USF Board of Trustees
Friday, March 22, 2019
3:00 PM
USF Sam and Martha Gibbons Alumni Center Traditions Hall

AGENDA

I. Call to Order and Comments
   Chair Brian Lamb

II. New Business – Action Items

   FL 101 – Approval of Competitive Presidential Pay Study
   Governance Committee
   Chair Jordan Zimmerman

   FL 102 – Approval of Substantive Presidential Contract Terms
   Gov. Cmte. Chair Zimmerman
   General Counsel Gerard Solis

   FL 103 – Approval of Presidential Appointment for Confirmation by the Florida Board of Governors
   Search Committee Chair Les Muma
   Chair Lamb

III. Adjournment
    Chair Lamb
Agenda Item: FL 101

USF Board of Trustees
March 22, 2019

Issue: Competitive Presidential Pay Study for 7th University of South Florida President

Proposed action: Approve Competitive Presidential Pay Study as Basis for Compensation of 7th University of South Florida President

Background information:

President Judy Genshaft’s 19-year tenure as president of the University of South Florida concludes on June 30, 2019. As the Board of Trustees seeks to select and retain a qualified and talented replacement as USF’s 7th president, the services of McConnell & Company were utilized to conduct a market study of salary ranges and compensation packages for peer as well as Florida preeminent university presidents.

The study examined and compared base salaries, retirement contributions and deferred compensation, retention payments, incentive payments, and benefits. Data for the study was collected from The Chronicle of Higher Education database that was derived from information provided by the universities in their Form 990 tax filings for the fiscal year 2016-17 (the latest generally available.).

Approval is needed by the Board of Trustees to utilize the Competitive Presidential Pay Study as the basis for the compensation package offered to USF’s 7th president, whose tenure will begin July 1, 2019.
Competitive Presidential Pay

3/11/2019

Presented to:

University of South Florida
Background & Study Objectives

▪ We have been retained by the Board of Trustees of University of South Florida (USF) to provide recommendations on a competitive range of compensation for the position of President. USF is part of the Florida State University System and is classified as a Doctoral University – Very High Research Activity (VHRA). Also relevant to the relative size of the President’s job is the fact that USF has a medical school.

▪ The purpose of this study is to provide the Board with a suitable competitive perspective for the Board to utilize in crafting a compensation package for a new President of the University.
Market Competitive Compensation

▪ Presidents of universities in the United States are paid through a variety of means:
  ▪ Base Salary: Like all employees, presidents receive a base salary, typically payable monthly or bimonthly.
  ▪ Retirement Contributions & Deferred Compensation: Through various federal tax qualified plans (e.g., 457(f) or 403(b)) money is put away for their retirement. These funds are typically fully vested. In addition, some institutions utilize non-tax qualified plans which require an element of forfeiture to avoid current taxation of the money received.
  ▪ Retention Payments: These consist of simple retention bonuses (e.g., stay three years, receive $x) or other similar arrangements such as sabbaticals.
  ▪ Incentive Payments: These consist of various incentive arrangements formally linking compensation to future performance or subjective after the fact payments made based on previous performance (i.e., bonuses).
  ▪ Benefits: University presidents also participate in the school’s various broad-based benefit plans (health, life insurance, retirement, etc.) and almost universally receive housing and an automobile – either directly or as an allowance. For the purpose of this study, we have ignored any competitive difference in these benefits.
Forms of Compensation

- In our analysis, we have examined the competitive ranges for Base Salaries, Guaranteed Compensation and Total Opportunity.
  - We define Guaranteed Compensation as base salary plus qualified retirement plan contributions (e.g., 403(b)), deferred compensation and retention payments. Although some of these elements do require continued employment to be received, they are typically paid in all situations except voluntary termination or termination for cause.
  - Total Opportunity is defined as Guaranteed Compensation plus the total incentive opportunity that can be earned for the year. For plans that measure performance over multiple years, opportunities are annualized.
  - Institutions may choose to be more or less competitive on any of these dimensions in order to send a specific message regarding compensation (e.g., pay-for-performance alignment, emphasize retention, etc. …)
Data Source

- We utilized compensation data from a Chronicle of Higher Education database that was derived from information provided by the universities in their Form 990 tax filings for the fiscal year 2016-17 (the latest generally available.)

- Although this data is accurate, it is not complete.
  - The data does not reflect changes in compensation that have occurred between the 2016-17 fiscal year and the 2019-20 fiscal year that will be applicable to the new Presidents first year of employment.
  - Guaranteed pay elements such as retention bonuses are not reported until actually paid.
  - Lastly, incentive payments only reflect amounts actually paid not multi-year opportunities that are still being earned or the unearned portion of total incentive opportunities.
Data Adjustments

- To gauge the error from these three sources, we compared the reported data for the Presidents of six major Florida universities to projections developed from current salary levels (as derived from *Florida Has a Right to Know*) and modeling of the provisions contained in their latest employment contract. The table below shows a comparison of the 2016-17 data to the projected data.

