

## COMMITTEE ON COMPENSATION

### ACTION ITEM

*For Meeting of September 18, 2008*

### **APPROVAL OF TOTAL COMPENSATION FOR JOHN D. STOBO AS SENIOR VICE PRESIDENT–HEALTH SCIENCES AND SERVICES, OFFICE OF THE PRESIDENT AS DISCUSSED IN REGENTS ONLY SESSION**

#### **RECOMMENDATION**

- A. The Committee recommends establishment and interim slotting of the new Senior Vice President–Health Sciences and Services position in the Senior Management Group and at SLCG Grade 115 (Minimum \$416,300, Midpoint \$541,200, Maximum \$666,100). This slotting is consistent with the recommendation of Mercer Human Resources Consulting Group.
- B. The Committee further recommends that an annual salary of \$580,000 be approved, along with the following items listed below.
  - (1) Per policy, participation in the Clinical Enterprise Management Recognition Plan at a target of 20 percent of base salary per year with a maximum payout capped at 25 percent for results that far exceed expectations for the year. Payout will be based on performance and contribution against pre-determined goals and objectives established by the President. Assessment of performance will be provided by the President and Chair of the Regents’ Committee on Health Services. The award opportunity may be prorated in Dr. Stobo’s first year to account for the partial year’s service based on his start date.
  - (2) As an exception to policy, reimbursement of actual reasonable costs associated with temporary living expenses for up to 6 months, not to exceed \$25,000, to assist with the transition of Dr. Stobo from his current location to Oakland.
  - (3) Per policy, a relocation allowance of \$145,000 (25 percent of proposed annual salary). Policy allows for a relocation allowance of up to 25 percent of base salary. This allowance may be paid in a single lump sum or installments from the date of hire, to offset the costs of relocating Dr. Stobo’s home from Galveston, Texas to the Bay Area. If a lump sum payment is made and Dr. Stobo resigns within the first 4 years of his

appointment, this payment is subject to the following repayment schedule: 100 percent if within the first year; 60 percent if within the second year; 30 percent if within the third year; and 10 percent if within the fourth year.

- (4) As an exception to policy, reimbursement for up to two roundtrip coach class airfares for Dr. Stobo and his spouse plus reasonable accommodation expenses between Texas and the San Francisco Bay Area to be used before Dr. Stobo's start date.

Additional compensation and related items include:

- Per policy, an automobile allowance of \$8,916 per year.
- Per policy, reimbursement of reasonable costs associated with the move from his current residence to the Bay Area. The move must be completed within one year of the start date and can be accomplished in one or more stages.
- Per policy, participation in the Mortgage Origination Program (MOP), available to be exercised within a period not to exceed 24 months from date of employment.
- Per policy, Administrative Fund for official entertainment and other purposes permitted by University Policy
- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
- Per policy, participation in the Senior Management Supplemental Benefit Program at 5 percent.

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.