

GOVERNANCE AND COMPENSATION COMMITTEE

March 16, 2017

TO THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

A. AMENDMENT OF CERTAIN REGENTS POLICIES ON BOARD OPERATIONS

The Committee recommends that certain Regents Policies on Board operations and governance be amended or rescinded as shown in Attachment 1.

Committee vote: Regents Blum, Elliott, Lansing, Lozano, Napolitano, Ortiz Oakley, Pattiz, Pérez, and Schroeder voting “aye.”

Board vote: Regents Blum, Brody, Elliott, Lansing, Lozano, Makarechian, Napolitano, Ortiz Oakley, Pérez, Ramirez, Schroeder, Sherman, and Zettel voting “aye.”

B. AMENDMENT OF REGENTS POLICY 1110: POLICY ON CONFLICTS OF INTEREST

The Committee recommends that amendments to Regents Policy 1110 – Policy on Conflicts of Interest be approved as shown in Attachment 2.

Committee vote: Regents Blum, Elliott, Lansing, Lozano, Napolitano, Ortiz Oakley, Pattiz, Pérez, and Schroeder voting “aye.”

Board vote: Regents Blum, Brody, Elliott, Lansing, Lozano, Makarechian, Napolitano, Ortiz Oakley, Pérez, Ramirez, Schroeder, Sherman, and Zettel voting “aye.”

C. AMENDMENT OF CERTAIN STANDING COMMITTEE CHARTERS

The Committee recommends:

- (1) Amendment of the Charter of the Academic and Student Affairs Committee as shown in Attachment 3.
- (2) Amendment of the Charter of the Governance and Compensation Committee as shown in Attachment 4.
- (3) Amendment of the Charter of the Finance and Capital Strategies Committee as shown in Attachment 5.
- (4) Amendment of the Charter of the Compliance and Audit Committee as shown in Attachment 6.

Committee vote: Regents Blum, Elliott, Lansing, Lozano, Napolitano, Ortiz Oakley, Pattiz, Pérez, and Schroeder voting “aye.”

Board vote: Regents Blum, Brody, Elliott, Lansing, Lozano, Makarechian, Napolitano, Ortiz Oakley, Pérez, Ramirez, Schroeder, Sherman, and Zettel voting “aye.”

D. AMENDMENT OF THE SCHEDULE OF REPORTS TO THE REGENTS AND ADOPTION OF POLICY ON REPORTS TO THE REGENTS

The Committee recommends:

- (1) Adoption of the Policy on Reports to the Regents as shown in Attachment 7.
- (2) Amendment of the Schedule of Reports as shown in Attachment 8.

Committee vote: Regents Blum, Elliott, Lansing, Lozano, Napolitano, Ortiz Oakley, Pattiz, Pérez, and Schroeder voting “aye.”

Board vote: Regents Blum, Brody, Elliott, Lansing, Lozano, Makarechian, Napolitano, Ortiz Oakley, Pérez, Ramirez, Schroeder, Sherman, and Zettel voting “aye.”

Proposed Revisions to Regents Policies on Board Operations

Additions shown by underscoring; deletions shown by strikethrough

Regents Policy 1000: Policy on Policies of the Regents of the University Of California

Adopted September 22, 2005

Revise to reflect goals of the governance document revision project; add specific description of amendment procedure.

The Regents of the University of California adhere to the following principles in setting policy for the University.

Policies approved by ~~The~~the Regents will be broad statements supporting the purpose, principles and philosophy of the tripartite mission of the University, ~~to provide excellence in teaching, research, and public service to the State of California and beyond as a guide for subsequent action.~~ They communicate important, enduring systemwide governing principles rather than specifying operational details, restating laws or regulations, or responding to particular issues.

Policies approved by ~~The~~the Regents will help ensure compliance with applicable laws and regulations, enhance the University's mission, reduce risk to the institution, or reflect the fiduciary responsibilities of the Board.

- ~~Policies approved by The Regents will demonstrate a commitment to long-term goals of the University.~~

Policies approved by ~~The~~the Regents are implemented through ~~will support~~ the President's role in the development of associated guidelines, administrative policies, and procedures, and standards.

- Policies approved by ~~The~~the Regents will receive careful deliberation and will be acted upon after appropriate consultation with student, faculty, and staff constituencies and the General Counsel ~~of The Regents.~~

Substantive amendments to Regents Policies are approved by the Board at the recommendation of the Governance and Compensation Committee. However, the Secretary and Chief of Staff to the Regents is authorized to make minor editorial or administrative changes after review by the Board Chair and the General Counsel.

Amendment of Regents Policy shall be determined by a majority of votes cast by Regents present, excluding abstentions and recusals.

Regents Policy 1100: Statement of Expectations of the Members of the Board of Regents

Approved November 18, 2004

Amended November 16, 2006, March 20, 2008, January 21, 2010 and November 17, 2016

Incorporates Regents Policy 1104: Policy on Regents' Right to Inspect Records and changes "expect" to "shall" throughout. Otherwise current; revised in November 2016.

Guidelines for Discharge of Regental Duties

The responsibility of individual Regents is to serve as trustees for the people of the State of California and as stewards for the University of California, acting to govern the University in fulfillment of its educational, research, and public service missions in the best interests of the people of California.

Recognizing the broad authority and responsibility vested in the Board of Regents for the governance and operation of the University of California, there is a specific expectation that members of the Board become knowledgeable regarding the educational, research, and public service programs of the University of California as well as the duties, responsibilities, and obligations of Regents.

Preparation

Members of the Board ~~are expected to~~shall prepare themselves for the issues coming before the Board and to base votes on the information available and their best judgment. An orientation is mandatory for all new Regents.

Attendance and Participation

Members of the Board ~~are expected to~~shall attend and participate in meetings of Board and committees to which they are assigned. Board members are also welcome to attend meetings of other committees to which they are not assigned, but they are not required or expected to do so. Board members are also encouraged to attend and participate in other events at which Board member participation is appropriate.

Right to Inspect Records

Each Regent shall have the right to inspect the records of the University, including the right to make extracts. All such requests are to be submitted to the Chair of the Board through the Secretary and Chief of Staff. This policy recognizes the statutory or constitutional rights of third parties, in that while individual Regents may access such records, further distribution may be limited by law.

Cooperation

~~It is expected that~~ Board members ~~will~~shall abide by Board decisions and policies in a manner consistent with the member's fiduciary duties. This is not intended to preclude either forthright

expression of opposition or efforts to change such policies or decisions. Expression of opinion or position at variance with such policies or decisions should clearly indicate that it is not to be construed as a position of the Board and that the opinion expressed is that of an individual Regent. Board members should respect the opinions of other Board members, University officials, faculty, students, and staff. Consistent with the Regents Policy on the President as Spokesperson for the University (effective January 18, 1962), the President of the University shall be the spokesperson for the University with the Chairman of the Board being the spokesperson for the Board.

Confidentiality

Board members ~~are expected to~~shall maintain the confidential nature of Board deliberations held in closed session, including written and verbal communication.

Ethics

Regents ~~are expected to~~shall serve the public trust and ~~to~~ fulfill their responsibilities ethically in a manner consistent with that obligation. This means that decisions are to be made solely to promote the best interests of the University as a public trust, rather than the interests of a particular constituency, and that Board members will disclose personal, familial, business relationships, or other potential conflicts of interest as appropriate. Regents' conduct, whether in their official or private capacity, must be consistent with the University's Statement of Ethical Values and Standards of Ethical Conduct and the University's Sexual Violence and Sexual Harassment Policy. Failure to comply with these standards shall be a basis for appropriate action.

Fiduciary Responsibilities

Regents ~~are expected to~~shall accept responsibility for the integrity of the financial, physical, and intellectual resources of the University.

Policy Responsibilities

It is the responsibility of the Board to set policy and the responsibility of the University administration to implement and carry out policy, which includes responsibility for the day-to-day operations of the University.

Support for the University

Regents ~~are expected to~~shall be active supporters and advocates for the University and to take opportunities to help with fundraising, legislative advocacy, and other efforts on behalf of the University.

Board Responsibilities

The Board ~~is expected to~~shall:

- A. Appoint, support, assess the performance of, and, if necessary, dismiss the President of the University.
- B. Appoint the Executive Vice Presidents, Senior Vice Presidents, other Vice Presidents, Chancellors and Laboratory Directors upon recommendation of the President pursuant to Standing Order 100.2 (b).
- C. Approve and periodically review the appropriateness and consequences of all major institutional policies and programs, including addition or discontinuation of major programs and services consistent with the institution's mission and financial capacity.
- D. Ensure that good planning is done periodically, participate in the process as appropriate, assess the quality of the outcomes, and monitor progress against goals.
- E. Fulfill fiduciary responsibilities by approving and monitoring the annual budget, protecting the institution's financial and capital assets, ensuring responsible and prudent investment of funds, and ensuring a comprehensive compliance program and annual audit process.
- F. Ensure adequate resources and their effective management. This includes serving as advocates for institutional needs with external constituencies.
- G. Interpret the institution to the public and defend the institution, when necessary, from inappropriate intrusion.
- H. Ensure that the Board's reputation is exemplary in the course of meeting its responsibilities.
- I. Ensure that the institution serves as a good citizen in its relationships with other social, educational, and business enterprises through appropriate collaborations and partnerships.
- J. Assess the Board's performance periodically through an appropriate process.

Regents Policy 1101: Policy on Board Education and Assessment

Approved March 20, 2008

Amended July 17, 2008

Incorporates Regents Policy 1107 – Policy on Campus Visits (edited for brevity) and makes minor editorial corrections.

1. A formal orientation program shall be established for newly appointed Regents to assist them to perform their duties. The program shall provide information regarding the University's history and structure, the individual campuses, the broad range of policy issues expected to come before the Board as well as the recent history of issues before the Board, and the laws and policies that govern a Regent's fiduciary duties. Orientation sessions also shall be open to continuing Regents as appropriate.
2. The Chair of the Governance and Compensation Committee, in consultation with the Chair of the Board, ~~shall~~ may assign continuing Regents to act as mentors on an ongoing basis for

newly appointed Regents. In addition, Committee chairs shall consult with Regents newly appointed to their Committees to determine if a committee mentor is appropriate.

