

Financial And Administrative Policy  
Minutes  
3<sup>rd</sup> Meeting, AY 2022-23  
Wednesday, 14 September 2022, 9:30 am  
SL 226 or Zoom meeting ID: 960 6087 3656 if unable to attend in person

Members: David Spanagel (HUA, Chair), Joe Sarkis (BUS), Hal Walker (CEAE), Rob Dempksi (CBC), Tanja Dominko (BBT, COG Appointee), Kris Sullivan, (Associate VP for Academic Affairs), Mike Horan (Executive VP and CFO, *Ex Officio*)

1. The meeting was called to order at 9:30 am.
2. The agenda was approved.
3. The Minutes of the 2nd meeting were approved as amended.
4. Salary Letters update  
AVP Sullivan updated the Committee on the most recent guidance from Talent and Inclusion: Workday will generate the promotion and equity letters for 10/1/22. Outside of Workday, Talent & Inclusion will generate the merit increase letters (via mail merge) to be emailed to employees, including faculty. The date of the distribution of the letters is currently undetermined.
5. “High Earners” Presentation  
The Committee reviewed and discussed several documents containing executive compensation analyses prepared last year and compensation data from the Chronicle’s report published in March 2022. The analyses were comprehensive and will be used to prepare a presentation at a Faculty meeting to better reflect our understandings of the complexity of factors involved in the recent history (the past decade) of the highest earners’ compensation growth patterns at WPI. Analyses of raw data reported in IRS Form 990 illustrated that the speed and scale with which either double digit percentage base salary increases, or substantial annual bonuses, or a combination of the two, were used to accelerate compensation increases for some of WPI’s top administrative positions over a 5-year period from 2015 to 2019.

The committee discussed the need for recommendations that will consider the University’s mission and a compensation philosophy that will reflect fairness and sustainability; while allowing the University to remain competitive in the local and global environment.

EVP and CFO Horan explained that the Board of Trustees conducts yearly benchmarking of executive compensation and sets the guidelines for base compensation and additional non-base compensation provisions and limits in compliance with the IRS requirements for non-profit organizations. The Committee was concerned that reported compensation over the past years has exceeded those guidelines. Mr. Horan informed the Committee that Segal consulting has been contracted to analyze and standardize our compensation. He voiced his

support for a compensation philosophy that will define compensation within same median values for all groups of employees.

The committee hopes to generate recommendations for the Administration and the Board to consider in future compensation policies.

The Committee will draft a presentation to the faculty at its next meeting.

6. The meeting was adjourned at 10:28 am.

Respectfully,

Tanja Dominko  
FAP Secretary