

Krinsky, Rachel

From: Hathaway, Jeffrey
Sent: Wednesday, August 04, 2010 10:59 AM
To: Krinsky, Rachel
Cc: Rubin, Rachel
Subject: FW:

FYI

From: Hogan, Michael
Sent: Wednesday, June 09, 2010 3:22 PM
To: Hathaway, Jeffrey
Subject:

Jeff:

I wrote Larry McHugh yesterday afternoon appealing again for 3 months base salary as your bonus. I suggested this be paid out now and that you and Phil, or whoever, then sit down to finalize an addendum to your contract that makes the terms and conditions of such a bonus clear going forward.

He has not responded. I am leaving my office at 5pm today, which is my last day on the job, and will let you know if I hear something positive by then. Otherwise, there is nothing more I can do -- though I suspect it will all work out.

Hope to see you in the Big Ten.

Mike

Michael J. Hogan
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Joan Wood

From: Hogan, Michael [mike.hogan@uconn.edu]
Sent: Tuesday, June 08, 2010 1:32 PM
To: Joan Wood
Cc: Austin, Philip; Munroe, Donna; Rubin, Rachel

Larry:

I had a visit from Jeff Hathaway yesterday and he is very upset about his bonus situation, as you may know. Over the last five or six years Jeff's bonus has ranged from one month to three months, depending pretty much on the success of postseason play in basketball and football. The amounts paid and for what purpose were never spelled out in Jeff's contract. So far as I can tell, they were more or less negotiated each summer. I was not comfortable with this process, which is why, on advice from HR, I proposed an addendum to Jeff's contract, both to protect him and to protect the institution as well. In fact, it is not uncommon for ADs to have such terms and conditions spelled out in their contracts, normally relating to post-season play in the major, money-generating sports.

Accordingly, we drafted such an addendum last summer. It called for two months salary as a bonus to be received for certain reasons, mostly having to do with postseason success in basketball and football. Jeff was uncomfortable with the reference to these sports and not others. We redrafted the addendum and sent it back to Jeff for his consideration. I believe it is this second version of the draft addendum that I shared with you in an earlier email.

So far as I can tell, however, the addendum was never signed by Jeff or by me and the issue remained unresolved between the two of us until we met in my office shortly after the announcement regarding my departure for Illinois. At that meeting, he and I talked about a three month bonus this year. He made the case that his teams have had a good year, including a national championship for the women's basketball team and a bowl victory for the football team. He also made the point that a three month bonus, rather than two, was now more or less the industry standard. I agreed to the 3 months, contingent on your approval and on finalizing the addendum to his contract that had been left hanging for months.

I hate to leave with this issue unresolved and causing hard feelings. This is why I ask one last time if you would reconsider your decision against the three month salary bonus. This could be a one-time decision, contingent on finally and officially completing an addendum to his contract over the next year. That addendum would specify the terms and conditions that will govern such bonuses going forward. It will give Jeff and the institution the protection both need and will prevent the current misunderstanding from happening again.

I strongly believe that current best practice dictates a contractual revision, or addendum, making all of this clear once and for all. Donna Munroe has benchmark data that can be used to draft such an addendum — and also the full record of our discussions with Jeff regarding the addendum we proposed last summer and his bonus for this year.

Mike

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