

# ECR 1

Chairman, Board of Trustees  
September 5, 2014

Members, Board of Trustees:

## PRESIDENTIAL EVALUATION AND COMPENSATION

Recommendations: that the Board of Trustees: 1) increase President Capilouto's base salary by two percent (2%) or \$10,500 to a total of \$535,500 effective retroactively to July 1, 2014; 2) award a performance incentive bonus of ten percent (10%) of his 2013-14 base salary or \$52,500; and 3) award an extraordinary performance incentive payment of \$100,000.

Background: President Eli Capilouto's Employment Agreement (Section D.5) requires an annual performance evaluation in accordance with the Governing Regulations of the University. At its April 2014 meeting, the Board of Trustees approved ECR 1, which outlines the process for evaluating the President's performance during 2013-14. On August 12, the Executive Committee reviewed the President's Self-Evaluation and a summary of responses from nine different constituency groups. Following the August 12 Executive Committee meeting, members of the Board of Trustees submitted individual evaluations to the Board Chair.

The President's Employment Agreement stipulates:

*Any increases of the Base Salary shall be within the Board's discretion and based upon the President's performance during the previous 12 months in connection with his annual evaluation... (Eli Capilouto Employment Agreement, D.1)*

*Dr. Capilouto shall be eligible for a performance incentive payment beginning fiscal year 2012-2013, based upon his substantial achievement of target goals established during his first year and, thereafter, during his annual evaluation process. The performance incentive, if any, shall be established at no less than the level of ten percent (10%) of the President's Base Salary. The Board, at its discretion, at any time may award an additional performance incentive payment based upon extraordinary performance during the previous year. (Eli Capilouto Employment Agreement, D.4)*

In response to the strong, positive evaluation of the President's performance by the various constituencies, the Executive Committee recommends an increase in the President's base salary consistent with the 2% salary merit increase pool established for University faculty and staff as part of the 2014-15 Operating and Capital Budget. The Executive Committee further recommends a performance incentive payment of \$52,500 and an extraordinary performance payment of \$100,000 in recognition of the President's substantial achievement of target goals for 2013-14 as documented in the annual performance evaluation.

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Action taken:     Approved     Disapproved     Other \_\_\_\_\_