



Middle Tennessee State University Executive and Governance Committee

9:30 a.m.
Wednesday
November 29, 2017

President's Conference Room
Cope Administration Building
1301 East Main Street
Murfreesboro, Tennessee 37132



**Middle Tennessee State University
Executive and Governance Committee**

Wednesday, November 29, 2017 – 9:30 a.m.

ORDER OF BUSINESS

1. Call to Order
2. Remarks by Committee Chairperson and President
3. Roll Call
4. Approval of Minutes (Action)Tab 1
5. President’s Compensation (Action).....Tab 2
6. Board of Trustees Policy Selection, Evaluation and Retention of the President (Action).....Tab 3



Middle Tennessee State University
Executive and Governance Committee

Wednesday, November 29, 2017 – 9:30 a.m.

Tab 1

Minutes of September 12, 2017
Executive and Governance
Committee Meeting



**Middle Tennessee State University
Board of Trustees**

MEETING: Executive and Governance Committee

SUBJECT: Minutes of September 12, 2017
Executive and Governance
Committee Meeting

DATE: November 29, 2017

PRESENTER: Heidi Zimmerman

ACTION REQUIRED: Voice Vote

STAFF RECOMMENDATION: Approval

BACKGROUND INFORMATION:

The Executive and Governance Committee met on September 12, 2017. Minutes from this meeting are provided for review and approval.

REPORT FROM THE EXECUTIVE AND GOVERNANCE COMMITTEE

The Executive and Governance Committee met on Tuesday, September 12, 2017, at Middle Tennessee State University. Chairman Steve Smith called the meeting to order at 9:08 a.m. (CDT). Roll call was taken by Heidi Zimmerman and a quorum was present with the following Committee members in attendance: Steve Smith, Darrell Freeman and Chris Karbowskiak. Also present were Trustees Andy Adams, J.B. Baker, Pete Delay, Tony Johnston, Pam Wright and Lindsey Weaver. Dr. Sidney A. McPhee, President; Alan Thomas, Vice President for Business and Finance; Bruce Petryshak, Vice President for Information Technology and Chief Information Officer; Andrew Oppmann, Vice President for Marketing and Communications; Mark Byrnes, Interim Provost; Joe Bales, Vice President for University Advancement; Deb Sells, Vice President for Student Affairs and Vice Provost for Enrollment Management; Kimberly Edgar, Assistant to the President and Chief of Staff; and Heidi Zimmerman, University Counsel and Board Secretary were also present.

Remarks were given by Chairman Steve Smith and Dr. Sidney McPhee. Dr. McPhee reported on the importance of the upcoming SACSCOC Substantive Change visit.

The Committee discussed the draft Board Policy Selection, Evaluation, and Retention of the President, and the issues of evaluating the president and a salary package for Dr. McPhee. An employment contract for the president, including typical provisions or normal business practices it would include, was also discussed. After much discussion, the Committee asked the staff to provide recommendations for the President's 2017-18 fiscal year salary, examples of presidents' contracts, and metrics or criteria by which to evaluate performance. The Committee was most interested in what the other LGIs have put in place or intend to put in place. Retaining an outside consultant to assist with the contract and evaluation was discussed with Chairman Smith asking the Committee members to send their ideas and comments to Ms. Zimmerman. The information gathered will be brought back to the Committee at the next

meeting for continued discussion. The matter of the President's salary was deferred to the next meeting.

Regarding the Board Policy Professional Development, Ms. Zimmerman indicated that such a policy is required by statute. Trustee Freeman moved that the policy be approved and Trustee Karbowski seconded the motion. A voice vote was taken and the motion to approve the Board Policy Professional Development carried.

At a prior meeting, trustees asked for information about obtaining Directors and Officers (D & O) insurance coverage for the Board from third party vendors. Staff researched this matter and recommended the coverage not be purchased. Ms. Zimmerman explained that Board trustees are immune from liability for acts or omissions occurring within the scope of their official duties to the same extent as state officers and employees. The state Claims Commission adjudicates claims and Board members would be represented by Attorney General. Additionally, statute specifies a limit of monetary liability. Finally, the D & O policy options reviewed by staff contained exemptions of the same types of acts or omissions included under the state employee coverage. Therefore, it appeared there would be no additional benefit from purchasing D & O coverage. The Committee accepted the staff recommendation.

