

Senate Reference No. 18-15

Date: September 21, 2018

To: Faculty Senate

From: Executive Committee

In March 2018 a resolution was passed in the senate requesting disclosure of the Chancellor's compensation package. A copy of the agreement is attached.

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OFFICE OF THE PRESIDENT

September 20, 2017

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Via electronic delivery

Ronald Elsenbaumer, Ph.D.
Senior Advisor to the President
University of Texas at Arlington

Dear Ron,

I am very pleased to offer you the position of Chancellor at Purdue University Fort Wayne. I know I am joined by the Board of Trustees in welcoming the talent and experience you will bring to this position, so crucial to PFW's success and that of the Purdue system.

We propose an official start date at PFW of November 1, 2017, but would encourage you to visit campus as often as is practical over the next six weeks, working with current Chancellor Vicky Carwein on the transition. Undoubtedly, you will receive a warm welcome by PFW's faculty, staff and students, and having their new chancellor on board in the fall term will be a meaningful step in the campus' forward progress.

The compensation package we are offering is in excess of \$370,000, comprising the following elements. Your maximum potential base salary will be \$315,000, of which \$40,000 will be "at risk," contingent upon the degree to which you meet performance criteria to be agreed on mutually (a list of possible metrics is attached). You will receive an annual housing allowance in the amount of \$20,000, as well as a monthly car allowance of \$770. A one-time relocation reimbursement of \$15,000 will also be provided to assist with any expenses you incur in relocating to Fort Wayne, or the surrounding area.

In addition to your annual salary, you will participate in Purdue University's 403(b) Defined Contribution Plan, through which the university will contribute 10% of your base salary (up to the IRS limit of \$270,000), with effect on your start date. Purdue requires that you contribute 4% of your salary to a 401(a) Mandatory Employee Contribution Plan, also with effect on your start date. You will also be eligible to contribute to a 403(b) Voluntary Retirement Savings Plan and a 457(b) Voluntary Retirement Savings Plan. The IRS stipulates an annual maximum of \$18,000 for each plan; if you are over the age of 50, you can contribute an additional \$6,000 to each. These plans, as well as the many other benefits to which you will be entitled (institutionally subsidized health and dental coverage, life insurance, paid leave time, university holidays, etc.), are described on the Purdue University benefits website, www.purdue.edu/hr/benefits; and on the PFW benefits website, <https://www.ipfw.edu/offices/hr-oie/benefits>.

Contingent upon the endorsement of the faculty of the Department of Chemistry within Purdue Fort Wayne's College of Arts and Sciences, you will be granted the rank of tenured full professor, with all the rights and privileges associated with that status. Your appointment as Chancellor will be a full-time administrative position, carrying no expectations for research or

teaching. Should you return to full-time faculty status your appointment will be converted to an academic year term, with pay established at 80% of your base salary at the time; the housing and car allowances would no longer apply.

All offers of employment at Purdue are contingent upon the result of a background check. Also, and as required by federal law, you will need to provide proof of your identity and legal authorization to work in the United States. Purdue Fort Wayne's Human Resources Operations Manager, Dimples Smith, will contact you shortly to discuss this and other needs as you get underway.

As Chancellor of Purdue Fort Wayne, you will report to and serve at the pleasure of Purdue's president. The university's bylaws require that the appointment of a chancellor by the president be ratified by the Board of Trustees. I anticipate that a formal vote on your appointment will be taken at the next meeting of the Board of Trustees on October 13, 2017.

If you agree to the terms of this offer letter, please sign below and return the original to me.

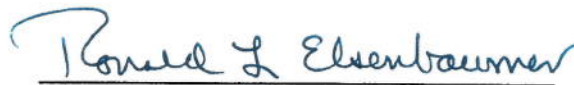
I am extremely pleased with the prospect of you joining the university's leadership as PFW's new chancellor and at the prospect of welcoming you back to Purdue. I am confident that you will be successful and will make important contributions to PFW's success in its new era and to the Northeast Indiana region.

Sincerely,



Mitchell E. Daniels, Jr.
President

Accepted:



Ronald Elsenbaumer, Ph.D.