

## **COMMITTEE ON COMPENSATION**

**May 15, 2007**

### **F. STIPEND EXTENSION FOR JAMES R. HERRON AS CORPORATE COMPLIANCE AND PRIVACY OFFICER AND ACTING ASSOCIATE DEAN-ADMINISTRATION, IRVINE CAMPUS**

#### **RECOMMENDATION**

The Committee on Compensation recommends to The Regents approval of the following item in connection with the additional responsibilities assigned to James R. Herron as Corporate Compliance and Privacy Officer and Acting Associate Dean-Administration for his role as Acting Associate Dean-Administration for the School of Medicine, Irvine campus:

- (1) As an exception to policy, extension of an administrative stipend of \$44,800 (22.0 percent) in addition to his base salary of \$203,500 for an annual salary of \$248,300 (Salary Grade 107: Minimum \$167,600, Midpoint \$212,700, Maximum \$257,800).
- (2) If an adjustment to the base salary is made prior to the termination of this acting role, the stipend will remain at the dollar value of \$44,800.
- (3) As an exception to policy effective July 1, 2007 and continuing through June 30, 2008, taking the overall period of time (December 1, 2004 through June 30, 2008) beyond one year as allowed in policy.
- (4) Clinical Enterprise Management Recognition Plan (CEMRP) up to 20%.

Additional items of compensation includes:

- Per policy, Standard Pension and Health & Welfare Benefits and Standard Senior Management benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, and Executive Salary Continuation for Disability.
- Mr. Herron currently has, per policy, a Mortgage Origination Program (MOP) Loan of \$300,000

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**

In addition to Mr. Herron's permanent position as Corporate Compliance and Privacy Officer in the School of Medicine, Mr. Herron serves as the Acting Associate Dean of Administration. In this capacity, he is responsible for human resources, faculty compensation plan, and information services. Mr. Herron's services in this role are required while the newly hired Vice Chancellor-Health Sciences assesses the most appropriate organizational structure, which will determine whether this position will be filled as an independent position or handled in some other way, e.g., dividing responsibilities among existing staff. It is expected that the review will be completed no later than June 30, 2008 making further stipend extensions unnecessary.

[Compensation form attached]

**COMPENSATION FOR JAMES R. HERRON, CORPORATE COMPLIANCE AND PRIVACY OFFICER AND  
ACTING ASSOCIATE DEAN-ADMINISTRATION**

**IRVINE CAMPUS**

**Position Slotted in Grade 107 - Minimum \$167,600, Midpoint \$212,700, Maximum \$257,800**

Page 1 of 2

ITEM	RECEIVING		AMOUNT	EXCEPTION TO POLICY	APPROVAL REQUIRED
	YES	NO			
<b>SALARY AND OTHER CASH PAYMENTS</b>					
· Annual Base Salary	YES		\$203,500	NO	Regents
· Health Sciences Compensation Plan		NO			
· Additional Salary (Stipend, add-ons, etc.)	YES		\$44,800	YES	Regents
· Clinical Enterprise Management Recognition Plan-up to 20% (average payout is 15%)	YES		\$40,700	NO	Regents
· Any other bonuses/Incentives		NO			
· Annual Incentive Plan (Treasurer's Office only )		NO			
· Senior Management Supplemental Benefit Program – eligible to receive 5% as contribution to retirement plan for total annual amount at current base salary		NO			
<b>BENEFITS AND PERQUISITES</b>					
· Standard Benefits Package (Health, UCRP, Vision, Dental, etc.)	YES			NO	Regents
· Automobile Allowance per year		NO			
· Leased Automobile		NO			
· Senior Manager Life Insurance		NO			
· Executive Business Travel Insurance		NO			
· Exec. Salary Continuation for Disability		NO			
· Mortgage Origination Program (MOP) Loan	YES				
· Supplemental Home Loan Program (SHLP)		NO			
· University-provided Housing (President/Chancellors)		NO			
· Educational Expenses		NO			
· Other Perqs - please list below		NO			
<b>ONE-TIME PAYMENTS/REIMBURSEMENTS</b>					
· Payment in Lieu of Sabbatical Pay		NO			
· Relocation Allowance		NO			
· Temporary Housing Allowance		NO			
· Payment in lieu of Vacation Pay		NO			
· Moving Expenses/Movement of Household Goods		NO			
· Other Payments - please list below		NO			

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Page 2 of 2

ITEM	RECEIVING		AMOUNT	EXCEPTION TO POLICY	APPROVAL REQUIRED
	YES	NO			
<b>FUTURE BENEFITS</b>					
· Post-retirement Employment Agreements		NO			
· Consultant/Independent Contractor Compensation Agreement		NO			
· Severance/Separation Agreement		NO			
· Sabbatical/Administrative Leave		NO			
· Special Health Benefits or Other Benefits		NO			
· Other Benefits - please list below		NO			
<b>OTHER</b>					
· Administrative Fund Allocation		NO			
· Corporate Board Service		NO			
· Other (Specify)		NO			
<b>TOTAL ANNUAL EMPLOYEE COMPENSATION</b> (Including, if applicable, Salary, Perquisites, One-time Payments, Future Benefits, and Other)			<b>\$289,000</b>		

[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.