



# B O A R D O F T R U S T E E S



Executive Committee  
Austin Peay State University  
317 College Street  
Clarksville, TN 37040  
December 3, 2020  
1:30 PM

Call to Order

Roll Call/Declaration of a Quorum

Action Item

A. Review the Presidential Base Compensation, Performance Evaluation and Incentive Plan for Fiscal Year 2020-2021

Information Items

A. Consideration of Board Evaluation Results

Adjourn

<b>2020-2021 Peer Institutions Base Salaries</b>	
<b>Institutions</b>	<b>Presidential Salary</b>
UTM	\$320,796
TSU	\$328,970
TTU	\$349,364
UTC	<b>\$367,800</b>
ETSU	\$375,000
MTSU	\$414,750
UoM	\$444,075

APSU Presidential Salary 2019-2020	\$353,568
Proposed Increase to Peer Median	\$14,232
Proposed 2020-2021 Presidential Salary	\$367,800

CUPA Comparator Range for CEO	\$278,596 to \$371,461
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**Austin Peay State University**  
**Presidential Base Compensation, Performance Evaluation and Incentive Plan**  
**Effective for the Fiscal Year 2020-21 Performance Period**

## **Presidential Base Compensation, Performance Evaluation and Incentive Plan**

### **I. Objectives of the Plan**

A. The objectives of the Presidential Base Compensation, Performance Evaluation and Incentive Plan is to:

1. Motivate and reward achievement of performance goals aligned with the *APSU 2015 – 2025 Leading through Excellence Strategic Plan*; and
2. Enhance the University's ability to attract and retain an outstanding chief executive officer by providing competitive compensation.

### **II. Base Compensation Plan**

#### **A. Performance Period**

1. The base compensation performance period shall be a one-year period from July 1 to June 30.

#### **B. Purpose**

1. It is the goal of the Austin Peay State University Board of Trustees to attract and retain an outstanding chief executive officer by providing competitive base compensation.

#### **C. Methodology**

1. The President shall receive a salary adjustment each year that funds are available to provide salary increases to faculty and staff. The Purpose of the salary adjustment is to keep the President's salary within the peer median as funds are available. Peer institutions are identified as Tennessee State University, East Tennessee State University, Tennessee Technological University, Middle Tennessee State University, the University of Memphis, the University of Tennessee at Martin, and the University of Tennessee at Chattanooga.

### **III. Performance Evaluation and Incentive Plan**

#### **A. Performance and Incentive Period**

1. The incentive period shall be a one-year period from July 1 to June 30.

#### **B. Eligibility**

1. To be eligible for payment of the incentive amount, the President must be in active status on the day the incentive payment is approved by the Board of Trustees.
2. If the President's employment with the University terminates, either voluntarily or involuntarily, prior to the end of the incentive period, he/she will not receive any portion of the incentive amount except as follows:
  - a. If the President voluntarily terminates employment for medical reasons duly documented by a medical provider, the President will receive a pro rata portion of the incentive amount if the Executive Committee of the Board of Trustees determines that the performance of the President, with respect to the strategic performance goals, was more than satisfactory during the completed portion of the incentive period.
  - b. If the termination of employment is by reason of death of the President, a pro rata portion of the incentive amount will be paid to the executor or administrator of his/her estate if the Executive Committee determines that the performance of the President, with respect to the strategic performance goals, was more than satisfactory during the completed portion of the incentive period.
  - c. The pro rata portion to be paid will be calculated on a monthly basis.
  - d. To the extent possible, the pro rata portion will be paid to the employee or administrator of the estate within thirty (30) days of receipt of satisfactory documentation and availability of data upon which to calculate the incentive payment.
3. The incentive payment is a one-time payment, and is not added to the employee's base salary.

C. Methodology for Calculating the Incentive Payment

1. The performance incentive amount for the President will be based on six (6) criteria. Each criteria is weighted with the total points equaling one hundred (100). The six (6) criteria to be met for the performance incentive plan are detailed in Appendix A and are listed below:
  - a. Enrollment 15 points
  - b. Graduation Rate 15 points
  - c. Fundraising 15 points
  - d. Program Development 15 points
  - e. Athletics 15 points
  - f. Board of Trustees Discretion 25 points
    - i. Leadership
    - ii. Culture of Excellence through Positive Relationships

iii. Employee Retention

D. Maximum Incentive Payment

1. Based on the President's performance each year, the President shall be considered for a lump-sum incentive payment of up to ten percent (10%) of the President's base salary as of July 1 of the incentive period.

