Recruit, develop, educate, and graduate a nationally competitive and diverse body of undergraduate, graduate, and professional students
- * Attract and retain stellar, diverse faculty and staff who will proudly represent our campus, execute our mission, embrace our vision, exemplify our values, and collaborate to realize our strategic priorities
- * Continue strengthening partnerships with ORNL, Y-12, other institutions and institutes within the University of Tennessee System, and other academic and industry partners
- * Develop and implement total compensation market analysis (salary + benefits) of all full-time employees and implement strategies/policies to address the salary gaps and other issues identified
- * Continue to build positive relationships with students, faculty, staff, alumni, other stakeholders, donors, and governmental officials
- * Advocate to the President and the Board of Trustees for the University of Tennessee, Knoxville's unique needs as we implement plans to become a Top 25 university
- * Continually improve the resource base to achieve campus priorities by carefully balancing state revenues, tuition, and private funding, and by embracing stewardship of our campus infrastructure and a culture that values sustainability
- * Reduce the gap in freshmen six-year graduation rates between minority and multi-racial students and the total.
- * Bring faculty and staff salaries closer to the median of the peer group.
- * Increase the amount of capital funding to support renovation and new construction needs.
- * Implement a plan to achieve the goal of becoming a national competitive athletic program that emphasizes comprehensive excellence in both academics and athletics financial sustainability, focus on student-athletes, reduction of debt, and development of a substantial financial reserve fund.
- * Demonstrate improvement in employee satisfaction on the Employee Engagement Survey to facilitate recruiting and retaining a diverse employee base (i.e.: compensation, work balance, training, and sense of community.)

Additional Goals for Chancellor Schwab at UT Health Science Center

Administration

- * Increase the amount of capital funding to support renovation and new construction needs.
- * Increase academic payments from partner organizations
- * Demonstrate improvement in employee satisfaction on the Employee Engagement Survey to facilitate recruiting and retaining a diverse employee base (i.e.: compensation, work balance, training, and sense of community.)

Education

- * Increase the number of GME (Graduate Medical Education) programs
- * Maintain quality as demonstrated by >90% graduation rate and >90% first time board pass rate

Clinical Care

- * Increase national reputation of Clinical Practice
 - a. *US News Rank of Hospitals and Clinical Programs*

Additional Goals for Chancellor Arrington at the Institute of Agriculture

- * Build positive relationships with UTIA stakeholders, donors, students, and faculty and government officials.
- * Complete total compensation market analysis (salary and benefits) of all UTIA employees. Develop strategies for addressing identified issues.
- * Develop actions to address/enhance diversity of UTIA faculty and staff.
- * Review facility needs throughout UTIA and develop priorities.
- * Strengthen integration between the four UTIA units
- * Establish three UTIA Regional Advisory Councils.
- * Advocate to the System and Legislature the unique needs of UTIA.
- * Reduce the gap in freshmen six-year graduation rates between minority and multi-racial students and the total.
- * Bring faculty and staff salaries closer to the median of the peer group.
- * Increase the amount of capital funding to support renovation and new construction needs.
- * Demonstrate improvement in employee satisfaction on the Employee Engagement Survey to facilitate recruiting and retaining a diverse employee base (i.e.: compensation, work balance, training, and sense of community.)

Additional Goals for Chancellor Angle

- Implement a plan to achieve the goal of becoming a national competitive athletic program that emphasizes comprehensive excellence in both
- * academics and athletics, financial sustainability, focus on student-athletes, reduction of debt, and development of a substantial financial reserve fund.

- * Demonstrate improvement in employee satisfaction on the Employee Engagement Survey to facilitate recruiting and retaining a diverse employee base (i.e.: compensation, work balance, training, and sense of community).

- * Reduce the gap in freshmen six-year graduation rates between minority and multi-racial students and the total.

- * Increase the amount of capital funding to support renovation and new construction needs.

- * Bring faculty and staff salaries closer to the median of the peer group.

- * Continue to build positive relationships with students, faculty, staff, alumni, other stakeholders, donors, and governmental officials.

- * Attract and retain a outstanding, diverse faculty and staff who embrace our vision, exemplify our values, and collaborate to realize our strategic priorities.

- * Continue to improve and diversify the resource base to achieve campus priorities by carefully balancing state revenues, tuition, grant funding, revenue generating programs, and private support.

- * Expand initiatives and opportunities for student involvement in experiential learning, internships, research, scholarship, and creative expression

- * Forge stronger partnerships and relationships with Chattanooga and the region.

Presidential Self-Assessment - Performance & Retention Plan

Joe DiPietro, President
The University of Tennessee

Introduction

As President of The University of Tennessee System, I take seriously my role of fulfilling the System Administration mission of providing leadership that “removes obstacles, understands needs, provides advocacy, secures resources, promotes accountability, fosters diversity, promotes innovation, coordinates campus efforts and delivers efficient and effective central services.” I am proud to report that, over the three-year evaluation period (FY 12-13 through FY 14-15), our success in these areas is more than just anecdotal, it’s quantifiable. I deeply appreciate the hard work of our faculty, staff, students and administrators, whose efforts were key to our accomplishments during this timeframe.

This self-assessment provides an objective and subjective overview of progress related to performance and retention goals for which I am accountable as the Chief Executive Officer of the University of Tennessee System. More detailed information related to System metrics and the specific progress of individual components of the UT System will be made available as part of the performance review process of the Chancellors. Attached you will find the results of my Evaluation Matrix in the plan.

Enhancing Educational Excellence

Providing an exceptional educational experience that ensures the success of our students is central to everything that I do as President of the University of Tennessee System. Over the three-year period, the UT System exceeded its goals in each of its three primary categories related to student outcomes. The following bullets highlight significant achievements related to enhancing educational excellence across the System from FY 2012 to FY 2015:

- **Increase Six-year Freshman Graduation Rate by 2.0%—**
 - 98% of goal achieved
 - Increased by .6%, from 56.3% to 56.9%
- **Increase Freshman Retention Rate by 2.0% —**
 - 100% of goal achieved
 - Increased by 2.2%, from 77.4% to 79.6%
- **Increase Total Number of Degrees Awarded by 2.0%—**
 - 102% of goal achieved
 - Increased by 4.0%, from 11,058 to 11,503

Strategic initiatives related to recruiting and retaining more diverse and talented students; enhancing campus advising and mentoring initiatives; attracting and retaining preeminent faculty; and investing in the overall student living and learning experience, including campus infrastructure in the form of academic and residential facilities and state-of-the art technology, have all contributed to our System-wide success in the enhancement of our student outcomes. The System will continue these efforts with the expectation of further increasing its student success metrics.

Expand Research Capacities

Research is a major component of the University of Tennessee’s tri-part mission, with its institutions being committed to basic, applied, and translational research, and is essential for the economic growth and prosperity of our state and our nation. Historically, the federal government has been the primary source of funding for the kinds of basic and translational research that is at the heart of the University of Tennessee’s research program. In spite of aggressive efforts by our UT campuses to mitigate the record decrease of federal research dollars (over \$10 Billion or 10%) over the three-year performance period, the withdrawal of ARRA (stimulus) funds, sequestration, a more stagnate federal research budget, and increased competition for available research funds took a noticeable toll on the overall achievement of our outlined research goals. Given the current federal funding climate, however, I feel extremely fortunate that, as a System, we were still able to realize some positive outcomes in three of the five goals related to research:

- **Research and Sponsored Projects (Restricted) Expenditures (in \$millions) Reported to THEC from \$465 million to \$500 million (7.5%)**
 - 0% of goal achieved
 - Decreased by 6.3%, from \$465 million to \$435.55 million
- **Restricted and Unrestricted Research Expenditures Reported to NSF (in \$millions) from \$336.96 million to \$362.23 million (7.5%)—**
 - 0% of goal achieved
 - Decreased by 6.0%, from \$336.96 million to \$316.92 million
- **Research and Sponsored Programs Proposals from 3,165 to 3,355 (6.0%)—**We exceeded our goal for the number of research and sponsored programs proposals submitted
 - 109% of goal achieved
 - Increased by 15.4% from 3,165 to 3,651 proposals
- **Disclosures (Inventions) (3-yr average) from 107 to 112 (5.0%)—** We exceeded the three-year average goal for the number of disclosures to initiate the commercialization process related to university-developed inventions
 - 123% of goal achieved
 - Increased by 29.1% from 107 to 138 disclosures
- **Revenue from Executed License Agreements (in \$thousands) (3-yr average) from \$1,436,000 to 1,479,000 (3.0%)—** We exceeded the average number of research deals over the three-year period within the UT Research Foundation
 - 119% of goal achieved
 - Increased by 23.1% from \$1.436 million to \$1.768 million

As eluded earlier, UT received extra stimulus (ARRA) money for research in 2009 and 2010. Most of these funds were reported as expenditures in 2012 and 2013, which overstated our “true” research expenditures. **If we excluded the ARRA funding, UT would have increased its research expenditures reported to THEC by 5% and would have achieved 98% of the goal.**

Engage in Outreach and Service

Also a part of The University of Tennessee’s tri-part mission is a commitment to service and outreach through our faculty, staff, students and administrative units. Improving our data collection procedures in this area has been a strategic focus and resulted in the completion of a web-enabled data portal for the reporting of outreach and engagement data across the UT System. For the three-year review period, we had significant success in our outreach and engagement efforts, and the following results reflect goals related to engaging our alumni and friends and providing professional services to citizens through clinical programs such as those offered by the UT Health Science Center and the UT Institute for Agriculture.

- **Number of Participants in all Outreach and Engagement Activities from 3,885,429 to 4,040,846 (4.0%)—**
 - 109% of goal achieved
 - Increased by 13.4% from 3,885,429 to 4,408,125

- **Number of Patient Billings or Clients Served**
 - **Patient Billings from \$738.5 million to \$960.1 million (30%)—**
 - 104% of Goal Achieved
 - Increased by 34.6% from \$738.5 million to \$994.4 million
 - **Relative Value Units (RVUs) from 3,658,609 to 4,756,191 (30%)—**
 - 83% of Goal Achieved
 - Increased by 7.7% from 3,658,609 to 3,940,641
 - **Vet Med Clients from 215,190 to 221,646 (3%)—**
 - 146% of Goal Achieved
 - Increased by 50.4% from 215,190 to 323,661

- **Number of Alumni Who Donate from 26,323 to 27,113 (3.0%)—**The UT System exceeded its overall goal related to the number of alumni who give
 - 114% of goal achieved
 - Increased by 17.5% from 26,323 to 30,926 alumni

Increase Effectiveness and Efficiency

In the face of an ongoing decline in state and federal funding for higher education, the University of Tennessee, like so many others, has had to place a greater emphasis on the following: increasing its fund-raising success; ensuring effectiveness and efficiency in its operations; keeping the cost of a UT education manageable to maintain access while demonstrating a commitment to quality and positive student outcomes; and sustaining System facilities and other infrastructural assets to ensure the existence of the kind of learning, living and working environment that allows us to recruit and retain the best and brightest faculty, staff and students. System-wide, efforts in these areas have proven tremendously successful, yielding the following results:

- **Fundraising Progress from \$148,998 million to \$154,958 million (4%)**—The System has experienced record-breaking success over the past three years in fundraising.
 - 196% of goal achieved
 - Increased by 103.4% from \$148.998 million to \$303.347 million
- **Unrestricted E&G Expense per Student FTE (in 2012 \$) --\$24,366 (no increase)**
 - 95% of goal achieved
 - Increased by 5.4% from \$24,366 to \$25,691
- **Unrestricted E&G Expense per Degrees Awarded (in 2012 \$) from \$98,130 to \$98,621 (0.5%)**—
 - 110% of goal achieved
 - Decreased by 9.0% from \$98,130 to \$89,335
- **Net Cost of Tuition and Fees from 26.8% to 31.8% (5.0%)** (Average percentage of total cost of tuition and mandatory fees that an undergraduate pays after subtracting financial aid, grants and scholarships)
 - 83% of goal achieved
 - Increased by 11.4%, from 26.8% to 38.2%

The net cost of tuition and fees for undergraduates after subtracting grants and scholarships was 38.2%, which was below the desired 50% benchmark. The goal for FY 2013-15 was to keep the net cost closer to 32%. We did not meet this goal but did meet the benchmark of 50%.

- **Tuition and Mandatory Fees as a Percent of Gap Peer Average from 81.7% to 81.2% (-0.5%)**—
 - 85% of goal achieved
 - Increased by 13.7% from 81.7% to 95.4%

The overall goal that has been presented to the Board has been to keep UT’s in-state undergraduate tuition and mandatory fees below the peer average. The goal for FY 2013-15 was to keep this percentage at 85.8% of the peer average, but in FY15, it was 95% of the peer average. UTK’s 15/4 program was a contributing factor to the growth in tuition and fees for the System.

- **E&G Expense Per Direct Service Contract (in 2012 \$)--\$17.35 (no increase)**
 - 108% of Goal Achieved
 - Decreased by 7.8% from \$17.35 to \$15.99
- **State Capital Maintenance Funded (\$ in millions) from 23.92 million to \$25.71 million (7.5%)**—
 - 150% of goal achieved
 - Increased by 61.4% from \$23.92 million to \$38.60 million

The increased cost per student or degree is both a function of the revenue coming in and the number students/degrees. UTK wanted to increase their revenue stream (and expenses) in order to achieve their Top 25 goals. UTM saw an increase in degrees, but decreases in student FTE, which led to meeting one goal but not the other. Success in meeting the Complete College Tennessee Act also led to increases in formula funding. Increased expenditures are also required to help close the salary gap, as 70% of the unrestricted E&G expenditures are in salary and benefits.

Advocate for the UT System

Providing leadership that advocates for the needs of the University of Tennessee and promotes the broad impact and contributions of the University on the State’s economy and quality of life is critical to my role as President. Over the three-year review period, our advocacy and communications/marketing efforts have been strengthened and expanded thanks to new administrative structures; more focused leadership in our government relations, advocacy and advancement areas; enhanced strategic planning; and new programs and initiatives designed to solicit the support of statewide advocates on behalf of UT. The following are a few significant highlights for our advocacy and communications/marketing efforts, based on goals that were outlined for these areas:

- **Implement a collaborative System marketing/communications plan that advances the brand position of the UT System and each of its campuses and institutes.**
 Since the appointment of the new vice president for communications and marketing in 2013, the System has developed new UT wordmarks and branding structures for all UT campuses and institutes and now has a substantially complete System Integrated Marketing Communications Plan, which supports the System’s strategic plan and includes central messaging components to be used across the System. The Office has also developed a new comprehensive Emergency/Crisis Communications Plan, which is designed to enhance the ability of the System to protect the University of Tennessee brand in the face of a crisis or emergency situation.
- **Provide a UT System platform that will enable and support campus and institute efforts to promote and advance the visibility of faculty and faculty expertise within the UT System.**
 Since 2013, all major campus websites have been redeveloped or undergone significant design enhances that have resulted in increased opportunities to feature faculty accomplishments and expertise. The System has also formally launched a redesign/realignment process for its website and, this fall, expects to launch the first major enhancements to the System site in seven years. Additionally, the System-wide alumni publication, *The Tennessee Alumnus*, which prints more than 70,000 copies per issue, has added new content features in the hard copy and developed a new interactive online version of the magazine to ensure quantifiable increases in the amount of content developed to promote the teaching, research and service work of faculty across the UT System.
- **Develop and implement a communication plan in conjunction with campus leadership to enhance the promotion of outreach and engagement activities at campuses and institutes.**
 The System Office of Communications and Marketing has worked with the UT Institute of Public Service in developing a communications strategy and a new electronic database to highlight and quantify UT’s statewide outreach and engagement impact. This database offers a more efficient and consistent means of capturing the outreach and engagement efforts of our faculty, staff and students across the System and promoting their service to the community. An accompanying website dedicated to promoting outreach and engagement has also been developed and serves as a major channel for communicating campus and institute activities in these areas to internal and external publics.

While not a part of the formal goals identified for me by the Board, I think that it is also important to note the measurable success that has been recorded by the UT System Office of Government Relations

and Advocacy as it relates to our progress in expanding our UT Advocacy Network. The number of new UT advocates increased 245% from FY 2012-13 to FY 2014-15. These statewide advocates were responsible for nearly 15,000 messages to legislators on issues of critical political importance during the review period.

Additional Goals for President DiPietro

6.4

There were several additional operational goals that were identified for me as President. Each of these were fully met with the exception of one, which was partially met. Details related to these goals are briefly bulleted below:

- **Establish a Development Strategy for Cherokee Farm Innovation Campus**—Development of Cherokee Farm moved steadily ahead during the review period. Plans for its next building, with a new anchor tenant continue and space design and lease rates were finalized. A new comprehensive marketing strategy, which focuses on the Governor’s Chairs, the Joint Institutes and plans for the next facility, has been developed. Details related to these plans were included in the Cherokee Farm written report to the Board of Trustees dated June 3, 2015.
- **Explore Best Practices from other University System Structures and Determine Possible Application to UT**—A variety of best practices, including those related to organizational structure, from our system peers across the country were explored during the review period and pertinent data presented to the Board, the Budget Advisory Group and other key stakeholder groups for possible application within the UT structure. Best practices from many of these systems have informed UT strategies related to proposed changes in our System organizational structure, increasing student outcomes, enhancing HR practices and policies, guiding our new branding processes, and offering new ideas for operational effectiveness and efficiency.
- **Develop an “Employer of Choice” Model for UT**—The System formally adopted “The Employer of Choice” model, and I approved its incorporation into the System’s strategic plan. Additionally, the University’s Compensation Advisory Board (CAB) has been authorized to assist campus and institute HR officers in developing entity-specific Employer of Choice models.
- **Demonstrate Improvement in Employee Satisfaction on the Employee Engagement Survey to Facilitate Recruiting and Retaining a Diverse Employee Base (i.e.: compensation, work balance, training, and sense of community.)**—The 2014 Employee Engagement Survey demonstrated improvement in several key areas of identified weakness in the 2011 survey. The results suggested that the work of CAB had made a significant difference in responses related to satisfaction with compensation and benefits; four of seven statements related to managerial and leadership capabilities showed improvement, with greater confidence in supervisor/department chair credibility and communication efforts; several statements related to the culture of accountability saw improvement; and results suggested progress toward the goal of developing a more effective “culture of communication”. I communicated the general [results of the 2014 survey](#) in March 2015 and results were also included in the [spring 2015 Human Resources newsletter](#) . An overview of outcomes that have resulted since the 2011 survey can be tracked online at <http://humanresources.tennessee.edu/yourvoice/> .

- **Complete Gap Analyses for UT Martin and UTIA**—A gap analysis was completed by UT Martin and presented by former Chancellor Tom Rakes at the 2014 Winter Board of Trustees meeting. Although UTIA engaged in a similar, but more detailed, analysis as part of the Governor's Rural Challenge in 2013, the Institute has not yet engaged in its own formal gap analysis as suggested by the Board.
- **Fill Current Vacancies on the President's Staff**—All President's Staff positions are currently filled with regular, full-time appointees, with the exception of IPS. During the review period, the System completed successful executive searches for a new Vice President of Communications and Marketing, Chancellor at UTC, as well as the Vice President for Development and Alumni Affairs and Programs/CEO of the UT Foundation.
- **Reduce Gap in Freshman Graduation Rates between Minority and Multi-racial Students and the Total**—An analysis of six-year graduation rates for new, first-time full-time freshmen revealed that the System is making steady progress in reducing the graduation gap between the groups. Data show a 4.2% reduction in the gap between minority and multi-racial student graduation rates and the graduation rates of total first-time freshmen in this category over the three-year review period.
- **Bring Faculty and Staff Salaries Closer to the Median of the Peer Group**—The System has continued efforts to close its faculty and staff salary gap, which is now estimated to be smaller than initially projected when using the original Sibson market analysis data. UTK and UTHSC recently commissioned updates to their Sibson salary studies, which were conducted using improved methodologies and updated data sets, and resulted in a more accurate reflection of the salary gap, which now is estimated at \$83.6 million.
- **Increase the Amount of Capital Funding to Support Renovation and New Construction Needs**—The University saw significant progress in the amount of capital funding to support its renovation and new construction needs across the System from FY 2012-13 to 2014-15. Total capital funding for these areas increased more than \$185 million over the three-year period and totaled over \$1.3 billion.

Areas of Improvement/Anticipated Challenges

While I am excited about having met these short-term goals and our positive trajectory in these critical areas, I also remain focused on continuing these successes and ensuring the long-term viability of our System through increased innovation, entrepreneurship and leadership that effectively directs and fosters strategic change. This three-year analysis reveals that this will be an increasing challenge as there are a number of factors, which are beyond our control, that have the potential to negatively impact our progress. Among the issues that we will continue to face include:

- **Research Challenges**—With the disappearance of stimulus funding, sequestering and more institutions fighting for limited federal dollars, the research funding environment will continue to be more and more competitive. This means that we will need to be more entrepreneurial in funding our research ventures and aggressively develop new partnerships focusing on funds from sectors outside the federal government to support basic and applied research across the System. We will also need to focus more intently on hiring top-notch researchers who have a demonstrated history in securing federal research dollars.

- **Closing the Market Salary Gap**—Although we have made progress in closing the market salary gap over the three-year review period, we anticipate that the gap will continue to increase without the ability to provide consistent additional funding for compensation across the System. We were unable to lessen the salary gap in FY 2014-15 since there were no state across-the-board raises and the System, and some of our UT campuses, did not provide raises that year. The gap was also worsened by the fact that other Sibson peers increased salaries by 3%. Based on the availability of funds, we will seek to close the salary gap by 15% per year for the next five years.
- **Keeping Tuition and Fees Manageable**—Keeping tuition and fees in check relative to our state appropriations may also continue to be a challenge. While our most recent state appropriation was favorable and allowed us to keep the tuition increase to a minimum, we recognize that as we do this some states continue to increase tuition, generating additional revenue to recruit and retain the best and brightest students, faculty and staff.
- **Addressing Leadership Needs and Succession Planning**—While I have been fortunate in recent years in filling important senior and executive level staff vacancies to assist me in the strategic work of guiding our University, I recognize that we may have multiple new vacancies that will need to be filled over the next three to five years due to retirements. As such, succession planning will be important and the retention of existing team members will need to be a focus to ensure operational continuity as much as possible.
- **Carrying out the BAG initiative.** We have developed a template to track action plans to document steps toward completing the Budget Advisory Group’s initiative to close UT’s recurring funding gap. Each campus and institute will develop its own reallocation plan. We have asked campus and institute leaders to identify only major actions or strategies. We are also asking them to track their progress on reaching their target reallocation amount.

The template will track their completion of each Budget Advisory Group category:

- Program realignment and consolidation
- Allocation and reallocation plans
- Unfunded mandates for tuition waivers and discounts
- Tuition structure
- Non-formula unit fee structure
- Tenure and post-tenure review

We expect to call for an update to this information before each board meeting. The campuses are making good progress in their reallocations.

Report on UTC Executive Officer Performance & Retention Plan Goals

Steven Angle, Chancellor
The University of Tennessee at Chattanooga
September 23, 2015

Introductory Comments

I began my tenure at UTC in July 2013 and identified two major areas of concern: (1) student success was in need of immediate attention; and (2) the community expressed a lack of confidence in UTC’s commitment to them. Since my arrival, we have focused on these two issues and will continue to do so.

The UTC Executive Officer Performance & Retention Plan Goals were approved by the UT Board of Trustees (UT-BOT) in early 2014, with the intent to conduct a review in FY 2017. This would represent three years of effort to achieve the goals and four total years of service to UT.

The goals span the operations of the campus and I chose to concentrate campus efforts on student success (Goals 1-3), outreach to our community (Goal 10) fundraising (Goals 11-12), budget, student cost, and facilities (Goals 13-18). The research goals (Goals 4-8) are clearly the most challenging for UTC and will require the most time to see progress. Actions to enhance research activity such as investments in equipment/infrastructure, cluster hiring faculty around a research area of emphasis, and capital investments require careful thought, consideration and prioritization. Return on these investments is realized over a period of 3-5 years - consistent with the initial three-year review cycle for the goals. I am reporting progress after a single year and this should be considered when evaluating progress on the research goals.

The UT System has prepared a spreadsheet that lists each goal and the progress toward attainment. What follows is a narrative that addresses each goal relevant to UTC. In two cases (Enhancing Educational Excellence, Goals 1-3; and, Expand Research Capacities, Goals 4-8) there are common comments that are relevant to the entire subset of goals. These comments are placed in the narrative prior to the discussion of each subset.

It is important to note that achievement of these goals requires a dedicated group of people working together as a team. While I have provided leadership, I am truly fortunate to work with an outstanding group of professionals who are passionate about making a difference in the lives of our students and in our community. I am proud of what we have accomplished in during the one year period of this review and very excited about the great things we are poised to do in the future.

Enhancing Educational Excellence: Goals 1-3, General Comments

Goals 1-3 measure our direct impact on the main mission of UTC, to educate students. These are among our most important outcome metrics. Overall, we have good results to report in this area, but we anticipate the real progress to

come over the next 2-3 years as our new student success initiatives come on-line to help students finish their degrees on time.

During my first year at UTC, 2013/2014, we developed a Complete College Plan for Student Success based on the expectations of the Complete College Tennessee Act and the UT System strategic plan. We started several new programs in 2014/2015, but the major impact will be seen as we bring our advising and academic intervention program on-line this coming year. It took an entire year to identify our needs, select a vendor, map every major on campus, and input the information. Students and their advisors will be able to monitor progress to graduation, and know when they are off-track. Advisors will be alerted to students having difficulty and intervene before the student fails a course. Students will be able to explore the requirements for other majors if they find they are not suited for their current one.

Goal 1: Six-Year Freshman Graduation Rate;

FY2015 Target: 42.1%; FY2015 actual: 43.6%

UTC has exceeded the FY2015 goal. This metric follows students over six years and is difficult to impact in the short term. In spite of this, UTC has made significant progress due to the outstanding effort of the entire campus.

Goal 2: Freshman Retention Rate

FY2015 Target: 71.1%; FY2015 actual: 71.4%

UTC has exceeded the FY2015 goal.

Goal 3: Total Degrees Awarded (Summer/Fall/Spring)

FY2015 Target: 2361; FY2015 actual: 2375

UTC has exceeded the FY2015 goal.

Expand Research Capacities: Goals 4-8, General Comments

As a primarily undergraduate institution with focused masters and doctoral programs, UTC focuses on applied research. Currently we have several applied doctoral programs, an ED.D program in Leadership, and a Ph.D. program in Computational Engineering. We focus on solving problems. Research, scholarship, and creative activities are part of the tenure and promotion process, but are not at the level found at a Ph.D. intensive institution like UT Knoxville.

Success in extramural funding and generation of intellectual property at UTC has been tied to the UTC SimCenter. Unfortunately, a majority of their funding relied on gifts from foundations and targeted Federal appropriations (earmarks). The original research goals for UTC were set with the hope/understanding that the SimCenter would be active and bring in competitive federal funds to support its research programs. Federal earmarks are no longer possible and the failure of the SimCenter to deliver the expected outcomes resulted in the foundations unable to consider future commitments of support. For a variety of reasons and in spite of help from UTC leadership and UT System leadership (particularly Executive VP Millhorn), the SimCenter faculty have been ineffective in obtaining competitive extramural research funding. SimCenter leadership agreed to goals

for proposal submissions and funded proposals only to fall continually short. This has had impact on UTC’s ability to meet goals related to research productivity.

We are addressing improvement in attaining Research Capacity Goals 4-8 as follows:

- We have hired our first ever Vice Chancellor for Research who will work with faculty to increase grant funding, the generation of intellectual property and licensing of intellectual property. She began July 1, 2015 and we look forward to her having an impact in this area.
- We had a campus-wide call for proposals for interdisciplinary research centers in early 2014 and have funded two centers (the Data Analytics Research Center and the Research Center for Applied Biomolecular, Behavioral, and Human Studies). In addition, we recently appointed a director of a third area of research emphasis, the Initiative for Wellness and Quality of Life.
- We are working with the College of Engineering and Computer Science (CECS) to increase the number of extramural grant applications and are hiring faculty who plan to maintain active research programs. We are conducting workshops with faculty and bringing in outside help to mentor and review extramural grant proposals. Several CECS faculty have received NSF grants in the past year.
- We are working with our local community to open a Fab Lab/Additive Manufacturing facility on our campus that will be jointly funded with our community and allow our faculty to be more competitive in their research efforts and position local companies and entrepreneurs to be more competitive in their business and in securing venture capital funding.
- To enhance activities in the UTC SimCenter, we formed an external advisory group headed by Dr. John Turner at ORNL, and developed both short-term and long-term plans to increase research productivity in the SimCenter. Following the advise of this group, we have hired a new interim director for the SimCenter to help get this unit back on track.
- We are stressing the link between research and teaching with our new strategic plan. Goal 1a in the UTC Strategic Plan calls for every student to engage in significant research, scholarship, or experiential learning, outside the classroom, by 2018.

It is likely we will come close to, or meet, some of the research goals set for FY2017 as we realize the impact of the programs noted above.

The entire campus is aware of our need to increase our research profile, but progress will not be overnight. We are on a trajectory to improve. Hiring a VC for Research is a strong step in the right direction. We have not taken a path of pursuing a “quick-fix” for increasing grant revenue; we are charting a path to change the culture. It is worth noting that the FY2017 goals were agreed upon prior to the “collapse” of the SimCenter.

Goal 4: Research and Sponsored Projects (Restricted) Expenditures (in \$millions, M) Reported to THEC

6.4

FY2015 Target: \$11.23M; FY2015 actual: \$9.42M

We did not meet this goal. It is worth noting that the FY2017 goal is \$11.27M and is attainable if one or more of our new research centers are successful in obtaining extramural funding. Again, it is worth noting that this goal was set anticipating the SimCenter would realize an increase in research funding, not a decrease. See also the general discussion regarding Goals 4-8 above.

6.4

Goal 5: Restricted and Unrestricted Research Expenditures Reported to NSF (in \$millions, M)

FY2015 Target: \$8.65M; FY2015 estimate: \$7.22M

We did not meet this goal. We anticipate improvement in this area in the future for the reasons noted above. See also the general discussion regarding Goals 4-8 above.

Goal 6: Research and Sponsored Program Proposals

FY2015 Target: 156; FY2015 actual: 145

We did not meet this goal. We anticipate improvement in this area with the arrival of our new Vice Chancellor for Research. See also the general discussion regarding Goals 4-8 above.

Goal 7: Number of Disclosures (Inventions) (3-yr average)

FY2015 Target: 4; FY2015 actual: 2

We did not meet this goal. It is worth noting that the base year was three (3), and we missed this by one (1). This is a small numbers goal and we are only two disclosures away from meeting it. The FY2017 goal is 5 disclosures and we anticipate meeting this goal (or coming very close) in 2017. See also the general discussion regarding Goals 4-8 above.

Goal 8: Revenue from Executed License Agreements (in Thousands) (3-yr average)

FY2015 Target: \$6,000; FY2015 actual: \$0

We did not meet this goal. This is not likely to be a major revenue stream for UTC but we will push to meet this goal given our emphasis on innovation and the potential impact on our community. It is anticipated that within 5-10 years UTC will receive regular revenue from License Agreements but the amounts will be modest compared to what UTK will bring in. See also the general discussion regarding Goals 4-8 above.

Goal 9: Number of Participants in Outreach and Engagement Activities

FY2015 Target: 5,907; FY2015 actual: 6,672

We have met and exceeded this goal. During the past two years, UTC has focused on improving connections with our community. We have recently attempted to provide a mechanism for faculty, students, and staff to document their activities. We were reaffirmed as a Carnegie Community Engaged University this past year and will continue to focus on our community.

Goal 11: Number of Alumni Who Donate

FY2015 Target: 2680; FY2015 actual: 2629

We have improved from our base year and are within 51 alumni of meeting this goal. We are actively working to increase alumni donors. We now have campus oversight and management of our annual fund call center. We held our first ever “UTC Alumni Give Back to UTC Fundraising Drive” this year and it will bear results. We are also managing our alumni chapters and have started several new ones this year. We understand the importance of this metric in building a sustainable fundraising program and will make progress in this area. Our campus call center will be operational for FY2016, which should improve the numbers of alumni who donate.

Goal 12: Fundraising Progress (in \$M)

FY2015 Target: \$10.523M; FY2015 actual: \$14.08M

We have met and exceeded this goal (and our FY2017 Goal). We are building a team of fundraising professionals who will help us continue to increase our fundraising results. We have put significant effort into building a pipeline of donors and developing a stewardship program – something completely absent in the past. The increase in gifts for FY2015 is not a one-time aberration; it is part of growing a sustainable fundraising program.

Goal 13: Unrestricted E&G Expense per Student FTE (in 2012 \$)

FY2015 Target: \$13,041; FY2015 estimate: \$13,040

UTC has met the FY2015 goal.

Goal 14: Unrestricted E&G Expense per Degree Awarded (in 2012 \$)

FY2015 Target: \$57,098; FY2015 actual: \$51,486

We have met this goal and continue to be efficient and effective in degree production.

Goal 15: Net Cost of Tuition and Fees

FY2015 Target: 30.2%; FY2015 actual: 31.9%

We have improved from our base year but not met this goal. We will continue to strive to provide a high quality, affordable, education for our students.

Goal 16: Tuition and Mandatory Fees as a Percent of Peer Average

FY2015 Target: 94.8%; FY2015 actual: 95.3%

We have improved from our base year but not met this goal. We will continue to strive to provide a high quality, affordable, education for our students.

Goal 18: State Capital Maintenance Funded (\$ in millions)

FY2015 Target: \$5.90M; FY2015 actual: \$7.80M

We have met and exceeded this goal. We will continue put the maintenance our facilities as a high priority. The recent and near-term capital projects coupled with our academic success are going to set UTC apart as one of the best regional comprehensive universities in the country.

ADDITIONAL GOALS FOR CHANCELLOR ANGLE

Implement a plan to achieve the goal of becoming a nationally competitive athletic program that emphasizes comprehensive excellence in both academics and athletics, financial sustainability, focus on student-athletes, reduction of debt, and development of a substantial financial reserve fund.

6.4

Given the accomplishments of the past year, we have met this goal and will continue to enhance our progress in future years.

We have invested time and effort in each area noted in this goal. A brief summary of accomplishments in athletics this past year include:

- School-record average 3.11 GPA for student athletes in spring 2015.
- UTC teams won seven (7) SoCon Championships in four sports.
- Led the SoCon in attendance in football, men’s basketball, women’s basketball, wrestling and softball.
- Finished 117th of 351 Division I programs in the Learfield Sports Director’s cup to lead the SoCon with our second highest finish ever.
- Beat 26 schools from the Power 5 conferences when the men’s programs finished 61st out of 351 Division I programs in the Capital One Cup.
- Eight teams received NCAA recognition while 14 beat the national average for APR scores.
- 14 SoCon titles over the last two years is more than any other school in the SoCon.

Our academic support for student athletes is outstanding; we have not comprised academic achievement for success in athletics. The Learfield and Capital One awards show that even though we are an FCS school we are operating at a high level. We are building programs we can sustain. We have developed plans for an addition to our basketball arena that will be gift-funded and position us at a competitive level for years to come. We made some personnel changes to address issues in our organization and have hired some outstanding professionals. Our women’s basketball program was ranked in the top 18 last year, defeating both Stanford and UT Knoxville. We anticipate an even better year in 2015/16. Our athletics budget has been reworked and we living within our budget and winning championships. We have not had sufficient funding to build a reserve, but we did have a modest carry forward each of the last two years. We have maintained outstanding financial aid for student athletes to ensure they graduate – our six-year graduation rate for student athletes is 69%. Our men’s cross-country team had the highest GPA of any team in the NCAA this past year.

Demonstrate improvement in employee satisfaction on the Employee Engagement Survey to facilitate recruiting and retaining a diverse employee base (i.e: compensation, work balance, training, and sense of community).

This is a work in progress and the evaluation of progress toward this goal requires some thought and context. UTC conducted an employee satisfaction

survey in 2011 and did another one in 2014 (this past year). In some areas we improved, and in other areas we slipped. To provide some context, the senior leadership of the campus is largely new and has pushed a message of change. We were in the process of setting the future direction of the campus with the development of a new strategic plan during this same time. We also initiated a self-imposed 4.75% budget reallocation process in 2014 and this caused some of the faculty and staff to be understandably uncomfortable and nervous.

Our institutional research staff are working with the vendor who conducted the survey to get raw data to see what can be learned about the 2014 results. The main concern is in the area of senior leadership where several questions showed negative change from 2011 to 2014. There are two issues here: (1) Senior leadership was defined in 2014 and it was not in 2011. It may be that responses that were positive in 2011 due to a response referring to the direct interaction with a supervisor who is no longer classified as senior leadership. Or, it could be that opinions of senior leadership moved from more positive in 2011 to more neutral, disagree, or strongly disagree in 2014 – we cannot tell from the data provided (analysis shows the category growing is neutral). (2) Responses for the survey were on a five point system, 1 = very negative, 2 = negative, 3 = neutral, 4 = positive, 5 = very positive. We only have data for responses that are a 4 or a 5, we have no understanding of the degree to which opinions changed. Effectively, a neutral response was viewed as negative. We have no idea if a positive response moved to very negative, or neutral. This does not minimize the importance of the change for the worse in the 2014 survey, but it does lead to questions about the specifics of what has changed and how we might respond to address this change.

Our Executive Team is working with a group of faculty and staff with expertise in statistical analysis to do a head to head comparison of the surveys and develop action plans to address areas in need of attention – at both a campus and department/unit level. We are paying particular attention to the perception of our senior leadership and will provide individual professional development for anyone in need of assistance to improve their performance (of course this includes the chancellor). When we conduct the next survey in three years, we will ensure we have adequate data to conduct comparisons and understand what and where the problems are.

Reduce the gap in freshmen six-year graduation rates between minority and multi-racial students and the total.

We have met this goal: the gap is decreasing. The graduation rate gap for the cohort starting 2004 was 5.8% and this has moved to 4.1% for the 2005 cohort, to 2.6% for the 2006 cohort, to 3.1% for the 2007 cohort, and 1.7% for the 2008 cohort (the most recent year for which data is available at this time). We are closing the gap and will continue to do more. This past summer we ran a summer bridge program for 30 of our most at risk students, a majority of whom were underrepresented minorities. We have no data on their retention since classes have yet to begin for fall 2015 (the sophomore year for this cohort). It is interesting to note that the closing of the gap has involved an increase in

graduation rates for minority students and a slight decrease in non-minority students.

Increase the amount of capital funding to support renovations and new construction needs.

We have met this goal. We continue to actively work with the President and his staff to ensure UTC projects are funded, particularly the Lupton Library/Fine Arts renovation. We have the required match and will soon begin the planning phase using up to \$2M of our private match funds. We are in the initial stages of planning an addition to McKenzie Arena that will be a \$16M project. We will fund this project with gift funds and revenue from increased ticket sales for athletic events.

Bring faculty and staff salaries closer to the median of the peer group.

This is a work in progress, but we are moving in the right direction. I would argue we have met the goal given the resources available. UTC has made huge progress in addressing tenure track faculty salaries and has brought them in line with peer institutions. Staff salaries and non-tenure track faculty need to be addressed. This past year we had a 4.75% budget call back and a Voluntary Retirement Incentive Program that will result a reallocation of approximately 6% of our base budget by the end of FY2016. We will use some of the call back funds to address market and equity adjustments. This will provide even greater progress in this area, but there is still along way to go.

Continue to build positive relationships with students, faculty, staff, alumni, other stakeholders, donors, and government officials.

This goal has been met. UTC is making a concerted effort to engage our community and all stake holders. I have been holding an informal "Coffee with the Chancellor" once each month around the campus. Faculty and staff are invited to attend and we discuss what is on their mind, there is no agenda and all questions are welcomed. This has been highly effective in building relationships and understanding what is on the mind of our faculty and staff. I also attend staff counsel meetings regularly. To stay in touch with students, I taught a freshman seminar in the fall of 2014, formed a student advisory group with a cross section of students from across campus, meet regularly with the student government association (SGA) president, SGA executive committee, and SGA. My family and I try to attend as many athletic events as we can in all sports and have enjoyed the reaction of the students. I have engaged alumni by attending alumni events, walking through the tailgate area before football games and talking informally with alumni (as well as UTC supporters), attend alumni council and alumni chapter meetings and events. I have regularly meetings with donors to thank them for their support (stewardship) as well as solicit gifts. We also entertain donors at football games in the Chancellors Box, and at basketball games. I have travelled with donors and alumni to away games and developed strong relationships with them. I serve on the boards of several organizations in our area and meet regularly with the Hamilton County Mayor, and have a

6.4

monthly meeting with the Mayor of Chattanooga. I also keep in touch with regular visits and calls with local city council representatives. This past July, we met with the entire Hamilton County state delegation to discuss recent developments at UTC. I also meet with state representatives as needed to maintain a positive relationship. I meet with our local Congressman, Chuck Fleishman, on a regular basis. It is important to note that my discussions with representatives support and align with the UT President’s agenda and meetings are informational and we are not requesting action unless the president asks us to do so.

6.4

Attract and retain an outstanding, diverse faculty and staff who embrace our vision, exemplify our values, and collaborate to realize our strategic priorities.

We developed a new strategic plan that was approved by the UT Board of Trustees in June of 2015. Staff and faculty were involved in the development of our strategic plan and we revisited our vision and values, clearly defining each of these. Our goal was to have our faculty staff, and students “own” this plan as we work to realize our strategic priorities. We conducted meetings with UTC staff, faculty and student groups as well as alumni, and community members, as well as general town hall meetings and a web page to offer suggestions and comments to ensure everyone had the opportunity to be heard.

We have formed a Diversity Advisory Council and have a drafted a campus diversity plan and a template for college-based diversity plans. We are compiling and analyzing the data, identifying areas where we must improve diversity, setting targets, and devising an implementation strategy to achieve our targets. We will set targets for hiring at a college and unit level. The new UTC strategic plan takes a strong stand on diversity that will set the stage for these actions. We are looking at inner-city schools in our area and reaching out to ask the leadership how we can help.

Expand initiatives and opportunities for student involvement in experiential learning, internships, research, scholarships, and creative expression.

We are actively doing this. Our new strategic plan sets a goal (goal 1A) that every student will participate in a significant experiential learning experience (research, internship, project, service learning project) by FY2018. We have hired a director of undergraduate research to assist students in finding research and scholarship opportunities. Our new Director of Community Partnerships will work with our community to expand hands on learning opportunities for our students.

Forge stronger partnerships and relationships with Chattanooga and the region.

We are actively doing this. I serve on the board of many community organizations and participate in as many community events as possible. I have also asked our leadership team to do the same. I have nominated UTC leaders (deans, vice chancellors, department heads) to serve on the boards of

community organizations and encouraged them to actively engage with the community. If I have conflicts with different boards that I serve on, I have asked the organization if I can send a representative and have regularly asked the vice chancellors and deans to attend in my place (with the approval of the organization). This has led to an even greater involvement of the UTC leadership team in our community. I also meet regularly with several community leaders to seek candid advise, and comments, on whether UTC is addressing the needs of our community. I have a Chancellor’s Round Table group and a Chancellor’s Multicultural Advisory Council that provide an opportunity to forge strong relationships with community members.

6.4

UTIA Performance and Retention Plan Goals Narrative Supplement

Performance Goals:

Seven of the eleven performance plan goals were met at the 90% or higher level. Using 2015 estimates, the following goals did not reach 90%: (1) number of disclosures; (2) fundraising; (3) revenue from license agreements, and (4) research and sponsored projects expenditures reported to THEC.

Number of disclosures and revenue from license agreements:

It was estimated that UTIA will have 31 disclosures and \$222,000 in license revenue in 2015. Both of these variables have increased rapidly in recent years reaching a high in 2014. It is probably not realistic to expect these variables to remain at that level. Research and sponsored program proposals continue to increase reflecting the strong efforts of UTIA faculty. The federal budget situation remains an issue for research funding in agriculture and natural resources.

