

Approved by the Board of Trustees
January 16, 2020

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Board Meeting
January 16, 2020

CONTRACT EXTENTION FOR TIMOTHY L. KILLEEN AS PRESIDENT,
UNIVERSITY OF ILLINOIS

Action: Contract Extension for Timothy L. Killeen as President of the University

Funding: State, Institutional, and Gift Funds of the University

The election of a president of the University is one of the most important actions the Board of Trustees of the University of Illinois is called upon to consider.

This responsibility is a solemn one, resting upon the statutory obligation specified in the laws of the State of Illinois. The pertinent passage is printed below:

“The board of trustees shall elect a regent who shall be charged with the general supervision of the educational facilities and interests of the university. Said regent shall be known as President of the University and his term of office shall be at the pleasure of the board of trustees.”

The trustees have conducted a five-year review of President Killeen, the 20th President of the University, with great care and with a keen sense of responsibility. Able assistance has been provided by the Association of Governing Boards consultant, Dr. Terrance MacTaggart, former Chancellor at Minnesota State and University of Maine Systems.

The members of the Board of Trustees have concluded their work and are ready to take formal action to extend a new four-year contract to Dr. Timothy L. Killeen, the maximum allowed under Illinois law.

This action reflects the trust of the board in President Killeen's leadership, and signifies endorsement in him to continue to lift the world-class university system closer to the ambitious goals set by the board to expand impact on students, society, and the State of Illinois.

Dr. Killeen earned his Ph.D. in atomic and molecular physics from University College London, and served in various administrative roles at the National Science Foundation, University of Michigan, and State University of New York prior to joining the University of Illinois.

The principal financial components of Dr. Killeen's appointment include the following:

- As the president serves at the pleasure of the board, the board intends that the new term of employment will be for four years commencing July 1, 2020. This is the maximum term allowed pursuant to the University of Illinois Act (110 ILCS 305/90).
- Dr. Killeen will receive an annual base salary of \$835,000, subject to annual increases consistent with the University's annual merit-based salary program, if any, and will not exceed the authorized percentage applicable to University system level administrators.
- Dr. Killeen will receive deferred compensation in the amount of \$100,000 per year for each of the 4 years of the term of the agreement (i.e., totaling \$400,000) if he remains continuously employed as President through June 30, 2024. If employment is terminated voluntarily by Dr. Killeen or the University terminates it either for cause or without cause on or before June 30, 2024, then the University shall not be liable for any deferred compensation payments or benefits to Dr. Killeen (other than benefits payable under the terms of the University's usual and customary plans). In

the event that employment is terminated prior to June 30, 2024, as a result of Dr. Killeen's death or disability then the amount of deferred compensation payable would be a prorated amount based upon the length of service.

- If Dr. Killeen is terminated without cause, the University will pay to Dr. Killeen as a severance package, in compliance with the Illinois Government Severance Pay Act (5 ILCS 415), an amount equal to 20 weeks (i.e., roughly 38 percent) of his annual base salary.
- Dr. Killeen's new contract will also provide for expense reimbursement, transportation for University-related travel, residential housing, and the University benefits package, in accordance with University policies and practices and consistent with Dr. Killeen's initial employment agreement. Dr. Killeen will also continue in his existing tenured faculty appointments.

The Board hereby authorizes the Comptroller to enter into an Employment Agreement consistent with the terms set forth in this Board Item.

The Board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The Chair of the Board recommends this appointment.