<table>
<thead>
<tr>
<th>Institution</th>
<th>President</th>
<th>Contract Term</th>
<th>Source</th>
<th>Base Salary</th>
<th>Deferred Comp</th>
<th>Retirement Ctrb</th>
<th>Retention Accrual</th>
<th>Guaranteed Compensation</th>
<th>Bonus/Opportunity</th>
<th>Total Opportunity</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Florida</td>
<td>W. Kent Fuchs</td>
<td>5 yrs</td>
<td>2016-17</td>
<td>866,425</td>
<td>162,400</td>
<td>66,045</td>
<td>129,964</td>
<td>1,224,834</td>
<td>-</td>
<td>1,224,834</td>
</tr>
<tr>
<td>Florida State University</td>
<td>John E. Thrasher</td>
<td>5 yrs</td>
<td>2016-17</td>
<td>501,967</td>
<td>108,245</td>
<td>85,848</td>
<td>75,295</td>
<td>771,355</td>
<td>100,000</td>
<td>871,355</td>
</tr>
<tr>
<td>University of Central Florida</td>
<td>John C. Hitt</td>
<td>1 yr</td>
<td>2016-17</td>
<td>505,730</td>
<td>-</td>
<td>31,465</td>
<td>75,860</td>
<td>613,055</td>
<td>655,475</td>
<td>1,268,530</td>
</tr>
<tr>
<td>Florida Atlantic University</td>
<td>John W. Kelly</td>
<td>5 yrs</td>
<td>2016-17</td>
<td>469,828</td>
<td>62,640</td>
<td>23,084</td>
<td>70,474</td>
<td>699,750</td>
<td>164,636</td>
<td>864,386</td>
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<tr>
<td>Florida International University</td>
<td>Mark B. Rosenberg</td>
<td>5 yrs</td>
<td>2016-17</td>
<td>502,579</td>
<td>-</td>
<td>85,839</td>
<td>75,387</td>
<td>663,850</td>
<td>100,000</td>
<td>763,850</td>
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<tr>
<td>University of South Florida</td>
<td>Judy L. Genshaft</td>
<td>1 yr</td>
<td>2016-17</td>
<td>493,500</td>
<td>24,329</td>
<td>74,025</td>
<td>591,854</td>
<td>712,094</td>
<td>100,000</td>
<td>812,094</td>
</tr>
</tbody>
</table>

Average 2016-17: 556,672, 55,548, 52,768, 83,501, 748,488, 191,746, 940,234
Average Project: 586,826, 106,914, 43,863, 86,063, 823,666, 144,635, 968,301

% Chg: 3.4%, 10.0%, 3.0%, 0.0%, 0.0%, 0.0%, 3.0%

The data labeled '2016-17' is the actual compensation reported on form 990 for that year without trend or adjustment. The data labeled 'Project' reflects the value of the individual's contracted when projected using their current salary.

The data labeled 'w/o J Hitt' reflects the data excluding the President of the University of Central Florida.

The table shows a comparison of the 2016-17 data to the projected data.
Looking at base salaries, the projections are about 2.7% per year above the 2016-17 data. Across a broad cross-section of American industry, we have seen salaries increase about 3% per year over the last decade. We utilized a 108% adjustment that reflects 3 years of trend at 2.7% per year (i.e., 2019 minus 2016.)

Payments reflecting retentions are by their very nature “lumpy” – they only occur every three to five years. Since these retention payments are quite common among university presidents, it is our opinion that this data should be consistently reported on an accrual basis (e.g., the promise to pay $300,000 at the end of 3 years should be reported as $100,000 per year.) Looking at the Florida data, it appears that an annual accrual of 15% of salary produces total pay about equal to the periodic payments. In our experience, these provisions typically provide a payment at the end of a 3 to 5-year contract provision that is roughly equal to the salary earned for that period. A 15% of salary assumption is consistent with payments in this range with some schools not providing any such payment.

There is no comparable data that provides an acceptable gauge of potential bonus opportunities. We instead report actual payments made as a measure of expected or target incentive payments.
Housing

- It is a very common practice to provide a University President with a house on or near campus. These houses are both residences for the president and their family as well as a site for entertaining the institutions various publics. Accordingly, they are often quite large and expensive to maintain.

- Although the practice is common, no universities in our database reported a dollar value for this benefit in their 990 filings.

- If USF is considering a housing allowance in lieu of the new President residing on campus, it is our opinion that such an allowance should be based on a more typical executive house (e.g. 3,500 to 4,500 sq. ft.) in the vicinity. The larger residence typically available on campus reflects the dual role of the structure.

- The University should also review this matter with tax counsel as to the impact on the President’s reported income.
Competitive Pay Perspectives

- In order to provide the Board of Trustees with a broad perspective on suitable compensation for the USF President position, we developed three relevant perspectives for determining competitive compensation.

  - **USF Peers:** Exhibit A presents a detailed list of the compensation provided to the presidents of the institutions that USF considers peers under several criteria. We have excluded those schools where the incumbent for 2016-17 was a new hire. This data is reported in Exhibit A. This data, for 12 institutions, is reported consistent with the Data Adjustments previously described.

  - **Public with Med School:** To provide a broad perspective on competitive pay, we also computed data on VHRA universities that also have medical schools. This data is reported in exhibit B for 60 institutions and is reported reflecting the Data Adjustments.

  - **Major Florida:** Since intra-Florida comparisons are so important from a “political” perspective, we have included a third perspective reflecting the pay practices of the five largest Florida universities (excluding USF).
Market Competitive Range

- The table below blends the three competitive pay perspectives into a single market range for each form of compensation. The USF Peers are weighted 60%, the broad market perspective is weighted 30% and the Major Florida schools are weighted 10%.

- For perspective, the table also compares the current incumbent’s contract to the market range.