Fundraising:

Total funds raised in UTIA for 2015 was \$10,415,971. This amount is consistent with long term averages. In 2014, UTIA benefitted from three unexpected realized plan gifts. It should also be noted that UTIA Advancement experienced several vacancies over the past 18 months, including a total turnover of development officers in Veterinary Medicine, and this impacted results. The total endowment value in UTIA rose to \$62 million in 2014, up from \$48 million in 2013. The Tennessee 4-H Foundation surpassed \$10 million in assets for the first time in 2015.

Research and sponsored projects expenditures reported to THEC:

Research expenditures decreased from \$43.2 million in FY2012 to \$42.8 million in FY2015. The decreases in research expenditures were mostly attributable to the withdrawal of the ARRA (stimulus) funds as well as the federal sequestration and other budget reductions.

Subjective Goals (key activities):

Stakeholder Relations:

- Meet regularly with agricultural commodity groups throughout Tennessee. Serve on the board of directors for the Tennessee Farm Bureau Federation.
- Formed three UTIA Regional Advisory Councils made up of diverse clientele throughout the state. The UTIA Leadership team meets bi-annually with these councils. The council members played a key role in providing input on the Governor’s Rural Challenge and determining priorities for UTIA.

Compensation:

- Market analysis completed. Additional salary funding has been added to increases provided by the State. Staff in UTIA are now at 84% of market and faculty are at 90%. Our goal is to reach 100%.

Diversity:

- We have carefully monitored recruitment efforts for all positions. Diversity efforts have centered around three approaches. First, we have created undergraduate minority student internships in Extension. Secondly, we have targeted minority PhD students. Thirdly, we have targeted specific minority faculty hires. In 2014, 14.7% of our tenured faculty were minorities. Faculty turnover is the lowest in the UT System at 5.7%.

Facility Needs:

- Complete inventory and priorities list established. Raised matching funds for capital projects including Ellington Hall, CVM Teaching/Learning Center and West Tennessee 4-H facility.

- The following facilities and infrastructure projects have been completed since 2011.
 - ADA Improvements - Restrooms: Hollingsworth Auditorium - (Total Project Cost-\$165,000, Completed 2013)
 - ADA Improvements - Morgan Hall - (Total Project Cost-\$48,000, Completed 2014)
 - Animal (Brehm)/Food Science, Arena and Animal Pen Addition Facility - (Total Project Cost-\$25,493,000, Completed 2013)
 - Ag Campus Electrical Distribution System Upgrades - (Total Project Cost-\$3,064,253, Completed 2011)
 - Clyde Austin 4-H Center Renovations - Phase I, (Greeneville) - (Total Project Cost-\$3,343,777, Completed 2014)
 - Clyde M. York Improvements (Crossville) - (Total Project Cost-\$479,180, Completed 2013)
 - College of Veterinary Medicine Improvements - (Total Project Cost-\$21,244,000, Completed 2012)
 - College of Veterinary Medicine - War Dog Memorial - (Total Project Cost-\$169,500, Completed 2011)
 - College of Veterinary Medicine - Necropsy Lab Improvements - (Total Project Cost-\$3,100,000, Completed 2011)
 - Dairy Farm Relocation (ETNREC) - (Total Project Cost-\$12,024,000, Completed 2011)
 - Downtown West Building Renovations - (Total Project Cost-\$1,142,182, Completed 2012)
 - Greenhouse Improvements (North) - (Total Project Cost-\$4,200,000, Completed 2011)
 - Greenhouse (Racheff) - (Total Project Cost-\$300,000, Completed 2012)
 - Greeneville 4-H Center Improvements (Lodge) - (Total Project Cost-\$2,735,000, Completed 2011)
 - Ridley 4-H Center (Columbia) - (Total Project Cost-\$429,000, Completed 2013)
 - WTNREC- Greenhouse Renovation - (Jackson) - (Total Project Cost-\$975,000, Completed 2014)

- Facilities Under Construction
 - Arboretum Auditorium - ETNREC (Oakridge) - (Total Project Budget-\$1,015,000- Completion May 2015)

- Clyde Austin 4-H Center Renovation - Phase II, (Greeneville) - (Contract Amount-\$723,300-Completion May 2015)
- WTNREC- Jackson Headquarters Building and Milan Ag Museum - (Total Project Budget-\$3,100,000-Completion July 2015)
- College of Veterinary Medicine Building Improvements (Phase I) - (Total Project Budget-\$5,090,000-Completion November 2015)

Integration among units:

- Through the UTIA Deans, we have launched a strategic planning process to examine future faculty needs and programmatic priorities.
- Provided over \$70,000 in cash awards to faculty and staff across the four units.
- Revised branding for entire Institute.
- Developed an electronic media guide to assist all media outlets with accessing UTIA faculty in all units.

Regional Advisory Councils:

- Councils formed and functioning at a high level.

Advocacy:

- Worked closely with UT Government Relations Office. Special efforts were conducted around the Lone Oaks Capital Project.
- Meet bi-annually with the staff of the Tennessee Department of Agriculture.
- Actively engaged the Regional Advisory Councils and 4-H Foundation Board in advocacy efforts.
- UTIA faculty/staff provide leadership for Ag Day on the Hill each year.

Graduation Rates:

- The CASNR graduation rate is at 78.1% compared to 69.3% for UTK in total. The freshman retention rate is 86.6% compared to 88% for UTK. Minority enrollment in CASNR has increased from 11% in 2010 to 15.4% in 2014.

Salaries:

- See compensation above.

Employee Satisfaction:

- As a result of the ModernThink Employee Engagement Survey (2011), the UTIA Advisory Council launched a study of internal communication preferences for all UTIA employees. Several changes/enhancements resulted from the findings including the establishment of a UTIA-specific employee orientation program. Another change was to revise our internal newsletter, Common Ground.
- The 2014 ModernThink survey reflected positive movement on almost all items when compared to 2011 responses.

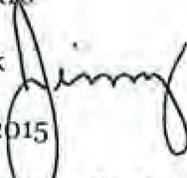


THE UNIVERSITY OF
TENNESSEE
KNOXVILLE

MEMORANDUM

6.4

TO: Joseph A. DiPietro

FROM: Jimmy G. Cheek 

DATE: September 23, 2015

RE: 2015 Executive Officer Performance & Retention Plan Self-Assessment

Thank you for the opportunity to provide feedback on our progress under the performance and retention plan. I would like to first commend the faculty, staff, and students as well as our alumni and friends for their efforts; they have worked very hard over the last several years to make our university an even better institution. In our effort to become a Top 25 public-research university, we are in the fifth year of implementing “Vol Vision: The Pursuit of Top 25.” Twelve key metrics were developed to guide and monitor our Top 25 journey, and progress on these metrics is presented in Appendix A. I look forward to working with you in the future as we continue to build the quality and reputation of the University of Tennessee, Knoxville. The following are details regarding our performance under the Executive Officer Performance & Retention Plan as well as the subjective goals.

Under the “Enhancing Educational Excellence,” UT-Knoxville exceeded its goal in two of the three metrics. Since beginning our Top 25 journey, six-year graduation rates and retention remain a key priority for our institution. To increase these metrics, we invested in additional advisors and tutors, created OneStop Express Services, and implemented both the “15/4” tuition plan as well as uTrack. Our success was recognized last year by receiving the prestigious APLU Trailblazer award, which encourages universities to make retention and graduation a high priority by rewarding and highlighting programs that work. In addition, while we did not meet our goal in degrees awarded, we continue to award more degrees annually than any other university in Tennessee. As a result of our improvement in graduation and retention rates as well as enrollment growth, we anticipate the number of degrees awarded to increase over the next several years.

For “Research Capacities,” UT-Knoxville surpassed its goal in three of the five metrics. We nearly doubled the number of disclosures, and saw a 49% increase in revenue from licensing agreements. We exceeded our goal by nearly 12% for program proposals, but fell short in research expenditures. This decline was primarily driven by federal sequestration, withdrawal of stimulus funds, and budget reductions. Despite experiencing a decline, we fared much better than many of our peer institutions.

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In addition, we now focus on larger multidisciplinary research proposals. These proposals are much more time consuming because they require extensive collaboration among various units. A recent success is the Institute for Advanced Composite Manufacturing Innovation ("IACMI"). This \$259 million award will focus on making advanced fiber-reinforced polymer composites less expensive and less energy-intensive, helping give America's resurging manufacturing sector a competitive edge in the global economy. However, IACMI as well as other large grants will not be reflected in our research expenditures until FY15-16.

Overall, our success indicates a strong exemplary performance in the research enterprise, despite the fact that the current landscape is both highly competitive and resource constrained. This metric warrants further discussion as our goals should reflect the fluctuating landscape for sponsored research, as the current UT-System metrics do not consider changes in the broader market or peer comparison. Appendix B includes a comparative assessment of UT-Knoxville and UTIA against Top 25 peers on both federal and total sponsored research expenditures per faculty FTE. As of the National Science Foundation's most recent reporting, the analysis shows that—when normalized for the size of our faculty—the research productivity of the Knoxville area exceeds that of: Iowa State University, Indiana University, the University of Georgia, Clemson University, and Auburn University. It is necessary to include both UT-Knoxville and UTIA together to provide a meaningful peer comparison, because most of our Top 25 peers have agriculture and extension operations included within main campus operations. We also note that the most recent comparative data reflects historical reporting of FY12.

As for "Outreach and Service," we exceeded our goal in both metrics. UT-Knoxville's outreach and engagement activities are up nearly 17% since FY12. We have also increased our number of alumni who donate to the university by 12% over the same period.

In addition to increasing the number of donors, our alumni and friends continue to be very supportive of our efforts; we more than doubled our goal for fundraising progress under "Effectiveness and Efficiency." For FY15, we project that our alumni and friends contributed over \$230 million to the university. This progress was partially due to the \$50 million transformational gift from the Haslam family in honor of Mr. James A. Haslam II. Under the direction of Vice Chancellor Scott Rabenold, we developed the "Investing in the Journey to the Top 25" fundraising strategy. This initiative focuses on large ambitious goals for key fundraising priorities, such as: faculty support, scholarships, graduate fellowships, and strategic priorities for academic units. This plan is a critical component of progressing toward the Top 25.

Also under "Effectiveness and Efficiency," the metrics regarding unrestricted E&G expense per student and degrees awarded must be viewed in light of our Top 25 efforts.

These metrics also warrant discussion to achieve alignment with other conversations from the UT System. Since the adoption of the system-level metrics in FY12, the broader external environment has changed. In the past, state appropriations accounted for the largest source of revenue. While UT-Knoxville experienced strong support from the State, it is unlikely that funding levels will significantly increase. In anticipation of this change—and as supported by the Budget Advisory Group—UT-Knoxville has worked diligently to build a new funding model that includes new resources as well as resource reallocations.

There is a fine balance between maintaining low cost degree production and being under-resourced compared to peers. UT-Knoxville began its Top 25 journey in the face of severe economic constraints. At the time, we demonstrated lower funding levels than our national peers. Our “Vol Vision” plan tracks teaching and support expenditures per student FTE. This metric excludes research and public service to demonstrate levels of investment aligned with students. As shown in Appendix C, we placed in the lower quartile in comparison to peers for FY12-13, which means that we were in a disadvantaged position to our peers: the good news is that we are now included within the peer group.

Our experience proves that substantive progress can be made despite lower funding levels. UT-Knoxville’s unrestricted E&G expense per student increased by 7% (rising from \$21,434.00 to \$22,860.00). We also increased unrestricted E&G expense per degree awarded by 3% (rising from \$78,099 to \$80,191). The increase in these metrics relate to investments required for improving graduation and retention rates, increasing our graduate stipend levels, addressing compensation gaps, and transforming our physical infrastructure. The metrics displayed in Appendix A highlights UT-Knoxville’s resourcefulness in pursuing excellence in spite of challenges. It also shows that the university embraced change and worked with a sense of urgency to adapt to a changing resource era. Investments were required to make progress in undergraduate education, graduate education, research, faculty, and infrastructure. As a result of these investments, we now have a strong and sustainable growth model at the undergraduate level. Last year, we stabilized undergraduate enrollment at 21,500, and our goal for Fall 2015 is 21,750.

In addition, an increase in unrestricted E&G expenses does not necessarily reflect a negative trend. In fact, increased E&G expenses can be viewed as a positive, for not all E&G increases come from tuition. A good example is the additional funding that we received from the State for our success in the outcomes-based funding formula. Another example is the State’s \$3 million investment in the College of Engineering and hiring new Governor’s Chairs. The increase in E&G expenses should thus be viewed as a positive because they provided the necessary funds to support our improvement efforts.

In a similar theme, our tuition and mandatory fees improved to nearly 97% of our peer average (up from 77.5% in FY12). Our success in this area reflects our proactive enrollment strategy aligned with our new approach to resources. As part of our Top 25 journey, we sought to move our tuition closer to that of our peers. As a result, we implemented the “15-4” tuition plan in Fall 2013. Under this plan, students pay for 15 credit hours each semester, which is the number of hours they need take each semester to graduate in four years. We also implemented differential tuition in several colleges to more closely align with peers. Currently, Engineering, Nursing, and Business have differential tuition models in place. Just last month, the Board of Trustees also approved Architecture & Design’s differential tuition proposal. Overall, the “15-4” plan and differential tuition provided the necessary funds to make critical investments in order to become a better institution and graduate students more rapidly.

Even though our tuition and mandatory fees are now closer aligned with peers, access remains a key priority for our institution. We were able to keep the net cost of tuition below the 50% threshold (45.1%). We have offset increases in tuition and fees by offering more than \$36 million annually to undergraduate and graduate students. Part of our ability to provide these scholarships—while also making strategic investments—is tied to our recent success in development. Scholarship support from large endowments will ensure that future generations of students can attend UT-Knoxville. Another good example is the Tennessee Pledge Scholarship, a need-based four-year scholarship for qualifying freshmen that—when combined with other federal, state, and institutional aid—covers all of a student’s direct costs without the use of student loans. With nearly 30% of UT-Knoxville’s undergraduate population being Pell-eligible, the Tennessee Pledge goes a long way in helping students go to college without resorting to student loans.

By providing such support, we remain a great value in higher education. Nearly half of all students graduate with no student debt, our average debt levels are well below the national average, and our student default rate is half the national average. As a result of scholarships and other forms of financial aid, we remain a bargain with the “sticker price” being reduced by 55%. Also, our freshmen class increased by almost 400 last year, when many universities experienced declines. This demonstrates that parents and students alike view UT-Knoxville as an excellent university at a reasonable price.

With regards to the additional subjective goals, I am pleased to report that we have made significant progress in all twelve areas. We continue to recruit and graduate a nationally competitive and diverse student body. This past fall, we welcomed 4,700 freshmen—our largest freshmen class in at least four decades—as well as nearly 1,250 transfer students. The average ACT score for entering freshmen was 27 and they had an average GPA of 3.80

(about 43% had a 4.0 GPA or higher). In addition, nearly 13% of the freshmen were enrolled in the honors program and about 21% were minority students.

Diversity among our faculty also remains a priority for our institution. According to the Office of Institutional Research & Assessment's Fact Book, Hispanic tenured and tenure-accruing faculty increased over 65% since 2012. African-American and Asian tenured and tenure-accruing faculty increased nearly 50% and 10% respectively over the same period. The number of female tenured and tenure-accruing faculty has also increased, rising nearly 10% since 2012.

Not only is our faculty more diverse, but we also have the largest faculty in school history. Part of our growth is due to our efforts in addressing "bottleneck" courses. Since 2010, we have added about 740 new sections of high-demand courses to alleviate bottlenecks. Many of these are staffed by lecturers and graduate teaching assistants hired through our Strategic Instructional Fund. With a goal of helping students making steady progress toward on-time graduation, we have reinvested over \$3 million annually from tuition dollars and other sources into academics through this fund since 2012.

In addition to reducing bottleneck courses, we also continue to attract and retain stellar faculty and staff because of our efforts in addressing compensation gaps. From the 2011 Sibson Study, UT-Knoxville and UTSI faced an \$83.6 million total market compensation gap. Since that time, we have been fortunate enough to allocate money for merit, equity, and market raises. We have also increased the minimum wage from \$8.50 to \$9.50 per hour. In addition to raising the minimum rate of pay, we adjusted each pay grade to reduce compression by approximately 3%. Moreover, we provide a 10% raise for non-tenured faculty (lecturers) and tenure-track faculty when they are promoted at a cost of approximately \$800,000 annually. In all, we have invested about \$52 million to improve salaries and become more competitive in the higher education marketplace over a four-year period (this does not include the raises just approved by the Board of Trustees for FY16). Although progress has been made, there is still much to be done as we currently have an estimated market gap of around \$41 million for UT-Knoxville and UTSI.

We also continue to strengthen our partnerships with ORNL, Y-12, Eastman, and other institutions. A good example is the Bredesen Center for Interdisciplinary Research and Graduate Education, which unites the extensive and complementary resources of UT-Knoxville and ORNL to advance science, technology, engineering, and mathematics research related to energy. In addition, fourteen of the Governor's Chairs are now employed at UT-Knoxville. Funded by the State and ORNL, the Governor's Chair program is designed to attract exceptionally accomplished researchers from around the world to boost research partnerships between the university and the Lab. We also continue to collaborate with Y-12 on multiple jointly-funded projects, and we signed our

third memorandum of understanding with them last year which expanded our partnership. Additionally, each college on campus (including the College of Veterinary Medicine) has some type of relationship with Y-12. We also have strong ties to Eastman Chemical, and the company's contributions to the university total more than \$2 million. Eastman is not just a major recruiter of our graduates, they also recently partnered with the College of Engineering to create a new state-of-the-art engineering lab. Eastman also has sponsored a commons area in the Dougherty Engineering Building, three professor of practice positions, and HITES—High School Introduction to Engineering Systems—camp.

Not only are we strengthening our partnerships with other entities, but we are also transforming the landscape of our campus. We currently have over \$1 billion in new construction and renovation taking place. Phase I of the new Student Union just opened, and Phase II will be complete in 2017. For residence halls, we are building a new facility and parking garage on the Gibbs Hall and Stokely site; we are also planning several new residence halls as a part of the Presidential Court redevelopment and two are currently under construction. In addition, we are in the process of constructing/remodeling several new academic buildings such as Strong Hall and—thanks to the generous support from the State—we received funding for the Mossman Science Building this year. The State also supported the \$24 million Steam Plant conversion in FY13. The conversion includes installation of new high-efficiency boilers that will shift the plant away from coal to natural gas. We anticipate that the university's carbon emissions will decrease by 43% and generate \$1-2 million annually in energy savings.

Another goal is to reduce the gap in six-year graduation rates for minority and multi-racial students. Six-year graduation rates for Hispanic and African American students remain relatively flat at 52% and 55% respectively. Rates for Asian students, however, increased from 64% to 68% since 2009. Given our recent retention efforts, we are confident that six-year graduation rates will rise significantly for these groups in the coming years. Since 2009, first-to-second year retention for African Americans improved from 79% to 83% and from 79% to 81% for Hispanic students. Retention for Asian students also increased from 84% to 95% over that same period.

With regards to Athletics, Dave Hart and I continue to implement a recovery plan to restore our athletics program to national prominence, achieve excellence in both academics and athletics, and create a long-term sustainable financial model. Our student-athletes continue to make tremendous progress in the classroom. For the Spring 2015 semester, Volunteer student-athletes posted a 3.04 overall GPA—the second-highest overall GPA in school history and the fifth-consecutive semester at 3.0 or higher. A record 268 student-athletes—or 60% of the total student-athlete population—finished with a 3.0 or better. In addition to our successes in the classroom, we are also making significant

progress toward improving Athletics' financial model as well as their fundraising efforts. Athletics is in the midst of a three-year campaign—entitled “Campaign for Comprehensive Excellence”—to raise \$154 million for improving existing facilities and educational opportunities for our student-athletes. While our reserves are still below our peers, we closed FY15 with a balance of \$6.9million in reserves.

As a part of the 2011 Employee Engagement Survey, we established a Work Culture Improvement Team to develop ways that we can make the university a better, more welcoming place to work. The team suggested a host of recommendations including, supervisory training, workshops on conducting performance reviews, increased interaction with senior leadership, and greater communication around shared governance. As a part of their recommendations, I host several informal lunches with target groups as well as lunches with all new faculty and staff. I also regularly hold open office hours and have agreed to attend one annual meeting for each Employee Exempt Staff Council. Finally, we also provided supervisor training and workshops on conducting performance reviews.

Last year, the Employee Engagement Survey was administered again, and we improved across the board. The largest improvements relate to employee views about compensation and benefits, the competency of supervisors, and confidence in senior leadership. Some of the detailed results were also encouraging as 88% understand how their job contributes to the campus mission. The percentage of employees who reported having a good relationship with their supervisor grew from 75% to 81%. Additionally, 72% agreed that UT-Knoxville is a great place to work. But we still have room for improvement in a lot of areas. To address these issues, I recently appointed a new Work Culture Improvement Team to make recommendations for specific actions. We will be working on ways to improve communication and collaboration, staffing and resources, diversity and inclusion, shared governance, and system support.

Finally, I continue to build positive relationships with university stakeholders as well as advocate for improving UT-Knoxville's resource base and achieving its strategic priorities. For example, the Board of Trustees have been very supportive of our Top 25 initiative. Not only did they approve the overall plan in 2010, but they also approved several key initiatives associated with the plan, including: the “15-4” tuition model, several differential tuition proposals, as well as salary increases for faculty and staff. We also received generous support from Governor Haslam and the General Assembly regarding formula funding, salary increases, as well as building construction and maintenance. In addition, I remain actively engaged in our development efforts, as I have been a part of numerous seven-figure and eight-figure solicitations and commitments over the last three years. Finally, I remain involved with various organizations at the local, state, and national level as a way to further support the university.

Overall, the University of Tennessee, Knoxville made tremendous progress over the last several years in our journey to the Top 25. We continue to recruit, retain, and graduate a nationally competitive and diverse student body. Our faculty consists of some of the most distinguished teachers/scholars in the country. Our research efforts are now nationally recognized, and we are set to play a key role in the future of America's manufacturing sector. We now have a strong foundation for returning our athletics program to national prominence. Our fundraising efforts are up across-the-board, which help support endowments, scholarships, and other strategic objectives. We are also in the midst of transforming our campus' landscape with over \$1 billion in new construction and renovation.

In closing, the activities and accomplishments expressed reflect the key role that the University of Tennessee, Knoxville plays in the long-term development of our state and nation. In fact, a recent study by Dr. Bill Fox at the Center for Business and Economic Research concluded that UT-Knoxville generates \$1.6 billion in annual income for the state of Tennessee, creates nearly 33,000 jobs, and contributes more than \$125 million in tax revenue to the state and local governments. As we pursue our goals to become a Top 25 public-research university, our impact on the state, region, and nation will continue to increase. Although we have come a long way in a short amount of time, there is still much to be done in order to realize our Top 25 goal. I look forward to continuing our work together and achieving these goals for the betterment of the university, the system, as well as our state and nation.

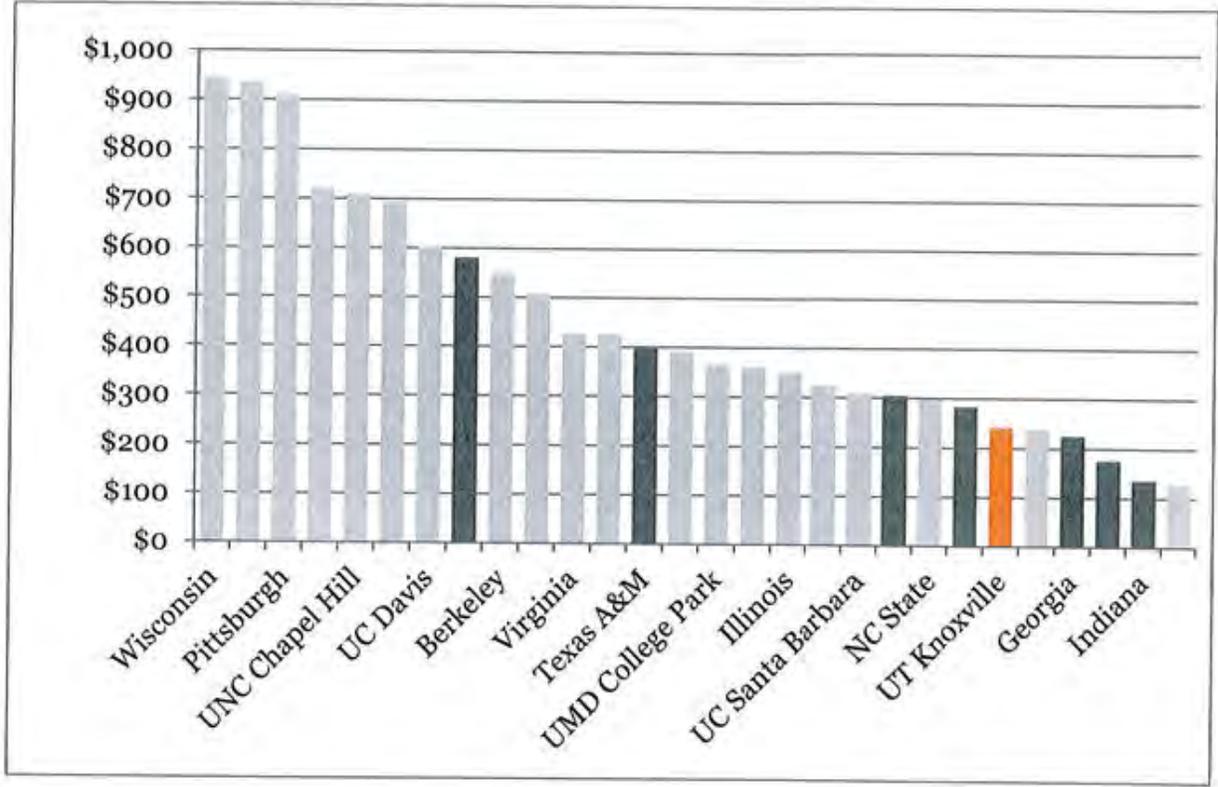
Joe, I thank you for your leadership and all that you do on behalf of the University of Tennessee System. If you have any questions, please feel free to contact me.

Appendix A: Top 25 metrics from 2010-2014

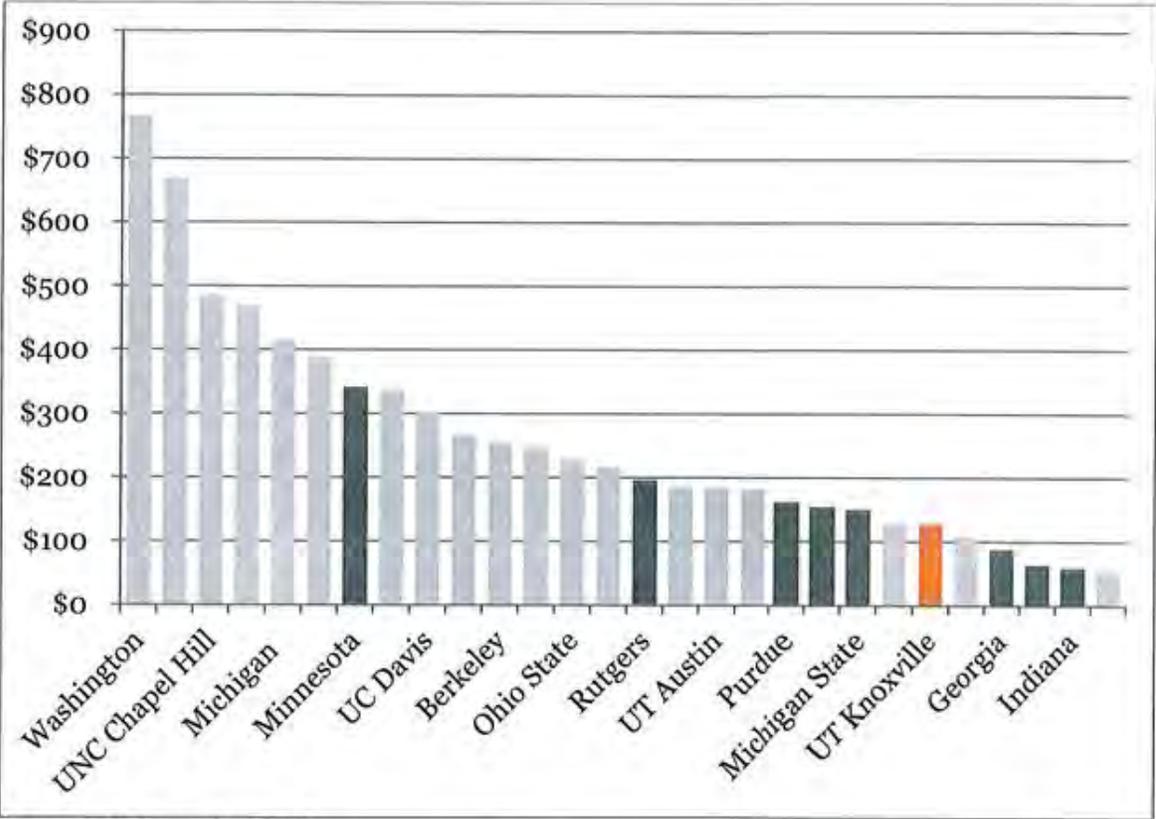
Areas of Focus	Metrics	Year Zero	Year Four	Change 2010-2014
Undergraduate Education	ACT Equivalent (75 th /25 th Percentile)	29/24	29/24	Met Goal
	Retention Rate (1 st to 2 nd Year)	84%	87%	+3 %
	Six-Year Graduation Rate	60%	69%	+9 %
Graduate Education	Number of Ph.D. Degrees	277	319	+42
	Number of Master's and Professional Degrees	1,845	1,854	+9
Research	Federal Research Expenditures	\$70M	\$130M	+\$60M
	Total Research Expenditures	\$165M	\$248M	+\$83M
Faculty	Avg. Tenure-Line Salary Range	\$66 to \$107K	\$76 to \$127K	+\$10 to \$20K
	Undergraduate Student/Tenure-Line Faculty	20	19	-1
	Faculty Awards	10	10	No Change
Resources and Infrastructure	Teaching and Support Expenditures/ Student	\$16,100	\$18,595	+ \$2,495
	Endowment/ Student	\$14,380	\$20,900	+ \$6,520

Appendix B: Research Expenditures

Total Sponsored Research Expenditures per Faculty FTE, FY 2012
 UT-Knoxville vs. Top 25 Peers

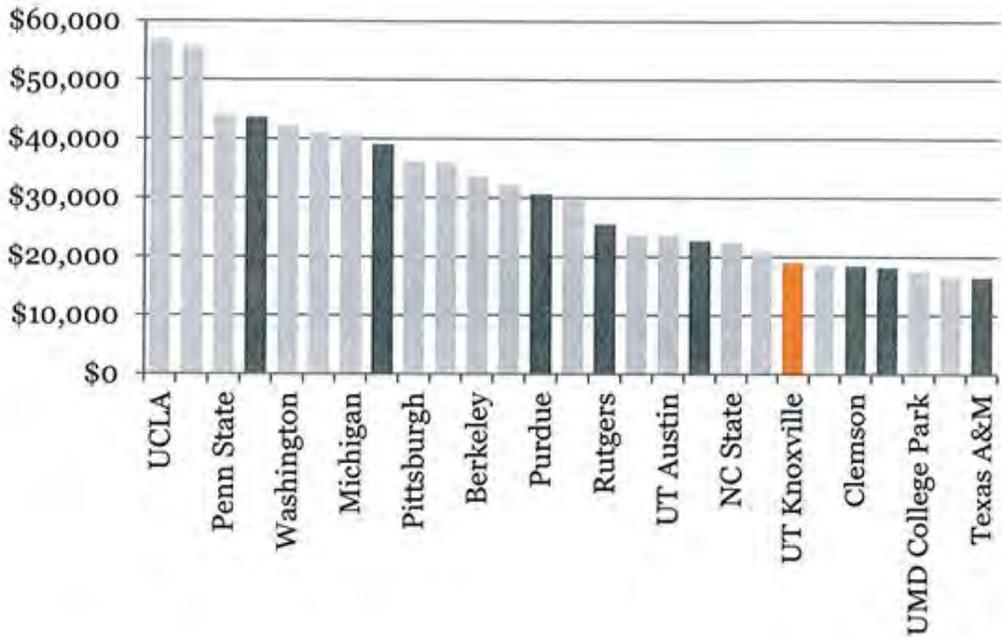


Federal Research Expenditures per Faculty FTE, FY 2012
 UT-Knoxville vs. Top 25 Peers



Source: NSF and IPEDS
 Note: The values above include UT-Knoxville and UTIA. This is necessary to provide a closer comparison to peers. Most schools include agriculture and extension operations with the flagship campus operations.

Appendix C: Teaching and Support Expenditures/Student FTE, FY12
 (Excludes Public Service and Research)
 UT-Knoxville vs. Top 25 Peers



Source: IPEDS

Steve J. Schwab, M.D.

UTHSC Chancellor

6.4

UTHSC Campus Goals- Three Year Report

General Goals

1. **Total Degrees Awarded (met goal)**
 - a. UTHSC set a reasonable goal of 3% growth over 3 years. We have exceeded that goal while maintaining a first effort board pass rate and a graduation rate in the mid to high 90%.
 - b. Target : 1104 annual degrees /certificates awarded, Actual: 1236 annual degrees/certificates awarded (112% of target)

2. **Research and Sponsored Program Expenditures (met goal)**
 - a. UTHSC set a very aggressive goal of 10% growth over 3 years and exceeded the goal. The most ambitious goal set in the UT system in this category. We successfully grew our sponsored program revenues in a down market by growth in federal and state contract revenue and growth of federal educational grants. We are the only UT institution to actually grow revenue in this time frame. The largest sponsored program revenue total in the UT system and a growing gap with our peers. A substantial achievement in a down market.
 - b. Target: 221\$ million: Actual 223 \$ million (101% of goal)

3. **Restricted and Unrestricted Research Expenditures Reported to NSF (decreased)**
 - a. UTHSC set a very aggressive growth goal of 10% over 3 years. Regretfully our totals have declined reflected by a major downturn in the NIH budget. We have however maintained our position relative to our peer institutions. We have an aggressive go forward plan with major investments in facilities (Pharmacy Building. Translational Research Buildings 1 and 2, and the Nash, Nash Annex renovation) as well as major faculty recruitment and a new VC for Research. New Departments and Institutes have been created. This has been funded primarily by clinical revenues with the exception of the Children’s Health Institute (Funded by Memphis Research Consortium, St Jude, and Governor Match program). In addition, we have self -funded Translational Science buildings 1 and 2. State support in terms of Governors Chairs and other state funds has been minimal as opposed to the state and university system investment in UTK science. As a future positive note research awards increased sharply this year at UTHSC by >\$10M in federal awards. This will be reflected in future expenditures.
 - b. Target: 86 \$ million: Actual 66\$ million (decrease)

- 4. Research and Sponsored Program Proposals (96% of goal)**
- a. UTHSC set a very aggressive goal of increasing research proposals by 20% over a 3 year term. The most aggressive goal in this category in the UT system more than double the next closest goal. Nearly achieving this goal reflects the nature of the UTHSC research growth plan. We believe this reflects that the plan is on track to achieve major research growth when NIH national funding returns to traditional levels. As evidence of this our federal research awards increased by > \$ 10 million this year. This will be reflected in future expenditures.
 - b. Target: 878 annual proposals,; Actual: 843 annual proposals (96% of target)
- 5. Disclosures, Patents Filed and Issued, Licensing Revenue, Inventions, Company Starts (overall met goal)**
- a. UTHSC set reasonable goals and in general exceeded them. It was however a mixed bag in the variable and volatile group of goals.
 - b. Disclosures (3-year average Target 29: Actual: 28 (below baseline)
 - c. Licensing Revenue (3-year average Target: 488 \$K, Actual 532 \$ K (109% of goal)
 - d. Patents filed /issued (22/8 base year): Actual (45/17) filed and issued (Above goal)
 - e. Inventions 26 in base year, Actual Inventions: 29 (Above goal)
 - f. Company Starts 2 per year, Actual: 8 starts in 3 year period (Above goal)
- 6. Outreach and Engagement (met Goal)**
- a. UTHSC set reasonable goals and substantially exceeded them.
 - b. Participants in outreach activities (Actual participants increased from 41K to 63K)
- 7. Patients and Patient Revenue (Met charges goal/83% of RVU goal)**
- a. UTHSC set very aggressive goals for growth of revenue of 30% over 3 years and have overall performed very well with major growth. This was the cornerstone of our financial plan as this is the UTHSC primary source of discretionary revenue. The clinical enterprise has dramatically expanded as the cornerstone of our financial plan. These clinical plans pay the vast majority of the clinical faculty compensation.
 - b. Target Charges: 960 \$ M , Actual: 994 \$ M (104% of goal)
 - c. Target RVU: 4.76 M, Actual RVU: 3.94 M (83% of goal)
- 8. Alumni who Donate (met goal)**
- a. UTHSC set reasonable goals and achieved them.
 - b. Target: 3459 alumni donating, Actual: 3898 alumni donating (113% of goal)

9. Fundraising Progress (met goal)

- a. UTHSC set reasonable goals and substantially exceeded them.
- b. Target Annual Fund Raising 14 \$M, Actual Fund Raising: 39 \$M (277% of goal)

10. Unrestricted E and G expense per student (met goal) per degree awarded (99% goal)

- a. UTHSC cost per student is driven by the steadily increasing expectations of the licensing/ accrediting bodies of our professional colleges. Examples are modern state of the art multi-disciplinary simulation facilities, increasing amounts of small group problem solving sessions, extensive tutoring capabilities, substantially increased clinical training requirements etc. Despite these issues we met goal.

11. State Capital Maintenance Funded (Uncertain how this applies to Campuses)

- a. UTHSC and all of the campuses submit requests to the UT System for capital maintenance. The UT system then assigns a priority for funding based on perceived need and submits to THEC. THEC then funds what it desires. This seems to be a system metric not a campus metric in that the campus submits requests and the system prioritizes just like capital construction.

UTHSC Specific GOALS

1. Increase Capital funding to support renovation and new construction. (met goal)

- i. Secured BC/BS support of Multi-Disciplinary Simulation Building
- ii. Secured Delta Dental support of Delta Dental COD Dental Building
- iii. Securing St Thomas support of UT/St Thomas Education Building
- iv. Others in progress

2. Increase Academic Payments from Partner Institutions to UTHSC (met goal)

- 1. Total annual academic payments from partner institutions now greater than 20 Million \$ annually (fixed payments) with a substantial variable component in addition based on performance.
- 2. Negotiations with other partner institutions in progress

- 3. This serves as primary discretionary investment revenue for research and education.
- 3. **Demonstrate Improvement in employee satisfaction and diversity (met goal)**
 - 1. UTHSC has the most diverse faculty and staff workforce in the UT system by a wide margin. (Data available on Presidents strategic plan web site).
 - 2. UTHSC was named a Memphis Best Workplace by the Commercial Appeal based on compensation, culture, sense of community etc. in a Workplace Dynamics review. The first time for this honor by UTHSC.
 - 3. UTHSC continues to show substantial improvement in the UT conducted Employee Engagement Survey.
- 4. **Increase number of Graduate Medical Education Positions (met goal)**
 - 1. These GME federally funded positions are competitively awarded and are very limited.
 - 2. UTHSC continues to grow the number of positions and the number of programs and residents and fellows (Data available on Presidents strategic plan website) despite no new growth in nationwide training slots. Quality has been maintained as evidenced by completion rate and first time board pass rate. New Program Growth has occurred on all 4 Campus locations.
 - i. Memphis: Emergency Medicine, Forensic Pathology. Maternal Fetal Medicine, Interventional Cardiology
 - ii. Knoxville: Pulmonary Medicine, Cardiology
 - iii. Chattanooga: Urology, Cardiology, Vascular and Colorectal Surgery
 - iv. Nashville: Internal Medicine, Emergency Medicine, Family Medicine, Obstetrics and Gynecology, General Surgery
 - 3. Future growth on St Thomas campus will be substantial as the programs there ramp up to maturity over the next 5 years
- 5. **Improve Clinical Care Reputation as evidenced by US News Hospital Ranking (met goal)**
 - 1. **Le Bonheur Children’s Hospital** in Memphis has risen from unranked to among the nation’s top children’s hospitals with 5-7 nationally ranked specialties. Nearly 100% of the Le Bonheur work force is composed of UTHSC faculty from the joint venture UT- Le Bonheur Pediatric Specialists Faculty Practice Group.
 - 2. **Methodist UT University Hospital in Memphis and the UT Medical Center in Knoxville** compete for the # 2 and # 3 adult hospital rating in the state of Tennessee. Alternating the 2-3 position in the state these two UTHSC teaching Hospitals. (9-11 high performing specialties and 1 nationally ranked specialty on the average) are steadily gaining stature. Our goal is to advance them to reliable national standing similar to Le Bonheur.

3. **Erlanger Medical Center** in Chattanooga is reliably ranked as the leader in its regional market and is poised to add reputation.

6.4

The University of Tennessee Executive Officer Performance and Retention Plan: Accomplishment of Goals

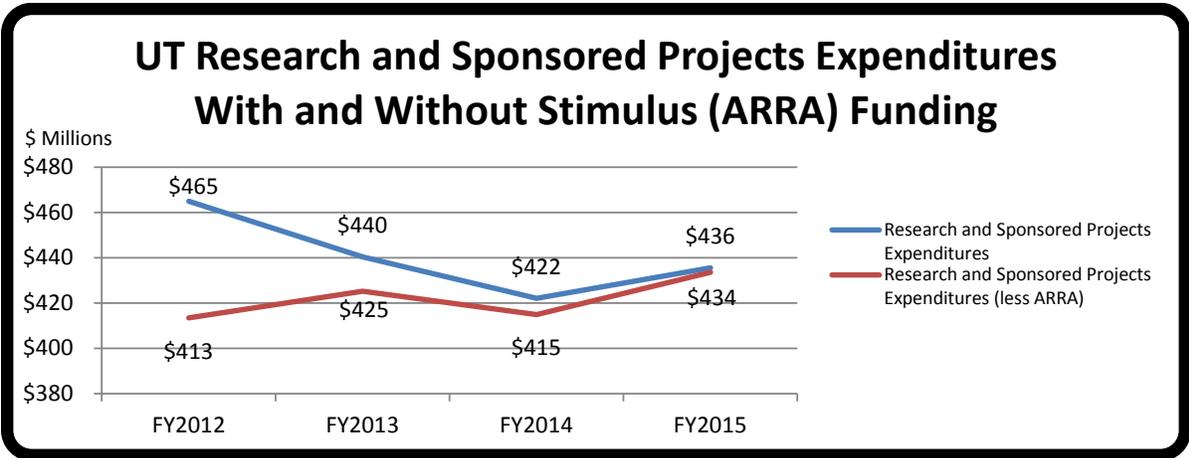
Executive Vice President

6.4

The performance goals for the Executive Vice President for fiscal years 12-15 were limited to goals 4-8 (Expansion of Research Capabilities) and goals 9-11 (Engage in Outreach and Service) of the strategic plan. The overall performance evaluation of the Executive Vice President is also based on achieving five additional overarching self-identified goals that are directly related to the management and growth of the University's research enterprise including new funds for capital maintenance and the number of alumni who donate funds to the University of Tennessee.

During the three-year span beginning July 1, 2012 and ending June 30, 2015, seven of the ten agreed upon goals for the EVP were exceeded. These include the number of Vet Med clients (146%), number of invention disclosures (123%), revenue from license agreements (119%), number of alumni who donate (114%), number of outreach/engagement participants (109%), new research proposals (109%) and the number of health science billings (104%). The research expenditure data reported to THEC and the National Science Foundation (NSF) reached 87% of their respective goals. The number of Health Science relative value units (RVUs) reached 83% of the goal.

It should be noted, UT received extra one-time stimulus (ARRA) money for research in 2009 and 2010. Most of these funds were reported as expenditures in 2012 and 2013, which overstated our "true" research expenditures. (See Figure Below) If we excluded the ARRA funding, UT would have achieved would have increased its research expenditures reported to THEC by 5% and would have achieved 98% of the goal.



