

**COMMITTEE ON COMPENSATION
JULY 18, 2007**

**CONTRACT COMPENSATION FOR KEVIN GRIMES AS HEAD MEN'S SOCCER
COACH, BERKELEY CAMPUS**

RECOMMENDATION

The Committee on Compensation recommends to The Regents approval of the following revised compensation terms for Head Men's Soccer Coach, Kevin Grimes, Berkeley campus, 100 percent time. Pending approval by The Regents of these compensation terms, Mr. Grimes' revised contract will be effective July 1, 2006 and terminate on June 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.

It was deemed necessary to enter into negotiations with Mr. Grimes, concerning an enhancement and extension of his current contract, to make a long term commitment to him and retain him in his current position on the Berkeley campus.

The following terms and conditions are reflected in the new proposed contract:

- (1) Base Salary: This contract increases Coach's annual base salary from \$ 74,500 to:

<u>Effective Dates</u>	<u>Amount</u>	<u>Percent Increase</u>
07/01/06 – 06/30/07	\$74,500	0.0 percent
07/01/07 – 06/30/08	\$80,000	7.4 percent
07/01/08 – 06/30/09	\$85,000	6.3 percent
07/01/09 – 06/30/10	\$90,000	5.9 percent

- (2) Additionally, this contract provides the opportunity to earn supplemental compensation of up to \$ **152,900** per annum, as detailed below:

- A. Performance Bonuses: In the event that Coach Grimes or the Men's Soccer team, during the term of this Employment Contract, accomplishes the following, Coach Grimes shall receive supplemental compensation during the contract year in which the accomplishment occurs as follows:

<u>Accomplishment</u>	<u>Bonus Amount</u>
Team wins the Pac-10 Championship	\$4,000
Team participates in the NCAA Championship	\$3,000
Team participates in the NCAA 2nd Round	\$4,000
Team participates in the NCAA 3 rd Round	\$4,000
Team participates in the NCAA 4 th Round	\$4,000
Team participates in the NCAA Championship 5 th Round	\$5,000
Team participates in the NCAA College Cup Final	\$5,000
Team wins the NCAA Championship	\$5,000

Coach Grimes is eligible to receive more than one bonus.

B. Athletic Equipment/Apparel Contract Payments:

<u>Accomplishment</u>	<u>Bonus Amount</u>
Team wins 75% of Games	\$1,000
Team is the Conference Champion	\$1,000
Team makes an NCAA Tournament Appearance	\$1,500
Team is the College Cup Champion	\$10,000

Item B is subject to receipt of sufficient funds from University contracts with athletic equipment suppliers.

C. Camps and Clinics: At the discretion of the Director of Athletics, Coach Grimes may earn up to **\$100,000** annually for participating in summer camps.

D. Courtesy Car Stipend: In lieu of a courtesy vehicle, Coach Grimes will receive a stipend of **\$450** per month.

This contract does not contain a penalty clause for early termination. If Coach Grimes terminates before the expiration of the agreement, he simply loses the benefits of the agreement, and all University obligations cease.

If the University terminates the contract early without cause, the University will owe the base salary in amounts noted above, paid out in monthly installments, and any additional earned bonus income. The University will not be responsible for paying unearned bonus/stipend income in this circumstance. If Coach Grimes secures employment during this time, these payments will be reduced by such amounts.

The compensation provided under this contract is funded exclusively from athletic department revenues and private fundraising and no State or general campus funds are used in this arrangement.

Additional elements of compensation include:

- Per contract, 14 hours of vacation leave are accrued each month of the contract. Coach may not accrue above PPSM policy accrual limits at any time.
- Per contract, 8 hours of sick leave are accrued each month of the contract.
- Per policy, eligible for standard Health & Welfare benefits.
- Apparel with a value of approximately \$ 3,000 per contract year.

- Spouse or Partner travel for required events outside the San Francisco Bay Area, 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

The campus has successfully renegotiated this contract with Kevin Grimes, Head Men's Soccer Coach, to provide the incumbent and the campus with a two-year extension. This contract which had an original start date of February 1, 2005 has been renewed effective July 1, 2006 and extended from June 30, 2008 to June 30, 2010 pending approval by The Regents.

Coach Grimes is entering his eighth season as the Head Coach at Cal and has built a successful Men's Soccer program to an unprecedented level. Under Coach Grimes' leadership, Cal Men's Soccer has made six consecutive appearances in the prestigious NCAA Tournament including an "Elite Eight" appearance at the conclusion of the 2005 season. Coach Grimes is a well-respected, highly sought after Head Coach who has earned the Pacific-10 Conference Coach-of-the-Year honor three times during his tenure at Cal, a feat never accomplished by any other Men's Soccer coach in the history of the Pac-10. The contract extension expresses the campus's commitment to Coach Grimes as well as the desire to keep him on the coaching staff for the long-term.