<table>
<thead>
<tr>
<th>Form of Compensation</th>
<th>Competitive Pay Perspective</th>
<th>Weight</th>
<th>p25</th>
<th>Median</th>
<th>p75</th>
<th>p90*</th>
<th>Current</th>
<th>% Med</th>
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</thead>
<tbody>
<tr>
<td>Base Salary</td>
<td>USF Peers</td>
<td>67%</td>
<td>519,000</td>
<td>552,000</td>
<td>735,000</td>
<td>781,000</td>
<td></td>
<td>-8%</td>
</tr>
<tr>
<td></td>
<td>Public VHRA with Med School</td>
<td>22%</td>
<td>499,000</td>
<td>567,000</td>
<td>655,000</td>
<td>816,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Major Florida (Projected)</td>
<td>11%</td>
<td>505,000</td>
<td>506,000</td>
<td>606,000</td>
<td>896,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Weighted Average</td>
<td></td>
<td>515,000</td>
<td>550,000</td>
<td>705,000</td>
<td>800,000</td>
<td>505,837</td>
<td>-8%</td>
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<tr>
<td>Guaranteed Compensation</td>
<td>USF Peers</td>
<td>67%</td>
<td>600,000</td>
<td>738,000</td>
<td>954,000</td>
<td>1,282,000</td>
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<td>-12%</td>
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<tr>
<td></td>
<td>Public with Med School</td>
<td>22%</td>
<td>626,000</td>
<td>781,000</td>
<td>937,000</td>
<td>1,019,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Major Florida (Projected)</td>
<td>11%</td>
<td>700,000</td>
<td>721,000</td>
<td>881,000</td>
<td>1,385,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Weighted Average</td>
<td></td>
<td>615,000</td>
<td>745,000</td>
<td>940,000</td>
<td>1,235,000</td>
<td>648,180</td>
<td>-13%</td>
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<tr>
<td>Total Opportunity</td>
<td>USF Peers</td>
<td>67%</td>
<td>634,000</td>
<td>941,000</td>
<td>1,102,000</td>
<td>1,324,000</td>
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<td>-3%</td>
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<td>Public with Med School</td>
<td>22%</td>
<td>637,000</td>
<td>805,000</td>
<td>980,000</td>
<td>1,136,000</td>
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<tr>
<td></td>
<td>Major Florida (Projected)</td>
<td>11%</td>
<td>847,000</td>
<td>864,000</td>
<td>981,000</td>
<td>1,385,000</td>
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<td></td>
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<tr>
<td></td>
<td>Weighted Average</td>
<td></td>
<td>660,000</td>
<td>900,000</td>
<td>1,060,000</td>
<td>1,290,000</td>
<td>911,355</td>
<td>1%</td>
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</table>

* for Major Florida, 90th percentile column is highest
Exhibits
<table>
<thead>
<tr>
<th>Institution</th>
<th>St</th>
<th>President</th>
<th>Title</th>
<th>Base Salary</th>
<th>Deferred Comp (a)</th>
<th>Retirement Ctrb (c)</th>
<th>Retention Accrual (d)</th>
<th>Guaranteed Compensation (e)</th>
<th>Bonus/Opportunity (f)</th>
<th>Total Opportunity (g)</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Central Florida</td>
<td>FL</td>
<td>John C. Hitt</td>
<td>President</td>
<td>525,959</td>
<td>-</td>
<td>32,724</td>
<td>78,894</td>
<td>637,577</td>
<td>681,694</td>
<td>1,319,271</td>
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<td>Georgia Institute of Technology</td>
<td>GA</td>
<td>G.P. (Bud) Peterson</td>
<td>President</td>
<td>698,258</td>
<td>433,333</td>
<td>25,946</td>
<td>104,739</td>
<td>1,262,275</td>
<td>-</td>
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<tr>
<td>University of Florida</td>
<td>FL</td>
<td>W. Kent Fuchs</td>
<td>President</td>
<td>901,082</td>
<td>168,896</td>
<td>68,687</td>
<td>135,162</td>
<td>1,273,827</td>
<td>-</td>
<td>1,273,827</td>
</tr>
<tr>
<td>North Carolina State University</td>
<td>NC</td>
<td>W. Randolph Woodson</td>
<td>Chancellor</td>
<td>642,071</td>
<td>-</td>
<td>41,415</td>
<td>96,311</td>
<td>779,797</td>
<td>211,209</td>
<td>991,006</td>
</tr>
<tr>
<td>Rutgers University at New Brunswick</td>
<td>NJ</td>
<td>Robert L. Barchi</td>
<td>President</td>
<td>730,164</td>
<td>100,433</td>
<td>22,464</td>
<td>109,525</td>
<td>962,586</td>
<td>-</td>
<td>962,586</td>
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<td>Florida State University</td>
<td>FL</td>
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<td>522,046</td>
<td>112,575</td>
<td>89,282</td>
<td>78,307</td>
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<td>906,209</td>
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<td>University at Buffalo</td>
<td>NY</td>
<td>Satish K. Tripathi</td>
<td>President</td>
<td>752,409</td>
<td>-</td>
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<td>112,861</td>
<td>901,774</td>
<td>-</td>
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<td>University of Alabama at Birmingham</td>
<td>AL</td>
<td>Raymond Watts</td>
<td>President</td>
<td>504,709</td>
<td>-</td>
<td>-</td>
<td>75,706</td>
<td>580,415</td>
<td>109,200</td>
<td>689,615</td>
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<td>University of California at Irvine</td>
<td>CA</td>
<td>Howard A. Gillman</td>
<td>Chancellor</td>
<td>535,117</td>
<td>-</td>
<td>-</td>
<td>80,268</td>
<td>615,385</td>
<td>-</td>
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<td>University of Illinois at Chicago IL</td>
<td>Michael Amiridis</td>
<td>Chancellor and Vice President</td>
<td>416,000</td>
<td>-</td>
<td>34,201</td>
<td>62,400</td>
<td>512,601</td>
<td>78,000</td>
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<td>State University of New York at Stony Brook NY</td>
<td>Samuel L. Stanley, Jr.</td>
<td>President</td>
<td>467,431</td>
<td>-</td>
<td>28,080</td>
<td>70,115</td>
<td>565,370</td>
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<td>565,626</td>
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<tr>
<td>University of California at San Diego CA</td>
<td>Pradeep K. Khosla</td>
<td>Chancellor</td>
<td>481,191</td>
<td>-</td>
<td>-</td>
<td>72,179</td>
<td>553,370</td>
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</tbody>
</table>

90th Percentile: 750,000 163,000 66,000 113,000 1,232,000 201,000 1,273,000
75th Percentile: 706,000 103,000 38,000 106,000 917,000 105,000 1,059,000
50th Percentile: 531,000 30,000 80,000 709,000 904,000
25th Percentile: 499,000 17,000 75,000 577,000 609,000
### Public Universities - Very High Research Activity with Medical Schools