The lower than expected research funding targets for the last three years is directly related to the stagnate federal research budget that has traditionally been the primary source of funding for fundamental and translational university-based research. In the document that specified our target goals for research-related outcomes, we qualified our

stated goals as being contingent upon the federal budget. We do not expect the federal budget for research (NSF, NIH, DOE; our primary sources for research funding) to improve significantly over the next several years. We therefore will need to lower our goals to be more realistic, and to seek other approaches for securing funds. In this regard, it was announced in January of this year that UT will be the lead institution on a 5 year \$259MM grant (IACMI) from DOE. Much of this money will be distributed to partner institutions, but it also positions UT and ORNL in a solid funding position for the next five years.

Self-Identified Goals

- **Facilitate the appointment of three Governor's Chairs over next three years.**

ACCOMPLISHED. From FY 2012 thru FY 2015 Four Governor's Chairs were recruited. We now have a total of 16 GCs and will not be able to add to this number without further investment from the state. Governor Chairs hired during this period are:

- Philip Enquist: High Performance Practices in Urban Environments. College of Architecture, UTK (co employed by Skidmore, Owings and Merrill (SOM) located in Chicago
- Arthur Ragauskas: Biological and Energy Sciences, College of Arts and Sciences, UTK (recruited from Georgia Tech)
- Suresh Babu: Advanced Manufacturing, College of Engineering, UTK (recruited from Ohio State University)
- Robert Davis: Personalized Medicine and Genomics, UTHSC, (recruited from Kaiser Permanente, Georgia)

- **Establish a development framework for Cherokee Farm and secure funding for one privately funded building.**

TENTATIVELY ACCOMPLISHED. A second building on Cherokee is moving forward. This building will house several private companies. We have reached an agreement with a development company to finance and build the next building on the Cherokee Campus. A biomedical science company that is developing technologies associated with imagining is planning to move their company to Cherokee Farm. We also have discussions that are ongoing with several other companies, including with one who is a world leader in electronics and another one that is a leader in the aerospace sector.

- **Manage the NSF TN-SCORE program at UT and Vanderbilt.**

ACCOMPLISHED. TN-SCORE has been a major success. In 2010 the National Science Foundation (NSF) awarded UT a 5- year EPSCoR grant totaling \$20MM. Vanderbilt University is a partner in TN-SCORE. The focus of our program was innovation in solar energy research and education. Eligibility for EPSCoR funding is based strictly on the success of each individual state in competing for NSF funding. The EPSCoR program is designed to enhance the competitiveness of states that fail to win their "fair share" of NSF funding. Scientists from UT and Vanderbilt teamed to provide an intensive learning and experimental environment for faculty and students at four-year colleges (e.g. TBR) across the state.

NSF officials travelled to Nashville last month to recognize the overall success of TN-SCORE and to announce that Tennessee is the first state (ever!!) to graduate from the EPSCoR program. This is a positive outcome. Thus, graduation from EPSCoR signifies that our competitiveness for NSF grant support is now in the top echelon of US universities. Tennessee now wins its "fair share" federal support from NSF.

Another important outcome from the TN-SCORE award was the creation of a very strong collaborative relationship with Vanderbilt. To our knowledge this the first instance where the two institutions have collaborated on a project of this scope. A goal is to continue to grow this relationship by participating joint research applications.

Demonstrate improvement in employee satisfaction on the Employee Satisfaction Survey to facilitate recruiting and retaining a diverse employee base

ACCOMPLISHED. The Employee Satisfaction Survey shows an overall improvement in all categories of the statewide university system in 2014 as compared to 2011. We remain committed to making the university an excellent place to work.

**PERFORMANCE AND RETENTION PLAN
FY 2013-FY 2015 PERFORMANCE GOALS**

Methodology for Evaluating Performance and Calculating the Retention Payment

6.5

Objective Goals

Setting the Goals

- Objective performance goals for the initial three-year period (FY 2013-FY 2015) under the Performance and Retention Plan (Plan) were based on 18 metrics related to four strategic goals of the UT System Administration Strategic Plan—Enhancing Educational Excellence, Expanding Research Capacities, Fostering Outreach and Engagement, and Ensuring Effectiveness and Efficiency.
- On March 1, 2013, the Board approved goals and weights for each metric, with FY 2012 as the base year.
- Because UTC Chancellor Angle would be eligible for participation in the Plan as of July 1, 2014, the Board approved revised UTC goals and weights on June 19, 2014, with FY 2013 as the base year.

Evaluating Performance and Calculating the Retention Payment

- Actual FY 2015 data were compared to the FY 2015 goals to determine the percent of goal attained. (For Goal 5, Restricted and Unrestricted Research Expenditures Reported to NSF, an estimate for FY 2015 was generated because final data will not be available until January 2016.)
- If the FY 2015 actual was less than the base year, 0% credit was given for the metric.
- If the FY15 values exceeded 100%, credit was given according to the following scale:
 - 100% = 100% -124% range
 - 125% = 125% - 149% range
 - 150% = 150% - 174% range
 - 175% = 175% - 199% range
 - 200% = 200% +
- The percentages of goal attained were then multiplied by the weights approved by the Board where,
 - 1 = Normal weight** **2 = Intermediate weight** **3 = High Weight**
- A final objective score percentage was derived based on: (the sum of the scores times the weight) / divided by the maximum score the Participant could receive.
- If the final objective score exceeded 100%, the score was capped at 100%.
- The objective scores were worth 70% of the total recommendation.

Subjective Goals

Setting the Goals

- On March 1, 2013, the Board also approved subjective goals for each original Participant. On June 19, 2014, the Board approved subjective goals for Chancellor Angle.

Evaluating Performance and Calculating the Retention Payment

- Participants submitted a self-evaluation describing their accomplishment of the subjective goals. The President submitted his self-evaluation to the Vice Chair of the Board, and the other Participants submitted their self-evaluations to the President.
- The Vice Chair and the President evaluated the Participants’ performance with respect to each subjective goal as to whether the goal was met, not met, or partially met.
- 0% credit was given for goals not met, 100% credit for goals met, and 50% credit for partially met.
- An overall score (percent) was derived for the subjective goals. For example, if there were 10 subjective goals and 9 were fully met and one was partially met, the score would be 95%.
- The subjective scores were worth 20% of the total recommendation.

Advocacy and Leadership

- To support the fifth goal of the System Administration Strategic Plan, Participants were evaluated based on Advocacy for the UT System and Leadership.
- The Advocacy and Leadership score was worth 10% of the total recommendation.

Recommendation

- The sum of overall score (%) for the Objective Goals, Subjective Goals, and Advocacy and Leadership was multiplied by the maximum retention amount approved by the Board on March 1, 2013 to arrive at the Vice Chair’s recommendation of a retention payment for the President and the President’s recommendation of a retention payment for the other Participants.

Peer Comparison Institutions:

The following institutions were used for the metrics involving peer comparisons:

For UT Knoxville, the Top 25 Target Peer Group includes:

- Clemson
- Georgia
- Indiana
- Purdue
- Michigan State
- Minnesota
- Rutgers
- Texas A & M

For UT Chattanooga, their GAP peers include:

- Appalachian State University
- Auburn University at Montgomery
- College of Charleston
- Missouri State University-Springfield
- Murray State University
- Northern Kentucky
- Tennessee Technological
- University of Missouri-St Louis
- University of Nebraska at Omaha
- University of North Carolina at Charlotte
- University of North Carolina Wilmington
- Western Carolina University
- Western Kentucky University
- Winthrop University

For UT Martin, the THEC peers include:

- Appalachian State University
- Arkansas Tech University
- Frostburg State University
- Jacksonville State University
- Murray State University
- Northern Kentucky University
- Radford University
- Salisbury University
- Sam Houston State University
- The University of Tennessee-Martin
- University of North Carolina Wilmington
- Western Carolina University
- Winthrop University

6.5

UT President DiPietro Objective Scores

Blue = High Weight (3)
Green - Intermediate Weight (2)
Orange - Normal Weight (1)

Goal Ach.	Scores			
	% score	(1-3) weight	score * weight	Max Score

Weights for Obj/Subj/Oth	Overall Scores % * Weights
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	Goal Ach.	% score	(1-3) weight	score * weight	Max Score
4		0%	3	0.00	3
5		0%	3	0.00	3
15		83%	3	2.50	3
10b		83%	2	1.66	2
16		85%	3	2.55	3
13		95%	3	2.85	3
1		98%	3	2.93	3
2		100%	3	3.00	3
3		102%	3	3.00	3
10a		104%	2	2.00	2
17		108%	3	3.00	3
6		109%	3	3.00	3
9		109%	1	1.00	1
14		110%	3	3.00	3
11		114%	1	1.00	1
8		119%	2	2.00	2
7		123%	3	3.00	3
10c		146%	2	2.50	2
18		150%	1	1.50	1
12		175%	3	5.25	3
Totals				45.73	50.0
Total Objective Score				91%	

Scales
Below Base Year = 0%
100% - 124% = 100%
125% - 149% = 125%
150% - 174% = 150%
175% - 199% = 175%
200% + = 200%

70%	64%
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6.6

UT President DiPietro Objective Scores

Subjective Goals	Met / Not Met	Weights for Obj/Subj/Oth	Overall Scores % * Weights
1 Establish a development strategy for the Cherokee Farm Campus.	Met		
2 Explore best practices from other university system structures and determine possible application to UT.	Met		
3 Develop an "Employer of Choice" model for UT.	Met		
4 Demonstrate improvement in employee satisfaction on the Employee Engagement Survey to facilitate recruiting and retaining a diverse employee base (i.e.:	Met		
5 Complete GAP analyses for UT Martin and UTIA.	Partially Met		
6 Fill current vacancies on the President's Staff.	Met		
7 Reduce the gap in freshmen six-year graduation rates between minority and multi-racial students and the total.	Met		
8 Bring faculty and staff salaries closer to the median of the peer group.	Met		
9 Increase the amount of capital funding to support renovation and new construction needs.	Met		
Total Subjective Score (% Met)	94%	20%	19%
Advocacy and Leadership (% Attained)	100%	10%	10%
Overall Score = (Sum of Objective, Subjective, Advocay and Leadership)	93%		
Recommended Retention Payment = (Overall score * Max Retention Amount)	Max Retention Amount		
	\$200,505	\$ 186,301	
Recommended Retention Payment calculated on an annual basis	\$66,835	\$ 62,100	

6.6

UTC Chancellor Angle Objective Scores

Blue = High Weight (3)
 Green - Intermediate Weight (2)
 Orange - Normal Weight (1)

Goal Ach.	Scores			
	% score	(1-3) weight	score * weight	Max Score

Weights for Obj/Subj/Oth	Overall Scores % * Weights
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	Goal Ach.	% score	(1-3) weight	score * weight	Max Score
8	<i>Revenue From License Agreements</i>	0%	2	0.00	2
7	<i>Number of Disclosures (Inventions)</i>	0%	2	0.00	2
5	<i>Research Expenditures Reported to NSF (est.)</i>	0%	2	0.00	2
4	<i>Research Expenditures Reported to THEC</i>	0%	2	0.00	2
6	<i>Research Proposals</i>	93%	2	1.86	2
15	<i>Net Cost of Tuition and Fees</i>	95%	3	2.84	3
11	<i>Number of Alumni Who Donate</i>	98%	1	0.98	1
16	<i>Tuition/Fee Peer Average</i>	99%	3	2.98	3
13	<i>Unrestricted E&G Expenditures per Student FTE</i>	100%	3	3.00	3
2	<i>Freshman Retention Rate</i>	100%	3	3.00	3
3	<i>Total Degrees Awarded</i>	101%	3	3.00	3
1	<i>Freshman Graduation Rate</i>	104%	3	3.00	3
14	<i>Unrestricted E&G Expenditures per Degree</i>	111%	3	3.00	3
9	<i>Outreach/ Engagement Participants</i>	113%	1	1.00	1
12	<i>Fundraising Progress</i>	134%	3	3.75	3
Totals				28.42	36.0
Total Objective Score				79%	

Scales	
Below Base Year =	0%
100% - 124% =	100%
125% - 149% =	125%
150% - 174% =	150%
175% - 199% =	175%
200% + =	200%

70%	55%
------------	------------

6.6

UTC Chancellor Angle Objective Scores

Subjective Goals	Met / Not Met	Weights for Obj/Subj/Oth	Overall Scores % * Weights
1 Implement a plan to achieve the goal of becoming a national competitive athletic program that emphasizes comprehensive excellence in both academics and athletics, financial sustainability, focus on student-athletes, reduction of debt, and development of a substantial financial reserve fund.	Met		
2 Demonstrate improvement in employee satisfaction on the Employee Engagement Survey to facilitate recruiting and retaining a diverse employee base (i.e.: compensation, work balance, training, and sense of community).	Partially Met		
3 Reduce the gap in freshmen six-year graduation rates between minority and multi-racial students and the total.	Met		
4 Increase the amount of capital funding to support renovation and new construction needs.	Met		
5 Bring faculty and staff salaries closer to the median of the peer group.	Met		
6 Continue to build positive relationships with students, faculty, staff, alumni, other stakeholders, donors, and governmental officials.	Met		
7 Attract and retain a outstanding, diverse faculty and staff who embrace our vision, exemplify our values, and collaborate to realize our strategic priorities.	Partially Met		
8 Continue to improve and diversify the resource base to achieve campus priorities by carefully balancing state revenues, tuition, grant funding, revenue generating programs, and private support.	Met		
9 Expand initiatives and opportunities for student involvement in experiential learning, internships, research, scholarship, and creative expression.	Met		
10 Forge stronger partnerships and relationships with Chattanooga and the region.	Met		
Total Subjective Score (% Met)	90%	20%	18%
Advocacy and Leadership (% Attained)	98%	10%	10%
Overall Score = (Sum of Objective, Subjective, Advocay and Leadership)			83%
Recommended Retention Payment = (Overall score * Max Retention Amount)		Max Retention Amount	\$ 36,259
Recommended Retention Payment calculated on an annual basis	\$43,650		\$ 36,259

6.6

UTIA Chancellor Arrington Objective Scores

Blue = High Weight (3)
Green - Intermediate Weight (2)
Orange - Normal Weight (1)

	Goal Ach.	Scores			
		% score	(1-3) weight	score * weight	Max Score
7 <i>Number of Disclosures (Inventions)</i>	0%	0%	3	0.00	3
8 <i>Revenue From License Agreements</i>	0%	0%	2	0.00	2
12 <i>Fundraising Progress</i>	0%	0%	3	0.00	3
4 <i>Research Expenditures Reported to THEC</i>	0%	0%	3	0.00	3
5 <i>Research Expenditures reported to NSF (est.)</i>	95%	95%	3	2.84	3
3 <i>Total Degrees Awarded</i>	98%	98%	2	1.95	2
11 <i>Number of Alumni Who Donate</i>	102%	100%	1	1.00	1
9 <i>Outreach/ Engagement Participants</i>	105%	100%	3	3.00	3
17 <i>E&G Expenditures per Direct Service Contract (in 2012 \$)</i>	108%	100%	3	3.00	3
6 <i>Research Proposals</i>	124%	100%	3	3.00	3
10c <i>Vet Med Clients</i>	146%	125%	2	2.50	2
Totals				17.29	28.0
Total Objective Score				62%	

Weights for Obj/Subj/Oth	Overall Scores % * Weights
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Scales
Below Base Year = 0%
100% - 124% = 0%
125% - 149% = 25%
125% - 149% = 25%
150% - 174% = 50%
175% - 199% = 175%
200% + = 200%

70%	43%
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6.6

UTIA Chancellor Arrington Objective Scores

Subjective Goals	Met / Not Met	Weights for Obj/Subj/Oth	Overall Scores % * Weights
1 Build positive relationships with UTIA stakeholders, donors, students, and faculty and government officials.	Met		
2 Complete total compensation market analysis (salary and benefits) of all UTIA employees. Develop strategies for addressing identified issues.	Met		
3 Develop actions to address/enhance diversity of UTIA faculty and staff.	Partially Met		
4 Review facility needs throughout UTIA and develop priorities.	Met		
5 Strengthen integration between the four UTIA units	Met		
6 Establish three UTIA Regional Advisory Councils.	Met		
7 Advocate to the System and Legislature the unique needs of UTIA.	Met		
8 Reduce the gap in freshmen six-year graduation rates between minority and multi-racial students and the total.	Met		
9 Bring faculty and staff salaries closer to the median of the peer group.	Met		
10 Increase the amount of capital funding to support renovation and new construction needs.	Met		
11 Demonstrate improvement in employee satisfaction on the Employee Engagement Survey to facilitate recruiting and retaining a diverse employee base (i.e., compensation, work balance, training, and sense of community.)	Met		
Total Subjective Score (% Met)	95%	20%	19%
Advocacy and Leadership (% Attained)	98%	10%	10%
Overall Score = (Sum of Objective, Subjective, Advocay and Leadership)			72%
Recommended Retention Payment = (Overall score * Max Retention Amount)		Max Retention Amount	\$ 92,661
Recommended Retention Payment calculated on an annual basis		\$42,829	\$ 30,887

6.6

UTK Chancellor Cheek Objective Scores

Blue = High Weight (3)
Green - Intermediate Weight (2)
Orange - Normal Weight (1)

Goal Ach.	Scores			
	% score	(1-3) weight	score * weight	Max Score
3 <i>Total Degrees Awarded</i>	0%	3	0.00	3
4 <i>Research Expenditures Reported to THEC</i>	0%	3	0.00	3
5 <i>Research Expenditures reported to NSF (est.)</i>	0%	3	0.00	3
16 <i>Tuition/Fee Peer Average</i>	79%	3	2.37	3
15 <i>Net Cost of Tuition and Fees</i>	89%	3	2.67	3
13 <i>Unrestricted E&G Expenditures per Student FTE</i>	94%	3	2.81	3
14 <i>Unrestricted E&G Expenditures per Degree</i>	97%	3	2.92	3
2 <i>Freshman Retention Rate</i>	99%	3	2.96	3
1 <i>Freshman Graduation Rate</i>	102%	3	3.00	3
6 <i>Research Proposals</i>	112%	3	3.00	3
11 <i>Number of Alumni Who Donate</i>	112%	1	1.00	1
9 <i>Outreach/ Engagement Participants</i>	117%	1	1.00	1
8 <i>Revenue From License Agreements</i>	145%	2	2.50	2
7 <i>Number of Disclosures (Inventions)</i>	185%	3	5.25	3
12 <i>Fundraising Progress</i>	217%	3	6.00	3
Totals			35.50	40.0
Total Objective Score			89%	

Weights for Obj/Subj/Oth	Overall Scores % * Weights
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Scales	
Below Base Year =	0%
100% - 124% =	100%
125% - 149% =	125%
150% - 174% =	150%
175% - 199% =	175%
200% + =	200%

70%	62%
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6.6

UTK Chancellor Cheek Objective Scores

Subjective Goals		Met / Not Met	Weights for Obj/Subj/Oth	Overall Scores % * Weights
1	Recruit, develop, educate, and graduate a nationally competitive and diverse body of undergraduate, graduate, and professional students	Partially Met		
2	Attract and retain stellar, diverse faculty and staff who will proudly represent our campus, execute our mission, embrace our vision, exemplify our values, and collaborate to realize our strategic priorities	Met		
3	Continue strengthening partnerships with ORNL, Y-12, other institutions and institutes within the University of Tennessee System, and other academic and industry partners	Met		
4	Develop and implement total compensation market analysis (salary + benefits) of all full-time employees and implement strategies/policies to address the salary gaps and other issues identified	Met		
5	Continue to build positive relationships with students, faculty, staff, alumni, other stakeholders, donors, and governmental officials	Partially Met		
6	Advocate to the President and the Board of Trustees for the University of Tennessee, Knoxville's unique needs as we implement plans to become a Top 25 university	Met		
7	Continually improve the resource base to achieve campus priorities by carefully balancing state revenues, tuition, and private funding, and by embracing stewardship of our campus infrastructure and a culture that values sustainability	Met		
8	Reduce the gap in freshmen six-year graduation rates between minority and multi-racial students and the total.	Met		
9	Bring faculty and staff salaries closer to the median of the peer group.	Met		
10	Increase the amount of capital funding to support renovation and new construction needs.	Met		
11	Implement a plan to achieve the goal of becoming a national competitive athletic program that emphasizes comprehensive excellence in both academics and athletics, financial sustainability, focus on student-athletes, reduction of debt, and development of a substantial financial reserve fund.	Met		
12	Demonstrate improvement in employee satisfaction on the Employee Engagement Survey to facilitate recruiting and retaining a diverse employee base (i.e.: compensation, work balance, training, and sense of community.)	Met		
Total Subjective Score (% Met)		92%	20%	18%
Advocacy and Leadership (% Attained)		85%	10%	9%
Overall Score = (Sum of Objective, Subjective, Advocay and Leadership)				89%
		Max Retention Amount		
Recommended Retention Payment = (Overall score * Max Retention Amount)		\$177,730	\$ 158,098	
Recommended Retention Payment calculated on an annual basis		\$59,243	\$ 52,699	

6.6

UTHSC Chancellor Schwab Objective Scores

Blue = High Weight (3)
Green - Intermediate Weight (2)
Orange - Normal Weight (1)

Goal Ach.	Scores				Weights for Obj/Subj/Oth	Overall Scores % * Weights
	% score	(1-3) weight	score * weight	Max Score		

	Goal Ach.	% score	(1-3) weight	score * weight	Max Score
7	<i>Number of Disclosures (Inventions)</i>	0%	3	0.00	3
5	<i>Research Expenditures reported to NSF (est.)</i>	0%	3	0.00	3
10b	<i>Number of Health Science RVUs</i>	83%	3	2.49	3
6	<i>Research Proposals</i>	96%	3	2.88	3
14	<i>Unrestricted E&G Expenditures per Degree</i>	99%	3	2.97	3
9	<i>Outreach/ Engagement Participants</i>	100%	1	1.00	1
10a	<i>Health Science Billings</i>	104%	3	3.00	3
13	<i>Unrestricted E&G Expenditures per Student FTE</i>	104%	3	3.00	3
10	<i>Number of Patient Billings</i>	104%	3	3.00	3
4	<i>Research Expenditures Reported to THEC</i>	101%	3	3.00	3
8	<i>Revenue From License Agreements</i>	109%	2	2.00	2
3	<i>Total Degrees Awarded</i>	112%	1	1.00	1
11	<i>Number of Alumni Who Donate</i>	113%	1	1.00	1
12	<i>Fundraising Progress</i>	277%	3	6.00	3
Totals				31.33	35.0
				90%	

Scales	
Below Base Year =	0%
100% - 124% =	100%
125% - 149% =	125%
150% - 174% =	150%
175% - 199% =	175%
200% + =	200%

70%	63%
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6.6

UTHSC Chancellor Schwab Objective Scores

Subjective Goals	Met / Not Met	Overall Scores	
		Weights for Obj/Subj/Oth	% * Weights
1 Increase the amount of capital funding to support renovation and new construction needs.	Met		
2 Increase academic payments from partner organizations	Met		
3 Demonstrate improvement in employee satisfaction on the Employee Engagement			
4 Increase the number of GME (Graduate Medical Education) programs	Met		
5 Maintain quality as demonstrated by >90% graduation rate and >90% first time board pass rate	Met		
6 Increase national reputation of Clinical Practice a. <i>US News Rank of Hospitals and Clinical Programs</i>	Met		
Total Subjective Score (% Met)	100%	20%	20%
Advocacy and Leadership (% Attained)	90%	10%	9%
Overall Score = (Sum of Objective, Subjective, Advocay and Leadership)			92%
Recommended Retention Payment = (Overall score * Max Retention Amount)	\$245,700		\$ 225,227
Recommended Retention Payment calculated on an annual basis	\$81,900		\$ 75,076

6.6

UT Executive VP Millhorn Objective Scores

Blue = High Weight (3)
 Green - Intermediate Weight (2)
 Orange - Normal Weight (1)

Goal Ach.	Scores				Weights for Obj/Subj/Oth	Overall Scores % * Weights
	% score	(1-3) weight	score * weight	Max Score		

	Goal Ach.	% score	(1-3) weight	score * weight	Max Score
5	Research Expenditures reported to NSF (est.)	0%	3	0.00	3
4	Research Expenditures reported to THEC	0%	3	0.00	3
10b	Number of Health Science RVUs	83%	1	0.83	1
10a	Number of Health Science Billings	104%	1	1.00	1
6	Research Proposals	109%	3	3.00	3
9	Outreach/ Engagement Participants	109%	2	2.00	2
11	Number of Alumni Who Donate	114%	1	1.00	1
8	Revenue From License Agreements	119%	2	2.00	2
7	Number of Disclosures (Inventions)	123%	3	3.00	3
10c	Number of Vet Med Clients	146%	1	1.25	1
Totals				14.08	20.0
Total Objective Score				70%	

Scales
Below Base Year = 0%
100% - 124% = 100%
125% - 149% = 125%
150% - 174% = 150%
175% - 199% = 175%
200% + = 200%

70%	49%
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6.6

UT Executive VP Millhorn Objective Scores

Subjective Goals	Met / Not Met	Weights for Obj/Subj/Oth	Overall Scores % * Weights
1 Facilitate the appointment of three Governor Chairs over next three years	Met		
2 Establish a development framework for Cherokee Farm and secure commitment for one privately funded building	Partially Met		
3 Continue to oversee management of ORNL	Met		
4 - Increase joint faculty from 112 to 130 over next 3 years	Met		
4 - Develop and implement recompetition plan for M&O contract at ORNL	Met		
5 Manage the NSF TN-Score program at UT and Vanderbilt	Met		
6 Survey to facilitate recruiting and retaining a diverse employee base (i.e.: compensation, work balance, training and sense of community)	Met		
Total Subjective Score (% Met)	92%	20%	18%
Advocacy and Leadership (% Attained)	90%	10%	9%
Overall Score = (Sum of Objective, Subjective, Advocay and Leadership)			77%
		Max Retention Amount	
Recommended Retention Payment = (Overall score * Max Retention Amount)	\$145,516		\$ 111,477
Recommended Retention Payment calculated on an annual basis	\$48,505		\$ 37,159

6.6



OFFICE OF AUDIT AND COMPLIANCE

September 24, 2015

6.7

Mr. D. Crawford Gallimore
Chair
Audit and Compliance Committee
PO Box 1068
Martin, TN 38237

Dear Mr. Gallimore,

Recently, Vice Chair Jubran requested a review of UT's performance and retention plan for executive officers. The objectives of the work were to:

- Verify that the values used for a sample of the 17 objective measures tie to supporting data.
- Determine whether spreadsheets used to calculate goals and payments contain formula, data entry, or calculation errors.
- Determine whether goals presented to the Executive and Compensation Committee align with the original goals approved by the Board.

The final spreadsheets present final fiscal year 2015 values where available, are free of calculation errors, and accurately reflect fiscal year 2012 base year data sampled, noting any updates since Board approval in 2013.

While verifying certain fiscal year 2015 measures, we determined that final information is now available for measures previously reported as estimates. The 2015 values were updated to reflect actuals where available, with estimates clearly noted. In addition, after the goals were approved in 2013, more complete data became available for certain measures. As such, management adjusted base year values. Because updates to the base year data have an impact on goals, those changes were disclosed in the item prepared for Board approval.

Although the objectives of our work did not include reviewing for the effectiveness or efficiency of the process, I plan to meet with management to discuss recommendations to improve the process in future years. Please feel free to contact me if you have questions.

Sincerely,

Sandy S. Jansen
Executive Director

c: Dr. Joseph A. DiPietro
Mr. Spruell Driver, Jr.
Dr. Dennis Hengstler
Mr. Waymon L. Hickman
Mr. Raja J. Jubran

Mr. James R. Maples
Ms. Catherine S. Mizell
Mr. Charles M. Peccolo Jr.
Mr. Tommy G. Whittaker

The University of Tennessee Performance and Retention Plan

I. Objectives of the Plan

The objectives of the Performance and Retention Plan (Plan) are to:

- Motivate and reward achievement of strategic performance goals
- Reinforce UT system values, mission, and strategic goals
- Promote accountability and excellence at the chief executive level
- Encourage retention of high performing chief executive officers

II. Participants in the Plan

- A. Participants in the Plan will be the President and Executive Vice President of The University of Tennessee System and the Chancellors of The University of Tennessee at Chattanooga, The University of Tennessee Health Science Center, The University of Tennessee Institute of Agriculture, The University of Tennessee, Knoxville, and The University of Tennessee at Martin (hereinafter sometimes referred to individually as “Participant” and collectively as “Participants”).”
- B. A person newly hired or promoted into the position of President, Executive Vice President, or Chancellor will begin participation in the Plan effective July 1 of the year following the date of hire or promotion.

III. Provisions of the Plan

A. Retention Period

1. A retention period will be established for each Participant by the Board of Trustees upon the recommendation of the Executive and Compensation Committee. The initial retention period for each Participant will be at least three years, from July 1 of the first year through June 30 of the final year; provided, however, that for all original Participants, the first retention period under the Plan will be from July 1, 2012 through June 30, 2015.
2. After a Participant has completed an initial retention period of at least three years, subsequent retention periods for that Participant will be at least two years, from July 1 of the first year through June 30 of the final year.

B. Retention Amount

1. Prior to the beginning of the retention period, a retention amount will be established for each Participant by the Board of Trustees upon the recommendation of the Executive and Compensation Committee; provided, however, that for the initial retention period from

July 1, 2012 through June 30, 2015, the retention amount will be established for all Participants at the meeting of the Board of Trustees at which the Plan is approved.

- 2. The retention amount will not exceed the sum of fifteen percent (15%) of the base salary of the Participant as of July 1 of the first year of the retention period, multiplied by the number of years in the retention period.
- 3. No part of the retention amount will vest in the Participant prior to the date on which payment is to be made of an amount approved by the Board of Trustees in accordance with the provisions of paragraph E. or paragraph G.2 below.

C. Strategic Performance Goals

- 1. No later than April 1 of the year in which a retention period is to begin on July 1, the Participant will prepare a written proposal outlining strategic performance goals he/she will seek to achieve by June 30 of the final year of the retention period; provided, however, that for the first retention period under the Plan (July 1, 2012 through June 30, 2015), the Participants will propose strategic goals no later than ninety (90) days prior to the meeting of the Board of Trustees at which the Plan is approved.
- 2. A person newly hired or promoted into the position of President, Executive Vice President, or Chancellor will propose strategic performance goals no later than April 1 of the year following the date of hire or promotion.
- 3. Strategic performance goals will relate directly to the campus and/or system strategic plan, will be aspirational but realistic, and will include both qualitative and quantitative metrics that are clearly defined and readily evaluated.
- 4. The President will submit his/her proposed strategic performance goals to the Vice Chair of the Board of Trustees for review, and then the Vice Chair and the President will meet to discuss the proposed goals. Other Participants will submit their proposed strategic performance goals to the President for review, and then the President and the Participant will meet to discuss the proposed goals.
- 5. After approval by the Vice Chair or President, as applicable, the proposed strategic performance goals will be recommended by the Vice Chair or President, as applicable, to the Executive and Compensation Committee of the Board of Trustees. The Executive and Compensation Committee will approve or modify the proposed strategic performance goals and establish a weight for each goal.
- 6. As approved or modified by the Executive and Compensation Committee, proposed strategic performance goals and their weights will be forwarded to the Board of Trustees for final action.

D. Evaluation of Performance at the End of the Retention Period

- 1. No later than thirty (30) days after the end of the retention period, the President will submit to the Vice Chair, and the other Participants will submit to the President, a self-evaluation of his/her performance with respect to the approved strategic performance goals.
- 2. The Vice Chair or President, as applicable, will prepare a written evaluation of the Participant’s performance with respect to the strategic performance goals and provide it to the Participant in advance of a meeting.
- 3. The Vice Chair or President, as applicable, will prepare a written recommendation to the Executive and Compensation Committee concerning the Participant’s performance with respect to the strategic performance goals, including a recommendation as to whether the previously established retention amount, or some portion of the retention amount, should be made to the Participant.

E. Performance and Retention Payment

- 1. The Executive and Compensation Committee will approve or modify the recommendation concerning whether the Participant has achieved or made progress toward achievement of the strategic performance goals and whether the Participant should receive the previously established retention amount, or some portion of the retention amount. The Executive and Compensation Committee will forward its recommendation to the Board of Trustees for final action.
- 2. The amount approved by the Board of Trustees will be paid to the Participant within thirty (30) days of the Board of Trustees’ action approving the payment, provided that payment will be made only if the Participant is in active service as President, Executive Vice President, or Chancellor on the date payment is to be made, except as otherwise provided in paragraphs E.3.(1), E.3.(2), E.3.(4), and E.3.(5) concerning termination of the Participant’s employment for medical reasons or by reason of death.
- 3. If the Participant’s employment with the University terminates, voluntarily or involuntarily, prior to the date on which an amount approved by the Board of Trustees is to be paid, he/she will not receive any portion of the retention amount except as provided below:
 - (1) If the Participant voluntarily terminates employment prior to the end of the retention period for medical reasons duly documented by a physician, the Participant will receive a pro rata portion of the retention amount if the Board of Trustees determines that his/her performance with respect to the strategic performance goals was more than satisfactory during the completed portion of the retention period.

- (2) If termination of employment is by reason of death of the Participant prior to the end of the retention period, a pro rata portion of the retention amount will be paid to the executor or administrator of his/her estate if the Board of Trustees determines that the performance of the Participant with respect to the strategic performance goals was more than satisfactory during the completed portion of the retention period.

- (3) The pro rata portion to be paid under paragraphs E.3.(1) and E.3.(2) will be calculated on a monthly basis, using the number of full months from the beginning of the retention period to the termination date as the numerator and the total number of months in the retention period as the denominator.
 - i. If the Board of Trustees approves payment of a pro rata portion because termination was for medical reasons prior to the end of the retention period, the payment will be made within thirty (30) days of the Board’s action approving the payment.

 - ii. If the Board of Trustees approves payment of a pro rata portion because termination was by reason of death of the Participant prior to the end of the retention period, the payment will be made within thirty (30) days of the date on which satisfactory proof of letters testamentary or letters of administration issued by a court of competent jurisdiction is provided to the University.

- (4) If the Participant’s employment with the University terminates by reason of death or for medical reasons documented by a physician after the end of the retention period but before the Board of Trustees has approved payment of all or any portion of the retention amount, the retention amount subsequently approved by the Board will be paid to the executor or administrator of his/her estate within thirty (30) days of the date on which satisfactory proof of letters testamentary or letters of administration issued by a court of competent jurisdiction is provided to the University.

- (5) If the Participant’s employment with the University terminates by reason of death or for medical reasons documented by a physician after the Board of Trustees has approved payment of all or any portion of the retention amount but before payment has been made, the amount approved will be paid to the executor or administrator of his/her estate within thirty (30) days of the date on which satisfactory proof of letters testamentary or letters of administration issued by a court of competent jurisdiction is provided to the University.

F. Funding of the Plan

Funding for all payments under the Plan will be the responsibility of the respective campus or system budgetary unit.

G. Amendment, Suspension, and Termination of the Plan

- 1. The Board of Trustees reserves the right to amend, suspend, or terminate the Plan at any time.
- 2. If the Plan is terminated before the end of a retention period, the Participant will receive a pro rata portion of any established retention amount, if the following conditions are satisfied:
 - a. The Board of Trustees determines that the performance of the Participant with respect to the strategic performance goals was more than satisfactory from the beginning of the retention period through the date of termination of the Plan; and
 - b. The Participant remains in active service as President, Executive Vice President, or Chancellor on the date of the Board’s determination under paragraph G.2.a.
- 3. If the Participant is entitled to receive a pro rata portion of a retention amount under paragraph G.2, the pro rata amount will be calculated on a monthly basis, using the number of full months from the beginning of the retention period to the date of termination of the Plan as the numerator and the total number of months in the retention period as the denominator. The pro rata portion will be paid to the Participant within thirty (30) days of the Board’s determination under paragraph G.2.a.

H. General Provisions

- 1. If a Participant receives an unsatisfactory rating in any annual performance review, his/her participation in the Plan will terminate automatically, and the Participant will not receive any payment under the Plan.
- 2. Neither the Plan nor any payment under the Plan shall be construed to confer any right to continued employment with The University of Tennessee. All Participants serve at the pleasure of the Board of Trustees, subject to the terms of any written contract of employment.
- 3. Neither the Plan nor any payment under the Plan shall be construed to create a trust or to create in any Participant, or in his/her personal representative or beneficiary, a security interest or other interest in any assets of The University of Tennessee.
- 4. All payments under the Plan are subject to all reporting, deductions, and withholdings required by applicable law or University policy, as amended, enacted, or adopted from time to time, including but not limited to deduction for debts owed to the University.

- 5. Under no circumstances will any payment be made under the Plan later than two and a half months after the end of the calendar year in which the Board of Trustees decides to make a payment.
- 6. Participants will bear sole responsibility for any and all direct or indirect tax consequences of payments under the Plan. The University makes no representations as to the tax treatment of payments under the Plan, and Participants are responsible for seeking advice as to the tax consequences of the Plan from their personal tax advisors.
- 7. To the extent any part of the Plan fails to comply with any applicable state or federal law or regulation, that part of the Plan shall not be effective.

6.8

Retention Amounts for Executive Officers

Section III.B.2. of the Performance and Retention Plan provides as follows: “The retention amount will not exceed the sum of fifteen (15%) of the base salary of the Participant as of July 1 of the first year of the retention period, multiplied by the number of years in the retention period.”

6.8

Name	Retention Period (Yrs)	Base Salary as of July 1, 2012	15% of Base Salary	Retention Amount
Chancellor Cheek	3	\$394,956.00	\$59,243.40	\$177,730.20
EVP Millhorn	3	\$323,368.20	\$48,505.23	\$145,515.69
Chancellor Schwab	3	\$546,000.00	\$81,900.00	\$245,700.00
Chancellor Rakes	3	\$224,873.04	\$33,730.96	\$101,192.87
Chancellor Arrington	3	\$285,525.00	\$42,828.75	\$128,486.25
President DiPietro	3	\$445,567.50	\$66,835.13	\$200,505.38

**Retention Amount for Chancellor Steve Angle
under the
Performance and Retention Plan for Executive Officers**

Section III.B.2. of the Performance and Retention Plan provides as follows: “The retention amount will not exceed the sum of fifteen (15%) of the base salary of the Participant as of July 1 of the first year of the retention period, multiplied by the number of years in the retention period.”

6.8

Name	Retention Period (Yrs)	Base Salary as of July 1, 2014	15% of Base Salary	Retention Amount
Chancellor Angle	3	\$291,000.00	\$43,650.00	\$130,950.00

THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

ACTION ITEM

DATE: October 8, 2015

COMMITTEE: Executive and Compensation

ITEM: **Proposal for a Performance-Based Variable Compensation Plan for University Officers**

PRESENTED BY: Raja J. Jubran, Vice Chair of the Board
Joseph A. DiPietro, President

7

Vice Chair Jubran and President DiPietro present the following proposed plan for performance-based variable compensation for the elected officers of the University (“University Officers”) and proposed performance goals for 2015-16.

As currently defined by the Bylaws, the University Officers are:

- President
- Executive Vice President and Vice President for Research and Economic Development
- Senior Vice President and Chief Financial Officer
Note: this position has not been filled since the retirement of the previous office holder, at which point Treasurer Butch Peccolo was designated by the Board as Chief Financial Officer as authorized by the Bylaws.
- Vice President for Development and Alumni Affairs
- General Counsel and Secretary
- Treasurer and Chief Investment Officer
- Chancellor of The University of Tennessee at Chattanooga
- Chancellor of The University of Tennessee Health Science Center
- Chancellor of the University of Tennessee Institute of Agriculture
- Chancellor of The University of Tennessee, Knoxville
- Chancellor of The University of Tennessee at Martin

The proposed Performance-Based Variable Compensation Plan for University Officers would replace the Performance and Retention Plan approved by the Board on March 1, 2013. Proposed FY 2015-16 goals under the new plan align not only with the System Strategic Plan, but also with the initiatives set out in the President’s Budget Advisory Group Boundaries Document.

Supporting materials appear at the following tabs:

Plan Document	Tab	7.1
Budget Advisory Group Boundaries Document	Tab	7.2
Quantitative Goals for Participants for FY 2015-16	Tab	7.3
Additional Goals for Participants for FY 2015-16	Tab	7.4

Vice Chair Jubran and President DiPietro recommend approval of the proposed Performance-Based Variable Compensation Plan and the proposed quantitative and additional goals for FY 2015-16.

RESOLVED:

That the Performance and Retention Plan adopted by the Board on March 1, 2013 be terminated; and

That the proposed Performance-Based Variable Compensation Plan and proposed quantitative and additional goals for FY 2015-2016 be approved as presented in the meeting materials, subject to the requirement that the base year data used to establish the goals for the FY 2015-16 performance period shall be audited by the University's Office of Audit and Compliance and that any revisions to the base year data or goals resulting from the audit shall be submitted to the Executive and Compensation Committee for approval; and

That the Executive and Compensation Committee is authorized to act on behalf of the Board to approve revisions to the base year data or goals resulting from the audit or as otherwise deemed necessary in the judgment of the Committee, subject to the requirement that any revisions to the base year data or goals shall be presented to the Board for ratification at the next regular meeting of the Board.

The University of Tennessee

Performance-Based Variable Compensation Plan for University Officers

I. Objectives of the Plan

The objectives of the Performance-Based Variable Compensation Plan for University Officers (Plan) are to:

- Motivate and reward achievement of performance goals aligned with the UT System Strategic Plan, 2012-2017, and the President’s Budget Advisory Group Initiatives; and
- Enhance the University’s ability to attract and retain outstanding executive officers and other senior officers by providing competitive compensation.

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II. Eligibility to Participate

- A. The elected University Officers as defined in the Bylaws of the University shall be eligible to participate in the Plan (hereinafter sometimes referred to individually as “Participant” and collectively as “Participants”); provided, however, that (1) the positions of Secretary and Treasurer shall be eligible to participate in the Plan only when held concurrently by another elected University Officer; and (2) any University Officer who is participating in another variable compensation plan will not be eligible for participation in the Plan.
- B. A person newly hired or promoted into a University Officer position will be eligible for participation in the Plan effective July 1 of the year following the date of hire or promotion.

III. Performance Period and Performance Goals

- A. The performance period under the Plan is one fiscal year (July 1 through June 30).
- B. Performance goals shall be aspirational but realistic and shall include quantitative and/or non-quantitative goals that are clearly defined and readily evaluated.
- C. For the first performance period of the Plan (FY 2015-16), the goals shall be those presented in Exhibit 1 to this Plan document. Base year data used to establish the FY 2015-16 goals shall be audited by the University’s Office of Audit and Compliance, and any revisions to the base year data or goals resulting from the audit shall be submitted to the Executive and Compensation Committee for approval.
- D. For Plan years FY 2016-17 and following, the President shall propose performance goals for the other Participants and solicit their comments on the proposed goals. After considering the Participants’ comments, the President shall submit proposed performance goals for the other Participants to the Vice Chair of the Board of Trustees for review.
- E. For Plan years FY 2016-17 and following, the Vice Chair shall propose performance goals for the President and meet with the President to discuss the proposed goals for the President and other Participants.
- F. For Plan years FY 2016-17, the Vice Chair shall prepare a recommendation concerning proposed goals for the President and other Participants and a weight for each goal. Base year data used to establish the goals shall be audited by the University’s Office of Audit and Compliance prior to

submission of the Vice Chair's recommendation to the Executive and Compensation Committee. The Committee will approve or modify the proposed goals and weights.

- G. For Plan years FY 2016-17, proposed performance goals and their weights, as approved or modified by the Executive and Compensation Committee, will be forwarded to the Board of Trustees for final action.

IV. Methodology for Calculating the Variable Compensation Payment

Prior to the end of the performance period, the Vice Chair shall recommend to the Executive and Compensation Committee a methodology for calculating the variable compensation payment for that performance period. The methodology approved by the Committee shall be submitted to the Board of Trustees for final action.

