



Compensation and Labor Committee Meeting

Board of Trustees

Jun 16, 2021 10:00 AM - 10:45 AM EDT

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UNIVERSITY OF CENTRAL FLORIDA

**Board of Trustees
Compensation and Labor Committee
Virtual Meeting
June 16, 2021, 10:00 a.m. – 10:45 a.m.
(Or Upon Adjournment of previous meeting)**

Livestream: <https://ucf.zoom.us/j/97994455062?pwd=bGJma05UVTBqS1V0b3ZGVVY2aHg0Zz09>

Webinar ID: 979 9445 5062; passcode 151696

Conference call number: 1-312-626-6799, access code: 979 9445 5062

AGENDA

- | | |
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| 1. Call to order | Joseph Conte, <i>Chair, Compensation and Labor Committee</i> |
| 2. Roll Call | Elizabeth Richner, <i>Administrative Project Manager, Human Resources</i> |
| 3. Minutes of the February 10, 2021, meeting | Chair Conte |
| 4. New Business | |
| CLC-1 | Presidential Assessment and Incentive Plan
Chair Conte
Maureen Binder, <i>Associate Vice President and Chief Human Resources Officer</i> |
| 5. Adjournment | Chair Conte |



UNIVERSITY OF CENTRAL FLORIDA

**Board of Trustees
Compensation and Labor Committee
February 10, 2021**

MINUTES

CALL TO ORDER

Chair John Sprouls called the meeting to order at 10:00 a.m. The following committee members attended the meeting: Chair John Sprouls, Vice Chair Michael Okaty, Ken Bradley, Joseph Conte, Harold Mills, and board chair Beverly Seay. Trustees Jeff Condello and Joseph Harrington also attended the meeting.

MEETING MINUTES

The minutes of the October 14, 2020, meeting were unanimously approved as submitted. Trustee Bradley moved to approve and Trustee Okaty seconded.

REPORTS

Mid-Year Annual Plan Assessment (INFO-1). Committee Chair Sprouls summarized updates to the Committee Annual Plan and asked for additional input from the committee. After a brief discussion, there were no additional amendments to the plan.

NEW BUSINESS

Collective Bargaining Agreement Between the University of Central Florida Board of Trustees and the American Federation of State, County, and Municipal Employees (CLC-1). Committee Chair Sprouls introduced Maureen Binder, Associate Vice President and Chief Human Resources Officer, who summarized updates to the agreement and answered questions related to Article 7 Wages. Trustee Bradley moved to approve and Trustee Okaty seconded. Committee members voted unanimously to move the item to the board for approval.

Article 23 Salaries for 2020-2021 BOT-UFF Collective Bargaining Agreement (CLC-2). Committee Chair Sprouls introduced Sherry Andrews, Associate General Counsel and Associate Provost, who summarized the tentative agreement for the reopened article. Andrews clarified that the payment provided in the article was one-time and not a percentage increase. Trustee Conte moved to approve and Trustee Bradley seconded. Committee members voted unanimously to move the item to the board for approval.

Presidential Incentive Plan Model (CLC-3). Committee Chair Sprouls again introduced Maureen Binder, who reported on work with Segal, Inc. to develop a model for the presidential incentive plan to incorporate actionable benchmarks and metrics based on the

president's goals as well the qualitative criteria presented to the committee earlier at the February 2020 committee meeting.

Committee discussion included clarification and differentiation of the presidential performance assessment and incentive compensation processes. It was noted that the final incentive plan metrics and weights will be developed in consultation with the president and the board chair in alignment with the model's guiding principles and will be presented for committee approval at the April 2021 next meeting. The committee recommended a review of the board's Presidential Performance and Compensation Review Policy to examine whether the process and timeline may be expedited. On a motion by Trustee Bradley and seconded by Trustee Okaty, the committee members voted unanimously to move the item to the board for approval.

CLOSING COMMENTS

There being no additional new business, Chair Sprouls adjourned the meeting at 10:46 a.m.

