Execution Version

Governors
State
University

Presidential Employment Agreement

This Presidential Employment Agreement ("Agreement") is made between the Board of Trustees of Governors State University ("Board") and Cheryl Green, Ph.D. ("Dr. Green").

1. Appointment and Employment as the President.

1.1 For and in consideration of the promises made by Dr. Green in Section 2 of this Agreement, the Board appoints and employs Dr. Green as the President of Governors State University ("GSU" or the "University"), to serve as the chief executive officer of GSU with full authority and responsibility under policies, supervision, and direction of the Board and its Executive Committee, for GSU's effective administration and management from July 1, 2020 until June 30, 2023, unless terminated earlier as provided herein. Dr. Green accepts and agrees to such employment.

1.2 As President, Dr. Green shall perform all duties required by law, by this Agreement, and by custom and practice to be performed by a university president including, but not limited to, providing leadership for the University while administering and directing the University plans, operations, programs and activities consistent with the mission, scope and organization of the University as more fully described in the position description of the University President attached to this Agreement as **Exhibit A**.

1.3 The parties agree that it is beneficial for the University if Dr. Green conducts interim visits and services to the University, as she is available, in advance of the beginning date of the Initial Term, as such term is defined below. The University will reimburse reasonable business and travel expenses for Dr. Green undertaken, with the agreement of the Board, after the date of this Agreement and before the Initial Term for the purpose of attending a University event or function, meeting with members of the Board or key transition meetings with University personnel in advance of assuming the position of President. Any such reimbursed expenses must be incurred, and will be reimbursed, consistent with the requirements of applicable Illinois law, Board Policy and Board Regulations.

2. Devote Best Efforts to the Work as the President.

2.1 Dr. Green agrees to faithfully, industriously, and with maximum application of experience, ability, and talent, devote full-time attention and energies to the duties as President of GSU.

2.2 Such duties shall be rendered at the campus of GSU in University Park, Illinois and at such other place or places as the Board shall deem appropriate for the interest, needs, business, or opportunity of the institution.

2.3 The expenditure of reasonable amounts of time for personal business affairs, as well as charitable and professional development activities, shall not be deemed a breach of this Agreement, provided such activities do not interfere with the services required to be rendered to the Board under the provisions of this Agreement.

2.4 Dr. Green shall not, without prior written permission from the Board, render services of any professional nature to or for any person or firm for remuneration other than to the University, and shall absolutely not engage in any activity that may be competitive with, or adverse to the best interests of the University. The making of passive and personal investments and the conduct of personal business affairs shall not be prohibited hereunder.

3. Term of Appointment; Evaluation: Renewal.

3.1 This Agreement shall be for a term commencing on July 1, 2020 and terminating on June 30, 2023 (the "Initial Term"). Dr. Green's appointment as President will terminate automatically on June 30, 2023 unless her appointment is renewed or extended prior to the termination date of the Initial Term. The Board will be required to provide Dr. Green with notice on or before July 1, 2022 whether it intends to re-negotiate the Agreement for an additional period following the Initial Term. For the avoidance of doubt, the Initial Term is subject to prior termination as provided for in this Agreement.

3.2 The Board is required by law to review the President's performance on an annual basis. The Board, or one of its Committees, shall meet with Dr. Green annually to evaluate and discuss her performance. To aid the Board in such annual job performance reviews, Dr. Green agrees to furnish such oral and written reports as may be required by the Board.

3.3 The Board, in its sole discretion, may offer to extend this Agreement for additional years upon the terms and conditions contained in this Agreement or upon such additional or different terms as may be agreed upon by Dr. Green and the Board, with such additional or different terms confirmed in a written agreement executed by the parties at the time of extension.

4. Compensation.

4.1 Base Salary

4.1.1 For all services rendered under this Agreement, the Board shall pay Dr. Green for the Initial Term an annual base salary of two hundred and seventy-two thousand dollars $272,000.00 ("Base Salary"). The Base Salary is inclusive of an annual ten thousand-dollar ($10,000.00) contribution to a Supplemental Executive Retirement Plan ("SERP") for the benefit of Dr. Green consistent with the requirements of a deferred compensation 457(f) plan. The Base Salary shall be payable in equal monthly installments subject to the availability of funding by the State of Illinois. The salary shall include deductions for local, state, and federal taxes and for employee portion of any benefit costs provided under this Agreement.