*Source: Chronicle of Higher Education - 990 Filings of Compensation for 2016*1

<table>
<thead>
<tr>
<th>Institution</th>
<th>State</th>
<th>President</th>
<th>Base Salary</th>
<th>Deferred Compensation</th>
<th>Retirement Compensation</th>
<th>Guaranteed Compensation</th>
<th>Total Opportunity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ohio State University</td>
<td>OH</td>
<td>Michael V. Drake</td>
<td>862,764</td>
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<td>24,522</td>
<td>129,418</td>
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<td>TX</td>
<td>Michael K. Young</td>
<td>1,040,000</td>
<td>208,000</td>
<td>18,190</td>
<td>156,000</td>
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<td>University of Central Florida</td>
<td>FL</td>
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<td>32,724</td>
<td>78,894</td>
<td>637,577</td>
<td>681,694</td>
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<td>University of Kentucky</td>
<td>KY</td>
<td>Eli Capilouto</td>
<td>821,600</td>
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<td>FL</td>
<td>W. Kent Fuchs</td>
<td>901,082</td>
<td>168,896</td>
<td>68,687</td>
<td>135,162</td>
<td>1,273,827</td>
</tr>
<tr>
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<td>North Carolina State University</td>
<td>NC</td>
<td>Randolph Woodson</td>
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<td>96,311</td>
<td>711,797</td>
<td>711,209</td>
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<tr>
<td>University of South Carolina at Columbia</td>
<td>SC</td>
<td>Harris Pastides</td>
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<td>33,846</td>
<td>96,405</td>
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<td>100,433</td>
<td>22,464</td>
<td>109,525</td>
<td>962,586</td>
</tr>
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<td>90,480</td>
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50th Percentile: 544,000 - 34,000 82,000 751,000 - 773,000
25th Percentile: 479,000 - 24,000 72,000 601,000 - 612,000

Source: Chronicle of Higher Education - 990 Filings of Compensation for 2016*17
**Agenda Item: FL 102**

**USF Board of Trustees**  
**March 22, 2019**

**Issue:** University of South Florida Presidential Contract

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**Proposed action:** Approve Substantive Contract Terms for 7th University of South Florida President

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**Background information:**

The Board of Trustees must approve the substantive terms of the presidential contract, which would be effective July 1, 2019.

The contract being offered to the new president for consideration is for the most part materially similar to President Genshaft’s current contract. However, there are additional terms, including compensation and retention items, that the Board will need to evaluate. As provided by Board of Governors Regulation 1.002, terms related to compensation must align with the Compensation Study.

The Board of Trustees’ practice in prior presidential contract negotiations is to set clear, substantive terms that are aligned with USF’s strategic plan and legal requirements, and then delegate the final details of the negotiation with the selected candidate to the Board Chair.

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PRESIDENTIAL CONTRACT

This Employment Agreement ("Agreement"), executed this ___ day of ______2019, and effective as of July 1, 2019, is entered into by and between the University of South Florida Board of Trustees, a public body corporate of the State of Florida, (the "Board," or the "Board of Trustees"), 4202 East Fowler Avenue, CGS 401, Tampa, Florida 33620, and ______________________________ (the “President” or “Dr. _________ _________), ______________________________, and is for the position of President of the University of South Florida System (“University” or “USF System”). The Board and President are collectively referred to herein as the Parties.

WHEREAS, Dr. __________ shall commence service as President of the University on July 1, 2019;

WHEREAS, the Board of Trustees has the current legal authority to determine the terms and conditions of employment of the President of the University;

WHEREAS, the Board of Trustees desires to commence the employment of Dr. __________ as President on the terms and conditions provided herein and subject to confirmation by the Florida Board of Governors;

WHEREAS, both the University and Dr. __________ desire to set forth their respective rights and obligations in this Agreement;

WHEREAS, both the University and Dr. __________ intend this Agreement to become effective July 1, 2019;

WHEREAS, this Agreement has been duly approved and its execution has been duly authorized by the Board of Trustees; and
NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is agreed as follows:

1.0 Appointment as President

1.1 The University, on the terms specified in this Agreement, shall appoint Dr. _________ as its President of the University and to serve as the Chief Executive Officer of the University subject to the rules, regulations, policies, and supervision of the Board of Trustees. Dr. _________ accepts and agrees to such terms of employment. The President’s authority and responsibilities, as delegated by the Board and stated herein, shall extend to the University, including the three (3) campuses of the University located in Tampa, St. Petersburg, and Sarasota-Manatee, Florida, and at USF Health and at such other place or places as the either the Board or the President deem appropriate for the interests, needs, business, or opportunity of the University.

1.2 The President shall perform all duties required by law, by this Agreement, and customarily performed by presidents of public colleges and universities comparable in size to the University consistent with the applicable rules, regulations and policies of the University and the Florida Board of Governors. Those duties include, but are not limited, to:

1.2.1 Operating and managing the University and the USF System;

1.2.2 Providing institutional, faculty, and educational leadership;

1.2.3 Strategic planning and visioning;

1.2.4 Fundraising;
1.2.5 Acting as corporate secretary to the Board;

1.2.6 Preparing a budget request and operating budget;

1.2.7 Establishing and implementing policies and procedures to recruit, appoint, transfer, promote, compensate, evaluate, reward, demote, discipline, and remove personnel;

1.2.8 Governing admissions;

1.2.9 Approving, executing, and administering contracts for the acquisition of commodities, goods, equipment, services, lease of real and personal property, and planning and construction;

1.2.10 Acting as custodian of all University property, including the authority to prioritize the use of University space, property, equipment, and resources;

1.2.11 Implementing approved programs for the University;

1.2.12 Establishing the internal academic calendar of the University;

1.2.13 Administering the University's program of intercollegiate athletics;

1.2.14 Recommending the establishment and termination of undergraduate and master's level degree programs within the approved role and scope of the University;

