INTERIM ACTION COMMITTEE ON COMPENSATION OCTOBER 2007

CONTRACT COMPENSATION FOR MIKE GILLESPIE AS HEAD MEN'S BASEBALL COACH – ATHLETICS, IRVINE CAMPUS

Action under interim authority was requested for the appointment of Mike Gillespie. This request is in response to an immediate need to fill this position and the need to secure Mr. Gillespie in this position.

It was recommended that the following items be approved in connection with the compensation terms for Head Coach of Men's Baseball, Mike Gillespie, Irvine campus, 100 percent time. Pending approval by The Regents of these compensation terms, Mr. Gillespie's contract will be effective October 1, 2007 and terminate on September 30, 2010, unless terminated earlier pursuant to the term of the Employment Contract or unless the parties agree in writing to the terms of a successor contract or a contract extension prior to that date.

The campus undertook negotiations with Mr. Gillespie to employ him as head coach of men's baseball upon the resignation of former head coach, Dave Serrano.

Compensation:

(1) Base Salary: This contract establishes an initial base salary of \$140,000:

| | | Percent |
|---------------------|---------------|--------------------|
| Effective Dates | <u>Amount</u> | <u>Increase</u> |
| 10/01/07 - 09/30/10 | \$140,000 | Appointment Salary |

- (2) Additionally, this contract provides the opportunity to earn supplemental compensation of up to \$191,667 per annum, as detailed below:
 - A. <u>Performance Bonuses:</u> In the event that Mr. Gillespie or the Men's Baseball team, during the term of this Employment Contract, accomplishes the following, Coach Gillespie shall receive supplemental compensation during the contract year in which the accomplishment occurs as follows:

| Team participates in Regionals of NCAA Post-Season Tournament | |
|---|----------|
| Team participates in Super Regionals of NCAA Post-Season Tournament | \$ 2,500 |
| Team participates in College World Series (one month salary) | |
| Team is College World Series, Division I National Champion | \$10,000 |

Coach Gillespie is eligible to receive more than one bonus.

B. <u>Athletic Equipment/Apparel Contract Payments:</u> The Coach may receive additional compensation, **up to \$150,000**, from athletic shoe, apparel and/or equipment agreements which are mutually agreed to by the Coach and Director of Intercollegiate Athletics, on behalf of the University, for the benefit of the University's intercollegiate baseball program. Such agreements shall be subject to applicable University and NCAA policies, rules, and regulations.

- C. <u>Camps and Clinics</u>: Coach Gillespie shall be eligible to conduct summer and winter baseball camps at the University. The Coach, at his option, may be paid up to **eighty percent (80%), approximately \$15,000,** of the net profit from any camp conducted. The net camp profit shall be calculated by subtracting all approved camp expenses from all camp revenue.
- (3) One-Time Payment: The Coach shall receive a one-time payment of \$3,500 for miscellaneous personal and professional expenses related to his employment relocation to the University.

This contract contains a penalty clause for early termination. If Coach Gillespie terminates his employment before October 1, 2008, he shall pay \$100,000 to the University. If Coach Gillespie terminates his employment before October 1, 2009, he shall pay \$75,000 to the University.

Additional elements of compensation include:

- Per policy, standard Pension and Health and Welfare benefits.
- Spouse or Partner travel for required post-season events outside Orange County, and other travel as approved by the Director of Athletics.

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

After a very successful baseball season last year, Head Baseball Coach Serrano resigned his position effective September 12, 2007. Since pre-season training started October 1, 2007, it is imperative that the campus move quickly to bring in a new head baseball coach so as to keep the momentum going, to encourage players to stay at UCI, and to encourage 2008 recruits to honor their commitments to attend UC Irvine. To that end the campus has identified an excellent candidate and is ready to extend an offer pending Regental approval.