

**COMMITTEE ON COMPENSATION
MARCH 2008**

**TITLE CHANGE AND APPOINTMENT SALARY FOR MAUREEN L. ZEHNTNER AS
ASSOCIATE VICE CHANCELLOR AND CHIEF EXECUTIVE OFFICER – MEDICAL
CENTER, IRVINE CAMPUS**

The President recommended that the Committee on Compensation recommend to The Regents approval of the following items in connection with the appointment of Maureen L. Zehntner as Associate Vice Chancellor/Chief Executive Office – Medical Center, Irvine campus:

- (1) Title change from Chief Executive Officer to Associate Vice Chancellor and Chief Executive Officer – Medical Center. This change supports the restructuring efforts of the new Vice Chancellor for Health Affairs.
- (2) Appointment salary of \$555,000 (SLCG Grade 117: Minimum \$522,300, Midpoint \$679,000, Maximum \$835,800) as Associate Vice Chancellor and Chief Executive Officer – Medical Center, Irvine campus. This represents a 22.4 percent increase in Ms. Zehntner's base salary of \$453,300.
- (3) This appointment is 100 percent time and effective March 1, 2008 pending approval by The Regents.
- (4) Per policy, eligibility for additional non-base building incentive pay (pursuant to the Clinical Enterprise Management Recognition Plan) of up to 20 percent (\$111,000) of annual base salary to be awarded based on meeting performance objectives.

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.
- Per policy, participation in the Senior Management Supplemental Benefit Program at the rate of 5 percent.
- Per policy, an annual automobile allowance of \$8,916.

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

The University of California, Irvine has completed its national search for a new Associate Vice Chancellor/Chief Executive Officer – Medical Center (AVC/CEO). After extensive recruitment efforts, the campus is pleased that the top candidate is Maureen L. Zehntner, Irvine's current Acting Chief Executive Officer – Medical Center (CEO). When the CEO position was vacated over two years ago, UC Irvine assigned the responsibilities of this position to Ms. Zehntner. Recruitment efforts for the AVC/CEO position were delayed until March 2007 due to the

recruitment of the Vice Chancellor – Health Affairs position. Ms. Zehntner’s current SMG position is Chief Operating Officer – Medical Center (SLCG Grade 112: Minimum \$289,900, Midpoint \$385,300, Maximum \$471,500.

As COO, Ms. Zehntner received two salary increases in 2007-2008 fiscal year. Her salary on July 1, 2007 was \$355,500. As part of the UC Market Parity Initiative, her salary was brought closer to market, to a rate of \$444,400. This Initiative was the result of an effort to bring UC health sciences administrators to market levels for improved retention. Effective October 1, 2007, Ms. Zehntner received a standard merit increase bringing her salary to \$453,300.

[Compensation form attached.]

**COMPENSATION FOR MAUREEN L. ZEHNTNER AS
ASSOCIATE VICE CHANCELLOR AND CHIEF EXECUTIVE OFFICER – MEDICAL CENTER
IRVINE CAMPUS**

Position Slotted in Grade 117 – Minimum \$508,100, Midpoint \$660,500, Maximum \$813,000

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		\$555,000	NO	REGENTS
· Health Sciences Compensation Plan		X			
· Additional Salary (Stipend, add-ons, etc.) This stipend is an exception to policy due to the duration of the acting appointment, not the amount of the stipend.		X			
· Clinical Enterprise Management Recognition Plan- up to 20% *example payout calculated at 20%	X		\$111,000	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		\$27,750	NO	
BENEFITS AND PERQUISITES					
· Standard Benefits Package (Health, UCRP, Vision, Dental, etc.)	X			NO	
· Automobile Allowance	X		\$8,916	NO	
· 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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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)			\$702,666		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.