3. All Regents and Regents-designate and the Faculty Representatives to the Board shall be invited and urged to attend scheduled group or individual campus visits. The Secretary and Chief of Staff to the Regents, with the approval of the Chair of the Board and in consultation with the President of the University and the Chancellors, shall facilitate campus visits.
3. The Board ~~shall~~ may conduct periodic Board retreats to discuss governance and planning issues as needed. The Chair of the Board, after consulting with the President of the University and Board members, shall determine the timing, location, and agenda of the retreat.
4. The Board shall perform a self-assessment to evaluate Board-its performance through an appropriate process, determined by the Governance and Compensation Committee. ~~The evaluation may be conducted in conjunction with a Board retreat or separately.~~
5. Regents shall take the University's sexual harassment and sexual violence prevention training for supervisory employees upon their initial appointment and thereafter on the same periodic basis as required for supervisory employees.

Regents Policy 1102: Policy on the Operation of the Board and its Committees

Approved June 23, 1961

Amended January 2004, September 2005, November 2006, and January 2007

Rescind; Section 1 has been replaced by Bylaws 27.1(b) and (i); sections 2 and 3 are procedures that do not need to be codified in Policy.
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- ~~1. All items shall, and background material and reports for presentation to The Regents, including those of the Secretary and Chief of Staff, General Counsel, Chief Investment Officer, Senior Vice President Chief Compliance and Audit Officer, and individual Regents, should be submitted in advance of the meeting to the President of the University, who shall be responsible for the preparation of agendas, the advance consultation with Committee Chairmen and the Chairman of the Board, and for the coordination of all material for presentation to The Regents. The Committee Chair will approve the agenda for his or her Committee, with the provision that any Regent may request that an item be placed on the agenda. Any Regent may place an item on the agenda of the Committee of the Whole.~~
- ~~2. The majority of the membership of a Standing Committee should serve more than one year to assure continuity.~~
- ~~3. Concurrent and off cycle Committee meetings are encouraged when scheduling permits.~~

Regents Policy 1103: Policy on Interim Authority

Approved March 14, 1975

Amended July 18, 1986 and March 29, 2012

Rescind; replaced by Bylaw 27.5.

~~A. That authority to approve routine or emergency matters that require action between meetings of The Regents be delegated as follows:~~

- ~~1. The Chairman of the Board or the Chairman of The Regents' Committee having jurisdiction over the item and the President of the University or, in his absence, his designee shall be authorized to act on President's items;~~
- ~~2. The Chairman of the Board or the Chairman of The Regents' Committee having jurisdiction over the item and the Chief Investment Officer of The Regents shall be authorized to act on Chief Investment Officer's items;~~
- ~~3. The Chairman of the Board or the Chairman of The Regents' Committee having jurisdiction over the item and the General Counsel of The Regents shall be authorized to act on General Counsel's items;~~
- ~~4. The Chairman of the Board or the Chairman of The Regents' Committee having jurisdiction over the item and the Secretary of The Regents shall be authorized to act on Secretary's items;~~

~~it being understood that, in case of the inability of the Chairman of the Board to act, the Vice Chairman of the Board may act, and in case of the inability of the Chairman of a Committee of jurisdiction to act, the Vice Chairman of the Committee may act.~~

~~B. That all actions taken under this authority be reported at the next following meeting of the Board.~~

Regents Policy 1104: Policy on Regents' Right to Inspect Records of the University

Approved September 16, 1966

Amended September 22, 2005

Rescind; rephrase and move to Regents Policy 1100 – Statement of Expectations of Members of the Board of Regents

Each Regent shall have the right at any reasonable time to inspect all books, records, documents of every kind, and the physical properties of the University, such right of inspection to include the right to make extracts. All such requests are to be submitted through the Chairman of the Board. This policy also recognizes the statutory or constitutional rights of third parties, in that while individual Regents may access such records, further distribution may be limited by law.

Regents Policy 1105: Policy on Administrative Support for and Reimbursement of Regents and Regents-Designate

Approved October 15, 1982

Amended May 16, 1997 and September 22, 2005

Edit to modernize; incorporate Regents Policy 1106 – Policy on Administrative Support Service for Student Regents

In implementation of Bylaw 8.1, the following regulations are established:

1. Reimbursement of Travel expenses incurred by Regents and Regents-designate shall be, for the purpose of attending Board or Committee meetings, visiting campuses or other University facilities in the performance of official business of the University, or attending an event when performing a role as a Regent, shall be reimbursed in accordance with University travel policy on the same basis as that provided for University employees and as approved by made on order of the Secretary and Chief of Staff to of The Regents as charges against the Regents Administrative Expense budget. Regents are encouraged to consult with the Secretary and Chief of Staff to determine whether a specific travel invitation is subject to this Policy.
2. ~~Travel expenses incurred by a Regent or a Regent-designate for the purpose of attending Board or Committee meetings, visits to campuses or other University facilities in the performance of official business of the Corporation, or attendance at official functions of the University (such as Charter Day, commencement or inauguration ceremonies), or while on special assignment for The Regents, shall be reimbursed on the same basis as that provided for University officers.~~
3. A Regent or a Regent-designate may be reimbursed by the University, through the office of the Secretary and Chief of Staff for postage, telecommunication costs, notarization of documents, and similar charges, when such general administrative expenses have been incurred in the performance of official business of the Corporation. Such expenses must be supported by ~~vouchers or statements of expense~~ submitted by the Regent or the Regent-designate.

4. The Secretary and Chief of Staff, through the appropriate Chancellor, shall arrange for the provision of administrative support services for the student Regent and the student Regent-designate, including office space with standard office furniture and supplies on the campus where the Regent or Regent-designate is enrolled, a cell phone, a laptop, and a printer. All costs associated with the above will be covered by the Secretary and Chief of Staff's office.

~~4. University telephone credit cards may be issued for use in connection with official business of the Corporation upon request to the Secretary.~~

Regents Policy 1106: Policy on Administrative Support Service for Student Regents

Approved January 21, 1977

Amended May 16, 1997

Rescind; incorporate into Regents Policy 1105 - Policy on Administrative Support for and Reimbursement of Regents and Regents-Designate

~~That the Secretary, through the appropriate Chancellor, arrange for the provision of administrative support services for the student Regent and the student Regent designate, as follows:~~

- ~~1. Office space under the jurisdiction of the Chancellor on the campus where the Regent or Regent designate is enrolled, said office to be furnished with required office equipment and supplies;~~
- ~~2. A telephone with message capability and a facsimile machine to be installed in the office; and~~
- ~~3. A personal computer with access to an e-mail account; and That all costs associated with the above be charged against the Regents Administrative Expense budget.~~

Regents Policy 1107: Policy on Campus Visits

Approved March 18, 1977

Amended September 22, 2005

Rescind; edit for brevity and move to Regents Policy 1101, retitled Policy on Board Responsibilities, Education and Assessment.

- ~~1. All Regents and Regents designate and the Faculty Representatives to the Board shall be invited and urged to attend scheduled campus visits.~~
- ~~2. The Secretary of The Regents, with the approval of the Chairman of the Board and in consultation with the President, shall determine the campuses to be visited each year. Specific dates for such visits shall be determined by the Secretary after consultation with the Chairman and Chancellors.~~
- ~~3. The structure and format of each campus visit shall be determined by the Chancellor in consultation with the Secretary.~~
- ~~4. Independent visits to campuses by individual Regents or groups of Regents shall continue to be encouraged.~~

Regents Policy 1111: Policy on Statement of Ethical Values and Standards of Ethical Conduct

Approved May 26, 2005

Current; minor edits to conform to current nomenclature

Purpose

Pursuit of the University of California mission of teaching, research and public service requires a shared commitment to the core values of the University as well as a commitment to the ethical conduct of all University activities. In that spirit, the Standards of Ethical Conduct are a statement of our belief in ethical, legal, and professional behavior in all of our dealings inside and outside the University.

Applicability

The Standards of Ethical Conduct apply to all members of the University community, including ~~The the Regents, Principal Officers of The the Regents, Officers of the University, senior leadership,~~ faculty and other academic personnel, staff, students, and volunteers, contractors, and agents ~~and others~~ associated with the University. Organizationally, the Standards apply to campuses, the National Laboratories, the Office of the President, the Division of Agriculture and Natural Resources, campus organizations, foundations, alumni associations, and support groups.

1. Fair Dealing

Members of the University community are expected to conduct themselves ethically, honestly, and with integrity in all dealings. This means principles of fairness, good faith, and respect consistent with laws, regulations, and University policies govern our conduct with others both inside and outside the community. Each situation needs to be examined in accordance with the Standards of Ethical Conduct. No unlawful practice or a practice at odds with these standards can be justified on the basis of customary practice, expediency, or achieving a “higher” purpose.

2. Individual Responsibility and Accountability

Members of the University community are expected to exercise responsibility appropriate to their position and delegated authorities. They are responsible to each other, the University, and the University’s stakeholders both for their actions and their decisions not to act. Each individual is expected to conduct the business of the University in accordance with the Core Values and the Standards of Ethical Conduct, exercising sound judgment and serving the best interests of the institution and the community.

3. Respect for Others

The University is committed to the principle of treating each community member with respect and dignity. The University prohibits discrimination and harassment and provides equal opportunities for all community members and applicants regardless of race, color, national origin, religion, sex, gender identity, pregnancy, physical or mental disability, medical condition (cancer-related or genetic characteristics), ancestry, marital status, age, sexual orientation, citizenship, or status as a covered veteran. Further, romantic or sexual relationships between

faculty responsible for academic supervision, evaluation, or instruction and their students are prohibited. The University is committed to creating a safe and drug free workplace. Following is a list of the principal policies and reference materials available in support of this standard:

- The Faculty Code of Conduct
- Academic Personnel Policy Manual
- ~~The Faculty Handbook~~
- Personnel Policies for Staff Members
- Policies Applying to Campus Activities, Organizations and Students
- Policy on Sexual Violence and Harassment and ~~Procedures for Responding to Reports of Sexual Harassment~~
- University policies on nondiscrimination and affirmative action
- Campus, laboratory and Office of the President Principles of Community

The University's health sciences enterprises are committed to the ethical and compassionate treatment of patients and have established policies and statements of patient rights in support of this principle.

4. Compliance with Applicable Laws and Regulations

Institutions of higher education are subject to many of the same laws and regulations as other enterprises, as well as those particular to public entities. There are also additional requirements unique to higher education. Members of the University community are expected to become familiar with the laws and regulations bearing on their areas of responsibility. Many but not all legal requirements are embodied in University policies. Failure to comply can have serious adverse consequences both for individuals and for the University, in terms of reputation, finances, and the health and safety of the community. University business is to be conducted in conformance with legal requirements, including contractual commitments undertaken by individuals authorized to bind the University to such commitments.

