

Board Meeting
September 10, 2020

DELEGATE AUTHORITY TO MODIFY COMPENSATION IN MULTIYEAR
EMPLOYMENT AGREEMENTS

Action: Delegate Authority to Modify Previously-Approved Employment Agreements for Employees with Multiyear Contracts

Funding: No New Funding Required

The Board of Trustees of the University of Illinois (the “Board”) has previously approved multiyear contracts for a small and limited cohort of employees. In so doing, the Board has approved compensation, including base salary, incentive-based compensation, and other contractual elements. In light of the ongoing COVID-19 pandemic, increased flexibility regarding temporary voluntary modification of compensation obligations for certain employees may be necessary, including requests by employees to temporarily reduce compensation in support of the University’s COVID-19 response efforts. To provide the universities with the necessary flexibility to respond to these unprecedented and unanticipated events in a timely manner, the President recommends delegating authority to the Chancellors/Vice Presidents of each university to facilitate voluntary and temporary compensation reductions for certain employees with multiyear contracts previously approved by the Board.

By virtue of this action, the Board delegates to the Chancellors/Vice Presidents the authority to approve temporary voluntary reductions in compensation for

employees with multiyear contracts at each respective university, provided that, in the opinion of the President of the University, any such reduction directly supports the University's efforts to address challenges arising from COVID-19. At the conclusion of the time period of the temporary reduction, any modifications in base compensation for such employees will return to that level previously set by the Board. The Comptroller or other appropriate personnel shall act to facilitate such temporary voluntary compensation reductions and will report promptly such actions to the Board.

This temporarily delegated authority shall expire on December 31, 2020, unless expressly extended by the Board of Trustees or the Executive Committee of the Board.

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 Executive Vice President and Vice President for Academic Affairs and the Vice President/Chief Financial Officer and Comptroller concur in this recommendation.