



KCTCS System President Market Analysis Report

February 22, 2016

Presented by:

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Table of Contents

Executive Summary..... 3
 Introduction 4
 About Hanna Resource Group 4
 About KCTCS..... 5
Market Analysis..... 6
Findings 13

Executive Summary

In 2015, Hanna Resource Group (HRG) was asked to conduct a compensation market analysis on the KCTCS System President position to ensure base salary and total pay were competitive in the marketplace.

Extensive research was conducted on the System President position using survey sources such as the College and University Professional Association of Human Resources (CUPA-HR), The Chronicle of Higher Education, Buck Consultants, Dolan Technologies, Kenexa IBM, ERI, AACC, and phone calls to individual college systems across the country.

After much research, HRG decided to use the following data cuts:

- Individual benchmark institution list created by the KCTCS System Office Staff
- The Chronicle of Higher Education
- Four CUPA-HR scope cuts – FTE, Operating Expense, Student FTE, all Associates degreed colleges
 - Kentucky public higher educational institutions

The results show that Dr. Box's base salary is competitive at \$345K versus \$347K in the market, as well as his total compensation of \$375K versus \$358K in the market.

Introduction

About Hanna Resource Group

Hanna Resource Group is a national frontrunner in the Human Resource Consulting industry. Our staff is highly credentialed and is committed to enhancing the value of the people driving a business. We stay abreast of current laws, legislation, economic climate, and strategies to ensure a company is fit and is challenging employees to perform to their full potential.

HRG knows that education opens the door for future leaders, innovators, and change-makers, so we are committed to ensuring that educational institutions at all levels receive the support and guidance they need to function at their optimal level. Our team has over two decades of experience leading projects to benefit institutions of higher education including Kentucky Community and Technical College System, the University of Kentucky, Eastern Kentucky University, and Kaplan, Inc., whose locations across the globe serve hundreds of thousands of students at any given time.

Lyle Hanna, SPHR, SHRM-SCP

Prior to forming HRG, which focuses on innovative business and human resource strategy, Lyle was Managing Director for the Compensation, Benefits & Retirement Group division offices of Palmer & Cay in Kentucky, Tennessee and North Carolina. Lyle served as a Principal and Global Business Development Consultant in the Louisville office of William M. Mercer, Inc. He is also the former Director of Human Resources for Jerrico, Inc. Before that, Lyle worked for Texas Instruments for nine years, four of which he served as a Manager on the Corporate Human Resources staff and was responsible for all EEO and Affirmative Action. Lyle is the founder of Best Places to Work in Kentucky. He works with organizations to align goals, build stronger culture and improve results.

Lyle is a graduate of the College of Wooster with a B.A. in Urban Studies (Economics / Political Science). In 1992 he achieved lifetime certification as a Senior Professional in Human Resources (SPHR).

Kurt Kessler, LSSBB

Kurt is a consultant with 28 years of experience in Human Resources and Operational Excellence. Before consulting with the Hanna Resource Group, he worked for Lexmark International for 17 years in various roles.

While in Lexmark HR, he worked in executive compensation, stock options administration, succession planning, and systems strategy. While at Lexmark in Operational Excellence, he worked as a Lean Six Sigma Black Belt for 9 years consulting with executives on process design and mentoring project managers. He also worked for 5 years for Nationwide Insurance overseeing compensation recommendations, managing HRIM systems, consulting in the mergers and acquisitions of insurance companies, and managing the HR operating budget.

He is a former global resource for William M. Mercer. In this capacity, he provided technical and analytical support to the compensation consulting practice as well as software development. He also enjoys Kaggle competitions using data science to solve real world problems. His areas of expertise include compensation planning, systems development, data science, Lean Six Sigma / process design, and statistical analysis.

Kurt is a graduate of the University of Louisville (Finance), Eastern Kentucky University (Economics), and Sullivan University (Computer Science).

About KCTCS

Kentucky Community and Technical College System has 16 colleges and over 70 campuses across the state, providing first-rate, affordable, post-secondary education to thousands of students, wherever they may be. The focus on providing students with a variety of valuable and relevant course offerings is echoed in the Vision, Mission, and Values.

KCTCS Partners

KCTCS Leadership was provided by:

- Wendell Followell – Vice President
- Jackie Cecil – System Director of Human Resources

Market Analysis

As part of the comprehensive compensation review, HRG conducted a market analysis of the position of the KCTCS President.