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V. Maximum Variable Compensation Payment

- A. Based on the President's performance each year with respect to the performance goals approved by the Board of Trustees, the President shall be considered for a lump-sum variable compensation payment of up to twenty-five percent (25%) of the President's base salary.
- B. Based on the other Participants' performance each year with respect to the performance goals approved by the Board of Trustees, the other Participants shall be considered for a lump-sum variable compensation payment of up to fifteen percent (15%) of the Participant's base salary.
- C. No part of the variable compensation payment will vest in any Participant prior to the date on which payment is to be made in accordance with the provisions of Section VII of this Plan.

VI. Evaluation of Participant's Performance

- A. No later than November 1 of each year, the President will submit to the Vice Chair, and the other Participants will submit to the President, a self-evaluation of his/her performance with respect to the approved performance goals for the performance period (the previous fiscal year).
- B. The Vice Chair or President, as applicable, will prepare a written recommendation to the Executive and Compensation Committee concerning the Participant's performance with respect to the performance goals, including a recommendation as to whether a variable compensation payment should be made to the Participant; provided, however, that if an allegation of gross misconduct, as defined by University Human Resources Policy (HR0525), or other violation of the University Code of Conduct (HR0580) is pending against a Participant, the Vice Chair or President shall not make a recommendation to the Executive and Compensation Committee unless the allegation is resolved in the Participant's favor.
- C. The University's Office of Audit and Compliance shall review the performance data and the calculation of recommended variable compensation payments prior to submission of the recommendations of the Vice Chair and President to the Executive and Compensation Committee.

VII. Payment of Variable Compensation

- A. The Executive and Compensation Committee will approve or modify the recommendation of the Vice Chair or President, as applicable, concerning the Participant's performance and whether the

Participant should receive a variable compensation payment; provided, however, that if an allegation of gross misconduct, as defined by University Human Resources Policy (HR0525), or other violation of the University Code of Conduct (HR0580) is made against a Participant subsequent to the recommendation of the Vice Chair or President, the Executive and Compensation Committee shall not act on the recommendation of the Vice Chair or President unless the allegation is resolved in the Participant's favor. The Executive and Compensation Committee will forward its recommendation to the Board of Trustees for final action.

- B. In any given year, the Board of Trustees may determine that no variable compensation payments will be made, regardless of individual performance with respect to the approved goals, due to financial or other circumstances the Board, in its sole discretion, deems to warrant suspension of payments.
- C. Any variable compensation payment approved by the Board of Trustees will be paid to the Participant within thirty (30) days of the Board of Trustees' action approving the payment; provided, however, that (1) payment will be made only if the Participant was employed in active service as a University Officer from the first day through the last day of the performance period (one fiscal year, July 1 through June 30); and (2) if an allegation of gross misconduct, as defined by University Human Resources Policy (HR0525), or other violation of the University Code of Conduct (HR0580) is made against a Participant subsequent to the Executive and Compensation Committee's recommendation, the Board of Trustees shall not act on the Executive and Compensation Committee's recommendation for an variable compensation payment unless the allegation is resolved in the Participant's favor.
- D. Notwithstanding the provisions of paragraph C above, if, after six months of the performance period (i.e., after December 31 of the fiscal year), a Participant terminates employment (1) for medical reasons upon the duly documented recommendation of a physician or (2) by reason of death, the Participant will be eligible for a variable compensation payment calculated on a pro rata basis from the first day of the performance period through the date of termination. Determination of the amount of any pro rata payment shall be made after the entire performance period has ended and in accordance with the process provided in Sections VI and VII above, except that a self-evaluation by the Participant will not be required. In the case of termination of employment by reason of death, a Board-approved variable compensation payment will be paid to the executor or administrator of the Participant's estate within thirty (30) days of the date on which satisfactory proof of letters testamentary or letters of administration issued by a court of competent jurisdiction is provided to the University.
- E. If a Participant terminates employment with the University for medical reasons or by reason of death prior to the end of a performance period, the person appointed to serve in the vacated University Officer position on an interim basis shall be eligible for a variable compensation payment calculated on a pro rata basis from the first day of service in the interim appointment through the end of the performance period, as long as he or she remains in active service in the interim appointment through the end of the performance period. Determination of the amount of any pro rata payment shall be made after the entire performance period has ended and in accordance with the process provided in Sections VI and VII above.
- F. If a Participant's employment terminates by reason of his or her death after the performance period has ended but before a Board-approved variable compensation payment has been paid to the Participant, the payment will be paid to the executor or administrator of the Participant's estate

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within thirty (30) days of the date on which satisfactory proof of letters testamentary or letters of administration issued by a court of competent jurisdiction is provided to the University.

G. Funding of the Plan

Funding for all variable compensation payments under the Plan will be the responsibility of the respective campus or system budgetary unit.

H. Amendment, Suspension, and Termination of the Plan

The Board of Trustees reserves the right to amend, suspend, or terminate the Plan at any time.

I. General Provisions

1. If a Participant receives an unsatisfactory rating in any annual performance review, his/her participation in the Plan will terminate automatically, and the Participant will not receive any payment under the Plan.
2. Neither the Plan nor any payment under the Plan shall be construed to confer any right to continued employment with The University of Tennessee. All Participants serve at the pleasure of the Board of Trustees, subject to the terms of any written contract of employment.
3. Neither the Plan nor any payment under the Plan shall be construed to create a trust or to create in any Participant, or in his/her personal representative or beneficiary, a security interest or other interest in any assets of The University of Tennessee.
4. All payments under the Plan are subject to all reporting, deductions, and withholdings required by applicable law or University policy, as amended, enacted, or adopted from time to time, including but not limited to deduction for debts owed to the University.
5. Under no circumstances will any payment be made under the Plan later than two and a half months after the end of the calendar year in which the Board of Trustees decides to make a payment.
6. Participants will bear sole responsibility for any and all direct or indirect tax consequences of payments under the Plan. The University makes no representations as to the tax treatment of payments under the Plan, and Participants are responsible for seeking advice as to the tax consequences of the Plan from their personal tax advisors.
7. To the extent any part of the Plan fails to comply with any applicable state or federal law or regulation, that part of the Plan shall not be effective.

EXHIBIT 1

Performance-Based Variable Compensation Plan for University Officers

FY 2015-16 Goals

See the following Quantitative Goals and Additional Goals

7.1

FY2015-16 Quantitative Goals Under the Variable Compensation Plan for University Officers

Red are BAG metrics

Strategic Plan metrics

	Base Yr	Goal	Weight	(Normal, Intermediate, High)							
All data subject to final audit											
(1) In-State UG Enrollments should be > Fall 15	Fall 15	Goal (Fall 16)	Weight	Fall 09	Fall 10	Fall 11	Fall 12	Fall 13	Fall 14	Fall 15	
System	34,647	> Fall 15	High	34,212	35,048	35,372	35,281	35,090	34,952	34,647	
UTK	19,045	> Fall 15	High	18,404	18,765	18,909	18,719	18,672	18,775	19,045	
UTC	9,460	> Fall 15	High	8,469	8,676	9,317	9,579	9,721	9,719	9,460	
UTM	5,928	> Fall 15	High	7,204	7,534	7,075	6,906	6,565	6,181	5,928	
UTHSC	214	> Fall 15	High	135	73	71	77	132	177	214	

Based on Permanent Residency

	Base Yr	Goal	Weight	Fall 09	Fall 10	Fall 11	Fall 12	Fall 13	Fall 14	Fall 15
(2) % UG Out-State Enrollment should be < 25% of total	Fall 15	Goal (Fall 16)								
System	10.3%	< 25%	Normal	9.5%	9.1%	8.4%	8.1%	8.9%	9.6%	10.3%
UTK	12.9%	< 25%	Normal	12.4%	12.0%	10.5%	10.1%	11.2%	12.0%	12.9%
UTC	6.2%	< 25%	Normal	6.3%	6.0%	5.8%	5.7%	5.6%	5.8%	6.2%
UTM	7.9%	< 25%	Normal	5.0%	5.1%	5.7%	5.7%	6.5%	7.4%	7.9%
UTHSC	19.3%	< 25%	Normal	23.3%	18.0%	19.3%	11.5%	11.4%	16.9%	19.3%

	Base Yr	Goal	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16
(9) Rank within top 5 on CCTA metrics	FY15	Goal								
UT System (# of UT campuses in top 5)	2	In Top 5	High	NA	NA	3	2	2	2	
UTK (rank in % increase over prior year)	Not in top 5	In Top 5	High	NA	NA	2	3	4	Not in top 5	
UTC (rank in % increase over prior year)	1	In Top 5	High	NA	NA	1	2	3	1	
UTM (rank in % increase over prior year)	4	In Top 5	Intermed.	NA	NA	3	Not in top 5	2	4	

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FY2015-16 Quantitative Goals Under the Variable Compensation Plan for University Officers

Red are BAG metrics

Strategic Plan metrics

	Base Yr	Goal	% Incr	Weight	(Normal, Intermediate, High)							All data subject to final audit
Strategic Plan metrics												
Graduation Rates	Fall 15	Goal (Fall 16)	% Incr	Weight	Fall 09	Fall 10	Fall 11	Fall 12	Fall 13	Fall 14	Fall 15	
System	56.9%	58.4%	1.5%	High	52.8%	51.9%	56.3%	56.3%	56.1%	57.3%	56.90%	
UTK	70.3%	> 70.3%		High	60.6%	60.5%	63.2%	66.1%	67.5%	69.3%	70.3%	
UTC	43.6%	45.1%	1.5%	High	42.3%	37.6%	39.5%	38.2%	37.1%	39.8%	43.6%	
UTM	42.2%	43.7%	1.5%	High	48.5%	45.3%	49.6%	48.9%	46.6%	47.0%	42.20%	
UTHSC	96.1%	>94.0%		Normal	NA	NA	NA	96.6%	94.8%	95.5%	96.10%	
Freshman Retention	Fall 15	Goal (Fall 16)	% Incr	Weight	Fall 09	Fall 10	Fall 11	Fall 12	Fall 13	Fall 14	Fall 15	
System	79.6%	81.6%	2.0%	High	76.4%	78.6%	78.2%	77.4%	78.1%	79.3%	79.6%	
UTK	84.6%	86.6%	2.0%	High	83.8%	86.2%	84.5%	84.6%	85.6%	86.6%	84.6%	
UTC	71.4%	73.4%	2.0%	High	66.9%	67.3%	69.3%	67.4%	69.1%	70.0%	71.4%	
UTM	74.5%	76.5%	2.0%	High	71.8%	71.0%	73.1%	70.7%	69.9%	70.8%	74.5%	
Total Degrees Awarded	FY15	FY 16 Goal	% Incr	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16	
System	11,503	11,733	2.0%	High	10,132	10,330	11,058	11,182	11,152	11,503		
UTK (includes Vet Med & CASNR)	6,758	6,859	1.5%	High	6,345	6,518	6,885	6,793	6,689	6,758		
UTC	2,375	2,411	1.5%	High	1,835	1,887	2,140	2,232	2,350	2,375		
UTM	1,329	1,349	1.5%	High	1,157	1,185	1,265	1,372	1,346	1,329		
UTHSC (incl Residency Completers)	1,236	1,261	2.0%	Normal	1,071	1,041	1,072	1,189	1,225	1,236		
UTIA (Vet Med & CASNR)	449	458	2.0%	Normal	327	331	447	409	420	449		

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FY2015-16 Quantitative Goals Under the Variable Compensation Plan for University Officers

Red are BAG metrics

Strategic Plan metrics

Base Yr	Goal	Weight	(Normal, Intermediate, High)	All data subject to final audit
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2. Expanding Research Capacities

BAG Metrics

(10) Research /sponsored projects increase 6% annually (5 yr. avg) (reported to THEC less ARRA funding)	FY11-15	FY16 Goal	% Incr	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16	
					(\$ in millions)							
System (President)	\$418.11	\$443.20	6.0%	High	\$371.52	\$403.61	\$413.40	\$425.20	\$414.83	\$433.52		
System (VP Research)	\$418.11	\$443.20	6.0%	High	\$371.52	\$403.61	\$413.40	\$425.20	\$414.83	\$433.52		
UTK	\$154.21	\$163.46	6.0%	High	\$139.91	\$153.91	\$151.62	\$155.12	\$156.57	\$153.83		
UTC	\$9.59	\$10.16	6.0%	Normal	\$11.36	\$9.66	\$10.43	\$9.70	\$8.83	\$9.34		
UTM	\$2.90	\$3.07	6.0%	Normal	\$4.51	\$3.84	\$3.30	\$2.21	\$2.52	\$2.63		
UTHSC	\$201.84	\$213.95	6.0%	High	\$169.79	\$184.89	\$196.53	\$202.05	\$203.09	\$222.67		
UTIA	\$41.40	\$43.88	6.0%	High	\$39.03	\$41.50	\$42.55	\$43.83	\$36.26	\$42.84		

Strategic Plan metrics

Research Expenditures (5 yr avg) (reported to NSF less ARRA funding)	FY10-14	FY 16 Goal	% Incr	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16	
					(\$ in millions)							<i>Est. (Actual in Feb)</i>
System (President)	\$311.94	\$321.30	3.0%	High	\$287.02	\$300.28	\$323.64	\$332.94	\$315.83	\$310.77		
System (VP Research)	\$311.94	\$321.30	3.0%	High	\$287.02	\$300.28	\$323.64	\$332.94	\$315.83	\$310.77		
UTK	\$166.27	\$171.26	3.0%	High	\$144.86	\$156.55	\$171.01	\$184.76	\$174.16	\$169.86		
UTC	\$8.77	\$8.90	1.5%	Normal	\$10.38	\$8.91	\$10.72	\$7.67	\$6.18	\$6.89		
UTM	\$0.76	\$0.78	1.5%	Normal	\$1.06	\$1.23	\$0.57	\$0.41	\$0.55	\$0.46		
UTHSC	\$71.68	\$73.83	3.0%	High	\$74.80	\$71.98	\$72.46	\$71.35	\$67.81	\$66.63		
UTIA	\$64.45	\$66.38	3.0%	High	\$55.91	\$61.61	\$68.88	\$68.75	\$67.09	\$66.93		

# of Research Proposals (5 Yr Avg)	FY11-15	FY 16 Goal	% Incr	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16
System (President)	3,357	3,588	6.0%	High	3,226	3,268	3,165	3,217	3,482	3,651	
System (VP Research)	3,357	3,588	6.0%	High	3,226	3,268	3,165	3,217	3,482	3,651	
UTK (no vet med)	1,616	1,727	6.0%	High	1,577	1,526	1,593	1,532	1,642	1,785	
UTC	140	150	6.0%	Normal	99	145	156	131	123	145	
UTM	57	61	6.0%	Normal	68	83	46	52	52	50	
UTHSC	817	873	6.0%	High	951	865	732	787	857	843	
UTIA	705	754	6.0%	High	505	616	618	688	791	812	

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FY2015-16 Quantitative Goals Under the Variable Compensation Plan for University Officers

Red are BAG metrics

Strategic Plan metrics

	Base Yr	Goal		Weight	(Normal, Intermediate, High)							All data subject to final audit
Inventions (Disclosures) (5Yr Avg)	FY11-15	FY 16 Goal	% Incr	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16	
System (President)	129	131	2.0%	Intermed.	89	87	144	145	152	116		
System (VP Research)	129	131	2.0%	High	89	87	144	145	152	116		
UTK	62	63	2.0%	High	29	39	48	71	82	71		
UTC	3	3	2.0%	Normal	3	0	8	2	1	3		
UTM	1	1	0.0%	NA	0	0	1	2	2	0		
UTHSC	27	28	1.0%	High	32	26	27	30	29	25		
UTIA	35	36	2.0%	High	25	22	60	40	38	15		

Revenue from Licenses (5Yr Avg)	FY11-15	FY 16 Goal	% Incr	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16
System (President)	\$1,650,778	1,683,794	2%	Intermed.	\$1,358,149	\$1,547,630	\$1,403,401	\$1,004,028	\$958,521	\$3,340,311	
System (VP Research)	\$1,650,778	1,683,794	2%	High	\$1,358,149	\$1,547,630	\$1,403,401	\$1,004,028	\$958,521	\$3,340,311	
UTK	\$939,986	958,786	2%	High	\$692,250	\$887,673	\$584,598	\$345,931	\$301,312	\$2,580,417	
UTC	\$3,000	NA	NA	NA	\$0	\$0	\$15,000	\$0	\$0	\$0	
UTM	\$0	NA	NA	NA	\$0	\$0	\$0	\$0	\$0	\$0	
UTHSC	\$456,421	460,985	1%	High	\$518,763	\$500,929	\$372,199	\$383,545	\$461,652	\$563,781	
UTIA	\$251,371	253,885	1%	High	\$147,136	\$159,028	\$431,604	\$274,552	\$195,557	\$196,113	

U.S. Patents Issues	FY11-15	FY 16 Goal	% Incr	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16
System (President)	27	28	2.0%	Intermed.	23	19	23	32	36	25	
System (VP Research)	27	30	2.0%	High	23	19	23	32	36	25	
UTK	11	12	2.0%	High	7	8	7	16	14	10	
UTC	0	NA	NA	Normal	0	0	0	0	0	0	
UTM	0	NA	NA	NA	0	0	0	0	0	0	
UTHSC	13	14	2.0%	High	11	8	13	13	17	12	
UTIA	3	4	2.0%	High	5	3	3	3	5	3	

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FY2015-16 Quantitative Goals Under the Variable Compensation Plan for University Officers

Red are BAG metrics

Strategic Plan metrics

Base Yr	Goal
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Weight (Normal, Intermediate, High)

All data subject to final audit

3. Fostering Outreach and Engagement

BAG Metrics

(12) # of customers served should grow >FY15 (4 yr. avg)											
Number of Participants in Outreach and Engagement Activities Greater than 4-year avg	FY12-15	FY 16 Goal	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16	
System (President)	4,356,553	> FY avg	Intermed.	NA	NA	4,011,218	4,218,400	4,493,598	4,702,995		
System (VP Research)	4,344,862	> FY avg	Intermed.	NA	NA	3,999,002	4,206,324	4,486,019	4,688,102		
UTK	11,691	> FY avg	Normal	NA	NA	12,216	12,076	7,579	14,893		
UTC	6,173	> FY avg	Intermed.	NA	NA	6,334	5,159	6,525	6,672		
UTM	3,233	> FY avg	Intermed.	NA	NA	2,638	3,438	3,143	3,713		
UTHSC	48,671	> FY avg	High	NA	NA	41,157	42,483	48,318	62,727		
UTIA	4,089,254	> FY avg	High	NA	NA	3,823,084	4,019,148	4,194,665	4,320,120		

(12) # of clients served should grow >FY15 (4 yr. avg)											
	FY12-15	FY 16 Goal	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16	
HSC RVUs	3,940,641	> FY avg	High	NA	NA	3,658,609	3,982,854	3,733,407	3,940,641		
Vet Med (Clients)	323,661	> FY avg	High	NA	NA	215,190	390,541	387,275	323,661		

Strategic Plan metrics

Number of Alumni Who Donate (5-yr avg)											
	FY11-15	FY 16 Goal	% Incr	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16
UT System	27,914	30,148	8%	Intermed.	27,997	27,705	26,323	26,504	28,114	30,926	
UTK	19,502	21,063	8%	Intermed.	19,725	19,732	18,464	18,385	19,546	21,385	
UTC	2,577	2,783	8%	Intermed.	2,720	2,487	2,541	2,601	2,746	2,510	
UTM	2,114	2,283	8%	Intermed.	1,815	1,868	1,866	2,040	2,248	2,546	
UTHSC	3,615	3,904	8%	Normal	3,752	3,611	3,442	3,563	3,562	3,898	
UTIA	1,376	1,431	4%	Normal	1,435	1,392	1,349	1,302	1,415	1,423	

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FY2015-16 Quantitative Goals Under the Variable Compensation Plan for University Officers

Red are BAG metrics

Strategic Plan metrics

Base Yr	Goal
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Weight (Normal, Intermediate, High)

All data subject to final audit

4. Improving Effectiveness & Efficiency

BAG Metrics

(8) Tuition/mandatory fees = or less than peer avg adjusted for state appropriations/per st. FTE

Tuition and Mandatory Fees (at or below) Peer Average	FY16 (Fall 15- Sp 16)	Goal (Fall 16)	Weight	Fall 09	Fall 10	Fall 11	Fall 12	Fall 13	Fall 14	Fall 15
UT System	95.0%	=/<100%	High	78.7%	79.4%	81.7%	84.4%	94.9%	95.4%	95.0%
UTK	97.8%	=/<100%	High	70.0%	71.1%	77.5%	80.8%	97.5%	96.7%	97.8%
UTC	92.0%	=/<100%	High	88.9%	89.2%	93.5%	92.6%	92.0%	95.3%	92.0%
UTM	89.9%	=/<100%	High	90.4%	90.2%	92.5%	89.5%	91.2%	91.4%	89.9%

Change in tuition rates (UG, Grad, Professional) excluding programs that move to 15/4 plan and or differential tuition

(4) UG Tuition no more than HEPI rate change	FY16 (Fall 15- Sp 16)	Goal (Fall 16)	Weight	Fall 09	Fall 10	Fall 11	Fall 12	Fall 13	Fall 14	Fall 15
HEPI Adjusted in FY15 \$										
UT System (UTK,	\$8,978	HEPI-TBD	High	\$5,649	\$6,105	\$6,989	\$7,365	\$8,566	\$8,672	\$8,978
UTK	10,678	HEPI-TBD	High	\$6,058	\$6,551	\$7,831	\$8,325	\$10,279	\$10,366	\$10,678
UTC	6,624	HEPI-TBD	High	\$5,029	\$5,438	\$5,851	\$6,105	\$6,373	\$6,430	\$6,624
UTM	6,918	HEPI-TBD	High	\$5,254	\$5,681	\$6,114	\$6,379	\$6,659	\$6,716	\$6,918
UTHSC (Dental Hygiene)	7,848	HEPI-TBD	High	\$6,093	\$6,653	\$7,490	\$7,667	\$7,931	\$7,546	\$7,848
UTHSC (Nursing)	8,320	HEPI-TBD	High					\$8,408	\$8,000	\$8,320

FY15 Preliminary HEPI rate is 2.1%

7.1

FY2015-16 Quantitative Goals Under the Variable Compensation Plan for University Officers

Red are BAG metrics

Strategic Plan metrics

(5) Grad Tuition no more than HEPI rate change + 2-3%	Base Yr	Goal	Weight	Weight (Normal, Intermediate, High)							All data subject to final audit			
	FY16 (Fall 15- Sp 16)	Goal (Fall 16)		Weight	Fall 09	Fall 10	Fall 11	Fall 12	Fall 13	Fall 14	Fall 15			
				HEPI Adjusted in FY15 \$										
UT System	10,001	HEPI-TBD	High	\$7,238	\$7,784	\$8,566	\$9,062	\$9,491	\$9,553	\$10,001				
UTK	10,618	HEPI-TBD	High	\$7,618	\$8,201	\$9,032	\$9,603	\$10,027	\$10,112	\$10,618				
UTC	7,938	HEPI-TBD	High	\$6,031	\$6,491	\$7,016	\$7,320	\$7,643	\$7,708	\$7,938				
UTM	8,254	HEPI-TBD	High	\$6,265	\$6,744	\$7,291	\$7,608	\$7,946	\$8,014	\$8,254				
UTHSC (Graduate Health Sciences)	10,484	HEPI-TBD	High	\$8,147	\$8,889	\$10,005	\$10,243	\$10,594	\$10,080	\$10,484				

FY15 Preliminary HEPI rate is 2.1%

(5) Professional Tuition no more than HEPI rate change + 2-3%	FY16 (Fall 15- Sp 16)	Goal (Fall 16)	Weight	Fall 09	Fall 10	Fall 11	Fall 12	Fall 13	Fall 14	Fall 15		
				HEPI Adjusted in FY15 \$								
Law - UTK	16,078	HEPI-TBD	High	12,495	13,882	15,224	16,184	16,898	16,078	16,078		
Vet Med - UTK	25,672	HEPI-TBD	High	19,468	20,276	21,046	22,787	23,793	23,770	25,672		
Medicine - UTHSC	33,030	HEPI-TBD	High	23,771	26,645	30,905	32,586	34,715	33,030	33,030		
Nursing - UTHSC	12,210	HEPI-TBD	High	9,966	10,871	12,238	12,527	12,339	11,740	12,210		
Pharmacy - UTHSC	21,862	HEPI-TBD	High	17,398	18,985	21,376	21,884	22,092	21,020	21,862		
Dentistry - UTHSC	29,016	HEPI-TBD	High	22,543	24,598	27,696	28,350	29,323	27,900	29,016		
Health Professions - UTHSC	13,084	HEPI-TBD	High	10,167	11,092	12,488	12,783	13,222	12,580	13,084		

FY15 Preliminary HEPI rate is 2.1%

(13) Gifts, pledges, bequests grow >15% (5 yr. avg)	FY11-15	FY 16 Goal	% Incr	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16
UT System	\$185.064	\$212.82	15.0%	High	\$176.719	\$144.053	\$148.998	\$149.134	\$179.788	\$303.347	
UTK	\$132.012	\$151.81	15.0%	High	\$114.310	\$97.190	\$104.782	\$92.690	\$130.871	\$234.528	
UTC	\$10.010	\$11.51	15.0%	High	\$10.631	\$10.890	\$8.657	\$10.046	\$6.375	\$14.080	
UTM	\$3.568	\$4.10	15.0%	High	\$8.853	\$4.519	\$3.045	\$3.285	\$3.111	\$3.880	
UTHSC	\$24.943	\$28.68	15.0%	High	\$34.639	\$20.428	\$12.879	\$30.877	\$21.284	\$39.248	
UTIA	\$12.901	\$14.84	15.0%	High	\$6.440	\$8.296	\$18.800	\$10.954	\$16.038	\$10.416	

7.1

FY2015-16 Quantitative Goals Under the Variable Compensation Plan for University Officers

Red are BAG metrics

Strategic Plan metrics

	Base Yr	Goal		Weight	(Normal, Intermediate, High)			All data subject to final audit					
(16 / 18) Reduce faculty and staff salary gap with peers	FY15	FY 16 Goal	% Decr	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16		
					(\$ in millions)								
UT System					NA	\$183.762	NA	\$149.064	\$153.016				
UT System (new methodology)*	\$83.600	\$71.06	15.0%	High						\$83.600			
UTK					NA	\$83.333	NA	\$58.316	\$59.000				
UTK (new methodology)*	\$41.020	\$34.87	15.0%	High						\$41.020			
UTC	\$7.552	\$6.42	15.0%	High	NA	\$10.400	NA	\$7.300	\$7.600	\$7.552			
UTM	\$6.237	\$5.30	15.0%	High	NA	\$8.540	NA	\$7.808	\$8.274	\$6.237			
UTHSC				High	NA	\$55.510	NA	\$52.338	\$53.908				
UTHSC (new methodology)*	\$5.003	\$4.25	15.0%	High						\$5.003			
UTIA	\$19.100	\$16.24	15.0%	High	NA	\$19.520	NA	\$18.544	\$19.100	\$19.100			

* In FY15, UTK and UTHSC commissioned updates to their salary studies. They used more detailed and improved methodologies which included different participant (comparison) groups, survey sources, compensation data, and percent of faculty that were benchmarked. The revised FY15 studies are a more accurate reflection of the salary gap. The FY15 salary gap for UTHSC and Total should not be compared to the original study.

(17) Deferred Maintenance Expenditures (Develop 2-yr allocation/reallocation plan based upon \$25m deferred maintenance)		FY 16 Goal	% Incr	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16
* (System = \$25.0)				High							
* (UTK/UTSI = \$15.75)		\$15.75		High							
* (UTC = \$2.5m)		\$2.50		High							
* (UTM = \$2.0m)		\$2.00		High							
* (UTHSC = \$3.75m)		\$3.75		High							
* (UTIA = \$1.0m)		\$1.00		High							

7.1

Additional FY2015-16 Goals Under the Variable Compensation Plan for University Officers

President	EVP Research	General Counsel	Chancellors			
			UTK	UTC	UTHSC	UTIA

Success in Implementing Non-Quantitative BAG Initiatives

1. Enhancing Educational Excellence

(14) Conduct program realignment to assess low performing programs	X		X	X	X	X	X
(15) Perform feasibility analysis & develop a plan for program consolidation(s)	X		X	X	X	X	X
(22) Conduct review of the tenure & post-tenure review processes & implement a new policy	X		X				

2. Expanding Research Capacities

(11) Review direct and indirect cost sharing on grants and contracts which are not locked at a given rate and implement necessary incentives for departments to minimize the level of cost sharing	X	X		X	X	X	X
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3. Fostering Outreach and Engagement

No additional goals							
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4. Improving Effectiveness & Efficiency

(16) Develop 2-yr allocation/reallocation plan based upon 6% of FY15 unrestricted E&G	X			X	X	X	X
(6) Executive grad program tuition based on demand & peer costs				X	X		
(7) Review out-of-state tuition based on regional need	X				X	X	X
(18) Using workforce development programs, identify amounts that can be redeployed to address strategic initiatives, compensation gaps, and deferred maintenance.	X			X	X	X	X
(19) Conduct a tuition structure review to include differential tuition, out-of-state tuition, and 15/4 plan.	X			X	X	X	
(20) Review of Non-Formula fee structure	X	X				X	X
(21) Conduct study on unfunded mandates for student tuition waivers/discounts (UT system) and tuition waivers/discounts for UT employees	X		X				

7.1

Additional Goals for the General Counsel and Secretary

Review best practices for policy development and maintenance and draft a policy to improve the process for developing systemwide and campus policies

Lead the Trusteeship Committee in reviewing the Board's oversight role in light of the Association of Governing Boards' Statement on Trust, Accountability, and Integrity

Review current best practices for orientation of new Trustees and propose implementation to the Trusteeship Committee

Develop a continuing professional education program for Trustees and propose implementation to the Trusteeship Committee

7.1

The University of Tennessee Fiscal Years 2015-16 & 2016-17

State appropriations to higher education have been stagnant or declining for several years. This is not the result of lack of support for higher education by the Governor or the General Assembly but more due to budget realities that we do not expect to improve. Revenue to the state from taxes, bonds, fees, federal support and other sources has been limited despite significant improvement in the economy since the 2008 recession. Demands for state services, particularly health care costs, pensions, and infrastructure needs, have outpaced state revenues and have created a structural deficit in the state budget.

Higher education has responded to the decline in state appropriations by increasing tuition, providing no salary increases to faculty and staff, not filling or eliminating vacant positions, and becoming more efficient in the delivery of instruction, research, and public service. We take responsibility for these decisions in the past, but as we look to the future, we have concluded that current resources to fulfill our mission are unsustainable. We own the fact that our business model is broken, and we are committed to fixing it.

This document outlines a model with conditions and boundaries that campus and institute executives will use to manage their units. It includes holding tuition increases at no more than the inflationary rate and assuming no further improvements or reductions in state appropriations. We will consider and develop entrepreneurial approaches to increase revenue, efficiently and effectively manage costs and continue to strive for programmatic excellence that enhances our reputation.

We fully support the Governor’s Drive to 55 and Tennessee Promise as they are without doubt Tennessee’s path to further economic development by having the workforce we need, better jobs, improved financial security and better quality of life for Tennesseans. Without a significant investment from the state, neither of these important, needed and unique initiatives will be successful. Therefore, when there is growth in state revenues, it is imperative for higher education to be a funding priority.

Scenario & Boundaries

External

- Estimated annual state appropriation increases will be 0%
- Higher education price index (HEPI) will average <3% (current 5yr. avg. is 1.9%)
- State capital outlay and maintenance will continue to be funded at historical averages (FY 2011-12 through FY 2014-15 yields \$47.8M for outlay and \$30.3M for annual maintenance)

Internal

- Assumption that funds realized from budget actions will be reallocated to higher-priority needs.

- Enrollments
 1. In-state enrollment should be greater than 2013-14 levels.
 2. Out-of-state enrollment may increase but not exceed 25% of total undergraduate enrollment.
 3. Annual goal setting will be done for growth in enrollment.

- Tuition
 4. Tuition increases for undergraduates should be no more than the previous year's HEPI rate change.
 5. Graduate and professional tuition increases should be no more than the previous year's HEPI rate change plus 2-3%.
 6. Executive graduate programs may raise tuition based upon demand and the costs of similar programs at peer institutions.
 7. Out-of-state tuition may be reduced on a regional basis to be more competitive as justified and with board of trustee action.
 8. Tuition and other mandatory fees should be equal to or less than the peer average adjusted for state appropriations per student FTE.

- CCTA Performance Funding Model
 9. Formula units should rank within the top 5 of the CCTA performance formula funding rankings annually.

- Research
 10. UT research and sponsored program expenditures should increase 6% annually, based on a benchmark of the last five-year average.
 11. Units should review direct and indirect cost sharing on grants and contracts and implement incentives for departments to minimize the level of cost sharing.

- Outreach
 12. Number of customers/clients served should be \geq than 2013-2014 levels based on a benchmark of the last five-year average.

- Development
 13. Total number of gifts, pledges and bequests should grow $>$ 15% per year based on a benchmark of the last five-year average.

Required Action Plan for All Units

14. Conduct program realignment initiative to assess low performing programs to fund program(s) re-investment.
15. Perform a feasibility analysis and plan for program consolidation(s) that will produce cost savings.

- 16. Develop a two-year allocation and reallocation plan based upon 6% of base year's (FY14-15) total unrestricted E & G expenditures to address strategic initiatives, considering the "boundaries" stated above, and to address compensation gaps.

- 17. Develop a two-year allocation and reallocation plan to address deferred maintenance needs based upon \$25M minimum system wide including current efforts. The minimum allocation to the units would be as follows:
 - o UTK/UTSI \$15.75m
 - o UTC \$ 2.50m
 - o UTM \$ 2.00m
 - o UTHSC \$ 3.75m
 - o UTIA \$1.00m

*maintenance minimums as being proportional to capitalized facilities

- 18. Using a workforce development program in concert with the above actions, identify amounts that can be redeployed to address strategic initiatives, compensation gaps, and deferred maintenance.

- 19. Conduct a tuition structure review including expanding differential tuition implementation and/or increasing it, development and implementation of an enrollment growth plan for non-resident students, and further implementation of 15/4 tuition plan.

- 20. Non-Formula units should review fee structures to ensure activity is capturing actual cost of delivery and should review services being provided for which a fee could be established.

- 21. Undertake a study to identify and address unfunded mandates for tuition waivers/discounts. (This action will be led by the UT system administration.)

- 22. Undertake a review of the tenure and post-tenure review processes. (This action will be led by the UT system administration.)

FY2015-16 Quantitative Goals Under the Variable Compensation Plan for University Officers

Red are BAG metrics

Strategic Plan metrics

Base Yr	Goal
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Weight (Normal, Intermediate, High)

All data subject to final audit

1. Enhancing Educational Excellence

(3) Annual goal setting will be done for growth in enrollment

	Base Yr	Goal	% Incr	Weight	Fall 09	Fall 10	Fall 11	Fall 12	Fall 13	Fall 14	Fall 15
Fall Headcount, Undergraduate	Fall 15	Goal (Fall 16)									
System	38,647	38,650	0.0%	High	37,807	38,573	38,605	38,401	38,504	38,656	38,647
UTK	21,863	21,863	0.0%	High	21,006	21,308	21,126	20,829	21,033	21,451	21,863
UTC	10,084	10,084	0.0%	High	9,039	9,229	9,891	10,159	10,297	10,315	10,084
UTM	6,435	6,435	0.0%	High	7,586	7,947	7,500	7,326	7,025	6,677	6,435
UTHSC	265	268	1.0%	Normal	176	89	88	87	149	213	265

	Base Yr	Goal	% Incr	Weight	Fall 09	Fall 10	Fall 11	Fall 12	Fall 13	Fall 14	Fall 15
Fall Headcount, Graduate/ Professional	Fall 15	Goal (Fall 16)									
System	10,489	10,517	0.3%	High	10,764	10,992	10,940	10,843	10,623	10,442	10,489
UTK	5,982	5,982	0.0%	High	6,101	6,215	6,253	6,189	6,138	5,959	5,982
UTC	1,304	1,304	0.0%	Intermed.	1,487	1,552	1,547	1,501	1,377	1,355	1,304
UTM	392	392	0.0%	Normal	515	522	413	425	398	365	392
UTHSC	2,811	2,839	1.0%	High	2,661	2,703	2,727	2,728	2,710	2,763	2,811

	Base Yr	Goal	% Incr	Weight	Fall 09	Fall 10	Fall 11	Fall 12	Fall 13	Fall 14	Fall 15
Fall Headcount, Total	Fall 15	Goal (Fall 16)									
System	49,136	49,167	0.1%	High	48,571	49,565	49,545	49,244	49,127	49,098	49,136
UTK	27,845	27,845	0.0%	High	27,107	27,523	27,379	27,018	27,171	27,410	27,845
UTC	11,388	11,388	0.0%	High	10,526	10,781	11,438	11,660	11,674	11,670	11,388
UTM	6,827	6,827	0.0%	High	8,101	8,469	7,913	7,751	7,423	7,042	6,827
UTHSC	3,076	3,107	1.0%	High	2,837	2,792	2,815	2,815	2,859	2,976	3,076

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FY2015-16 Quantitative Goals Under the Variable Compensation Plan for University Officers

Red are BAG metrics

Strategic Plan metrics

	Base Yr	Goal	Weight	(Normal, Intermediate, High)							All data subject to final audit
(1) In-State UG Enrollments should be > Fall 15	Fall 15	Goal (Fall 16)	Weight	Fall 09	Fall 10	Fall 11	Fall 12	Fall 13	Fall 14	Fall 15	
System	34,647	> Fall 15	High	34,212	35,048	35,372	35,281	35,090	34,952	34,647	
UTK	19,045	> Fall 15	High	18,404	18,765	18,909	18,719	18,672	18,775	19,045	
UTC	9,460	> Fall 15	High	8,469	8,676	9,317	9,579	9,721	9,719	9,460	
UTM	5,928	> Fall 15	High	7,204	7,534	7,075	6,906	6,565	6,181	5,928	
UTHSC	214	> Fall 15	High	135	73	71	77	132	177	214	

Based on Permanent Residency

(2) % UG Out-State Enrollment should be < 25% of total	Fall 15	Goal (Fall 16)	Weight	Fall 09	Fall 10	Fall 11	Fall 12	Fall 13	Fall 14	Fall 15
System	10.3%	< 25%	Normal	9.5%	9.1%	8.4%	8.1%	8.9%	9.6%	10.3%
UTK	12.9%	< 25%	Normal	12.4%	12.0%	10.5%	10.1%	11.2%	12.0%	12.9%
UTC	6.2%	< 25%	Normal	6.3%	6.0%	5.8%	5.7%	5.6%	5.8%	6.2%
UTM	7.9%	< 25%	Normal	5.0%	5.1%	5.7%	5.7%	6.5%	7.4%	7.9%
UTHSC	19.3%	< 25%	Normal	23.3%	18.0%	19.3%	11.5%	11.4%	16.9%	19.3%

(9) Rank within top 5 on CCTA metrics	FY15	Goal	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16
UT System (# of UT campuses in top 5)	2	In Top 5	High	NA	NA	3	2	2	2	
UTK (rank in % increase over prior year)	Not in top 5	In Top 5	High	NA	NA	2	3	4	Not in top 5	
UTC (rank in % increase over prior year)	1	In Top 5	High	NA	NA	1	2	3	1	
UTM (rank in % increase over prior year)	4	In Top 5	Intermed.	NA	NA	3	Not in top 5	2	4	

7.3

FY2015-16 Quantitative Goals Under the Variable Compensation Plan for University Officers

Red are BAG metrics

Strategic Plan metrics

	Base Yr	Goal	% Incr	Weight	(Normal, Intermediate, High)							All data subject to final audit
Strategic Plan metrics												
Graduation Rates	Fall 15	Goal (Fall 16)	% Incr	Weight	Fall 09	Fall 10	Fall 11	Fall 12	Fall 13	Fall 14	Fall 15	
System	56.9%	58.4%	1.5%	High	52.8%	51.9%	56.3%	56.3%	56.1%	57.3%	56.90%	
UTK	70.3%	> 70.3%		High	60.6%	60.5%	63.2%	66.1%	67.5%	69.3%	70.3%	
UTC	43.6%	45.1%	1.5%	High	42.3%	37.6%	39.5%	38.2%	37.1%	39.8%	43.6%	
UTM	42.2%	43.7%	1.5%	High	48.5%	45.3%	49.6%	48.9%	46.6%	47.0%	42.20%	
UTHSC	96.1%	>94.0%		Normal	NA	NA	NA	96.6%	94.8%	95.5%	96.10%	
Freshman Retention	Fall 15	Goal (Fall 16)	% Incr	Weight	Fall 09	Fall 10	Fall 11	Fall 12	Fall 13	Fall 14	Fall 15	
System	79.6%	81.6%	2.0%	High	76.4%	78.6%	78.2%	77.4%	78.1%	79.3%	79.6%	
UTK	84.6%	86.6%	2.0%	High	83.8%	86.2%	84.5%	84.6%	85.6%	86.6%	84.6%	
UTC	71.4%	73.4%	2.0%	High	66.9%	67.3%	69.3%	67.4%	69.1%	70.0%	71.4%	
UTM	74.5%	76.5%	2.0%	High	71.8%	71.0%	73.1%	70.7%	69.9%	70.8%	74.5%	
Total Degrees Awarded	FY15	FY 16 Goal	% Incr	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16	
System	11,503	11,733	2.0%	High	10,132	10,330	11,058	11,182	11,152	11,503		
UTK (includes Vet Med & CASNR)	6,758	6,859	1.5%	High	6,345	6,518	6,885	6,793	6,689	6,758		
UTC	2,375	2,411	1.5%	High	1,835	1,887	2,140	2,232	2,350	2,375		
UTM	1,329	1,349	1.5%	High	1,157	1,185	1,265	1,372	1,346	1,329		
UTHSC (incl Residency Completers)	1,236	1,261	2.0%	Normal	1,071	1,041	1,072	1,189	1,225	1,236		
UTIA (Vet Med & CASNR)	449	458	2.0%	Normal	327	331	447	409	420	449		

7.3

FY2015-16 Quantitative Goals Under the Variable Compensation Plan for University Officers

Red are BAG metrics

Strategic Plan metrics

Base Yr	Goal	Weight	(Normal, Intermediate, High)	All data subject to final audit
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2. Expanding Research Capacities

BAG Metrics

(10) Research /sponsored projects increase 6% annually (5 yr. avg) (reported to THEC less ARRA funding)	FY11-15	FY16 Goal	% Incr	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16	
					(\$ in millions)							
System (President)	\$418.11	\$443.20	6.0%	High	\$371.52	\$403.61	\$413.40	\$425.20	\$414.83	\$433.52		
System (VP Research)	\$418.11	\$443.20	6.0%	High	\$371.52	\$403.61	\$413.40	\$425.20	\$414.83	\$433.52		
UTK	\$154.21	\$163.46	6.0%	High	\$139.91	\$153.91	\$151.62	\$155.12	\$156.57	\$153.83		
UTC	\$9.59	\$10.16	6.0%	Normal	\$11.36	\$9.66	\$10.43	\$9.70	\$8.83	\$9.34		
UTM	\$2.90	\$3.07	6.0%	Normal	\$4.51	\$3.84	\$3.30	\$2.21	\$2.52	\$2.63		
UTHSC	\$201.84	\$213.95	6.0%	High	\$169.79	\$184.89	\$196.53	\$202.05	\$203.09	\$222.67		
UTIA	\$41.40	\$43.88	6.0%	High	\$39.03	\$41.50	\$42.55	\$43.83	\$36.26	\$42.84		

