

Board of Trustees of the Nebraska State Colleges

ITEMS FOR DISCUSSION AND ACTION\ACADEMIC AND PERSONNEL

ACTION: **Approve Chancellor and Presidents' Contract Extensions and Salaries**

The Chancellor and Presidents' contracts will be extended until June 30, 2023. Recommended salaries for 2021-22 are as follows:

	Salary	Housing
Paul Turman, NSCS Chancellor	\$289,342	--
Randy Rhine, Chadron State College President	\$240,000	House included
Michael Evans, Peru State College President	\$240,000	House included
Marysz Rames, Wayne State College President	\$245,000	\$35,849

A salary review of the College Presidents and housing analysis was provided to the Board and are a part of this agenda item. The salary adjustments keep wage disparity gaps to a minimum between the NSCS and its peers. The housing adjustment calculation addresses the issue of housing provided at two (2) of the three (3) institutions.

The System Office recommends approval of the Chancellor and Presidents' Contract Extensions and Salaries.

ATTACHMENTS:

- Proposed Presidential Salary Adjustments (PDF)

Presidential Salary Review Compared to Peers

The Board of Trustees reviewed the salaries of the State College Presidents to keep wage disparity gaps to a minimum between the NSCS and its peers.

NSCS Peers & Selection Process

Nebraska State Statute ([Neb. Rev. Stat. § 85-1413 \(5\)\(g\)](#)) requires that the Nebraska Coordinating Commission for Postsecondary Education (CCPE) establish a set of peer institutions for public postsecondary institutions in the state, last updated in 2014. Data from the Integrated Postsecondary Education Data System (IPEDS) are used as the primary data source with key indicators including: 1) percent of applicants admitted; 2) 12-month unduplicated headcount enrollment; 3) regional location; 4) sector (4-year vs. 2-year mission); 5) rurality; 6) percent of master's degree awards; 7) academic program offerings; and 8) percent of minority students. Using these criteria, the following peers were established for each of the State Colleges.

Table 1
Peer Institutions Approved by the CCPE for each of the Nebraska State Colleges

<i>Chadron State</i>	<i>Peru State</i>	<i>Wayne State</i>
Black Hills State University (SD)	Black Hills State University (SD)	Black Hills State University (SD)
Eastern Oregon University (OR)	Chadron State College (NE)	Chadron State College (NE)
Minot State University (ND)	Concord University (WV)	Emporia State University (KS)
Northern State University (SD)	Eastern Oregon University (OR)	Minot State University (ND)
Northwest MO State Univ. (MO)	Fairmont State University (WV)	Northern State University (SD)
Northwestern OK S. Univ. (OK)	Minot State University (ND)	Northwest MO State Univ. (MO)
Peru State College (NE)	Northwestern OK S. Univ. (OK)	Northwestern OK S. Univ. (OK)
Truman State University (MO)	Valley City State Univ. (ND)	Peru State College (NE)
Wayne State College (NE)	Wayne State College (NE)	Southwest Minn. S. Univ. (MN)
Western Colorado Univ. (CO)	West Liberty University (WV)	Univ. of WI-River Falls (WI)

Presidential Salaries for NSCS Peers

A large disparity in presidential pay is evident when comparing the compensation of the Nebraska Community Colleges, NSCS CCPE Peer Institution, and the State Colleges. Although strategies were discussed to develop a plan for addressing this impending pay gap using a phased-in approach over multiple years, the recent presidential search for the Peru State College President has expedited the need to address this issue in the short-term. Leading up to the Peru State search, a wave of resignations and retirements have begun to surface for senior leadership positions across the country. The market for qualified presidential applicants was competitive, especially as many viable candidates may hold on pursuing presidential positions until stability is achieved in both enrollments and state funding levels in the wake of the pandemic.

Presidential salary data for NSCS Peer institutions can be found in Table 2 below. When available on public websites, the 2020 salary data are depicted for eleven (52%) of the NSCS Peer institutions. In some situations, the presidential salaries were publicly reported at the point of hiring. For these institutions, adjustments were made to assume a 2% based adjustment annually to account for the missing data. Currently, the adjusted average salary for NSCS Peers is \$255,277 per year. A compensation strategy to align with 95% of the peer average would result in a base salary of \$242,513 annually.

