

**NOVEMBER 2007
COMMITTEE ON COMPENSATION**

**INCENTIVE AWARD PAYMENT FOR GRACE M. CRICKETTE, CHIEF RISK OFFICER,
OFFICE OF THE PRESIDENT**

The President recommended that the Committee on Compensation recommend to The Regents approval of the following items in connection with the performance incentive payment for Grace M. Crickette as Chief Risk Officer, Office of the President:

- (1) As an exception to policy, an annual performance incentive payment of \$18,910 (10.0 percent). This payment, in addition to the base salary of \$189,100 (prior to October 2007 merit), brings the total cash compensation to \$208,010.
- (2) Effective upon approval by The Regents.
- (3) Continued eligibility to participate in this performance incentive program with annual awards not to exceed 10.0 percent of base salary. Actual award amount to be determined by assessment of performance and contribution measured against predetermined goals and objectives.

Additional items of compensation currently provided include:

- Per policy, standard Pension and Health and Welfare benefits and standard Senior Management benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, and Executive Salary Continuation for Disability
- Per policy, 5 percent monthly contribution to the Senior Management Supplemental Benefit Program

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

BACKGROUND

At the time of Ms. Crickette's hire in December 2004, she was eligible to earn a performance bonus of up to \$10,000 a year as additional compensation. A revision to the method of her bonus determination is now being requested to conform with the bonus determination method of the two other senior managers in the Financial Management Department. This revision will allow all three of the senior managers in the department to receive up to 10 percent of base compensation, dependent upon performance. This incentive payment method would more appropriately reward Ms. Crickette for her performance.

In recognition of her distinctive record of completing, implementing, and leading effective and successful projects in major areas of importance throughout the system, an incentive award

payment of \$18,910 (10.0 percent) is submitted for Regents' approval.

[Compensation form attached.]

**INCENTIVE AWARD PAYMENT FOR GRACE M. CRICKETTE AS CHIEF RISK OFFICER,
OFFICE OF THE PRESIDENT**

SLCG GRADE 106 MINIMUM \$154,200 MIDPOINT \$195,200 MAXIMUM \$236,100

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ITEM	RECEIVING		AMOUNT	EXCEPTION TO POLICY	APPROVAL REQUIRED
	YES	NO			
SALARY AND OTHER CASH PAYMENTS					
· Annual Base Salary	X		\$189,100	NO	REGENTS
· Health Sciences Compensation Plan		X			
· Additional Salary (Stipend, add-ons, etc.)		X			
· Clinical Enterprise Management Recognition Plan		X			
· Any other bonuses/Incentives: <i>10% of base salary</i>	X		\$18,910	YES	REGENTS
· Annual Incentive Plan (Treasurer's Office only)		X			
· Senior Management Supplemental Benefit Program - eligible to receive 5% as contribution to retirement plan for total annual amount at current base salary	X		\$9,455	NO	
BENEFITS AND PERQUISITES					
· Standard Benefits Package (Health, UCRP, Vision, Dental, etc.)	X			NO	
· Automobile Allowance		X			
· Leased Automobile		X			
· Senior Manager Life Insurance	X			NO	
· Executive Business Travel Insurance	X			NO	
· Exec. Salary Continuation for Disability	X			NO	
· Mortgage Origination Program (MOP) Loan		X			
· Supplemental Home Loan Program (SHLP)		X			
· University-provided Housing (President/Chancellors)		X			
· Educational Expenses		X			
· Other Perqs - please list below		X			
ONE-TIME PAYMENTS/REIMBURSEMENTS					
· Payment in Lieu of Sabbatical Pay		X			
· Relocation Allowance		X			
· Temporary Housing Allowance		X			
· Payment in lieu of Vacation Pay		X			
· Moving Expenses/Movement Household		X			
· House-hunting trips		X			

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ITEM	RECEIVING		AMOUNT	EXCEPTION TO POLICY	APPROVAL REQUIRED
	YES	NO			
FUTURE BENEFITS					
· Post-retirement Employment Agreements		X			
· Consultant/Independent Contractor Compensation Agreement		X			
· Severance/Separation Agreement		X			
· Sabbatical/Administrative Leave		X			
· Special Health Benefits or Other Benefits		X			
OTHER					
· Administrative Fund Allocation		X			
· Corporate Board Service		X			
· Other (Specify)		X			
TOTAL ANNUAL EMPLOYEE COMPENSATION (Including, if applicable, Salary, Perquisites, One-time Payments, Future Benefits, and Other)					
			\$217,465		

[Please note that all payments, reimbursements, special benefits, etc. should be listed on this form in order to be authorized by the President and The Regents. This information will be released to the Public].

The only compensation permitted is what is listed on the summary page that accompanied the item.