The Office of the General Counsel has responsibility for interpretation of legal requirements.

5. Compliance with Applicable University Policies, Procedures and Other Forms of Guidance

University policies and procedures are designed to inform our everyday responsibilities, to set minimum standards, and to give University community members notice of expectations. Members of the University community are expected to transact all University business in conformance with policies and procedures and accordingly have an obligation to become familiar with those that bear on their areas of responsibility. Each member is expected to seek clarification on a policy or other University directive he or she finds to be unclear, outdated, or at odds with University objectives. It is not acceptable to ignore or disobey policies if one is not in agreement with them, or to avoid compliance by deliberately seeking loopholes.

In some cases, University employees are also governed by ethical codes or standards of their professions or disciplines - some examples are attorneys, auditors, physicians, and counseling

staff. It is expected that those employees will comply with applicable professional standards in addition to laws and regulations.

6. Conflicts of Interest or Commitment

Employee members of the University community are expected to devote primary professional allegiance to the University and to the mission of teaching, research, and public service. Outside employment must not interfere with University duties. Outside professional activities, personal financial interests, or acceptance of benefits from third parties can create actual or perceived conflicts between the University's mission and an individual's private interests. University community members who have certain professional or financial interests are expected to disclose them in compliance with applicable conflict of interest/conflict of commitment policies. In all matters, community members are expected to take appropriate steps, including consultation if issues are unclear, to avoid both conflicts of interest and the appearance of such conflicts.

7. Ethical Conduct of Research

All members of the University community engaged in research are expected to conduct their research with integrity and intellectual honesty at all times and with appropriate regard for human and animal subjects. To protect the rights of human subjects, all research involving human subjects is to be reviewed by institutional review boards. Similarly, to protect the welfare of animal subjects, all research involving animal subjects is to be reviewed by institutional animal care and use committees. The University prohibits research misconduct. Members of the University community engaged in research are not to: fabricate data or results; change or knowingly omit data or results to misrepresent results in the research record; or intentionally misappropriate the ideas, writings, research, or findings of others. All those engaged in research are expected to pursue the advancement of knowledge while meeting the highest standards of honesty, accuracy, and objectivity. They are also expected to demonstrate accountability for sponsors' funds and to comply with specific terms and conditions of contracts and grants.

8. Records: Confidentiality/Privacy and Access

The University is the custodian of many types of information, including that which is confidential, proprietary, and private. Individuals who have access to such information are expected to be familiar and to comply with applicable laws, University policies, directives and agreements pertaining to access, use, protection, and disclosure of such information. Computer security and privacy are also subject to law and University policy.

Information on the University's principles of privacy or on specific privacy laws may be obtained from the respective campus or laboratory information privacy office.

The public right to information access and the individual's right to privacy are both governed by state and federal law, as well as by University policies and procedures. The legal provisions and the policies are based upon the principle that access to information concerning the conduct of the people's business is a fundamental and necessary right of every person, as is the right of individuals to privacy.

9. Internal Controls

Internal controls are the processes employed to help ensure that the University's business is

carried out in accordance with these Standards, University policies and procedures, applicable laws and regulations, and sound business practices. They help to promote efficient operations, accurate financial reporting, protection of assets, and responsible fiscal management. All members of the University community are responsible for internal controls. Each business unit or department head is specifically responsible for ensuring that internal controls are established, properly documented, and maintained for activities within their jurisdiction. Any individual entrusted with funds, including principal investigators, is responsible for ensuring that adequate internal controls exist over the use and accountability of such funds. The University has adopted the principles of internal controls published by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission.

10. Use of University Resources

University resources may only be used for activities on behalf of the University. They may not be used for private gain or personal purposes except in limited circumstances permitted by existing policy where incidental personal use does not conflict with and is reasonable in relation to University duties (e.g. telephones). Members of the University community are expected to treat University property with care and to adhere to laws, policies, and procedures for the acquisition, use, maintenance, record keeping, and disposal of University property. For purposes of applying this policy, University resources is defined to include but not be limited to the following, whether owned by or under the management of the University (for example, property of the federal government at the National Laboratories):

- Cash, and other assets whether tangible or intangible; real or personal property;
- Receivables and other rights or claims against third parties;
- Intellectual property rights;
- Effort of University personnel and of any non-University entity billing the University for effort;
- Facilities and the rights to use of University facilities;
- The University's name;
- University records, including student and patient records; and
- The University information technology infrastructure.

11. Financial Reporting

All University accounting and financial records, tax reports, expense reports, time sheets and effort reports, and other documents including those submitted to government agencies must be accurate, clear, and complete. All published financial reports will make full, fair, accurate, timely, and understandable disclosures as required under generally accepted accounting principles for government entities, bond covenant agreements, and other requirements. Certain individuals with responsibility for the preparation of financial statements and disclosures, or elements thereof, may be required to make attestations in support of the Standards.

12. Reporting Violations and Protection from Retaliation

Members of the University community are strongly encouraged to report all known or suspected improper governmental activities (IGAs) under the provisions of the Policy on Reporting and

Investigating Allegations of Suspected Improper Governmental Activities (Whistleblower Policy). Managers and persons in supervisory roles are required to report allegations presented to them and to report suspected IGAs that come to their attention in the ordinary course of performing their supervisory duties. Reporting parties, including managers and supervisors, will be protected from retaliation for making such a report under the Policy for Protection of Whistleblowers from Retaliation and Guidelines for Reviewing Retaliation Complaints (Whistleblower Retaliation Policy).

Regents Policy 1200: Policy on Alumni Regents-Designate

Approved June 15, 1984

Amended May 16, 1997 and September 22, 2005

Current; minor edits.

~~Effective June 1, 1984, the~~ The Alumni Associations of the University of California shall certify to the Secretary and Chief of Staff to the of The Regents names of persons scheduled to assume the offices of President and Vice President of the Alumni Associations of the University of California (AAUC) for the terms beginning July 1 of the following year. For the period July 1 to June 30 immediately preceding their scheduled terms as President and Vice President of the AAUC, the persons so certified shall be known as Regents-designate, be invited to attend all meetings of the Board and its committees, to be seated at the meeting table with full participation in discussion and debate, and be entitled to reimbursement for expenses incurred by reason of attendance at meetings of the Board and its committees. During their service as alumni Regents-designate and Regent, these individuals shall be subject to the relevant provisions of ~~Bylaw 8.4~~ the Bylaws, which stipulates that no Regent shall receive salary or other compensation for services as a Regent and that no Regent other than the President of the University shall be eligible for appointment to any position in connection with the University for which a salary or other compensation is paid, except that the student Regent shall be eligible for part-time compensated University employment.

The alumni Regents-designate will serve a one-year term as non-voting advisory members of ~~standing and/or special committees of The the Regents. This membership~~ Non-voting members shall not count toward the calculation of a quorum of a committee ~~maximum number of standing committee members as set forth in Bylaw 10.1(c) nor toward the maximum number of special committee members as set forth in Bylaw 10.3.~~

Regents Policy 1201: Policy on the Faculty Representative to the Board of Regents

Approved September 16, 1977

Amended November 14, 2002

Current; minor edits

The members of the faculty of the University of California who are Chair~~man~~ of the Academic Assembly and Academic Council and the Vice Chair~~man~~ of the Academic Assembly and Academic Council shall be invited to attend all meetings of the Board and of its committees and to be seated at the meeting table with full participation in discussion and debate. ~~In addition, effective immediately, the~~ The Faculty Representatives ~~will~~ may serve as non-voting advisory members of ~~standing and/or special~~ committees of ~~The the~~ Regents, as specified in Committee Charters. ~~This membership~~ Non-voting members shall not count toward the calculation of a quorum of a committee ~~maximum number of standing committee members as set forth in Bylaw 10.1(c) nor toward the maximum number of special committee members as set forth in Bylaw 10.3.~~

Regents Policy 1202: Policy on Appointment of Student Regent

Approved March 19, 1993

Last amended September 22, 2005

Edits correct an administrative error, conforms Policy to long-standing practice and ensures equal representation among the campuses in the selection process.

~~That the appointment of student Regents be continued, commencing August 1, 1987, in accordance with procedures and conditions adopted by The Regents on January 21, 1977 and amended on October 21, 1977, September 18, 1981, June 15, 1984, July 17, 1987, July 16, 1992, May 16, 1997, July 18, 1997, June 18, 1999, November 15, 2002, May 20, 2004, and September 22, 2005.~~

1. The student Regent shall be a person enrolled as a student in good standing and not on academic probation at a campus of the University of California for each regular academic term during his or her service as a Regent-designate and Regent. The student Regent shall have the option of receiving either a fee waiver or a scholarship in an amount equivalent to the student's total University fees and tuition during the academic years in which he or she serves as a Regent-designate and Regent. A student body president, or equivalent, or a member of the Board of Directors of the University of California Student Association, shall not be eligible for appointment as a student Regent. While serving on the Board, a student Regent may not hold any appointive or elective student government position. A student who is or has served as a student Regent shall not be eligible for reappointment as a student Regent.
2. The student Regent shall be appointed by the ~~members of the Board of Regents~~ upon recommendation of a Special Committee to be appointed by the Chair~~man~~ of the Board for that purpose. The Special Committee shall make its recommendation from a panel of

three ~~names-finalists~~ submitted by the Board of Directors of the University of California Student Association (UCSA) following the selection procedure described below. Should the Special Committee not be satisfied with the panel in its entirety, the Committee may request the Board of Directors of ~~the University of California Student Association- UCSA~~ to submit one or more additional names. A representative of the Board of Directors of ~~the University of California Student Association-UCSA~~ shall be invited to attend all meetings of the Special Committee with full participation in discussion and debate.

