

TOPIC: Review of current process for presidential assessment, compensation and recruitment

COMMITTEE: Committee on Organization and Compensation

DATE OF MEETING: November 21, 2016

SUMMARY: The USM and the BOR currently have in place processes guiding presidential searches, annual performance assessment, five year reviews, and compensation. The Chancellor will brief the Committee on these processes. The Committee will have a chance to discuss and provide feedback.

ALTERNATIVE(S): This is a discussion item.

FISCAL IMPACT: No fiscal impact.

CHANCELLOR'S RECOMMENDATION: This is a discussion item.

COMMITTEE ACTION:

DATE: November 21, 2016

BOARD ACTION:

DATE:

SUBMITTED BY: Janice Doyle, jdoyle@usmd.edu, 301-445-1906



GUIDELINES FOR THE SELECTION OF PRESIDENTS

(Approved by the Board of Regents, January 24, 1991; Revised July 13, 2001;
Revised October 22, 2004)

Purpose

The purpose of these guidelines is to establish a general procedural framework for the search and selection of presidents of the institutions of the University System of Maryland. The Regents deem it important that there be general consistency in the presidential search and selection process among the institutions of the System. It is recognized, however, that differences in institutional objectives, traditions, and cultures may require some institution-specific variation in search procedures within and consistent with these general guidelines.

Selection and Appointment of Presidents

The final selection and appointment of an institutional president is, by law, the responsibility and prerogative of the Board of Regents. All other elements of the search process under these guidelines are designed to assist the Regents in meeting that responsibility in a manner responsive to the leadership needs of the institution and the System.

Search and Screening Committee

The Chancellor will appoint a search and screening committee for each search for a president. The Chancellor will name the chair of the committee. The Board will review the committee selections.

The Search and Screening Committee will normally consist of 12-15 persons selected by the Chancellor from institutional constituent groups and/or individuals, including faculty, students, administrators, staff, alumni, foundation boards, boards of visitors, and, often, the institution's general community. The Committee will be composed of a balanced selection of individuals drawn from some of these groups. It is essential that the members of the Committee see themselves and function not as representatives of particular special interest groups, but as members of a team dedicated to a single objective, the identification and recommendation of the strongest possible candidates for the presidency of the institution.

The Chair of the Board of Regents will designate a Regent who will serve as Regents' Liaison to the Search and Screening Committee. The functions of the Regents' Liaison are to assist the Committee in understanding the perspective of the Board of Regents as the work of the Committee proceeds and, when the recommendations of the Committee have been received by the Board, to help the Regents understand fully the context within which those recommendations were made. The Regents' Liaison is not a voting member of the Committee.

The Chancellor will designate a Chancellor's Liaison to the Search and Screening Committee. The function of the Chancellor's Liaison is to provide to the Committee a direct and immediate source of informed advice as its work proceeds. The Chancellor's Liaison is not a voting member of the Committee.

Responsibilities of the Search and Screening Committee

The primary responsibilities of the Search and Screening Committee are three-fold:

- 1. To develop a broad and deep pool of strong candidates, through a national, and proactive search using all available means;**
- 2. To select from that pool, with care, deliberation, and thoroughness, a group of no fewer than three and (usually) no more than five finalist candidates to be recommended to the Regents, unranked.**

3. To adhere to a strict code of confidentiality.

In meeting its primary responsibilities, the Committee will:

- Agree on a statement of professional qualifications and personal qualities sought in the individual to be selected as president, in consultation with and subject to the approval of the Chancellor.
- Review the evolving role of a university president in today's environment and develop a set of criteria that recognizes and encourages traditional academic candidates as well as non-traditional candidates.
- Develop for itself procedures that will govern the conduct of the search.
- Disseminate widely, through media advertisements and other means, information about the availability of the position.
- Conduct an intensive and extensive proactive search for qualified candidates, using its own contacts and soliciting the assistance of any and all appropriate individuals or organizations internal and external to the institution. The Regents' permit, but do not require, that the Committee employ an executive search service. If the Committee elects not to employ such a service, then it must employ a professional reference checker to ensure thorough, consistent, and fair use of sources of references on candidates, including checking references other than those submitted by the candidates.
- Ensure that the search is demonstrably conducted in a manner consistent with both the letter and the spirit of relevant equal opportunity and diversity policies and requirements.
- Screen candidates fairly and consistently, using evaluative criteria based on the professional qualifications and personal qualities sought.
- Select and interview a group of semi-finalist candidates. (This group typically numbers 6-10.)
- Select from the group of semi-finalist candidates a group of finalist candidates.
- Submit to the Chancellor the names of the finalist candidates, unranked, together with all relevant information, and a written report of the Committee's assessment of the strengths and weaknesses of each.
- All persons involved must maintain confidentiality during the entire process to protect the candidates, the integrity of the process, and the interests of the institution. Only the University System Office at the direction of the Chancellor or the Chancellor's designee should disclose information about the status of the search. Any request from the Search and Screening Committee to conduct an open or semi-open search, due to potentially unique circumstances that the committee feels the institution faces, should be submitted to the Chancellor, who will then act on this recommendation after consultation with the Board.

Chancellor's and Regents' Actions

Following receipt of the report of the Search and Screening Committee, the Chancellor will consult with the Committee Chair, the representative of the executive search service (if any), the professional reference checker (if separate from the search service), and conduct any further reference checks that may be appropriate. The Office of the Chancellor will arrange for interviews of the finalists by the Chancellor and the Regents. Prior to these interviews, the Chair of the Search and Screening Committee will personally brief the Regents and the Chancellor on the work and recommendations of the Committee. Following the interviews of the final candidates, the Regents will hear the recommendation of the Chancellor, and either proceed to select the successful candidate or charge the Committee to present other names.

Following the Regents' selection, the Chancellor, in consultation with the Chair of the Board and with the advice of the Office of the Attorney General, will negotiate the terms of appointment with the successful candidate. Formal appointment by the Board of Regents and public announcement of the appointment will follow.

Duration of Searches

It is extremely important that a search be conducted expeditiously, in order to protect the candidate pool and the semi-finalist and finalist groups from erosion by competing searches in other institutions, and to impress upon candidates the seriousness and professionalism with which the search is conducted. The Regents expect that a search for president should normally lead to the appointment of a president within six months following the initiation of the process with the first meeting of the Search and Screening Committee. This means that the work of the Committee should normally extend over no more than four to five months. Though it is recognized that the nature of the academic calendar may in some cases require extending the search period, every effort must be made to avoid the deleterious consequences that can accompany a lengthy search process.

Staff Support

The Office of the Chancellor will arrange staff support for the Search and Screening Committee. In most cases, the primary staff support for the Committee will come from the Committee's institution. University System Office staff will assist in such matters as: providing advice and assistance to the Chair of the Search and Screening Committee in handling Committee documents and communications; providing assistance in preparing Committee reports to the Chancellor; providing liaison between finalist candidates and the Chancellor and Regents in the final stages of the process; and maintaining the permanent records of the search.

Costs of the Search

Costs of the search will normally be borne by the institution for which the search is conducted.

Presidential Review Timeline

June/July

- Presidents set goals for the coming year

July/August

- Chancellor approves goals

January

- Mid-year review

May/June

- Assessment with the Chancellor
 - Presidents submit their assessment ahead of time

Early June

- Committee on Organization and Compensation meets to conduct reviews
 - Chancellor provides his assessment information and gets feedback from the committee
 - Committee discusses compensation in relation to the assessment and benchmark data and makes a recommendation

June

- Full Board of Regents meeting where presidential reviews are discussed
 - BOR is provided a summary of each president's review, including the Org and Comp Committee's recommendation for compensation
 - BOR provides feedback on reviews and goals for next year

June/July

- Presidents set goals for the coming year
 - New goals are informed by feedback from the Board of Regents

July/August

- Chancellor gives final approval on new goals

On-Going

- Each president meets once a year with the Board of Regents and the Chancellor to review the status of meeting their goals and objectives

