# MINUTES

**Trustees Present:**

Sharon Wamble-King, Joy Korman, Radha Pyati, Fred Franklin**,** Wilfredo Gonzalez, Kevin Hyde (via telephone), Adam Hollingsworth (via video conference), and Hans Tanzler (via telephone).

**UNF Staff Present:**

Karen Stone, Janet Owen and Sharon Ashton

## **Item 1 Call to Order:**

Chair Wamble-King called the meeting to order at 2:00 p.m.

## **Item 2 Minutes**:

Chair Wamble-King presented the draft minutes of the November 15, 2017 Governance Committee meeting and offered the opportunity for comments or questions from the members. Receiving none, she asked for a motion for approval. Trustee Gonzalez offered a motion to approve the minutes and Trustee Korman seconded that motion. The motion was unanimously carried to accept the minutes as presented.

## **Item 3 Public Comment**:

There was no public comment.

Chair Wamble-King outlined the plan for the meeting to begin with Trustee Hollingsworth facilitating the remaining discussion of the University’s strategic direction, as carried over from the November 15th meeting. The Committee will then have a discussion about compensation philosophy and, based on that, discuss salary

## **Item 4 Strategic Direction (continuation from November 15th meeting)**:

and bonus issues. It was her desire that by the end of today the committee would have a recommendation to present to the Board at the full Board meeting on December 9th.

Trustee Hollingsworth provided a summary review of the discussion and decision points from the previous Committee meeting to refresh members’ recollection on the thought processes and to provide background for those members who could not participate in the earlier meeting.

In summary, the goal of the Committee’s November 15th discussion was to identify the strategic priority areas of focus for the Board for foreseeable future. Sixteen areas of focus were identified by the full Board at its September retreat, and the Committee categorized this information into six focus areas for the near term:

* Ensuring post-graduate success by working with students on their path forward
* Being recognized as the state’s leader in the academic programs we choose
* Broadening our breadth and depth of fundraising to better support our academic programs (including a transformation into revenue generation)
* Being a driver of economic development
* Promoting research in areas of excellence, integrated into work with students and the community, as well as in specialty areas of opportunity
* Setting performance standards as an accountable way to measure progress

Trustee Hollingsworth noted for the Committee that this draft is not heavily wordsmithed. He intentionally captured language used in the Committee’s discussion. The Committee illustrated those six areas as reflected in bullets under each section. Under the second bullet, the committee chose not to use the term “flagship” because that references specific programs, whereas this references a goal to be the state’s leader in those academic programs in which the University invests. Continuing the summary of the November 15th discussion and points of consensus, Trustee Hollingsworth reviewed the earlier conversation regarding what it means for the University to be an

economic driver, which can be related to promoting research. He explained further that in the sixth priority, the Committee agreed that the state’s performance metrics are only a part of the overall performance to be measured for these purposes.

Following Trustee Hollingsworth’s summary, Chair Wamble-King requested feedback and discussion. Comments included: (1) the most succinct priority is number six; (2) research could be nationally recognized with additional financial support; (3) a desire for the best faculty and programs to be recognized; (4) a need to engage in more public/private regional relationships; and (5) a need to focus on what is important, UNF’s reality, UNF’s identity in the region and its financial strengths. Chair Wamble-King commented that the Committee is looking at “strategic direction” and that some of the bullets were stated more like goals. She recommended the phrase

 “promote performance accountability” because what is desired is for the University to be an accountable organization in regards to performance.Trustee Pyati pointed out that research is a priority to faculty, especially when it involves students and the community. She advised the Board to be cautious about taking too much of a role in changing the Carnegie ranking. The Board will send a sufficiently strong message to the campus, including administrators and faculty, by including research in one of the top six priorities of the University. A change in a Carnegie ranking is an operational step that has to come from the bottom up, because it is faculty and staff that will be doing the hard work. Trustee Hollingsworth will keep the document at the level of a strategic direction without getting too specific. Trustee Hyde agreed that it is sufficiently strong enough to emphasize research. Chair Wamble-King moved the conversation to priority number three as it is primarily focused on fundraising. The Committee discussed the distinctions between “revenue generating” and “fundraising.” She suggested that the strategic priority should be “revenue generating” which includes fundraising. Fundraising was the item on the whiteboard but the conversation expanded to revenue generating including research. Fundraising is limited. A priority of revenue generating

could be through a number of ways including appropriations, the legislature, and partnerships. Fundraising is still a critical part of revenue generating. Chair Wamble-King asked the committee if we needed to look at number three in broader terms.