Now under the authority of MTSU Board of Trustees, SACSCOC requires that the University mission statement be approved by the Board. The mission statement is revisited, revised, and approved in accordance with the THEC planning cycle. Faye Johnson, Special Assistant to the Provost, stated the current mission statement has been approved internally and externally. She explained that the mission statement is tied to the continuous improvement process and meeting goals. A motion was made by Trustee Karbowski to approve the Institutional Mission Statement and seconded by Trustee Freeman. A voice vote was taken and the motion to approve the Institutional Mission Statement carried.

The final agenda item concerned a requested Delegation of Limited Authority to Board Secretary to Make Technical Changes in Policies and Rules. By delegating authority to the Board Secretary, the Board will not be required to review and approve technical revisions such as typographical errors, changing position titles, updated references, etc. before the changes would be effective. Based on the meeting schedules of the Committees and the Board, the intent of the delegation is to allow the Board Secretary to make minor, technical revisions or corrections in policies or rules which would otherwise require subsequent committee or Board approval. Thus, the effectiveness of the revision or correction would not be delayed. A motion was made by Trustee Karbowskiak, seconded by Trustee Freeman, to approve this delegation with the provision that whenever the authority is exercised, Ms. Zimmerman will report to the Board at the next meeting what revisions were made. A voice vote was taken and the motion to delegate authority to the Board Secretary to make technical changes in policies and rules passed.

The meeting adjourned at 10:01 a.m. (CDT).

The Executive and Governance Committee reconvened at 11:20 a.m. to consider approval of the Board Policy Selection, Evaluation and Retention of the President as such a policy is required to be in place at the time of the SACSCOC substantive change review. A motion was made by Trustee Freeman to approve the policy with the understanding that it would be reviewed at the next Committee meeting. Trustee Karbowskiak seconded the motion. A voice vote was taken and the motion to approve the Board Policy Selection, Evaluation and Retention of the President with the understanding that it would be reviewed at the next Committee meeting passed.

The meeting adjourned at 11:20 a.m. (CDT).

Respectfully Submitted,
Executive and Governance Committee



**Middle Tennessee State University
Executive and Governance Committee**

Wednesday, November 29, 2017 – 9:30 a.m.

Tab 2

President's Compensation



**Middle Tennessee State University
Board of Trustees**

MEETING: Executive and Governance Committee

SUBJECT: [President's Compensation](#)

DATE: November 29, 2017

PRESENTER: Steve Smith

ACTION REQUIRED: Voice Vote

STAFF RECOMMENDATION: None

BACKGROUND INFORMATION:

The Executive and Governance Committee will discuss and provide the Board of Trustees a recommendation for the development of a compensation package for the President. In order to make the best-informed and most appropriate recommendation, it is suggested that through AGB Search, Dr. Joseph Johnston be retained as a consultant to provide compensation evaluation services in this regard. Information concerning these services and Dr. Johnston follow.



October 10, 2017

Stephen B. Smith
Chair, Board of Trustees
Middle Tennessee State University

Re: **Compensation Evaluation Service Engagement Letter**

Dear Mr. Smith:

AGB Search welcomes the opportunity to enroll Middle Tennessee State University in the Compensation Evaluation Service (CES). The CES assists colleges, universities, systems, coordinating boards, and institutionally-related foundations in identifying and evaluating best compensation practices and provides benchmarks helpful in recruiting and retaining presidents and other cabinet-level leaders.

This Engagement Letter, along with the enclosed Terms of Business, constitutes our Engagement Agreement. Below we describe the scope of work, identify the AGB Search consultant(s) that will be assigned to this engagement, and set forth our fees for the engagement.