IV. Amendment, Suspension, and Termination of the Plan

- A. The Board of Trustees reserves the right to amend, suspend, or terminate the Plan at any time.

V. General Provisions

- A. Neither the Plan nor any payment under the Plan shall be construed to confer any right to continued employment with Austin Peay State University. The President serves at the pleasure of the Board of Trustees, subject to the terms of any existing written contract of employment between the parties.
- B. Neither the Plan nor any payment under the Plan shall be construed to create a trust or to create in any security interest, in his/her personal representative or beneficiary, or other interests in any assets of Austin Peay State University.
- C. All payments under the Plan are subject to all reporting, deductions, and withholdings required by applicable law or University policy, as amended, enacted, or adopted from time to time, including but not limited to deduction for debts owed to the University.
- D. To the extent any part of the Plan fails to comply with applicable state or federal law or regulation, that part of the Plan shall not be effective.
- E. The Plan will be reviewed by the Executive Committee every year. Proposed revisions will be brought before the full Board for consideration.



## Appendix A:

### APSU's Presidential Performance Evaluation

Enrollment	15 points
Graduation Rate	15 points
Fundraising	15 points
Program Development	15 points
Athletics	15 points
Board of Trustees Discretion <ul style="list-style-type: none"><li>• Leadership</li><li>• Culture of Excellence through Positive Relationships</li><li>• Employee Retention</li></ul>	25 points

Enrollment: Enrollment includes activities that increase undergraduate and graduate full-time or part-time enrollment in the areas of traditional freshmen, dual-enrollment students, international students, online students, transfer students, military-related students, high performing students, and non-traditional students.

- Enrollment will be measured by a percentage for the following year fall enrollment with a goal of a 4 percent increase in headcount enrollment and has a proportionate increase in net tuition revenue in order to meet APSU's Strategic Plan for enrollment growth.
- If the President grows headcount enrollment by at least 4 percent and has a proportionate increase in net tuition revenue, then he/she will be eligible to receive the full 15 points for the evaluation. If the President grows headcount enrollment by less than 4 percent headcount enrollment (7.5 points) and has a proportionate increase in net tuition revenue (7.5 points), then he/she will be eligible to receive a pro rata portion of the 15 points for the evaluation.

Graduation Rate: Graduation rate is measured every six years by the Tennessee Higher Education Commission. Graduation rate is defined as those students who are first-time, full-time freshmen who enrolled in summer of 2012 and returned that fall, or enrolled in fall 2012 and graduated by spring or summer of 2018.

- Graduation rate will be measured by a percentage of growth with an increase of 2 percent in order to meet APSU's Strategic Plan.
- If the President increases the graduation rate by at least 2 percent, he/she will be eligible for the full 15 points for the evaluation. If the President increases the graduation rate by less than 2 percent, then he/she will be eligible to receive a pro rata portion of the 15 points for the evaluation.



Fundraising: Fundraising is defined as all cash donations and contributions made annually to the University and Foundation by non-governmental agencies and organizations.

- a. Fundraising will be measured by a 5 percent increase in the average dollars raised, based on a three year average. This is in line with the University's Strategic Plan.
- b. If the President increases annual dollars raised by 5 percent, then he/she will be eligible to receive the full 15 points for the evaluation. If the President has an increase in annual dollars that is less than 5 percent, then he/she will be eligible to receive a pro-rata portion of the 15 points for the evaluation.

Program Development: Program development is defined as the faculty development of new academic majors, concentrations and certificates, in alignment with the University mission and THEC master plan and their subsequent approval by the appropriate entities.

- a. Program development will be measured by the President establishing new majors at the undergraduate and graduate level, new concentrations in existing undergraduate and graduate programs, and new undergraduate and graduate certificates.
- b. If the President is proactive in establishing new majors, concentrations, and undergraduate and graduate certificates, then he/she will be eligible to receive the full 15 points for the evaluation.

Athletics: Athletics is based on maintaining a successful Division I Athletics program, which includes conference championships and high academic progress rate (APR).

- a. Athletics will be measured by at least one conference championship annually and maintaining an Athletics program that meets an APR of .970 for the previous year.
- b. If the University wins at least one conference championship annually and maintains an Athletic program that meets an APR of .970 for the previous year , then the President will be eligible to receive the full 15 points for the evaluation. If the University does not win at least one conference championship annually but maintains an Athletic program that meets an APR of .970 for the previous year , then the President will be eligible to receive half (7.5 points) of the 15 points for the evaluation.