Trustee Tanzler said that there were many flavors of fundraising including increasing donors, donations tied to applied sciences, a project for the University to work on to achieve desire result, and increasing ties to research with tangible results.

Trustee Pyati said that she thought the exact opposite. Revenue generating emerged over and over during the position description discussions and is already included in the group of six. The charitable fundraising piece can only be accomplished by the President with the VP of Advancement in partnership. Few people can have the level of success as a president can have. It is also a prestige issue. The president needs to work

with existing donors and cultivate new ones. Fundraising needs to be a separate piece. It is presidential and ties directly to what we need. Trustee Hollingsworth suggested “transform into a revenue generating organization that secures dollars through traditional fundraising and other new, innovate needs.” He agreed that Committee members are on to something with expanding the priority. Chair Wamble-King said that we are already revenue generating so “transform” should be changed to “prioritize” or “expand.” Trustee Franklin said the language can be tricky and suggested “increasing revenue generating, securing dollars in a number of different ways.” Trustee Hollingsworth will draft language capturing this for consideration by the full Board. The Committee agreed that the discussion of presidential qualities and skillset should be taken up by the full Board at its meeting on December 9th. Trustee Hollingsworth will use the work of the search committee as the foundation for the full Board discussion on this topic. Trustee Korman advised that the Board will not be redoing the existing position description previously approved, but affirming it. She suggested that the Board should take notice that there are items in the position description that might be valued more or less in the priorities as the position

description was made in a vacuum without the Governance Committee’s work on a proposed strategic direction. She recommended that Trustee Hollingsworth confirm alignment in the documents to be used at the December 9th Board meeting.

Chair Wamble-King confirmed with the Committee that there was a consensus that these are the six priorities to be presented to the full Board. After consensus was confirmed by the Committee members, a general discussion was ensued regarding preparation for the full Board meeting.

## **Item 5 Compensation Philosophy**:

Chair Wamble-King moved to the next agenda item and referred the Committee to the Sibson Consulting report as a resource. The Chair then summarized the rationale for doing this work on a compensation philosophy, which now is part of best practices.

Chair Wamble-King directed the Committee to look at the second page of the document that included several elements of an executive compensation philosophy. While there are several elements listed, she focused the Committee on the following:

* Institutional Alignment
* Elements of Rewards

Performance Measurement and Goal Setting

* Program Administration

The Chair explained that this conversation will drive the Committee to decisions on how the Board will govern compensation for a new president. Institutional alignment means that it is important to have alignment of the priorities and to reinforce the strategic direction of our organization. She asked each of the members to write down three ideas as to how executive or presidential compensation will support and reinforce the strategic direction of UNF, as just agreed upon by the Committee. The ensuing discussion included several ideas for consideration in developing a compensation

philosophy. Following a lengthy discussion, the Committee reached consensus around the following philosophical statements:

* Compensation keeps the focus on our priorities; compensation should be tied to achievements/accomplishments in the six areas of strategic focus/priorities.
* Inextricably tether the president’s compensation to University success.
* The president must make achievements in the six priority areas, but the Board must set priorities knowing that each year there may be some change in the weight of a given priority. The new president should have some significant input to what those priorities are. The Board should set the priorities in collaboration with the president, as well as the goals and accountability measures.
* Excellent leadership and management is a “price of entry;” it is expected and will be evaluated as a part of overall performance; high expectations for performance should be imbedded in earning the base pay.