Scope of Work

AGB Search will provide Middle Tennessee State University a written report providing appropriate benchmarks for the compensation of its president. The CES Report will provide the following:

1. Support for selection of peer and aspirant group institutions;
2. Salary statistics from peer and aspirant group institutions;
3. Assessment of additional compensation items and benefits as compared with peer and aspirant group institutions and the sector at large;
4. Additional guidance on the application of benchmarking to your particular institution; and
5. Overview of governance and legal considerations and best compensation practices;

AGB Search will not, as a part of the CES, participate in the negotiation of an employment or independent contractor agreement. AGB Search does not provide legal services, so you should arrange for your counsel to prepare any employment or independent contractor agreement required, or we can recommend qualified counsel to you for this purpose.

Consultant

Your consultant for this engagement will be Joseph S. Johnston, Jr., Ph.D., Senior Consultant, AGB Search. Joe will be responsible for coordination of this engagement, and you may contact him directly at any time with any questions you may have (jsj@agbsearch.com; 202-776-0827).

Pricing

Middle Tennessee State University shall pay AGB Search a fee of \$11,000 for the CES compensation analysis and written report. Our fee includes all administrative charges incurred directly by us as part of our overhead in the administration of this agreement.

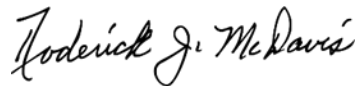
Payment

We will submit an invoice to you for our fee for services provided under this Engagement Agreement in the amount of \$11,000 when the report is ready to be sent.

Please sign and return one copy of this Letter of Engagement to AGB Interim Search, 1133 20th Street, N.W., Suite 300, Washington, D.C. 20036 or to jsj@agbsearch.com. Please keep a copy for your files as well.

Please do not hesitate to contact us if you have questions or need additional information. We can be reached at 202-776-0827.

Sincerely,

A handwritten signature in cursive script that reads "Roderick J. McDavis".

Roderick J. McDavis
Managing Principal
AGB Search, LLC

Agreed:

On behalf of Middle Tennessee State University:

Please Print Name and Title

Signature and Date

Individual to Whom Invoice Should be Sent:

Name

Address



TERMS OF BUSINESS

Welcome to AGB Search. Thank you for choosing us to provide compensation evaluation services to you. These Terms of Business and our Engagement Letter form our Engagement Agreement.

AGB Search and You

1. Our Engagement Letter sets out the scope of our services and identifies you as our client.
2. AGB Search, LLC is an affiliate of the Association of Governing Boards of Universities and Colleges (AGB), a District of Columbia nonprofit charitable organization.
3. This Engagement Agreement is between you and AGB Search and not with any individual consultant, employee, contractor, or agent of AGB Search. The Terms apply as soon as we start acting on your instructions, regardless of whether or not you have signed the Engagement Letter.

Our Working Relationship

4. Effective compensation evaluations require open and honest communication throughout our relationship. We need you to provide us with clear and timely instructions, relevant information and documents, and make yourself available for consultation.

Fees and Costs

5. Our fees are set out in the Engagement Letter, but may be adjusted from time to time. You will be charged at our rates in effect at the time services are performed.
6. All payments for fees and expenses under this Engagement Agreement should be made payable to AGB Search by check or wire transfer.

Confidentiality

7. We agree that we will not disclose any Confidential Information provided to AGB Search by you to any third party without your prior written consent. For this purpose, "Confidential Information" includes, but is not limited to, all notes, books, papers, documents, reports, files, e-mail, memoranda, visual observations, oral communications, and all other data or information in whatever form, disclosed to AGB Search by you that either you have identified to us as confidential or that a reasonable person would expect to be confidential.

Independent Contractor Status

8. In performing services to you under this Agreement, we will be acting as an independent contractor. You will not have or exercise any control or direction over the methods by which we perform our work. Nothing contained in this Agreement should be construed as creating a partnership or a joint venture between us.

Limitation of Liability

9. You agree that in the event of any dispute regarding the services we provide to you, or for any claim related to our services that you may have, any liability we may have to you is limited to the total of our professional fees for the services we provided under this Engagement Agreement.

Termination

10. You may terminate the engagement at any time for any reason; we may also terminate the engagement at any time for any reason.
11. You remain responsible for paying our fees and costs related to work performed before the end of the engagement.

Completion of Engagement

12. Our work with you will end when we have completed the services described in the Engagement Letter or, unless otherwise agreed, after six months of furnishing no billable services to you, without the need for further written confirmation.