Reviewed by:

Joseph Conte
Chair
Compensation and Labor Committee

Date

Submitted by:

Janet Owen
Associate Corporate Secretary

Date

UCF BOARD OF TRUSTEES
Agenda Item Summary
 Compensation and Labor Committee
 June 16, 2021

Title: Presidential Assessment and Incentive Plan

☐ **Information**

☐ **Information for upcoming action**

☒ **Action**

Meeting Date for Upcoming Action: June 17, 2021

The Proposed Presidential Assessment and Incentive Plan are presented for approval.

The Presidential Assessment will be utilized to evaluate the president's performance by the board of trustees. The Incentive Plan will be utilized to determine the president's award of an annual incentive as provided by the president's employment agreement.

The Compensation and Labor Committee is authorized by the board of trustees to oversee an annual assessment of the president's performance and compensation and present recommendations to the board for approval.

Background Information:

The March 2013 Third Amended Presidential and Compensation Review Policy requires an annual review of the president's performance and compensation and delegates the responsibility for organizing and conducting the process to the Compensation and Labor Committee.

Additionally, the president's employment agreement provides for President Cartwright's eligibility for an annual incentive award, based on the accomplishment of his annual goals, reasonably agreed to between Dr. Cartwright and the Board, as reasonably determined by the Board. The incentive award shall not exceed 50% of base salary.

On February 19, 2020, the Compensation and Labor Committee reviewed proposed assessment criteria developed during the presidential search listening sessions and made specific recommendations, including direction to work collaboratively with President Cartwright to finalize assessment criteria and to develop metrics for an incentive compensation plan.

Recommended Action:

Approve the Presidential Assessment and Incentive Plan.

Alternatives to Decision:

Amend or reject the Presidential Assessment and Incentive Plan.

Fiscal Impact and Source of Funding:

Annual assessment of the president is required. There is no fiscal impact. The presidential employment agreement provides for an incentive award of not more than 50% of his base salary (or up to \$300,000). Final approval for the Presidential Incentive will be required by the board. There is no fiscal impact at this time.

Authority for Board of Trustees Action:

BOG Regulation 1.001(5)(a),(b)

Contract Reviewed/Approved by General Counsel ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda ☒

Submitted by:

Maureen Binder, Associate Vice President and Chief Human Resources Officer

Supporting Documentation:

Attachment A: Presidential Assessment and Incentive Plan

Facilitators/Presenters:

Maureen Binder, Associate Vice President and Chief Human Resources Officer



Presidential Assessment and Incentive Plan: I. Overview and Timeline

September 1

President Submits Self-Assessment to Trustees. The President will submit a written management review statement and annual self-assessment to trustees for their review and consideration. The document will include a summary of the progress, outcomes, and metrics associated with fiscal year goals approved by the Compensation and Labor Committee. A copy of UCF's State University System's Annual Accountability Plan will also be included with the management review statement and annual self-assessment for review by the trustees prior to evaluation.

September 5 – September 15

Individual Trustee Feedback Collected. The Chief Human Resource Officer will schedule individual interviews with each trustee to collect a verbal assessment of the president following the approved *Presidential Assessment Criteria*. The assessment includes two parts:

1. Assessment of the President's Leadership Competencies
2. Assessment of the President's progress and accomplishments related to the incentive plan goals previously approved by the Board of Trustees.

Chair of Board of Trustees seeks feedback from Board of Governors. The Chair of the Board of Trustees contacts the Chair of the Board of Governors for input into the evaluation and provides input to UCF's Chief Human Resource Officer.

Results reviewed with Chair of the Board of Trustees. The Chief Human Resource Officer will review the results of the assessment with the Chair of the Board of Trustees. Following this review, the CHRO will prepare a summary of the evaluation.

October

Chair of the Board of Trustees makes compensation recommendation. The Chair of the Board of Trustees will determine any compensation recommendations including the preliminary incentive award for each incentive award category. This evaluation will be based on the feedback received during the evaluation period. The Chair's recommendation will be presented to the Governance Committee during their October meeting.