1.2.15 Awarding degrees;

1.2.16 Administering the schedule of tuition and fees to be charged by the University;

1.2.17 Entering into agreements for student exchange programs;
1.2.18 Approving the internal procedures of student government organizations and providing purchasing, contracting, and budgetary review processes for those organizations;

1.2.19 Adjusting property records and disposing of state-owned tangible property;

1.2.20 Maintaining all data and information pertaining to the operation of the University and reporting on the attainment by the University of institutional and statewide performance accountability goals;

1.2.21 Ensuring compliance with federal and state laws, regulations, and other requirements applicable to the University;

1.2.22 Reviewing periodically the operations of the University to determine how effectively and efficiently the University is being administered and whether it is meeting the goals of its strategic plan;

1.2.23 Organizing the University to achieve the goals of the University efficiently and effectively; and

1.2.24 Recommending the adoption of rules, regulations and policies to successfully implement provisions of law governing the operation and administration of the University and the items listed above.

2.0 **Best Efforts as President**

2.1 Dr. ________ agrees to faithfully, industriously, and with maximum application of experience, ability, and talent, and subject to Section 2.3 below, devote Dr. ________’s full-time attention and energies to the duties of President of the University.
2.2 Those duties shall be performed for the University including at the three (3) campuses of the University located in Tampa, St. Petersburg, and Sarasota-Manatee, Florida, and at USF Health and at such other place or places as the either the Board or the President deem appropriate for the interests, needs, business, or opportunity of the University.

2.3 The Board recognizes that it is both appropriate and beneficial for the President to engage in outside activities, such as serving on for-profit and non-profit boards of directors, consulting, delivering speeches, and writing. The expenditure of reasonable amounts of time for personal or outside activities, as well as charitable and professional development activities, which are permitted provided such activities do not interfere with the services required to be rendered to the University under the provisions of this Agreement, as determined by the Board.

2.4 The President shall not engage in any activity that may be competitive with and adverse to the best interests of the University or that interferes with the duties set forth in Section 1.2 and 2.0 of this Agreement.

2.5 The President shall seek approval from the Board Chair, who may confer with the Governance Committee, prior to agreeing to serve on any board of directors of any entity or to engage in any substantial outside business activity, including authorship of books. Any and all income or other compensation earned by the President in connection with approved outside business activities shall be paid to and retained by the President, and such income or other compensation shall have no effect on the amount of salary, compensation, and benefits the President is otherwise entitled to receive under this Agreement. Dr. __________ shall be
solely responsible for the tax treatment of any such external compensation described in this paragraph.

3.0 Effective Date; Term of Appointment; Tenure; Leave; and Evaluation

3.1 The term of this Agreement shall be for a period of five (5) years, commencing on July 1, 2019 (the “Effective Date”) and ending on June 30, 2024. This Agreement may be extended for additional one year terms upon mutual agreement of the parties following review of Dr. __________’s performance by the Board and confirmation of reappointment of Dr. __________ by the Florida Board of Governors in accordance with the Constitution and laws of the State of Florida. Notwithstanding the foregoing, this appointment shall be subject to prior termination as provided in this Agreement.

3.2 Dr. __________ shall be recommended for a tenured faculty appointment at the rank of _____ Professor in the College of __________, or its organizational successor, upon appointment or as soon as thereafter practicable, and shall be accorded all rights and privileges afforded to such appointment. Thereafter, Dr. __________’s faculty tenure and status shall be subject to the same University Regulations and standards applicable to similarly situation tenured faculty of the University.

3.3 Upon termination of service as President, Dr. __________ shall be entitled to a 12-month professional development leave compensated at Dr. __________’s then current Base Salary and Benefits as stated in Section 4.0 (only) of this Agreement. Professional development leave shall not be available if this Agreement is terminated due to termination for cause, death or disability under Sections 12 or
14 of this Agreement. This professional development leave is to permit Dr. 
__________ to retool for a regular, full-time faculty assignment. In the event that Dr. 
__________ accepts full-time employment with an entity other than the University prior to the conclusion of this professional development leave, then such professional development leave shall immediately cease effective on the date that the new employment commences and no further compensation for professional development leave will be owed by the University. An approved outside activity will not constitute employment for the purposes of this Section. At the conclusion of professional development leave Dr. __________ may transfer to a full-time 9-month faculty position as a tenured faculty member with the then current rate of compensation converted to a 9-month salary and adjusted as provided by USF System Regulation 10.103. The adjusted compensation rate will then be further adjusted to be commensurate with similarly situated faculty in the department or unit. At the discretion of the Board and in lieu of or in combination with the faculty assignment described in this section, Dr. __________ may be eligible for an administrative assignment or position that is consistent with the University’s interests and Dr. __________’s qualifications and experience. The benefits described in this section shall apply in the event of the President’s resignation only as provided in section 16.3 of this Agreement.

3.4 On or before August 15 of each contract year the President shall provide the Board Chair with a list of proposed goals and objectives based upon the University's strategic plan. Once approved by the Board Chair the proposed list of goals and objectives shall be submitted by the President to the Governance
Committee of the Board of Trustees for consideration. Following consideration by the Governance Committee, the proposed goals and objectives shall be presented for review and approval by the Board in a special or regularly scheduled Board meeting.

3.5 On or before September 30 of each contract year, Dr. _________ shall initiate the evaluation process for the period that began on July 1 of the previous contract year and ended on June 30 of the same by submitting to the Board Chair and Governance Committee a self-appraisal of the President’s performance during said period. This appraisal shall address performance related to each of the goals and objectives determined for July 1 through June 30 of the previous contract year. At a special or regularly scheduled Board meeting after the President has submitted this self-appraisal the Board shall evaluate Dr. _________’s performance for the previous contract year (July 1 through June 30) based on achievement of the mutually agreed upon specified goals and objectives and other mutually agreed criteria. To aid the Board in its performance review, the President agrees to furnish such oral and written reports as may be requested by the Board Chair or Governance Committee Chair.