Table 2
Current and Projected Salaries for Established Peer Institutions

<i>Institution</i>	<i>State</i>	<i>Year</i>	<i>Salary</i>	<i>Adjusted Salary</i>
Black Hills State University	SD	2020	\$270,000	\$270,000
Chadron State College	NE	2020	\$205,133	\$205,133
Concord University	WV	2015	\$215,000	\$236,500
Dakota State University	SD	2020	\$287,000	\$287,000
Eastern Oregon University - La Grande	OR	2020	\$250,000	\$250,000
Emporia State University	MO	2017	\$268,575	\$284,690
Fairmont State University	WV	2017	\$270,000	\$286,200
Minot State University	ND	2017	\$257,500	\$270,375
Northern State University	SD	2020	\$260,852	\$260,852
Northwest Missouri State University	MO	2020	\$281,304	\$281,304
Northwestern Oklahoma State University	OK	2019	\$173,280	\$176,746
Peru State College	NE	2020	\$210,707	\$210,707
Truman State University	MO	2020	\$268,400	\$268,400
University of Wisconsin River Falls	WI	2018	\$250,000	\$260,000
Valley City State University	ND	2017	\$195,700	\$215,270
Wayne State College	NE	2020	\$222,971	\$222,971
Western Colorado University	CO	2017	\$232,966	\$246,944
West Liberty University	WV	2015	\$200,000	\$220,000
Southwest Minnesota State University	WI	2017	\$254,870	\$270,162
<i>Peer Average</i>			\$246,965	\$255,277¹

Nebraska Community College Presidential Pay

Presidential salaries for the six Community College presidents in Nebraska have historically outpaced those of the State College System. The most recent data available indicate that salaries range between \$290,000 and \$230,000 when last reported in the Omaha World-Herald in 2019.² Metro Community College has an overall fall headcount of 14,300 and as few as 1,722 at Western Nebraska Community College and 2,126 at Mid-Plains Community College when reviewing the most recent data available from IPEDS. Using these reported salary data, the average 2019 presidential compensation for this group of presidents in Nebraska was \$250,975, and when adjusted to a 2% salary increase for 2020, the projected average salary grows to \$255,994.

Table 3
Presidential Salaries for Nebraska Community Colleges

<i>Institution</i>	<i>Year</i>	<i>Salary</i>	<i>Adjusted Salary</i>
Metro Community College	2019	\$290,000	\$295,800
Southeast Community College	2019	\$257,850	\$263,007
Central Community College	2019	\$243,000	\$247,860

¹ Peer Average Salaries and Adjusted Salaries exclude the salaries for Chadron, Peru, and Wayne State Presidents.
² The salary for Northeast Community College reported by the World-Herald was \$316,000 for Mike Chipps, yet it has been reported that the new NCC presidents is compensated at a lower level, but no public documents are available to reflect the final salary approved by the NCC Board. A base salary of \$250,000 has been used for generating the current Adjusted Salary range.

Presidential Compensation Adjustments

June 17, 2021

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Northeast Community College	2019	\$250,000	\$255,000
Mid-Plains Community College	2019	\$230,000	\$234,600
Western Nebraska Community College	2019	\$235,000	\$239,700
		\$250,975	\$255,994

Proposed NSCS Presidential Salary Increases

With this background information, presidential salary increases are being recommended for each of the State College presidents for approval at the June 2021 Board of Trustee meeting. The presidential salary for each NSCS president can be found at the bottom of Table 4. General alignment exists with each President's salary despite an adjustment of \$16,000 (equivalent to a taxable \$1,333 per month) for Wayne State College due to the lack of housing accommodations in Wayne, NE. Chadron and Peru State each have housing included with the contract, and estimates place this as a \$2,500-3,000 per month benefit depending on the region and current housing market conditions. The recommendation is to elevate President Rhine's salary to \$240,000 (a 17% or \$34,867) to bring him within 95% of peer salaries. A similar amount is recommended for Peru State (maintaining the current differential for a starting salary of \$240,000). A slightly larger increase is being recommended for President Rames to increase the salary to \$245,000 and include a housing adjustment consistent with an estimated housing adjustment calculation approved by the Board of Trustees (see Attachment I). The specific recommendation for each President can be found in Table 4 below.

Table 4
Recommended Salary Adjustments for NSCS Presidents

<i>Institution</i>	<i>Current Salary</i>	<i>Proposed Salary</i>	<i>Salary Increase</i>	<i>Percent Increase</i>
Chadron State College	\$205,133	\$240,000	\$34,867	17.0%
Peru State College	\$210,707	\$240,000	\$29,293	13.9%
Wayne State College	\$206,971 ³	\$245,000	\$38,029	18.4%

ATTACHMENTS

Attachment I – Presidential Housing Adjustment Calculation

³ Current salary for Wayne State College is \$222,971, and adjusted to \$206,971 to remove the current housing adjustment for consistent comparison across each State College.