Strategic Plan metrics

Research Expenditures (5 yr avg) (reported to NSF less ARRA funding)	FY10-14	FY 16 Goal	% Incr	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16	
					(\$ in millions)							<i>Est. (Actual in Feb)</i>
System (President)	\$311.94	\$321.30	3.0%	High	\$287.02	\$300.28	\$323.64	\$332.94	\$315.83	\$310.77		
System (VP Research)	\$311.94	\$321.30	3.0%	High	\$287.02	\$300.28	\$323.64	\$332.94	\$315.83	\$310.77		
UTK	\$166.27	\$171.26	3.0%	High	\$144.86	\$156.55	\$171.01	\$184.76	\$174.16	\$169.86		
UTC	\$8.77	\$8.90	1.5%	Normal	\$10.38	\$8.91	\$10.72	\$7.67	\$6.18	\$6.89		
UTM	\$0.76	\$0.78	1.5%	Normal	\$1.06	\$1.23	\$0.57	\$0.41	\$0.55	\$0.46		
UTHSC	\$71.68	\$73.83	3.0%	High	\$74.80	\$71.98	\$72.46	\$71.35	\$67.81	\$66.63		
UTIA	\$64.45	\$66.38	3.0%	High	\$55.91	\$61.61	\$68.88	\$68.75	\$67.09	\$66.93		

# of Research Proposals (5 Yr Avg)	FY11-15	FY 16 Goal	% Incr	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16
System (President)	3,357	3,588	6.0%	High	3,226	3,268	3,165	3,217	3,482	3,651	
System (VP Research)	3,357	3,588	6.0%	High	3,226	3,268	3,165	3,217	3,482	3,651	
UTK (no vet med)	1,616	1,727	6.0%	High	1,577	1,526	1,593	1,532	1,642	1,785	
UTC	140	150	6.0%	Normal	99	145	156	131	123	145	
UTM	57	61	6.0%	Normal	68	83	46	52	52	50	
UTHSC	817	873	6.0%	High	951	865	732	787	857	843	
UTIA	705	754	6.0%	High	505	616	618	688	791	812	

7.3

FY2015-16 Quantitative Goals Under the Variable Compensation Plan for University Officers

Red are BAG metrics

Strategic Plan metrics

	Base Yr	Goal		Weight	(Normal, Intermediate, High)						
	FY11-15	FY 16 Goal	% Incr	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16
Inventions (Disclosures) (5Yr Avg)											
System (President)	129	131	2.0%	Intermed.	89	87	144	145	152	116	
System (VP Research)	129	131	2.0%	High	89	87	144	145	152	116	
UTK	62	63	2.0%	High	29	39	48	71	82	71	
UTC	3	3	2.0%	Normal	3	0	8	2	1	3	
UTM	1	1	0.0%	NA	0	0	1	2	2	0	
UTHSC	27	28	1.0%	High	32	26	27	30	29	25	
UTIA	35	36	2.0%	High	25	22	60	40	38	15	

	FY11-15	FY 16 Goal	% Incr	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16
Revenue from Licenses (5Yr Avg)											
System (President)	\$1,650,778	1,683,794	2%	Intermed.	\$1,358,149	\$1,547,630	\$1,403,401	\$1,004,028	\$958,521	\$3,340,311	
System (VP Research)	\$1,650,778	1,683,794	2%	High	\$1,358,149	\$1,547,630	\$1,403,401	\$1,004,028	\$958,521	\$3,340,311	
UTK	\$939,986	958,786	2%	High	\$692,250	\$887,673	\$584,598	\$345,931	\$301,312	\$2,580,417	
UTC	\$3,000	NA	NA	NA	\$0	\$0	\$15,000	\$0	\$0	\$0	
UTM	\$0	NA	NA	NA	\$0	\$0	\$0	\$0	\$0	\$0	
UTHSC	\$456,421	460,985	1%	High	\$518,763	\$500,929	\$372,199	\$383,545	\$461,652	\$563,781	
UTIA	\$251,371	253,885	1%	High	\$147,136	\$159,028	\$431,604	\$274,552	\$195,557	\$196,113	

	FY11-15	FY 16 Goal	% Incr	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16
U.S. Patents Issues											
System (President)	27	28	2.0%	Intermed.	23	19	23	32	36	25	
System (VP Research)	27	30	2.0%	High	23	19	23	32	36	25	
UTK	11	12	2.0%	High	7	8	7	16	14	10	
UTC	0	NA	NA	Normal	0	0	0	0	0	0	
UTM	0	NA	NA	NA	0	0	0	0	0	0	
UTHSC	13	14	2.0%	High	11	8	13	13	17	12	
UTIA	3	4	2.0%	High	5	3	3	3	5	3	

7.3

FY2015-16 Quantitative Goals Under the Variable Compensation Plan for University Officers

Red are BAG metrics

Strategic Plan metrics

Base Yr	Goal
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Weight (Normal, Intermediate, High)

All data subject to final audit

3. Fostering Outreach and Engagement

BAG Metrics

(12) # of customers served should grow >FY15 (4 yr. avg)											
Number of Participants in Outreach and Engagement Activities Greater than 4-year avg	FY12-15	FY 16 Goal		Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16
System (President)	4,356,553	> FY avg		Intermed.	NA	NA	4,011,218	4,218,400	4,493,598	4,702,995	
System (VP Research)	4,344,862	> FY avg		Intermed.	NA	NA	3,999,002	4,206,324	4,486,019	4,688,102	
UTK	11,691	> FY avg		Normal	NA	NA	12,216	12,076	7,579	14,893	
UTC	6,173	> FY avg		Intermed.	NA	NA	6,334	5,159	6,525	6,672	
UTM	3,233	> FY avg		Intermed.	NA	NA	2,638	3,438	3,143	3,713	
UTHSC	48,671	> FY avg		High	NA	NA	41,157	42,483	48,318	62,727	
UTIA	4,089,254	> FY avg		High	NA	NA	3,823,084	4,019,148	4,194,665	4,320,120	

(12) # of clients served should grow >FY15 (4 yr. avg)											
	FY12-15	FY 16 Goal		Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16
HSC RVUs	3,940,641	> FY avg		High	NA	NA	3,658,609	3,982,854	3,733,407	3,940,641	
Vet Med (Clients)	323,661	> FY avg		High	NA	NA	215,190	390,541	387,275	323,661	

Strategic Plan metrics

Number of Alumni Who Donate (5-yr avg)											
	FY11-15	FY 16 Goal	% Incr	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16
UT System	27,914	30,148	8%	Intermed.	27,997	27,705	26,323	26,504	28,114	30,926	
UTK	19,502	21,063	8%	Intermed.	19,725	19,732	18,464	18,385	19,546	21,385	
UTC	2,577	2,783	8%	Intermed.	2,720	2,487	2,541	2,601	2,746	2,510	
UTM	2,114	2,283	8%	Intermed.	1,815	1,868	1,866	2,040	2,248	2,546	
UTHSC	3,615	3,904	8%	Normal	3,752	3,611	3,442	3,563	3,562	3,898	
UTIA	1,376	1,431	4%	Normal	1,435	1,392	1,349	1,302	1,415	1,423	

7.3

FY2015-16 Quantitative Goals Under the Variable Compensation Plan for University Officers

Red are BAG metrics

Strategic Plan metrics

Base Yr	Goal
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Weight (Normal, Intermediate, High)

All data subject to final audit

4. Improving Effectiveness & Efficiency

BAG Metrics

(8) Tuition/mandatory fees = or less than peer avg adjusted for state appropriations/per st. FTE

Tuition and Mandatory Fees (at or below) Peer Average	FY16 (Fall 15- Sp 16)	Goal (Fall 16)	Weight	Fall 09	Fall 10	Fall 11	Fall 12	Fall 13	Fall 14	Fall 15
UT System	95.0%	=/<100%	High	78.7%	79.4%	81.7%	84.4%	94.9%	95.4%	95.0%
UTK	97.8%	=/<100%	High	70.0%	71.1%	77.5%	80.8%	97.5%	96.7%	97.8%
UTC	92.0%	=/<100%	High	88.9%	89.2%	93.5%	92.6%	92.0%	95.3%	92.0%
UTM	89.9%	=/<100%	High	90.4%	90.2%	92.5%	89.5%	91.2%	91.4%	89.9%

Change in tuition rates (UG, Grad, Professional) excluding programs that move to 15/4 plan and or differential tuition

(4) UG Tuition no more than HEPI rate change	FY16 (Fall 15- Sp 16)	Goal (Fall 16)	Weight	Fall 09	Fall 10	Fall 11	Fall 12	Fall 13	Fall 14	Fall 15
HEPI Adjusted in FY15 \$										
UT System (UTK,	\$8,978	HEPI-TBD	High	\$5,649	\$6,105	\$6,989	\$7,365	\$8,566	\$8,672	\$8,978
UTK	10,678	HEPI-TBD	High	\$6,058	\$6,551	\$7,831	\$8,325	\$10,279	\$10,366	\$10,678
UTC	6,624	HEPI-TBD	High	\$5,029	\$5,438	\$5,851	\$6,105	\$6,373	\$6,430	\$6,624
UTM	6,918	HEPI-TBD	High	\$5,254	\$5,681	\$6,114	\$6,379	\$6,659	\$6,716	\$6,918
UTHSC (Dental Hygiene)	7,848	HEPI-TBD	High	\$6,093	\$6,653	\$7,490	\$7,667	\$7,931	\$7,546	\$7,848
UTHSC (Nursing)	8,320	HEPI-TBD	High					\$8,408	\$8,000	\$8,320

FY15 Preliminary HEPI rate is 2.1%

7.3

FY2015-16 Quantitative Goals Under the Variable Compensation Plan for University Officers

Red are BAG metrics

Strategic Plan metrics

	Base Yr	Goal	Weight	Weight (Normal, Intermediate, High)						All data subject to final audit					
	FY16 (Fall 15- Sp 16)	Goal (Fall 16)		Weight	Fall 09	Fall 10	Fall 11	Fall 12	Fall 13	Fall 14	Fall 15				
(5) Grad Tuition no more than HEPI rate change + 2-3%															
				HEPI Adjusted in FY15 \$											
UT System	10,001	HEPI-TBD	High	\$7,238	\$7,784	\$8,566	\$9,062	\$9,491	\$9,553	\$10,001					
UTK	10,618	HEPI-TBD	High	\$7,618	\$8,201	\$9,032	\$9,603	\$10,027	\$10,112	\$10,618					
UTC	7,938	HEPI-TBD	High	\$6,031	\$6,491	\$7,016	\$7,320	\$7,643	\$7,708	\$7,938					
UTM	8,254	HEPI-TBD	High	\$6,265	\$6,744	\$7,291	\$7,608	\$7,946	\$8,014	\$8,254					
UTHSC (Graduate Health Sciences)	10,484	HEPI-TBD	High	\$8,147	\$8,889	\$10,005	\$10,243	\$10,594	\$10,080	\$10,484					

FY15 Preliminary HEPI rate is 2.1%

	FY16 (Fall 15- Sp 16)	Goal (Fall 16)	Weight	Weight (Normal, Intermediate, High)						All data subject to final audit					
	FY16 (Fall 15- Sp 16)	Goal (Fall 16)		Weight	Fall 09	Fall 10	Fall 11	Fall 12	Fall 13	Fall 14	Fall 15				
(5) Professional Tuition no more than HEPI rate change + 2-3%															
				HEPI Adjusted in FY15 \$											
Law - UTK	16,078	HEPI-TBD	High	12,495	13,882	15,224	16,184	16,898	16,078	16,078					
Vet Med - UTK	25,672	HEPI-TBD	High	19,468	20,276	21,046	22,787	23,793	23,770	25,672					
Medicine - UTHSC	33,030	HEPI-TBD	High	23,771	26,645	30,905	32,586	34,715	33,030	33,030					
Nursing - UTHSC	12,210	HEPI-TBD	High	9,966	10,871	12,238	12,527	12,339	11,740	12,210					
Pharmacy - UTHSC	21,862	HEPI-TBD	High	17,398	18,985	21,376	21,884	22,092	21,020	21,862					
Dentistry - UTHSC	29,016	HEPI-TBD	High	22,543	24,598	27,696	28,350	29,323	27,900	29,016					
Health Professions - UTHSC	13,084	HEPI-TBD	High	10,167	11,092	12,488	12,783	13,222	12,580	13,084					

FY15 Preliminary HEPI rate is 2.1%

	FY11-15	FY 16 Goal	% Incr	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16
	(13) Gifts, pledges, bequests grow >15% (5 yr. avg)										
UT System	\$185.064	\$212.82	15.0%	High	\$176.719	\$144.053	\$148.998	\$149.134	\$179.788	\$303.347	
UTK	\$132.012	\$151.81	15.0%	High	\$114.310	\$97.190	\$104.782	\$92.690	\$130.871	\$234.528	
UTC	\$10.010	\$11.51	15.0%	High	\$10.631	\$10.890	\$8.657	\$10.046	\$6.375	\$14.080	
UTM	\$3.568	\$4.10	15.0%	High	\$8.853	\$4.519	\$3.045	\$3.285	\$3.111	\$3.880	
UTHSC	\$24.943	\$28.68	15.0%	High	\$34.639	\$20.428	\$12.879	\$30.877	\$21.284	\$39.248	
UTIA	\$12.901	\$14.84	15.0%	High	\$6.440	\$8.296	\$18.800	\$10.954	\$16.038	\$10.416	

7.3

FY2015-16 Quantitative Goals Under the Variable Compensation Plan for University Officers

Red are BAG metrics

Strategic Plan metrics

	Base Yr	Goal		Weight	(Normal, Intermediate, High)			All data subject to final audit					
(16 / 18) Reduce faculty and staff salary gap with peers	FY15	FY 16 Goal	% Decr	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16		
					(\$ in millions)								
UT System					NA	\$183.762	NA	\$149.064	\$153.016				
UT System (new methodology)*	\$83.600	\$71.06	15.0%	High						\$83.600			
UTK					NA	\$83.333	NA	\$58.316	\$59.000				
UTK (new methodology)*	\$41.020	\$34.87	15.0%	High						\$41.020			
UTC	\$7.552	\$6.42	15.0%	High	NA	\$10.400	NA	\$7.300	\$7.600	\$7.552			
UTM	\$6.237	\$5.30	15.0%	High	NA	\$8.540	NA	\$7.808	\$8.274	\$6.237			
UTHSC				High	NA	\$55.510	NA	\$52.338	\$53.908				
UTHSC (new methodology)*	\$5.003	\$4.25	15.0%	High						\$5.003			
UTIA	\$19.100	\$16.24	15.0%	High	NA	\$19.520	NA	\$18.544	\$19.100	\$19.100			

* In FY15, UTK and UTHSC commissioned updates to their salary studies. They used more detailed and improved methodologies which included different participant (comparison) groups, survey sources, compensation data, and percent of faculty that were benchmarked. The revised FY15 studies are a more accurate reflection of the salary gap. The FY15 salary gap for UTHSC and Total should not be compared to the original study.

(17) Deferred Maintenance Expenditures (Develop 2-yr allocation/reallocation plan based upon \$25m deferred maintenance)		FY 16 Goal	% Incr	Weight	FY10	FY11	FY12	FY13	FY14	FY15	FY16
* (System = \$25.0)				High							
* (UTK/UTSI = \$15.75)		\$15.75		High							
* (UTC = \$2.5m)		\$2.50		High							
* (UTM = \$2.0m)		\$2.00		High							
* (UTHSC = \$3.75m)		\$3.75		High							
* (UTIA = \$1.0m)		\$1.00		High							

7.3

Additional FY2015-16 Goals Under the Variable Compensation Plan for University Officers

	President	EVP Research	General Counsel	Chancellors			
				UTK	UTC	UTHSC	UTIA

Success in Implementing Non-Quantitative BAG Initiatives

1. Enhancing Educational Excellence

(14) Conduct program realignment to assess low performing programs	X		X	X	X	X	X
(15) Perform feasibility analysis & develop a plan for program consolidation(s)	X		X	X	X	X	X
(22) Conduct review of the tenure & post-tenure review processes & implement a new policy	X		X				

2. Expanding Research Capacities

(11) Review direct and indirect cost sharing on grants and contracts which are not locked at a given rate and implement necessary incentives for departments to minimize the level of cost sharing	X	X		X	X	X	X
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3. Fostering Outreach and Engagement

No additional goals							
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4. Improving Effectiveness & Efficiency

(16) Develop 2-yr allocation/reallocation plan based upon 6% of FY15 unrestricted E&G	X			X	X	X	X
(6) Executive grad program tuition based on demand & peer costs				X	X		
(7) Review out-of-state tuition based on regional need	X				X	X	X
(18) Using workforce development programs, identify amounts that can be redeployed to address strategic initiatives, compensation gaps, and deferred maintenance.	X			X	X	X	X
(19) Conduct a tuition structure review to include differential tuition, out-of-state tuition, and 15/4 plan.	X			X	X	X	
(20) Review of Non-Formula fee structure	X	X				X	X
(21) Conduct study on unfunded mandates for student tuition waivers/discounts (UT system) and tuition waivers/discounts for UT employees	X		X				

7.4

Additional Goals for the General Counsel and Secretary

Review best practices for policy development and maintenance and draft a policy to improve the process for developing systemwide and campus policies

Lead the Trusteeship Committee in reviewing the Board's oversight role in light of the Association of Governing Boards' Statement on Trust, Accountability, and Integrity

Review current best practices for orientation of new Trustees and propose implementation to the Trusteeship Committee

Develop a continuing professional education program for Trustees and propose implementation to the Trusteeship Committee

7.4

THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

ACTION ITEM

DATE: October 8, 2015

COMMITTEE: Finance and Administration

CAMPUS/INSTITUTE: All

ITEM: **Amendment of the Rule on Use of University Property**

RECOMMENDATION: Approval

PRESENTED BY: Matthew Scoggins, Deputy General Counsel

8

At the 2015 Winter Meeting, the Board approved amendments to Chapter 1720-01-02 of the Rules of the University, titled "Use of University Property," under the formal rulemaking procedures of the Uniform Administrative Procedures Act (UAPA). One of the amendments to the Rule was intended to establish standards for the issuance, appeal, and enforcement of a "no-trespass notice." A no-trespass notice is a written directive requiring a person to leave and/or not enter all or part of University property.

As part of the UAPA process, the amendments to the Rule were reviewed by the Joint Government Operations Committee of the Tennessee General Assembly on August 19, 2015. At the conclusion of the Committee's review, the Committee voted to request the Board to amend Section .05 of the Rule relating to no-trespass notices. A copy of the Committee's letter communicating the request appears on the next page.

In response to the Committee's request, the University is proposing the following amendments to Section .05:

- Section .05 will apply only to non-affiliated persons (i.e., it will not apply to students and employees).
- Only a sworn law enforcement officer may issue a no-trespass notice.
- A person who receives a no-trespass notice may appeal to the campus/institute chief of police.

The Rule on Use of University Property appears in its entirety in the following pages, with the proposed revisions redlined.

Amendments to the Rule must be promulgated under the UAPA, which includes a roll call vote in the full Board meeting. Upon adoption by the Board, the Rule will be submitted to the Attorney General for approval and, if approved, filed with the Secretary of State and published for the statutorily required period prior to becoming effective.

RESOLVED:

That the Board of Trustees adopt the amendment of Chapter 1720-01-02 of the Rules of The University of Tennessee as presented in the meeting materials after completion of the rulemaking procedures under the Uniform Administrative Procedures Act.



General Assembly of Tennessee

OFFICE OF LEGAL SERVICES
War Memorial Building
Nashville, Tennessee 37243-0059
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August 20, 2015

Mr. Matthew Scoggins
Deputy General Counsel
University of Tennessee
719 Andy Holt Tower
1331 Circle Park
Knoxville, Tennessee 37996-3245

Re: Rule 1720-01-02-.05 No-Trespass Notices

Counselor Scoggins:

Pursuant to Tenn. Code Ann., Section 4-5-226(j)(1), the Joint Government Operations Committee of the Tennessee General Assembly requests that the University of Tennessee Board of Trustees amend Rule 1720-01-02-.05: "No-Trespass Notices".

Specifically, the Committee requests the Board address due process considerations as articulated by the members when discussing the Rule during the August 19, 2015 Joint Rule Review Meeting.

For reference, a video archive of that meeting can be viewed at:
http://tnga.granicus.com/MediaPlayer.php?view_id=315&clip_id=11003

The Committee's request for an amendment to the Rule was followed by the imposition of a 60-day stay of the Rule's effective date under Tenn. Code Ann., Section 4-5-215(b), the effect of which is to change the Rule's effective date from August 25, 2015 to October 24, 2015.

Thank you for your cooperation and informative presentation during yesterday's meeting and for conveying the Committee's request to the Board.

On behalf of the Joint Government Operations Committee,

A handwritten signature in blue ink that reads "Sean McMinn".

Sean McMinn, attorney for the Committee

cc: Honorable Governor Bill Haslam, Chair of the University of Tennessee Board of Trustees
Mr. Raja J. Jubran, Vice Chair of the University of Tennessee Board of Trustees
Mr. Anthony Haynes, University of Tennessee Vice President for Government Relations and Advocacy

Field Code Cha

**RULES
OF
THE UNIVERSITY OF TENNESSEE**

**CHAPTER 1720-01-02
USE OF UNIVERSITY PROPERTY**

1720-01-02-.01 DEDICATION OF UNIVERSITY PROPERTY. The University of Tennessee (“University”) dedicates its property exclusively to the advancement of the University’s principal missions of teaching, research, and service. The University regulates its property to preserve it for the advancement of the University’s principal missions.

1720-01-02-.02 DEFINITIONS

- (1) The term “University property” means all land, grounds, structures, and any other physical property owned, controlled, or operated by the University of Tennessee.
- (2) The term “University unit” means any academic, administrative, or auxiliary department or division of the University or any other official entity of the University, functioning through University employees acting within the scope of their University employment.

1720-01-02-.03 AUTHORIZED USERS AND PERMISSIBLE USES.

- (1) The use of University property is limited to the following persons, subject to Section .03(2) and Section .05:
 - (a) University students;
 - (b) University employees;
 - (c) Members of the Board of Trustees;
 - (d) Government officials acting in their official capacities;
 - (e) A person or entity invited by a University unit, including but not limited to, a person or entity who has a contract to provide services to the University, provided that the use of University property shall not exceed the scope of the University unit’s invitation;
 - (f) A person who has been invited by a University student, student organization, or employee in his/her personal capacity, to join the student, student organization, or employee in the use of University property (e.g., friends and family), but not including the use of University property for free expression activities, provided that the use of University property shall not exceed the scope of the invitation;
 - (g) A non-affiliated person using University property for free expression activities pursuant to Chapter 1720-01-12 (Use of University Property by Non-Affiliated Persons for Free Expression Activities);

- (h) Volunteers of the University, as defined by University policy, within the scope of their volunteer work;
- (i) Prospective students visiting University property and persons accompanying prospective students for purposes reasonably necessary to evaluate the University as an educational institution;
- (j) Alumni visiting University property and persons accompanying alumni;
- (k) A person who has a right of access to University property under Tennessee Code Annotated § 8-50-1001 or any other statutory provisions permitting access to University property;
- (l) Any person or entity engaged in one of the following uses of University property:
 - 1. The use of University property for the purpose of attending a University activity or event that is open to attendance by the members of the general public at a designated place and time (e.g., athletic contests, plays, lectures, concerts);
 - 2. The use of University-owned streets, or University-owned sidewalks bordering University-owned streets, as thoroughfares while traveling from one location to another location;
 - 3. The use of University property that is open to the general public (e.g., campus bookstore, library, museum);
 - 4. The use of University property consistent with the terms of a lease agreement with the University; or
 - 5. The use of University property for a purpose relating to obtaining medical treatment from the University.
- (2) The use of University property shall be consistent with the University's principal missions of teaching, research, and service. A person using University property shall not:
 - (a) block or substantially impede vehicular, bicycle, pedestrian, or other traffic;
 - (b) block or substantially impede entrances or exits to University property;
 - (c) substantially disrupt or interfere with University operations, events, or activities;
 - (d) substantially disrupt or interfere with the ability of a student to sleep or study in a University residence hall between the hours of 10:00 p.m. and 6:00 a.m. during an academic term;
 - (e) substantially disrupt or interfere with the ability of a student to study in a University library;

- (f) violate a federal, state, or local law, rule, regulation, or ordinance;
 - (g) violate University rules, policies, or procedures;
 - (h) engage in speech that is obscene; is defamatory; consists of fighting words; communicates an objectively serious expression of intent to commit an act of unlawful violence to a particular individual or group; or is directed to inciting or producing imminent lawless action and is likely to incite or produce such action;
 - (i) engage in camping in violation of Tennessee law, the Equal Access to Public Property Act of 2012, unless the area on which camping occurs has been specifically designated by the University as available for camping;
 - (j) unreasonably threaten the health or safety of another person; or
 - (k) damage or deface University property, including, but not limited to, grass, shrubs, trees, or other landscaping.
- (3) Nothing in Section .03(2) shall be construed to prohibit a use of University property that has been expressly authorized by the University (e.g., a construction project that temporarily interferes with the use of a street);

1720-01-02-.04 USE OF UNIVERSITY PROPERTY FOR FREE EXPRESSION ACTIVITIES.

Chapter 1720-01-12 (Use of University Property by Non-Affiliated Persons for Free Expression Activities) governs the use of University property for free expression activities by persons who are not affiliated with the University. To the extent of any conflict between this Chapter and Chapter 1720-01-12, Chapter 1720-01-12 shall control.

1720-01-02-.05 NO-TRESPASS NOTICES.

- (1) A No-Trespass Notice (“Notice”) is a written directive requiring a person non-affiliated person to leave and/or not enter all or part of University property.
- ~~(2) The following persons are authorized to issue a Notice:~~
 - ~~(a) The President of the University;~~
 - ~~(b) The chief executive officer of a University campus or institute (e.g., Chancellor);~~
 - ~~(c) The chief academic officer of a University campus or institute;~~
 - ~~(d) The chief business officer of a University campus or institute;~~
 - ~~(e) The chief human resources officer of a University campus or institute;~~
 - ~~(f) The chief student affairs officer of a University campus or institute; and~~
 - ~~(g) Sworn law enforcement officers employed by the University.~~

~~(3)~~(2) A ~~sworn law enforcement officer employed by the University~~ University official authorized under Section .05(2) may issue a Notice to a non-affiliated person:

- (a) ~~a person~~ who is not authorized to use University property under Section .03(1), and who has refused to leave University property, or a specified part of University property, within a reasonable time after the person has received an oral request to leave by a University official;
- (b) ~~a person~~ who has engaged in a use of University property that is prohibited by Section .03(2), and who has refused to cease the prohibited conduct within a reasonable time after receiving an oral request to do so from a University official;
- (c) ~~a person~~ who, in the good faith judgment of the ~~University official~~ law enforcement officer issuing the Notice, poses an unreasonable threat to the health, safety, or welfare of a person(s) affiliated with the University while on University property; or
- (d) ~~a person~~ who, in the good faith judgment of the ~~University official~~ law enforcement officer issuing the Notice, has engaged in conduct that substantially disrupts or interferes with University operations, events, or activities, or is likely to cause such a disruption or interference;
- ~~(e) a University student who has been suspended or expelled from the University in accordance with the University's student conduct rules, policies, or procedures, and the suspension or expulsion has not been lifted;~~
- ~~(f) a University employee who, in accordance with the University's employment policies and procedures, has been temporarily suspended, has been placed on administrative leave, or whose employment is being terminated; or~~
- ~~(g) a person who is a former employee or volunteer whose employment or volunteer status was terminated by the University for misconduct in accordance with University rules, policies, or procedures, or who resigned in lieu of termination.~~

~~(4)~~(3) A Notice must specify: the reason for the Notice; the geographical scope of the restriction; the duration of the restriction, which may be for an indefinite period; the potential consequences of a violation of the Notice; and the process for appealing the issuance of the Notice. The scope and duration of the restriction imposed must be proportional to the underlying misconduct. In appropriate circumstances, with respect to conduct on University property, a Notice also may prohibit a non-affiliated person from contacting or being within a certain distance from a person affiliated with the University.

~~(5)~~(4) Appeals

- (a) A non-affiliated person to whom a Notice has been issued may appeal the decision to the chief of police for the University's campus/institute ~~University official who issued the Notice.~~

- (b) A non-affiliated person must submit the appeal in writing. The written appeal must be received by the ~~University official who issued the Notice~~chief of police within twenty (20) calendar days of the date on which the Notice was provided to the non-affiliated person. A Notice mailed (or e-mailed) to a non-affiliated person shall be deemed to have been provided on the date on which it was mailed (or e-mailed). The written appeal should include the person's reason for being on University property, the person's future need to be on University property, and any other information the person wishes the University official who issued the Notice to consider.
- (c) Upon receipt of a written appeal, the ~~University official who issued the Notice~~chief of police will consult as needed with other University officials to verify the non-affiliated person's need for access to University property, to gather additional information or advice, or to review the impact that granting the appeal may have on persons affiliated with the University.
- (d) Within twenty (20) calendar days of the receipt of an appeal submitted in accordance with this Chapter, the ~~University official who issued the Notice~~chief of police will sustain, rescind or modify the Notice in a written decision that will be mailed to the address provided by the non-affiliated person. The decision of the ~~University official who issued the Notice~~chief of police is final and not appealable within the University.
- ~~(e)~~ The restrictions set forth in the Notice will remain in effect while an appeal of the Notice is pending.
- ~~(f)~~ If the chief of police issued the Notice, then the non-affiliated person may appeal to the supervisor of the chief of police following the procedures set forth in Section .05(4)(a)-(d).
- ~~(e)~~ Other University rules, policies and procedures, rather than this Section .05(5), shall govern appeals filed by University students or employees.
- ~~(6)~~(5) The ~~University employee who issued a Notice~~law enforcement officer who issued the notice (or, if the Notice is appealed, the chief of police) may rescind or modify the Notice at any time. Notification of any such rescission or modification shall be provided to the person to whom the Notice was issued.
- ~~(7)~~(6) The issuance of a Notice for conduct relating to free expression activities shall be consistent with Chapter 1720-01-12 (Use of University Property by Non-Affiliated Persons for Free Expression Activities).
- ~~(8)~~(7) Failure to comply with a Notice may result in issuance of a citation or an arrest for trespassing pursuant to applicable state criminal trespass statutes or local ordinances. Nothing in this Section .05 shall limit or be construed to limit the exercise of the statutory authority of sworn law enforcement officers of a campus police department to arrest in accordance with the laws of this state or local ordinances. Nor shall anything in this

Section .05 limit or be construed to limit the authority of sworn law enforcement officers of a campus police department to issue an oral request instructing a person to leave and/or not enter all or part of University property.

~~(9) — Nothing in this Section .05 shall limit or be construed to limit the ability of a University official to issue a lawful directive to an employee whom he/she supervises not to enter certain parts of University property.~~

~~(10)~~(8) For purposes of this Section .05, the term “non-affiliated person” means any person who is not a University student, student organization, employee, or volunteer.

1720-01-02-.06 USE OF UNMANNED AIRCRAFT.

- (1) The purpose of the restrictions in this Section .06 is to ensure the safe and orderly use of unmanned aircraft on, at, inside, or above University property.
- (2) For purposes of this Section .06, the term “unmanned aircraft” means a device that is used or is intended to be used for flight in the air without an individual in or on the device (e.g., drone, model aircraft).
- (3) Unmanned aircraft shall not be used:
 - (a) By a person who is not authorized to use University property under Chapter 1720-01-03.01;
 - (b) At a time, in a place, or in a manner prohibited under Chapter 1720-01-03-.02;
 - (c) Inside University buildings or facilities;
 - (d) On or above University-owned streets or University-owned sidewalks;
 - (e) Above a human being who is either not directly participating in the operation of the unmanned aircraft or not located under a covered structure that can provide reasonable protection from a falling unmanned aircraft;
 - (f) On or above a University campus within four hours prior to the scheduled kickoff time of an intercollegiate football game on that campus, during the game, or within two hours after the conclusion of the game;
 - (g) Outside the hours of official sunrise and sunset; or
 - (h) In a manner that violates federal or state law, including, without limitation, regulations issued by the Federal Aviation Administration.
- (4) This Section .06 does not apply to unmanned aircraft used by a University unit, including faculty conducting research using unmanned aircraft, or a person or entity with whom the University has contracted to operate an unmanned aircraft; provided, however, that

unmanned aircraft shall be used in accordance with federal and state law, including, without limitation, regulations issued by the Federal Aviation Administration.

THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

ACTION ITEM

DATE: October 9, 2015

COMMITTEE: Academic Affairs and Student Success

CAMPUS/INSTITUTE: UT Knoxville

ITEM: **Proposed Student Code of Conduct for UT Knoxville**

RECOMMENDATION: Approval

PRESENTED BY: Vince Carilli, Vice Chancellor for Student Life, UT Knoxville

9

In 2013, UT Knoxville (UTK) initiated a comprehensive review of the Office of Student Judicial Affairs, the unit directly responsible for investigating and resolving issues concerning student conduct. The purpose of the review was to offer recommendations that would model best practices within the field of student conduct administration. The review team consisted of two external reviewers and three internal reviewers. The review team met with UTK faculty, staff, and students over the course of three days in July 2013. In August 2013, the review team presented UTK with a report containing findings and recommendations.

As a result of the review team's findings and recommendations, UTK has implemented a number of changes to its student conduct administration over the past two years. UTK changed the name of the student conduct office to "Office of Student Conduct and Community Standards" (OSC), and the office adopted a new philosophy, a new mission statement, and new learning outcomes.

UTK now proposes a new Student Code of Conduct, which addresses other recommendations of the review team. Key aspects of the new Student Code of Conduct include:

1. The new student conduct process will be less adversarial and legalistic and more developmental and educational (e.g., UTK will no longer have law students serve as mock prosecutors and defense attorneys in a hearing that mimics a legal trial).

2. The University's discretion to address off-campus conduct is limited to certain circumstances. (Section 2.1)
3. Students have the right to be assisted by an advisor during all stages of the student conduct process. (Section 5.3)
4. OSC will conduct an Educational Conference with the student alleged to have committed misconduct (Respondent). During the Educational Conference, the Respondent will learn about the allegations and have the opportunity to respond to the allegations and ask questions about the allegations, possible sanctions, and the student conduct process. OSC will not determine sanctions before the Educational Conference. (Section 6.5)
5. OSC may propose alternative resolution, such as mediation, to resolve misconduct issues. (Section 7.3)
6. UTK re-evaluated the purposes, goals, effectiveness, and efficiency of the various student conduct boards, including the Greek Judicial Board. The new student conduct process includes a single student conduct board, which is composed of students, faculty, and staff (rather than only students). This change was made to allow the University community (students, faculty, and staff) to be involved in educating students and promoting institutional values.
7. The sanction of indefinite suspension has been eliminated and replaced with the sanction of deferred suspension. (Section 9.2.3) Developmental (educational) sanctioning options have been added. (Section 9.3)
8. The process for appealing a decision of the student conduct board has been simplified. Also, the elimination of the Student Life Council as an appellate body makes the appellate process less intimidating.
9. A new Good Samaritan/Amnesty policy encourages students to alert appropriate officials in the event of a health or safety emergency (e.g., situation involving the abuse of alcohol or other drugs).
10. The new Code adds a policy on the retention and expungement of student disciplinary records. After a student is no longer enrolled, OSC will disclose a student's disciplinary records to persons outside of OSC only if one of the following sanctions was imposed on the student while the student was enrolled: suspension; expulsion; withholding of degree; or revocation of degree. (Section 13.3) OSC will expunge the disciplinary records of a student

seven (7) years after the student's graduation or last date of enrollment if the student did not receive a sanction of suspension or greater. (Section 13.4)

UTK's Division of Student Life has consulted with students and faculty regarding the proposed revisions to the student conduct rules.

The proposed UTK Student Code of Conduct, a summary of the benefits of the proposed Code, and a flowchart summarizing the proposed student conduct process, appear in the following pages.

The proposed UTK Student Code of Conduct must be promulgated under the Uniform Administrative Procedures Act (UAPA), which includes a roll call vote in the full Board meeting. Upon adoption by the Board, the UTK Student Code of Conduct will be submitted to the Attorney General for approval and, if approved, filed with the Secretary of State and published for the statutorily required period prior to becoming effective.

RESOLVED:

That the Board of Trustees adopt the proposed Student Code of Conduct for The University of Tennessee, Knoxville as Chapter 1720-04-03 of the Rules of The University of Tennessee, superseding the current Chapter 1720-04-03 after completion of the rulemaking procedures under the Uniform Administrative Procedures Act.

Benefits of the Proposed UT - Knoxville Student Code of Conduct:

Expands

Educational sanctions to include more programs and classes.

Support to students through faculty and staff trained to advise students on the conduct process.

Adds

Educational and developmental opportunities and less punitive sanctions.

Clear guidance and information about the student conduct process and the steps involved.

Educational conferences to help students understand the process, share their perspective, and provide additional information.

Good Samaritan/Amnesty policies to encourage students to seek medical assistance for themselves or others without the fear of being sanctioned.

Alternative resolution processes including mediation and facilitated dialogue.

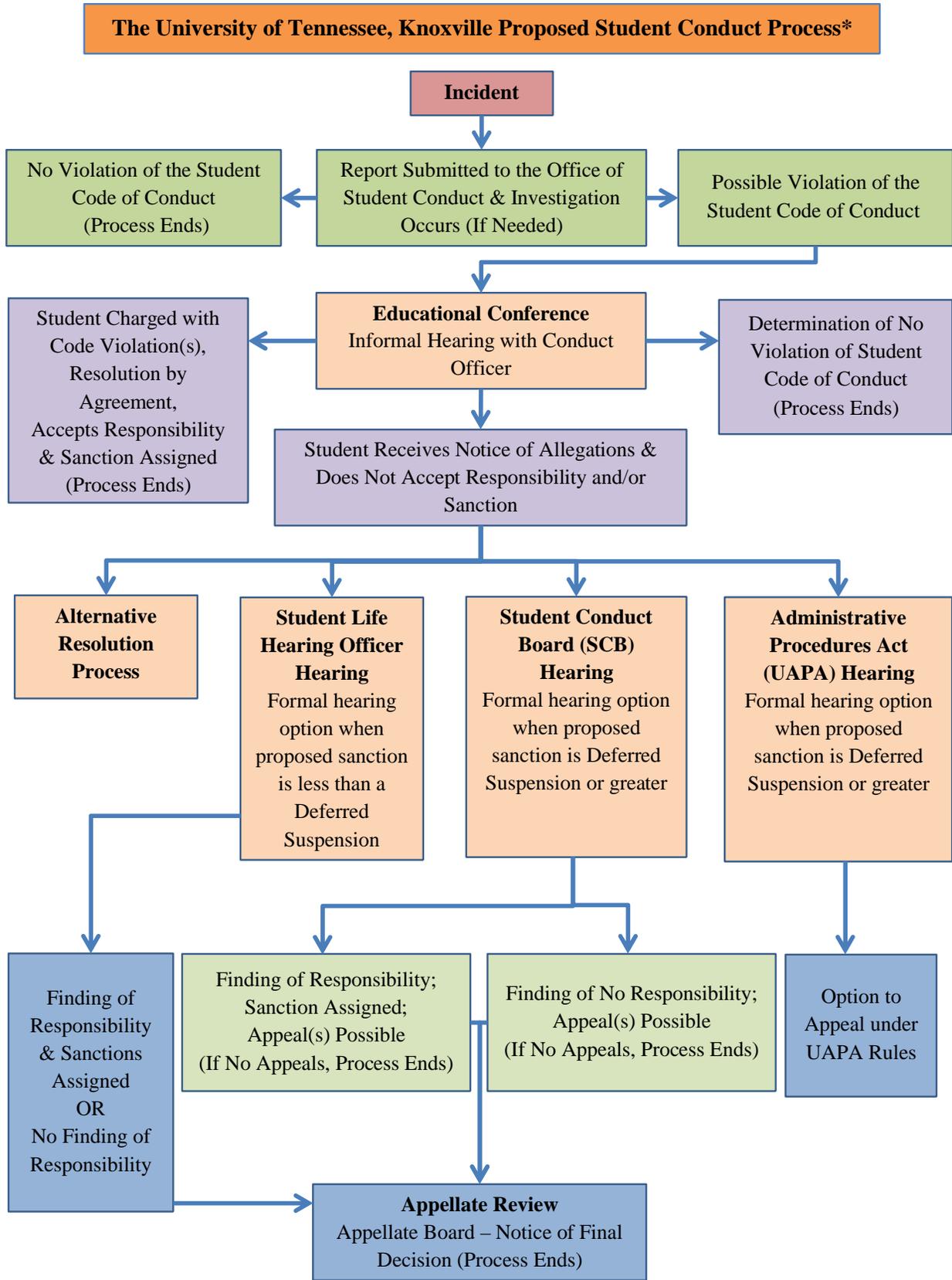
Record retention policies, expunges select conduct records after matriculation ends, which restrict records from being reported post-graduation (to graduate schools and employers) unless the sanction was suspension or greater.

One uniform board to hear all matters, replacing multiple hearing boards.

Removes

Indefinite Suspension which is an intimidating and uncertain sanction.

Excessive delays by eliminating the Student Life Council as an appellate option.



*The terms “student” and “student organization” are used interchangeably

Proposed Student

CODE OF CONDUCT



THE UNIVERSITY OF
TENNESSEE
KNOXVILLE

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PROPOSED STUDENT CODE OF CONDUCT

I. PREAMBLE

Students at the University of Tennessee are members of both the University community and the larger community of which the University is a part. Accordingly, students are responsible for conducting themselves in a lawful manner as well as in compliance with University rules and policies. In addition, the University has developed a set of aspirational goals titled, Principles of Civility and Community, which encourages all members of the University community to foster a learning environment where diversity is valued, respected, and celebrated.

The University has established the Student Code of Conduct (“Code”) in order to advance the mission of the University and sustain a culture of excellence by: maintaining a safe learning environment; requiring students to conduct themselves in ways that allow for their personal growth and development as well as others, in the most positive manner possible; protecting the rights and privileges of all members of the University community; providing a basis for orderly conduct of the affairs of the University; promoting a positive relationship between the University and its surrounding community; preserving the University’s reputation and property; encouraging students to engage in conduct that brings credit to themselves and the University; and ensuring that each student who matriculates at the University graduates ready to contribute to society as an ethical and law-abiding citizen.

The University’s behavioral standards are set forth in the Code’s Standards of Conduct (Article IV). Students who engage in conduct that is inconsistent with the Standards of Conduct are subject to University disciplinary action. The process by which the University investigates and resolves potential violations of the Standards of Conduct is called the student conduct process. The student conduct process resolves allegations of misconduct but also is an educational process designed to promote learning and development as it relates to appropriate decision making. The student conduct process is consistent, fair, and provides means of resolution that are commensurate with the skills and abilities of the participants in the process.

The effectiveness of the student conduct process rests partially upon the participation of all members of the University community. Active participation in the process by students, faculty, and staff reflects a willingness to address the difficult issues brought before them for the betterment of individual students and the University community. This involvement is vital to the establishment of true community standards.

Authority and responsibility relating to the Code have been delegated to the Vice Chancellor for Student Life, who has delegated certain authority and responsibility to the Office of Student Conduct and Community Standards (“OSC”).

The University is committed to respecting students’ constitutional rights. The Code shall be interpreted in a way that does not violate students’ constitutional rights.

Students are responsible for being fully acquainted with and for complying with the Code, the applicable undergraduate or graduate catalog, the student handbook (Hilltopics), and other rules and policies relating to students.

II. JURISDICTION

SECTION 2.1 GEOGRAPHICAL LIMITS. The Code applies to conduct that occurs on University-controlled property. With respect to conduct that occurs off of University-controlled property, the University has the discretion to discipline a student for conduct that violates the Standards of Conduct if the student’s conduct: (1) occurs in connection with a University-affiliated activity, including, but not limited to, a clinical, field, internship, or in-service experience, or an overseas study program; (2) violates Section 4.1 (i.e., consists of academic dishonesty); (3) is prohibited by local, state, or federal law, and the conduct was committed within the Knoxville Area (or, for UT Space Institute students, the conduct was committed within Coffee County or Franklin County); (4) occurs in connection with a student organization’s event; (5) involves another member of the University community; or (6) threatens, or indicates that the student poses a threat to, the health

or safety of him/herself or others or the security of any person's property, including, but not limited to, drug-related offenses, arson, battery, fraud, hazing, participation in group violence, rape, sexual misconduct, relationship violence, stalking, and theft.

