

MINUTES
SPECIAL MEETING OF THE COMMITTEE ON COMPENSATION

University of Connecticut
Rome Commons Ballroom Portico
Storrs, Connecticut
April 27, 2016

TRUSTEES PRESENT: Andy Bessette, Shari Cantor, Thomas Kruger, Larry McHugh, and Denis Nayden (*via Telephone*)

STAFF PRESENT: Carolle Andrews, Debbie Carone, Michael Eagen, Susan Herbst, Scott Jordan, James Lowe, Richard Orr, Rachel Rubin and Aliza Wilder

Committee Chairman Bessette convened the meeting of the Committee on Compensation at 8:30 a.m. in the portico of the Lewis B. Rome Commons Ballroom on the University of Connecticut campus in Storrs, Connecticut. He then directed the committee to agenda ***Item #1, Approval of the Minutes of the Special Meeting of the Committee on Compensation of August 5, 2015.*** On a motion by Trustee Cantor and seconded by Trustee Kruger the item was approved as circulated.

Aliza Wilder, Director of Human Resources, provided a brief update on agenda ***Item #2, Status of the Benchmarking Study.*** Human Resources utilized the principles established by Sibson Consulting for benchmarking executive and administrative salaries against public and research peer institutions. These studies indicate that executive salaries fall within 85% of the median compensation with peers. According to Sibson this is standard for institutions similar to UConn.

Two years ago the State of Connecticut enacted a Public Act requiring that higher education institutions provide compensation information on administrator salaries. The analysis includes executives as well as the next level down administrators of approximately 122 individuals at UConn which are reviewed on an annual basis. A report was supplied to the Legislature in January utilizing census data from October. A copy of the report was distributed to the committee. The information will be updated over the summer for executive employees. Compensation for administrators is still within 85% of the market for higher education.

Ms. Wilder added that at a previous Compensation Committee meeting there was a request to establish policies that codified the University's practices regarding compensation. Two policies have been established; one for faculty and one for management and confidential employees. Carolle Andrews, UConn Health Chief Administrative Officer and Interim Vice President for Human Resources, confirmed that UConn Health uses similar data for their salary determinations. Trustee Bessette requested that the legislative reporting be distributed to the Committee annually, no later than December.

Michael Eagen, Director of Faculty and Staff Labor Relations and Counsel, briefed the committee on agenda ***Item #3, Collective Bargaining Update.*** He stated that all of the union negotiations are on hold. There have been no meetings with UCPEA since their proposed agreement was withdrawn in March. There is an understanding that the University will resume

bargaining in the fall with UCPEA. There are different ways to proceed depending upon the climate. Any union agreements will be brought to the Board of Trustees along with any developments during the process. There is not much to report regarding professional staff negotiations. Contracts with the four University unions (AAUP in Storrs and UCH, UCPEA, and UHP) are all up for negotiation but are on hold. There has been no signal from the Governor's office or the Legislature on how to proceed.

The University is presently doing wrap ups with unions on what to do after contracts expire on July 1 and before new contracts are in place. The general rule is that, as the employer, we cannot change established conditions of employment until we have a negotiated contract. There is hope to do a type of bridge agreement from expiration until the new contract. There is a meeting planned between the University, the unions and the lawyers to talk about this so there is consistent understanding across all parties. President Herbst stated that the intent is to be good and fair to the unions and try to work through some of the issues that are not tied to compensation. She stated that the situation is currently at a standstill and no one knows what will happen. The current state budget crisis may be effecting any plan for contract negotiation for all statewide unions.

Ms. Andrews added that there is a provision in the UCH AAUP contract that prohibits pay out of bonuses to faculty who have alternate bonus plans. If there is not a successful agreement there will be no bonuses. Essentially without contracts many of these alternate bonus plans are held hostage. This is just an example of the many complications involved when there are no contracts.

Trustee Bessette introduced agenda ***Item #4, Committee on Compensation Notice for Hires over Specified Amount.*** He stated that he would like for hires over a specified hire amount to be noticed to the committee. Chairman McHugh noted that in most instances he is noticed by the President's Office of a large dollar hire with a justification. This notice would, in future, be directed to the committee. He noted that these hires are a fairly infrequent occurrence. The committee agreed that any management hire over a specified amount and over the 75th percentile should come to the committee as notice. A determination of the specified amount would be determined by the administration and brought to the committee.

James Lowe, Assistant Vice Provost, Executive Director of the Center for Career Development and Chairman of the Search for the new Associate Vice President for Human Resources, introduced agenda ***Item #5, Search Update – Associate Vice President for Human Resources.*** An executive overview including job description, advertising, CUPA data for the position, search committee membership, and a representative sample of the types of people the opening is attracting and the institutions they are coming from, was distributed to the committee. A traditional search was started in November 2015 which received 48 applicants. The search committee determined that the applicant pool did not satisfy in quantity or quality the types of individuals that was sought for the role. Approval was obtained to utilize an outside search firm and Heidrick and Struggles was engaged; and three more individuals were added to the search committee. There are currently 49 applicants; 5 are from institutions of similar size and scope to UConn. The search pool is diverse. Mr. Lowe is anticipating transition and follow up from Heidrick and Struggles in late July. The search committee is meeting to review the top candidates in the next few weeks. Of note is the CUPA data for the position. The target salary is below the current salary of the top candidates for the position but he is still looking to get the position filled for a reasonable price. Of note, the search firm indicates that there has been a great

deal of movement in the academic search world and the average tenure for a person in a Chief Human Resource Officer role in an institution like UConn is three years. Many of those that are fairly new to their positions are not anxious to change positions. Recently Heidrick and Struggles have sourced 200 individuals at institutions similar to UConn and only came up with three that did not actively apply.

The Health Center is also seeking a Chief Human Resource Officer and Ms. Andrews noted that they have eight candidates for the position. They are utilizing Korn Ferry as their outside search firm. Skype interviews will take place in the next few weeks for that position.

On a motion by Trustee Bessette and seconded by Trustee Cantor the committee was adjourned at 9:02 a.m.

Respectfully submitted,

Debbie L. Carone

Debbie L. Carone,
Secretary to the Committee