

**Office of the Chancellor  
Pennsylvania's State System of Higher Education  
Procedures and Standards for University Operations**

**Procedure/Standard Number 2018-36  
Executive Compensation for Recruitment and Retention of Presidents**

Approved by:  Date: 7-25-18  
Chancellor

**History:** The System's executive compensation package includes many forms of compensation that are common throughout U.S. public higher education. In order to ensure successful universities, the System is committed to offering nationally competitive presidential salaries and benefits.

**Revised:**

**Additional History:**

**Related Policies, Procedures or Standards:**

[Board of Governors Policy 1984-14-A: Terms and Conditions of Employment of Senior Policy Executives](#)

[Board of Governors Policy 2002-03-A: Evaluating Presidents](#)

**Key Words/Categories:** Personnel

**Additional References:** College and University Professional Association (CUPA) Annual Public University President Salary Survey

Carnegie Classification of Institutions of Higher Education, Center for Postsecondary Research, Indiana University, Indiana

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**A. Introduction**

Ensuring the recruitment and retention of highly qualified, strong, and stable long-term presidents is essential to the long-term success of the System and its universities. Therefore, through the authority delegated to the chancellor by the Board of Governors, this procedure/standard establishes a strategy for providing and maintaining competitive salaries for the recruitment and retention of System presidents.

**B. Definitions**

1. **Starting Salary:** The salary established by the System based on each university's student enrollment (FTE students) and complexity (Carnegie classification of master's or doctoral [R3] universities). If a candidate has served as president elsewhere or in another similar executive role, the starting salary may be established above the

median, not to exceed the 75<sup>th</sup> percentile of the annual CUPA<sup>1</sup> presidential salary survey.

2. **Salary Range:** A range adjusted annually based on the median and 75<sup>th</sup> percentile rankings of each public peer group.
3. **Peer Groups:** The public master's peer university groups for small, medium and large universities; and the public doctoral (R3) university group with enrollment greater than 3,000 FTE. These groups will be refreshed annually before pay adjustments are determined. (See Attachment 1.)

#### C. **Procedure/Standard**

In order to ensure stable and long-term presidential leadership that meets or exceeds the national average length of service of AASCU<sup>2</sup> member university presidents, annual recognition of continued performance will be reflected in annual pay adjustments. With regular satisfactory performance, a president's salary will increase from the median to the 75<sup>th</sup> percentile of the peer comparison group over approximately six years. It is expected that during the 7<sup>th</sup> year of a presidency, the president's salary will be at the 75<sup>th</sup> percentile.

#### D. **Attachment**

**Public University Presidential Salary Survey Results.** The most recent peer comparisons, used for the implementation of this compensation strategy. The peer comparison reflected in the attachment will be updated annually when available, typically by March each year.

#### E. **Implementation**

1. Effective November 1, 2017, all presidents were moved to at least the median of their peer comparison group, and those serving beyond their first year received a service adjustment equal to 1/6<sup>th</sup> of the difference between the median salary and the 75<sup>th</sup> percentile salary, as presented by the annual CUPA presidential salary survey, for every year of service. (If the current salary exceeded that standard, there was no decrease.)
2. Salary adjustments will be made annually to recognize shifts in salary ranges (see Attachment 1) and service adjustments. If such adjustments result in a shifting of the pay scale, the percentage shift in the pay scale will be added to that year's pay adjustment.

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<sup>1</sup> CUPA: College and University Professional Association

<sup>2</sup> AASCU: American Association of State Colleges and Universities

## Attachment 1

**Pennsylvania's State System of Higher Education**  
**College and University Professional Association (CUPA)**  
**Public University Presidential Salary Survey Results**  
 Salaries as of January 2017

***Comparable Public Masters Universities\****

<b>Institution size</b>	<b>Small:</b>	<b>Medium:</b>	<b>Large:</b>	<b>Weighted</b>	<b>Doctoral</b>
	2,500-5,999 FTE Enrollment	6,000-10,800 FTE Enrollment	10,801- 16,000 FTE Enrollment	<b>Average of Combined Master's Groups</b>	<b>Granting Comparator Group**</b>
75th Percentile	\$263,000	\$297,899	\$362,754	\$308,951	\$398,500
50th Percentile (median)	\$232,310	\$278,000	\$300,000	\$274,495	\$348,908
25th Percentile	\$226,212	\$240,000	\$284,975	\$249,895	\$321,900
Institutions Reporting Valid Data	9	21	12	42	24
Institutions in Comparison Group	20	30	14	64	30

*\*Comparison groups of master's universities based on size (FTE enrollment, budget); established by consultant in 1999.*

*\*\*Doctoral comparison group has been updated to include all public R3 universities with >3,000 FTE enrollment.*