

**COMMITTEE ON COMPENSATION
DECEMBER 2007**

ACTION UNDER INTERIM AUTHORITY - APPOINTMENT SALARY FOR GARY C. MATTHEWS AS VICE CHANCELLOR – RESOURCE MANAGEMENT AND PLANNING, SAN DIEGO CAMPUS

Action under interim authority was requested so a permanent Vice Chancellor is in place to handle several urgent and sensitive campus issues. Interactions with external entities require someone serving in a permanent position of authority rather than in an acting capacity.

RECOMMENDATION

- (1) As an exception to policy, salary increase of \$45,400 (25.3 percent) to bring his annual base salary from \$179,600 to \$225,000 (SLCG Grade 107, Minimum \$172,300, Midpoint \$218,700, Maximum \$265,000).
- (2) This appointment is 100 percent time and effective upon approval by The Regents.
- (3) As an exception to policy, a retroactive extension of his 15 percent (\$26,940) stipend as Acting Vice Chancellor – Resource Management and Planning from December 1, 2007 until the effective date of the permanent appointment. Mr. Matthews' initial 12-month stipend (effective December 1, 2006 through November 30, 2007) was approved, per policy, under the authority of the Chancellor. Mr. Matthews was an employee covered by the Managers and Senior Professional (MSP) personnel program at that time and his salary was below the Regental approval threshold; therefore, his stipend approval was granted through the Chancellor's authority.

Additional items of compensation are:

- Per policy, 5 percent monthly contribution to the Senior Management Supplemental Benefit Program.
- Per policy, authorization by The Regents to participate in the Mortgage Origination Program (MOP) with a loan up to \$1,330,000.
- Per policy, standard pension and health and welfare benefits and standard Senior Management benefits including Senior Manager Life Insurance, Executive Business Travel Insurance, and Executive Salary Continuation for Disability.

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. All compensation (as defined in The Regents' 1993 Principles for Review of Executive Compensation) in this recommendation will be released to the public immediately following execution.

BACKGROUND

Gary Matthews has been selected to serve as the Vice Chancellor – Resource Management and Planning (VC-RM&P). Mr. Matthews has been successfully serving as Acting VC–RM&P since the former incumbent, John Woods, retired January 2007. The proposed salary rate of \$225,000 is based on equity with his peers both at UCSD and across the UC system. It is just 10 percent higher than the compensation he has been receiving in the interim role.

Mr. Matthews received a stipend of \$25,272 for his service as Acting VC–RM&P. The stipend began December 1, 2006 which allowed for a one-month overlap prior to the retirement of the former VC-RM&P. According to policy, there is a twelve-month limit on stipends. As an exception to policy, the campus requests a one-month extension of the stipend to continue Mr. Matthews' compensation for his continuing Acting VC-RM&P assignment during the month of December.

[Compensation form attached.]

**COMPENSATION FOR GARY C. MATTHEWS AS VICE CHANCELLOR-RESOURCE MANAGEMENT AND PLANNING,
SAN DIEGO CAMPUS**

Position Slotted in Grade 107 – Minimum \$172,300, Midpoint \$218,700, Maximum \$265,000

ITEM	RECEIVING		AMOUNT	EXCEPTION TO POLICY	APPROVAL REQUIRED
	YES	NO			
SALARY AND OTHER CASH PAYMENTS					
· Annual Base Salary	X		\$225,000	YES	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		\$11,250	NO	REGENTS
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			NO	REGENTS
· 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 - 25%		X			
· Temporary Housing Allowance - 1 month per policy		X			
· Payment in lieu of Vacation Pay		X			
· Moving Expenses/Movement of Household Goods		X			
Two coach-fare house-hunting trips		X			

COMPENSATION FOR GARY C. MATTHEWS AS VICE CHANCELLOR-RESOURCE MANAGEMENT AND PLANNING, SAN DIEGO CAMPUS

Position Slotted in Grade 107 – Minimum \$172,300, Midpoint \$218,700, Maximum \$265,000

Page 2 of 2

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					
· 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)			\$236,250		

[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.