4.1.2 Dr. Green's Base Salary shall be reviewed annually and may be increased at the discretion of the Board. Such annual salary review will be in conjunction with a review by the Board or a Board Committee of the performance of Dr. Green.

4.1.3 Dr. Green's salary will be established by the Board and will not be subject to University wide adjustments in salary paid to any other GSU employee.

4.2 Performance Incentive Compensation

4.2.1 The Board shall annually pay Dr. Green up to forty thousand and eight-hundred dollars ($40,800.00), or up to fifteen percent of her Base Salary, representing an annual discretionary "Performance Incentive Compensation" payment based on quantitative and qualitative indicators established by the Board and mutually agreed to by the parties no later than September 1st of each year of the Initial Term, beginning on September 1, 2020. Such quantitative and qualitative indicators shall be memorialized and incorporated herein as **Exhibit B** to this Agreement. It is within the sole discretion of the Board based upon the annual assessment of Dr. Green to determine whether the Performance Incentive Compensation payment, or a portion thereof, has been earned.

4.2.2 The Board shall endeavor to determine whether any Performance Incentive Compensation payment has been earned by the October 1st following the applicable University fiscal year relating to any such Performance Incentive Compensation payment, beginning in October 2021. Any Performance Incentive Compensation payment approved by the Board for the applicable fiscal year shall be made on or before December 31st following the determination that the payment has been earned by Dr. Green.

4.3 Housing Allowance

4.3.1 The Board shall pay Dr. Green an annual payment of thirty-thousand dollars ($30,000.00) during the Initial Term for the purchase, or lease and maintenance, of a personal residence (the "Housing Allowance"). The Housing Allowance shall be paid in equal monthly installments.

4.3.2 Dr. Green agrees to use her personal residence periodically, and in her reasonable discretion, for ceremonial and entertainment purposes that benefit the University. The obligation of Dr. Green to entertain at her residence is compensated under the provisions of this Section 4.3. In addition, the University shall be fully responsible for all actual costs associated with such University business occurring at Dr. Green's residence including catering, associated cleaning, and entertainment expenses. For the avoidance of doubt, any University required entertaining undertaken in accordance with this provision, and for which reimbursement is sought, must comply with all applicable Illinois law, Board Policy and Board Regulations and must be within a specific annual budgeted amount approved by the Board for such entertaining purposes.

5. **Relocation Allowance.**

   a. As soon as practicable after the effective date of this Agreement, the University shall pay Dr. Green in advance or reimburse her, as applicable, a sum not to exceed fifteen thousand dollars ($15,000.00) (the "Moving Allowance"), to be used to compensate her for actual expenses incurred in connection with the relocation of her residence to the Chicagoland area.

   b. Dr. Green shall provide the University with receipts and documentation to substantiate any expenditures involving the Moving Allowance. Such expenditures must be based on the lowest of three (3) estimates of the cost to relocate. Any payments advanced to Dr. Green as part of the Moving Allowance that are not expended in connection with her relocation, or not consistent with this Agreement, shall be returned to the University.

   c. In the event Dr. Green voluntarily resigns from employment with the University prior to the expiration of the Initial Term, she agrees to promptly reimburse the University in the amount of ten thousand dollars ($10,000.00) for a portion of the Moving Allowance paid to Dr. Green.

   d. Dr. Green is solely responsible for any local, state, or federal tax consequences of this one-time lump sum payment.

6. **Insurance and Retirement Benefits.** The Board shall provide Dr. Green with health care coverage, life insurance, State retirement and workers compensation benefits accorded to administrative and professional employees of the Board as authorized by law, Governors State University Board of Trustees Governing Policies ("Board Policy") or Governors State University Board of Trustees Regulations ("Board Regulations").

7. **Leave Benefits.** Dr. Green shall receive all leave benefits, including vacation and sick leave benefits, which days may be accumulated and expended under the terms, and up to the maximum number, permitted by law, Board Policy, or the Board Regulations. Dr. Green shall not take vacation, personal, or professional leave if such leave interferes with properly discharging the duties under the terms of this Agreement.