3. For each campus, the undergraduate and graduate student governments, or other student body association having recognized membership on the Board of Directors of the University of California Student Association, shall each appoint two a student from their body students, an undergraduate and a graduate, as members to of the appropriate student Regent nominating commission. San Francisco's student government shall nominate two students. There shall be one ~~such-northern~~ nominating commission for the Berkeley, Davis, Merced, San Francisco and Santa Cruz campuses and one ~~such-southern~~ nominating commission for the Irvine, Los Angeles, Riverside, San Diego and Santa Barbara campuses. The nominating commissions shall screen ~~candidates and the~~ applicants for student Regent and shall recommend five students from the southern campuses and five students from the northern campuses. The ten students so recommended shall be interviewed by the Board of Directors of the University of California Student Association which shall nominate three ~~as a panel of names-finalists~~ for submission to The Regents. The submission of the ~~panel of names-finalists~~ shall be at such time that the Special Committee may complete its deliberations and submit its recommendations to the Board of Regents no later than the July meeting of the Board each year.
4. Chancellors, in consultation with the President of the University and with their respective student body presidents, shall be responsible for the dissemination of information about the position of student Regent and for the application process on their respective campuses. In-state travel expenses incurred in the recruitment process by the nominating commissions and by the applicants shall be paid by the University Office of the Secretary and Chief of Staff in accordance with its travel reimbursement policies.
5. The nominating commissions, the Board of Directors of the University of California Student Association, the Special Committee, and The Regents shall be mindful of that provision of Article IX, Section 9 of the California Constitution that: "Regents shall be able persons broadly reflective of the economic, cultural, and social diversity of the state, including ethnic minorities and women. However, it is not intended that formulas or specific ratios be applied in the selection of Regents."
6. Candidates shall be students in good standing enrolled at a campus at the University of California at the time that they apply and shall have demonstrated interest in the welfare of their fellow students and in the University. No political test shall be applied to any candidate.

7. A student Regent shall serve on the Board for a one-year term commencing on July 1.

From the time of appointment as a student Regent, but prior to the commencement of service as a member of the Board, the person so appointed shall be known as a Regent-designate, shall be invited to attend all meetings of the Board and its Committees, to be seated at the meeting table, with full participation in discussion and debate, and shall be entitled to reimbursement for expenses in accordance with the Policy for on Administrative Support for and Reimbursement of Regents and Regents-Designate. ~~In addition, effective July 1, 1997, t~~ The student Regent-designate will serve as ~~an a non-voting~~ advisory member of ~~standing and/or special~~ committees of ~~The the Regents as assigned~~ during his or her service as a Regent-designate. ~~This membership~~ Non-voting members shall not count toward the calculation of a quorum of a committee ~~maximum number of standing committee members as set forth in Bylaw 10.1(c) nor toward the maximum number of special committee members as set forth in Bylaw 10.2.~~

Regents Policy 1203: Policy on Emeritus Title for Former Regents, Senior Leadership, and Staff

Adopted November 15, 2007

Expand by incorporating Standing Order 103(a) and (b).
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The title "Regent Emeritus" or "Regent Emerita" shall be conferred on all appointed and alumni Regents at the completion of their terms on the Board of Regents, or at the conclusion of their service as Regents provided that they serve for at least five years. Regents who are unable to complete their terms due to illness shall also be eligible for the title. The title also shall be conferred on all former Regents who completed the term to which they were appointed or served at least five years.

Emeritus status may be conferred by the Board on Principal Officers of the Regents upon retirement or completion of service, on the basis of their contributions to the University.

Emeritus status may be conferred by the President on Chancellors and systemwide senior leaders, upon retirement or completion of service, based on criteria established by the Board.

Emeritus status may be conferred by the President on University employees, at the time of their retirement, who meet criteria established by the President.

Regents Policy 1300: Policy on President as Spokesman for the University

January 18, 1962

Rescind; incorporated into Bylaw 23.4(c) (Chair) and Bylaw 30 (President).

~~It is the policy of The Regents that the President shall be the spokesman for the University, with the Chairman of the Board being the spokesman on certain subjects.~~

Regents Policy 1301: Policy on Public Access to Meetings

Approved October 17, 1975

Amended September 16, 2010

Rescind. Recommend adding first sentence to Regents Policy 1302; 2nd sentence has been incorporated into Bylaw 27.1(g); rephrase 3rd sentence and incorporate into Regents Policy 1302.

~~The Board of Regents reaffirms its commitment to openness and transparency in the conduct of the University's business. Meetings of the Board of Regents shall be conducted in compliance with California open meeting laws applicable to the University of California. Any person attending an open and public meeting of the Board of Regents shall have the right to record the proceedings with an audio or video recorder or a still or motion picture camera unless the recording cannot continue without noise, illumination or obstruction of view that constitutes, or would constitute, a persistent disruption of the proceedings.~~

Regents Policy 1302: Policy on Public Access to Meetings ~~Appearances Before the Board and Committees and Public Comment~~

Approved January 20, 1995

Amended September 19, 1997, July 18, 2002 and September 22, 2005

Current; minor edits. Recommend moving 1st sentence from Regents Policy 1301, and rephrase last sentence of Regents Policy 1301, incorporated as #7.

The Board of Regents reaffirms its commitment to openness and transparency in the conduct of the University's business. Meetings of the Board of Regents shall be conducted in compliance with California open meeting laws applicable to the University of California. Members of the public are invited to attend open sessions of Regents meetings and may address ~~The the Regents of the University of California whenever The the Regents Board or any of its Committees meets~~

in open session in accordance with the guidelines below. In addition, written communications to ~~The~~the Regents are always welcome.

1. On any day that ~~The Regents Board~~ or any of its Committees meets in open session, the first open meeting will ~~be include~~ a twenty-minute ~~meeting of the Committee of the Whole~~ period for the purpose of hearing public comment. Individual speakers will be invited to speak for up to three minutes, depending on the number of individuals who have signed up to speak.
2. In order to accommodate those individuals wishing to speak when more people have signed up to address the Committee than can be heard, the Chair~~man~~ may adjust the procedures at ~~his/her~~their discretion.
3. Speakers at the public comment sessions may address any University-related matter. When signing up to speak, individuals will identify the matter they wish to address.
4. A sign-up sheet is used to record those who wish to address the ~~Committee of the Whole~~ Regents. Anyone who wishes to speak may ~~call~~contact the Office of the Secretary and Chief of Staff after the Notice of Meeting for ~~The the~~ Regents meeting has been published or may sign up on the day of the meeting. The sign-up sheet is made available at the meeting location at least one hour before the public comment period is scheduled, and members of the public must sign up prior to ~~that scheduled time~~the beginning of the meeting.
5. Three or more speakers may pool their time to provide up to seven minutes for a group representative. Those individuals intending to yield their time must be present at the meeting when their names are called to confirm their willingness to do so. If individual speaking times are reduced at the meeting, pooled times will also be reduced. Individuals who speak for less than their allotted time may not yield their remaining time to another speaker.
6. Written comments and materials brought for the Regents by speakers will be accepted during public comment and will be available to the Regents during the duration of the meeting.
7. Attendees have the right to record the meeting, consistent with open meeting laws, as long as that activity does not constitute a persistent disruption of the proceedings.

Regents Policy 1400: Charter of the Committee on Compliance and Audit

Approved January 2007

Amended March 2008 and January 21, 2010

Rescind; has been replaced by the Charter of the Compliance and Audit Committee adopted in July 2016.

Purpose: The Charter of the Committee on Compliance and Audit (the "Committee"), which is issued as a Regents' Policy, is designed to provide a detailed description of the Committee's responsibilities as outlined in Bylaw 12.1. It confirms the Committee's duties for its members and for the Board of Regents as a whole, guides the annual agenda, permits tracking of tasks that discharge the Committee's responsibilities and provides, in part, for orientation of new Committee members.

I. Committee Membership

- A. ~~With the exception of the Governor, who is an ex officio member of the Committee, all members of the Committee shall meet the standards of The Regents' Guideline for Determination of Board Member Independence (March, 2005) in order to serve.~~
- B. ~~Committee members will be appointed for staggered two year terms. The Chair of the Committee will be expected to serve for two years where possible and should be succeeded by a Vice Chair who has served a one year term where possible.~~
- C. ~~The Committee may appoint a Compliance Advisor and/or a Financial Advisor to advise the members. See Policy on Appointment of Expert Advisors to the Committee on Compliance and Audit.~~

II. Meetings

- A. ~~The Committee will meet as needed to address matters on its agenda, but not less frequently than four times each year. The Committee may ask members of management or others to attend a meeting and provide pertinent information as necessary.~~
- B. ~~As permitted by the California Open Meeting Act, the Committee will conduct closed sessions with the outside auditors, Chief Financial Officer, Vice President Financial Management, Controller, Senior Vice President Chief Compliance and Audit Officer, General Counsel, other counsel to the Committee, or others when needed.~~

III. Oversight Responsibilities

- A. ~~Monitor development and implementation of a systemwide compliance program via periodic reports from the Senior Vice President Chief Compliance and Audit Officer and location representatives.~~
- B. ~~Monitor specific programs designed to achieve compliance objectives.~~
- C. ~~Oversee development of a culture attentive to the University's commitment to ethics and compliance.~~
- D. ~~Review with the Senior Vice President Chief Compliance and Audit Officer monitoring of compliance with the Statement of Ethical Values and Standards of Ethical Conduct,~~

with particular attention to compliance with University policies and applicable laws and regulations.