Arbitration

13. Any dispute between us arising out of, or in connection with, this Engagement Agreement will be determined by confidential arbitration under the rules of the American Arbitration Association, which determination will be final and binding on each of us, and judgment on this finding may be entered by any court of competent jurisdiction. Each of us will bear our own costs of arbitration.

Entire Agreement

14. The Engagement Agreement cannot be modified by any policies, procedures, guidelines, correspondence, or other document from you unless agreed to in writing by AGB Search. If there is a conflict between the Terms and the Letter, the provisions of the Letter control. If any part of our Engagement Agreement is held to be illegal, invalid or unenforceable, it shall not form part of the agreement and the balance shall remain enforceable and shall not be affected.

Amendment

15. No amendment of the terms of this Engagement Agreement will be binding or effective unless it is made in writing, dated after the effective date of this Engagement Agreement, and signed by both of us.



**AGB SEARCH/CUPA-HR COMPENSATION EVALUATION SERVICE (CES)
PROPOSAL PREPARED FOR
MIDDLE TENNESSEE STATE UNIVERSITY**

October 10, 2017

INTRODUCTION

The Compensation Evaluation Service (CES) is offered by AGB Search and the College and University Professional Association for Human Resources (CUPA-HR). It is designed to help colleges and universities determine what constitutes fair and fully competitive compensation for their senior leaders.

The Compensation Evaluation Service also supports institutional boards in their efforts to make that determination using a process that fulfills the requirements of good governance and complies with applicable laws and regulations. It helps establish a “presumption of reasonableness” in the determination of salary and benefits for a given position or set of positions. In this way it provides a defense for the institution, its leaders, and its board members against possible challenges that compensation for the position studied is “excessive.”

Middle Tennessee State University (or “the University”) is seeking expert third-party assistance in reviewing the current compensation of its President and possibly a number of other senior leaders to ensure it is defensible and responsive to the needs of the University going forward.

The following is our proposal to provide these services. We would be happy to answer any questions you may have.

A. Executive Summary

The CES provides a set of essential services that can help college and university boards more effectively review the compensation of senior executives and ensure that board members are fulfilling their fiduciary duty while implementing best practices and utilizing best-of-class data analysis. The CES helps ensure that salaries and benefits are competitive and fair, given relevant facts and circumstances, and are arrived at through a process that conforms to good governance practice and complies with relevant laws and regulations.

Specifically, the CES:

- uses proprietary algorithms and additional quantitative and qualitative analysis to help clients identify truly comparable and highly defensible institutional peer groups.
- provides CUPA-HR’s “gold-standard” data, the most current and highest-quality data available on salaries at peer institutions.

- presents information from CUPA-HR and a variety of other sources on non-salary compensation at peer institutions and in other relevant settings.
- gives advice on considerations that might lead to setting compensation elsewhere than at a range's midpoint and additional steps that should be taken to ensure compliance with the law and best practice in setting compensation.
- provides "one-stop shopping" for these services at a price below that of comparable services.

Through this process, we will provide Middle Tennessee State University with a comprehensive compensation analysis as described below (the CES Report). We will ordinarily complete our evaluation and recommendations within four to five weeks of the start of the engagement, barring unforeseen delays in obtaining needed data, documents, or input, and we can expedite the work if necessary.

B. Professional Experience

AGB Search, which operates the CES, focuses exclusively on higher education leadership, and conducts executive searches for college and university presidents, chancellors, provosts, vice presidents, deans, university system heads, and CEOs of coordinating boards and related foundations. Headquartered in Washington, D.C., our firm employs search consultants and research associates located throughout the country. AGB Search was founded by the Association of Governing Boards of Universities and Colleges (AGB). With more than 1,250 member institutions, AGB is the only national association that serves the interests of higher education leadership. Its mission is to strengthen and protect the nation's unique form of institutional governance through research, services, and advocacy. Higher education is in our organizational DNA, and our clients benefit from our ongoing association with AGB.