8. **General Employee Benefits.** Dr. Green shall be eligible for any other general employee benefits not contained in this Agreement afforded to administrative and professional employees of the Board as authorized by law, Board Policy or Board Regulations. Dr. Green shall be eligible for indemnification consistent with the State Employee Indemnification Act, 5 ILCS 350, as same may be amended from time to time.

9. **Automobile.** The University currently maintains a 2017 Toyota Prius for use by the University President (the "University Vehicle"). All insurance and maintenance related to the use of the University's Vehicle shall be the responsibility of the University. This University Vehicle shall be made available for use by Dr. Green. The Board reserves the right to determine at any time that it is no longer appropriate for the University to maintain a vehicle for the University President. In that event, the Board will work with Dr. Green to establish either an appropriate vehicle stipend or for the lease of a vehicle for Dr. Green's use as University President.

10. **Out of Pocket Travel Expenses.** The Board will provide reimbursement for all reasonable expenses incurred by Dr. Green in her official capacity as University President consistent with the requirements of applicable Illinois law, Board Policy or Board Regulations. Dr. Green will be expected to use the University Vehicle (or any other vehicle leased or provided by the University), whenever such University Vehicle is available for use. In the event that a University Vehicle is not available, then in such case, the University will reimburse Dr. Green for the use of her personal vehicle on University business on a per-mile basis at the rate authorized from time to time by the Higher Education Travel Control Board for such reimbursement. Dr. Green will be required to present expense statements or vouchers, or other reasonable supporting information requested by the University for all expense reimbursements.

11. **Professional Development Activities and Memberships.** Dr. Green shall be entitled to expend up to five thousand dollars ($5,000.00) annually in payment for "Professional Development Activities and Memberships" to ensure her fulfillment of the Presidential duties relating to the mission of the University. This amount can be expended in the University President's discretion, subject to appropriate expense documentation being submitted to the University consistent with applicable law, Board Policy, or the Board Regulations.

12. **Working Facilities.** Dr. Green will be furnished with a private office, secretarial assistance, a computer, a cellphone and such other facilities and services suitable to the position of University President and adequate for the performance of her duties under this Agreement.

13. **Termination.**

    a. Termination by the Board for Cause.

    i. The parties agree that the Board may terminate this Agreement at any time for "Cause" which, in addition to any of its other normally understood meanings in employment agreements, shall include the following: (i) deliberate or serious violation of the duties set forth in this Agreement or refusal or unwillingness to perform such duties in good faith and to the best of Dr. Green's abilities; (ii) any conduct of Dr. Green that constitutes moral turpitude, or that would tend to bring public disrespect, contempt or ridicule upon the University; (iii) a deliberate or serious violation of any Board Policy, Board Regulation, constitutional, or local, state, or federal law, which violation may, in the sole judgment of the Board, reflect adversely upon GSU; or (iv) prolonged absence from duty without the Board's consent.

b. Termination without Cause.

i. The parties agree that the Board may terminate this Agreement prior to its normal expiration at any time by delivering written notice to Dr. Green at least thirty (30) days prior to termination. In the event the Board terminates this Agreement without cause prior to its normal expiration, Dr. Green shall be entitled to one of the following in the sole discretion of the Board; (i) five (5) weeks of severance payments based on Dr. Green's salary at the time of termination for each completed year of the Initial Term, pro-rated for any incomplete year based on a year of 365 days, consistent with the requirements of applicable law and not to exceed twenty weeks in the aggregate; or (ii) tenure at the level of full professor, in the University academic department applicable to Dr. Green's expertise, as determined by the University's promotion and tenure process, and at a salary of 80% of the highest paid professor in that academic department at the time of termination; provided, however, that Dr. Green must work and meet the duties expected of tenured professors in that academic department. For the avoidance of doubt, Dr. Green's compensation, terms and conditions regarding her tenured professorship shall be governed by the Board Regulations, Board Policy and the faculty collective bargaining agreement between the University and the University Professionals of Illinois as the same may be amended, modified or replaced from time to time.

ii. This Agreement may be terminated by Dr. Green giving the Board one hundred and eighty (180) days advance written notice of termination.

iii. Regardless of any other provision of this Agreement, this Agreement shall terminate automatically if Dr. Green dies or becomes totally disabled, or totally incapacitated or incapable of carrying out the duties as defined by the University and Board, for a period of 90 days or more. The Board reserves the right to require Dr. Green to submit to a medical examination, either physical or mental, in the event the Board deems Dr. Green disabled, totally incapacitated, or incapable of carrying out the duties as University President.

iv. The parties may mutually agree in writing to terminate this Agreement at any time for reasons satisfactory to both parties. In such event, the terms and conditions associated with such early termination will be set out via mutual agreement between the parties.