- Scope
 - Survey sources investigated were College and University Professional Association of Human Resources (CUPA-HR), The Chronicle of Higher Education, Buck Consultants, Dolan Technologies, Kenexa IBM, ERI, AACC, and phone calls to individual college systems' across the country.
 - Data cuts were made on the following:
 - Individual institution list created by the KCTCS System Office Staff
 - The Chronicle of Higher Education
 - Four CUPA-HR scope cuts – FTE, Operating Expense, Student FTE, all Associate Degree colleges
 - Kentucky's public higher educational institutions
 - Results
 - Data for the president of a community college system is difficult to obtain because the number of similar institutions is limited.
 - The market composite of base salary is \$347,254 with a total compensation of \$357,981.
 - Dr. Jay Box's salary is \$345,000 with a total compensation of \$375,000.

Summary of Findings: The Chronicle of Higher Education – Comparable Community College System Leaders

Compared against KCTCS		<u>Survey Source</u>	<u>2015 Base</u>	<u>2015 Total Comp</u>	<u>2016 Base</u>	<u>2016 Total Comp</u>
University of Wisconsin System	Raymond Cross	Chronicle of Higher Ed	\$525,000	\$525,000	\$546,210	\$546,210
University of Nebraska System Office	James Milliken	Chronicle of Higher Ed	\$381,164	\$504,457	\$396,563	\$524,837
Alamo Community College District	Bruce Leslie	Chronicle of Higher Ed	\$369,229	\$429,229	\$384,146	\$446,570
California State University System	Timothy White	Chronicle of Higher Ed	\$410,000	\$410,000	\$426,564	\$426,564
Maricopa County Community College District	Rufus Glasper	Chronicle of Higher Ed	\$273,508	\$273,508	\$284,558	\$284,558
University of Hawaii System	David Lassner	Chronicle of Higher Ed	\$270,840	\$270,840	\$281,782	\$281,782
Average			\$371,624	\$402,172	\$386,637	\$418,420

** Ordered by Base Salary (descending order)

Summary of Findings: Office of Research and Policy Analysis Institution Benchmark

<u>ORPA Institution Identified by KCTCS System Office</u>	<u>President</u>	<u>Survey Source</u>	<u>2015 Base</u>	<u>2015 Total Comp</u>	<u>2016 Base</u>	<u>2016 Total Comp</u>
Alabama Community College System	Mark Heinrich	Chronicle of Higher Ed	\$250,000	\$250,000	\$260,100	\$260,100
Alamo Community College District	Bruce Leslie	Chronicle of Higher Ed	\$369,229	\$429,229	\$384,146	\$446,570
California Community College System	Brice Harris	Chronicle of Higher Ed	\$204,456	\$204,456	\$216,970	\$216,970
Colorado Community College System	Nancy McCallin	Chronicle of Higher Ed	\$321,458	\$321,458	\$334,445	\$334,445
Connecticut State Colleges and Universities	Gregory Grey	Chronicle of Higher Ed	\$380,000	\$380,000	\$403,259	\$403,259
Illinois Community College System	Karen Hunter Anderson	Chronicle of Higher Ed	\$165,000	\$165,000	\$171,666	\$171,666
Ivy Tech Community College of Indiana-Central Office	Tom Snyder	From HRG call	\$357,500	NA	\$357,500	NA
Maine Community College System	John Fitzsimmons	Chronicle of Higher Ed	\$173,535	\$173,535	\$180,546	\$180,546
Maricopa County Community College District	Rufus Gasper	Chronicle of Higher Ed	\$273,508	\$273,508	\$284,558	\$284,558
Minnesota State Colleges and Universities System	Steven Rosenstone	Chronicle of Higher Ed	\$380,406	\$380,406	\$395,774	\$395,774
Montana University System Office	Clayton Christian	Chronicle of Higher Ed	\$294,538	\$294,538	\$306,437	\$306,437
North Carolina Community College System	Robert Ralls	Chronicle of Higher Ed	\$286,954	\$286,954	\$298,547	\$298,547
Ohio Association of Community Colleges		From HRG call	\$173,815		\$173,815	
Virginia Community College System	David Glenn DuBois	Chronicle of Higher Ed	\$373,503	\$491,380	\$388,593	\$511,232
West Virginia Community and Technical College System	James Skidmore	Chronicle of Higher Ed	\$175,504	\$175,504	\$182,594	\$182,594
Wisconsin Technical College System	Morna Foy	Chronicle of Higher Ed	\$166,169	\$166,169	\$172,882	\$172,882
Average			\$271,598	\$285,153	\$281,990	\$297,541

