



Statement from the Office of Dr. Daniel Papp, President, Kennesaw State University

June 3, 2016

Dr. Daniel Papp's employment contracts provided he would earn deferred compensation for his service as president of Kennesaw State University, and it was agreed to by the Kennesaw State University Foundation that he would be paid this compensation in advance of his retirement. A periodic review by the University System of Georgia last month showed that early payment of deferred compensation was not in compliance with a System policy, which calls for such payments to be made at time of retirement.

No deferred compensation was paid to Dr. Papp that was not due to him under his contracts.

The early payments resulted from a series of misunderstandings and miscommunication between University System officials, the KSU Foundation and Dr. Papp about the policy. Dr. Papp and the KSU Foundation were unaware of the policy's application to his situation.

The other issues raised in the University System report — accrued vacation pay and annual car allowances — are also the results of a lack of coordination and understanding between organizations.

Dr. Papp retired as KSU president on May 10, 2016, effective June 30, 2016. Discussions about Dr. Papp's retirement began in the fall of 2015, unrelated to any University System review. His decision to retire now was one he made to ensure the best outcome for the University and his family.

"Retiring now is best for the University — it's time for us all to move on to the next chapter," said Dr. Papp. "It is clear that a combination of misunderstandings, miscommunications and mistakes occurred between the KSU Foundation, the University System Office and myself. Internal controls were not sufficient to identify and prevent these mistakes, and it is my understanding that measures will soon be put into place by both the University System and the KSU Foundation to assure that situations like this do not happen again."

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