14. Reassignment of Duties. Notwithstanding anything in Section 13 of this Agreement, the Board may, upon majority vote of the Board, reassign Dr. Green to an academic or administrative post on the University's campus. If Dr. Green is reassigned under this Section, Dr. Green shall remain until the expiration or termination of the Initial Term, or any subsequent renewal term, in full-time employment at a salary level equal to the remaining salary otherwise due under this Agreement but with such duties and responsibilities as may reasonably be assigned by the Board. If Dr. Green objects to any proposed reassignment under the terms of this provision, this Agreement shall be deemed Terminated without Cause and Section 13.2.1 shall control.

15. **Board Policy; Board Regulations.** Reference in this Agreement to Board Policy or Board Regulations shall be deemed to include and incorporate any amendments, modifications or replacements that may be enacted from time to time.

16. **Notice.** Any notice required to be given under this Agreement shall be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt), (b) received by the addressee, if sent by certified mail, return receipt requested, or (c) received by the addressee, if sent by a nationally recognized overnight delivery service as follows:

<u>If to the University (or the Board):</u>

Chief of Administrative Operations and Liaison to the Board of Trustees
Governors State University
1 University Parkway
University Park, IL 60484

<u>If to Dr. Green:</u>

Office of the President
Governors State University
1 University Parkway
University Park, IL 60484

With a copy to: President's address
on file with the University.

17. **Entire Agreement; Modification**. This Agreement constitutes the entire understanding of the parties hereto and supersedes any and all prior or contemporaneous representations of agreements, whether written or oral, between the parties, and cannot be changed or modified unless in writing signed by the parties hereto. This Agreement may be executed in counterparts.

18. **Severability.** The terms of this Agreement are severable such that if any term or provision is declared by a court of competent jurisdiction to be illegal, void, or otherwise unenforceable in whole or in part, the remainder of the provisions shall continue to be valid and enforceable.

19. **Governing Law: Forum**. This Agreement shall be interpreted and construed in accordance with the laws of the State of Illinois which shall be the forum for any lawsuit arising from or incident to this Agreement.

20. **Waiver.** No delay or failure to enforce any provision of this Agreement shall constitute a waiver or limitation of rights enforceable under this Agreement.

21. **Non-Assignable.** This Agreement is not assignable but shall be binding upon the heirs, administrators, personal representatives, successors, and assigns of both parties.

Signature Page Follows

IN WITNESS WHEREOF, Dr. Cheryl Green and the authorized representative of the Board of Trustees of Governors State University have executed this Agreement on this 20th day of May 2020.

The Board of Trustees of Governors State University:

Lisa Harrell

Lisa Harrell, Chairwoman

Governors State University

Cheryl Green, Ph.D.:

Cheryl Green, PhD

Cheryl Green, Ph.D.

Exhibit A
JOB DESCRIPTION OF
PRESIDENT

1. Provide leadership to the university community by assisting to identify and solidify its mission. Articulate that mission and engage the university in its successful implementation while keeping central and balanced the needs of students and the institutional integrity of the faculty.

2. Identify functions appropriate to implementing the mission within university administration, assign those to various job categories and hire appropriate people to fill those positions. Assess those people effectively and encourage them to succeed in promoting their dimension of the mission implementation.

3. Work with the Board to assist in its pursuit of its mission and effective execution of its duties.

4. Perform such activities as are necessary to meet the external expectations for the university including working with the Illinois Board of Higher Education, marketing the university, working with the community, the alumni and various organizations with which the university must interface for the achievement of its goals.

5. Provide leadership and direction as well as engagement in securing resources for the university through work with the Illinois General Assembly and Executive Branch on the budget process. Secure resources through fundraising from other government entities, private foundations, individuals, and other pursuits as identified and implemented within the activities of the Foundation Board.

6. Perform such other activities relating to student services, faculty and the fiscal management of the University as are directed by the Board.

