

Draft

Executive Compensation and Governance Study Work Plan				
Objectives	Status	Target Completion Date	Responsible Staff	Comments
<b>Develop a compensation philosophy</b>				
Outline the goals and desired objectives of the executive compensation program, compensation elements, peer group, desired pay positioning, etc.	Completed	Completed 9.15.17		
<b>Enhance governance tools and processes</b>				
Expand and formalize the charter for the Organization and Compensation Committee				
Create tally sheets for the Chancellor and presidents to provide year-over-year detailed compensation to regents in a consistent format	Currently developing template			
Develop an annual calendar of key actions required in performance assessment and compensation administration		Spring 2018		
Conduct education sessions for the Organization and Compensation Committee and/or the BOR on current topics in executive compensation and governance				
<b>Streamline goal setting and evaluation approach</b>				
Develop a standard template and process for annual goal development and performance evaluation to allow for a simpler, quicker assessment that also balances the Chancellor and presidents' needs for personalization with System's need for greater consistency. The template should be automated, if practicable, and may incorporate scorecard/longitudinal metrics currently used at the System and longer-term strategic planning measurement.	Meeting on 9.28.17 to discuss development of an executive-level goal tracking system	Summer 2018		
Review the current guidelines for five-year presidential reviews and recent five-year review reports and determine needed improvements in the process, if any. The guidelines should be updated to reflect agreed upon changes.				
<b>Conduct periodic total remuneration reviews</b>				
Supplement annual base salary reviews of recently developed peer groups with total remuneration assessments every 3 to 5 years to ensure continued market competitiveness of the full compensation package. Components include the aging of data, update of data from peers and reassessment of peers.				
<b>Explore the use of incentives and/or deferred compensation vehicles</b>				
The use of incentive pay has been increasing across higher education and is expected to continue. Sibson Consulting estimates that currently about 20-30% of institutions provide incentives to executives, however, they are more prevalent in private institutions than public institutions.		Summer 2018		
<b>Review process and guidelines for chancellor and presidential searches and create a succession planning process across the system</b>				
Review current process, outcomes and guidelines for chancellor and presidential searches and determine needed improvements in the process, if any. The guidelines should be updated to reflect agreed upon changes.				
Develop a succession planning process to help retain high performing incumbents who demonstrate top executive potential and help alleviate the future expected competition over scarce resources.				