Board of Trustees Discretion: Board of Trustees discretion is based on leadership; creating a culture of excellence by maintaining positive relationships with the Board of Trustees, the community, and the state and local government; and employee retention.

- a. Board of Trustees discretion for leadership and culture of excellence will be measured by key stakeholder evaluations of the President that include evaluations conducted with his/her direct reports, members of the Board of Trustees, other community officials or as directed by the Chair of the Board of Trustees.

- b. Board of Trustees discretion for employee retention has three parts. The first part will be compensation of faculty and staff and will be measured by achieving an increase in the total salaries at a percentage equal to or higher than the Higher Education Price Index (HEPI). The second part of employee retention is turnover rate. The third part of employee retention is diversity among employees.
- c. If the President receives at least a satisfactory evaluation in the Board of Trustees discretion criteria, then he/she will be eligible to receive the full 25 points for the evaluation. If the President receives less than a satisfactory evaluation, then he/she will be eligible to receive a pro rata portion of the 25 points for the evaluation.

Scoring of the Evaluation:

All points from the evaluation will be totaled. The points totaling a certain amount will receive a certain incentive percentage, which is based on a percentage of the President's base salary,

- a. Less than 75 points                      = 0% incentive
- b. 76 points to 84 points                      = 4% incentive
- c. 85 points to 94 points                      = 6% incentive
- d. 95 point to 100 points                      = 10% incentive

At the conclusion of the evaluation, a recommendation of the incentive amount and new base salary will be made by the Executive Committee to the full Board of Trustees. The Board of Trustees will approve the incentive amount and the President's new base salary.





# Board of Trustees **SELF-ASSESSMENT**

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FALL 2020





# Austin Peay State University

## Board of Trustees Self-Assessment Questions

The Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) Standard 4.2.g requires a governing board to define and regularly evaluate its responsibilities and expectations. The APSU Board of Trustees completed a self-assessment questionnaire in Fall 2020, and the responses are contained in this report.

**Strongly Agree**

**Agree**

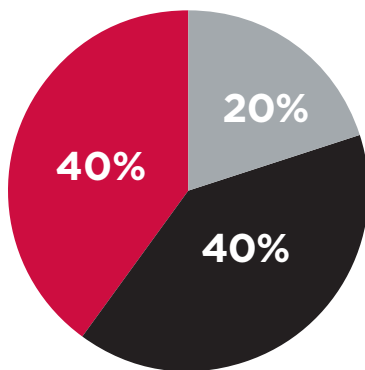
**Neutral**

**Disagree**

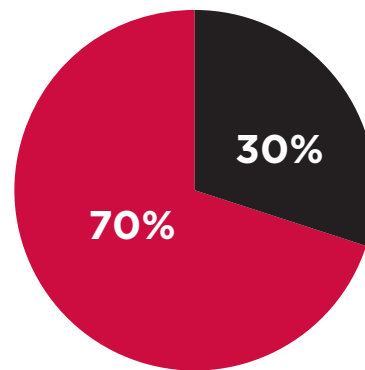
**Strongly Disagree**

*These colors are used in the following pie charts to represent specific report data based on the responses ranging from strongly agree to strongly disagree.*

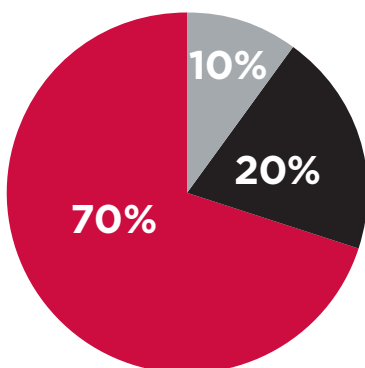
*The policy-making process is clear, public and inclusive.*



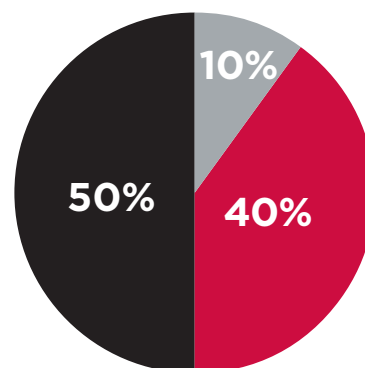
*Board members support the concept that board policy and the board chair are its primary voices.*



