

Minutes of the Executive Committee  
of the Board of Trustees  
University of Kentucky  
Friday, September 5, 2014

The Executive Committee of the Board of Trustees of the University of Kentucky met on Friday, September 5, 2014 in the Board Room, 18<sup>th</sup> Floor of the Patterson Office Tower.

A. Meeting Opened

Dr. E. Britt Brockman, chair of the Executive Committee, called the meeting to order at 7:45 a.m. and asked Secretary Sheila Brothers to call the roll.

B. Roll Call

The following members of the Executive Committee were present: E. Britt Brockman (chair), Oliver Keith Gannon, Terry Mobley, James W. Stuckert, and Barbara Young. Secretary Brothers reported that a quorum was present.

Trustees Akins, Britton, Bryant, Edwards, Gatton, Grossman, Holland, and Vance were in attendance. General Counsel Bill Thro was also in attendance.

C. Approval of Minutes

Chair Brockman said that the minutes of the August 12, 2014 Executive Committee meeting had been distributed and asked for any comments. Trustee Stuckert moved approval and Trustee Akins seconded the motion. It carried without dissent.

D. President's Evaluation

Chair Brockman thanked the members of Executive Committee for their work on the President's Evaluation. He reviewed the timeline of the evaluation process stating that during its April 2014 meeting, the Board of Trustees approved ECR 1, Process for the 2013-14 Presidential Evaluation, which outlined the components and process for the President's third-year evaluation. Chair Brockman continued that because the University is engaged in developing its next Strategic Plan and because the Board of Trustees anticipates a much more in-depth Presidential Evaluation for 2014-15, a slightly altered process for 2013-14 was adopted.

Chair Brockman stated that at the Executive Committee meeting in August 2014, the Committee had a full discussion regarding the changes made in the evaluation, the evaluation timeline and the results from campus and community constituent surveys. The Committee also heard from Senate Council Chair Dr. Andrew Hippisley, who presented the feedback from the faculty campuswide survey. Following that meeting, a questionnaire was distributed to the Board of Trustees. The questionnaires submitted by Board of Trustee members were delivered to General Counsel Bill Thro and a copy provided to Chair Brockman.

In citing the President's major accomplishments for 2013-14, Trustees applauded:

- The EdR partnership and construction of the new residence halls;
- The Aramark partnership;
- Increased enrollment;
- Approval of the Student Center renovation;
- Expansion of the Living Learning Programs;
- Construction of new academic buildings;
- Fund raising;
- Positive bond ratings;
- Funds allocated for merit pay raises for faculty and staff; and
- Handling of Rupp Arena.

Trustees identified the following as major strengths of President Capilouto:

- Dedication
- Focus on the future
- Thoughtful
- Fair
- Personal communications
- Financial knowledge
- Hard worker
- Integrity
- Open minded
- Dr. Mary Lynne Capilouto

Chair Brockman continued that under President Capilouto's areas for improvement, Trustees identified the areas below.

- Better communicate his vision for the University and the decision-making process;
- Address the perception that decisions are made by small leadership circle;
- Decision-making process should be more transparent and widen it to include faculty and staff;
- Do more to delegate to senior leaders;
- Strategic Plan needs to firmly communicate the vision for the institution;
- More focus on students – particularly new graduates;
- Spend more time with Board members who are not in leadership positions;
- Involve the Board of Trustees in policy making more often;
- Continue to strengthen and build relationships with policy makers;
- Place emphasis on graduate education and research;
- Better communicate to faculty why his initiatives should be given priority;
- Place more accountability on staff; and
- Communicate to the Board more details of the new financial model and its implementation.

Chair Brockman reported that out of 18 Board of Trustee questionnaires received, all members gave President Capilouto outstanding marks in the overall assessment of his performance during 2013-14. As an institution, due in large part to the substantial progress in many areas, many Trustees felt the University is better positioned than it was at the same time last year.

Additional feedback from Trustees included a desire for the administration to be more open to dissent and the need for more African-Americans and women serving in institutional leadership positions. There was support for continued consideration of increases in faculty and staff salaries and attention to the changing legal landscape for higher education and college athletics.

In looking ahead, Trustees posed the following questions:

- What will higher education look like in 10-20 years and are we positioned to meet those challenges?
- As the nation focuses on the value of a degree, many are asking, “How can we help our students succeed after graduation?”
- How can we begin to improve some of the existing classroom space?
- On the heels of successful student recruitment, how can the University focus emphasis on student retention and degree completion; and
- How will the changes in health care affect UK HealthCare? As the enterprise continues to grow, we need to prepare for a transition and leadership of our health care enterprise.

In conclusion, the Board of Trustees advocated that President Capilouto remain healthy and get more rest.

#### E. Closed Session

Chair Brockman stated that having concluded the discussion of the President’s Performance Evaluation, the Executive Committee needed to go into closed session in order to discuss President’s Capilouto’s appointment pursuant to his contract. He moved that the Executive Committee go into closed session pursuant K.R.S. 61.810 (1) (j). This statutory citation is the exception in the Open Meetings law that permits the Committee to go into closed session to discuss the appointment of President Capilouto, specifically the discussion of possible changes to his contract. Trustee Mobley seconded the motion and it carried without dissent. The Committee went into closed session at 7:55 a.m.

#### F. Open Session

The Executive Committee reconvened at 8:14 a.m. Chair Brockman stated that the closed session had concluded and the Committee was back in open session. He stated that no action was taken during the closed session and President Capilouto’s appointment contract remained unchanged.

In recognition of his performance evaluation, Trustee Mobley recommended that President Capilouto receive a two percent (2%) salary increase (identical to the 2014-15 increment for staff and faculty) or \$10,500, bringing his total compensation to \$535,500. He further recommended a performance incentive bonus of ten percent (10%), which would be \$52,500 and in addition, an extraordinary performance incentive payment of \$100,000. Trustee Akins seconded the motion.

Chair Brockman opened the floor for discussion. Hearing none, Trustee Stuckert moved the question and it passed without dissent. Chair Brockman stated that the recommendation identified as ECR 1 would be presented to the full Board of Trustees at the afternoon meeting.

G. Meeting Adjourned

With no further business, the meeting was adjourned 8:16 a.m.

Respectfully submitted,



Sheila Brothers, Secretary