4.0 **Compensation: Base Salary and Benefits**

4.1 As compensation for the services to be performed by Dr. _________ pursuant to this Agreement the Board shall pay the President a base salary of ______________. No more of this amount than is allowed by Florida Statutes shall be paid from public funds. This amount shall be payable
according to the University’s executive service category with appropriate
deductions for taxes and benefits.

4.2 The President's base salary shall be reviewed annually and may be increased, but
not decreased, at the discretion of the Board. Such annual salary review will be
accomplished in conjunction with the Board's evaluation of job performance, as
set forth in Section 3.4 of this Agreement.

4.3 The President shall be responsible for any personal income tax liability incurred
as a result of this Agreement or any provision herein.

4.4 The Board authorizes all standard executive service benefits for the President,
based on the current annual base salary as set forth in Section 4.1 of this
Agreement.

5.0 Additional Compensation and Benefits

5.1 Base Compensation: The Board authorizes the USF Foundation to contribute to a
deferred compensation plan established for the President's benefit equal to ___% 
(_____) of the then current annual base salary per contract year. This additional
compensation shall be treated as deferred compensation in accordance with and to
the extent allowed by applicable tax laws and regulations, and shall be payable
only as provided in the separate plan document (Plan Document”). The material
terms of the Plan Document shall provide for accrued deferred compensation to
be payable: (1) at the end of the initial contract term; or (2) upon the President’s
involuntary termination without cause; or (3) the President’s death or permanent
disability while in office; and that (4) the accrued deferred compensation would
be entirely forfeited if the President were to voluntarily resign prior to the end of
the contract term or in the event the President were terminated for cause. The president is encouraged to consult with independent tax advisers regarding the treatment of any deferred compensation under this Agreement.

5.2 Performance Compensation: The President shall be eligible to receive discretionary annual performance based compensation for the period from July 1 to June 30 of each contract year. Said performance based compensation shall be determined and awarded by the Board of Trustees in a special or regularly scheduled meeting no later than December 15 of each contract year. The President’s entitlement to said performance based compensation, if and to the extent awarded by the Board, shall survive the termination of this Agreement. Seventy (70) % of the performance based compensation shall be awarded by the Board based upon the President’s performance with respect to the goals and objectives determined and fixed pursuant to the provisions of Section 3.4 of this Agreement taking into account the Governance Committee’s evaluation thereof. The remaining percentage of the performance based compensation shall be within the sole discretion of the Board Chair. The Board Chair, upon consultation with the Governance Committee Chair, shall also determine the weighting to be accorded to each goal and objective for the purposes of determining the annual performance based compensation for the President. Said performance based compensation shall not exceed $__________________.

6.0 Use of State-owned Facility

6.1 The Board will authorize and provide a facility, either the Lifsey House or other comparable facility, to the President to carry out the duties under this Agreement,
including the use of the facility for official University functions, meetings with faculty, staff, students, and community leaders and for official entertainment.

7.0 Automobile

7.1 The University shall provide the President with a monthly automobile allowance of $_________ suitable for the University President. Dr. __________ is responsible for payment of taxes associated with receipt of the automobile allowance that is deemed to be gross income to Dr. __________.

7.2 The Board will authorize and provide insurance for the President's automobile in an amount not to be less than current property and casualty insurance package limits to the President. The President and other approved drivers shall be named insureds.

8.0 Professional Dues and Meetings Memberships in Service Organizations

8.1 The Board will authorize and provide annually for reasonable expenses incurred by the President to attend University-related events, educational conferences, conventions, courses, seminars, and other similar professional growth activities, including membership in professional organizations.

8.2 The Board will authorize and provide the President with membership dues or fees for organizations that would further the interests of the University.

9.0 Entertainment and Travel

9.1 The Board will authorize and provide for reasonable expenses incurred by the President for University-related entertainment and travel, including travel for the President’s spouse or partner where attendance of same is in the best interests of the University.
9.2 To further enable the President to carry out required duties, the Board shall provide the cost of annual dues and membership fees in mutually agreed to private club memberships that will facilitate the performance of President’s duties.

9.3 The entertainment and travel expenses described in this section shall conform to the laws of the State of Florida, University regulations and policies.

10.0 **Relocation Expenses; Housing Allowance**

10.1 Dr. _________ shall receive a relocation allowance in the amount of $________ payable within the first _______ days of the execution of this Agreement for moving and other associated expenses incurred in moving to Tampa, Florida. Dr. _________ is responsible for payment of taxes associated with receipt of the moving expenses that is deemed to be gross income to Dr. _________.

10.2 Dr. _________ shall receive a housing allowance in the amount of $________ payable biweekly. Dr. _________ is responsible for payment of taxes associated with receipt of the housing allowance deemed to be gross income to Dr. _________. The housing allowance shall not be subject to increase during the term of the Agreement.

11.0 **Expense Receipts and Documentation**

11.1 The President agrees to maintain and furnish upon request to the Board Chair or the Chair’s designee an accounting of expenses provided for in this Agreement in reasonable detail and given reasonable notice.
12.0 **Termination of the Agreement for Cause**

12.1 Notwithstanding anything in this Agreement to the contrary, the parties agree that the Board may terminate this Agreement at any time for Cause. For purposes of this Agreement, "Cause" shall mean conduct reasonably determined by a majority of the Board of Trustees to be: (a) malfeasance or gross negligence by the President in the performance of assigned duties; or (b) actions or omissions by the President that are undertaken or omitted and are criminal or fraudulent or involve material dishonesty or moral turpitude; or (c) the indictment of the President in a court of law for any felony, or any other crime involving misuse or misappropriation of University resources; or (d) misconduct connected with work; or (e) a material breach of this Agreement that damages the University. In the event this Agreement is terminated for Cause, Dr. _________'s employment as President shall cease immediately, and Dr. _________ shall not be entitled to any further employment. In addition, Dr. _________ shall not be entitled to any further compensation or benefits as President, except as set forth in the University's benefit plans with respect to vested rights and rights after termination of employment.