C. Personnel Qualifications

Joseph S. Johnston | Senior Consultant, AGB Search



Joseph S. Johnston, Jr. is Senior Consultant with AGB Search. He oversees AGB Interim Search, a service that provides institutions, systems and university foundations interim cabinet-level leadership, and the Compensation Evaluation Service, a partnership of AGB Search and the College and University Professional Association for Human Resources (CUPA-HR) that provides benchmarking of executive compensation. Over more than three decades, Dr. Johnston has served in a variety of positions in higher education; including Lecturer in English and Assistant to the President at Bryn Mawr College; Research Associate with the Institute for Research on Higher Education at the University of Pennsylvania; Vice President for Programs and Vice President for Education and Global Initiatives at the Association of American Colleges and Universities; and Senior Vice President at The

Washington Center. Dr. Johnston is the author of numerous publications, including a series of three books on the integration of liberal and professional education and a book on international education. He also co-authored [A Complete Guide to Presidential Search for Colleges and Universities](#) (Association of Governing Boards, 2013) with James P. Ferrare. He has also served on numerous governing and advisory boards in higher education. A Virginia native, Dr. Johnston graduated with Phi Beta Kappa honors from Randolph-Macon College. He holds a Ph.D. in English Literature from the University of Chicago and an M.B.A. in Finance from the Wharton School of the University of Pennsylvania.

D. Study Approach

THE COMPENSATION EVALUATION SERVICE (CES) PROCESS

1. PEER GROUP IDENTIFICATION

The compensation evaluation process begins with the identification of institutions that are true “comparables.” The CES assembles an extensive list of possible peers – universities that are in significant ways similar to Middle Tennessee State University. A first set is requested from the client itself. Others are generated using IPEDS data from the National Center for Educational Statistics and several different proprietary algorithms.

The master list generated is the starting point. In order to ensure that the final list can provide guidance on compensation for all the positions of interest, checks are made throughout the process of developing it to ensure it contains enough institutions to provide collectively the requisite number (eight or more) of data points for each of those positions.

We narrow the master list down through a series of deletions. We remove: duplicates; universities for which good data are not available because they did not participate in – or provide data on the position under study to - the CUPA-HR Administrators in Higher Education Survey; and universities that for purposes of compensation comparisons are likely to be problematic (because, for example, of a radically different location or mix of programs, or other factors).

The CES next takes the remaining possible peers and analyzes them in relation to institutional characteristics that are among those most likely to influence executive compensation. These include location, type, size, resources, cost, budget, faculty wage scale and selectivity. A carefully chosen set of IPEDS variables is used. Then the resulting data – constituting a bivariate analysis of the remaining institutions – are displayed in a spreadsheet.

To assist the client in using the spreadsheet, we include two summative measures. One is a simple measure of central tendency that indicates how closely on average the data of each candidate college or university conform to those of the client. The other is a measure of the variability of the data for each candidate institution. It indicates the number of characteristics, if any, on which each college or university is an “outlier” relative to the other candidates. Used in combination, these two measures further sharpen the analysis and make the data easier to interpret.

We send the resulting spreadsheet electronically to the client. We then arrange a phone call to summarize the methodology, answer any questions about it, and discuss the results. We welcome any requests from the client for further analysis and any suggestions as to the addition or deletion of institutions. Ultimately – and usually after an iteration or two involving the client – a final peer group is settled upon. The final choice of institutions for the peer group is, of course, the client’s.

Our work provides a strong quantitative foundation for the selection of peer colleges and universities. But there may nonetheless be a strong case for including institutions not otherwise brought forward. Done well, the process draws on quantitative analysis of high-quality data, the detailed knowledge of the client institution, and professional judgment regarding higher education as a whole. Joseph Johnston, Ph.D., Senior Consultant with AGB Search, works with the client throughout this phase of the evaluation and will welcome all perspective the institution itself can provide.

Once the client selects its peer group, we also request it to provide us an aspirant group – a set of schools to whose characteristics it realistically aspires. If the client needs analytical help to do this, the CES provides that as well.

Both groups – peer and aspirant – are then forwarded to CUPA-HR for use in pulling data on base salaries. They are also used by CUPA-HR and AGB Search in the analysis of non-salary compensation and the preparation of a full CES Report.

