COMPENSATION FOR KEY EXECUTIVES

A. Purpose

The purpose of this policy is to set forth the factors used to determine compensation of key executives at The University of Texas-Pan American.

B. Persons Affected

This policy applies to the President and key executives.

C. Policy

The policy of the University is to attract, retain and motivate the talent needed to lead the University and accomplish its mission, and to recognize and reward performance. In doing this, the University seeks to compensate key executives at levels that are competitive in the marketplace, cost effective, and to the extent possible, internally equitable. In determining compensation for key executives, specific factors shall be considered in accordance with The University of Texas System Board of Regents' *Rules and Regulations* Series 20203.

1. Setting initial compensation. The following factors shall be considered:

    a. Relevant market date;

    b. Current compensation;

    c. Cost of living differences;

    d. Internal equity; and

    e. The University budget.

2. Making future adjustments to compensation. The following factors shall be considered:

    a. Market data;

    b. Key executive's performance;

    c. University's performance on key performance indicators;

    d. Internal equity; and

    e. The University budget.

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D. Definitions

1. *Key executive.* Includes personnel who directly report to the President: the Vice Presidents, the Assistant to the President, the Executive Director of Institutional Research and Effectiveness and the Director of Internal Audits.

E. Responsibilities

Not applicable.

F. Procedures

Not applicable.

G. Review

The Divisional Head for this policy is the President and this policy shall be reviewed every five years or sooner if necessary by the following Stakeholders:

1. Assistant to the President – Senior Reviewer
2. Provost/Vice President for Academic Affairs
3. Vice President for Business Affairs
4. Vice President for Student Affairs
5. Vice President for External Affairs
6. Vice President for Informational Technology