SECTION 2.2 PROFESSIONAL AND ETHICAL STANDARDS. Graduate or professional programs within the University may take separate and independent academic action against students for alleged violations of professional and/or ethical standards using procedures other than those contained in the Code.

SECTION 2.3 RESPONSIBILITY FOR CONDUCT. Each student is responsible for his/her conduct from the date of application for admission to the University through the date the University awards the student a degree, even if the conduct occurs before classes begin or after classes end, during the academic year, during periods between terms of actual enrollment, and/or is not discovered by the University until after a degree is awarded.

SECTION 2.4 STUDENT ORGANIZATIONS' RESPONSIBILITY FOR VIOLATIONS OF THE STANDARDS OF CONDUCT. Notwithstanding anything in the Code to the contrary, a student organization may be found responsible for a violation(s) of the Standards of Conduct based on the totality of the circumstances relating to the misconduct. This section is not intended to hold a student organization responsible for isolated violations of the Standards of Conduct by individual members of the student organization. The following criteria will be considered when determining whether a student organization will be charged with a violation(s) of the Standards of Conduct (i.e., misconduct):

(1) The misconduct was endorsed by one (1) or more officers of the student organization ("endorsed by" means: having prior knowledge that the misconduct was reasonably likely to occur and failing to take reasonable preventative or corrective action; failing to attempt to stop known misconduct while it is occurring; and/or helping to plan, promote, or carry out the misconduct);

(2) The misconduct occurred in connection with an activity:

(a) financed by the student organization and/or one (1) or more members or alumni of the student organization who contributed personal funds in lieu of organizational funds;

(b) related to initiation into, admission into, affiliation with, or as a condition for continued membership in the student organization; and/or

(c) advertised, promoted, or publicized in such a way

that a reasonable student viewing or hearing the advertisement, promotion, or publication would believe that the activity was affiliated with the student organization.

(3) The misconduct occurred on property owned, controlled, rented, leased, and/or used by the student organization and/or any of its members/alumni acting on the student organization's behalf; and/or

(4) A member of the student organization attempted to conceal the activity connected with the misconduct or conceal the misconduct of another member of the student organization.

III. RELATIONSHIP BETWEEN THE CODE AND CRIMINAL LAW

SECTION 3.1 INDEPENDENT ACTION. The Code has been adopted in furtherance of the University's interests and serves to supplement, rather than substitute for, the enforcement of civil and criminal law. Accordingly, University disciplinary action may be instituted against a student charged with conduct that potentially violates both criminal law and the Standards of Conduct without regard to the pending status of criminal charges or civil litigation. At the discretion of the Director of OSC, disciplinary action relating to a violation of the Standards of Conduct may be carried out prior to, simultaneously with, or following criminal proceedings. Students alleged to have violated the Standards of Conduct may not challenge any aspect of the University's student conduct process on the grounds that criminal charges, civil litigation, or other University proceedings regarding the same incident are pending or have been terminated, dismissed, reduced, or have not yet been adjudicated.

SECTION 3.2 UNIVERSITY'S INTERACTION WITH OTHER ENTITIES. The University will cooperate with law enforcement and other agencies in the enforcement of criminal law on University-controlled property and in the conditions imposed by criminal courts for the rehabilitation of students who have violated the criminal law.

SECTION 3.3 WITHDRAWALS. If a Respondent voluntarily withdraws from the University before the conclusion of the student conduct process, OSC retains the right to investigate and resolve the allegations made against the Respondent prior to the Respondent re-enrolling in the University. A disciplinary hold may remain in place or be implemented after the student withdraws in order to enforce this Section 3.3.

SECTION 3.4 TIME EXTENSIONS AND RESCHEDULING. Any time period described in the Code may be extended for good cause at the discretion of the Director of OSC. Any meeting or hearing described in

the Code may be rescheduled for good cause at the discretion of the Director of OSC.

SECTION 3.5 VOLUNTARY IMPAIRMENT. A student's voluntary impairment to themselves resulting from the use and/or consumption of alcohol, drugs, chemicals, and/or other substances does not excuse or diminish a violation of the Code, except as provided in Article XI (Policy on Amnesty for Good Samaritans and Students in Need of Emergency Medical Attention).

SECTION 3.6 OTHER RIGHTS – SEXUAL MISCONDUCT, RELATIONSHIP VIOLENCE, OR STALKING. In addition to rights granted in the Code, in cases involving an allegation of sexual misconduct, relationship violence, or stalking, the Complainant and the Respondent shall have the rights outlined in the University's policies and procedures for investigating and resolving complaints of sexual misconduct, relationship violence, or stalking in accordance with Title IX of the Education Amendments of 1972, the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act, and other applicable law.

IV. STANDARDS OF CONDUCT

Students are prohibited from engaging in the following types of misconduct:

SECTION 4.1 ACADEMIC DISHONESTY. Cheating, plagiarism, or any other act of academic dishonesty, including, but not limited to, an act in violation of the Honor Statement.

SECTION 4.2 FALSE INFORMATION. Providing false information to a University official.

SECTION 4.3 MISUSE OF INFORMATION IN CONNECTION WITH UNIVERSITY INVESTIGATION OR HEARING. Falsifying, distorting, misrepresenting, or withholding information in connection with a University investigation or hearing, except as provided in Section 5.1(9).

SECTION 4.4 MISCONDUCT RELATING TO RECORDS OR IDENTIFICATION. Forging, altering, destroying, falsifying, or misusing records or identification, whether in print or electronic form.

SECTION 4.5 HARM TO OTHERS. Causing physical harm to any person (including oneself); endangering the health or safety of any person (including oneself); engaging in conduct that causes a reasonable person to fear harm to his/her health or safety; or making an oral or written statement that an objectively reasonable person hearing or reading the statement would interpret as a serious expression of an intent to commit an act of unlawful

violence to a particular individual or group of individuals. **SECTION 4.6 HARASSMENT.** Unwelcome conduct that is so severe or pervasive, and objectively offensive, that it substantially interferes with the ability of a person to work, learn, live, or participate in or benefit from the services, activities, or privileges provided by the University. In no event shall this rule be construed to discipline a student for speech protected by the First Amendment to the United States Constitution (e.g., mere insulting or offensive speech).

SECTION 4.7 SEXUAL MISCONDUCT, RELATIONSHIP VIOLENCE, AND/OR STALKING. Sexual misconduct, relationship violence, and/or stalking.

SECTION 4.8 INVASION OF PRIVACY. Invasion of another person's privacy when that person has a reasonable expectation of privacy, including, but not limited to, using electronic or other means to make a video or photographic record of any person in a location in which the person has a reasonable expectation of privacy, without the person's knowledge or consent. This includes, but is not limited to, making a video or photographic record of a person in shower/locker rooms or restrooms. The storing, sharing, and/or distributing of such nonconsensual recordings by any means is also prohibited.

SECTION 4.9 PRIVATE OR PUBLIC PROPERTY. Any of the following conduct with respect to private or public property, including, but not limited to, University-controlled property: theft; misappropriation; unauthorized possession, use, sale, duplication, or entry; vandalism; destruction; damage; or conduct that is reasonably likely to cause damage.

SECTION 4.10 HAZING. Any intentional or reckless act, on or off University-controlled property, by one (1) student, acting alone or with others, which is directed against any other student, which endangers the mental or physical health or safety of that student, or which induces or coerces a student to endanger his or her mental or physical health or safety. "Hazing" does not include customary athletic events or similar contests or competitions and is limited to those actions taken and situations created in connection with initiation into or affiliation with any organization.

SECTION 4.11 DISORDERLY CONDUCT. Fighting or other physically violent or physically threatening conduct; creating a hazardous or physically offensive condition by any act that serves no legitimate purpose; making noise that could unreasonably disturb others who are carrying on lawful activities; or conduct that breaches the peace.

SECTION 4.12 LEWD, INDECENT, OR OBSCENE CONDUCT. Engaging in lewd, indecent, or obscene conduct, including, without limitation, public exposure

of one's sexual organs, public urinating, and public sexual acts.

SECTION 4.13 IMMINENT LAWLESS ACTION.

Engaging in speech either orally or in writing that is directed to inciting or producing imminent lawless action and is likely to incite or produce such action.

SECTION 4.14 FIRE SAFETY. Any act of arson; falsely reporting a fire, the presence of an explosive or incendiary device, or other emergency; setting off a false fire alarm; or tampering with, removing, or damaging fire alarms, fire extinguishers or any other safety or emergency equipment from its proper location except when removed in a situation in which there is a reasonable belief of the need for such equipment.

SECTION 4.15 UNIVERSITY KEYS, ACCESS CARDS, AND IDENTIFICATION. Possessing, using, or duplicating University keys, University access cards, or University identification cards without authorization from the University.

SECTION 4.16 INFORMATION TECHNOLOGY. Theft, misuse, or unauthorized use of information technology facilities, resources, or access codes, including, but not limited to: unauthorized entry into or transfer of a file; using another person's identification and/or password without that person's consent; using information technology facilities or resources to interfere with the work of another student, faculty member, staff member, or other member of the University community; using information technology facilities or resources to interfere with normal operation of a University information technology system or network; circumventing University information technology system or network security; using information technology facilities or resources in violation of copyright laws; falsifying an e-mail header; and conduct that violates the University's policy on the acceptable use of information technology resources.

SECTION 4.17 WEAPONS. Possessing, using, storing, or manufacturing any weapon on University-controlled property or in connection with a University-affiliated activity, unless authorized in writing by the Chief of Police or his/her designee.

SECTION 4.18 ALCOHOL-RELATED CONDUCT – UNIVERSITY PROPERTY OR UNIVERSITY ACTIVITIES. Consuming, manufacturing, possessing, distributing, dispensing, selling, or being under the influence of alcoholic beverages on University-controlled property or in connection with a University-affiliated activity.

SECTION 4.19 ALCOHOL-RELATED CONDUCT PROHIBITED BY LAW. Consuming, manufacturing, possessing, distributing, dispensing, selling, or being

under the influence of alcoholic beverages, if prohibited by federal, state, or local law.

SECTION 4.20 PROVIDING ALCOHOL TO UNDERAGE PERSON. Providing an alcoholic beverage to a person younger than twenty-one (21) years of age, unless permitted by law.

SECTION 4.21 DRUGS AND DRUG PARAPHERNALIA. Using, manufacturing, possessing, distributing, selling, dispensing, or being under the influence of drugs, if prohibited by federal, state, or local law; using, manufacturing, possessing, distributing, or selling drug paraphernalia, if prohibited by federal, state, or local law; using or possessing a prescription drug if the prescription was not issued to the student; or distributing or selling a prescription drug to a person to whom the prescription was not originally issued.

SECTION 4.22 FAILURE TO FULFILL A UNIVERSITY FINANCIAL OBLIGATION. Failing to timely fulfill a University bill, account, or other financial obligation owed to the University.

SECTION 4.23 FAILURE TO RESPOND, COMPLY, OR IDENTIFY. Failing to respond to a request to report to a University administrative office; failing to comply with a lawful directive of a University employee or other public official acting within the scope of his/her duties; or failing to identify oneself to a University employee or other public official acting within the scope of his/her duties when requested to do so.

SECTION 4.24 FAILURE TO APPEAR. Failing to appear at a University hearing, including, but not limited to, a hearing of a University conduct board, following a request to appear either as a party or as a witness.

SECTION 4.25 VIOLATION OF INTERIM SUSPENSION, NO-CONTACT DIRECTIVE, OR SANCTION. Violating the terms of an interim suspension, a no-contact directive, or a disciplinary sanction imposed by the University.

SECTION 4.26 OBSTRUCTION OR DISRUPTION OF UNIVERSITY ACTIVITY. Obstructing or disrupting teaching, learning, studying, research, public service, administration, disciplinary proceedings, emergency services, or any other University-affiliated activity, or the free flow of pedestrian or vehicular traffic on University-controlled property. In no event shall this rule be construed to discipline a student for speech protected by the First Amendment to the United States Constitution.

SECTION 4.27 VIOLATION OF UNIVERSITY POLICY OR RULE. Violating a University policy or rule, including, but not limited to, University policies or

rules relating to facilities use, smoking, the acceptable use of information technology resources, research or service misconduct, finder's fees relating to clinical investigations involving human subjects or access to University data or materials, University libraries, dining services, parking or transportation, University identification card use, sexual harassment, residence halls, and registered student organizations.

SECTION 4.28 ACT PROHIBITED BY LAW.

Committing an act that is prohibited by local, state, or federal law.

SECTION 4.29 ATTEMPTED VIOLATION; ACCESSORY TO VIOLATION. Attempting to commit a violation of a Standard of Conduct or being an accessory to the commission of an act or attempted act in violation of a Standard of Conduct.

SECTION 4.30 RETALIATION. Engaging in retaliation.

V. FUNDAMENTAL RIGHTS

SECTION 5.1 RIGHTS OF THE RESPONDENT.

The following summarizes the rights granted to a Respondent in the student conduct process:

- (1) Right to be assisted by an Advisor during any and all stages of the student conduct process, in accordance with Section 5.3;
- (2) Right to an opportunity for an Educational Conference, in accordance with Section 6.5;
- (3) Right to resolve allegations of misconduct and/or sanctions through a Formal Hearing, in accordance with Section 7.2;
- (4) Right to receive notice of meetings and hearings at which the Respondent may be present and receive access to records used during those meetings and hearings;
- (5) Right to the presumption of innocence (i.e., the Conduct Officer bears the burden of presenting information demonstrating that it is more likely than not that the Respondent violated the Standards of Conduct, as alleged in the Notice of Allegations);
- (6) Right to not be directly questioned by anyone other than the Chairperson in a hearing before a Student Life Hearing Officer or the Student Conduct Board ("SCB");
- (7) Right to challenge the fairness and/or impartiality of a Student Life Hearing Officer, a member of the SCB, or a member of the Appellate Board;

(8) Right to have a SCB Hearing conducted in accordance with Article VII, including, without limitation, the right to present information to the SCB, the right to propose questions for the Chairperson to ask witnesses, the right to request that information be excluded from the SCB's consideration, and the right to make a closing statement;

(9) Right to refrain from presenting information and witnesses during a hearing before the Student Life Hearing Officer or the SCB, and the right to not have the Student Life Hearing Officer or SCB draw an inference adverse to the Respondent if the Respondent chooses not to present information or witnesses;

(10) Right to Notice of Decision of the SCB, in accordance with Section 8.5;

(11) Right to appeal the decisions of the SCB that are contained in the Notice of Decision, in accordance with Section 8.6;

(12) Right to receive a copy of a notice of an initial, interim, or final decision, or a change in such a decision, issued by the Vice Chancellor for Student Life, OSC, a Student Life Hearing Officer, the SCB, and/or the Appellate Board (e.g., Notice of Allegations, Notice of Decision, Notice of Final Decision), simultaneously with the Complainant's receipt of a copy of the notice of the decision; and

(13) Right to appeal a decision issued by OSC, a Student Life Hearing Officer, the SCB, and/or the Appellate Board, and receive a notice containing information about the right to appeal simultaneously with the Complainant's receipt of a notice of such information.

SECTION 5.2 RIGHTS OF THE COMPLAINANT.

A Complainant shall be granted equivalent rights to the rights granted to a Respondent under the Code to:

- (1) Right to meet with OSC to ask questions and receive information about the student conduct process, including, without limitation, the status of an investigation;
- (2) Right to receive notice of meetings and hearings at which the Complainant may be present and receive access to records used during those meetings and hearings;
- (3) Right to be assisted by an Advisor during any and all stages of the student conduct process, in accordance with Section 5.3;
- (4) Right to present information and witnesses during meetings and hearings, including, without limitation, investigations, or hearings before a Student Life Hearing Officer, and SCB Hearings;

- (5) Right to not be directly questioned by anyone other than the Chairperson in a hearing before a Student Life Hearing Officer or the SCB;
- (6) Right to challenge the fairness and/or impartiality of a Student Life Hearing Officer, a member of the SCB, or a member of the Appellate Board;
- (7) Right to receive a copy of a notice of an initial, interim, or final decision, or a change in such a decision, issued by the Vice Chancellor for Student Life, OSC, a Student Life Hearing Officer, the SCB, and/or the Appellate Board (e.g., Notice of Allegations, Notice of Decision, Notice of Final Decision), simultaneously with the Respondent's receipt of a copy of the notice of the decision;
- (8) Right to appeal a decision issued by OSC, a Student Life Hearing Officer, the SCB, and/or the Appellate Board, and receive a notice containing information about the right to appeal simultaneously with the Respondent's receipt of a notice of such information; and/or
- (9) Right to otherwise participate in the student conduct process.

Notwithstanding any provision of the Code to the contrary, including, without limitation, this Section 5.2, a Complainant shall not have the right to attend a meeting or hearing, receive information concerning, or otherwise participate in the student conduct process if such attendance, receipt of information, or participation would violate state or federal law.

SECTION 5.3 RIGHT TO AN ADVISOR. The Complainant and the Respondent may choose to be assisted by one (1) Advisor during any and all stages of the student conduct process.

Section 5.3.1 Selection of an Advisor. OSC encourages a Complainant or a Respondent who chooses to be assisted by an Advisor to consider selecting a University employee who has received training from OSC about the student conduct process. The Complainant and the Respondent may obtain the names of trained advisors from OSC. At their own expense, the Complainant and the Respondent may choose a person who is not employed by the University to serve as an Advisor (e.g., friend, attorney). The Complainant and the Respondent should select as an Advisor a person whose schedule allows attendance at the scheduled date, time, and place for meetings and hearings scheduled by OSC because meeting and hearing delays generally will not be granted due to the scheduling conflicts of an Advisor.

Section 5.3.2 Role of an Advisor. The role of an Advisor is limited to assisting and/or supporting a

Complainant or Respondent during the student conduct process. An Advisor is not permitted to speak for or on behalf of a Complainant or Respondent, appear in lieu of a Complainant or Respondent, participate as a witness, or participate directly in any other manner during any phase of the student conduct process, including without limitation, a SCB Hearing. However, in a UAPA Hearing, the Complainant and the Respondent are entitled to have an attorney advocate on their behalf.

VI. STUDENT CONDUCT PROCESS: INITIAL STAGES

SECTION 6.1 RECEIPT AND REVIEW OF ALLEGATIONS OF MISCONDUCT.

OSC may initiate the student conduct process on the basis of written allegations received from any source, including, without limitation, a student, faculty member, a University housing employee, or a law enforcement agency. OSC also may initiate the student conduct process in the absence of written allegations if OSC becomes aware, through other means, of potential misconduct committed by a student. Upon receipt of written allegations or other information concerning potential student misconduct, OSC will review the information and determine whether to initiate the student conduct process. OSC's determination of whether to initiate the student conduct process generally will be based on: the preliminary investigation by OSC or other University official(s), if any, into the allegations received by OSC; OSC's determination of whether the alleged conduct falls within the jurisdiction of the Code; and OSC's determination of whether the alleged conduct, if true, violated the Standards of Conduct.

SECTION 6.2 INVESTIGATION OF ALLEGATIONS OF MISCONDUCT. OSC may investigate the allegations against the Respondent by interviewing witnesses and obtaining other information. OSC is not obligated to interview a witness identified by the Respondent or the Complainant if OSC believes the witness is not likely to possess relevant information or is not likely to lead OSC to the discovery of relevant information. OSC may re-interview the Complainant, the Respondent, and/or any other person at any time during the investigation in order to obtain additional and/or clarifying information. Investigations conducted by OSC will be prompt, thorough, and equitable. In conducting an investigation, OSC acts as a fair and impartial party rather than a representative of the person, office, unit, organization, or entity that submitted the allegations to OSC. Parts of OSC's investigation may occur before, during, and/or after the Educational Conference (Section 6.5) and/or any other part of the student conduct process. At the conclusion of its investigation, OSC may prepare a written report of the findings of the investiga-

tion. The report may include an assessment of the credibility of persons interviewed during the investigation and an assessment of whether it is more likely than not that the Respondent violated the Standards of Conduct.

SECTION 6.3 FAIRNESS AND IMPARTIALITY.

A University employee shall not act on behalf of OSC in the student conduct process in any case in which: (1) the employee is a Complainant or a witness; (2) the employee has a personal interest, prejudice, or bias; or (3) the employee determines, for any other reason, that he/she cannot be fair or impartial.

SECTION 6.4 INTERIM STUDENT CONDUCT MEASURES.

Section 6.4.1 No-Contact Directive. In cases involving allegations of assault, injury, sexual misconduct, relationship violence, stalking, or in other cases where there is reason to believe continued contact between a student and specific persons may interfere with those persons' security, safety or ability to participate effectively in work or studies, OSC may issue a written instruction to a student, called a no-contact directive, that prohibits a student from having verbal, physical, written, and/or electronic contact with specific other persons for a definite or indefinite period of time. A no-contact directive also may prohibit a student from being present on designated University-controlled property. Any student, faculty or staff member or other person with a reasonable justification may request that a no-contact directive be issued to a student.

Section 6.4.2 Disciplinary Hold. The Respondent's academic record (including the release of the Respondent's official or unofficial transcript), degree, ability to register for classes, and/or ability to re-enroll may be placed on disciplinary hold by OSC or by another appropriate University office at the request of OSC for the following reasons: (1) to require the Respondent to participate in the student conduct process (OSC will release the hold after the Respondent attends the Educational Conference but may reinitiate the hold in order to require the Respondent to participate in other parts of the student conduct process); or (2) to require the Respondent to satisfy the terms and conditions of disciplinary sanctions received (the hold shall be released after the terms and conditions have been satisfied). No diploma shall be given and no grades, academic credit, or degree shall be awarded to a student who has been placed on disciplinary hold.

Section 6.4.3 Coursework. Coursework performed during the student conduct process shall be considered conditional. Credit for such coursework may be affected, delayed, denied, and/or revoked based on a final finding of misconduct and/or a sanction imposed under the

Code. In addition, subject to the other provisions of the Code, a delay in the granting of a degree may be imposed and/or a degree that was awarded prior to a final decision under the Code may be revoked.

Section 6.4.4 Interim Suspension. When the Vice Chancellor for Student Life has reasonable cause to believe that a Respondent's continued presence on University-controlled property or at University-affiliated activities poses a significant risk of substantial harm to the health, safety, or welfare of others or to property or poses an ongoing threat to the disruption of, or interference with, the normal operations of the University, the Vice Chancellor for Student Life may impose an interim suspension prior to the conclusion of a full hearing on the alleged misconduct. An interim suspension shall be confirmed by notice to the Respondent that explains the basis for the interim suspension and shall remain in effect until the conclusion of the student conduct process, which should be completed without undue delay. Within three (3) days of the imposition of the suspension, the Respondent shall be offered an opportunity to appear personally before the Vice Chancellor for Student Life in order to discuss the following issues only: (i) the reliability of the information concerning the Respondent's conduct; and (ii) whether the conduct and surrounding circumstances reasonably indicate that the Respondent's continued presence on University-controlled property or at University-affiliated activities poses a significant risk of substantial harm to the health or safety of others or to property or poses an imminent threat of disruption of or interference with the normal operations of the University. During an interim suspension, the Respondent may, at the discretion of the Vice Chancellor for Student Life, be denied access to University-controlled property, including, without limitation, residence halls, and all other University-affiliated activities (including, without limitation, academic work) or privileges for which the Respondent might otherwise be eligible. A Respondent that receives an interim suspension and violates the terms of the interim suspension shall be subject to further disciplinary action and may be treated as a trespasser. Permission to be on University-controlled property or participate in University-affiliated activities may be granted by the Vice Chancellor for Student Life. When a student is placed on interim suspension, the Respondent may be assigned a grade of "W" or "I," whichever is deemed appropriate by the faculty member involved.

SECTION 6.5 EDUCATIONAL CONFERENCE.

Section 6.5.1 Scope of the Educational Conference. The Educational Conference is a meeting between OSC and the Respondent in which the following generally occurs:

(1) OSC orally informs the Respondent about the allega-

tions made against the Respondent and, if requested by the Respondent, provides the Respondent with a reasonable opportunity to review the written allegations, if any, received by OSC.

(2) OSC provides the Respondent with an opportunity to respond to the allegations, including, without limitation, an opportunity to present information to OSC concerning the allegations and identify witnesses whom the Respondent believes OSC should interview to obtain additional information.

(3) Both OSC and the Respondent may ask questions to each other and seek clarifying information about the allegations, the possible sanction(s), and the student conduct process.

(4) Based on information provided by the Respondent during the Educational Conference, OSC may continue its investigation in order to determine whether it is more likely than not that the Respondent violated the Standards of Conduct.

Section 6.5.2 Notice of Educational Conference.

A Notice of Educational Conference is a written notice through which OSC notifies the Respondent that OSC has received allegations that the Respondent has engaged in misconduct; instructs the Respondent to attend or schedule an Educational Conference; and provides the Respondent with other information about the student conduct process. A Notice of Educational Conference generally will include the following information: (1) a notification that OSC has begun or will begin an investigation of allegations OSC received concerning the Respondent's conduct; (2) a notification of a disciplinary hold, if any, that the University has implemented or will implement with respect to the Respondent; (3) a brief description of the Respondent's alleged conduct; (4) a preliminary list of potential violations of the Standards of Conduct, based on the Respondent's alleged conduct; (5) a notification of the Respondent's right to be assisted and/or supported by an Advisor throughout the student conduct process, in accordance with Section 5-3; (6) the internet address where the Respondent can review a copy of the Code; (7) a date, time, and place for an Educational Conference with OSC to discuss the incident, or, in the alternative, an instruction that the Respondent contact OSC to schedule an Educational Conference within the time frame designated in the Notice of Educational Conference; and (8) a notification of the consequences of failing to comply with OSC's instruction to attend or schedule an Educational Conference.

Section 6.5.3 Consequences of Failing to Attend or Schedule an Educational Conference. If the Respondent fails to attend or schedule an Educational Conference after OSC has sent the Respondent a Notice

of Educational Conference, then the Respondent waives all rights to a Formal Hearing, and OSC has the discretion to deem the Respondent to have accepted OSC's determination of responsibility for misconduct and may impose appropriate sanction(s) for the misconduct (unless the Respondent's absence is excused by OSC for good cause). OSC also may determine that the Respondent's failure to attend the Educational Conference constitutes a separate violation of the Standards of Conduct.

SECTION 6.6 NOTICE OF ALLEGATIONS.

A Notice of Allegations is a written notice that informs the Respondent that OSC has concluded that it is more likely than not that the Respondent violated the Standards of Conduct. A Notice of Allegations generally includes, without limitation, the following information: (i) a brief summary of the facts of Respondent's alleged misconduct; (ii) a notification that OSC has determined that it is more likely than not that Respondent violated the Standards of Conduct; (iii) a notification of the specific Standard(s) of Conduct that OSC has determined the Respondent more likely than not violated; (iv) the Respondent's option(s) to elect a Formal Hearing to contest OSC's determination of responsibility for misconduct and/or the sanction(s); and (v) the names of witnesses likely to present information concerning the alleged misconduct if the Respondent elects to contest the allegations through a Formal Hearing. OSC may provide the Respondent with a Notice of Allegations during the Educational Conference.

VII. STUDENT CONDUCT PROCESS: RESOLUTIONS

SECTION 7.1 RESOLUTION BY AGREEMENT.

Section 7.1.1 Purpose and Effects of a Resolution Agreement.

At any time during the student conduct process, a Respondent may resolve allegations of misconduct by signing a Resolution Agreement. By signing a Resolution Agreement, the Respondent: (1) accepts responsibility for violating the Standards of Conduct, as alleged by OSC; (2) agrees to the imposition of the sanction(s) proposed by OSC; and (3) waives any and all rights the Respondent may have to resolve the allegations against him/her through a Formal Hearing. A Resolution Agreement is not valid until it is signed by both the Respondent and an OSC employee.

Section 7.1.2 Revocation or Appeal of a Resolution Agreement.

The Respondent may not revoke or appeal a Resolution Agreement signed by the Respondent.

Section 7.1.3 Resolution Agreement - Sexual Misconduct. After OSC receives a Resolution Agreement signed by the Respondent in a case involving sexual misconduct, OSC will inform the Complainant about the proposed Resolution Agreement and provide the Complainant with the opportunity to object to the sanction proposed by OSC in the Resolution Agreement. A Complainant must inform OSC of his/her objection within three (3) business days from the date that OSC informs the Complainant about the proposed Resolution Agreement. If the Complainant timely informs OSC of his/her objection, then OSC may address the Complainant's objection by modifying the sanction in a way that is agreeable to both the Respondent and the Complainant and having the Respondent sign the modified Resolution Agreement. Otherwise, OSC will continue the student conduct process and resolve the allegations against the Respondent in accordance with the Code. Nothing in this Section 7.1 shall be construed to permit OSC to conduct an alternative resolution process (e.g., mediation) in a case involving allegations of sexual misconduct.

Section 7.1.4 Resolution Agreement – Academic Dishonesty. In order to resolve an allegation that the Respondent violated Section 4.1 (academic dishonesty) through a Resolution Agreement, the Respondent shall agree to the imposition of the instructor's academic penalty in addition to agreeing to the other requirements contained in Section 7.1.1.

SECTION 7.2 RESOLUTION BY FORMAL HEARING.

Section 7.2.1 Types of Formal Hearings. A Formal Hearing is a process through which a Respondent has a right to contest allegations of misconduct and/or the sanctions proposed by OSC by presenting information (including, without limitation, witnesses) to a decision maker other than the University employee(s) who conducted the investigation and/or Educational Conference. The Code provides for three types of Formal Hearings, depending on the gravity of the disciplinary sanctions that have been proposed by OSC:

- (1) A hearing before a Student Life Hearing Officer, which is described in Section 7.2.5;
- (2) A hearing before the SCB ("SCB Hearing"), which is described in Article VIII; and
- (3) A contested case hearing under the Uniform Administrative Procedures Act ("UAPA Hearing"), which is conducted in accordance with the University's procedures for conducting contested case proceedings under the UAPA, Chapter 1720-01-05.

Section 7.2.2 Rights to a Formal Hearing – Individual Student. In every case in which an individual student is the Respondent, the Respondent has the right to resolve allegations of misconduct and/or proposed sanctions through a hearing before a Student Life Hearing Officer. An individual student Respondent also has the right to resolve allegations of misconduct and/or the proposed sanctions through a SCB Hearing or a UAPA Hearing when OSC proposes one (1) or more of the following sanctions: (1) deferred suspension; (2) suspension; (3) expulsion; (4) University housing removal; (5) withholding of degree; or (6) revocation of degree.

Section 7.2.3 Rights to a Formal Hearing – Student Organization. In every case in which the Respondent is a student organization, the student organization Respondent has the right to resolve allegations of misconduct and/or proposed sanctions through a SCB Hearing or a hearing before a Student Life Hearing Officer. A Respondent student organization also has the right to resolve allegations of misconduct and/or the proposed sanctions through a UAPA Hearing when OSC proposes the sanction of revocation or suspension of the student organization's University registration.

Section 7.2.4 How to Request a Formal Hearing. A Formal Hearing may be requested by the Respondent only in writing using the form(s) approved by OSC. Orally requesting a Formal Hearing shall not constitute a valid request for a Formal Hearing. If a Respondent requests a Formal Hearing and has a right to have either a UAPA Hearing or a SCB Hearing, then the University will conduct a UAPA Hearing unless the Respondent executes a written waiver of the right to a UAPA Hearing.

Section 7.2.5 Hearing before a Student Life Hearing Officer. A Student Life Hearing Officer is a University employee designated and trained by OSC to conduct a Formal Hearing consistently with the procedures outlined in the Code for SCB Hearings (e.g., Article VII), except as provided in this Section 7.2.5. In conducting a Formal Hearing, a Student Life Hearing Officer has the same authority of the Chairperson of the SCB except that, unlike the Chairperson of the SCB, but like the voting members of the SCB, the Student Life Hearing Officer is the decision maker concerning whether the Respondent violated the Standards of Conduct, and, if so, what sanction(s) to impose. The decision of a Student Life Hearing Officer may be appealed to the Appellate Board using procedures consistent with the procedures outlined in the Code for appeals of decisions of the SCB.

Section 7.2.6 Consequences of Failing to Elect a Formal Hearing. If the Respondent fails to elect a Formal Hearing within five (5) business days of OSC transmitting a Notice of Allegations to the Respondent, then the Respondent waives all rights to a Formal

Hearing, and OSC has the discretion to deem the Respondent to have accepted OSC's determination of responsibility for misconduct and may impose sanction(s) deemed appropriate by OSC (unless OSC extends the time for the Respondent to request a Formal Hearing for good cause). If OSC extends the time for the Respondent to request a Formal Hearing and the Respondent fails to elect a Formal Hearing within the additional time granted by OSC, then the Respondent waives all rights to a Formal Hearing, and OSC has the discretion to deem the Respondent to have accepted OSC's determination of responsibility for misconduct and may impose sanction(s) deemed appropriate by OSC.

SECTION 7.3 RESOLUTION THROUGH AN ALTERNATIVE RESOLUTION PROCESS.

Section 7.3.1 Proposal of an Alternative Resolution Process. At any time during the student conduct process, OSC may propose to the Respondent and the Complainant that they attempt to resolve the allegations against the Respondent through an alternative resolution process. Before proposing that the allegations be resolved through an alternative resolution process, OSC shall determine whether an alternative resolution process would be an appropriate method of resolution based on the facts and circumstances of the case, and, if so, what type of alternative resolution process should be used. Examples of alternative resolution processes that may be proposed by OSC include mediation, facilitated dialogue, conflict coaching, and restorative justice. An alternative resolution process is a voluntary process that may or may not result in an Alternative Resolution Agreement. If an Alternative Resolution Agreement is not reached, then the student conduct process will proceed, and the allegations against the Respondent will be resolved through one of the other resolution methods in the Code.

Section 7.3.2 Unavailability of an Alternative Resolution Process. OSC shall not use an alternative resolution process to resolve allegations against a Respondent: (1) in a case in which the Complainant and the Respondent have not mutually agreed, in writing, to the alternative resolution process; or (2) in a case involving allegations of sexual misconduct.

Section 7.3.3 Alternative Resolution Agreement. An Alternative Resolution Agreement is a written agreement that confirms an agreement reached during an alternative resolution process to resolve the allegations against the Respondent. To be valid, an Alternative Resolution Agreement shall be signed by OSC, the Respondent, and the Complainant and shall include a waiver of the Respondent's right, if any, to have a Formal Hearing on the allegations. Neither the Respondent nor the Complainant may revoke or appeal an Alternative Resolution Agreement.

SECTION 7.4 CONCLUSION OF THE STUDENT CONDUCT PROCESS.

This section summarizes the different ways in which the student conduct process may be concluded. If more than one of the following events occur, then the student conduct process concludes on the date of the last event to occur. OSC generally will provide the Respondent with written notice about the conclusion of the student conduct process. If permitted or required by law, OSC also will provide the Complainant with written notice about the conclusion of the student conduct process.

Section 7.4.1 No Action Determination. The student conduct process concludes when OSC makes a final determination at any point in the process that no action will be taken (e.g., OSC determines that it is not more likely than not that the Respondent violated the Standards of Conduct; a Complainant declines to participate in the student conduct process, and OSC does not have sufficient information or witnesses to move forward with the student conduct process). OSC may reinstate the student conduct process upon receipt of new information; however, after OSC has determined to take no action, OSC may reinstate the student conduct process after a student has graduated only in cases involving Section 4.1 (academic dishonesty). A Complainant who is informed by OSC of a no action determination may appeal the decision to the Director of Student Conduct, in writing, within five (5) business days of the date that OSC transmitted notice of the no action determination to the Complainant. The decision of the Director of OSC is final and may not be appealed.

Section 7.4.2 Failure to Attend or Schedule an Educational Conference. In accordance with Section 6.5.3, the student conduct process concludes when: OSC has issued a Notice of Educational Conference; the Respondent either fails to attend an Educational Conference or fails to comply with OSC's instruction to contact OSC to schedule an Educational Conference within the time frame designated in the Notice of Inquiry; and OSC does not exercise its discretion to excuse the Respondent's failure for good cause.

Section 7.4.3 Failure to Request a Formal Hearing after Notice of Allegations. In accordance with Section 7.2.6, the student conduct process concludes when the Respondent fails to elect a Formal Hearing within five (5) business days of OSC sending or delivering a Notice of Allegations to the Respondent, and OSC does not exercise its discretion to excuse the Respondent's failure for good cause.

Section 7.4.4 Resolution Agreement. The student conduct process concludes when a Resolution Agreement is executed in accordance with Section 7.1.

Section 7.4.5 Alternative Resolution Agreement.

The student conduct process concludes when an Alternative Resolution Agreement is executed in accordance with Section 7.3.

Section 7.4.6 Notice of Decision of a Student Life Hearing Officer – No Valid Appeal.

The student conduct process concludes when a Student Life Hearing Officer has issued a Notice of Decision and neither the Respondent nor the Complainant has submitted a valid Notice of Appeal.

Section 7.4.7 Notice of Decision of a Student Conduct Board – No Valid Appeal.

The student conduct process concludes when a Student Conduct Board has issued a Notice of Decision and neither the Respondent nor the Complainant has submitted a valid Notice of Appeal under Section 8.6.

Section 7.4.8 Notice of Final Decision. The student conduct process concludes when the Appellate Board has issued a Notice of Final Decision.

Section 7.4.9 UAPA. The student conduct process concludes when a Formal Hearing has concluded under the University's rules for conducting contested case proceedings under the UAPA, Chapter 1720-01-05.

Section 7.4.10 Expiration and Satisfaction of All Sanctions. The student conduct process concludes when OSC determines that the time periods for all sanctions given to the Respondent have expired (except for the sanction of expulsion, which does not expire), and the Respondent has satisfied all other terms and conditions of all sanctions that the Respondent received.

VIII. STUDENT CONDUCT BOARD: HEARINGS AND APPEALS

SECTION 8.1 NOTICE OF SCB HEARING.

Section 8.1.1 When a Notice of SCB Hearing is Sent.

If the Respondent requests a SCB Hearing in accordance with Section 7.2, then OSC will send the Respondent and the Complainant a Notice of SCB Hearing at least seven (7) business days in advance of the date of the hearing.

Section 8.1.2 Information in the Notice of SCB Hearing.

The Notice of SCB Hearing generally will contain, or be accompanied by, the following information: (1) the date, time, and place of the SCB Hearing (the Director of OSC may reschedule the SCB Hearing for good cause and issue a revised Notice of SCB Hearing that contains a new date, time, and place of the SCB Hearing); (2) a copy of the Notice of Allegations; (3) the

sanction(s) that the Conduct Officer will request the SCB impose on the Respondent; (4) the names of all witnesses through whom the Conduct Officer is likely to present information during the SCB Hearing; (5) a notice of the right to the assistance and/or support of an Advisor during the SCB Hearing; and (6) a description of all tangible or electronic information that the Conduct Officer is likely to present to the SCB, such as an investigative report, police report, incident report, witness statements, video or audio recordings, photographs, text messages, or phone records.

Section 8.1.3 More than One Respondent. In cases involving more than one (1) Respondent, SCB Hearings concerning each Respondent's conduct may be conducted separately upon written request of a Respondent. The Director of OSC has the discretion to make the final determination of whether to grant such a request.

Section 8.1.4 Consequences of Failing to Attend a SCB Hearing.

If the Respondent fails to attend a SCB Hearing, then the Respondent waives any and all rights to a SCB Hearing. The SCB may: proceed with the SCB Hearing without the Respondent's participation; hold the Respondent accountable for all decisions made in the Respondent's absence, including, without limitation, decisions concerning responsibility for alleged violations of the Standards of Conduct; and may determine that the Respondent's failure to attend the hearing constitutes a separate violation of the Standards of Conduct. If the SCB determines, in the Respondent's absence, that it is more likely than not that the Respondent violated the Standards of Conduct, then OSC may implement the sanctions imposed by the SCB and conclude the student conduct process.

SECTION 8.2 COMPOSITION OF THE STUDENT CONDUCT BOARD.

Section 8.2.1 Eligible Pool.

The Vice Chancellor for Student Life shall appoint a pool of persons who are eligible to serve on a SCB. The Vice Chancellor for Student Life may appoint University students, University faculty members, or University staff employees; however, an employee who works in OSC is ineligible to serve on a SCB. Persons appointed by the Vice Chancellor will be trained by OSC to serve on a SCB.

Section 8.2.2 Appointment of the SCB.

The SCB is appointed ad hoc for each hearing by the Director of OSC from the pool described in Section 8.2.1. The Director of OSC shall appoint a SCB consisting of one (1) non-voting Chairperson and seven (7) voting members. The Chairperson shall be a University faculty member or staff employee who has received training from OSC on how to conduct a SCB Hearing. Five (5) voting members and one (1) non-voting Chairperson constitute a quorum

of the SCB that was appointed by the Director of OSC; however, OSC will make reasonable efforts to seat a SCB consisting of seven (7) voting members. In seating any SCB, the student composition of the voting members of the SCB must be equal to or greater than the sum of the faculty and staff voting members. Regardless of the number of voting members present, all classifications of the University community (students, faculty, and staff) must be represented by at least one (1) voting member.

Section 8.2.3 Fairness and Impartiality of SCB Members. Any member of the SCB who determines that he/she cannot decide a case fairly and impartially for any reason shall excuse himself/herself from serving on the SCB, in which case the Director of OSC shall appoint a substitute member of the panel in accordance with the rules in Section 8.2.2.

SECTION 8.3. GENERAL RULES GOVERNING SCB HEARINGS.

Section 8.3.1 Required Pre-Hearing Information and Copies – Complainant and Respondent. At least five (5) business days prior to the SCB Hearing, the Complainant and the Respondent must provide the following to the Director of OSC:

- (1) The name of their Advisor, if any, who will attend the SCB Hearing;
- (2) The names of all witnesses through whom they plan to present information to the SCB and a brief summary of the information that they reasonably anticipate that each witness will provide to the SCB;
- (3) A copy of all tangible or electronic information that they plan to present to the SCB (e.g., witness statements, video or audio recordings, photographs, text messages, phone records, medical bills, diagrams). However, they are not required to provide copies of information that is not in a form that allows copying (e.g., weapon; piece of clothing), in which case they should describe the information in writing; and
- (4) A copy of a statement, if any, that they want the SCB to consider in determining the appropriate sanction to impose on the Respondent if the SCB finds that the Respondent violated a Standard of Conduct. The Complainant's statement may include a description of the impact of the Respondent's alleged conduct on the Complainant. The Respondent's statement may include a description of any factors the Respondent believes mitigates the alleged misconduct.

During the SCB Hearing, the Complainant and the Respondent may present witnesses who were not identified in the Notice of Formal Hearing only if they com-

ply with this Section 8.3.1. The Complainant and the Respondent are responsible for contacting witnesses who were not identified in the Notice of Formal Hearing, informing them about the date, time, and place of the SCB Hearing, and securing their attendance at the SCB Hearing.

Section 8.3.2 Pre-Hearing Review of Information. Individuals involved with the hearing are responsible for contacting OSC to arrange a time to review the information prior to the hearing if such review is desired and the information has not been made available electronically. No less than three (3) business days prior to the hearing, OSC will make copies of information submitted by the Complainant, the Respondent, and the Conduct Officer available for review by the Complainant, Respondent, their respective Advisors, and members of the SCB. Those individuals will be notified by OSC when materials are available for review. OSC may make the information available electronically. In their sole discretion, OSC may redact irrelevant information prior to making information available.

Section 8.3.3 Recording of the SCB Hearing. The University shall be responsible for making a verbatim record (e.g., digital recording) of a SCB Hearing. Deliberations of the SCB shall not be recorded. The record of the SCB Hearing shall be the property of the University. The Complainant and the Respondent may take notes during a SCB Hearing, which shall be their own property, but neither the Complainant nor the Respondent may record the hearing using any other method of recording. However, the Complainant and the Respondent may request a copy of the digital recording.