2. ANALYSIS OF BASE SALARY DATA

Base salary data for individuals in all requested positions in the peer and aspirant groups will be drawn from CUPA-HR's 2016 Administrators in Higher Education Salary Survey. Data will reflect salaries as of November 2016, published February 2017. The current Survey reflects the salaries of 55,197 administrators in 191 senior-level positions at 1,227 colleges and universities nationwide.

CUPA-HR conducts the Administrative Survey entirely online using Surveys Online (SOL), its web-based data collection and reporting system. Thousands of real-time and server-side validation checks are built into the questionnaire. These checks flag data that are significantly different from data reported last year by an institution, or that are extremely low or high. A final validation check flags computational and other potential errors. In order to submit its survey, an institution has to correct all "fatal" errors and correct or annotate all "serious" errors. The result is a database generally regarded in higher education as the gold standard on administrative compensation.

The CES Report will provide tables - Tables A and B, respectively - providing the following data on compensation for the subject positions within both the peer and aspirant groups:

- a list of institutions in the group
- a set of comparison group statistics based on the group's reported salaries: average, median, minimum and maximum.
- a set of additional percentiles (the 20th percentile is the dollar figure which 20% of all reported salaries in the group equal or fall below; the 40th percentile is the dollar figure which 40% equal or fall below, and so forth), and
- an ordinal ranking of the salaries at the group institutions (Data will not be identified by individual college or university).

3. ANALYSIS OF NON-SALARY COMPENSATION DATA

Data on non-salary compensation are drawn from several sources. Tables C, D, and E report on the client's peer group. Tables F, G and H report on the client's aspirant group. Table I and J provides benchmarks resulting from surveys of much larger sets of institutions.

Tables C, D, E, F, G and H: Peer and aspirant groups

As part of CUPA-HR's Administrators in Higher Education Survey, institutions are asked whether they provide selective executives any of five "executive-only" benefits or perks. Tables C (on peers) and F (on aspirant institutions) provide basic data on the frequency with which the institutions that responded provided each of several benefits or perks to individuals in the subject positions.

A second useful - albeit less current - source of data on non-salary compensation is the Chronicle of Higher Education. The most relevant information from this sources is presented in Tables D and E (on peers) and G and H (on aspirant institutions).

Tables I and J: National sets of institutions

Table I provides the frequency data on the five "executive only" benefits and perks collected by the CUPA-HR Administrators in Higher Education Survey for senior leaders at all responding institutions of similar type (baccalaureate, masters, doctoral, etc.).

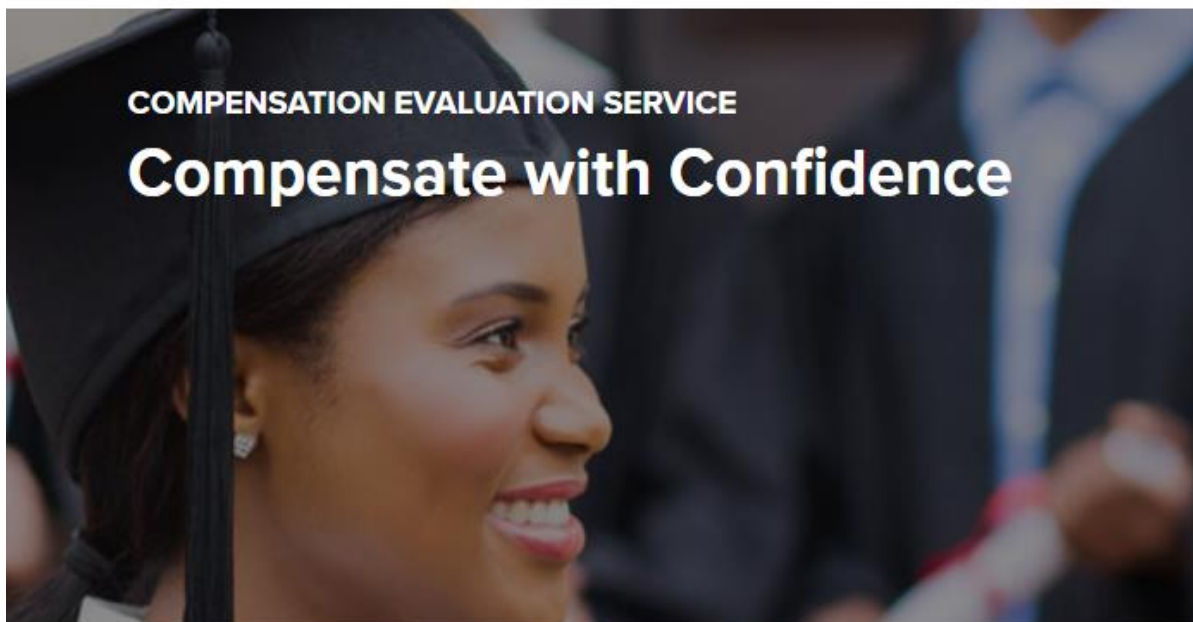
As additional context, Table J provides similar frequency data on a much larger set of "agreed-upon conditions of employment" reported by presidents of colleges and universities broadly similar in type to the client institution (baccalaureate, masters, etc.).

