



Higher Education and Employment Advancement Committee

March 19, 2013

Public Hearing

Testimony

By

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Co-Chairs, Ranking Members, and Members of the Higher Education and Employment Advancement Committee, thank you for allowing me to submit written testimony on two bills currently under consideration by the Committee.

Raised Bill 6491, An Act Requiring A Report From The Board Of Regents For Higher Education And The Board Of Trustees For The University Of Connecticut Regarding Administrators

As you are well aware, this legislation would require the Board of Regents for Higher Education (BORHE) and the University of Connecticut's Board of Trustees to benchmark administrative salaries with peer institutions nationally.

UConn's Board of Trustees shares the Committee's goal of ensuring that salaries for our administrators are in line with national peers. In March 2011, the Board voted unanimously to form a Special Committee on Compensation to enable it to monitor better the salaries and compensation of University of Connecticut employees and thereby execute better its fiduciary responsibilities. Through this action, the University joined a relatively small number of institutions with dedicated compensation committees. In fact, only 9 of the Top 20 Public Research Universities had such committees when UConn's Committee was formed. Since the salaries of many UConn employees are established through collective bargaining, and since the salaries of senior administrators are not, the Special Committee was charged to focus its attention on the salaries of senior administrators.

The Special Committee reviewed these salaries and compared them to those of administrators holding similar positions at a number of peer institutions. Sibson Consulting, an independent firm with a national reputation for work in the area of higher education

compensation and an office in Farmington, was engaged to conduct a more formal benchmarking study of UConn senior administrator salaries.

The University asked Sibson to determine whether salaries for executive management positions, i.e. senior administrators, at UConn are comparable to salaries for positions with similar responsibilities at comparable academic institutions and, where appropriate, at not-for-profit/corporate organizations. Sibson was also asked to propose compensation guidelines for hiring senior administrators and for monitoring the salaries of the members of the University's executive management.

With respect to current salaries for UConn's senior administrators, Sibson concluded that they are "generally consistent with the salaries for positions with comparable duties and responsibilities" in the academic markets studied (i.e. Top 20 Public Research Institutions, Top 50 Public Research Institutions and Top 50 National Research Institutions). When compared with not-for-profit and corporate organizations, UConn's salaries are generally below market practices. Sibson also concluded that UConn's senior administrator salaries are "consistent with what Sibson would expect for an institution of UConn's size and complexity.

Sibson recognized that UConn operates within a highly competitive environment. In order to compete successfully for undergraduate and graduate students, as well as for faculty, research grants, public support and philanthropy, UConn must employ senior administrators with the professional expertise needed to manage the complexity associated with a national public research university and to anticipate and respond to rapidly changing expectations. UConn needs to set compensation for senior administrators appropriately and competitively so that the University attracts and retains the necessary talent to further its mission and strategic priorities.

In May 2012, to further public confidence and transparency, the Board of Trustees established the Compensation Committee as a standing committee of the Board charged with monitoring the compensation for senior administrators not covered by collective bargaining agreements. Over the course of the past year, several senior administrative positions have been filled at UConn. In each case, the determination of the starting salary was informed by reviewing relevant national university benchmark data for the equivalent position and set of duties and responsibilities. The salaries for these senior administrators are consistent with the appropriate national benchmark data.

Raised Bill 6605, An Act Concerning Transparency Of Expenses

House Bill 6605 would require UConn and the Board of Regents to document every expenditure, at the time such expenditure is made, and make this documentation available for public inspection upon request.

As a public university, UConn has long been committed to transparency particularly in the area of our finances. All of our expenditures are documented and subject to FOI. Further, our Board of Trustees vote publicly on our operating and capital budgets, tuition and fees,

and approve all contracts over \$1 million. A great deal of budgetary information, including detailed financial statements, are available on our website: <http://vpcfo.uconn.edu/>.

As always, thank you for your continued support of the University of Connecticut. Please do not hesitate to contact me if you have any questions or require additional information.