**President X
University A
FY17 Goals**

Goal: Develop a new strategic plan for the institution

Measures:

1. Implement a Strategic Planning Committee
2. Develop new University Strategic Plan
3. Develop mechanism to track long-term institutional performance

Goal: Develop enrollment/recruitment plan

Measures

1. Oversee the development of a comprehensive strategic recruitment / enrollment plan
2. Evaluate academic programs for currency and reprioritize for market relevance
3. Strengthen relationships with community colleges to grow transfer enrollments

Goal: Increase fundraising activities

Measures

1. Increase annual giving
2. Meet or exceed Fiscal Year 2017 fundraising goal of \$1,000,000
3. Increase alumni participation in fundraising

Goal: Strengthen community outreach

Measures

1. Identify organizations to partner with
2. Develop comprehensive community outreach plan
3. Secure funding for community outreach programming

Goal: Increase research activity

Measures

1. Increase number of submitted proposals and awards received by 3%
2. Develop plan for publicizing grant opportunities
3. Expand research infrastructure for supporting strategic partnerships

Draft		
President's Performance Objectives for FY 2017		
OBJECTIVES	RESULTS	SCORE (1-5)
Goal 1: Develop new Strategic Plan		
Implement a Strategic Planning Committee	Created new Strategic Planning Committee made up of representatives from across the university	5
Develop new University Strategic Plan	Developed strategic plan with five main goals. Solicited input from university and the community	5
Develop mechanism to track long-term institutional performance	Identified online assessment tool to use to track performance related to strategic plan	5
Goal 2: Develop Enrollment / Recruitment Plan		
Oversee the development of a comprehensive strategic recruitment / enrollment plan	Plan in development in accordance with university strategic plan. Identified responsibilities with Admissions and Registrar's Offices	4
Evaluate academic programs for currency and reprioritize for market relevance	Evaluated 50% of programs	3
Strengthen relationships with community colleges to grow transfer enrollments	Held meetings with two area community colleges	3
Goal 3: Increase fundraising activities		
Increase annual giving	Annual giving increased by 2%	5
Meet or exceed Fiscal Year 2017 fundraising goal of \$1,000,000	Raised \$950,000	4
Increase alumni participation in fundraising	Alumni participation increased by 5%	5
Goal 4: Strengthen community outreach		
Identify organizations to partner with	Identified ten new organizations to partner with	5
Develop comprehensive community outreach plan	Created community outreach committee to start development of community outreach plan	3
Secure funding for community outreach programming	Met with area foundations to discuss funding for community outreach programs	4
Goal 5: Increase research activity		
Increase number of submitted proposals and awards received by 3%	Submitted proposals increased by 5% and awards received increased by 4%	5
Develop plan for publicizing grant opportunities	Created monthly newsletter for faculty, post opportunities on website, visit departmental meetings	5
Expand research infrastructure for supporting strategic partnerships	Restructured research office, hired new research director	5

USMO Performance Assessment - University A, President X
Key Areas of Strong Performance
University has continued success with student quality and academic performance
Second-year retention and six-year graduation rates are up
Enrollment in Nursing major is up to a five-year high - up 4%
Exceeded FY 2015 fund balance goal by \$4M
Key Areas of Underperformance
Total enrollment is slightly down - 1% from FY 2014 to FY 2015
STEM graduates are down
Achieved a facilities renewal rate of .8% for deferred maintenance spending; too low
Behind in review and update of course evaluations for transfer students
Institutional Context
Institution is well run financially, administratively and academically
University has had a lot of turnover in senior leadership, but is still well-run
CFO is working to increase alignment of budget with university priorities and enhance transparency
Consider key joint articulated programs
Institution is slow to change, particularly in academic areas

USM Bylaws, Policies and Procedures of the Board of Regents

VII-5.01 - BOARD OF REGENTS POLICY ON THE FIVE-YEAR REVIEW OF USM PRESIDENTS

(Approved by the Board of Regents, April 16, 2004; Amended June 19, 2015; Amended October 9, 2015)

I. PURPOSE OF REVIEWS

A. Initial Five-Year Reviews

The normal expectation is that presidents will serve for periods of at least five (5) to six (6) years following their initial appointments. It is appropriate, therefore, to conduct an in-depth review of presidents and the impact of their leadership after a period of roughly five (5) years of service. This will enable the Board of Regents and the Chancellor to assess presidential performances over a more extended period of time than is possible with the ongoing annual performance reviews. The five-year review is expected to highlight major accomplishments, offer constructive suggestions as to areas where improvement in performance could occur, and provide guidance about the continuation of a president's service.