- ~~E. Periodically review the University's Statement of Ethical Values and Standards of Ethical Conduct to assure that they are adequate and up to date.~~
- ~~F. Review University procedures for receipt, retention, and treatment of whistleblower and other complaints submitted by any party, internal or external to the organization, other than litigation. Review the topics, current status, and resolution of such complaints.~~
- ~~G. Receive and review the annual report on the University's risk management program.~~
- ~~H. Oversee the functional reporting relationship of the Senior Vice President—Chief Compliance and Audit Officer with the Committee, including review of the position's appointment, replacement, reassignment, or dismissal.~~
- ~~I. Review:
 - ~~• Significant findings on internal audits during the year and progress regarding management corrective actions.~~
 - ~~• Whether Internal Audit encountered any difficulties in the course of its audits, such as restrictions on the scope of its work or access to required information.~~
 - ~~• Any changes required in the scope of the internal audit mission and responsibilities.~~
 - ~~• The Internal Audit department resources, i.e., budget and staffing.~~
 - ~~• The Internal Audit charter.~~
 - ~~• Internal Audit compliance with the Institute of Internal Auditors' (IIA's) Standards for the Professional Practice of Internal Auditing (Standards).~~~~
- ~~J. Review with management any interim financial reports issued since the last meeting.~~
- ~~K. Review with the independent auditors, Chief Financial Officer, Controller, and Senior Vice President—Chief Compliance and Audit Officer the audit scope and plan of the internal auditors and the independent auditors. Address the coordination of audit efforts to assure completeness of coverage, reduction of redundant efforts, and effective use of University resources in the audits.~~
- ~~L. Review adequacy of internal controls, including computerized information system controls and security with the independent auditors and the Senior Vice President—Chief Compliance and Audit Officer.~~
- ~~M. Review with management and the independent auditors:
 - ~~• The effect of regulatory and accounting initiatives, as well as other unique transactions and financial relationships.~~
 - ~~• Significant findings and recommendations of the independent auditors as well as management corrective actions.~~
 - ~~• Critical accounting policies and practices used by the University.~~~~

- ~~All alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, the ramifications of each alternative, and the treatment preferred by the University.~~

~~N. Review with the independent auditors matters required to be discussed by Statement on Auditing Standards (SAS) No. 61, Communication With Audit Committees (AICPA, Professional Standards, vol. 1, AU sec. 380), as amended, related to the conduct of the audit. This will include:~~

- ~~1. All material written communications between the independent auditors and management, such as any management letter or schedule of unadjusted differences.~~
- ~~2. The independent auditors' audit of the financial statements and related footnotes and their report thereon.~~
- ~~3. The independent auditors' judgment about the quality, not just acceptability, of the University's accounting principles and practices as applied in its financial reporting.~~
- ~~4. Any significant changes required in the independent auditors' audit plan.~~
- ~~5. Any serious difficulties or disputes with management encountered during the audit.~~

~~O. Review with the General Counsel, other counsel to the Committee and the Chief Financial Officer, Vice President Financial Management, Controller, and the Senior Vice President Chief Compliance and Audit Officer legal and regulatory matters that, in the opinion of management, may have a material impact on the financial statements, related organization compliance policies, and programs and reports received from regulators.~~

~~P. Perform such other functions as assigned by the Bylaws, the Charter, or The Regents.~~

IV. Reporting Responsibilities

~~A. At the earliest opportunity, the Committee will report to the Board as a whole any action taken or significant discussions held.~~

~~B. The Committee will receive and review annual reports for functional areas within the scope of its responsibilities and will advise the Board as a whole regarding its review.~~

V. Authority to Retain and Oversee Non-University Experts

~~A. The Committee will recommend appointment of and oversee the independent auditors to be engaged by the Board of Regents, establish the fees of the independent auditors, and approve any nonaudit services to be provided, including unusual tax services, before the services are rendered.~~

~~B. The Committee is authorized to engage additional independent auditors, counsel, or other consultants as necessary to discharge its duties.~~

VI. Assessment

- ~~A. Review the Committee's charter periodically, reassess its adequacy and recommend proposed changes to the Board.~~
- ~~B. Review the effectiveness of the Committee periodically, including review of its annual agenda.~~

Regents Policy 1401: Policy on Appointment of Expert Advisors to the Committee on Compliance and Audit

Approved March 20, 2008

Rescind; add general provisions on term and selection of expert advisors to Charter of the Compliance and Audit Committee and make consistent with Bylaws and process for external advisors to the Health Services Committee (see companion item proposing amendment of committee Charter regarding external advisors). Move selection criteria to guidelines maintained by the Chief Compliance and Audit Officer and determined by the CAO in consultation with the Compliance and Audit Committee.

~~The Regents' Committee on Compliance and Audit will appoint expert advisors to serve as subject matter experts in finance and compliance to assist the Committee in performance of its responsibilities. The advisors will meet requirements of relevant education, experience and credentials, will meet the University's standards for independence, and will be reviewed for actual or potential conflicts of interest. Reference and background checks will be completed prior to appointment. The term of appointment will be 1-3 years. Terms may be renewed if the screening committee and the Chair of the Committee on Compliance and Audit determine that the individual should be reappointed for an additional term. This policy describes the criteria and process for selection.~~

~~I. The Selection Process~~

- ~~A. Applications and nominations will be sent to the Office of the Secretary and Chief of Staff or the Office of the Senior Vice President Chief Compliance and Audit Officer.~~
- ~~B. Candidates will be contacted at the appropriate time to confirm their willingness to serve for a one to three year term. If they are willing to serve, independence and confidentiality requirements and a background check will be conducted. They will also be informed of Regents policies concerning defense and indemnification.~~
- ~~C. The Secretary and Chief of Staff or designee will convene a screening committee to review candidates. Members of the screening committee will be the Chair of the Committee on Compliance and Audit, the Senior Vice President Chief Compliance and Audit Officer of The Regents, the Secretary and Chief of Staff to The Regents, the Vice President and General Counsel of The Regents, the Vice President Financial~~

~~Management and the current Financial and Compliance Advisors. With the exception of the Advisors, all members may delegate their role to a designee. Members will solicit comments from others as appropriate. The Chair of the Committee on Compliance and Audit may designate additional members of the screening committee.~~

~~D. Persons eligible for appointment as expert advisors to the Committee on Compliance and Audit must be independent and there must be no conflicts of interest. Criteria for exclusion include:~~

- ~~1. Employment of the individual or immediate family by the University of California or the U.S. Department of Energy.~~
- ~~2. Employment of the individual or immediate family by the current external auditor.~~
- ~~3. The individual or immediate family member has been a contractor or consultant to the University or participated in their organization's decisions related to consulting with the University, receiving more than \$60,000 (total) within the past three calendar years.~~

~~E. The screening committee will assess the following:~~

- ~~1. Professional credentials and relevant experience.~~
- ~~2. Potential conflicts for the candidate or the candidate's immediate family members.~~
- ~~3. Affiliations or connections with the University and its related entities.~~
- ~~4. References and background checks done through selected public sources~~

~~F. Prior to making the final selection, information about the finalist(s) for the appointment(s) will be forwarded to the Chairman of the Board and the Chair of the Committee on Finance to solicit their views. The Chair of the Committee on Compliance and Audit will make the final decision on the candidate to advance to the Committee on Compliance and Audit for appointment.~~

~~H. Financial Advisor Selection Criteria~~

~~A. Financial Advisor shall have the following attributes:~~

- ~~1. An understanding of generally accepted accounting principles and financial statements. For the University, knowledge of accounting principles as promulgated by the Governmental Accounting Standards Board (GASB) applicable to higher education is preferred.~~
- ~~2. Experience in:
 - ~~a. Preparation or auditing of financial statements of generally comparable institutions and~~
 - ~~b. Familiarity with application of such principles in connection with the accounting for estimates, accruals and reserves, including third party reserves of Medical Centers as well as self insurance reserves-~~
 - ~~c. The design and evaluation of internal controls~~~~
- ~~3. Understanding of Compliance and Audit Committee functions including oversight of ethics and compliance matters~~

~~B. The foregoing attributes must have been acquired through any one or more of the following:~~

- ~~1. Education and experience as a principal financial officer, principal accounting officer, controller, public accountant or auditor or experience in one or more positions that involve the performance of similar functions;~~
- ~~2. Experience actively supervising any of the above listed positions or person performing similar functions~~
- ~~3. Experience overseeing or assessing the performance of companies or public accountants with respect to the preparation, auditing, or evaluation of financial statements, or~~
- ~~4. Other relevant education and experience~~

~~III. Description of the Role of the Financial Advisor~~

~~A. The Financial Advisor to the Committee on Compliance and Audit is to provide advice and consultation to the Committee in the following areas:~~

- ~~1. Financial and accounting matters, including assistance in reviewing UC financial statements and in asking appropriate questions regarding those statements; the University's choices of accounting principles, any changes in accounting principles and estimates having a significant impact on the financial statements;~~
- ~~2. Compliance with GASB pronouncements and changes in auditing standards;~~
- ~~3. Independent views of management's compliance with accounting standards;~~
- ~~4. The University's internal control structure and processes, material changes in controls, the control implications of contemporary internal or external issues, and the significance of control findings reported to the Committee;~~
- ~~5. A view of the public accountant's expertise and overall performance;~~
- ~~6. General assistance with audit committee oversight of the University's accounting, auditing, ethics and compliance practices.~~

~~IV. Compliance Advisor Selection Criteria~~

~~A. A Compliance Advisor shall have the following attributes:~~

- ~~1. An understanding of corporate ethics and compliance programs, including development and implementation programs as well as systems for monitoring. Experience in a university setting would be helpful.~~
- ~~2. Experience in:
 - ~~a. Prevention, detection and response to compliance risks; education, auditing and monitoring concepts;~~
 - ~~b. Understanding implications for compliance and culture in a changing regulatory environment;~~~~

- ~~e. Design and evaluation of internal controls and reducing compliance risks through risk mitigating activities.~~
 - ~~3. Understanding the Compliance and Audit Committee functions, including oversight of ethics, risk and compliance, as well as risk mitigation matters.~~
 - ~~B. The foregoing attributes must have been acquired through any one or more of the following:
 - ~~1. Education and experience as an Ethics and Compliance Officer or experience in one or more positions that involve the performance of similar functions;~~
 - ~~2. Experience actively supervising such a position or person performing similar functions;~~
 - ~~3. Experience overseeing or assessing the performance of companies with respect to their compliance, ethics or risk function, or~~
 - ~~4. Other relevant education and experience.~~~~

~~V. Description of the Role of the Compliance Advisor~~

- ~~A. The Compliance Advisor to the Committee on Compliance and Audit is to provide advice and consultation to the Committee in the following areas:
 - ~~1. Ethics, compliance and risk matters, including assistance in reviewing UC reports to the Committee regarding ethics, compliance and identification of risks and risk mitigation activities.~~
 - ~~2. Advice and review of appropriate metrics for assessing compliance within the University.~~
 - ~~3. Independent review of management's compliance with the University's corporate ethics, risk and compliance programs.~~
 - ~~4. General assistance with review of overall performance of the Senior Vice President Chief Compliance and Audit Officer.~~
 - ~~5. General assistance with the Committee on Compliance and Audit's oversight of the University's corporate ethics and compliance program.~~~~

Regents Policy 1405: Committee on Health Services

Approved November 19, 2015

Rescind; incorporated into Charter of the Health Services Committee

- ~~A. 1. The Committee on Health Services is authorized, without further Regents action, to approve transactions, as defined in Bylaw 12.7, otherwise requiring Regents approval that primarily arise from or serve the programs and services of UC Health or any of its components when: [In Committee Charter, section G(3)]~~
- ~~i. the transaction can reasonably be anticipated to commit or generate up to 3% of the annual operating revenue for the relevant Medical Center(s) as reflected in the audited financial statement(s) for the most recent full fiscal year; and~~
 - ~~ii. combined with the value of transactions previously approved by the Committee in the relevant fiscal year, the transaction can reasonably be anticipated to commit or generate up to 5% of the annual operating revenue for the relevant Medical Center(s) as reflected in the audited financial statement(s) for the most recent full fiscal year.~~
- ~~2. The value of a transaction shall be determined on the basis of the cumulative value of UC's direct financial commitment, including both UC cash contributions and debt assumed, or the combined value of any assets or debt sold or otherwise disposed.~~

