



**BOARD OF VISITORS  
GOVERNANCE AND COMPENSATION COMMITTEE  
9:20 A.M.  
DECEMBER 8, 2017  
JAMES CABELL LIBRARY  
901 PARK AVENUE, ROOM 311, RICHMOND, VIRGINIA**

**MINUTES**

**COMMITTEE MEMBERS PRESENT**

Mr. John A. Luke, Jr., Chair and Vice Rector  
Ms. Jacquelyn E. Stone, Vice Chair  
Phoebe P. Hall, Vice Rector  
Ms. Colette W. McEachin (*left the meeting at 10:27 a.m.*)  
Mr. Ron McFarlane  
Mr. Keith T. Parker

**COMMITTEE MEMBERS ABSENT**

Mr. Alexander B. McMurtrie, Jr.

**OTHERS PRESENT**

Dr. Michael Rao, President  
Michele N. Schumacher, J.D., Assistant to the President and Board Liaison  
Ms. Carrie Nee, Senior Assistant Attorney General, Education Section Chief, Commonwealth of Virginia  
Staff from VCU

**CALL TO ORDER**

Mr. John Luke, Chair of Governance and Compensation Committee, called the meeting to order at 9:35 a.m.

**APPROVAL OF AGENDA**

Mr. Luke asked for a motion to approve the agenda as published. After motion duly made and seconded the agenda was approved.

**APPROVAL OF MINUTES**

Mr. Luke asked for a motion to approve the minutes of the September 14, 2017 and October 31, 2017 meetings of the Governance and Compensation Committee. After motion duly made and

seconded the minutes of the September 14, 2017 and October 31, 2017 meetings of the Governance and Compensation Committee were approved.

A copy of the minutes can be found on the VCU website at the following webpage <http://www.president.vcu.edu/board/committeeminutes.html>.

### **REPORTS AND RECOMMENDATIONS**

Ms. Michele Schumacher, Board Liaison, noted that the proposed changes to the Presidential Evaluation Policy were provided to the Committee at the September 2017 meeting and that there were no additional changes received from the members of the Committee. Ms. Schumacher stated that if the members had any questions both herself and Dr. Paula Gentius would be happy to answer same. Ms. Schumacher noting there were no additional questions continued that it was appropriate to have the Committee approve the Presidential Evaluation Policy.

Mr. Luke asked for a motion to approve the Presidential Evaluation Policy (“Policy”) and to recommend that the Board of Visitors approve said Policy. After motion duly made and seconded the Policy was approved, and the Committee recommended that the Board approve the proposed Policy. A copy of the Policy is attached hereto as Attachment A, and is made a part hereof.

Mr. Luke thanked Ms. Schumacher for her presentation.

### **CLOSED SESSION**

Mr. Luke noted that the Committee would go into closed session. On motion made and seconded, the Governance and Compensation Committee of the Board of Visitors of Virginia Commonwealth University convened a closed session under the Virginia Freedom of Information Act in order to discuss, pursuant to Sections 2.2-3711 (A) (1), (8), and (29) of the Freedom of Information Act, personnel matters, more specifically relating to the compensation of the President of the University, and the award of a public contract involving the expenditure of public funds, including the discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body, specifically related to a consulting agreement in connection with executive compensation. Mr. Luke asked that Ms. Nee, Ms. Schumacher, Dr. Allison and Dr. Gentius stay for the closed session.

### **RECONVENED SESSION**

Following the closed session, the public was invited to return to the meeting. Mr. Luke, Chair, called the meeting to order. On motion duly made and seconded the following resolution of certification was approved by a roll call vote:

### **Resolution of Certification**

**BE IT RESOLVED**, that the joint meeting of the Governance and Compensation Committee of the Board of Visitors of Virginia Commonwealth University certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements under this chapter were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion by which the closed session was convened were heard, discussed or considered by the Committee of the Board.