- B. It is also important to occasionally conduct in-depth reviews of presidents who serve extended periods of time in order to insure that their leadership continues to move their institutions forward with vitality and vigor. At the request of the Chancellor and/or the Board of Regents, a President shall be scheduled for an in- depth review at no less than 5-year intervals following the initial 5-year review. When possible and practical, these reviews should be coordinated with the cycle of Middle States Commission on Higher Education (MSCHE) and/or other accrediting body reviews.

II. AREAS FOR REVIEW/ASSESSMENT

Presidential performance will be assessed in a number of areas including:

- A. Institutional leadership
 - 1. establishing a vision and mission for the institution
 - 2. developing a strategic plan and direction
 - 3. aligning the vision, mission, and planning with resource allocation;
- B. Progress toward academic excellence as measured by student and faculty quality and accomplishments;
- C. Soundness of fiscal management;
- D. Success in non-state resource development, including external grants and contracts, and private gifts;
- E. For those institutions with a major research mission, success of the research enterprise and its impact on economic development;
- F. Strength of external relations efforts (including public relations, marketing efforts, and government and private sector relations);
- G. Ability to develop strategic partnerships with other System institutions, higher education institutions outside the System, federal laboratories, state and local agencies, and the private sector;
- H. Commitment to serving the public good through well articulated state and community outreach and engagement efforts;
- I. Quality of student services (if appropriate);
- J. Commitment to shared governance;
- K. Ability to contribute as a constructive and collaborative member of the USM leadership; and
- L. Attention to the development of a high quality administrative and managerial infrastructure and an attractive, well maintained physical plant.

III. REVIEW COMMITTEE

- A. The Chancellor shall appoint a review committee and charge it with evaluating the President's overall performance in the areas mentioned above.
 1. The committee will consist of no more than five (5) members, who will be knowledgeable and experienced leaders, such as presidents of institutions with missions similar to that of the president under review.
 2. The President may suggest suitable members for the committee and will be asked to review the proposed committee; however, the final selection will be made by the Chancellor.
- B. Review Schedule

The deliberations and recommendations of the committee are strictly confidential and will proceed according to the following schedule:

1. A president under review completes a self-assessment, which includes the major accomplishments and the challenges faced during the period under review.
2. The self-assessment is shared with the committee members several weeks in advance of their site visit.
3. Before making a site visit, the committee members review the self-assessment and other key institutional documents, such as Middle States review documents, recent accreditation reports, strategic plans, as well as representative information shared with alumni, donors, and other external groups.
4. At the beginning of the site visit, the committee meets with the Chancellor to receive its formal charge and then with the Vice Chancellors. The Committee visits the campus and meets with the institution's vice presidents, and the officers of constituent groups such as faculty, staff and student governance bodies, alumni, and affiliated foundation boards (this will differ from institution to institution). These

meetings are expected to be strictly confidential and will take place in a conference room setting. The campus visit should be completed in a concentrated time frame of no more than three days.

5. The committee has an exit interview with the Chancellor.
6. The Committee prepares and submits its formal report within two weeks of the exit interview.
7. The Chancellor shares the report with the President, who is invited to respond in writing.
8. The Chancellor makes the review committee report and the President's response available to the Committee on Organization & Compensation, discusses the report with the Committee and then with the entire Board of Regents. The report remains confidential and becomes part of the president's personnel file.
9. The Chancellor meets with the President to discuss the review committee's reports, the Board's reaction to it, and the steps that need to be taken in response to the report.