F. Fees

The fixed fee for a CES Report on one position is \$11,000. Additional analyses are provided for \$1650 per position.

G. Additional Information

AGB Search thanks Middle Tennessee State University for the opportunity to provide this proposal. If there are any questions, please feel free to contact Joseph Johnston at jsj@agbsearch.com or 202-776-0827



AGB Search offers the Compensation Evaluation Service (CES) to help our clients establish appropriate and effective compensation levels for top institutional leaders. Colleges and universities must be judicious in approaching executive pay to attract and retain top talent, as well as stand up to scrutiny.

Using the College and University Professional Association for Human Resources (CUPA-HR) data on higher education compensation, the CES helps institutions set executive pay and benefits at sound and competitive levels.

The customized CES analysis and report includes:

- Assistance in identifying a set of comparable peer group institutions
- Comparison-group salary analyses for a given position or set of positions
- Information on benefits and other components of compensation within the peer group
- Guidance on additional considerations that should inform decisions about compensation

If requested, the CES can also provide:

- Assistance with the development of a compensation package
- Support for the development of a statement of compensation philosophy
- Counsel on and a letter attesting to the institution's compliance with law and best practice

The CES report is provided at a competitive price, in accordance with the institution's budget.

To discuss how the CES can help your institution, contact Joseph Johnston, Ph.D. or call 202.776.0827.

[Download a brochure.](#)

CONSULTANT

Joseph Johnston



Email Joseph Johnston

SENIOR CONSULTANT, INTERIM SEARCH AND COMPENSATION EVALUATION

Joseph S. Johnston, Jr. is Senior Consultant for AGB Interim Search and the AGB Search/CUPA-HR Compensation Evaluation Service. AGB Interim Search, provides institutions, systems and university foundations interim cabinet-level leadership. The Compensation Evaluation Service, a partnership of AGB Search and the College and University Professional Association for Human Resources (CUPA-HR) provides benchmarking of executive compensation.

Over more than three decades, Dr. Johnston has served in a variety of positions in higher education; including Lecturer in English and Assistant to the President at Bryn Mawr College; Research Associate with the Institute for Research on Higher Education at the University of Pennsylvania; Vice President for Programs and Vice President for Education and Global Initiatives at the Association of American Colleges and Universities; and Senior Vice President at The Washington Center.

Dr. Johnston is the author of numerous publications, including a series of three books on the integration of liberal and professional education and a book on international education. He also co-authored *A Complete Guide to Presidential Search for Colleges and Universities* (Association of Governing Boards, 2013) with James P. Ferrare.

Dr. Johnston has served on a number of governing and advisory boards. These include the Board of Advisors of the National Security Education Program, the Board of Visitors of the University of North Carolina–Asheville, and the Board of Directors of the National Humanities Alliance. He was a member of the Board of Trustees of Warren Wilson College for fifteen years.

A Virginia native, Dr. Johnston graduated with Phi Beta Kappa honors from Randolph-Macon College. He holds a Ph.D. in English Literature from the University of Chicago and an M.B.A. in finance and planning from the Wharton School of the University of Pennsylvania.