President submits proposed goals and metrics. The president will work with the Chair of the Board of Trustees to develop and submit to the Governance Committee proposed goals for the upcoming year and supporting target metrics to measure results to be awarded under the incentive plan.

Governance Committee Review. The Governance Committee will review the following for approval:

- Presidential Self-Assessment Report
- Presidential Evaluation Summary Report
- Proposed Incentive Award Payout
- Compensation Recommendations
- Proposed Presidential Fiscal Year Goals
- Proposed Incentive Plan Metrics

Board Review and Approval

The Board of Trustees will review the recommendations from the Governance Committee for approval during the October Meeting.

Presidential Assessment and Incentive Plan:
II. Assessment

Part 1: Assessment of Leadership Competencies

Assessment Criteria	Rating & Comments
1. Personal Characteristics <ul style="list-style-type: none"> • A high level of integrity. • Resilient, able to learn from failures and move constantly forward. • Tolerant of risk and encourages creativity and innovation 	<input type="checkbox"/> Does Not Meet Expectations <input type="checkbox"/> Meets Expectations <input type="checkbox"/> Exceeds Expectations
2. Strong Academic Leader / Faculty Focus <ul style="list-style-type: none"> • An understanding, respect, and concern for the roles and responsibilities of the faculty. • Effective facilitator in cultures where governance is shared and buy-in is critical. • A strong personal and professional academic background. 	<input type="checkbox"/> Does Not Meet Expectations <input type="checkbox"/> Meets Expectations <input type="checkbox"/> Exceeds Expectations
3. Student Focus <ul style="list-style-type: none"> • A sense of commitment to undergraduate education, as well as dedication to and understanding of graduate and professional education and research. • A respect and concern for students. • A commitment to student success in all areas of the collegiate experience. 	<input type="checkbox"/> Does Not Meet Expectations <input type="checkbox"/> Meets Expectations <input type="checkbox"/> Exceeds Expectations
4. Proven Record of Diversity and Inclusion <ul style="list-style-type: none"> • Commitment to inclusion and diversity. • Desire and ability to include access and inclusion. 	<input type="checkbox"/> Does Not Meet Expectations <input type="checkbox"/> Meets Expectations <input type="checkbox"/> Exceeds Expectations

5. Partnerships and External Relations <ul style="list-style-type: none"> A demonstrated record of partnership and spirit of entrepreneurship. The ability to work with a variety of government agencies. 	<input type="checkbox"/> Does Not Meet Expectations <input type="checkbox"/> Meets Expectations <input type="checkbox"/> Exceeds Expectations
6. Administrative Leadership, Judgement, and Decision Making <ul style="list-style-type: none"> Anticipatory thinker. A demonstrated record of building, nurturing, and working with a high-caliber leadership team. A willingness to make strategic choices, timely decisions, and responsive actions. Courageous decision maker who embraces the responsibility to make tough calls. 	<input type="checkbox"/> Does Not Meet Expectations <input type="checkbox"/> Meets Expectations <input type="checkbox"/> Exceeds Expectations
7. Fundraising and Diversification of Resources <ul style="list-style-type: none"> The ability to acquire resources from a variety of sources, including fundraising. 	<input type="checkbox"/> Does Not Meet Expectations <input type="checkbox"/> Meets Expectations <input type="checkbox"/> Exceeds Expectations
8. Athletics Knowledge <ul style="list-style-type: none"> Appreciation for the significant role of intercollegiate athletics in the life of the university. 	<input type="checkbox"/> Does Not Meet Expectations <input type="checkbox"/> Meets Expectations <input type="checkbox"/> Exceeds Expectations
9. Knowledge of Metropolitan Universities <ul style="list-style-type: none"> A keen understanding of the unique mission and the ability to lead a multistate metropolitan research university. 	<input type="checkbox"/> Does Not Meet Expectations <input type="checkbox"/> Meets Expectations <input type="checkbox"/> Exceeds Expectations

