

## Memorandum

**To:** 2016 Council

**From:** James Cusick, MD, FACEP  
Speaker

John McManus, MD, FACEP  
Vice Speaker

**Date:** September 13, 2016

**Subj:** Compensation Committee Report

The attached Compensation Committee recommendations will be discussed by the Board of Directors at their October 13, 2016, meeting. The Council will be informed if the Board does not adopt the recommendations as proposed.

This report has been assigned to Reference Committee A for comments

### HEADQUARTERS

Post Office Box 619911  
Dallas, Texas 75261-9911

4950 W. Royal Lane  
Irving, Texas 75063-2524

972-550-0911  
800-798-1822  
972-580-2816 (FAX)  
www.acep.org

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### EXECUTIVE DIRECTOR

Dean Wilkerson, JD, MBA, CAE

## Memorandum

**To:** Board of Directors  
Council Officers

**From:** John Skiendzielewski, MD, FACEP  
Chair, Compensation Committee

**Date:** September 30, 2016

**Subj:** Board and Officer Stipends for 2016-17

### Recommendations

1. That the Global Stipend Pool remain at the current level of \$474,072 for the Board/officer term of 2016-17.
2. That the current 2015-16 stipends continue for the 2016-17 year.
3. That the existing Relative Service Unit (RSU) for each position remain unchanged.

### Background

The Compensation Committee's primary objective is to establish stipends for Board members, Board officers, and the Council officers for the Board/officer 2015-16 term. The committee's recommendation is to continue the current levels of stipends because there has not been a change in the CPI.

RSUs are unchanged from those used last year. Those RSUs were developed based on historic valuation for each position. RSUs used for the 2016-17 recommendations are:

Chair	3.23
President	13.42
President Elect	9.76
Immediate Past President	3.23
Vice President	3.23
Secretary – Treasurer	3.23
Council Speaker	3.23
Council Vice Speaker	1.67
Non-officer Board member	1.00

Should the Board disagree with the committee's recommendations; the committee will consider such feedback with the understanding that the global budget for stipends will remain constant. If the committee agrees with modifications suggested by the Board, RSU changes will be communicated to the Board no later than the second Board meeting at ACEP15. However, consistent with College Bylaws, the committee reserves the right to disregard a Board recommendation for revision. The Board would then have the right to not accept the committee recommendation and appeal directly to the Council.

The committee has an additional objective in 2016-17 to survey the Board and Council officers regarding their time commitment to ACEP and review the RSUs based on the survey results. The survey has not been updated and distributed in many years. The RSU methodology was established in 2010.

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The basis for this committee resides in the ACEP Bylaws, Article XI – Committees, Section 7 – Compensation Committee, which states:

“College officers and members of the Board of Directors may be compensated, the amount and manner of which shall be determined annually by the Compensation Committee. This committee shall be composed of the chair of the Finance Committee plus four members of the College who are currently neither officers nor members of the Board of Directors. The Compensation Committee chair, the Finance Committee chair, plus one other member shall be presidential appointments and two members shall be appointed by the speaker. Members of this committee shall be appointed to staggered terms of not less than two (2) years.

The recommendations of this committee shall be submitted annually for review by the Board of Directors and, if accepted, shall be reported to the Council at the next annual meeting. The recommendations may be rejected by a three-quarters vote of the entire Board of Directors, in which event the Board must determine the compensation or request that the committee reconsider. In the event the Board of Directors chooses to reject the recommendations of the Compensation Committee and determine the compensation, the proposed change shall not take effect unless ratified by a majority of councillors voting at the next annual meeting. If the Council does not ratify the Board’s proposed compensation, the Compensation Committee’s recommendation will then take effect.”

### **Fiscal Impact**

The FY 16-17 budget includes funds for stipends at the current amounts. The total for a full twelve months of these proposed stipends is \$474,072 for the current number of Board members and officers. Should the number of Board members change by one because of the elections at ACEP16, the total would increase/decrease by the dollar amount of one RSU.

### **Prior Board Action**

October 2015, accepted the committee’s recommendations to: 1) maintain the Global Stipend Pool at the current level of \$460,692 for the Board/ officer term of 2015-16; 2) continue the current 2014-15 stipends for the 2016-17 year; and 3) maintain the existing Relative Service Unit (RSU) for each position.

October 2014, accepted the committee’s recommendations to: 1) increase the Global Stipend Pool by \$6,808; 2) apply the entire CPI increase in the Global Stipend Pool to the Chair’s stipend if the Chair is a non-officer Board member in order to continue achieving parity with stipends for the Immediate Past President, Vice President and Secretary-Treasurer; 3) apply an additional amount to the Chair’s stipend to achieve the desired parity position; and 4) maintain the existing Relative Service Unit (RSU) for each position.

October 2013, accepted the committee’s recommendations to: 1) increase the Global Stipend Pool by \$5,382; 2) apply the entire increase in the Global Stipend Pool to the Chair’s stipend if the Chair is a non-officer Board member; 3) apply an additional amount to the Chair’s stipend in order to achieve the desired parity position; and 4) maintain the existing RSU for each position.

October 2012, accepted the committee's recommendations to: 1) increase the Global Stipend Pool by \$8,233; 2) bring the Chair's stipend to parity with the stipends for the IPP/VP/ST/Council Speaker without decreasing current stipends for other Board members or Council officer; 3) apply the entire increase in the Global Stipend Pool to the Chair's stipend; and 4) that an officer also serving as Chair will have the additional stipend for chair capped at 50% of the non-officer Board member as chair.

October 2011, accepted the committee's recommendation to increase the stipend pool by \$13,238 and that the Relative Service Value for each position remain unchanged.

June 2010, accepted the committee's recommendation to increase only the President's stipend to \$120,791.

January 2010, approved the committee's recommendation to use a methodology based on the Relative Service Value of each Board and officer position to determine stipends.

April 2009, accepted the committee's recommendation to maintain the current stipends.

June 2008, accepted the committee's recommendation to maintain the current stipends.

June 2007, accepted the committee's recommendation to maintain the current stipends.

September 2006, accepted the committee's recommendation to set a specific stipend for the Chair, to increase stipends for Council Speaker and Vice Speaker, and to keep other stipends at their current levels.

April 2005, accepted the committee's recommendation for all stipends for FY 05-06 except the stipend for the President-elect. The Board established the President-elect's stipend at \$87,840.

June 2004, accepted the committee's recommendation that officer stipends for FY 04-05 be increased by approximately 12% effective at the conclusion of the October 14, 2004 Board meeting.

September 2003, accepted the committee's recommendation that stipends for non-officer Board members be discontinued effective at the conclusion of the October 15, 2003 Board of Directors meeting.

February 2002, accepted the committee's recommendation for non-officer Board members to receive an annual stipend of \$7,500 beginning July 1, 2002.

September 2001, accepted an annual stipend for the immediate past president equal to that of the vice president effective October 2001.

January 2000, approved a budget modification to adjust the stipend levels for Board officers and Council officers as recommended by the Compensation Committee and approved by the Finance Committee.