- ~~B. Compensation Benchmarks: The Committee on Health Services shall develop a benchmarking framework for use in evaluating compensation proposals that may be approved under Bylaw 12.7. The benchmarking framework shall identify peer institutions against which UC Health competes for high level positions and identify external salary data for positions comparable to those that may be approved by the Committee under Bylaw 12.7. The benchmarking framework shall be reviewed and approved by the Committee on Health Services and the Committee on Compensation at least every two (2) years. [In Committee Charter, section H(2)]~~

~~Chancellor Committee Members: To the extent that an item on the agenda for a meeting of the Committee on Health Services primarily or substantially benefits the campus led by a Chancellor member of the Committee on Health Services, the member may present the item as an advocate for the campus but shall not otherwise participate in deliberation by the Committee. This limitation shall not be effective where an item is reasonably anticipated to provide direct benefit to all campuses with medical centers. [In Committee Charter, section F]~~

- ~~C. Conflict of Interest: Advisory Members shall not participate in deliberations of the Committee on any matter in which the member or an immediate family member has a financial interest. [Provided for in Bylaw 24.8 – Special Requirements for Chancellor/Advisory Members]~~

- ~~D. UC Health Oversight: [In Committee Charter, sections I and K]~~

- ~~1. Strategic Plan and Budget: The Committee shall report annually to the Board on the UC Health strategic plan and budget at the July meeting.~~

- ~~2. Quality, Cost and Access: The Committee shall oversee development of dashboards assessing quality of care, cost of service, and access to care across the UC Health clinical enterprise, and shall use the dashboards to monitor performance against established benchmarks.~~
- ~~3. Student Health Centers: The Committee shall report annually to the Board on the status of the University's student health and counseling centers and the UC Student Health Insurance Plan at the September meeting.~~
- ~~4. Transaction Review: The Committee shall annually review and assess the transactions approved in the previous three years and report in writing on its assessment to the Board for the March meeting.~~
- ~~5. Health Plan Contracts: The senior executive for health affairs in the Office of the President shall regularly brief the Committee on system-wide managed care and other health plan participation arrangements negotiated on behalf of the UC Health clinical enterprise.~~

~~E. Implementation: The amendments to Bylaw 12.7 approved at the November 2015 meeting shall be implemented as soon as practicable thereafter, subject to the following transition provisions:~~

- ~~1. The Chair and Vice Chair of the Committee as approved by the Board in May, 2015, shall continue in such capacity. The initial term of the Chair shall be three years, extending through June 2019 to coincide with the regular committee appointment cycle. [Superseded by Charter, sections C and D]~~
- ~~2. Nothing shall prevent the Committee on Health Services from approving compensation for a proposed hire before completion of the initial benchmarking framework described in Section B above.~~
- ~~3. The provisions of this Section F shall expire on July 1, 2019 and the Secretary and Chief of Staff shall take all actions necessary to remove Section F from Regents Policy 1405. [Not necessary if Regents Policy is rescinded]~~

Regents Policy 1500: Statement of Expectations of the President of the University

Approved March 17, 2011

Current; minor edits

Guidelines for Discharge of Duties

The President of the University shall serve as the chief executive officer of the University of California, governing the institution through authority delegated by the Board of Regents. The President is expected to direct the management and administration of the University of California system consistent with the Bylaws and Regents Policy Standing Orders, administering the University in fulfillment of its educational, research, and public service missions in the best interests of the people of California. The President shall serve at the pleasure of the Board of Regents subject to such compensation and conditions of employment, as the Board shall determine.

Role of the President

The President shall serve as the academic leader of the institution, defining the vision for the University, and leading the system in developing and executing plans in support of that vision, consistent with the delegation of authority to the Academic Senate and the concept of shared governance.

The President shall serve as the chief executive officer, leading the administration of the University, recommending, supporting and evaluating the performance of chancellors, representing the campuses to the Regents, and establishing a structure to manage the University's affairs.

The President shall serve as the primary external advocate, promoting the University's interests and managing its reputation with external stakeholders.

The President shall serve as the guardian of the public trust, ensuring legal and ethical compliance, managing system risk, and providing information regarding University activities.

Management and Planning

The President is expected to keep the Board informed regarding significant aspects of the University; to consult and counsel the Board on important matters of governance and administration of the University; and to consult and counsel the Board with respect to policies, purposes and goals of the University. The President shall carry out the directives and policies of the Board of Regents. The President shall recommend to the Board the establishment and appointment of ~~Senior Management Group ("SMG")~~ senior leadership positions, including the positions of chancellors and others directly responsible to the President.

The President shall promote the development and efficiency of the University of California. The President shall make recommendations for changes in organization, programs, assignments and procedures and, where required or appropriate, seek Board approval for those recommendations. The President shall ensure the quality of academic programs systemwide, striving to attain the highest quality of educational experience for University students.

Financial Resources

The President shall ensure that the University has adequate financial resources and that those resources are effectively managed to ensure the excellence of the University for future generations of Californians. The President shall present recommendations to the Board for both the capital and operating budget of the University. The President shall monitor and audit the expenditure of funds and shall ensure the University is a responsible steward of the public funds entrusted to the institution.

Consultation with the Faculty

The President is expected to consult with the Academic Senate, consistent with the principle of shared governance, on issues of significance to the general welfare and conduct of the faculty and on all matters under the jurisdiction of the Academic Senate pursuant to the Bylaws and ~~Standing Orders~~Regents Policy.

Diversity

The President is expected to promote diversity in the University community, consistent with applicable law and the public mission of the University to serve the interests of all Californians. The President is expected to establish a climate that welcomes, celebrates and promotes respect for all forms of diversity. -The President shall work to remove barriers to the recruitment, retention, and advancement of talented students, faculty and staff from historically excluded populations who are currently underrepresented.

Regents Policy 1600: Policy on Security Clearance for Access to Federal Classified Information

Approved March 29, 2012

Amended December 30, 2015

Current; minor edits

For the purposes of security clearance for matters involving federal classified information, the positions listed below shall be known as Key Management Personnel (KMP). These positions have authority and responsibility with respect to the entirety of the University and, included therein, for the negotiating, execution, and administration of United States Government contracts

as described in the National Industrial Security Program Operating Manual (NISPOM). In such positions, a KMP ordinarily has access, absent exclusion, to all information in possession of the University, including classified information. ~~Pending issuance of the required access authorization, a KMP shall be excluded from all access to classified information and shall not participate in any decision or other matter pertaining to the protection of classified information.~~

- Ex-Officio Regents – the Governor, Lieutenant Governor, and the President of the University of California;
- ~~Chairman~~ of the Board of Regents;
- ~~The General Counsel and Vice President for Legal Affairs, and the Senior Vice President—~~Chief Compliance and Audit Officer; and
- ~~The Provost and Executive Vice President for Academic Affairs.~~

Any individual appointed or assuming a KMP position shall be ~~immediately~~ excluded by resolution of the Board from access to classified information and shall not participate in any decision or other matter pertaining to the protection of classified information until receipt of the required access authorization, unless such individual currently possesses a personnel security clearance at the level of the University’s facility clearance.

Regents Policy 6103: Policy Establishing the Investment Advisory Group

Adopted November 19, 1999

Amended July 19, 2007, September 20, 2007, September 16, 2010, and March 29, 2012

Rescind; Bylaw 24.4 authorizes external advisors; incorporate provision about composition of external advisors into Charter of the Finance and Capital Strategies Committee (see companion item proposing amendment of committee Charter regarding external advisors).
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~~**Function:** The Investment Advisory Group shall function in an oversight and evaluative role providing advice to The Regents with respect to establishment of investment policies and investment performance, including, but not limited to, investment strategies, policies and procedures; investment performance; investment personnel of the Chief Investment Officer; external investment managers; and the budget of the Chief Investment Officer.~~

~~**Authority:** The Committee on Investments has authority under Regents Bylaw 12.5 for management of investments of the Corporation, and the Advisory Group shall have no management or action authority. In addition, the Investment Advisory Group shall have no authority for selection of specific investments, including the selection of investment managers or individual investments.~~

~~**Composition:** (a) The Advisory Group shall have not more than seven and not fewer than four members, appointed by the Board of Regents upon recommendation of the Committee on Governance, in consultation with the Chair of the Committee on Investments. (b) Except as~~

provided in subsection (c), membership is limited to investment professionals, faculty, and UC Foundation members not currently serving as Regents. (c) Notwithstanding subsection (b), one member of the Advisory Group shall be a represented employee of the University of California with expertise in investments. (d) Members of the Advisory Group shall serve for an initial term of four years and may serve a second term of four years.

Meetings: Members of the Advisory Group shall meet only as non-voting advisors in meetings of The Regents' Committee on Investments, which are noticed and conducted in accordance with the provisions of the Bagley-Keene Open Meeting Act.

Reports: The Advisory Group may request the Chief Investment Officer, other University of California staff, and such external sources as the Group shall determine advisable to provide reports on investment matters.

Consultant: The Advisory Group may recommend to the Committee on Investments that one or more consultants be retained from time to time to advise the Advisory Group and the Committee on Investments.

Conflicts: Members of the Advisory Group shall upon taking and leaving office and annually during their terms, with updates when information changes, disclose the following: their status and the status of their immediate family, within the meaning of the Political Reform Act, as partners, members, executive officers or employees with any and all investment management firms; any ownership interest in a privately held investment management firm; and any ownership interest of 1 percent or more in a publicly traded investment management firm.

An investment management firm is defined as a for-profit business entity which derives its revenues from the investment of third-party assets or, if it is a diversified business entity, no other business line contributes more revenues or earnings than the investment of third-party assets.

Expenses: Members of the Advisory Group shall receive no compensation for their services. They shall be reimbursed for expenses associated with service on the Advisory Group in accordance with policies applicable to members of the Board.