10. Visionary Leader <ul style="list-style-type: none"> Engages university community in a well-defined path to excellence based on its unique strengths and character and a commitment to academic, operational and inclusive excellence in areas that matter most to the future and are critical to its mission. 	<input type="checkbox"/> Does Not Meet Expectations <input type="checkbox"/> Meets Expectations <input type="checkbox"/> Exceeds Expectations
11. Relationship with Governance <ul style="list-style-type: none"> Ability to work effectively with the board of trustees and other governmental agencies, including the Florida Board of Governors (BOG). 	<input type="checkbox"/> Does Not Meet Expectations <input type="checkbox"/> Meets Expectations <input type="checkbox"/> Exceeds Expectations
12. Financial Acumen <ul style="list-style-type: none"> Drives investment in academic excellence to drive greater student success and research outcomes while meeting BOG performance based funding objectives and progressing toward Preeminent status in the Florida State University System. 	<input type="checkbox"/> Does Not Meet Expectations <input type="checkbox"/> Meets Expectations <input type="checkbox"/> Exceeds Expectations
13. Overall Assessment <ul style="list-style-type: none"> Consideration of the president's overall performance over the last year. 	<input type="checkbox"/> Does Not Meet Expectations <input type="checkbox"/> Meets Expectations <input type="checkbox"/> Exceeds Expectations

Leadership Competency Performance Ratings

Determined relative to approved Leadership Competencies

Exceeds Expectations: Exceeds expectations for competency on a consistent basis. Achievement and abilities are clearly recognized and supported by leadership, faculty, staff, and students.

Meets Expectations: Fulfills expectations for competency on a consistent basis and may at times exceed expectations. Level of performance is effectively and consistently maintained.

Does Not Meet Expectations: Fails to consistently fulfill expectations for competency.

Part 2: Assessment of FY 21 Goals

1. Build a strong leadership team with a focus on improving administrative infrastructure and systems that drive operational excellence, efficiency, and effectiveness.	<input type="checkbox"/> Superior <input type="checkbox"/> Very Good <input type="checkbox"/> Satisfactory <input type="checkbox"/> Less than Satisfactory <input type="checkbox"/> Unsatisfactory
2. Invest in academic excellence to drive greater student success and research outcomes.	<input type="checkbox"/> Superior <input type="checkbox"/> Very Good <input type="checkbox"/> Satisfactory <input type="checkbox"/> Less than Satisfactory <input type="checkbox"/> Unsatisfactory
3. Deliver action on diversity, equity, and inclusion initiatives and become an example for how a community fully commits to inclusive excellence.	<input type="checkbox"/> Superior <input type="checkbox"/> Very Good <input type="checkbox"/> Satisfactory <input type="checkbox"/> Less than Satisfactory <input type="checkbox"/> Unsatisfactory
4. Build a culture of trust, engagement and accountability that also makes UCF one of the best places to work for our faculty and staff.	<input type="checkbox"/> Superior <input type="checkbox"/> Very Good <input type="checkbox"/> Satisfactory <input type="checkbox"/> Less than Satisfactory <input type="checkbox"/> Unsatisfactory
5. Elevate and promote UCF's excellence and its national reputation through our efforts in advancement, government and community relations, and communications and marketing efforts.	<input type="checkbox"/> Superior <input type="checkbox"/> Very Good <input type="checkbox"/> Satisfactory <input type="checkbox"/> Less than Satisfactory <input type="checkbox"/> Unsatisfactory

Executive Performance Ratings

Determined relative to approved performance goals

Superior: Exceeds performance expectations on a consistent and uniform basis in areas of responsibility. In addition, makes a unique or significant contribution well beyond performance expectations through remarkable achievement and pacesetting performance. Achievement and abilities are recognized and supported by leadership, faculty, staff, and students.