**Middle Tennessee State University
Executive and Governance Committee**

Wednesday, November 29, 2017 – 9:30 a.m.

Tab 3

**Board of Trustees Policy –
Selection, Evaluation and Retention
of the President**



**Middle Tennessee State University
Board of Trustees**

MEETING: Executive and Governance Committee

SUBJECT: Board of Trustees Policy – Selection,
Evaluation and Retention of the
President

DATE: November 29, 2017

PRESENTER: Heidi Zimmerman

ACTION REQUIRED: Voice Vote (if revised)

STAFF RECOMMENDATION: Approval

BACKGROUND INFORMATION:

At its prior meeting of September 17, 2017, the Executive and Governance Committee approved this policy with the understanding that it would be revisited at the subsequent meeting for a discussion of potential revisions.

**Middle Tennessee State University
Board of Trustees Policy
Selection, Evaluation and Retention of the President**

Section 1. Purpose

The Middle Tennessee State University Board of Trustees (Board) has the authority to select, appoint, retain and assess the performance of the chief executive of the University (president). This policy shall set the general parameters for these processes.

Section 2. Selection of a President

The Board shall establish a selection process and the qualification criteria as it deems appropriate. The selection process should include a mechanism for consultation and input from the campus and the community, and should reflect the University's commitment to diversity.

Prior to beginning a search for candidates for the office, the Board shall establish the qualification criteria for the position and shall announce the process it will follow for selecting a president.

The selection of the president shall be the sole responsibility of the Board.

In the event of a vacancy in the office of the president, the Executive and Governance Committee shall nominate an interim president to be approved by the Board.

Section 3. Appointment and Retention of the President

The Board may set the terms and conditions of the president's appointment to include:

1. A contract;
2. Compensation;
3. Conditions related to retention; and,
4. Conditions related to removal from office.

The decision to retain or terminate the appointment of the president shall be the sole responsibility of the Board.

Section 4. Annual Evaluation of the President

The president shall be annually evaluated by the Board based on an evaluation process coordinated by the Board Executive and Governance Committee (Committee). The evaluation period will be July 1 through June 30.

The purposes of the annual evaluation are: (1) to assist the Board in determining whether the president's performance is effective; (2) to enable the president to enhance his/her performance and leadership; (3) to promote good communication and strong working relations between the president, the Board and the campus community; (4) to enable the president and

the Board to set mutually agreeable goals; and, (5) to inform Board decisions on compensation and other terms of employment for the president.

The president shall prepare a written self-assessment statement (statement) in a format and according to a timetable mutually agreed upon by the president and the Committee. The statement shall include the following:

1. Progress toward meeting goals previously agreed upon by the president and the Board with accompanying data and metrics;
2. Assessment of the overall academic quality of the university, including institutional achievements and accomplishments;
3. Assessment of the financial status of the university;
4. Identification of significant institutional challenges faced over the prior year that impacted progress toward goals with an assessment of continuing or future challenges facing the university;
5. Goals proposed by the president for the upcoming year.

After receipt of the statement, the Chair of the Committee will share the statement with the Board and solicit their written comments. Once this feedback is collected, the Chair will meet with the president to discuss the self-assessment statement and the proposed goals, expectations and associated metrics for the upcoming year, along with the information gathered from the Board. The Chair will prepare an evaluation report to include a written assessment of the president's performance and an aggregate summary of the views of the Board. The evaluation report may include a recommendation concerning the president's compensation or other terms of employment. A copy of the evaluation report shall be provided to the president.

All job performance evaluations, as that term is defined in T.C.A. §10-7-504(a)(26), shall be confidential and not open for public inspection.

Section 5. Periodic Comprehensive Review

The president shall also be subject to a comprehensive evaluation every five years. When a comprehensive review is performed, it is to be incorporated into the annual review process, with such adjustments to the schedule as may be necessary.

This review may be performed with the assistance of one or more independent consultants to be chosen by the Executive and Governance Committee (Committee). The specific details for a comprehensive review will be determined by the Committee in consultation with the consultant and the president. However, the review will include input from the university administration, faculty, staff and students, as well as, alumni leadership and the community.

Effective Date: September 15, 2017.

Revisions: None.