

COMMITTEE ON COMPENSATION

SEPTEMBER 2007

ESTABLISHMENT OF NEW POSITION AND APPOINTMENT SALARY FOR JAMES R. HERRON AS ASSOCIATE VICE CHANCELLOR – ADMINISTRATION OF HEALTH AFFAIRS, IRVINE CAMPUS

RECOMMENDATION

The President recommended that the Committee on Compensation recommend to The Regents approval of the following items in connection with the establishment of a new Senior Management Group position and an appointment salary for the Associate Vice Chancellor – Administration of Health Affairs, Irvine campus:

- (1) Establishment of new position within the Senior Management Group, of Associate Vice Chancellor – Administration of Health Affairs, Irvine campus. This new position combines responsibility for Health Sciences Corporate Compliance and Privacy Officer as well as the duties of the Associate Dean – Administration.
- (2) Approval of interim slotting of new position, Associate Vice Chancellor – Administration of Health Affairs at SLCG Grade 110: Minimum \$233,200, Midpoint \$298,800, Maximum \$364,300 per the attached Mercer Human Resources Consulting Group recommendation.
- (3) Appointment salary of \$298,800. This represents a 46.8 percent increase to Mr. Herron's base salary of \$203,500 and takes into consideration that Mr. Herron will not be eligible for merit/equity consideration in October 2007.
- (4) This appointment is 100 percent time and effective September 1, 2007 pending approval by The Regents.

Additional items of compensation include:

- 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.
- Per Policy, eligible to participate in the Senior Management Benefits Compensation Plan.

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

Chancellor Drake requested establishment of a new position of Associate Vice Chancellor – Administration of Health Affairs in the Senior Management Group based on the scope, complexity, level of responsibility, and internal equity. The creation of this position directly supports the Vice Chancellor's mission for Health Affairs by streamlining business operations and achieving greater management efficiencies. Mr. Herron currently serves as the UCI Health

Sciences Corporate Compliance and Privacy Officer and serves as Acting Associate Dean-Administration for the UC Irvine School of Medicine. In this capacity, he is responsible for human resources, faculty compensation plan, information services, oversight of administrative activities in the academic departments, and acts as the legal liaison to the UCI Office of Counsel and the Office of the President Office of General Counsel. With approval of the new position, the Associate Dean – Administration position will be eliminated and the FTE for the UCI Health Sciences Corporate Compliance and Privacy Officer will be converted to a senior level analyst.

[Compensation form attached.]

**COMPENSATION FOR JAMES R. HERRON, ASSOCIATE VICE CHANCELLOR – ADMINISTRATION
IRVINE CAMPUS**

Position Slotted in Grade 110 – Minimum \$233,200, Midpoint \$298,800, Maximum \$364,300

Effective immediately pending approval by The Regents

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ITEM	RECEIVING		AMOUNT	EXCEPTION TO POLICY	APPROVAL REQUIRED
	YES	NO			
SALARY AND OTHER CASH PAYMENTS					
· Annual Base Salary	X		\$298,800	NO	REGENTS
· Health Sciences Compensation Plan		X			
· Additional Salary (Stipend, add-ons, etc.)		X			
· Clinical Enterprise Management Recognition Plan- up to 20%		X			
*example payout calculated at 20%					
· Any other bonuses/Incentives		X			
· 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		\$14,940	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 - 1 month per policy		X			
· Payment in lieu of Vacation Pay		X			
· Moving Expenses/Movement of Household Goods – 100% of covered expenses		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)			\$313,740		REGENTS

[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.