THE STATE UNIVERSITY OF NEW JERSEY
RUTGERS

Chair
Board of Governors

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April 4, 2012

Dr. Robert L. Barchi
712 Pine Street
Philadelphia, PA 19106

Dear Dr. Barchi:

APPOINTMENT AND TERM: The Board of Governors of Rutgers, the State University of New Jersey is delighted that you have agreed to serve as the 20th President of Rutgers. This appointment letter sets forth the agreements, understandings, expectations, rights and obligations between you and Rutgers regarding your employment as President. Your appointment as President of the Corporation (Rutgers, the State University) and of the University commences on September 1, 2012. You hold office indefinitely at the pleasure of the Board of Governors.

ACADEMIC RANK: You are a University Professor and Professor II with academic tenure and, therefore, shall be subject to the same University rules and protections applicable to other tenured members of the faculty.

AUTHORITY AND DUTIES: As President, you shall serve as the chief academic and administrative officer of the University as provided in the Charter and in the By-Laws of the Board of Governors and you are clothed with corresponding authority. You shall report directly to the Board of Governors and you are responsible to the Board of Governors and the Board of Trustees for the conduct of the University in accordance with law and the policies of both boards. You shall serve as a non-voting ex officio member of the Board of Governors and the Board of Trustees.

You shall perform the duties incident to the presidency including, without limitation, the duties set forth in the provisions of the Rutgers, the State University law, the by-laws of the Board of Governors and the Board of Trustees, the regulations of the Board of Governors, and other actions of the Board of Governors or the Board of Trustees, it being understood that these duties shall be limited to those duties customarily performed by presidents of public members of the Association of American Universities ("AAU"). Subject to provisions below regarding your public responsibilities and outside activities, you shall devote your full business time, attention, skill and efforts to the faithful performance of your duties as President.

PRESIDENTIAL BUDGET: The University shall provide funds to enable the President to undertake professional activities and special initiatives and to entertain for University related activities consistent with the office of President. The specific amount of these funds shall be adjusted annually based upon budgetary considerations and the specific nature of your presidential activities. The University also shall provide funds for your spouse to accompany you on University-related business trips.

SALARY: You shall be paid as President a base annual salary of $650,000 to be paid bi-weekly in accordance with the University's regular payroll practices as they may be amended from time to time.

ANNUAL GOALS AND EVALUATION: Each year, in consultation with and approval of the Board (or a committee or sub-committee thereof, as the Board shall determine, and referred to in this paragraph as "Board"), specific goals and objectives shall be established. The Board shall evaluate your performance during the previous year and, based on your achievement of these goals and objectives, you shall be eligible for incentive compensation as determined by the Board, which amount shall not exceed 15% of your base annual salary and shall not be added to your base annual salary. This annual review process, which shall include a self-evaluation, also shall be used by the Board to determine any merit-based increases to your base annual salary. To aid in its evaluation, you will furnish to the Board such oral and written reports as it may request.

BENEFITS: You shall be eligible to participate in the standard benefits package available to other senior administrators of the University. By way of example only, these benefits currently include health insurance, life insurance, disability insurance, pension program, tax-deferred savings plans, flexible spending accounts, and vacation and sick leave. Some of these benefits are provided by the State of New Jersey and are subject to state legislation, rules and regulations. With respect to both benefits furnished by the State of New Jersey and benefits furnished by Rutgers, these benefits may change from time to time and you shall be subject to changes applicable to other senior administrators. With respect to those benefits for which a waiting period is required, the University will cover the cost of providing interim coverage either by paying the premiums to continue your present coverage or by purchasing short-term coverage. You have informed us that you have a long term disability insurance policy from a prior institution that you wish to maintain. Rutgers will pay the premium up to $900 per quarter upon your presentation of the bill for this policy.

RESIDENCE: For the benefit and convenience of the University and as a condition of your employment as President, you will reside in the University-owned President's residence. During any period of unavailability, the University will provide you and your family with the option of residing in another University-owned residence or in a home in the New Brunswick area suitable for you and your family to be rented by the University. The University shall furnish all public spaces of the residence and provide staff with responsibilities for cleaning, grounds keeping, repairs, and general maintenance of the residence. Maintenance of the residence includes payment of utilities.

