

**COMMITTEE ON COMPENSATION  
DECEMBER 2007**

**ACTION UNDER INTERIM AUTHORITY – CONTRACT COMPENSATION FOR DAVID  
DURDEN AS MEN’S SWIMMING AND DIVING COACH, BERKELEY CAMPUS**

Action under interim authority was requested for the retroactive contract compensation for David Durden as the Berkeley campus wants to finalize the appointment contract terms for Mr. Durden so he will have sufficient funds to buy out his contract with his former employer.

**RECOMMENDATION**

It was recommended that the following compensation terms be approved for Head Coach of Men’s Swimming and Diving, David Durden, Berkeley campus, 100 percent time. Pending approval by The Regents of these compensation terms, Mr. Durden’s contract will be effective August 30, 2007 and terminate on June 30, 2011, unless terminated earlier pursuant to the term of the Employment Contract or unless the parties agree in writing to the terms of the successor contract or a contract extension prior to that date pending approval in accordance with Regental policies.

The campus undertook negotiations with Mr. Durden, to employ him as the head coach of men’s swimming and diving on the Berkeley campus. Mr. Durden was appointed as a result of a national search to replace the former head coach who retired from this position in June 2007. As an exception to policy, this contract includes a buyout clause required in his Maryland contract (see paragraph ‘(4) B.’ below). Additionally, retroactivity to August 30, 2007 is requested due to the immediate need by the campus to have Mr. Durden begin his duties as Head Coach.

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

- (1) **Base Salary:** This contract establishes an initial salary of **\$120,000**, with annual increases of 4%. This is an increase of 46 percent over the previous incumbent.

<u>Effective Dates</u>	<u>Amount</u>	<u>% Increase</u>
08/30/07 – 06/30/08	\$120,000	Starting Salary
07/01/08 – 06/30/09	\$124,800	4%
07/01/09 – 06/30/10	\$129,800	4%
07/01/10 – 06/30/11	\$135,000	4%

- (2) **Talent Fee:** This contract establishes an annual talent fee of \$20,000.
- (3) Additionally, this contract provides the opportunity to earn supplemental compensation of up to **\$96,900** per annum, as detailed below:
  - A. **Performance Bonuses:** In the event that Mr. Durden or the Men’s Swimming and Diving team, during the term of this Employment Contract, accomplishes the following, Mr. Durden shall receive supplemental compensation during the contract year in which the accomplishment occurs as follows:

<u>Accomplishment</u>	<u>Bonus Amount</u>
Wins the NCAA or Coaches Association Coach-of-the-Year	\$1,000
Wins the Pac-10 Coach-of-the-Year	\$1,000

Team finishes top 3 in the Pac-10 Team Championship	\$1,000
Team wins the Pac-10 Team Championship	\$2,000
Per NCAA Individual Title	\$2,000
Per Individual American or World Record Broken	\$2,000
Team finishes top 10 in the NCAA Team Championship	\$5,000
Coach is named to the Olympic Coaching Staff	\$2,500
Team finishes top 4 in the NCAA Team Championship	\$10,000
Team wins the NCAA Team Championship	\$15,000

Mr. Durden is eligible to receive more than one bonus.

B. **Camps and Clinics:** At the discretion of the Director of Athletics, Mr. Durden may earn up to \$50,000 annually for participating in summer camps.

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

(4) Additionally, this contract provides for **\$131,200.16** in one time payments the first year of the contract.

A. **Signing Bonus:** Upon full execution of the contract addendum, Coach Durden will receive a signing bonus of \$ 25,000. This bonus must be repaid in full if Coach Durden terminates his employment before June 30, 2011.

B. **Maryland Contract Buyout:** Mr. Durden will receive a gross payment of \$54,253.16 to pay the buyout clause in his University of Maryland employment contract. He shall also receive an amount equivalent to the individual tax liability incurred by him based on this payment. This will be approximately \$51,947 for a total net payment of \$106,200.16.

This contract contains a penalty clause for early termination. If Mr. Durden terminates his employment before the expiration of the agreement, he shall pay \$106,200 to the University.

If the University terminates the contract early without cause, the University will owe the base salary and talent fee 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 Mr. Durden 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 and PPSM policy 41, 18 days of vacation leave are accrued each year at the rate of 0.069231 per hour on pay status each month of the contract. Mr. Durden may not accrue above PPSM policy accrual limits at any time.
- Per contract and PPSM policy 42, approximately 96 hours of sick leave are accrued each year, at the rate of 0.046154 per hour on pay status each month of the contract. Mr. Durden may not accrue above PPSM policy accrual limits at any time.

- Per policy, eligible for standard Health & Welfare benefits.
- Per contract and as an exception to Business and Finance Bulletin G-13 VI.B., 100 percent reimbursement for moving costs rather than the 50 percent as called for by policy.
- Consistent with Business and Finance Bulletin – Travel Policy G28, actual travel expenses for the individual and his or her immediate family, but not to exceed the cost of air coach transportation, and the cost of meal en route, but not to exceed the University allowance for meals, as specified in referenced policy.
- Per policy, reimbursement for packing, insurance, transportation, storage fees (not to exceed thirty (30) calendar days), transporting items to and from storage, unpacking, and installation of the individual's household effects at the new location, when properly supported by invoices and receipts.
- Per contract, one preliminary trip for Coach and Spouse to find housing.
- Per contract, Spouse 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 is filling this position in response to a vacancy created with the retirement of the previous coach in June 2007. The campus has negotiated a contract with David Durden at the conclusion of a national search. Coach Durden's sophisticated technical knowledge of the sport, his demonstrated success at recruiting, and his philosophy and style of coaching are rooted in the value of athletics as an educational endeavor are consistent with the mission of Cal Athletics and led the campus to believe that he is the best candidate for the job. The salary survey data shows that the base salary being offered to Mr. Durden is at the high end, but Cal is ranked as one of the top programs in the nation.