

COMMITTEE ON COMPENSATION

SEPTEMBER 2007

TITLE CHANGE AND SALARY ADJUSTMENT FOR THOMAS V. McAFEE, M.D., AS DEAN - CLINICAL AFFAIRS, HEALTH SCIENCES, SAN DIEGO CAMPUS

RECOMMENDATION

The President recommended that the Committee on Compensation recommend to The Regents approval of the following items in connection with the title change and salary adjustment for Thomas V. McAfee, M.D., as Dean - Clinical Affairs, Health Sciences, San Diego campus. These actions recognize the assumption of additional responsibilities as a result of reorganization.

- (1) Title change from Physician-In-Chief to Dean - Clinical Affairs, Health Sciences. Dr. McAfee will continue to retain his dual appointment at 0 percent as non-tenured Associate Clinical Professor Health Sciences. Per Academic Personnel Policy 240-16, Restrictions, the title of Dean will be regarded as a non-academic Dean.
- (2) As an exception to policy, a salary adjustment of \$94,100 (26.7 percent) to increase his annual base salary from \$353,100 to \$447,200. This salary adjustment will take into consideration Dr. McAfee's 2007-2008 merit increase and preclude him from further merit or equity increase consideration until October 2008.
- (3) Per policy, eligibility to participate in the Clinical Enterprise Management Recognition Plan, with a maximum payout of up to 20 percent of base salary annually.
- (4) Effective retroactive to July 1, 2007, the date the additional responsibilities were assumed.
- (5) Per policy, 5 percent monthly contribution to the Senior Management Supplemental Benefit Program. Dr. McAfee continues to be eligible for this benefit program since his dual, academic appointment as Health Sciences Associate Clinical Professor (Fiscal Year) is a non-tenured position.

Additional items of compensation include:

- 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.

BACKGROUND

In January 2007, The Regents approved a stipend for Dr. McAfee for the assumption of

additional temporary duties resulting from the departure of Thomas Jackiewicz as Associate Vice Chancellor-Finance and Administration. The stipend was effective October 1, 2006 through September 30, 2007, or until the vacancy was filled, whichever occurred first. On July 1, 2007, Thomas Jackiewicz was rehired and Dr. McAfee's stipend was discontinued effective June 30, 2007.

Immediately following the return of Mr. Jackiewicz, the new Vice Chancellor for Health Sciences (Dr. Brenner) began reorganizing the senior leadership of Health Sciences. As part of the reorganization, Dr. Brenner has acknowledged three Deans and their respective divisional responsibility for the three principle missions of Health Sciences; research, teaching and clinical affairs. The Deans of the research and teaching divisions currently have 100 percent, tenured, academic appointments. Mr. McAfee's position as Health Sciences Associate, Clinical Professor-Fiscal Year, non-salaried, is not tenured. The Physician-in-Chief position held by Dr. McAfee has been eliminated, and its duties along with additional management responsibilities, were combined to establish the Dean for Clinical Affairs, Health Sciences position. This position will serve as the third divisional Dean, responsible for the remaining principle mission of Health Sciences; the clinical mission. Academic Personnel Manual Policy 240-16, Restrictions, requires that an academic Dean hold a concurrent University appointment in one of three specific title series. Dr. McAfee's concurrent appointment is not in one of those series. Dr. McAfee's concurrent appointment in a non-tenured academic position makes it permissible for him to receive the Senior Management Supplemental Benefit.

It is intended that Dr. McAfee assume the role of Dean - Clinical Affairs, Health Sciences on July 1, 2007. Retroactivity for the salary increase is sought to ensure that the increase in base salary coincides with the assumption of additional duties. At most other institutions, these responsibilities are shared by two or three people. The proposed salary increase is reflective of the much broader scope of responsibility being assumed by Dr. McAfee, as well as the enormous impact the position will have on profitability.

Given Dr. McAfee's experience prior to his arrival at UC San Diego, and particularly his contributions since arriving at UC San Diego, the campus believes he was the best candidate for this appointment. He has garnered the endorsement of faculty and practice leadership for this role. Beyond his technical skills as a clinician and clinical administrator, Dr. McAfee possesses the leadership skills, including a broad vision of the future of the organization; assertiveness in the presentation and selling of ideas, and sensitivity to the values and expectations of all constituents, which are the makeup of a successful Dean for Clinical Affairs, Health Sciences.

[Compensation form attached.]

**COMPENSATION FOR THOMAS V. McAFEE AS DEAN FOR CLINICAL AFFAIRS, HEALTH SCIENCES,
SAN DIEGO CAMPUS**

Position Slotted in Grade 112 – Minimum \$290,800, Midpoint \$374,800, Maximum \$458,700

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| ITEM | RECEIVING | | AMOUNT | EXCEPTION TO POLICY | APPROVAL REQUIRED |
|---|-----------|----|-----------|------------------------|----------------------|
| | YES | NO | | | |
| SALARY AND OTHER CASH PAYMENTS | | | | | |
| · Annual Base Salary | X | | \$447,200 | NO | REGENTS |
| · Health Sciences Compensation Plan | | X | | | |
| · Additional Salary (Stipend, add-ons, etc.) | | X | | | |
| · Clinical Enterprise Management Recognition Plan- up to 20% *example payout calculated at 20% | X | | \$89,440 | NO | REGENTS |
| · 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 | | 22,360 | 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 | | | |
| · 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 | | | |

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|---|-----------|----|-----------|------------------------|----------------------|
| | 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) | | | \$559,000 | | |

[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.