

***The Contract and Evaluation:  
The Board/CEO Partnership for Student Success***

**Community College League of California  
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## **Typical CEO Contract Components for Public Community Colleges**

**Note:** There are generally not standard CEO contracts. This guide should not be seen as legally valid without the review by the Board's Counsel. The following items are merely meant to provide some of the often seen components of a community college CEO contract.

**TERM:** The length of the contract. The contract should be explicit as to the day it begins and the day it ends. This is important for a variety of reasons including the Accrediting Commission's requirement that a college have a President to remain accredited. Different state laws may limit the number of years of a CEO contract.

**SALARY:** The amount of money the CEO is to be compensation during the length of the contract. This is generally shown as the annual amount, and any planned changes in subsequent years are specified.

**FRINGE BENEFITS:** This section details the contractual agreements for things such as:

- Health insurance
- Dental insurance
- Vision insurance
- Life insurance
- Vacation
- Sick leave
- Other fringe benefits

**EVALUATION:** It is generally a good idea from the perspective of both the CEO and the Board to specify the process for evaluation of the CEO. There are a variety of ways of addressing this issue, but a good Board/CEO relationship is based on a clear understanding of both parties of the process for determining the success or failure of the new CEO.

**TERMINATION OF EMPLOYMENT RELATIONSHIP:** Legal counsel for both the Board and CEO should structure this section so there is a clear understanding of the basis on which the CEO may be terminated. Reference to the CA code sections that govern termination should also be included.

**SPECIAL ROLES OF THE CEO:** CEO contracts often contain information on the authority of the CEO related to things such as serving as Board secretary and hiring authority.

**OTHER POSSIBLE COMPONENTS:** If the Board and/or CEO have additional expectations not normally included in a contract, those should be included. Some of those items could include:

- the ability of the CEO to do work outside the contract
- performance-based compensation
- expectations about the CEO using his/her home for entertainment
- succession in case of emergency

**GOVERNING LAW:** CEO contracts generally make reference to the laws of the state that govern employment contracts, any additional state higher education governing board policies, and the policies and regulations of the employing college or district.

**SIGNATURE BLOCKS:** The Board Chair and CEO both sign and date the document.