Exhibit B
[To be determined by September 1, 2020]

Compensation Worksheet for GSU President

December 14, 2020

Total Compensation: Base plus max discretionary metrics

Base – not at risk – flat	$262,000
Deferred Compensation – not at risk (SERP – part of base)	$10,000
Performance max – at risk* (15% of base)	$40,800
TOTAL (assumes 100% of elements met)	**$312,800**

**15% of base salary subject to successful attainment of metrics in four separate areas. Each one 25% of the 15% (or 3.75% of the base). All or nothing is awarded. Either each metric is achieved for full payout for that metric, or it is not, and nothing is awarded for that metric. Each metric has an annual target for the first three years of initial contract period.*

METRIC: Compliance Risk Management
Measured Quarterly

YEAR 1	1. **Measure Compliance Awareness:** Develop and conduct an initial, campus-wide Compliance Survey to be used as the baseline for future years to measure progress using an agreed-upon methodology. 2. **Compliance Organizational Structure:** Develop, adopt and implement an organizational structure for Compliance Risk Management function, including: (i) accessibility to President and BOT consistent with industry standards; and (ii) engagement by each University functional area. 3. **Communications Plan:** Develop, adopt and employ a robust compliance communications plan, including: o an employee Code of Ethics, including a compliance reporting requirement and non-retaliation policy; o an anonymous reporting tool/hotline; and o new compliance initiatives. 2. **Training:** Develop, adopt and implement a two-pronged employee training program designed to: o Meet all legal/regulatory/accreditation requirements (e.g., mandatory Illinois Ethics training) with minimum of 90% employee completion rate; and

	o Enhance compliance in two priority risk areas via training with minimum of 90% completion rate by applicable employees, at least one of which shall satisfy the training requirement outlined in 9/20/2019 letter by Burke Burns & Pinelli, Ltd (re OEIG Case No. 17-01703). 3. **Policies/Procedures:** Develop, adopt and effectively communicate to campus community at least three (3) new and/or revised policies, including effectively monitoring legislative and regulatory developments to identify new legal requirements. Two of such policies shall be those referenced in the 9/20/2019 letter by Burke Burns & Pinelli, Ltd (re OEIG Case No. 17-01703) report, regarding (i) time recording and (ii) effective and transparent termination procedures. 4. **Improve:** Develop, adopt and implement corrective action plan to return to unrestricted participation in Title IV programs within six (6) years.
YEAR 2	1. **Measure Compliance Awareness:** Begin measuring and tracking ethics and compliance complaints by employees to serve as baseline for comparison of future performance. 2. **Assess Effectiveness:** Repeat campus-wide Compliance Survey to measure progress against baseline using an agreed-upon methodology. 3. **Training:** Continue to develop, adopt and implement a two-pronged employee training program designed to: o Meet all legal/regulatory/accreditation requirements (e.g., mandatory Illinois Ethics training) with minimum of 92% employee completion rate; and o Enhance compliance in two risk areas (identified as a result of current University risk assessment) via training with minimum of 92% completion rate by applicable employees. 4. **Policies/Procedures:** Continue to develop, adopt and effectively communicate to campus community at least three (3) revised policies (identified as a result of current University risk assessment), including effectively monitoring legislative and regulatory developments to identify new legal requirements. 5. **Plan:** Develop and adopt a two-year Compliance Risk Mitigation Plan, including (i) identifying the applicable laws/regulations/policies applicable to University (i.e., the "risk universe"); (ii) identifying risks to be prioritized via survey instrument or other methodology; (iii) assigning primary "ownership" of each risk; and (iv) identifying action plan for prioritized risks. 6. **Improve:** Monitor and ensure measurable progress towards implementing action plan to obtain and/or maintain full participation in Title IV programs.
YEAR 3	1. **Assess:** Continue to track ethics and compliance complaints by employees to measure progress against baseline using an agreed-upon methodology.

