

**MINUTES OF THE PUBLIC MEETING
OF THE COMPENSATION COMMITTEE
OF THE BOARD OF TRUSTEES
OF THE UNIVERSITY OF PITTSBURGH**

September 28, 2018

A public meeting of the Compensation Committee of the Board of Trustees was held on Friday, September 28, 2018, at 12:30 p.m., in the Conney M. Kimbo Room in the William Pitt Union. Committee members in attendance were Eva Tansky Blum (Chairperson of the Board of Trustees), Michael A. Bryson, Robert M. Hernandez, and Herbert S. Shear. Also in attendance were Patrick Gallagher (Chancellor and Chief Executive Officer) and Cynthia C. Moore (Deputy Secretary of the Board of Trustees).

Welcome and Approval of Minutes. Chairperson Eva Tansky Blum convened the meeting of the Compensation Committee, which was duly advertised as a public meeting in accordance with the Sunshine Act. A quorum of Committee members was present for the transaction of business.

Upon motion duly made and seconded, the minutes of the June 29, 2018 public meeting of the Compensation Committee were approved.

Resolution of the Compensation Committee Approving the Salary of Elected Officers. Chairperson Blum reported that at the Fall Meeting of the Board of Trustees, held earlier today, the Board elected Narahari Sastry to serve as Senior Vice Chancellor and Chief Financial Officer, an Officer of the University.

As permissible under the Sunshine Act, the Compensation Committee previously convened in Executive Session on August 9, 2018, for the purpose of discussing the compensation for Mr. Sastry; however, no action was taken at that meeting.

Chairperson Blum asked Chancellor Patrick Gallagher to provide his salary recommendation for this Officer position. Chancellor Gallagher began his comments by informing the members of the Compensation Committee of the primary responsibilities of the Senior Vice Chancellor and Chief Financial Officer, which includes stewardship, planning, and oversight of the University's financial resources in support of the mission and strategic priorities as set by the Board of Trustees. In this role, the Senior Vice Chancellor and Chief Financial Officer, among other things, is responsible for establishing financial policies and procedures; planning, implementing and tracking operating and capital budgets for the University and its affiliated entities; and preparing the University's consolidated financial statements, along with other financial reports required to be filed with federal, state, and local agencies.

Chancellor Gallagher highlighted Mr. Sastry's professional experience noting that he currently serves as the Director of the Office of U.S. Foreign Assistance Resources, a position he has held since October 2014. In that role, he is responsible for the preparation, coordination, and allocation of a \$37 billion budget for United States Foreign Assistance across the State Department and United

States Agency for International Development (USAID). Prior to assuming this position, Mr. Sastry served as the Deputy Assistant Secretary for Resource Management at the Department of Commerce, where he was responsible for the Department's \$8 billion budget, oversaw budget and program performance, led the strategic planning and balanced scorecard program, and developed the Department's enterprise risk management program. Mr. Sastry also served as Chief of the Veteran Affairs and Defense Health Branch (VADH) of the White House Office of Management and Budget's (OMB) National Security Division for four years. Mr. Sastry has earned numerous awards recognizing his outstanding contributions and achievements in federal service, including being nominated for this year's Presidential Rank Award, which is the most prestigious award offered to a senior executive in federal service. In addition, Mr. Sastry served as Chair of the Office of Management and Budget's Diversity Council.

Mr. Sastry earned his Master of Public Policy from Georgetown University (2000), a Master of Public Health in Epidemiology from the University of Illinois at Chicago (1997), and a Bachelor of Science in Mathematics from the University of Michigan (1995).

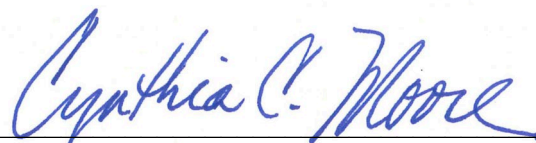
Chancellor Gallagher noted that this compensation recommendation considers both the *Policy on Executive Compensation* approved by the Committee at its public meeting of December 18, 2017, and the market analysis by Pay Governance LLC. He noted that the peer group identified for the position is comprised of the U.S. public member institutions of the Association of American Universities. Chancellor Gallagher indicated that in reaching his recommendation he considered both the significant role and demands associated with this particular Officer position, as well as Mr. Sastry's extensive experience in financial budgeting and planning and his accomplished record of performance. In light of the knowledge and expertise that Mr. Sastry brings to the University, Chancellor Gallagher recommended that the Committee approve a base salary of \$390,000, with the standard benefits provided to Officers of the University as previously approved by the Committee.

Chairperson Blum referred the Committee members to the resolution included as page 3 of these minutes, recommending establishing the salary of the Officer as set forth therein.

Upon motion duly made and seconded, the Resolution of the Compensation Committee Approving the Salary of the Senior Vice Chancellor and Chief Financial Officer was unanimously approved.

Chairperson Blum thanked the members of the Compensation Committee for participating in today's meeting.

New Business/Adjournment. There being no new business or discussion, Chairperson Blum adjourned the meeting.



Cynthia C. Moore, Deputy Secretary of the Board of Trustees and Senior Associate Legal Counsel

**RESOLUTION OF THE COMPENSATION COMMITTEE
OF THE BOARD OF TRUSTEES
APPROVING THE SALARY OF THE
SENIOR VICE CHANCELLOR AND CHIEF FINANCIAL OFFICER**

WHEREAS, the Compensation Committee of the Board of Trustees has been delegated authority and responsibility for, among other things, determining upon the recommendation of the Chancellor and Chief Executive Officer, the compensation of the officers of the University except for the assistant treasurers and associate and assistant secretaries; and

WHEREAS, the Senior Vice Chancellor and Chief Financial Officer is responsible for the stewardship, planning, and oversight of the University's financial resources in support of the mission and strategic priorities as set by the Board of Trustees; and

WHEREAS, the Senior Vice Chancellor and Chief Financial Officer is responsible for management oversight responsibility for a number of areas, including: budget and financial reporting; University investments; finance and treasury operations; general accounting; student financial services; cost and sponsored projects accounting; tax matters; financial operations, including payroll and accounts payable; financial information systems; and insurance and workers' compensation; and

WHEREAS, the Senior Vice Chancellor and Chief Financial Officer, among other things, shall be responsible for establishing financial policies and procedures; planning, implementing and tracking operating and capital budgets for the University and its affiliated entities; and preparing the University's consolidated financial statements, along with other financial reports required to be filed with federal, state and local agencies; and

WHEREAS, at its Fall Meeting on Friday, September 28, 2018, upon the recommendation of Chancellor Patrick Gallagher, the Board of Trustees elected Narahari Sastry to serve as Senior Vice Chancellor and Chief Financial Officer, effective October 22, 2018; now therefore be it

RESOLVED, that upon recommendation of the Chancellor and consistent with the University's Policy on Executive Compensation, the Compensation Committee hereby approves the salary of Senior Vice Chancellor and Chief Financial Officer Narahari Sastry at \$390,000, effective October 22, 2018.