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Approved

COMMITTEE ON COMPENSATION
July 18, 2013

TO THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

**APPOINTMENT OF AND COMPENSATION FOR ACTING CHIEF INVESTMENT
OFFICER, OFFICE OF THE PRESIDENT**

Background

Approval is requested for the appointment of and compensation for Melvin L. Stanton and Randolph E. Wedding as Co-Acting Chief Investment Officers, Office of the Chief Investment Officer, Office of the President.

This request is in response to the recent retirement of Chief Investment Officer, Vice President – Investments, and Acting Treasurer Marie N. Berggren, effective July 2, 2013.

This position is non-State-funded.

The Chairman of the Board of Regents will appoint a special committee to consider the selection of a new Chief Investment Officer and Vice President – Investments. However, due to the complexity of the search, it is anticipated that it will be a number of months before a successor is selected. The appointment of Mr. Stanton and Mr. Wedding as Co-Acting Chief Investment Officers is requested to ensure that the Office of the Chief Investment Officer has adequate leadership in place during the recruitment process.

Recommendation

The Committee recommends approval of the following items in connection with the appointment of and compensation for Melvin L. Stanton and Randolph E. Wedding as Co-Acting Chief Investment Officers, Office of the Chief Investment Officer, Office of the President:

- (1) Appointment of Melvin L. Stanton and Randolph E. Wedding as Co-Acting Chief Investment Officers, effective upon approval and continuing until a new Chief Investment Officer and Vice President – Investments is appointed.
- (2) No change to Mr. Stanton's or to Mr. Wedding's compensation is recommended. Mr. Stanton's annual base salary is \$306,800, and Mr. Wedding's annual base salary is \$374,500.
- (3) Both Mr. Stanton and Mr. Wedding are eligible to participate in the Office of the Treasurer Annual Incentive Plan. Mr. Stanton is eligible to participate with a target award

of 60 percent of base salary (\$184,080) and a maximum potential award of 120 percent of base salary (\$368,160). Mr. Wedding is eligible to participate with a target award of 60 percent of base salary (\$224,700) and a maximum potential award of 120 percent of base salary (\$449,400). Actual awards will be determined based on performance against pre-established objectives. Awards are paid out over a three-year period, with 50 percent paid out in the first year and 25 percent paid out in each of the following two years.

- (4) Per policy, continuation of standard pension and health and welfare benefits for Mr. Stanton and Mr. Wedding.
- (5) Per policy, continuation of standard senior management benefits (including senior management life insurance and executive salary continuation for disability) for Mr. Stanton and Mr. Wedding.
- (6) Per policy, continuation of a five percent monthly contribution to the Senior Management Supplemental Benefit Program for Mr. Stanton and Mr. Wedding.

The compensation described above shall constitute the University's total commitment until modified by the Regents or President, as applicable under Regents policy, 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.

Submitted by: **President Yudof**
 Chairman of the Board of Regents Varner
Reviewed by: **Office of the President, Human Resources**