Regents Policy 1110: Policy on Conflicts of Interest in Accordance with the Political Reform Act

Additions shown by underscoring; deletions shown by strikethrough

A. University Conflict of Interest Code

In accordance with the Political Reform Act of 1974, the Regents authorize the President of the University to adopt, in consultation with the General Counsel and the Chief Compliance and Audit Officer, the University's Conflict of Interest Code ("Code"). The President of the University may determine what University positions should be included in the Code as "designated employees" who are thereby required to file a Statement of Economic Interests (Form 700). The Code shall include as "designated employees" those University officers and employees whose position entails the making or participation in the making of decisions that may foreseeably have a material effect on any financial interest. Nothing in this delegation is intended to preclude the Board of Regents from adding positions to, or removing positions from, the Code.

B. Conflicts of Interest Requirements for Individual Regents

1. Each Regent shall complete conflict of interest training with the same frequency as required for University employees. In addition, each Regent shall submit an annual certification to the Secretary and Chief of Staff in a form approved by the General Counsel that includes, but is not limited to, the following:

A. They have submitted any required complete and accurate Form 700;

B. They have completed all trainings required by Board policy;

C. They will complete any trainings required to be completed in the coming year;

E. They have not participated in any University decision in which they had a financial conflict of interest in the previous year;

F. They will undertake reasonable efforts to anticipate any possible financial conflict of interest, inform the Chair and General Counsel and solicit input as to whether recusal is required; and

G. Any other subject matter requested by the Governance and Compensation Committee.

2. A Regent shall alert the General Counsel as soon as they become aware of any possible financial conflict of interest and seek legal advice about whether they are required to disqualify themselves from any University decision.
3. When a financial conflict of interest requires a Regent to disqualify himself or herself on an issue on the agenda of a meeting of the Board of Regents or its committees, the Regent shall:
 - A. When the item is announced, publicly identify the nature of the financial conflict of interest;
 - B. Recuse himself or herself from discussing, voting, or otherwise participating in the matter; and
 - C. Leave the room until after the discussion, vote, and any other disposition of the matter is concluded.
4. Notwithstanding the requirements of paragraph (3), a Regent may address the Board about any issue for which their disqualification is required during time provided for general public comment on the issue.
5. A Regent is expected to disqualify himself or herself from participating in or influencing any University decision in which they have a material financial interest, whether or not that University decision occurs or is planned to occur at a meeting of the Board or any of its committees or subcommittees.

~~1. In accordance with the Political Reform Act of 1974 (Government Code Sections 81000, et seq.), The Regents approve the Conflict of Interest Code of the University of California.~~

~~2. The President of the University be authorized to approve, with the concurrence of the Chairman of the Board and the General Counsel of The Regents, modifications in the Conflict of Interest Code as may be deemed appropriate in light of comments and suggestions received prior to submission of the Proposed Code to the Fair Political Practices Commission for its approval including in particular comments and suggestions received at the January 1977 meeting.~~

~~3. The Regents' approval of an earlier draft Conflict of Interest Code of the University of California on July 16, 1976 be rescinded.~~

~~4. The Policy of The Regents of the University of California Regarding Conflicts of Interest, adopted July 16, 1971, be rescinded as of the effective date of the Conflict of Interest Code of the University of California.~~

Additions shown by underscoring; deletions shown by strikethrough

Appendix A - Charter of the Academic and Student Affairs Committee

- A. Purpose. The Academic and Student Affairs Committee shall provide strategic direction and oversight, make recommendations to the Board, and take action pursuant to delegated authority, on matters pertaining to the educational philosophy and objectives of the University, to admissions policy, to student affairs, to student and faculty diversity, and to the academic planning, instruction, research and public service activities of the University.
- B. Membership/Terms of Service. The identity, appointment and terms of service of Committee members shall be as specified in Bylaws 24.4 through 24.6, except that the California Superintendent of Public Instruction shall be added to the Committee as a voting ex officio member.
- C. Consent Responsibilities. The Committee shall be charged with recommending action on the following matters which, on approval, shall be placed on the consent agenda of the Board for approval without discussion, unless removed from the consent agenda by motion of any member for separate consideration. Unless otherwise specified, any approval authority for these matters that falls outside parameters expressly reserved to the Board or a Committee is delegated to the President.
- Making any cardinal change to a prime contract to manage and operate a National Laboratory or other Comparable Facility.
 - Allocation of the annual fee earned by the University from an affiliated business entity formed to manage and operate any National Laboratory or Comparable Facility.
- D. Other Oversight Responsibilities. In addition to the consent responsibilities assigned to the Committee described above, and to the extent not otherwise within such responsibilities, the charge of the Committee shall include reviewing and making recommendations to the Board with regard to the following matters and/or with regard to the following areas of the University's business:
- Enrollment and admissions
 - Access and affordability for undergraduate, graduate academic, and graduate professional students
 - Residency
 - Student life and student conduct
 - Sexual assault and sexual harassment prevention

- Academic personnel
- Faculty life and faculty conduct
- Privilege and Tenure
- Undergraduate, graduate academic and graduate professional curricula
- Degrees and Certificates
- Academic Calendar
- Establishment and disestablishment of campuses, colleges and schools
- Research directions, funding, structures and accomplishments
- Internal and external research collaboration
- Intellectual property
- Technology transfer and commercialization
- Innovation and entrepreneurship in curricula, degrees and research
- Public service related to academic affairs
- Master Plan for Higher Education
- Strategic Academic Plans
- K-12 engagement, student preparation for college success, and school improvement
- Diversity
- Campus climate and inclusion
- CSU and CCC relations
- Division of Agriculture and Natural Resources
- Natural Reserve System
- Department of Energy National Laboratories
- Appointments of Regents Professors and University Professors
- Approval of equivalent academic ranks

The assignment of responsibility to this Standing Committee under Paragraphs C and D signifies that it is the Committee to which matters otherwise appropriate for Board consideration generally will be referred and does not create an independent obligation to present a matter to this Standing Committee or its Subcommittee, to the Board or to any other Committee.

E. National Laboratories Subcommittee. The Committee hereby establishes the National Laboratories Subcommittee to assist the Committee in discharging its governance and oversight responsibilities with regard to the Lawrence Berkeley National Laboratory, the Lawrence Livermore National Laboratory, the Los Alamos National Laboratory, and any other Comparable Facility. A Comparable Facility shall include any National Laboratory or other Federally Funded Research and Development Center as identified by federal regulation. The duties and responsibilities of the Subcommittee, and the plenary authority delegated to it by the Board, are set forth as follows.

1. Purpose. In support of the Academic and Student Affairs Committee (the “related Standing Committee”), the National Laboratories Subcommittee shall consider, make recommendations, and act pursuant to delegated authority on matters pertaining to the

research and other activities of the Lawrence Berkeley National Laboratory, the Lawrence Livermore National Laboratory, the Los Alamos National Laboratory, and any other National Laboratory or Comparable Facility and any affiliated business entity holding a prime contract to manage and operate a National Laboratory or Comparable Facility.

2. Membership/Terms of Service. The identity, appointment and terms of service of Subcommittee members shall be as specified in Bylaws 25.3 through 25.5.
3. Subcommittee Consent Responsibilities. Unless otherwise specified in this Committee Charter, the Subcommittee shall be charged with recommending action on the following matters which, on approval, shall be placed on the consent agenda of the Board, on the terms specified in Paragraph C above as though approved by the Standing Committee, unless any member of the Standing Committee requests that the matter be taken up for discussion and/or action by the Standing Committee. Unless otherwise specified, any approval authority for these matters that falls outside parameters expressly reserved to the Board or a Committee is delegated to the President.
 - Making any cardinal change to a prime contract to manage and operate a National Laboratory or other Comparable Facility.
 - Allocation of the annual fee earned by the University from an affiliated business entity formed to manage and operate any National Laboratory or Comparable Facility.
4. Other Oversight Responsibilities. In addition to the responsibilities assigned to the Subcommittee described above, and to the extent not otherwise within such responsibilities, the charge of the Subcommittee shall include reviewing and making recommendations to the related Standing Committee with regard to the following matters and/or with regard to the following areas of the University's business:
 - The University's participation in any solicitation for or contract to manage and operate a National Laboratory or Comparable Facility.
 - The University's participation in any business entity formed to manage and operate a National Laboratory or other Comparable Facility
 - Oversight of relationships between and among the University, the Department of Energy, the National Nuclear Security Administration, other pertinent state and federal authorities, and any business partners and business entities with responsibility for management and operation of a National Laboratory or Comparable Facility.
5. Reporting. In addition to the reports required under Bylaw 25.8, the Subcommittee shall report to the related Standing Committee any material developments in the operation of the National Laboratories or Comparable Facilities, including those that

concern the health and safety of laboratory personnel or the surrounding communities, those that have the potential to expose the University to financial loss, those that have the potential materially to impact fees earned by the University for management and operation of a National Laboratory or Comparable Facility, and/or those that have the potential to adversely impact the University's relationship with state or federal authorities or University business partners.

Additions shown by underscoring; deletions shown by strikethrough

Appendix D - Charter of the Governance and Compensation Committee

- A. Purpose. The Governance and Compensation Committee shall provide strategic direction and oversight, make recommendations to the Board, and take action pursuant to delegated authority, on matters pertaining to the organization and management of the Board, pertaining to the appointment and compensation of the University's senior leadership, and pertaining to the development, review and amendment of employee compensation and benefits programs and policies.
- B. Membership and Terms of Service. The Committee shall consist of the President of the Board, the Chair of the Board, the President of the University, and ~~six~~ other Regents, appointed by the Chair of the Board, no later than March of each year for the ensuing year.
- C. Consent Responsibilities. The Committee shall be charged with recommending action on the following matters, which, on approval, shall be placed on the consent agenda of the Board for approval without discussion, unless removed from the consent agenda by motion of any member for separate consideration:
- the formation of Subcommittees
 - the appointment of Subcommittee members
 - those portions of a Committee Charter governing a Subcommittee, provided however that any additions or other changes to the authority delegated to a subcommittee shall be considered and acted upon by the Board in a separate item apart from the consent agenda.
- D. Board Leadership and Committee Assignments. The Committee shall be responsible for presenting to the Board no later than May of each fiscal year a slate of candidates for Chair and Vice Chair of the Board, Chair and Vice Chair of each Standing Committee, and the remaining members of each Standing Committee (except the Governance and Compensation Committee, whose members are selected by the Chair of the Board), for the following fiscal year.
- E. Other Oversight Responsibilities. In addition to the responsibilities assigned to the Committee described above, and to the extent not otherwise within such responsibilities, the charge of the Committee shall include reviewing and making recommendations to the

Board with regard to the following matters and/or with regard to the following areas of the University's business:

- Review and amendment of the University's Bylaws, Regents Policies and other governing documents
- Formation and organization of the Board's Standing Committees, subcommittees and special committees, and development of committee charters
- Appointments in Board leadership or on Board committees
- Review and oversight of the Board code of conduct and other Board policies
- Oversight of member compliance with laws, regulations and University policy
- Development of Board training and performance assessment programs
- Development of Board meeting and other processes
- Appointment and assessment of University senior leadership, in accordance with University policy
- Approval of senior executive compensation, in accordance with University policy
- Review of University compensation and benefit plans and programs
- Development of compensation benchmarks and other tools to assess the efficiency and competitiveness of the University's compensation and benefits plans and programs
- Oversight of University collective bargaining practices
- Assuring that appropriate subject matter expertise is available to the Board and its Committees
- Recommending to the Board procedures to consider any allegation that a Regent, Committee member, Regent Designate or advisor to a Board Committee has not fulfilled their duties as set forth in University Bylaws, policy or applicable law; to implement appropriate response(s) when such allegation is found to have merit, and to determine levels of authority to act on such matters.