13.0 **Termination of the Agreement Without Cause**

13.1 Notwithstanding anything herein to the contrary, the parties agree that the Board may terminate this Agreement without cause at any time upon the lesser of: (i) 90 days; or (ii) the number of days remaining in the then current term of the President’s employment prior written notice ("Notice Period") to the President. During the Notice Period compensation will be paid to the President in
accordance with the provisions of Section 15 as authorized by this Agreement. The provisions of Section 3.3 hereof shall be applicable in the event of a termination pursuant to the provisions this section. Termination of this Agreement by virtue of the President's permanent disability or death shall not be construed as termination without cause.

14.0 Termination Due to President's Death or Permanent Disability

14.1 The President's death or permanent disability prior to the expiration of this Agreement shall terminate this Agreement, subject to the provisions of this Section.

14.2 In the event of Dr. __________’s death while serving as the President of the University this Agreement shall terminate effective on the date of death. The President's estate shall be entitled to receive: all benefits that Dr. __________is entitled under the University's various insurance plans, as applicable, deferred compensation as provided in 5.1; and base salary and housing allowance for 45 (forty five) days from the date of death.

14.3 If Dr. __________ becomes permanently disabled while serving as President, this Agreement shall terminate on the date of the determination of permanent disability and Dr. __________ shall receive all benefits to which Dr. __________ is entitled pursuant to the University's disability insurance plans, as applicable. Dr. __________ annual base salary and benefits hereunder shall continue until such time as the long term disability insurance policy begins to pay Dr. __________ benefits according to the applicable policy. For purposes of this Agreement, "Permanent Disability" shall mean the inability of the President to
perform the essential functions of the job, including but not limited to the duties contained in section 1.2, for a period of six (6) months in any one (1) year (12 month) period, with or without "reasonable accommodations" as such term is defined in 42 U.S.C. §12111 (9) as amended and interpreted by courts of competent jurisdiction.

14.4 The President shall prepare a succession plan for Board approval for continuity of operations and organizational stability in the event of the President’s permanent or unexpected absence, disability, incapacity or death.

15.0 Compensation During Notice Period

15.1 If the Board terminates this Agreement without cause pursuant to Section 13.0 of this Agreement and Dr. _________ continues to serve as President during the Notice Period, the Board shall pay Dr. _________ compensation as authorized by Sections 4.0 and 5.0 of this Agreement for service as President during the Notice Period.

15.2 Dr. _________ will be entitled to continue applicable health insurance plan(s) and life insurance plan(s) at Dr. _________’s expense upon separation from employment with the University in accordance with applicable federal law, specifically COBRA. Dr. _________ will not be entitled to any other benefits except as otherwise provided or required by applicable law. In no event shall the Board be liable for the loss of any business opportunities or any other benefits or income from any sources that may result from the Board's termination of this Agreement without cause.
15.3 If the President accepts full-time employment with an employer other than the University during the Notice Period provided for in Section 13.1, the Board's financial obligations under this Agreement other than pursuant to Section 15.2 hereof shall cease.

16.0 Resignation by the President

16.1 Dr. __________ may terminate this Agreement by giving the Board the lesser of:
(i) ninety (90) days’ notice; or (ii) notice equal to the number of days remaining under the term of this Agreement. Such notice shall be in writing and delivered as provided in this Agreement. By mutual agreement, Dr. __________ and the Board may agree to modify the length of the notice period if it is in the best interests of the University.

16.2 If Dr. __________ exercises this section 16.1, then Dr. __________’s employment as President shall cease on the effective date of the resignation. All salary and benefits contained in this Agreement shall also cease on the resignation date except those accrued and vested prior to the resignation date.

16.3 Provided the President’s resignation date is within 90 days of the end of the term of this Agreement, then the President shall be entitled to the benefits of section 3.3. In the event Dr. __________’s resignation date is not within 90 days of the end of the term of this Agreement and Dr. __________ returns to the faculty, then upon said return Dr. __________’s current rate of compensation shall be converted to a 9-month salary and adjusted as provided by USF System Regulation 10.103. The adjusted compensation rate will then be further adjusted to be commensurate with similarly situated faculty in the department or unit.
17.0 **Dispute Resolution**

17.1 The Board and Dr. __________ agree that if any dispute arises concerning this Agreement that they will first attempt in good faith to resolve the dispute to their mutual satisfaction. If they are unable to do so, the parties agree that any controversy or claim that either party may have against the other arising out of or relating to the construction, application or enforcement of this Agreement, as well as any controversy or claim based upon the alleged breach of any legal right relating to or arising from Dr. __________’s employment and/or termination of employment shall be submitted to non-binding mediation. Within fifteen (15) days after delivery of a written notice of request for mediation from one party to the other, the dispute shall be submitted to a single mediator chosen by the parties in Tampa, Florida. The costs and fees associated with mediation shall be borne by the University. The parties agree to pay their own attorney's fees and costs. The University and Dr. __________ will use their best efforts to keep any disputes and any efforts to resolve disputes confidential, informing only their respective legal counsel and other persons who have a good faith need to know basis to receive the disclosed information and will use their best efforts to ensure that such persons do not further disclose any such information. The Board and Dr. __________ agree that no mediator may be a University faculty member or have any material, ongoing relationship with the University.