	2. **Measure Compliance Awareness:** Repeat campus-wide Compliance Survey to measure progress against baseline using an agreed-upon methodology. 3. **Training:** Continue to develop, adopt and implement a two-pronged employee training program designed to: o Meet all legal/regulatory/accreditation requirements (e.g., mandatory Illinois Ethics training) with minimum of 95% employee completion rate; and o Enhance compliance in two identified risk areas (identified as a result of current risk assessment) via training with minimum of 95% completion rate by applicable employees. 4. **Policies/Procedures:** Continue to develop, adopt and effectively communicate to campus community at least three (3) new and/or revised policies (identified as a result of current risk assessment), including effectively monitoring legislative and regulatory developments to identify new legal requirements. 5. **Assess:** Measure performance based on agreed-upon methodology in executing two-year Compliance Risk Mitigation Plan. 6. **Improve:** Monitor and ensure measurable progress towards implementing action plan to obtain and/or maintain full participation in Title IV programs.
TOTAL 3.75% of Base	$10,200

METRIC: Fundraising and Other sources of Revenue*
Measured Quarterly

YEAR 1	Results of academic year 2020-2021 fundraising will determine baseline for future years.
YEAR 2	10% increase in **NUMBER** of alumni giving (regardless of amount) 5% increase in **NUMBER** of new (non-alumni) donors, 5% increase of gross revenues from OTFA over year 1.
YEAR 3	10% increase of alumni **DOLLAR AMOUNT** giving from year one 5% increase of **DOLLAR AMOUNT** from donors (non-alumni) from year one, and non-cumulative 5% increase of OTFA gross revenue over year 2.
TOTAL 3.75% of Base	$10,200

* Includes endowments, estates, grants (local, state and federal), private institutions/foundations and from sources Other than Tuition, Fees and Appropriations (OTFA)

METRIC: Economic Impact

Measured with Biannual Economic Impact Study

YEAR 1	Study and identify Key Performance Indicators (KPIs). Coordinate with BOT HR Committee to identify and concur on indicators. SEE NOTE
YEAR 2	Development of short-term AND long-term plan, using identified KPIs to improve economic impact, including use of the following mechanisms: a. Institutional Strategic Plan b. President's Vision and Strategic Plan c. Strategic Enrollment Plan (SEP) Implementation
YEAR 3**	Demonstrable progress in outreach/engagement as outlined in each plan. a. Number of external partnerships increased by 5% and strengthened b. University visibility increased by marketing, public relations. Need to furnish examples of success.
<u>TOTAL</u> 3.75% of Base	$10,200

NOTE: Scale of Economic Impact to be agreed upon by BOT in advance. Strong probability towards starting locally, such as the Chicago Southland (with geographic boundaries established).

***As reference, GSU completed an Economic Impact estimate in 2016 and found an impact of roughly $247.7 Million. Progress will be quantified against this baseline using agreed-upon methodology.*

METRIC: Other Ranking Factors
Measured Quarterly

YEAR 1	Develop and present a plan to enhance the reputation of Governors State University – begin implementing plan.
YEAR 2	Advance plan. Furnish examples of success.
YEAR 3 (See NOTE)	Make list of top 150 universities in the Midwest as rated in national publication known for establishing such rankings: US News & World Report, Niche.com, Princeton Review, Forbes, Times HigherEd/Wall Street Journal, etc.
<u>TOTAL</u> 3.75% of Base	$10,200

GSU's president will be partially evaluated using the following as the fourth metric:

- <u>Outcomes</u>: (35%) Graduation/Retention rates of students, graduation rate increase, social mobility (job placement) opportunities afforded to graduates.
- <u>Faculty Resources:</u> (15%) Appropriate percent of full-time faculty vs. part-time/adjunct faculty will be managed, student/faculty ratio will remain optimal for instructional goals and objectives per discipline, newly hired faculty will have competitive salaries for peer institutions, faculty development resources will be enhanced or expanded.
- <u>Staff Development:</u> (15%) Development of a staff training program array for professional development, personal enrichment and staff retention.
- <u>University/Faculty Academic Engagement:</u> (15%) Promote faculty expertise with peer institutions, improving the visibility and integrity of GSU personnel as experts in current events or Higher Education practices.
- <u>Financial Resources:</u> (10%) Per student spending. [No deterioration of levels of expenditures as a ratio of overall state appropriations]
- <u>Student Excellence:</u> (10%) Quality of students at time of admission to GSU. Class rank, average incoming GPA, average entry test scores where required by programs, faculty/student research activities.

NOTE: Regarding year 3 goal of metric, it is noted that top ranking is based on those institutions that have elected to be included in the ranking system(s), and not all colleges and universities in the region, some of whom do not participate in ranking surveys.