



# R205, Presidential Appointment, Term of Office, and Compensation and Benefits<sup>1</sup>

**R205-1. Purpose:** To provide for the appointment, competitive compensation and benefits, and terms of office of Presidents of institutions.

## R205-2. References

- 2.1. Utah Code §53B-2-102 (Board to Appoint President of Each Institution)
- 2.2. Policy and Procedures R209, Appraisal of Chief Executive Officers
- 2.3. Policy and Procedures R207, Institutional Residences for Colleges and Universities in the Utah System of Higher Education

## R205-3. Policy

**3.1. Preamble:** To meet the challenges of a quality system of higher education, and to promote the future of Utah and the state economy in a highly competitive national marketplace the Board must attract and retain exceptional leadership talent to serve as the Presidents of Utah System of Higher Education institutions.

**3.2. Appointments:** Presidential appointments in the Utah System of Higher Education shall be made by the Regents in accordance with State law. Presidents shall be appointed without a specified term of office. They shall serve at the pleasure of the Board and at such salary and related benefits as appropriate to the institution, as determined by the Board.

**3.2.1. Annual Report of President and Commissioner Compensation:** The Office of the Commissioner shall prepare and submit to the Board an annual report detailing presidential and commissioner compensation, including compensation from private as well as public sources which is directly associated with his or her service as president or commissioner.

**3.3. Term of Office:** The length of time that a President shall be asked to continue to serve will vary with both the individual and with the unique circumstances at a given institution. The Board's decision on retention of a President shall not be based solely upon adequacy of performance but upon a finding that the President is excelling in his or her duties and that the institution continues to benefit from outstanding leadership and from presidential service that is truly distinguished.

### 3.4 Compensation

**3.4.1** It is the policy of the Board of Regents to seek to attract and retain highly effective and skilled Presidents; to recognize the achievements of the Presidents while serving the USHE institutions; and to compensate the Presidents in a market competitive manner to advance these goals, within the parameters of the fiscal resources of the institutions. Presidential salary decisions will be made according to the framework described below. Criteria for assessing and adjusting salary will include:

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<sup>1</sup> Adopted April 25, 1978, amended February 26, 1988, March 25, 1988, November 4, 1994, January 16, 2004 and August 19, 2005, April 18, 2008, May 17, 2013 and March 28, 2014.

3.4.2 Market competitiveness increases will be made using relevant institutional comparators including institutional mission, size, and budget. Peer benchmarks will be identified by the Commissioner's Office in consultation with the institutions and approved by the Board with respect to salary. Salaries will be based on those reported publicly to the College and Professional Association for Human Resources (CUPA) and every effort will be made that they are comparable. Peer salary targets will be the median of the range of presidential salaries from peer institutions. These targets will be adjusted annually so as to keep the salary comparison framework current.

3.4.2.1 The Commissioner, in consultation with the Presidential Compensation Committee, will establish steps leading to annual adjustments that will be made to the presidents' salaries by July 1 following favorable Spring Resource and Review teams' informal reviews of presidential performance until the targeted benchmarks are reached.

3.4.2.2 This annual presidential salary adjustment will be based on either a step increase for the established targeted benchmarks or a cost-of-living (COLA) increase should the president be above the targeted benchmark for that given year.

3.4.2.3 For the Commissioner, market and performance compensation adjustment shall be determined annually by the Chair and Vice Chair based on performance, USHE presidential salaries and SHEEOs of governing boards.

3.4.3 Once market equity is achieved, the Board may continue to grant increases based on merit.

3.4.4 Non-state income, including compensation for board service and any other supplemental income related to the Commissioner's or a President's position, must be reported annually to the Executive Committee of the Board.

### 3.5. Benefits

3.5.1 Presidents receive the same staff benefits provided by policy for all other institutional employees, e.g. group life insurance, health and accident insurance, retirement, and tuition waivers. The Board may further authorize supplemental life insurance, deferred compensation, or other salary supplements as part of the Regent's goal to maintain peer equity in the compensation of the USHE Presidents.

3.5.2 As provided by statute, Presidents receive an automobile for the President's institutional and personal use. During periods of extended personal use the costs of gasoline, oil and other routine expenses shall be borne by the President. Each President, in consultation with the institution's chief financial officer and in compliance with I. R. S. regulations, is responsible to document personal use of the automobile so that the associated total costs are treated as part of the President's compensation for income tax purposes.

3.5.3 Presidents may, with approval of the Board of Regents, choose to take a vehicle allowance rather than a designated state vehicle. Allowances shall be set at a rate set by the Commissioner's office and may adjust annually based on the Consumer Price Index. Presidents

with a vehicle allowance rate above the established rate are allowed to maintain the higher rate if in effect prior to March 2014.

**3.5.4** If expressly authorized by the Board in furtherance of the Presidents' responsibilities, Presidents may receive such benefits as sabbatical privileges, leaves of absence, individual professional association memberships, club memberships and dues for use in carrying out the role of President.

**3.5.5** Effective April 18, 2008, Presidents may be granted tenure to an academic department of an institution only with the express prior approval of the Board of Regents.

### **3.6 Spouse Benefits**

**3.6.1** The Regents recognize that spouses are not obligated or expected to participate in the activities and operations of the college or university. However, they often make a large and uncompensated contribution to the affairs of the institution. In such cases, their capacity to represent and often substitute for the President at functions within the institution and the community, and their individual involvement in institutional events, fund raising, alumni and other activities can provide an important additional strength to the institution.

**3.6.2** To help facilitate a participating spouse in carrying out his or her responsibilities, the Board of Regents hereby appoints each President's spouse to a position at the institution of "Special Assistant to the President" at a salary of one dollar a year. No extra benefits, except those specifically covered by this policy, are provided to spouses.

**3.6.3** Actual expenses for travel, lodging, and meals of spouses may be paid by the institution when spouses participate in meetings, conferences, and workshops specifically related to the presidential role, and when participation in official functions such as alumni development, fundraising, and institutional advancement is deemed beneficial. Institution-related travel expenses incurred will be reimbursed according to established Board policy and procedures. The institution will provide insurance coverage, equivalent to that provided to volunteers or paid institutional employees, for a spouse while performing institutional business. More than nominal compensation and additional benefits are not provided to spouses. An annual report of the expenditures described herein shall be submitted along with the report and budget for institutional residences (see R207-3.6.)

**3.6.4** When spouses accompany presidents on trips, but their presence is not deemed beneficial for institutional purposes under section 3.6.3, the expenses for the spouse will not be paid by the institution.

**3.7. Policy Applicable to the Commissioner of Higher Education:** The provisions of this policy shall also apply to the Commissioner of Higher Education, as appropriate.