

LUTHER COLLEGE

POLICIES AND PROCEDURES

Department:	The Board of Regents
Subject:	Executive Compensation Policy
Date Issued:	May 7, 2009
Updated and Reviewed By:	Institutional Planning and Board Affairs Committee – Nov. 12, 2021
Approved By:	Institutional Planning and Board Affairs Committee – Nov. 12, 2021

I. Policy

This policy sets forth the guidelines for determining and reviewing executive compensation at Luther College.

II. Purpose

The purpose of this policy is to establish consistent guidelines and criteria to be used to determine, review, and approve compensation of the President and Vice Presidents of Luther College.

III. Scope

This policy is reviewed and implemented by the Board of Regents of Luther College.

IV. Terms and Definitions

- CUPA - College and University Professional Association
- ACM— Associated Colleges of the Midwest

V. Procedures and Guidelines

- A. The Director of Human Resources and the President of the College will gather the following benchmark salary data:

1. Median salaries for CUPA private religious colleges with comparable enrollment
2. Median and maximum salaries for regional CUPA colleges (15 colleges)
3. Median for ACM- colleges (14 colleges)

Luther salaries are targeted to achieve at least 100% of the median of these three salary median benchmarks over time.

- B. The President of the College will review and present the presidential and vice presidential benchmark salary information to the Board of Regents. The President may submit comments in regard to the compensation of the Vice Presidents.

The Board of Regents will review the three salary benchmark indicators and the Institutional Planning and Board Affairs (“IPBA”) Committee of the Board will determine and approve compensation for the President and the Vice Presidents of the College. IPBA also will review the

non-salary compensation benefits provided to the officers. The Chairperson of the Board of Regents will notify the Director of Human Resources with the approved compensation of the President and Vice Presidents of the College in writing, through a memo or e-mail.

- C. General documentation with respect to the review and approval of compensation for the President and Vice Presidents of Luther College shall be recorded in the Board of Regents executive session meeting minutes.
- D. Detailed notes with respect to the compensation amounts for the President and the Vice Presidents of Luther College will be maintained by the Secretary of the Board of Regents in a confidential archive.
- E. The Office for Human Resources will prepare letters of appointment for the President and Vice Presidents. The letter of appointment for the President will be signed by the Board Chair and the letter of appointments for the Vice Presidents will be signed by the President.

VI. Confidentiality and Record

All records related to this policy will be maintained by the President's Office and the Secretary of the Board of Regents.