*The board works to build positive relationships with all university and community stakeholders.*



*The board actively supports the University's foundation and fundraising efforts.*



Strongly Agree

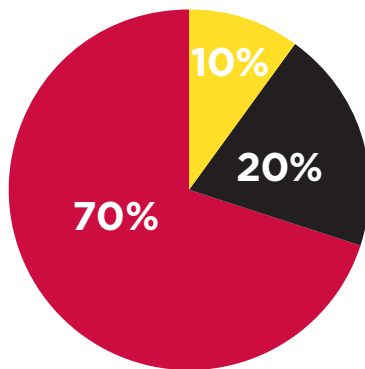
Agree

Neutral

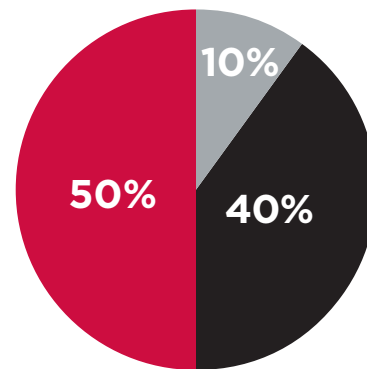
Disagree

Strongly Disagree

*The board adequately studies issues prior to board action.*

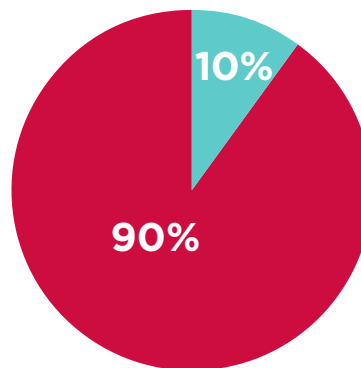


*The board's time is appropriately spent on governance and not management.*



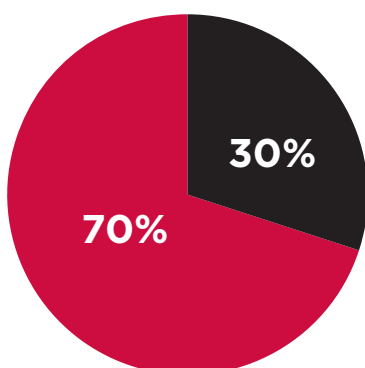
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*Appropriate advance materials are made available to trustees, in order for each trustee to adequately prepare for board meetings and meet their governance obligations.*

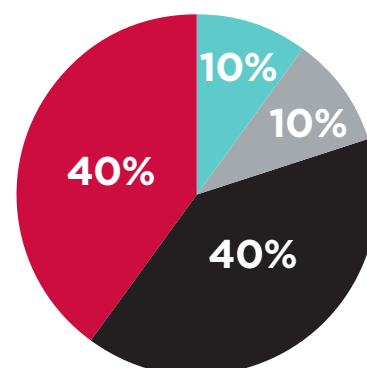


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*The trustees fulfill their commitments to the board as delineated in board policy.*



*Board meetings have a good balance of information sharing, discussion and decision-making.*



Strongly Agree

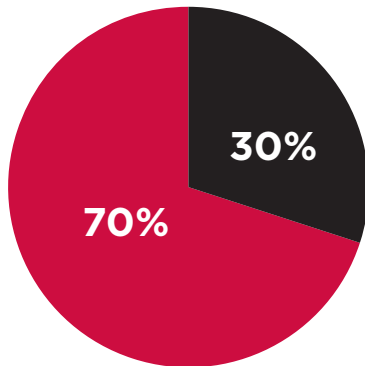
Agree

Neutral

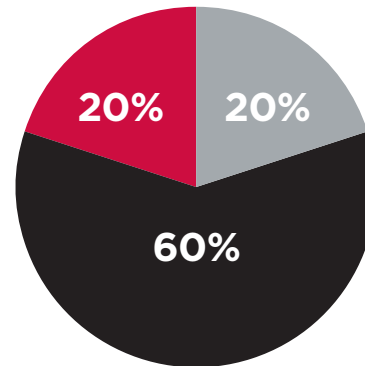
Disagree

Strongly Disagree

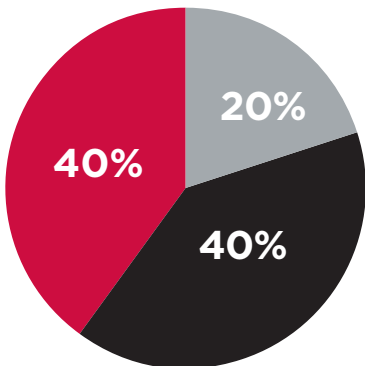
*The board appropriately supports the president in her decision-making.*