Section 8.3.4 Attendance and Participation. Attendance during a SCB generally is limited to members of the SCB, the Conduct Officer, the Complainant and the Complainant's Advisor, the Respondent and the Respondent's Advisor, and witnesses. The Conduct Officer, the Complainant, the Respondent, Advisors, and witnesses may not be present during the deliberations of the SCB. Witnesses may attend the SCB Hearing only while they are presenting information to the SCB, unless the witness is the Complainant, the Respondent, or an Advisor. The Chairperson and the Director of OSC have the discretion to allow other persons to attend the SCB Hearing, in accordance with state and federal law. The Complainant and the Complainant's Advisor may attend any part of the SCB Hearing (excluding the deliberations of the SCB), but the Complainant and the Complainant's Advisor shall be excused from the hearing room when the Respondent's Education Records or information obtained from the Respondent's Education Records is disclosed unless the information is also part of the Complainant's Education Records. However, the previous sentence shall not apply, and the Complainant and

the Complainant's Advisor shall have the right to attend the entire SCB Hearing, in cases of sexual misconduct, relationship violence, and stalking. The Chairperson may accommodate concerns for the personal safety, well-being, and/or fears of confrontations of the Complainant, the Respondent, and/or witnesses by permitting attendance or participation by closed circuit television, video conferencing, or other appropriate means, as determined in the discretion of the Chairperson. However, the identity of all persons who present information to the SCB must be made known to the Respondent and the Complainant. The Respondent and the Complainant must be allowed to view and hear a person who is attending or participating by closed circuit television, video conferencing, or other similar means.

SECTION 8.4 PROCEDURAL RULES FOR SCB HEARINGS.

Section 8.4.1 Right to Challenge the Selection of a SCB Member. At the beginning of the SCB Hearing, the Chairperson shall allow the Complainant and the Respondent to request the removal of a member of the SCB on the grounds that the person cannot be fair and impartial in deciding the case. If the Chairperson determines that the person cannot be fair and impartial, then the Director of OSC may appoint a substitute member of the SCB in accordance with Section 8.2.2 or, if a quorum of the SCB still exists, remove the SCB member and allow the SCB Hearing to continue without appointing a substitute member.

Section 8.4.2 Authority of the Chairperson. The Chairperson has the authority to maintain order and make all decisions necessary for the fair, orderly, and expeditious conduct of the SCB Hearing. The Chairperson shall be the final decision maker concerning what, how, and in what order information and witnesses are presented to the SCB.

Section 8.4.3 Exclusion of Information. Upon the Chairperson's initiation or upon request by the Conduct Officer, the Complainant, the Respondent, or a member of the SCB, the Chairperson may exclude the following information from the SCB's consideration: (1) irrelevant information; (2) information that unreasonably repeats information already provided to the SCB; (3) information that was not provided in advance of the hearing in accordance with Section 8.3.1; (4) information that is protected from disclosure under federal or Tennessee law; and/or (5) information about a person's character or character trait, if the information is being presented to show that on a particular occasion the person acted in accordance with the character or character trait. Generally, in cases involving an allegation of sexual misconduct, neither the Complainant's nor the Respondent's prior sexual history is relevant to the issue of whether

sexual misconduct occurred and will not be considered by the SCB. However, when the Respondent contends that the Complainant gave consent for a particular sexual act, the prior sexual history between the Complainant and the Respondent may be relevant to assess the manner and nature of communications between the parties, although the mere existence of a current or previous dating, romantic, intimate, or sexual relationship with the other person does not allow a Respondent to imply or infer consent. The Complainant's and the Respondent's prior sexual history may also be relevant in other limited circumstances, such as to show intent, motive, absence of mistake, or to explain an injury or physical finding.

Section 8.4.4 Persons Who May Present Information. The only persons who may present information and/or witnesses during a SCB Hearing are the Conduct Officer, the Complainant, and the Respondent. The Complainant and the Respondent are responsible for presenting their own information and/or witnesses, if any, to the SCB (an Advisor shall not present information and/or witnesses to the SCB).

Section 8.4.5 Formal Rules. Formal rules of process, procedure, and/or technical rules of evidence, such as those applied in criminal or civil court, are not used in SCB Hearings. The Chairperson shall decide all procedural questions that arise during a SCB Hearing. The Chairperson may consult with the Director of OSC for assistance in resolving procedural questions fairly and in accordance with the Code.

Section 8.4.6 Questioning of Witnesses. Witnesses will provide information to the SCB and answer questions from the Chairperson. The Chairperson may ask questions and/or submit a request for additional information to the Respondent, the Complainant, the Conduct Officer, and/or witnesses. The Conduct Officer, the Respondent and/or the Complainant shall not directly ask questions to each other or other witnesses. The Conduct Officer, the Respondent, the Complainant, and/or members of the SCB may propose questions for the Chairperson to ask witnesses by submitting the proposed questions to the Chairperson in writing during the hearing. The Chairperson has the discretion whether to ask a witness a question proposed by the Conduct Officer, the Respondent, the Complainant, and/or members of the SCB. The method of questioning witnesses outlined in this Section 8.4.6 is used to preserve the educational tone of the SCB Hearing and to avoid the creation of an adversarial environment.

Section 8.4.7 Closing Statements. At the close of the SCB Hearing, the Chairperson may allow the Conduct Officer, the Complainant, and the Respondent equal opportunities to make statements to the SCB summarizing the information presented to the SCB and/

or advocating the decision that the SCB should reach. The Conduct Officer and the Complainant may advocate that the SCB impose a specific sanction(s), and the Respondent may respond; however, the Respondent's record of student conduct maintained by OSC shall not be disclosed to the SCB by the Conduct Officer or the Complainant during the hearing except in accordance with Section 8.5.3.

Section 8.4.8 Burden of Presenting Information Demonstrating Misconduct. The Conduct Officer bears the burden of presenting information demonstrating that it is more likely than not that the Respondent violated the Standards of Conduct, as alleged in the Notice of Allegations. Neither the Complainant nor the Respondent is required to present information or witnesses concerning the Respondent's alleged misconduct. The SCB shall not draw an inference adverse to the Conduct Officer, the Complainant, or the Respondent if the Complainant or the Respondent chooses not to present information or witnesses to the SCB.

SECTION 8.5 NOTICE OF DECISION OF THE STUDENT CONDUCT BOARD.

Section 8.5.1 Deliberation of the SCB. After the Chairperson determines that all relevant information has been received by the SCB, the SCB will deliberate in private and decide, for each Standard of Conduct alleged in the Notice of Allegations to have been violated, whether it is more likely than not that the Respondent violated the Standard of Conduct. The SCB will decide by majority vote whether the Respondent violated the Standards of Conduct. The Chairperson shall not vote on the decision of whether the Respondent is responsible for violating the Standards of Conduct or what sanctions should be imposed unless there is a tie vote of the SCB.

Section 8.5.2 Basis of Decision. The SCB shall not base its decision on information not presented during the SCB Hearing. However, if the SCB requests that additional information be provided after the SCB Hearing, the SCB may consider and base its decision on the additional information, as long as the Conduct Officer, the Respondent, and the Complainant have had a chance to review and respond to the additional information either in a resumption of the SCB Hearing or in writing.

Section 8.5.3 Determination of Sanction(s). If the SCB decides that the Respondent violated the Standards of Conduct, then the SCB will decide the appropriate sanction(s) by majority vote. In deciding the appropriate sanctions for a Respondent's misconduct, the SCB may consider: (1) statements submitted by the Complainant and/or the Respondent to the SCB concerning the appropriate sanctions; and (2) a statement about the Respondent's conduct history, which shall be provided to the Chairperson by the Director of OSC in a sealed envelope

prior to the SCB Hearing. The statements should be provided to the Chairperson by the Director of OSC in a sealed envelope prior to the SCB Hearing.

Section 8.5.4 Issuance of Notice of Decision.

Within two (2) business days of the conclusion of the SCB Hearing, the Chairperson shall issue a Notice of Decision and transmit a copy of the Notice of Decision to the Director of OSC. The Director of OSC shall transmit a copy of the Notice of Decision to the Respondent. If permitted or required under law, the Director of OSC shall transmit a copy of the Notice of Decision to the Complainant (simultaneously with the transmittal of the Notice of the Decision to the Respondent).

Section 8.5.5 Information in Notice of Decision.

The following information shall be included in the Notice of Decision: (1) for each Standard of Conduct identified in the Notice of Allegations, the SCB's decision concerning whether it is more likely than not that the Respondent violated the Standard of Conduct and the SCB's rationale for the decision concerning the alleged violation of the Standard of Conduct, including, without limitation, a brief summary of the information upon which the SCB relied in making its decision; (2) the sanction(s), if any, that the SCB has imposed on the Respondent; and (3) information about the Respondent's and the Complainant's options, if any, to appeal the decision of the SCB.

SECTION 8.6 APPEALING DECISIONS OF THE STUDENT CONDUCT BOARD.

Section 8.6.1 Appealable Decisions. The Conduct Officer, the Complainant and/or the Respondent may appeal the decisions of the SCB that are contained in the Notice of Decision, but the grounds for appeal are limited to those described in Section 8.6.3.

Section 8.6.2 Notice of Appeal. An appeal is procedurally valid only if all of the following requirements are met: (1) an appeal shall be submitted in writing by fully completing a form approved by OSC called a "Notice of Appeal;" (2) the Notice of Appeal shall be received by OSC within five (5) business days of the date that the Director of OSC transmitted the Notice of Decision; and (3) the Notice of Appeal shall not include information that is not included in the record of the SCB Hearing.

Section 8.6.3 Grounds for Appeal. The Notice of Appeal shall explain the grounds for the appeal, which shall be limited to one (1) or more of the following grounds:

(1) Clearly Unreasonable Sanction. The sanction(s) imposed by the SCB is clearly unreasonable (i.e., has no sound basis or justification in reason).

(2) **Material Procedural Error.** A procedural error occurred prior to or during the SCB Hearing, and the procedural error reasonably could have had a material impact on the SCB in reaching its decision. Neither the failure of the Respondent or the Complainant to secure the attendance of an Advisor or witness nor the failure of an Advisor or witness to attend or otherwise participate in any phase of the student conduct process constitutes a material procedural error. The failure of the Respondent or the Complainant to attend the SCB Hearing does not constitute a material procedural error.

(3) **New Information.** New information has been discovered, the information reasonably could have had a substantial impact on the SCB in reaching its decision, and the person submitting the Notice of Appeal did not know and reasonably could not have known about the information at the time of the SCB Hearing.

Section 8.6.4 Effective Date of Sanction. The sanction(s) imposed by the SCB shall not be effective during the period in which a Notice of Appeal may be submitted, or, if a procedurally valid Notice of Appeal has been submitted (as determined by Section 8.6.2), until a Notice of Final Decision is issued by the Appellate Board, whichever is later. In cases in which the sanction of degree revocation is imposed, the sanction shall be presented to the University's Board of Trustees for approval before the sanction is imposed.

Section 8.6.5 Appellate Board. The Appellate Board is the University body that considers appeals of decisions of the SCB, after a procedurally valid Notice of Appeal has been submitted to OSC. The Vice Chancellor for Student Life will appoint a pool of persons trained by OSC who are eligible to serve on an Appellate Board. The Vice Chancellor for Student Life may appoint University students, University faculty members, or University staff employees to be members of that pool.

Section 8.6.6 Determination of Procedural Validity of Notice of Appeal. Within seven (7) business days after the receipt of a Notice of Appeal, the Director of OSC will determine whether the Notice of Appeal is procedurally valid. A Notice of Appeal is procedurally valid only if it has been fully completed, timely submitted to OSC, and does not contain information outside of the record of the SCB Hearing. If a Notice of Appeal is procedurally invalid and the time for submitting a Notice of Appeal under this Section 8.6.6 has expired, then the Director of OSC shall send the Conduct Officer, the Respondent, and the Complainant (if permitted or required by law) a notice that the decision of the SCB has become final and any sanction(s) imposed will become effective immediately. However, in a case in which the Notice of Appeal contains information outside of the record of the SCB Hearing, the Director of OSC

may proceed with appointing an Appellate Board after removing from the Notice of Appeal information that was not included in the record of the SCB Hearing.

Section 8.6.7 Appointment of Appellate Board. If the Notice of Appeal is procedurally valid, then the Director of OSC shall appoint an Appellate Board to hear the appeal from the pool of persons who are eligible to serve on an Appellate Board. An Appellate Board shall be composed of one (1) non-voting Chairperson and three (3) voting members. At least one (1) voting member of the Appellate Board shall be a University student. The Director of OSC shall not appoint a person to serve as Chairperson or a voting member of the Appellate Board if the person served as a Chairperson or a voting member of the SCB whose decision is being appealed. In addition, an employee who works in OSC or whose direct supervisor is the Conduct Officer who participated in the SCB Hearing shall be ineligible to serve as a member of the Appellate Board.

Section 8.6.8 Transmittal of Notice of Appeal. After the appointment of the members of the Appellate Board, OSC shall transmit a copy of the Notice of Appeal to persons who have a need to know about the Notice of Appeal, including, without limitation, the members of the Appellate Board and all non-appealing parties (e.g., if the Respondent appeals, the Conduct Officer and the Complainant would be the non-appealing parties). A non-appealing party may submit a written response to the Notice of Appeal to the Appellate Board within two (2) business days of OSC's transmittal of the Notice of Appeal. The written response shall be limited to: (1) responding to issues raised in the Notice of Appeal and shall not contain information that is not included in the record of the SCB Hearing; and (2) request the removal of a member of the Appellate Board on the grounds that the person cannot be fair and impartial in deciding the case. If the Director of OSC determines that the person cannot be fair and impartial, then the Director of OSC may appoint a substitute member of the SCB in accordance with Section 8.6.7.

Section 8.6.9 Recusal. Any member of the Appellate Board who determines that he/she cannot decide the appeal fairly and impartially for any reason shall recuse himself/herself from serving on the Appellate Board, in which case the Director of OSC shall appoint a substitute member of the Appellate Board in accordance with this Section 8.6.7.

Section 8.6.10 Review of the Record. The Appellate Board's final decision shall be based on its review of the record of the hearing before the SCB, which shall be limited to: (1) the Notice of Allegations; (2) the Notice of Formal Hearing; (3) the Notice of Decision; (4) the recording and the transcript, if any, of the hearing, and

all other information submitted to the SCB during the hearing; and (4) the Notice of Appeal.

Section 8.6.11 Potential Decisions of the Appellate Board. The Appellate Board shall reach one (1) of the following decisions:

- (1) Affirm both the SCB's finding that the Respondent violated the Standards of Conduct and the sanctions imposed by the SCB;
- (2) In a case involving a clearly unreasonable sanction, affirm the SCB's finding that the Respondent violated the Standards of Conduct and modify the sanctions imposed by the SCB by imposing a greater or lesser sanction(s);
- (3) In cases of a substantial procedural error, remand the case for a new hearing to be conducted by the same SCB. The Appellate Board should recommend to the Chairperson how to correct the procedural error. The Director of OSC may appoint a substitute member for any member of the SCB who is unavailable to participate in the new hearing; or
- (4) In cases of new information that fits the criteria described in Section 8.6.3(3), remand the case to the same SCB for the limited purpose of hearing the new information and reconsidering its decision based on the new information. The Director of OSC may appoint a substitute member for any member of the SCB who is unavailable to participate in hearing the new information or the reconsideration of the decision.

Section 8.6.12 Notice of Final Decision. The Appellate Board shall communicate its decision through a written notice called a Notice of Final Decision. The Notice of Final Decision should be issued within ten (10) business days of the submission of the Notice of Appeal. The Notice of Final Decision shall be sent to the Director of OSC, who will send the Notice of Final Decision to the Conduct Officer, the Respondent, the Chairperson of the SCB, and, if permitted or required by law, the Complainant. The decision of the Appellate Board is final and is not subject to appeal.

SECTION 8.7 OTHER ISSUES HEARD BY THE SCB. In addition to hearing disputes concerning violations of the Standards of Conduct, the Student Conduct Board shall also be the University body that hears disputes concerning the interpretation of the Student Government Constitution and disputes concerning the results of Student Government elections.

IX. SANCTIONS

SECTION 9.1 GENERAL RULES.

Section 9.1.1 Purposes of Sanctions. The primary purposes of sanctions are to: (1) educate the Respondent about appropriate behavior; (2) promote the personal and professional development of the Respondent; (3) discourage the Respondent and other students from violating the Standards of Conduct; and (4) protect other members of the University community. The sanctions imposed on a Respondent should be proportional to the Respondent's misconduct and appropriate for the particular case based on the gravity of the offense (including, without limitation, how the violation affected or reasonably could have affected other members of the University community). Consideration may also be given to the Respondent's conduct record; whether the Respondent acted in self-defense, and, if so, whether the amount of force used was reasonable under the circumstances; the Respondent's academic classification (e.g., undergraduate, graduate, freshman, sophomore, junior, senior); and other aggravating or mitigating factors.

Section 9.1.2 Administrative and Developmental Sanctions. A student who accepts responsibility or is found responsible for violating the Standards of Conduct generally will be given one (1) or more administrative sanctions. A student may also be given one (1) or more developmental sanctions.

SECTION 9.2 ADMINISTRATIVE SANCTIONS.

Section 9.2.1 Warning. A warning is a written notice to a student that informs the student that the student has violated the Standards of Conduct, the misconduct must cease and/or not reoccur, and further misconduct will likely result in the imposition of more serious sanctions.

Section 9.2.2 Disciplinary Probation. Disciplinary probation is imposed for a specified period of time during which the student may continue to be enrolled but must demonstrate conduct that conforms to the Standards of Conduct. Conditions may be placed on the student's continued enrollment. A student may be placed on disciplinary probation for moderate misconduct or in the case of repeated minor misconduct. Also, a student allowed to re-enroll following a suspension will be placed on disciplinary probation. Subsequent violations of the Standards of Conduct during a period of disciplinary probation may result in suspension or expulsion from the University.

Section 9.2.3 Deferred Suspension. A deferred suspension is a designated period of time during which a student, while continuing to be enrolled, is given an opportunity to demonstrate the ability to abide by

the Standards of Conduct. A student may be placed on deferred suspension for serious misconduct or in the case of repeated misconduct. If the student is found responsible for any additional violation(s) of the Standards of Conduct while the student is on deferred suspension, then the sanction of suspension will be the minimum sanction that will be imposed in a Formal Hearing on the subsequent misconduct. Students who are placed on deferred suspension are also generally given developmental sanctions.

Section 9.2.4 Suspension. A suspension is an official separation of a student from the University for a specific period of time and/or until certain conditions are met. A suspension may be imposed for serious misconduct and/or for a violation of deferred suspension. Suspension may include conditions that will be in place if the student re-enrolls. The effective date of a suspension may be imposed retroactively to the date that the misconduct occurred. While suspended, the student loses all University rights and privileges (e.g., enrollment privileges), shall not represent the University in any official manner, and shall not be present on University-controlled property without the prior approval of the Vice Chancellor for Student Life. The student may be required to meet with an assigned Student Life staff member periodically while suspended to ensure the student is making satisfactory progress regarding the developmental sanctions issued. The Vice Chancellor for Student Life will determine whether the student is eligible for consideration for re-enrollment by the University's admissions office(s). Students who are permitted to return to the University following a period of suspension will automatically be placed on disciplinary probation by OSC for a designated period of time, which is designed to facilitate a smooth transition back to the University community. A student on post-suspension disciplinary probation must abide by the Standards of Conduct and all terms and conditions placed on the student's re-enrollment.

Section 9.2.5 Expulsion. Expulsion is a sanction that permanently bars a person from re-enrolling as a student at the University. This sanction generally is imposed when the student's misconduct is deemed so serious as to warrant total and permanent disassociation from the University community without the possibility of re-enrollment; and/or when, by the student's repeated misconduct, a student has exhibited a blatant disregard for the health and safety of other members of the University community or the University's right to establish rules of conduct. A person who has been expelled shall not be present on University-controlled property without the prior approval of the Vice Chancellor for Student Life.

Section 9.2.6 Withholding of Degree. The University may withhold a degree as a disciplinary sanc-

tion for a specified period of time or until the student's completion of all other sanctions imposed, whichever occurs later.

Section 9.2.7 Revocation of Degree. The sanction of the revocation of a degree may be imposed if a student has obtained a degree at least in part through cheating, plagiarism, or other academic dishonesty. Revocation of a degree shall be approved by the University of Tennessee Board of Trustees before the revocation is effective. If approved by the Board of Trustees, this sanction will be noted on the student's academic transcript on a permanent basis.

Section 9.2.8 Disciplinary Probation for Student Organizations. A student organization given the sanction of disciplinary probation is permitted to retain University student organization registration on a probationary status. As a condition of the disciplinary probation, the student organization also may be given developmental sanctions.

Section 9.2.9 Social Probation. Social probation prohibits a student organization from sponsoring or participating in specified social activities. While on social probation, a student organization may not host social events (e.g., mixers, date parties, formals, and band parties) or participate in University-affiliated activities (e.g., Homecoming, All Sing, Carnicus, intramurals). Any exceptions to social probation must be approved, in advance, by the Vice Chancellor for Student Life.

Section 9.2.10 Revocation or Suspension of University Registration. In cases of serious or repeated misconduct, a student organization's University registration may be revoked.

SECTION 9.3 DEVELOPMENTAL SANCTIONS.

In addition to an administrative sanction(s), one (1) or more of the following developmental sanctions may be imposed in an effort to foster student learning and development.

Section 9.3.1 Educational Activities. Educational activities are designed to educate the student about why certain conduct was inappropriate. Examples of such activities include, without limitation, offering a formal apology (in writing and/or in person); attending an educational class, training, or workshop; giving or attending a presentation; preparing and submitting a research project or paper on a designated topic; or offering a written reflection responding to a prompt given by OSC.

Section 9.3.2 Restitution. Restitution is compensation for loss, damage, and/or injury incurred as a result of the student's actions. Compensation may take the form of money, service, and/or material replace-

ment. Restitution may be required to be made to the University, a specific individual, or a specific organization. Normally, all restitution must be paid or made within two weeks of the imposition of the sanction.

Section 9.3.3 Supervised Work/Service. A student may be assigned unpaid work or service that is both beneficial to the University community and/or likely to assist the student in understanding the effects of the student's misconduct.

Section 9.3.4 Loss or Restriction of Privileges. Specified student privileges are lost or restricted. Such privileges include, without limitation, the privilege of representing the University in any official manner, the use of or access to University-controlled property, University parking privileges, or denial of participation in University-affiliated activities (e.g., extracurricular activities).

Section 9.3.5 University Housing Reassignment or Removal. A student may be assigned to a different residence hall or residence hall room. A student's residence hall contract also may be terminated, and the student may be prohibited from residing in University housing for a definite or indefinite period of time.

Section 9.3.6 Mandatory Education. A student may be required to participate in one (1) or more educational programs, classes, or workshops relating to the student's misconduct, including, without limitation, education concerning alcohol or drugs. The student may be held responsible for the payment of expenses relating to the educational program/class/workshop(s).

X. HONOR STATEMENT

SECTION 10.1 HONOR STATEMENT. An essential feature of the University is a commitment to maintaining an atmosphere of intellectual integrity and academic honesty. As such the University utilizes an Honor Statement that reads, "As a student of the University, I pledge that I will neither knowingly give nor receive any inappropriate assistance in academic work, thus affirming my own personal commitment to honor and integrity."

SECTION 10.2 INFORMING STUDENTS AND FACULTY. The following methods will be used to inform students and faculty members about the Honor Statement: (1) the Honor Statement appears on undergraduate and graduate applications for admission, and applicants will be required to acknowledge his/her affirmation of the Honor Statement in writing; (2) information regarding the Honor Statement is included in the undergraduate and graduate catalogs, Hilltopics; (3) the

Honor Statement is discussed during student orientation programs; (4) faculty members are encouraged to discuss the Honor Statement with students in entry-level English courses; (5) faculty members are encouraged to include the Honor Statement in their course syllabus; (6) implementation methods and alternatives are discussed during faculty orientation programs; and (7) the Honor Statement is enforced through the Standards of Conduct (Section 4.1) and the student conduct process.

SECTION 10.3 ACADEMIC DISHONESTY. The Honor Statement prohibits cheating, plagiarism, and any other type of academic dishonesty.

SECTION 10.4 PLAGIARISM. Plagiarism is using the intellectual property or product of someone else without giving proper credit. The undocumented use of someone else's words or ideas in any medium of communication (unless such information is recognized as common knowledge) is a serious offense, subject to disciplinary action that may include failure in a course and/or dismissal from the University. Specific examples of plagiarism include, but are not limited to: (1) using without proper documentation (quotation marks and citation) written or spoken words, phrases, or sentences from any source; (2) summarizing without proper documentation (usually a citation) ideas from another source (unless such information is recognized as common knowledge); (3) borrowing facts, statistics, graphs, pictorial representations, or phrases without acknowledging the source (unless such information is recognized as common knowledge); (4) collaborating on a graded assignment without the instructor's approval; and (5) submitting work, either in whole or partially created by a professional service or used without attribution (e.g., paper, speech, bibliography, or photograph).

SECTION 10.5 EXAMPLES OF OTHER TYPES OF ACADEMIC DISHONESTY. Specific examples of other types of academic dishonesty include, but are not limited to: (1) providing or receiving unauthorized information during an examination or academic assignment, or the possession and/or use of unauthorized materials during an examination or academic assignment; (2) providing or receiving unauthorized assistance in connection with laboratory work, field work, scholarship, or another academic assignment; (3) falsifying, fabricating, or misrepresenting data, laboratory results, research results, citations, or other information in connection with an academic assignment; (4) serving as, or enlisting the assistance of, a substitute for a student in the taking of an examination or the performance of an academic assignment; (5) altering grades, answers, or marks in an effort to change the earned grade or credit; (6) submitting without authorization the same assignment for credit in more than one course; (7) forging the signature of another or allowing forgery by another on any class or

University-related document such as a class roll or drop/add sheet; (8) gaining an objectively unfair academic advantage by failing to observe the expressed procedures or instructions relating to an exam or academic assignment; and (9) engaging in an activity that unfairly places another student at a disadvantage, such as taking, hiding, or altering resource material, or manipulating a grading system.

SECTION 10.6 RESPONSIBILITIES ASSOCIATED WITH THE HONOR STATEMENT. All members of the University community have responsibilities associated with the Honor Statement. These responsibilities are unique to each sector of the University community. Each student is responsible for his/her own personal integrity in academic life. Each student is responsible for knowing and adhering to the terms and conditions of the Honor Statement and may acknowledge his/her adherence to the Honor Statement by writing, “Pledged,” and signing on a graded class assignment or examination. Although there is no affirmative duty to report the academic dishonesty of another, each student, given the dictates of his/her own conscience, may choose to report any violation of the Honor Statement to a faculty member or to OSC. The prevention of academic dishonesty, and the response to academic dishonesty, is the immediate responsibility of the instructor. However, students are not excused from complying with the Honor Statement because of an instructor’s failure to prevent or discourage academic dishonesty.

SECTION 10.7 ACADEMIC DISHONESTY – RESOLUTION BY THE ACADEMIC DEPARTMENT.

Section 10.7.1 Notice of Academic Dishonesty and Informal Opportunity to Respond to Allegations. When an act of alleged academic dishonesty is discovered by, or brought to the attention of an instructor, the instructor shall inform the student orally or in writing about the alleged academic dishonesty, describe the information supporting the allegation, and give the student an informal opportunity to respond to the allegation(s) and information. The instructor may proceed with imposing an academic penalty for academic dishonesty if the student has not responded to the instructor’s notice to the student concerning the alleged academic dishonesty. The instructor does not have the authority under the Code to impose a sanction identified in Section 9.2 or Section 9.3. An academic penalty shall not take effect until after the deadline for an appeal has passed under Section 10.7.3, or, if the student appeals the penalty, the student conduct process has concluded and the penalty has been upheld, whichever is later.

Section 10.7.2 Decision Whether to Impose an Academic Penalty. After giving the student notice and

an informal opportunity to respond, if the instructor concludes that the student engaged in academic dishonesty, then the instructor may impose an academic penalty of a failing or reduced grade in the academic exercise, assignment, examination, and/or course; loss of credit for the work involved; an assignment to repeat the work, to be graded on its merits; and/or an oral or written reprimand. An instructor may impose more than one (1) academic penalty. If the instructor decides to impose an academic penalty, then the instructor shall transmit a notice to the student of the allegations, information, findings, academic penalty imposed, and information on the student’s options to appeal the findings and/or penalties under Section 10.7.3. The notice should be countersigned by the department head. Copies of the notice to the student shall be submitted to OSC, the dean or other chief administrative head of the instructor’s academic unit, and, where different, the dean or other chief administrative head of the academic unit in which the student is enrolled. The instructor is not required to notify a student that a complaint has been made to OSC.

Section 10.7.3 Appeals of Academic Penalties.

Within five (5) business days of the transmittal of the notice to the student described in Section 10.7.2, the student may appeal the academic penalty imposed by the instructor by submitting a written Notice of Appeal of Academic Penalty to OSC, using a form approved by OSC. The SCB hears appeals of academic penalties. If OSC does not issue a Notice of Allegations, then the instructor shall serve as the Conduct Officer in the SCB Hearing. The decision of the SCB, or the Appellate Board if the decision is appealed, shall be the final decision of the University concerning the academic penalty. For example, if the SCB’s decision, if not appealed to the Appellate Board, is to reverse a grade of “F” for the course, then OSC will inform the University’s Registrar of the SCB’s decision and request the Registrar to enter the grade for the course that the student would have received if the student had not been accused of academic dishonesty. If there is a question about what grade the student would have received if the student had not been accused of academic dishonesty, the question will be referred to the Provost for resolution.

SECTION 10.8 ACADEMIC DISHONESTY – RESOLUTION THROUGH THE STUDENT CONDUCT PROCESS.

After receiving notice from the instructor under Section 10.7.2, OSC may proceed with the student conduct process and determine of whether to issue a Notice of Allegations for violating Section 4.1. A decision by OSC not to issue a Notice of Allegations shall not be used by the student to support an appeal of an academic penalty imposed by the student’s instructor. In addition, OSC may issue a Notice of Allegations for violating Section 4.1 regardless of the response of the instructor to the alleged academic dishonesty. If an

instructor alleges that a student engaged in academic dishonesty and the student wants to appeal the academic penalty and/or OSC issues a Notice of Allegations containing an allegation of a violation of Section 4.1, then the allegations against the student and the issue of the appropriate academic penalty shall be resolved through a Resolution Agreement, a Formal Hearing, or an Alternative Resolution Process.

SECTION 10.9 COLLEGE OF LAW. The University of Tennessee College of Law has adopted and promulgated its own Code of Academic Conduct, Chapter 1720-04-09. Chapter 1720-04-09 shall control in the event of a conflict between this Chapter and Chapter 1720-04-09.

XI. POLICY ON AMNESTY FOR GOOD SAMARITANS AND STUDENTS IN NEED OF EMERGENCY MEDICAL ATTENTION.

SECTION 11.1 BACKGROUND. The University of Tennessee holds paramount the health, safety, and welfare of students. Accordingly, all University students are expected to alert appropriate officials in the event of a health or safety emergency, including, without limitation, a situation involving the abuse of alcohol or other drugs.

SECTION 11.2 EXPECTATIONS. When a student knows or reasonably should know that another student is in need of emergency medical attention, the student is expected to: (1) contact appropriate people to report the incident and request assistance (e.g., University staff members, law enforcement), and provide those people with the names and contact information for the student reporting the incident and the impaired student; and (2) demonstrate cooperation and care by remaining with the impaired student and providing reasonable assistance during and after the incident. A student who takes all of the steps described in this Section 11.2 will be referred to as a “Good Samaritan” under the Code. The student who needed emergency medical attention will be referred to as an “impaired student” under the Code.

SECTION 11.3 AMNESTY FOR GOOD SAMARITANS. Unless a Good Samaritan has engaged in a repeated or serious violation of the Standards of Conduct (e.g., physical or sexual assault, property destruction, disorderly behavior, theft, second incident of misconduct involving alcohol or drugs), a Good Samaritan will not be subject to formal University disciplinary action for misconduct discovered by the University as a result of the Good Samaritan’s report. While no formal University disciplinary action may be taken, the student who acted as a Good Samaritan may be required to meet with a University staff member to discuss the Good Samaritan’s misconduct and adhere to appropriate remedial and/or educational recommendations.

SECTION 11.4 AMNESTY FOR IMPAIRED STUDENTS. Unless an impaired student has engaged in a repeated or serious violation of the Standards of Conduct (e.g., physical or sexual assault, property destruction, disorderly behavior, theft, second incident of misconduct involving alcohol or drugs), an impaired student will not be subject to formal University disciplinary action for misconduct discovered by the University as a result of the Good Samaritan’s report. While no formal University disciplinary action may be taken, the impaired student may be required to meet with a University staff member, participate in educational activities, and/or establish that the student has addressed issues that contributed to the misconduct.

SECTION 11.5 APPLICATION OF THE AMNESTY POLICY TO STUDENT ORGANIZATIONS. Student organizations, through their officers and members, are also expected to take responsible action in emergency situations. While the Policy on Amnesty for Good Samaritans and Students in Need of Emergency Medical Attention may not fully apply, a student organization’s adherence to steps described in Section 11.2 will be considered a mitigating factor when determining the outcome of or sanction for misconduct. Additionally, the University will consider a failure of officers and/or members to adhere to steps described in Section 11.2 to be an aggravating factor when determining the outcome of or sanction for misconduct.

XII. EMERGENCY POWERS

When, in the judgment of the University’s Chancellor, conditions are such that it is impractical for the Student Conduct Board to function, the Vice Chancellor for Student Life may suspend these procedural regulations and appoint an ad hoc committee to hear a conduct matter. Any such ad hoc committee shall follow procedures that will insure that the Respondent is provided with due process. The final decision of the ad hoc committee may be appealed to the Vice Chancellor for Student Life, but the grounds for appeal are limited to those outlined in Section 8.6.3.

XIII. MAINTENANCE, DISCLOSURE, AND EXPUNGEMENT OF STUDENT DISCIPLINARY RECORDS

SECTION 13.1 MAINTENANCE OF STUDENT DISCIPLINARY RECORDS. The University maintains student disciplinary records separately from student academic records.

SECTION 13.2 DISCLOSURE OF STUDENT DISCIPLINARY RECORDS WHILE A STUDENT IS ENROLLED. While a student is enrolled in the University, OSC may disclose disciplinary records to University officials who have a legitimate educational interest in the disciplinary records or to students who request to inspect their disciplinary records. OSC may disclose disciplinary records to other persons only in accordance with state or federal law.

SECTION 13.3 DISCLOSURE OF STUDENT DISCIPLINARY RECORDS AFTER A STUDENT IS NO LONGER ENROLLED. After a student is no longer enrolled in the University, OSC will disclose a student's disciplinary records to persons outside of OSC only if one of the following sanctions was imposed on the student while the student was enrolled in the University: suspension; expulsion; withholding of degree; or revocation of degree. Notwithstanding the previous sentence, OSC will disclose disciplinary records as required by state or federal law (e.g., subpoena, judicial order).

SECTION 13.4 EXPUNGEMENT OF STUDENT DISCIPLINARY RECORDS. OSC permanently maintains student disciplinary records for students who have received the following sanctions (or their equivalents under previous versions of the Code): suspension; expulsion; withholding of degree; or revocation of degree. OSC expunges student disciplinary records for other students seven (7) years after graduation or the last date of enrollment, except as prohibited by law or a University litigation hold.

XIV. DEFINITIONS OF TERMS USED IN THE CODE

The following words, terms, or phrases, when used in the Code, shall have the following meanings:

(1) **ATTEND:** To participate in a meeting or hearing electronically or in person.

(2) **BUSINESS DAY:** Any weekday not designated by the University as a holiday or administrative closure day. When calculating a time period of business days specified in the Code, the business day of the event that triggers a time period is excluded.

(3) **CHAIRPERSON:** A faculty or exempt staff member appointed by the Director of OSC to preside over and facilitate a SCB Hearing.

(4) **CODE, CODE OF CONDUCT, or STUDENT CODE OF CONDUCT:** The University of Tennessee, Knoxville's Student Code of Conduct, Chapter 1720-04-03.

(5) **COERCION:** Words and/or conduct that, viewed from the perspective of a reasonable person, substantially impair a person's ability to voluntarily choose whether to engage in a particular sexual act (e.g., sexual contact or sexual intercourse). Coercion is something more than mere seduction or persuasion. Coercion includes, without limitation: physical force; and words and/or conduct that would cause a reasonable person to fear imminent: harm to the person's health, safety, or property or that of a third person; threat of the loss or impairment of a job benefit; threat of the loss or impairment of an academic benefit; kidnapping of the person or a third person; or disclosure of sensitive personal information (e.g., disclosure of a person's sexual orientation, gender identity, or gender expression).

(6) **COMPLAINANT:** An individual who may have been subjected to student conduct that violates the Standards of Conduct, regardless of whether that individual makes a complaint or report to OSC. This term does not imply pre-judgment concerning whether the Respondent violated the Standards of Conduct. The Director of OSC is the final decision maker with respect to whether an individual is a Complainant for purposes of the Code.

(7) **CONDUCT OFFICER:** A University employee designated by the Director of OSC to present information on behalf of OSC to the Student Conduct Board. The Conduct Officer shall be employed in the Division of Student Life but is not required to be employed by OSC. However, in a case involving alleged academic dishonesty in which OSC has not issued a Notice of Allegations, the instructor generally will be designated as the Conduct Officer.

(8) **CONSENT:** When used in connection with sexual misconduct, consent means an affirmative and voluntary agreement by a person to engage in a specific sexual act. Consent must be obtained, and the responsibility for obtaining consent rests with the individual who voluntarily and physically initiates a specific sexual act, even if the other person initiated the sexual encounter.

(a) One's own use of alcohol, drugs, or other substances does not diminish one's responsibility to obtain consent from the other person. Moreover, another person's use of alcohol, drugs, or other substances does not diminish one's responsibility to obtain consent from that person.

(b) The term "affirmative," as used in the definition of consent, means that consent is communicated only through words and/or non-verbal actions that convey a clear agreement to engage in a specific sexual act. Whether person has communicated an agreement to engage in a specific sexual act generally is evaluated from the perspective of what a reasonable

person who perceived the individual’s words and/or non-verbal actions would have understood; however, in the context of a long-term relationship between persons that has involved sexual activity and a pattern of communicating consent, whether consent has been communicated may be evaluated based on a subjective standard (i.e., what did the specific person who initiated the specific sexual act conclude?). A verbal “no” (or words equivalent to “no”), even if it sounds insincere or indecisive, always means that consent has not been communicated, or if previously communicated has been withdrawn. The absence of a verbal “no” does not necessarily mean that consent has been communicated. Because interpreting non-verbal actions may lead to misunderstanding and a violation of this policy, students are strongly encouraged to err on the side of caution and not rely solely on the non-verbal actions of another person in concluding that the other person has communicated consent. The University urges students to talk to one another before engaging in a sexual act to ensure that they both wish to engage in the same sexual act.

(c) Consent cannot be obtained by or inferred from:

1. silence that is not accompanied by non-verbal actions conveying a clear agreement to engage in a particular sexual act;
2. consent communicated by the other person on a previous occasion;
3. consent communicated to another person;
4. the other person’s failure to resist physical force (however, for purposes of this policy, the other person’s resistance to physical force will be viewed as a clear demonstration that the person has not communicated consent);
5. the sexual arousal of the other person;
6. a current or previous dating, romantic, intimate, or sexual relationship with the other person;
7. currently or previously cohabitating with the other person;
8. the other person’s attire;
9. the other person’s reputation;
10. the other person’s giving or acceptance of gifts; or

11. the other person’s extension or acceptance of an invitation to go to a private residence, room, or location.

(d) Consent is not voluntary if it is obtained by coercion. Nor is consent voluntary if it is obtained from a person who is incapacitated if one knows (or a reasonable person would know) that the other person is incapacitated. Because the incapacitation of another person may be difficult for one to discern, students are strongly encouraged to err on the side of caution (i.e., when in doubt, assume that the other person is incapacitated and therefore unable to give consent).

(e) Consent must be continual, which means that consent must exist from the beginning to the end of each sexual encounter and for each specific sexual act that occurs during a sexual encounter. A person has a right to change his/her mind; thus, consent to engage in a specific sexual act may be withdrawn by a person at any time. A withdrawal of consent is communicated through clear words and/or clear non-verbal actions that indicate that a person no longer agrees to engage in a specific sexual act. Once a person’s withdrawal of consent has been communicated, the other person must cease the specific sexual act and must obtain consent before reinitiating the specific sexual act. Consent is automatically withdrawn when a person becomes incapacitated. Consent to one type of sexual contact or sexual intercourse (e.g., oral intercourse) does not constitute or imply consent for another type of sexual contact or sexual intercourse (e.g., vaginal intercourse), whether during a sexual encounter or during a previous sexual encounter. The University urges students to communicate with one another throughout a sexual encounter to ensure that any progression of sexual activity is done with consent.

(9) COURSE OF CONDUCT: Two or more acts, including, but not limited to, acts in which the stalker directly, indirectly, or through third parties, by any action, method, device, or means, follows, monitors, observes, surveils, threatens, or communicates to or about another person, or interferes with another person’s property.

(10) DATING VIOLENCE: Violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim of the violence. The existence of such a relationship shall be determined based on the reporting party’s statement and with consideration of the following factors: (1) the length of the relationship; (2) the type of relationship; and (3) the frequency of interaction between the persons involved in the relationship. Dating violence includes, without limitation, sexual or physical abuse or the threat of such abuse.

(11) **DISCIPLINARY HOLD:** The University hold described in Section 6.4.2.

(12) **DISCIPLINARY RECORDS:** A written record that personally identifies a Respondent and is maintained by OSC and Community Standards.

(13) **DOMESTIC VIOLENCE:** A felony or misdemeanor crime of violence committed:

(a) by a current or former spouse or intimate partner of the victim;

(b) by a person with whom the victim shares a child in common;

(c) by a person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner;

(d) by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction in which the crime of violence occurred; or

(e) by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction in which the crime of violence occurred.

(14) **FACULTY MEMBER OR INSTRUCTOR:** A person hired by the University to conduct teaching, research, or supervised clinical placements.

(15) **FORMAL HEARING:** A SCB Hearing, a hearing before a Student Life Hearing Officer, and/or a UAPA Hearing.

(16) **GOOD FAITH:** Having a belief in the truth of information that a reasonable person in the same position could have, based on the information known to the person communicating the information at the time the information was communicated by that person. Information is not communicated in good faith if it is communicated with knowing or reckless disregard for information that would negate the former information.

(17) **INCAPACITATED OR INCAPACITATION:** A temporary or permanent physical or mental state in which a person cannot make informed, rational judgments (e.g., judgments concerning sexual contact, sexual intercourse, or sexual exploitation) because: the person lacks the physical or mental capacity to understand the nature or consequences of their words and/or conduct; and/or the person is unable to physically or verbally communicate consent. Incapacitation can be voluntary or involuntary.

Incapacitation is determined based on the totality of the circumstances. Incapacitation may result from: sleep; unconsciousness; intermittent consciousness; temporary or permanent physical or mental disability; involuntary physical restraint; or the influence of alcohol, drugs, or other substances, including, without limitation, substances used to facilitate sexual assault (e.g., Rohypnol, Ketamine, GHB, and Burundanga). Alcohol and drugs are common causes of incapacitation. When alcohol or drugs are involved, Incapacitation is a state beyond mere drunkenness or intoxication. The impact of alcohol and drugs varies from person to person; however, warning signs of incapacitation may include, without limitation: lack of control over physical movements (e.g., inability to dress/undress without assistance; inability to walk without assistance); lack of awareness of circumstances or surroundings; vomiting; unresponsiveness; and inability to communicate coherently. A person who is under the age of eighteen (18) (i.e., a minor) is incapable of giving consent; however, a person who is at least the age of thirteen (13) and less than the age of eighteen (18) is capable of giving consent to sexual acts with another person who is less than four (4) years older than them.