Alpha Order by Institute

NA – Not available

Summary of Findings: CUPA-HR Benchmark from 4 different cuts of the CUPA data

<u>CUPA-HR Scope (4)</u>	<u>Number of Colleges Meeting Scope</u>	<u>Number of Colleges Reporting Position</u>	<u>25%ile</u>	<u>Average</u>	<u>Median</u>	<u>75%ile</u>
Operating Expense > \$250M, Associate Degrees (schools listed below)	18	14	\$301,629	\$337,181	\$345,211	\$382,831
FTE 1K-15K, Associate Degrees (schools listed below)	13	9	\$316,084	\$353,113	\$368,040	\$398,831
Student FTE > 40K, Associate Degrees (schools listed below)	8	7	\$345,211	\$362,202	\$368,040	\$391,380
Associate Degrees	1,280	23	\$246,371	\$303,534	\$307,038	\$364,015
Average			\$302,324	\$339,008	\$347,082	\$384,264

Participants in Operating Expense Greater Than \$250M

Alamo Colleges	Houston Community College	Minnesota State Colleges and Universities Two-Year Faculty Survey System Summary
Austin Community College	Kentucky Community and Technical College System Office	Montgomery College
Broward College	Lone Star College System	Portland Community College
City Colleges of Chicago	Los Angeles Community College District Office	Tarrant County College District
Colorado Community College System	Maricopa County Community College District System Summary	Virginia Community College System Office
Cuyahoga Community College	Miami Dade College	
Dallas County Community College District System Summary		

Participants FTE 1K – 15K

Austin Community College	Lone Star College System	Minnesota State Colleges and Universities Two-Year Faculty Survey System Summary
Central Piedmont Community College	Los Angeles Community College District Office	Montgomery College
City Colleges of Chicago	Maricopa County Community College District System Summary	Tarrant County College District
Dallas County Community College District System Summary	Miami Dade College	Virginia Community College System Office
Kentucky Community and Technical College System Office		

Participants Student FTE Greater Than 40K

Colorado Community College
System
Kentucky Community and
Technical College System
Office
Lone Star College System

Los Angeles Community
College District Office
Maricopa County Community
College District System
Summary
Miami Dade College

Minnesota State Colleges
and Universities Two-Year
Faculty Survey System
Summary
Virginia Community College
System Office

Summary of Findings: Kentucky Public Higher Education Institutions

<u>KY Institution</u>	<u>Name</u>	<u>Base Salary*</u>	<u>Notes</u>
EKU	Michael Benson	\$400,000	
KSU	Raymond Burse	\$259,745	Gave up \$90K in salary to min wage workers
Morehead	Wayne Andrews	\$344,728	
Murray State	Robert Davies	\$303,125	
NKU	Geoff Mearns	\$355,250	\$380,250 - Reported by the Courier-Journal
UK	Eli Capilouto	\$535,500	
UL	James Ramsey	\$360,283	\$624,000 - Reported by the Courier-Journal
WKU	Gary Ransdell	\$427,824	
	Average	\$373,307	

*Reported by the respective university

Summary of Findings from 4 surveys described above: Overall Market Composite

	<u>Base Salary</u>	<u>Total Comp</u>
Chronicle of Higher Education Page 8	\$386,637	\$418,420
OPRA Scope Page 9	\$281,990	\$297,541
CUPA-HR Scope (4) Page 10	\$347,082	NA
KY Institutions Page 11	\$373,307	NA
Average	\$347,254	\$357,981

NA-Not Available

Findings

The information presented is from The Chronicle of Higher Education.

- “The Chronicle's algorithm for determining "similar institutions" uses factors such as Carnegie classification, endowment value, total expenditures, percent of expenditures spent on instruction, admissions rate, and religious affiliation, as well as enrollment, percent of graduate students, percent of undergraduates who are 25 or older, percent of Pell Grant recipients, and median SAT score.” The Chronicle’s algorithm does not look at colleges vs universities.
- All data has been aged to 2016 using 2% annually.