<b><u>Vote</u></b>	<b><u>Ayes</u></b>	<b><u>Nays</u></b>
Mr. John A. Luke, Jr., Vice Rector and Committee Chair	X	
Ms. Phoebe B. Hall, Rector	X	
Mr. Ronald McFarlane	X	
Mr. Keith Parker	X	
Ms. Jacquelyn Stone, Vice Chair of the Committee	X	

Ms. Colette McEachin left the meeting during the closed session. All remaining members present responding affirmatively, the resolution of certification was unanimously adopted.

Mr. Luke asked for a motion to recommend to the full Board approval of the compensation items and the consulting contract as discussed in closed session. After motion duly made and seconded, the Committee approved the motion.

### **ADJOURNMENT**

There being no further business, Mr. John A. Luke, Jr., Chair, adjourned the meeting at 10:45 a.m.



**VCU**

# BOV Policy # \_\_ Presidential Evaluation

**Policy Type:** Board of Visitors  
**Responsible Office:** Office of the President  
**Initial Policy Approved:** 05/15/2009  
**Current Revision Approved:**

## Policy Statement and Purpose

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The Virginia Commonwealth University (VCU) Board of Visitors is responsible for ensuring the President’s achievement of the institution’s mission-based goals in student learning, research, scholarship and community engagement/service as well as his stewardship of the affiliated VCU Health System Authority. To that end, the Board is required to conduct an annual review of the President’s performance and the institution’s progress of these goals.

The Board of Visitors desires to institute and adopt a systematic method of conducting the evaluation of the president in alignment with the university’s mission and identity, and in accordance with the President’s contract, applicable state laws, and prevailing best practices.

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## Who Should Know This Policy

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All members of the VCU Board of Visitors are responsible for knowing the contents of this policy. The President and staff of the Office of the President must be familiar with its contents and provisions.

## Definitions

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### **Governance and Compensation Committee (GCC)**

A standing committee of the VCU Board of Visitors with membership appointed annually by the Rector and chaired by the Vice Rector of the Board to provide oversight of the Presidential Evaluation process as well as presidential compensation. See Board Bylaws Article II § 7.B.4.

## Contacts

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The Board of Visitors, by and through its Governance and Compensation Committee, officially interprets this policy. The Office of the President is responsible for obtaining approval for any revisions and questions regarding this policy should be directed to this Office.

## Policy Specifics and Procedures

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The Governance and Compensation Committee is responsible for conducting the annual review of the President, taking into account the President's self-assessment report, proposed priorities and goals, and the VCU Executive Compensation Philosophy.

No later than the May meeting of the Board of Visitors, the Rector initiates the annual process for the evaluation of the President for the year (generally, July 1 through June 30 of current fiscal year). The annual process includes the President's self-assessment of the approved priorities and goals for that year and the President's presentation of proposed or updated priorities and goals for the following year. The President's self-assessment will be in a mutually agreed-upon form and may include qualitative and quantitative measures of the President's performance, as well as the progress of Virginia Commonwealth University and the VCU Health System Authority.

The President's self-assessment should include the following:

- Progress on meeting the mutually agreed upon and established priorities and goals.
- The President's assessment of the overall academic quality of the University.
- The President's assessment of the financial status of the University and the Health System.
- The President's assessment of the challenges facing the University and the Health System.
- The identification of any professional development the President wishes to pursue.
- Priorities and goals proposed by the President for the upcoming year to review as part of the Annual Review process.
- Other issues or topics as determined by the GCC or full Board.

The GCC will solicit written observations on the President's performance from each member of the Board utilizing an appraisal instrument similar to the template in Attachment A.

The President will submit the written self-assessment and proposed (or updated) priorities and goals to the GCC no less than thirty (30) days in advance of the Board's retreat, which is generally held in August. Concurrent with the transmittal of the self-assessment, the President will also provide a full accounting of all earned outside income for the previous year from service on boards of directors and any other source, as required by the Commonwealth's annual budget act and any other applicable source.