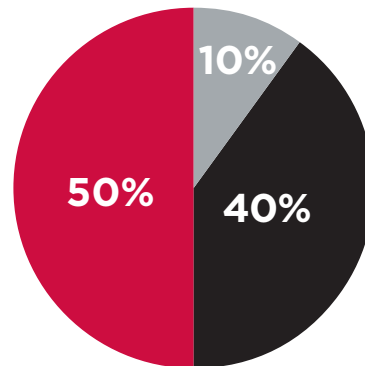
*The board is appropriately involved in strategic planning.*



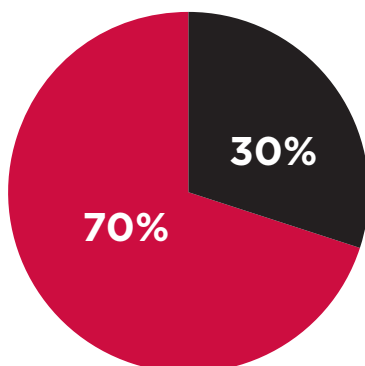
*The board takes regular steps to keep informed about important trends in the larger environment that might affect the organization.*



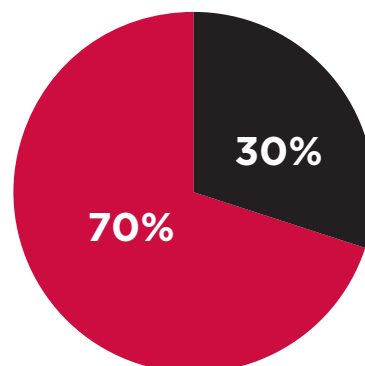
*The board receives the appropriate amount of financial information to carry out its fiduciary and stewardship responsibilities.*



*There is an effective committee structure for the board.*



*Board leadership effectively perform their roles.*



Strongly Agree

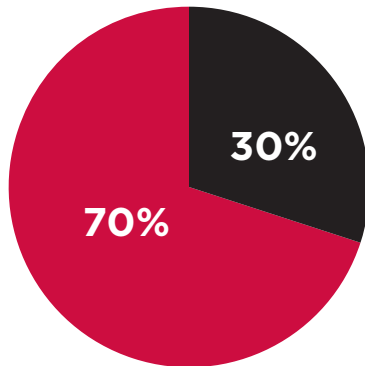
Agree

Neutral

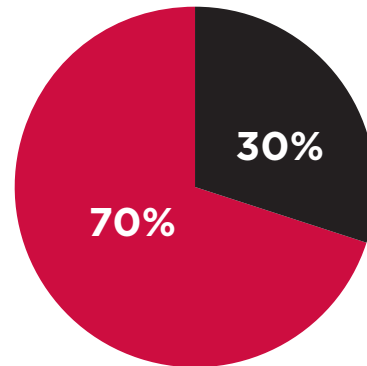
Disagree

Strongly Disagree

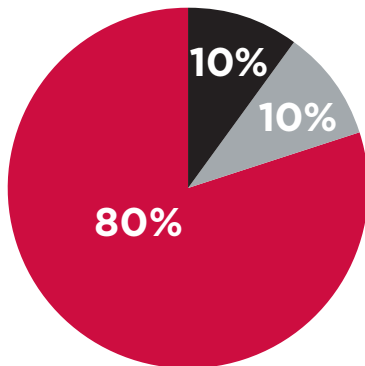
*The board conducts its meetings in compliance with the Tennessee Open Meetings Act.*



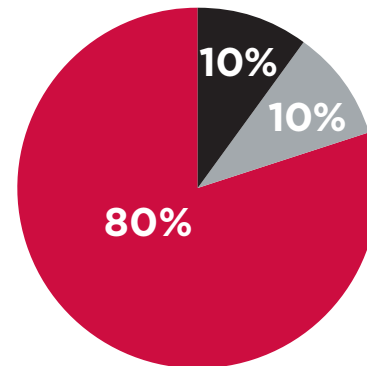
*The board operates with a sense of cooperation and collegiality.*