(18) **KNOXVILLE AREA:** The geographical area that consists of the following counties in the state of Tennessee: Knox, Anderson, Union, Grainger, Jefferson, Sevier, Blount, Loudon, and Roane.

(19) **MEMBER OF THE UNIVERSITY COMMUNITY:** A person who is a student, University employee, University volunteer, invited visitor to University-controlled property, or participant in a University-affiliated activity.

(20) **NOTICE:** Written notice transmitted by United States mail, courier service, or hand delivery to the address the University's Registrar has on file for the student; and/or by e-mail to a student's University-provided e-mail account. When a notice is transmitted by United States mail or courier service, the notice is effective on the date that it is mailed or delivered to the courier service. When a notice is transmitted by hand delivery, the notice is effective on the date that it is delivered to the person to whom the notice is addressed. When a notice is transmitted by e-mail, the notice is effective on the date that the e-mail is sent. A student's University-issued email address is the official method of communication used by OSC.

(21) **OSC:** The Office of Student Conduct and Community Standards, which acts through University employees designated by the Director of OSC to act on behalf of the University in the student conduct process, including, without limitation University employees who work in OSC and University employees who work in University Housing.

(22) **POSSESSION:** Actual knowledge of a substance or property and/or being in such close proximity to the substance or property that it is a reasonable presumption that one had knowledge of the substance or property.

(23) **REASONABLE PERSON:** A sober, objectively reasonable person in the same situation, and with the same sex, gender identity, and sexual orientation as the person whose words and/or conduct are being evaluated.

(24) **RELATIONSHIP VIOLENCE:** Dating violence and/or domestic violence.

(25) **RELEVANT INFORMATION:** Information having any tendency to make the existence of any fact that is of consequence to determining whether the Respondent violated the Standards of Conduct more probable or less probable than it would be without the information.

(26) **RESPONDENT:** A student who has been accused of violating the Standards of Conduct and/or whose conduct is being investigated by OSC.

(27) **RETALIATION:** An act taken by a student (including, without limitation, an act taken through a third party) because of another person's participation in a protected activity that would discourage a reasonable person from engaging in protected activity. Protected activity means a person's good faith: (1) opposition to conduct prohibited under the Standards of Conduct; (2) report to the University about conduct prohibited under the Standards of Conduct to the University; (3) participation (or reasonable expectation of participation) in any manner in an investigation, meeting, hearing, or interim measure; or (4) exercise of rights or responsibilities under any provision of the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act. Retaliation violates the Standards of Conduct regardless of whether the underlying allegation of a violation of the Standards of Conduct is ultimately found to have merit. Retaliation can include an act taken against a person's family, friends, advisors, and/or other persons reasonably expected to provide information in connection with a University investigation or hearing.

(28) **SANCTION:** An administrative sanction and/or a developmental sanction.

(29) **SCB:** Student Conduct Board.

(30) **SEXUAL ASSAULT:** Engaging in sexual contact or sexual intercourse with another person without the consent of that person.

(31) **SEXUAL CONTACT:** The intentional touching of another person (including, without limitation, another person's clothing) in a sexual manner with any part of one's body or with any object. Sexual contact also means

intentionally causing another person to touch themselves (including, without limitation, their clothing) in a sexual manner. Whether a touching was done in a sexual manner is determined from the perspective of a sober, objectively reasonable person in the same situation and with the same sex, gender identity, and sexual orientation as the person who was touched.

(32) **SEXUAL EXPLOITATION:** An act or attempted act by a person for the purpose of sexual arousal or gratification, financial gain, or other personal benefit through the abuse or exploitation of another person's sexuality. Examples of Sexual Exploitation include, without limitation: observation of a person who is undressed or engaging in sexual contact or sexual intercourse, without the consent of all persons being observed (in a place where a person has a reasonable expectation of privacy); creation or distribution of images, photography, an audiotape, or a videotape of sexual contact, sexual intercourse, or a person's intimate parts (i.e., genitalia, groin, breasts, buttocks) without the consent of all persons being recorded or photographed; prostituting another person; allowing others to observe, either in person or electronically, sexual contact or sexual intercourse without the consent of all persons involved in the sexual contact or sexual intercourse (in a place where a person has a reasonable expectation of privacy); and knowingly exposing another person to a sexually transmitted infection without informing the other person that one has a sexually transmitted infection.

(33) **SEXUAL HARASSMENT:** With respect to the conduct of a student, unwelcome conduct of a sexual nature that is so severe or pervasive, and objectively offensive, that it substantially interferes with the ability of a person to work, learn, live, or participate in or benefit from the services, activities, or privileges provided by the University. In no event shall the term "sexual harassment" be construed to prohibit speech protected by the First Amendment to the United States Constitution (e.g., mere insulting or offensive speech). Sexual harassment may include, for example, unwelcome sexual advances, requests for sexual favors, and acts of sexual assault. The term "sexual harassment" also means, with respect to the conduct of a student-employee (when acting as a student-employee): unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when: submission to such conduct is made either explicitly or implicitly a term or condition of an individual's participation in an educational program; submission to or rejection of such conduct by an individual is used as the basis for evaluation or advancement in an educational program; or such conduct has the purpose or effect of unreasonably interfering with an individual's educational performance or creates an intimidating, hostile or offensive educational environment. Sexual harassment is a form of sex dis-

crimination. To determine whether conduct constitutes sexual harassment, consideration shall be given to the totality of the circumstances, including, without limitation: the context in which the conduct and/or words occurred; and the frequency, nature, and severity of the conduct and/or words.

(34) **SEXUAL INTERCOURSE:** The penetration, no matter how slight, of the vagina or anus with any body part or object; or oral penetration by a sex organ of another person.

(35) **SEXUAL MISCONDUCT:** Sexual harassment, sexual assault, and/or sexual exploitation.

(36) **STAFF MEMBER:** A person employed by the University on a part- or full-time basis, primarily involved in planning, organizing, staffing, directing and controlling efforts to achieve the goals and objectives of the University.

(37) **STALKING:** Engaging in a course of conduct directed at a specific person that would cause a reasonable person to: (1) fear for the person’s safety or the safety of others; or (2) suffer substantial emotional distress. For the purposes of this definition, the term “reasonable person” means a reasonable person under similar circumstances and with similar identities to the victim.

(38) **STANDARDS OF CONDUCT:** Chapter 1720-04-03-.04.

(39) **STUDENT:** For purposes of the Code, the term “student” means:

- (a) A person enrolled or registered for study at the University, either full-time or part-time, pursuing undergraduate, graduate, or professional studies, as well as non-degree and non-credit programs and courses;
- (b) A student organization;
- (c) A person who has completed the immediately preceding academic term and is eligible for re-enrollment;
- (d) A person who is not officially enrolled but who has a continuing relationship with the University (e.g., on educational leave or other approved leave status);
- (e) A person who attended the University during a previous academic term and who engaged in misconduct during the time of enrollment; and/or
- (f) A person who has been admitted to the University and later matriculates at the University, with respect to misconduct:

- 1. That occurs as part of the application process; or
- 2. That occurs post-admission and pre-matriculation and falls within the jurisdiction of the Code (e.g., occurs on University-controlled property).

(40) **STUDENT LIFE HEARING OFFICER.** As more fully described in Section 7.2.5, a University employee designated by the Director of OSC to conduct a Formal Hearing.

(41) **STUDENT ORGANIZATION:** An organization that is composed solely of University students that has submitted a pending application or has completed the process for registration according to University rules.

(42) **SUBSTANTIAL EMOTIONAL DISTRESS:** Significant mental suffering or anguish that may, but does not necessarily, require medical or other professional treatment or counseling.

(43) **UAPA:** Uniform Administrative Procedures Act, Tennessee Code Annotated, § 4-5-301 et seq.

(44) **UAPA HEARING:** A hearing conducted by a University administrative judge or hearing officer in accordance with the University’s procedures for conducting a contested case hearing pursuant to the UAPA, Chapter 1720-01-05.

(45) **UNIVERSITY:** The University of Tennessee, Knoxville; the University of Tennessee Institute of Agriculture; and their campuses, centers, institutes, and constituent parts including, without limitation, their academic, administrative, or auxiliary departments or divisions.

(46) **UNIVERSITY-AFFILIATED ACTIVITY:** means an activity on or off University-controlled property that is initiated, aided, authorized, sponsored, or supervised by the University.

(47) **UNIVERSITY-CONTROLLED PROPERTY:** All land, grounds, structures, or any other property owned, controlled, or operated by the University. For purposes of this rule, University-controlled property includes, without limitation, all streets, alleys, sidewalks, and public ways abutting such property. University-controlled property also includes computers and network systems owned, controlled, or operated by the University or funded by the University.

(48) **UNIVERSITY OFFICIAL:** An employee of the University, including, without limitation, faculty members and staff members, or, for purposes of this Code, a University-recognized volunteer, when acting in the

performance of their duties. Student employees may be considered University officials when acting in the performance of their duties (e.g., event staff, resident assistants, and teaching assistants).

(49) **VICE CHANCELLOR FOR STUDENT LIFE:** The University's chief student affairs officer, to whom the Chancellor has delegated responsibility for the administration of the Code. For the purposes of the Code, the term also includes any University employee whom the Vice Chancellor for Student Life designates to act in place of the Vice Chancellor for Student Life.

(50) **WEAPON:** Any device, instrument, or substance that is designed to, or reasonably could be expected to, inflict a wound, incapacitate, or cause serious bodily injury or death, including, but not limited to, firearms (loaded and unloaded, real firearms and devices that would reasonably appear to a law enforcement officer to be real firearms), ammunition, electronic control devices (such as tasers and stun guns), devices designed to discharge an object (such as bb guns, air guns, pellet guns, potato guns, and slingshots, but not water guns), explosives, dangerous chemicals (such as mace, tear gas, and oleoresin capsicum), martial arts weapons, bows and arrows, artificial knuckles, nightsticks, blackjacks, dirks, daggers, swords, and knives with fixed blades longer than four (4) inches. The term "weapon" does not include pocket knives that fold (but not excluding switchblades); chemical repellents available over-the-counter for self-defense; instruments used solely for personal hygiene, preparation of food, maintenance, University-related instruction, or University employment-related duties.

(51) **WRITTEN:** To communicate words either on paper and/or electronically. For example, a notice delivered via e-mail constitutes a written notice under the Code.

THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

MINUTES OF THE ANNUAL MEETING
June 25, 2015
Knoxville, Tennessee

The Annual Meeting of The University of Tennessee Board of Trustees was held at 1:00 p.m. EDT, on Thursday, June 25, 2015, in Hollingsworth Auditorium on the campus of the Institute of Agriculture in Knoxville, Tennessee.

I. CALL TO ORDER AND INVOCATION

James L. Murphy III, Vice Chair of the Board, called the meeting to order. Gary Peacock, Director of Campus Renewal Ministries' Campus House of Prayer, offered the invocation.

II. ROLL CALL

Secretary Catherine S. Mizell called the roll, and the following members were present:

James L. Murphy, III, Vice Chair
Charles C. Anderson, Jr.
Jalen K. Blue
Shannon A. Brown
George E. Cates
Joseph A. DiPietro
Brian W. Donavant
Spruell Driver, Jr.
John N. Foy
D. Crawford Gallimore
David A. Golden
Vicky B. Gregg
Julius T. Johnson
Raja J. Jubran
Brad A. Lampley
Sharon Miller Pryse
Rhedona Rose
Julia T. Wells
Charles E. Wharton
Tommy G. Whittaker

The Secretary announced the presence of a quorum. Governor Haslam, Commissioner of Education Dr. Candice McQueen, Interim Executive Director of the Tennessee Higher Education Commission Dr. Russ Deaton, and Trustee William E. Evans were unable to attend the meeting. Members of the administrative staff and media representatives were present. The meeting was also webcast for the convenience of the University community, the general public, and the media.

III. REMEMBERING DR. EDWARD J. BOLING, 17th PRESIDENT OF THE UNIVERSITY OF TENNESSEE

On behalf of the Board, Vice Chair Murphy expressed his condolences to the Boling family and UT community for the loss of Dr. Edward J. Boling, one of the great leaders of The University of Tennessee. The Vice Chair recognized Dr. Joe Johnson, who served as Executive Vice President to Dr. Boling for many years, to share some of his memories of Dr. Boling.

Dr. Johnson described Dr. Boling's formidable contributions to the University, characterizing his legacy as truly extraordinary. He reflected on how deeply Dr. Boling cared about the University and always worked in a vigorous, evenhanded way for what was best for the University. Stated simply, he said, Ed Boling was a good man and a good friend who will be missed.

Vice Chair Murphy thanked Dr. Johnson and recognized President DiPietro to present a Resolution honoring Dr. Boling (Exhibit 1). After recognizing members of the Boling family who were present at the meeting, Dr. DiPietro read the Resolution and moved its adoption. Trustee Pryse seconded the Resolution, and it was adopted unanimously. Dr. DiPietro presented the Resolution to Dr. Boling's sons, Mark, Brian and Stephen, and then introduced a video tribute to Dr. Boling. At the conclusion of the video, Vice Chair Murphy asked for a moment of silence in remembrance of Dr. Boling.

IV. INTRODUCTIONS

Vice Chair Murphy introduced new Non-voting Student Trustee Miranda Rutan, a student at UT Martin, and new Non-voting Faculty Trustee, Dr. Brian Donavant, a faculty member at UT Martin, and presented both with a Trustee lapel pin.

V. ADOPTION OF AN HONORARY RESOLUTION

The Vice Chair recognized Trustee Lampley, who presented a Resolution honoring Bonnie Lynch for her service as a Student Trustee (Exhibit 2). Trustee Lampley referred the Trustees to the Resolution in the meeting materials and thanked her for her wisdom, insight, candor and the perspective she provided to the Board as a medical student at UTHSC. Trustee Lampley moved adoption of the Resolution, the motion was seconded by

Trustee Foy, and the Resolution was adopted unanimously. Trustee Lampley presented Ms. Lynch with a copy of the Resolution and a framed photograph of the Board of Trustees. In accepting the Resolution, Ms. Lynch said The University of Tennessee means more to her than she will ever be able to put into words because she would not be who she is today without dedicated teachers and amazing resources. She thanked Governor Haslam for the opportunity to serve as a Student Trustee, President DiPietro and Secretary Mizell for their helpfulness and responsiveness, and all the Trustees for their friendship and their service to the University.

VI. PRESIDENT'S REPORT

Dr. DiPietro provided a brief update on executive searches, the Budget Advisory Group's boundaries initiative, and the System Strategic Plan.

Concerning upcoming executive searches, he reported that the search for the UT Martin Chancellor would begin in a year or so and the search for the Vice President for IPS would begin in late summer. In light of Mr. Peccolo's announced year-end retirement, Dr. DiPietro said a search for the Chief Financial Officer would probably begin in the fall or winter.

Concerning the Budget Advisory Group's boundaries initiative, Dr. DiPietro provided an update on the business model initiative to address the gap in funding projected over the next 10 years. At the Winter Meeting in February, the Board endorsed the plan to put in place certain boundaries to deal with the anticipated deficit over the next two financial cycles. He reported that the FY16 budgets will reflect those boundaries, and more details will be presented at the Fall Meeting in October. He reported that some plans are already in place, such as the UTC and AgResearch voluntary retirement incentive programs at UTC presented for Board approval at this meeting. The System Administration is making plans for a study of post-tenure review policies and a review of guidelines for evaluation and termination of academic programs. The work of both of those initiatives will begin the work this fall when faculty representatives can be fully engaged in the process.

Turning to the proposed tuition for 2015-16, Dr. DiPietro said the boundary presented to the Board in February was to limit undergraduate tuition increases to no more than the Higher Education Price Index (HEPI). The proposed increase for 2015-16 is 3 percent, which is the lowest increase for all three formula units for the past thirty years. He noted that the 3 percent increase follows the "3-3-0" model he has discussed over the past year.

Dr. DiPietro expressed appreciation for the support of the Governor and legislators that resulted in a very good appropriations year for the University. He described it as the second best budget since his arrival at the University. Although the University must continue to press for increased support, it must also plan for difficult budget circumstances in the future.

Dr. DiPietro next updated the Board on the System Strategic Plan approved by the Board in 2012. He reported that at this three-year mark, the first phase of implementation has been completed. Dr. DiPietro highlighted one completed initiative for each of the five goals: enhancing educational excellence, expanding research capacities, fostering outreach and engagement, ensuring effectiveness and efficiency and advocating for UT.

- For Goal 1, Enhancing Educational Excellence, the first system-wide Diversity Summit was held in April. This is an important step in efforts to advance diversity across the University.
- For Goal 2, Expanding Research Capacities, planning is ongoing for a Joint Institute for Personalized Health. We are excited about the collaboration that will occur in this program across three campuses: Health Science Center, Knoxville and Chattanooga. We need to do more collaboration in research, and we are working toward that.
- For Goal 3, Fostering Outreach and Engagement, an online portal has been created for entry of outreach data. The portal will promote better measurement of outreach efforts across the UT System.
- For Goal 4, Ensuring Effectiveness and Efficiency, fundraising for the last year achieved a record level for a year outside a campaign year, and the total to date this year is \$298 million. Fundraising is included in this goal because it is a method for increasing revenues directed toward specific projects as determined by donors.
- For Goal 5, Advocating for UT, the work to secure funding from the General Assembly to purchase the Lone Oaks property in West Tennessee for a new 4-H facility demonstrates our strength in numbers and strength in determination. When the project looked like it would fail to gain legislative approval, our advocates saved the day and persuaded legislators to support the project.

Dr. DiPietro stated that given the current funding environment and the work being done around the University's business model, a refresh of the System Strategic Plan was needed. Task forces for each goal were convened earlier this year, and new initiatives were added for each goal. He proceeded to highlight one new initiative for each goal:

- Goal 1, Enhancing Educational Excellence: We will continue to explore and determine appropriate regional tuition plans at UT Chattanooga and UT Martin to encourage enrollment of highly qualified out-of-state students.

- Goal 2, Expanding Research Capacities: We will seek mutually beneficial partnerships with industry across UT campuses and institutes. We will focus on major Tennessee-based companies.
- Goal 3, Fostering Outreach and Engagement: Following up on the online portal for reporting outreach and engagement activities, we will consolidate and refine data collection.
- Goal 4, Ensuring Effectiveness and Efficiency: Human Resources initiatives fall under this goal, and we will continue to implement a plan to become an Employer of Choice.
- Goal 5, Advocating for UT: We will develop a data driven, statewide advocacy campaign to increase understanding of the University's impact and seek increased support for UT and higher education.

In closing, Dr. DiPietro expressed gratitude for the opportunity to interact with Dr. Boling and his family. As a constant advocate and champion for the University, Dr. Boling understood deeply the importance of fundraising and developing relationships. He said there is no better way to honor Dr. Boling's legacy than to keep rolling up our sleeves and working hard to achieve our goals to continue to make the University better for future generations.

VII. EMPLOYEE REQUEST TO ADDRESS THE BOARD ON SALARY INCREASE PROVISIONS IN THE FY 2016 OPERATING BUDGET

Vice Chair Murphy announced that on May 27, an employee had submitted a request to address the Board on the FY 2016 Operating Budget and salary plan. Under the Bylaws, consent of a majority of the Trustees is required to grant the employee's request. Trustee Wharton moved that Mr. Anderson be allowed to address the Board on the FY 2016 Operating Budget and salary plan. Trustee Brown seconded the motion, and it was unanimously approved. Vice Chair Murphy recognized Mr. Tom Anderson, an employee in the Facilities Services Department at UT Knoxville, for his remarks.

Mr. Anderson thanked the Board for allowing him to address the proposed salary increase provisions included in the FY 2016 Operating Budget. He asked the Board to consider distributing the \$24.6 million allocated to faculty and staff salary increases as an equal dollar raise, before merit, and in lieu of a percentage increase. He described the very positive impact an equal dollar raise would have on the lowest paid employees of the University who struggle to catch up to cost-of-living increases, given that there have been several years when employees did not receive a raise. He argued that implementing an equal dollar across-the-board raise will impact the economy in this state in a way that a merit raise may not because money is distributed to more people to inject into the

economy. He said last year's \$600 minimum salary increase for the lowest paid employees worked out to \$23 every two weeks, which had a minimal impact on their lives. He mentioned the detrimental effect of employees having to take on second and third jobs. He expressed his view that regular hourly staff members do not have a voice in discussions leading up to the Board's decision, which emphasizes the importance of his being able to address the Board on this subject. In closing, he urged the Board to include regular hourly employees in the budget discussion and to consider an across-the-board equal dollar raise.

Responding to Mr. Anderson's remarks, Dr. DiPietro reported that Mr. Anderson is a member of the Employee Relations Advisory Board and that feedback from hourly employees at ERAB meetings is taken very seriously as budgets are put together by the Chancellors. ERAB meetings include discussion of what the units will be recommending to the Board. He said that one of the problems with the flat-dollar approach is that it becomes difficult to retain employees at the higher-end salary scales. He also noted that the University has raised the minimum hourly wage over the last three years. He acknowledged that the Sibson market analysis conducted a few years ago revealed a \$150 million gap across the UT System, and the business plan tries to tackle that over the next several years. He reiterated that mechanisms are in place to receive feedback from staff throughout the budget process. Mr. Anderson replied that the mechanisms for feedback are filtered through the President to the Board. He also argued that retention of employees is an issue at all levels.

VIII. FY 2015 OPERATING BUDGET, STUDENT TUITION AND FEES, AND COMPENSATION GUIDELINES

Treasurer and CFO Butch Peccolo presented a summary (Exhibit 3) of the proposed FY 2016 Operating Budget, Student Tuition and Fees, and Compensation Guidelines (Exhibit 4), including total current funds, unrestricted education and general (E&G) funds, and tuition and fee recommendations. CFO Peccolo thanked Mr. Maples, Mr. Loewen, Mr. Bodin-Henderson and the business officers across the campuses and units for all of their hard work on the FY 2016 Proposed Budget.

Concerning the FY 2016 salary plans, Vice Chair Murphy asked whether the plans presented for each campus were campus-specific decisions. CFO Peccolo responded that the plans were determined by each campus or unit, within overall guidelines.

Vice Chair Murphy also suggested that as the administration is reviewing the business model, the litany of add-on fees should be examined and consideration given to consolidating them to the extent feasible, recognizing that different majors might have different fees.

Trustee Cates asked that next year a hybrid model be considered to increase the minimum wage at the University. Trustee Wharton asked for a report comparing UT faculty salaries

after FY 2015-16 raises with faculty salaries at comparable institutions and a report comparing salaries of facilities staff with comparable positions in the local market.

Trustee Cates moved that the Resolution on the FY 2015 Operating Budget, Student Tuition and Fees, and Compensation Guidelines (Exhibit 5) be adopted. Trustee Anderson seconded, and the motion carried unanimously.

IX. ACTION ITEMS FROM FINANCE AND ADMINISTRATION COMMITTEE

Committee Chair Anderson reported that the following item had been presented and discussed in the Committee meeting the previous day, with most Trustees in attendance, and that the Committee had recommended the item for approval (Exhibit 6).

A. Amendment of the Traffic and Parking Rule for The University of Tennessee at Chattanooga

Trustee Anderson moved that the Board of Trustees adopt the amendment of Chapter 1720-02-03 of the Rules of The University of Tennessee to incorporate increases in the fines for certain parking violations in Chattanooga. Trustee Pryse seconded the motion, a roll call vote was taken, and the motion carried.

X. ACTION ITEMS FROM ACADEMIC AFFAIRS AND STUDENT SUCCESS COMMITTEE

Committee Chair Gregg reported the following items, which were considered and recommended for approval by the Academic Affairs and Student Success Committee at its meeting the previous day, with most Trustees in attendance, and that the Committee had recommended the items for approval.

A. Amendment of the Student Conduct Rules

1. UTC Student Conduct Rule (Exhibit 7)

Trustee Gregg moved that the Board of Trustees adopt the amendment of Chapter 1720-02-05 of the Rules of The University of Tennessee to incorporate revisions to the student conduct rules of The University of Tennessee at Chattanooga. Trustee Foy seconded the motion, a roll call vote was taken, and the motion carried.

2. UTHSC Student Conduct Rule (Exhibit 8)

Trustee Gregg moved that the Board of Trustees adopt the amendment of Chapter 1720-03-03 of the Rules of The University of Tennessee to incorporate revisions to the student conduct rules of The University of Tennessee Health Science Center.

Trustee Jubran seconded the motion, a roll call vote was taken, and the motion carried.

3. UT Knoxville Student Conduct Rule (Exhibit 9)

Trustee Gregg moved that the Board of Trustees adopt the amendment of Chapter 1720-04-03 of the Rules of The University of Tennessee to incorporate revisions to the student conduct rules of The University of Tennessee, Knoxville. Trustee Cates seconded the motion, a roll call vote was taken, and the motion carried.

4. UT Martin Student Conduct Rule (Exhibit 10)

Trustee Gregg moved that the Board of Trustees adopt the amendment of Chapter 1720-05-01 of the Rules of The University of Tennessee to incorporate revisions to the student conduct rules of The University of Tennessee at Martin. Trustee Jubran seconded the motion, a roll call vote was taken, and the motion carried.

B. Amendment of the Honor Code Rule for The University of Tennessee Health Science Center

Trustee Gregg moved that the Board of Trustees adopt the amendment of Chapter 1720-03-01 of the Rules of The University of Tennessee to incorporate revisions to the Honor Code for The University of Tennessee Health Science Center (Exhibit 11). Trustee Jubran seconded the motion, a roll call vote was taken, and the motion carried.

XI. ACTION ITEMS FROM TRUSTEESHIP COMMITTEE

Vice Chair Murphy reported that the following items had been presented and discussed in the Committee meeting on May 19, 2015, and that the Committee had recommended each item for approval.

A. Revised Audit Committee Charter

Vice Chair Murphy moved that the revised Audit Committee Charter be approved as presented in the meeting materials (Exhibit 12). Trustee Driver seconded the motion, and the motion carried.

B. Authorization for the Vice Chair to Make Committee and Committee Chair Appointments before the Fall Meeting

Vice Chair Murphy moved that the Vice Chair be authorized to make committee and committee chair appointments for 2015-2017 when the final composition of the

Board is known, subject to ratification by the Board at the Fall Meeting on the recommendation of the Trusteeship Committee (Exhibit 13). Trustee Pryse seconded the motion, and the motion carried.

XII. ELECTION OF CHAIR AND VICE CHAIR OF THE BOARD

Vice Chair Murphy recognized Trustee Driver for a nomination. Trustee Driver stated that under the Bylaws of the Board, the Chair and Vice Chair of the Board are elected for two-year terms. Traditionally, the Governor of the State of Tennessee has been elected as Chair of the Board. In June of 2013, the Board continued that tradition by electing Governor Bill Haslam as Chair for a second two-year term through June 30, 2015.

On behalf of the entire Board, Trustee Driver expressed appreciation to Governor Haslam for his outstanding support of higher education during his tenure in office. Trustee Driver said it was his great privilege to nominate the Honorable Bill Haslam for a third term as Chair of the Board of Trustees, beginning July 1, 2015. Vice Chair Murphy called for any other nominations for the position of Chair of the Board of Trustees and hearing none, he called for a motion that nominations cease. Trustee Wells moved that nominations for the position of Chair of the Board of Trustees cease. Trustee Pryse seconded the motion, and it carried unanimously.

Vice Chair Murphy stated that although the Governor's schedule did not allow him to attend the meeting today, he confirmed that he is willing to serve another term as Chair. Trustee Driver moved for the election of Governor Haslam as Chair of the Board of Trustees for a two-year term beginning July 1, 2015. Trustee Pryse seconded the motion, and the motion carried unanimously.

Vice Chair Murphy said he has given careful thought to a recommendation for the next Vice Chair and that after consulting with both the Governor and the President, he has concluded that Trustee Raja Jubran should lead the Board over the next two years. Trustee Jubran has extensive leadership experience, having founded and served as Chief Executive Officer of Denark Construction since its incorporation in 1985. As CEO of the firm, he oversees the overall direction of the firm, pursuit of its vision, and adherence to its mission – all of which are competencies needed in the Vice Chair of the Board. He has also served as chairman of various boards, including the Knoxville Area Chamber Partnership and the Knoxville Community Development Corporation. As a Trustee, Raja has served on the Finance and Administration, the Research, Outreach, and Economic Development Committee, and the EEF Committee. But most important to this recommendation is Trustee Jubran's leadership of the Budget Advisory Group, which has been providing guidance to the President in developing a plan to address the serious funding gap the University is expected to face over the next decade, while offering a high quality education at an affordable price. Vice Chair Murphy said he is convinced Trustee Jubran understands

the funding issue, and his commitment to addressing the issue make him the right person to lead this Board at this time.

Vice Chair Murphy then said it is his honor to nominate Trustee Jubran to serve as Vice Chair for a two-year term beginning July 1, 2015. Calling for any other nominations for the Vice Chair position and hearing none, he asked for a motion that nominations cease. Trustee Driver moved that nominations for the Vice Chair of the Board cease. Trustee Cates seconded the motion, and the motion was carried unanimously.

Trustee Pryse moved the election of Trustee Raja Jubran as Vice Chair of the Board of Trustees for a two-year term beginning July 1, 2015. Trustee Anderson seconded the motion, and the motion carried unanimously.

Trustee Jubran thanked the Board for their trust and confidence and stated that he was extremely honored to be elected to serve as Vice Chair of the Board, especially with this leadership team and looks forward to the hard work ahead.

XIII. ELECTION OF UNIVERSITY OFFICERS

Turning to the election of University Officers (Exhibit 14), Vice Chair Murphy explained that the Bylaws name the following positions as elected University Officers:

- President
- Executive Vice President/Vice President for Research and Economic Development
- Chancellors
- General Counsel and Secretary
- Treasurer
- Vice President for Development and Alumni Affairs

He further explained that under the Bylaws, these officers are elected by the Board initially and re-elected annually. The service of all University Officers is at the will of the Board of Trustees and without a definite term, except for the President, who has an employment agreement for a definite term. He said no increases in compensation for the University Officers are proposed at this time because analysis of market data has not been completed, and development of a variable compensation plan is still in process. He said it is anticipated that the Executive and Compensation Committee will make compensation recommendations for the University Officers at the Fall Meeting, with adjustments to be retroactive to July 1, 2015. He added that because the office of Chancellor of UT Martin is currently filled on an interim basis by appointment of the President, the Resolution included in the meeting materials does not include that officer. Also, the Resolution designates the Treasurer as the Chief Financial Officer of the University, thereby satisfying the Bylaw requirement that one of the University Officers be so designated.

Trustee Wharton moved that the Resolution on Election and Compensation of University Officers be adopted. Trustee Pryse seconded, and the motion carried unanimously.

XIV. REPORT OF THE AUDIT COMMITTEE

Trustee Whittaker provided the following report of the meeting of the Audit Committee in April (Exhibit 15).

The Committee reviewed the Independent Accountant’s Report on Applying Agreed-Upon Procedures report on compliance with NCAA Bylaw 3.2.4.16 for the year ended June 30, 2014, which was issued by State Audit. The auditors did not note any deficiencies or issues while conducting their work.

In addition, the Committee heard from all three Athletics Departments on their five-year revenue and expense trends:

UT Knoxville – Athletics operating revenue and expenses were \$107 million for fiscal year 2014. Over the five-year period, Athletics experienced a 10 percent decrease in ticket sale revenue; however, expects ticket revenue to increase for the current fiscal year. During the same five-year period, they experienced a \$3 million increase in NCAA/conference distributions and a \$4 million increase in royalties, licensing, advertisements, and sponsorships revenue. On the expense side, there was a decrease in athletics student aid because of reclassifying certain expenses, which had been previously reported as student aid, and an increase in other operating expenses for student athlete nutrition and dining hall expenses.

UTC – Athletics operating revenue and expenses were \$16 million for fiscal year 2014, experiencing 22 percent growth over the last five years. Significant fluctuations include an increase in student fee revenue by \$1.8 million as well as a \$1.5 million increase in aid awarded to student athletes in the same five-year period. Direct institutional support also grew by \$2 million.

UT Martin – Athletics operating revenue and expenses were \$9.7 million, with less than \$1 million in growth in the last five years. There was growth in revenue guarantees, doubling in the last five years, and growth in contributions. On the expense side, the most significant increase was for athletic student aid – growing by \$1.3 million, or 46 percent, over the five-year period.

The Committee also reviewed independent auditors’ reports and financial statements for The University of Tennessee Foundation, Inc.; The University of Tennessee Research Foundation; The University of Chattanooga Foundation, Inc. and Subsidiaries; and UT Medical Group, Inc. and Subsidiaries. The external auditors for each entity expressed an unmodified opinion.

Finally, the Committee heard or reviewed reports from each unit in the UT System concerning efforts to advance the maturity of IT Security, including the following highlights:

- the development of information technology policies, including a security incident response and reporting policy;
- the delivery of annual security awareness training to all campuses system-wide; and
- the categorization of systems on all campuses along with the development of a standard risk assessment methodology.

The Audit Committee remains committed to overseeing the maturing of IT Security at the University.

XV. CONSENT AGENDA

The Vice Chair directed the Board's attention to the Consent Agenda. He noted that the approval of items O. and P. are as amended by the Finance and Administration Committee at their meeting the previous day. He called for any requests to remove items from the Consent Agenda. Hearing none, the Vice Chair called for a motion to approve the Consent Agenda, consisting of the following items:

- A. Minutes of the Last Meeting
- B. 2016 Board of Trustees Meeting Dates (Exhibit 16)
- C. Resolution Appointing a Managerial Group for U.S. Government Contracts (Exhibit 17)
- D. Ratification of Quasi-Endowments (Exhibit 18)
- E. FY 2016 Distribution of UC Foundation Unrestricted Endowment Funds (Exhibit 19)
- F. Cherokee Woodlot Easement (Exhibit 20)
- G. Chi Phi Street Transfer from City of Knoxville (UT Knoxville) (Exhibit 21)
- H. Annual Report of Sale of Gift Property (Exhibit 22)
- I. President Emeritus Agreement with Dr. Joseph E. Johnson (Exhibit 23)
- J. Resolution on Corporate Authorization to Transfer Securities (Exhibit 24)

- K. Converting Course Fees to Differential Tuition for UT, Knoxville College of Architecture and Design (Exhibit 25)
- L. Revised Differential Tuition for UT, Knoxville Haslam College of Business (Exhibit 26)
- M. Revised Differential Tuition for UTC College of Business (Exhibit 27)
- N. Standard Business Practice for Calculating Increases to Differential Tuition Rates (Exhibit 28)
- O. UTC Regional Tuition Rate Program for Undergraduates (as approved by Finance and Administration Committee on October 8, 2015) (Exhibit 29)
- P. UTC Regional Tuition Rate Program for Graduate Students (as approved by the Finance and Administration Committee on October 8, 2015) (Exhibit 30)
- Q. Distribution from Julian G. Fleming M.D. Scholarship Quasi-Endowment (Exhibit 31)
- R. Distribution from Unrestricted Annual Giving Quasi-Endowment for Alumni and Development (Exhibit 32)
- S. 2015 AgResearch Voluntary Retirement Incentive Program for Staff (Exhibit 33)
- T. UTHSC Long Range Master Plan (Exhibit 34)
- U. 2015 Comprehensive List of Academic Programs (Exhibit 35)
- V. Authorization to Confer Degrees (Exhibit 36)
- W. Honorary Bachelor's Degree, UT Chattanooga (Exhibit 37)
- X. Program of Study Leading to the Degree of Master of Social Work at UT Chattanooga (Exhibit 38)
- Y. Program of Study Leading to the Degree of Master of Interior of Social Work at UT Chattanooga (Exhibit 39)
- Z. Program of Study Leading to the Degree of Doctor of Entomology, Plant Pathology, and Nematology at UT, Knoxville (Exhibit 40)
- AA. Program of Study Leading to the Degree of Doctor of Public Health at UT, Knoxville (Exhibit 41)

BB. UT, Knoxville Faculty Handbook Revisions Regarding Faculty-Student Relationships (Exhibit 42)

CC. UT, Knoxville Faculty Handbook Revisions Regarding Faculty-Student Relationships (Exhibit 43)

DD. UT Chattanooga Strategic Plan (Exhibit 44)

EE. Tenure Recommendations (Exhibit 45)

FF. Naming the Science Lab Building at UT, Knoxville (Exhibit 46)

GG. Naming the Black Culture Center at UT, Knoxville (Exhibit 47)

Trustee Wharton moved approval of the Consent Agenda, Trustee Pryse seconded, and the motion carried unanimously.

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XVI. 2015-2016 Scheduled Meetings and Workshops

Vice Chair Murphy announced that the 2015-2016 Scheduled Meetings and Workshops were included in the meeting materials and could be found on the Board of Trustees website and in Diligent.

XVII. ADJOURNMENT

With no further business to come before the Board, the meeting was adjourned.

The Vice Chair announced future meetings of the Board and various committees and thanked the staff for coordinating logistics.

Respectfully Submitted,

Catherine S. Mizell, Secretary

THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

ACTION ITEM

DATE: October 9, 2015

COMMITTEE: Trusteeship

ITEM: **Ratification of Vice Chair's Appointment of Standing Committees, Committee Chairs, and Trustee Members of the Athletics Boards**

RECOMMENDATION: Approval

PRESENTED BY: Catherine S. Mizell, Secretary

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At the annual meeting on June 25, 2015, the Board authorized the Vice Chair to make any necessary changes in committee and committee chair appointments before the next Board meeting, subject to ratification by the Board on the recommendation of the Trusteeship Committee. Under the Bylaws, appointments to the three athletics boards are to be made in the same manner as appointments to the standing committees.

Vice Chair Jubran has made the appointments presented on the following list, and at its meeting on September 9, the Trusteeship Committee recommended that the appointments be submitted to the Board of Trustees for ratification at the Fall Meeting.

MOTION:

That the Vice Chair's standing committee, committee chair, and athletics board appointments for 2015-17 be ratified.

ADVANCEMENT AND PUBLIC AFFAIRS COMMITTEE

Principal Staff Liaisons: Anthony C. Haynes, Vice President for Government Relations; Tonjanita L. Johnson, Vice President for Communications and Marketing; and Rickey N. McCurry, Vice President for Development and Alumni Affairs

Sharon J. Pryse, Chair
Shannon Brown
Rhedona Rose
Julia T. Wells
Charles E. Wharton

Ex Officio:

Raja J. Jubran, Vice Chair of Board
Joseph A. DiPietro, President of the University (non-voting)

AUDIT AND COMPLIANCE COMMITTEE

Principal Staff Liaison: Sandy S. Jansen, Executive Director, Audit and Compliance

D. Crawford Gallimore, Chair
Waymon Hickman, External Member
Brad A. Lampley
Sharon J. Pryse
Tommy G. Whittaker

Ex Officio:

Raja J. Jubran, Vice Chair of the Board

FINANCE AND ADMINISTRATION COMMITTEE

Principal Staff Liaison: Charles M. Peccolo, Treasurer and Chief Financial Officer

Charles C. Anderson, Chair
Shannon A. Brown
John N. Foy
James L. Murphy, III
[First District Appointee]

Ex Officio:

Raja J. Jubran, Vice Chair of the Board
Joseph A. DiPietro, President of the University (non-voting)

HEALTH AFFAIRS COMMITTEE

Principal Staff Liaisons: Steve J. Schwab, Chancellor, UTHSC; Charles M. Peccolo, Treasurer and Chief Financial Officer

Ex Officio, Voting: (prescribed by the Bylaws)

Charles C. Anderson, Chair of Finance and Administration/Chair of Health Affairs

Spruell Driver, Jr., Chair of Trusteeship

D. Crawford Gallimore, Chair of Audit

Raja J. Jubran, Vice Chair of the Board

James L. Murphy, III, Immediate Past Vice Chair of the Board

Shelby County or Ninth District Member:

George E. Cates

At Large Member:

Vicky B. Gregg

Ex Officio, Non-voting: (prescribed by the Bylaws)

Joseph A. DiPietro, President

David E. Millhorn, Executive Vice President

RESEARCH, OUTREACH, AND ECONOMIC DEVELOPMENT COMMITTEE

Principal Staff Liaison: David E. Millhorn, Executive Vice President and Vice President for Research and Economic Development

William E. Evans, Chair

George E. Cates

Rhedona Rose

[First District Appointee]

Ex Officio:

Raja J. Jubran, Vice Chair of the Board

Voting Faculty Trustee

Joseph A. DiPietro, President of the University
(non-voting)

Voting Student Trustee

Julius Johnson, Commissioner of Agriculture

Non-voting Faculty Trustee

Candice McQueen, Commissioner of Education

Non-voting Student Trustee

Russ Deaton, Interim Executive Director of THEC
(non-voting)

Professional Staff Non-voting Representatives:

David Stern, UT Health Science Center

Margaret Norris, Institute for Public Service

Tim Cross, Institute of Agriculture

TRUSTEESHIP COMMITTEE

Principal Staff Liaison: Catherine S. Mizell, General Counsel and Secretary

Spruell Driver, Jr., Chair
James L. Murphy, III
Tommy G. Whittaker

Ex Officio:

Raja J. Jubran, Vice Chair of the Board
Joseph A. DiPietro, President of the University (non-voting)

UT CHATTANOOGA ATHLETICS BOARD

John N. Foy
Vicky B. Gregg

UT KNOXVILLE ATHLETICS BOARD

Brad A. Lampley
Sharon J. Pryse

UT MARTIN ATHLETICS BOARD

D. Crawford Gallimore
Julia T. Wells

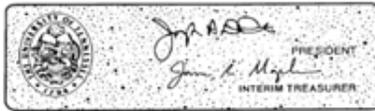
RESOLUTION
OF THE
BOARD OF TRUSTEES
THE UNIVERSITY OF TENNESSEE

AUTHORIZATION FOR CHECK SIGNATURES

WHEREAS, the Board of Trustees of The University of Tennessee, by appropriate resolutions previously duly adopted from time to time, has designated certain banks as depositories of the University and has authorized each bank depository to honor certain checks, drafts, or other orders in the University's name when payable in accordance with the respective resolutions, and when bearing the proper signatures of the President and the Treasurer: and

WHEREAS, upon the retirement of Treasurer Charles M. Peccolo on December 30, 2015, the duties and responsibilities of Treasurer will be assumed by James R. Maples, effective January 1, 2016, on an interim basis by appointment of President Joseph A. DiPietro, as authorized by the Bylaws of the University.

NOW, THEREFORE, BE IT RESOLVED, that each of The University of Tennessee's depository banks is hereby requested, authorized, and directed to honor checks, drafts, or other orders in the University's name and payable in accordance with the Board's resolution which previously designated the bank a depository of the University, when bearing the following check writing machine signatures, per specimen below:



BE IT FURTHER RESOLVED, that this authorization shall relate to all such checks and instruments issued on or after January 1, 2016. The Secretary shall deliver to each depository notice of this authorization bearing the digitized signatures of Joseph A. DiPietro, President, and James R. Maples, Interim Treasurer.

I certify that the foregoing resolution is a true and exact copy of the Resolution adopted by the Board of Trustees at its meeting on October 9, 2015.

Catherine S. Mizell
Secretary of the University

**FUTURE BOARD OF TRUSTEES MEETINGS
AND COMMITTEE MEETINGS**

2015-2016

- Nov 18:** **Workshop, Franklin**
- Dec 7:** **Audit & Compliance Committee, Nashville**
Health Affairs Committee, Nashville
- Feb 23:** **Executive & Compensation Committee, Nashville**
Health Affairs Committee, Nashville
Trusteeship Committee, Nashville
- Mar 31-Apr 1:** **Spring Meeting of the Board, Martin**
- May 9:** **Executive & Compensation Committee, Nashville**
Health Affairs Committee, Nashville
Trusteeship Committee, Nashville
- June 22-23:** **Annual Meeting of the Board, Knoxville**
- Aug 10:** **Workshop (location to be determined)**
- Aug 30:** **Executive & Compensation Committee, Nashville**
Health Affairs Committee, Nashville
Trusteeship Committee, Nashville
- Oct 13-14:** **Fall Meeting of the Board, Knoxville (tentative)**