Prior to the Retreat, the GCC shall review the appraisal results, president's self-assessment report, full accounting of earned outside income and proposed goals for the year. The President will present his self-assessment report and proposed priorities and goals for the year in a closed session meeting with the Board at its retreat or at the next occurring meeting of the Board.

The GCC will formulate a recommendation to the full Board, in consultation with the President, regarding the evaluation and any compensation adjustments for the President at the next occurring meeting of the Board. Following the closed session meeting with the President, the GCC will finalize the President's evaluation and goals for the year and share the final evaluation, and priorities and goals for the year to the President and the Board in a written letter. The GCC's letter will detail the results of the annual review, any changes to the president's contract or compensation, and the priorities and goals for the upcoming year. It is anticipated that this process will be completed no later than October 1 of each year.

The written self-assessment, full accounting of earned outside income, final evaluation of the President as well as any evaluation-related documents and notes are part of the President's confidential personnel record. The President's compensation is public information.

As an alternative, the Board may elect to conduct a periodic comprehensive evaluation of the President at its discretion. A comprehensive evaluation is a review of the President's performance, which seeks stakeholder input and may include the hiring of an external evaluator or facilitator for the process. In the year a comprehensive evaluation is conducted, it is performed in lieu of the annual review.

## **COMPENSATION**

The GCC is responsible for conducting a compensation review and recommending the President's compensation package to the full Board for approval each year. The annual compensation review will consider both performance- and market-based criteria, which includes but are not limited to:

- The results of the Annual Review or the Comprehensive Evaluation;
- The VCU Executive Compensation Philosophy;
- A market analysis of University President compensation among comparable institutions; and
- Other documentation deemed to be relevant.

The GCC may engage an independent compensation consultant to provide market analysis, regulatory updates and other support to assist the GCC in its compensation review and to provide educational resources for the full Board.

## **Forms** \_\_\_\_\_

Sample Annual Appraisal of the President's Performance attached.

## **Related Documents** \_\_\_\_\_

There are no related documents.

## **Revision History**

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This policy supersedes the following archived policies:

Approved by the Board: May 15, 2009; Revised: November 10, 2011

## **FAQ**

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There are no FAQs associated with this policy.

EXAMPLE<sup>1</sup>

ANNUAL APPRAISAL OF THE PRESIDENT'S PERFORMANCE AND EFFECTIVENESS

INSTRUCTIONS: Please comment on any aspect of the president's performance and effectiveness in the space provided.

BOARD OF VISITORS RELATIONS

*Disseminates adequate and accurate information to the BOV in a timely manner.*

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*Enjoys a positive overall relationship with the BOV.*

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INSTITUTIONAL LEADERSHIP/MANAGEMENT

*Has assembled a strong leadership team.*

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*Advances the mission of the University.*

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*Assures quality academic and support programs.*

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*Operates the University with a commitment to strategic planning, goal setting and evaluation.*

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*Manages resources proficiently.*

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<sup>1</sup> Permission to use appraisal form granted by UVA on June 22, 2017. Source: from University of Virginia Policy BOV-011: Presidential Evaluation (December 16, 2016): retrieved from <https://uvapolicy.virginia.edu/policy/BOV-011>

*Has established a pattern of success in achieving goals.*

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EXTERNAL RELATIONS

*Effectively and enthusiastically advocates for the University.*

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*Effectively presents the University's resource needs to government officials and private contributors.*

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*Appreciates the need for institutional accountability.*

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*Relates well with alumni, parents, and donors.*

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*Represents the University in national higher education organizations.*

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RELATIONSHIPS

*Enjoys a positive relationship with local community leaders.*

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*Maintains a positive relationship with the faculty and staff.*

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*Maintains a positive relationship with students.*

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*Maintains an effective relationship with legislators and their staff and with executive branch senior management.*

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PERSONALITY TRAITS

*Poised under pressure.*

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*Communicates effectively.*

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*Integrity.*

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*Energy.*

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*Forward-looking.*

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*Skillful in relating to others.*

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*Respected.*

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*Deliberate decision-maker.*

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