

Office of the President

TO MEMBERS OF THE COMMITTEE ON COMPENSATION:

ACTION ITEM

For Meeting of September 13, 2012

APPROVAL OF INCENTIVE COMPENSATION FOR FISCAL YEAR 2011-12 FOR JOHN STOBO AS SENIOR VICE PRESIDENT – HEALTH SCIENCES AND SERVICES, OFFICE OF THE PRESIDENT, AS DISCUSSED IN REGENTS ONLY SESSION

BACKGROUND

The Office of the President requests approval of an annual incentive award for Dr. John Stobo as Senior Vice President – Health Sciences and Services. This proposed award for the 2011-12 plan year falls under the Clinical Enterprise Management Recognition Plan (CEMRP), a clinical incentive plan previously approved by the Regents. Incentives of this type are common practice at other major teaching hospitals with which the University competes for talent. Medical center operating revenues fund CEMRP awards; no State funds are used.

Dr. Stobo's award would be \$159,500, or 27.5 percent of his base salary, based on the clinical enterprise's accomplishments during the 2011-12 plan year. Given the current fiscal environment, however, Dr. Stobo has requested that his award be limited to the amount he received for the 2010-11 plan year, \$130,500, which represents 22.5 percent of his base salary. This award has been approved by the CEMRP Administrative Oversight Committee.

RECOMMENDATION

The Committee recommends approval of the fiscal year 2011-12 Clinical Enterprise Management Recognition Plan (CEMRP) award for Dr. John Stobo as Senior Vice President – Health Sciences and Services, Office of the President. The recommended incentive award of \$130,500 is 22.5 percent of his base salary.

Recommended Compensation

Effective Date: Upon approval

Base Salary: \$580,000

CEMRP Award: \$130,500

Base Salary Plus Recommended CEMRP Award: \$710,500

Funding Source: non-State-funded

Prior Year Data (2010-11 Plan Year)

Base Salary: \$580,000

CEMRP Award: \$130,500

Base salary Plus CEMRP Award: \$710,500

Funding Source: non-State-funded

The compensation described above shall constitute the University's total commitment regarding incentive compensation until modified by the Regents and shall supersede all previous oral and written commitments. Compensation recommendations and final actions will be released to the public as required in accordance with the standard procedures of the Board of Regents.