Having reached consensus on the above philosophical statements, Chair Wamble-King explained that the first step is to determine what are the most important of the priorities. The Committee agreed.

Chair Wamble-King then turned the Committee’s focus on what should comprise the elements of a reward? The base is already set. There is another bucket of up to 22 percent.

The Committee discussed the difference between “bonus” and “incentive” in characterizing the 22 percent. The question is whether it works to incentivize particular behavior or is it a bonus for going “above and beyond.”

Trustee Hollingsworth expressed strong opposition to a bonus concept, which he cannot support. He explained that he will support incentive pay earned as a result of achieving goals. Committee discussion then centered around the difference in bonus and incentive pay, and the current practice among the other Florida universities.

Discussion among the Committee members resulted in the following consensus points:

* “Bonus” seems more subjective, personal, and political. From an objective point of view, incentive is the way to go, but caution must be taken to avoid against

limiting all discretion of the Board in decision-making because of an overly prescriptive formula.

* There should be high-level performance objectives in the base pay goals.
* There should be markers within the base pay and in the incentive piece. Base would have many goals and objectives imbedded, and if those are not met, incentive is not even considered.

The Committee agreed that up to 22% will be incentive pay and base goals and objectives will be collaboratively determined between the president and the Board, giving the President latitude to set goals based on his/her observations and input.

She then turned the subject to evaluation of the president’s performance. Currently, the president completes a self-evaluation, discusses it with the chair, and then it goes to the

BOG. Given our strategic direction, what should be the inputs for the evaluation process? Is it performance against objective measures, both individually and at the institutional level? Chair Wamble-King said that she would like to see an objective 360 process where a third party does an objective evaluation. After that, get input from stakeholders who are key to achieving the goals we set. She then opened the topic for discussion. The Committee then discussed the benefits and challenges of this kind of process in a public environment. Chair Wamble-King said that was why we were having this conversation, to look at doing evaluations a different way. Ideas expressed included engaging in performance conversations on an ongoing basis, such as every other month or a quarterly conversation with the president about his/her performance. This would provide a better sense of their performance. These conversations would not just be about performance but also to bring any problems to the attention of the Board.

It could also be an opportunity for the president to make the Board aware of things that are currently happening at the University rather than at the end of the year.

Chair Wamble-King recapped that the Committee agreed to objective constituent feedback philosophically, but we don’t know how to do that yet.

Chair Wamble-King then asked the Committee to look at the third page of the handout “alignment of goals and objectives.” There has to be alignment and accountability across the University. How will we align the elements of base pay and incentive? We need to do that with goal setting and measurement, which will be collaboratively set. We need goals for the president and for the institution. We need to determine how long the term will be for an incentive. We need to determine how we will do an evaluation as objective and transparent as possible within the context of open records. The appropriate time for setting goals and measurements will be when the president is selected.

The final topic concerned preparation for the December 9, 2017 full Board meeting. After some discussion, it was determined that the Board meeting will not need to be a full day, but from 9:00 a.m. until 1:00 p.m.

Chair Wamble-King asked Trustee Hollingsworth to facilitate the discussion on the strategic direction, and she will lead the discussion on compensation and evaluation. She will also tee up the conversation with the full Board on the responsibility and process for coordinating the annual evaluation. The Governance Committee could have a role.

Chair Wamble-King expressed that the strategic direction is most important and accordingly should be shared with the presidential candidates. She did not believe a compensation philosophy document is necessary for the discussion with candidates. Trustee Korman wanted to ensure the strategic direction is consistent with strategic plan that Board recently approved. Trustee Hollingsworth will draft a document that

reflects the direct links between the strategic priorities and the University’s strategic plan goals. Chair Wamble-King will work with staff to create a document that reflects the compensation philosophy as agreed to by the Committee members, reflecting their statements of consensus.

## Item 6 Adjournment:

There being no further business, the meeting was adjourned at 4:20 p.m.