17.2 If mediation, as described in Section 17.1, is unsuccessful, any controversy between the Board and Dr. __________ involving the construction, application or enforcement of this Agreement, as well as any controversy or claim based upon
the alleged breach of any legal right relating to or arising from Dr. __________’s employment and/or termination of President’s employment shall, on the written request of either party served on the other, be submitted to binding arbitration before a single arbitrator from JAMS Panel of Neutrals. JAMS shall provide a list of three arbitrators who are qualified to hear the dispute as determined by the JAMS National Arbitration Committee. Within ten (10) days of receipt thereof, each party shall strike one name from the list, The President shall strike first and notify the Board of such choice and the Board shall strike last. Notwithstanding the foregoing the parties may mutually agree upon a qualified arbitrator or upon a mutually agreed upon neutral to select the arbitrator for them. Dr. __________ and the Board stipulate and agree that any arbitration will be held in Tampa, Florida, pursuant to the Comprehensive Arbitration Rules and Procedures (or any comparable rules then in existence) (the "Rules"). Pursuant to the Rules, discovery may include depositions, interrogatories and document production. In any controversy between the Board and Dr. __________ involving the construction, application or enforcement of this Agreement, the arbitrator must base his/her decision upon the written Agreement and he/she shall not have power to modify, add to or ignore terms of the Agreement. The written decision of the arbitrator shall be final and binding upon both Parties and may be entered in any court having jurisdiction thereof. Arbitrator compensation and administrative fees shall be borne equally by the parties. The Parties agree to pay their own attorney's fees and costs.
17.3 The pendency of any matter under this section shall not operate to impede, preclude, or delay the Board from taking the action complained of or otherwise exercising its rights under this Agreement.

18.0 Notice

18.1 Unless and until changed by a party giving written notice to the other, the addresses below shall be the addresses to which all notices required or allowed by this Agreement shall be sent:

If to the University:

Chair, USF Board of Trustees
4202 East Fowler Avenue, CGS 401
Tampa, Florida 33620

With a copy to:

General Counsel
Office of the General Counsel
4202 E. Fowler Avenue, CGC 301
Tampa, Florida 33620

If to the President:

____________________________
Office of the President
4202 East Fowler Avenue, CGS 401
Tampa, Florida 33620

With a copy to President’s Representative:

____________________________

19.0 Entire Agreement; Modification

19.1 This Agreement constitutes the entire understanding of the parties and supersedes any and all prior or contemporaneous representations or agreements as of the Effective Date, whether written or oral, between the parties. There are no other
promises, understandings, obligations, inducements, undertakings, or considerations between the parties or owed by either party to the other that are not set forth in this Agreement or explicitly referenced herein.

19.2 This Agreement cannot be amended, modified or changed other than by express written agreement by the parties hereto.

20.0 **Severability**

20.1 The terms of this Agreement are severable, meaning that if any term or provision is declared by a court of competent jurisdiction to be illegal, void, or unenforceable, the remainder of the provisions shall continue to be valid and enforceable to the extent possible.

21.0 **Governing Law and Venue**

21.1 This Agreement shall be interpreted and construed in accordance with the laws of the State of Florida.

21.2 Venue for any action seeking enforcement of an order pursuant to Section 17.2 of this Agreement shall be in Hillsborough County, Florida.

22.0 **Understanding of the Agreement**

22.1 Both Dr. _________ and the Board represent that they have thoroughly read this Agreement, that they have had full opportunity to consult with legal counsel of their choice and that they understand it to be a binding contract, that they understand each provision, term, and condition of this Agreement as well as its legal effect, and that they have signed the Agreement voluntarily and of their own free will with the intention to comply with its terms.
23.0 Public Disclosure of the Agreement

23.1 Both parties agree and acknowledge that this Agreement may be subject to the Florida public records law, Chapter 119, or other provisions, and may, therefore, be subject to disclosure by and in the manner provided for by law.

24.0 Waiver

24.1 No delay or failure to enforce any provision of this Agreement shall constitute a waiver or limitation of rights enforceable under this Agreement.

25.0 Assignability

25.1 This Agreement is not assignable, but shall be binding upon the heirs, administrators, personal representatives, successors, and assigns of both parties.

26.0 Counterparts

26.1 This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

27.0 Insurance and Indemnification

27.1 Dr. ________ shall be indemnified by the University on the same terms and conditions enjoyed by the Board and University employees operating within the course and scope of their employment. Said coverage shall survive termination as to matters relating to actions while serving as President.

28.0 No Trust Fund

28.1 Nothing contained in this Agreement and no action taken pursuant to the provisions of this Agreement shall create or be construed to create a trust of any kind. To the extent that the President acquires a right to receive payments from
the University hereunder, such rights shall be no greater than the right of any unsecured, general creditor of the University.

29.0 Miscellaneous

29.1 The headings in this Agreement are for convenience only and shall not be used in construing or interpreting this Agreement. The terms "Board," "Board of Trustees" and "University" as used herein, where applicable or appropriate, shall be deemed to include or refer to any duly authorized board, committee, officer, or employee of said entity. Whenever the context requires, the masculine shall include the feminine and neuter, the singular shall include the plural, and conversely.

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IN WITNESS WHEREOF, the President and the authorized representative of the University of South Florida Board of Trustees have executed this Agreement on this _____ day of __________, 2019.

UNIVERSITY OF SOUTH FLORIDA

WITNESS:

By: __________________________
Brian D. Lamb (Date)
Chair, USF Board of Trustees

Witness’ Printed Name: __________________________

WITNESS:

By: __________________________, Ph.D (Date)
President & CEO

Witness’ Printed Name: __________________________
Issue: Selection of the 7th University of South Florida President

Proposed action: Select and Appoint the 7th University of South Florida President for Confirmation by the Florida Board of Governors

Background information:

The Board of Trustees must select and appoint the next president of the University of South Florida to succeed Dr. Judy Genshaft, who will retire after 19 years on June 30, 2019. The president-elect must then be confirmed by the Florida Board of Governors at their meeting on March 28, 2019 before taking office on July 1, 2019.