You agree that, for the convenience of the University, the President's Residence shall be available, and will be used, for University-related business and entertainment on a regular and continuing basis. Costs associated with such University events will be paid by the University. In the event it is not feasible to entertain at the President's Residence due to a large number of invited guests or for any other reason, the University shall provide another location suitable to host such an event and will bear the costs for same.

HOME OFFICES: In addition, the University shall pay all reasonable and necessary business expenses you incur in operating your home offices, including, without limitation, a computer, a facsimile machine, a telephone, telephone service, and a high-speed Internet connection dedicated to University business. If the home office used for University business purposes is deemed a taxable benefit by the Internal Revenue Service or the State of New Jersey, the University will reimburse you for any such taxes paid by you to the Internal Revenue Service or to the State of New Jersey.

AUTOMOBILE: The University shall provide you with one (1) University-owned full size automobile and will pay the costs of fuel, maintenance, repairs, and insurance. A Rutgers driver shall be available upon request to drive for your University-related travel. With respect to any use of this vehicle for your personal or family use, upon request of the University you will provide information about mileage so that the University can impute the fair market value of such usage to you as ordinary income, in accordance with applicable Internal Revenue Service regulations and University policy. To the extent that you use your personal (non-University-owned) automobile for University business, the University will reimburse you for this business travel at the mileage reimbursement rate applicable to other University employees.

MOVING EXPENSES: In order to facilitate your move from Philadelphia, PA to New Jersey, the University shall pay all reasonable expenses incurred in the transition from your home in Philadelphia to New Jersey, including the cost of moving you, your family, and your household furniture and personal effects.

OUTSIDE ACTIVITIES: The following shall apply with respect to your public responsibilities and outside activities. The University recognizes that it is both appropriate and beneficial for you, in your capacity as President of Rutgers, to serve on outside boards, and in positions of responsibility in national and international associations related to education and other areas of public interest. You will obtain the approval of the Chair of the Board of Governors prior to undertaking such responsibilities. Further, you may engage in other outside activities such as delivering speeches, publishing, and consulting. All of your public responsibilities and outside activities may be undertaken so long as they do not detract from your duties as President of Rutgers and are consistent with applicable conflict of interest laws and policies.

NOTICE OF RESIGNATION: If you determine to leave the Presidency, at any time, the Board expects that you will provide one (1) year's notice, if possible, and, in no event, not less than six (6) months' notice.

COMPLETE AGREEMENT: The terms of your appointment are set forth in this appointment letter and they may be modified only in writing by you and the Board of Governors. This appointment letter represents the entire understanding between you and the Board of Governors with respect to the terms of your appointment. However, it is understood that you are subject to all University regulations, policies and procedures, and legal requirements, generally applicable to other senior administrators, as they may be amended from time to time, including ethical standards and conflict of interest requirements, except as may be otherwise specifically provided for in this appointment letter. If anything in this letter is held unenforceable, then effect shall be given, so far as possible, to the intent manifested by the portion held unenforceable and the remainder of the terms in this appointment letter shall remain in full force and effect. The rights and obligations of you and of the University that are set forth in this appointment letter shall be construed and determined according to the laws of the State of New Jersey, the courts of which shall be the forum should a dispute arise from or incident to the terms set forth herein.

ACTION BY BOARDS: In accordance with law, your appointment as President of Rutgers is subject to your election by the Board of Governors, with the advice and consent of the Board of Trustees.

While this appointment letter must, of necessity, be rather formal in content, it is appropriate that I express again here the great confidence with which the Board of Governors anticipates the contributions which your presidency will make to Rutgers.

Please indicate your acceptance of this appointment, and the agreements, understandings, expectations, rights and obligations as set forth herein, by signing below.

Sincerely,

Dr. Ralph Izzo
Chair, Board of Governors

I accept this appointment and the agreements, understandings, expectations, rights and obligations set forth above.

Robert L. Barchi April 5, 2012