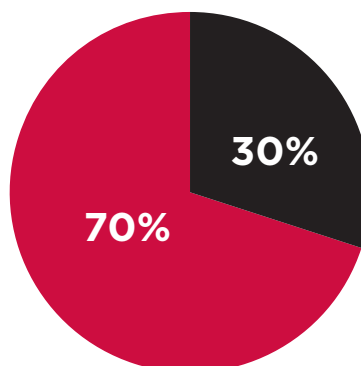
*The board effectively evaluates the president.*



*The president's compensation is effectively determined and administered by the board.*



*My committee liaisons (i.e., Audit - Blayne Clements; Academic Affairs - Maria Cronley; Business and Finance - Mitch Robinson; Student Affairs - Eric Norman; Executive Committee and Board of Trustees - Dannelle Whiteside) promptly and professionally provide me with the necessary information I need to carry out my governance responsibilities.*



# Written Responses:

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1

**Please comment on any “strongly disagree” or “disagree” responses above.**

- Board should have more time to examine materials and documents in advance of meetings.
- N/A

2

**What are the greatest strengths of the board?**

- Collegial body. They all have a genuine love for Austin Peay.
- Collaborative.
- Our diverse professional makeup across all occupations.
- Cooperative spirit toward a common goal.
- The board is comprised of people who have a great interest in the success of APSU. High character, informed and results-oriented board members.
- Intuitive, open-minded and organized.
- Diversity of occupations.
- We understand our goals and mission of the university.
- This board is comprised of a diverse group of highly competent and engaged trustees. Many are on campus frequently.

3

**What are the weaknesses of the board?**

- Seems eager to rubber-stamp items that come before it. Inability to discuss matters freely among board members. Insufficient discussion. Board appears to want to approve items quickly and get on with their lives.
- Somewhat scripted at times, but balanced with open dialogue during meetings.
- Academia thinks differently than those of us who operate in the business world. Sunshine Law shackles us, and we can't always discuss issues completely for fear of alienating other groups.
- N/A
- Not enough time for unstructured conversations prior to meetings about topics of importance to the University.
- Heavily focused on certain areas of Austin Peay, as in fundraising and financial issues, instead of seeing the University as a place for education rather than strictly a business.
- Learning how academia operates. There are huge differences in our worlds.
- None.
- No weaknesses come to mind.



4

**How can the effectiveness of the board be enhanced?**

- Include lengthier, open, more detailed discussions of current situations and future plans. Perception exists that the board is an extension of the president.
- Integrate new members.
- We need to have work sessions where nothing is deliberated where we can discuss touchy subjects behind closed doors.
- More time prior to committee meetings for unstructured conversations on topics of importance.
- Sunshine Law is limiting. We need additional work sessions sometimes where no decisions will be made but all sides of an issue may be discussed freely without worrying about offending other viewpoints, other groups.
- Have more time at each quarterly meeting to discuss or ask questions that we may have.
- Remove the Tennessee Sunshine Law. The board members would be more free and open to discuss delicate and sensitive issues, potentially creating better understanding and governance.

5

**What do you as a trustee feel proud of in the past year, related to the work of the board?**

- The board generally functions efficiently and meetings are conducted in an organized manner. Board is concerned about the well-being of the University.
- Worked toward strategic objectives as outlined in the strategic plan.
- The way we work together. May not always agree, but work thru our differences.
- Our flexibility in working through the challenges of Covid and working through the process of appointing an interim president and a presidential search.
- I am proud of how we have handled the transition into finding a new president, especially in the midst of a pandemic.
- Policies that promoted more four-year graduations and kept students engaged in school.
- The administration's management of Covid-19. Getting the compensation package of the president to the mid-point of other universities.
- Carefully reviewing and implementing the presidents' compensation plan. Selecting the interim president.

# 6

## **What thoughts do you have regarding your progress toward the strategic plan?**

- We need to have more reminders and additional discussions about any strategic plan.
- On track; must remain linked to budget/available resources.
- We are on track. We need to pick out the right president regardless of race, religion, creed. We need to find someone who can build on the success of our last three presidents and propel us to even higher academic and athletic accolades.
- The strategic plan is still in place, and it's a strong plan. Two things may affect the plan's staying power. Covid and the change in leadership with a new president next year.
- We need to focus on hiring our new president. Our last three presidents have each improved the APSU physical plant and education for our students. We need to pick the best person for the job without being so focused on gender, race, or even educational background. We need a person of vision like Alisa White.
- I am not sure the board has any input toward the strategic plan.
- We're well on our way! APSU has done a wonderful job navigating the disruptions of the corona virus.