

# FLORIDA GULF COAST UNIVERSITY EMPLOYMENT AGREEMENT WITH PRESIDENT-ELECT DR. MICHAEL MARTIN

## MATERIAL TERMS SUMMARY

Inspired and motivated to a great degree by the Florida Board of Governors and the State University System's ("SUS") Performance-Based Funding Metrics and the overarching goals and objectives contained therein, Florida Gulf Coast University, by and through its Board of Trustees ("Board") and President-elect Dr. Michael Martin ("President" or "Dr. Martin") have agreed to an Employment Agreement that reflects the changing higher education landscape in which successful performance and outcomes on strategically defined metrics may be incentivized and rewarded.

The foundation for the FGCU Employment Agreement is an innovative, incentivized structure tied to actual performance and achievement without the customary guarantees of continued, long-term employment and contractual entitlements. Presidential performance goals are connected to both institutional and SUS goals designed to advance FGCU, and any enhanced compensation opportunities are subject to demonstrated results as determined by the Board at its discretion.

The following summarizes the material provisions of the FGCU Employment Agreement:

- **At-Will Employment:** Effective July 1, 2017, the President serves fully and completely at the will of the Board, and either party may terminate the employment with notice of 90 days.
- **Base Salary:** Annual base salary is \$350,000.
- **Annual President Performance Evaluation:** At the start of the fiscal year, the Board in consultation with the President will adopt specific President Performance Evaluation Criterion ("PPEC"), which will form the basis for the President's annual performance evaluation by the Board. The PPEC will include measures in at least the following categories of (1) Qualitative Leadership and Human Management Skills; (2) FOCUS Strategic Plan 2016-2021 and State University System Performance-Based Funding Metrics; and (3) Resource Development including Private Fundraising, State Appropriations, and Contracts/Grants.
- **Opportunity for Annual Performance Bonus:** The PPEC results will form the basis for the Board's annual evaluation and its decision, if any, to award the President an annual bonus of up to \$100,000.
- **Opportunity for FOCUS Performance Incentive Bonus:** As long as the President remains continuously employed up through and including June 30,

2022, **and** has met or substantially met the objectives of FOCUS 2016-2021, the President will be eligible for (but is not contractually entitled to) a performance incentive bonus of up to two times his initial base salary, or \$700,000.00, as determined by the Board. Any FOCUS Bonus is not a contractual entitlement, is not a retention or longevity bonus, and does not vest. Rather, the opportunity to earn the FOCUS Bonus incentivizes the President to significantly advance the University in concert with the Board's strategically defined direction.

- **No Severance Pay:** The FGCU Employment Agreement does not include any provision requiring severance pay upon termination of the Agreement, irrespective of whether termination occurs as a result of the President's retirement, resignation, disability and/or death, or as a result of the Board terminating the President's employment for any reason. Upon termination, Dr. Martin is only entitled to receive his accrued salary through the termination date and any accrued but unused leave benefits.
- **Special Advisor to the FGCU Board:** Solely at the Board's discretion, and only in the event FGCU terminates Dr. Martin as President, it may (but is not contractually obligated to) offer Dr. Martin the opportunity to serve as Special Advisor to the Board, at his annual base salary, for a period of time as determined by the Board, so long as such period does not exceed twelve months.
- **Benefits:** As President, Dr. Martin will be afforded and/or be eligible to receive:
  - A one-time Relocation/Moving Payment of up to \$25,000.00 to assist in the move to southwest Florida;
  - A Housing Allowance of \$50,000.00 annually, with Dr. Martin being required to host at least six (6) functions at his home on behalf of FGCU;
  - Use of an Automobile (Full-Size or SUV-type) from a manufacturer headquartered in the United States;
  - Insurance, Vacation and other leave benefits at the same level and accrual rates as offered to other Executive-level employees at FGCU;
- **Contractual Protections for FGCU:**
  - At-Will Employment. There is no fixed duration of employment.
  - No Severance Pay.

- Right to request repayment/reimbursement of the relocation and housing payments if Dr. Martin leaves FGCU within the first 730 days after commencing employment.
- Non-Solicitation
- Confidentiality and Non-Disclosure
- Return of University Property
- Cooperation on Legal or Related Matters
- Sixty (60) Days Post-Employment, General Good-Faith Cooperation and Availability

Dr. Martin accepts the at-will terms, performance-incentivized, results-driven Employment Agreement following more than 40 years of experience and leadership in higher education, including as Chancellor of the Colorado State University System, Chancellor of Louisiana State University, President of New Mexico State University, and Vice President for Agriculture and Natural Resources at University of Florida. Dr. Martin is going to be a tremendous asset to not only FGCU, but the SUS as a whole. FGCU is excited to work hand-in-hand with Dr. Martin and SUS as it strives for excellence.

FGCU, through its Board of Trustees, respectfully requests that Dr. Michael Martin's appointment as President of Florida Gulf Coast University be unanimously confirmed by the honorable Board of Governors.