Very Good: Achieves performance expectations and at times exceeds them.

Satisfactory: Fulfills performance expectations. Level of performance is effectively and consistently maintained. Consistently ensures that the organization is following its mission, vision and strategic plan.

Less than Satisfactory: Fails to consistently fulfill performance expectations possibly because of some mitigating circumstances that may or may not have been within the leader's control. Improvement(s) may be required in order to fully achieve expectations on a continuous basis.

Unsatisfactory: Fails to fulfill most of the performance expectations. Regularly fails to meet or exceed required outcomes. Immediate improvements are required by the next performance evaluation.



Final Comments. Please provide us with any additional input you feel would be helpful in updating the presidential evaluation.

Presidential Assessment and Incentive Plan:
III. Incentive Plan:**Background: Evaluation and Incentive Language from the President's Employment Agreement**

Section 3.2 Evaluation. Dr. Cartwright shall initiate the annual evaluation process by submitting to the Committee Chair a summary of his performance during the previous twelve months. Dr. Cartwright will submit the summary by November 1 of each year. This summary shall address performance related to each of the goals and objectives established for the previous year. After Dr. Cartwright has submitted this summary, the Board shall evaluate his performance during the previous appraisal period based primarily on his achievement of the mutually agreed upon goals and objectives and to a lesser extent such other criteria as the Board deems appropriate.

Section 4.3 Incentive Compensation. Dr. Cartwright shall be eligible for an annual incentive award, based on the accomplishment of the annual goals reasonably agreed to between Dr. Cartwright and the Board, as reasonably determined by the Board. The incentive bonus shall not exceed 50% of base salary.

Proposed Incentive Plan

Goal Selection. Following the approval of the president's fiscal year goals by the board of trustees, the board chair will work with the president to select incentive plan goals for evaluation and award. The selected goals will be submitted to the Governance Committee for review and to the Board for approval.

Evaluation. Trustees will evaluate the president's results based on the self-assessment submitted to the Board. The document produced by the president will include progress, outcomes, and metrics that align with the annual goals approved by the Board of Trustees.

The Board's evaluation of the results shared by the president will be collected by the University's Chief Human Resource Officer through individual interviews with each trustee following the approved **Assessment Criteria**. The results will be shared with the Chair of the Board of Trustees and summarized for the Governance Committee.

Award Process. The Chair of the Board of Trustees will prepare recommended award amounts based on the incentive model below. The recommendation will be submitted to the Governance Committee for review and to the Board for approval.

Attainment Matrix. See below.

GOAL ATTAINMENT	WEIGHT	POSSIBLE INCENTIVE	ATTAINMENT	AWARD
GOAL 1: Build a strong leadership team with a focus on improving administrative infrastructure and systems that drive operational excellence, efficiency, and effectiveness.	35%	\$105,000	Superior Very Good Satisfactory Less than Satisfactory Unsatisfactory	Determined by BOT
GOAL 2: Invest in academic excellence to drive greater student success and research outcomes.	25%	\$75,000	Superior Very Good Satisfactory Less than Satisfactory Unsatisfactory	Determined by BOT
GOAL 3: Deliver action on diversity, equity, and inclusion initiatives and become an example for how a community fully commits to inclusive excellence.	5%	\$15,000	Superior Very Good Satisfactory Less than Satisfactory Unsatisfactory	Determined by BOT
GOAL 4: Build a culture of trust, engagement and accountability that also makes UCF one of the best places to work for our faculty and staff.	5%	\$15,000	Superior Very Good Satisfactory Less than Satisfactory Unsatisfactory	Determined by BOT
GOAL 5: Elevate and promote UCF's excellence and its national reputation through our efforts in advancement, government and community relations, and communications and marketing efforts.	10%	\$30,000	Superior Very Good Satisfactory Less than Satisfactory Unsatisfactory	Determined by BOT
Leadership Assessment at Chair's Discretion	20%	\$60,000	N/A	Determined by Chair
	100%	\$300,000		