

**COMMITTEE ON COMPENSATION
MARCH 2008**

**TITLE CHANGE, INTERIM RE-SLOTTING, AND SALARY ADJUSTMENT FOR
RONALD L. KING AS CHIEF FINANCIAL OFFICER – HEALTH AFFAIRS, IRVINE
CAMPUS**

The President recommended that the Committee on Compensation recommend to The Regents approval of the following items in connection with the title change, interim re-slotting, and salary adjustment for Ronald L. King as Chief Financial Officer – Health Affairs, Irvine campus. These actions recognize the assumption of additional responsibilities as a result of the elimination of the Associate Dean for Fiscal Affairs – School of Medicine position as part of the restructuring:

- (1) Title change from Chief Financial Officer – Medical Center to Chief Financial Officer – Health Affairs. This new title reflects the additional broader responsibility resulting from combining his current duties with those of the Associate Dean for Fiscal Affairs – School of Medicine.
- (2) Approval of interim re-slotting of newly restructured position, Chief Financial Officer – Health Affairs at SLCG Grade 113 is consistent with a recommendation by Mercer Human Resources Consulting Group (Minimum \$333,900, Midpoint \$431,500, Maximum \$529,100).
- (3) Salary adjustment from \$380,000 to \$431,500. This represents a 13.6 percent increase to Mr. King's base salary.
- (4) This change is effective March 1, 2008, pending approval of The Regents.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits, and standard Senior Management benefits which include Senior Manager Life Insurances, Executive Business Travel Insurance, and Executive Salary Continuation for Disability.
- Per policy, 5 percent monthly contributions to the in Senior Management Supplemental Benefit Program.
- Per policy, eligibility for additional non-base building incentive pay (pursuant to the Clinical Enterprise Management Recognition Plan) of up to 20 percent (\$86,300) of annual base salary to be awarded based on meeting performance objectives.

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

With the retirement of the Associate Dean for Fiscal Affairs – School of Medicine, it was decided that one Chief Financial Officer (CFO) to oversee all financial operations for UC Irvine Health Affairs would provide unity and consistency of overall financial management and is the most

functional operationally. The addition of these new duties to Mr. King's position will result in the elimination of the Associate Dean – School of Medicine Fiscal Affairs position. The newly titled CFO – Health Affairs position includes the responsibility for financial oversight of UC Irvine Medical Center, the Faculty Practice Organization, and School of Medicine, as well as School of Nursing and Programs in Pharmaceutical Sciences and Public Health. This combined position is similar to other CFO positions at sister institutions, including those at UC Davis (SLCG Grade 113), UC Los Angeles (SLCG Grade 114), and UC San Francisco (SLCG Grade 114).

Mr. King currently serves as the CFO for the UC Irvine Medical Center and has served in this capacity since 1996. His 36 years of University of California experience, 24 years at UC Los Angeles Medical Center and 12 years at UC Irvine Medical Center, provide him with the background needed to fulfill the duties of this expanded role.

[Compensation form attached.]

**COMPENSATION FOR RONALD L. KING AS CHIEF FINANCIAL OFFICER – HEALTH AFFAIRS
IRVINE CAMPUS**

Position Slotted in Grade 113 – Minimum \$333,900, Midpoint \$431,500, Maximum \$529,100

Effective March 1, 2008 pending approval by The Regents

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ITEM	RECEIVING		AMOUNT	EXCEPTION TO POLICY	APPROVAL REQUIRED
	YES	NO			
SALARY AND OTHER CASH PAYMENTS					
· Annual Base Salary	X		\$431,500	NO	REGENTS
· Health Sciences Compensation Plan		X			
· Additional Salary (Stipend, add-ons, etc.)		X			
· Clinical Enterprise Management Recognition Plan- up to 20%	X		\$86,300	NO	REGENTS
*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		\$21,575	NO	
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		X			
· Temporary Housing Allowance - 1 month per policy		X			
· Payment in lieu of Vacation Pay		X			
· Moving Expenses/Movement of Household Goods – 100% of covered expenses		X			

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IRVINE CAMPUS
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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		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)			\$539,375		REGENTS

[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.