The assignment of responsibility to this Standing Committee under Paragraphs C and E signifies that it is the Committee to which matters otherwise appropriate for Board consideration generally will be referred and does not create an independent obligation to present a matter to this Standing Committee, to the Board or to any other Committee.

- F. Consultation With Other Committee Chairs on Compensation Matters. The Governance and Compensation Committee shall consult with the Chairs of other Standing Committees or Subcommittees, as appropriate, in making determinations and recommendations regarding the appointment and compensation of employees within the jurisdiction of those other committees.

Additions shown by underscoring; deletions shown by strikethrough

Appendix C - Charter of the Finance and Capital Strategies Committee

- A. Purpose. The Finance and Capital Strategies Committee shall provide strategic direction and oversight, make recommendations to the Board, and take action pursuant to delegated authority, on matters pertaining to the University's fiscal and financial affairs, business operations, land use, and capital facilities and strategies.
- B. Membership/Terms of Service. The identity, appointment and terms of service of Committee members shall be as specified in Bylaws 24.4 through 24.6.
- C. Delegated Authority. The Committee shall have plenary authority to approve the following matters which, on approval by the Committee or the Investments Subcommittee (see Paragraph F below), shall require no further action or authorization from the Board or any other committee:
- Determination of asset classes (exercised through the Investments Subcommittee)
 - Asset allocation policy (exercised through the Investments Subcommittee)
- D. Other Oversight Responsibilities. In addition to the authority delegated to the Committee described above, and to the extent not otherwise within such authority, the charge of the Committee shall include reviewing and making recommendations to the Board with regard to the following matters and/or with regard to the following areas of the University's business:
- Annual financial statements
 - Expenditures and appropriation of funds
 - Cash management
 - Bank accounts and banking relationships
 - External financing
 - Capital Financial Plans (e.g. 10 Year Capital Financial Plan)
 - Capital planning and capital budget requests
 - University Budget and planning
 - State Budget requests
 - Review of operating and capital budgets on a campus by campus basis
 - Indirect cost recovery
 - Financial Performance of Insurance programs.
 - Captive insurance affiliates and programs
 - Procurement
 - Significant financial programs (e.g. Fiat Lux, Procurement, asset management)
 - Large-scale enterprise systems (e.g. UC PATH)

- Annual valuations for UCRP and the retiree health program
- University Investments
- Real estate sales, purchases and leases, easements, licenses, mineral rights
- Physical design framework
- Design approvals
- Facilities Operations
- Long Range Development Plans (LRDPs) and environmental policy matters
- Energy matters
- Sustainability matters

The delegation and assignment of responsibilities to this Standing Committee under Paragraphs C and D signifies that it is the Committee to which matters otherwise appropriate for Board consideration generally will be referred and does not create an independent obligation to present a matter to this Standing Committee or its Subcommittee, to the Board or to any other Committee.

- E. Consultation with Other Committees. The Committee shall consult with the Chair of the National Laboratories Subcommittee in advance of, or concurrent with, consideration, recommendation, or approval, of projects of strategic importance to the National Laboratories. The Committee shall consult with the Health Services Committee on plans for improvements and capital improvement requests involving UC Health or any of its components prior to or concurrent with consideration, recommendation, or approval by the Finance and Capital Strategies Committee. This requirement applies only to those capital projects that are related to patient care or research, or are otherwise of strategic importance to UC Health.
- F. Investments Subcommittee. The Committee hereby establishes the Investments Subcommittee to assist the Committee in discharging its oversight responsibilities with regard to University investments. The duties and responsibilities of the Subcommittee, and the plenary authority delegated to it by the Board and the Committee, are set forth as follows.
1. Purpose. In support of the Finance and Capital Strategies Committee (the “related Standing Committee”), the Investments Subcommittee shall consider, make recommendations, and act pursuant to delegated authority on matters pertaining to University investment strategy and operations, and pertaining to the review and reporting of investment results.
 2. Membership/Terms of Service. The identity, appointment and terms of service of Subcommittee members shall be as specified in Bylaws 25.3 through 25.5.
 3. Special Requirements for Members/Advisors. Except as specifically provided in this Charter, neither the Subcommittee nor any of its members or advisors shall direct or attempt to direct the University’s internal or external investment managers with regard to the selection of specific investments, specific funds or specific investment managers. The role and authority of such members and advisors shall be limited to

providing general direction though policy and to monitoring and reporting investment results.

4. Delegated Authority. The Subcommittee shall have plenary authority to approve the following matters which, on approval, shall require no further action or authorization from the Board, the related Standing Committee or any other committee. Unless otherwise specified, any approval authority for these matters that falls outside parameters expressly reserved to the Board or a Committee is delegated to the President or the Chief Investment Officer, within their respective jurisdictions.
 - Determination of asset classes
 - Asset allocation policy

5. Other Oversight Responsibilities. In addition to the authority delegated to the Committee described above, and to the extent not otherwise within such authority, the charge of the Subcommittee shall include reviewing and making recommendations to the related Standing Committee with regard to the following matters and/or with regard to the following areas of the University's business:
 - Investment policy and strategy
 - Physical asset management (e.g. real estate held as investments)
 - Investment accounts/custodian relationships
 - Retirement system investments
 - Endowment funds investments
 - Short term and liquidity investments
 - Investment operations
 - Investment results and reporting
 - Annual valuations for UCRP and the retiree health program

6. Expert Advisors. The Subcommittee shall have the authority to retain independent investment experts and advisors, as necessary to conduct the business of the Subcommittee. The Subcommittee shall include at least three and no more than five non-voting advisory members (in addition to Chancellors) with expertise relevant to the work of the Subcommittee. One advisory member shall be a represented employee of the University of California with expertise in investments and one shall be from a campus foundation. Any advisors not otherwise subject to University policy, shall be subject to the laws and policies applicable to Regents governing compensation and reimbursement of expenses, and shall be subject to conflict of interest disclosure and recusal obligations as specified in the University's Conflict of Interest Code and other applicable policies.

7. Reporting. In addition to the reports required under Bylaw 25.8, the Subcommittee shall report to the related Standing Committee any material developments in the University's investments operation and in the University's investment portfolio.

Additions shown by underscoring; deletions shown by strikethrough

Appendix B - Charter of the Compliance and Audit Committee

- A. Purpose. The Compliance and Audit Committee shall provide strategic direction and oversight, make recommendations to the Board, and take action pursuant to delegated authority, on matters pertaining to the quality and integrity of the University's financial reporting systems and controls; the qualifications, performance and independence of the University's independent financial auditor; the function and performance of the University's compliance, internal audit and risk management programs; and the University's commitment to meeting all applicable legal, regulatory and policy requirements.
- B. Membership/Terms of Service. The identity, appointment and terms of service of Committee members shall be as specified in Bylaws 24.4 through 24.6, except that neither the President of the University nor the Chief Financial Officer of the University shall be eligible to serve on the Committee. The Committee may include non-voting advisory members (in addition to Chancellors) with expertise relevant to the work of the Committee.
- C. Consent Responsibilities. The Committee shall be charged with recommending action on the following matters which, on approval, shall be placed on the consent agenda of the Board for approval without discussion, unless removed from the consent agenda by motion of any member for separate consideration. Unless otherwise specified, any approval authority for these matters that falls outside parameters expressly reserved to the Board or a Committee is delegated to the President.
- Approval of the audit scope and plan of the independent financial auditor
 - Approval of the annual report of the independent financial auditor
 - Approval of the annual internal audit and compliance plans
 - Approval of the internal audit charter and any amendments
 - Approval of the compliance program charter and any amendments
 - Approval of litigation settlements and other settlements of disputed claims in which the amounts paid, or the amounts compromised on monies owed, exceed the authority of the General Counsel or other University or Corporation Officer but is less than \$5 million.
- D. Other Oversight Responsibilities. In addition to the consent responsibilities assigned to the Committee described above, and to the extent not otherwise within such responsibilities, the charge of the Committee shall include reviewing and making recommendations to the Board with regard to the following matters and/or with regard to the following areas of the University's business:

- Monitoring University compliance with applicable laws, regulations and policies, including those concerning conflicts of interest and financial disclosure, those presenting a risk of a material financial impact to the University, and those relating to the University's policies prohibiting discrimination and harassment
- Developing and implementing the University's compliance program
- Development of a culture attentive to the University's commitment to ethics and compliance
- Developing an effective program for receiving, monitoring and investigating complaints of alleged improper governmental activities (i.e. a "whistleblower" program)
- The functional reporting relationship of the Senior Vice President—Chief Compliance and Audit Officer with the Committee
- Operational risk management enterprise wide
- Cyber security risks and management response
- Establishing and overseeing the University's internal audit program
- Internal Audit compliance with the Institute of Internal Auditors' (IIA's) International Standards for the Professional Practice of Internal Auditing
- Establishing an effective environmental health and safety program
- Responding to external inquiries such as state and federal regulatory investigations and audits
- Litigation settlements and other settlements of disputed claims
- Monitoring and assuring governance, risk management, and control environment related to financial controls, operational controls and legal compliance ~~and risk management~~ are effective
- Developing and implementing corrective actions for identified deficiencies in financial controls or legal compliance
- ~~Appointment and compensation of the Chief Compliance and Audit Officer, who oversees the compliance and audit functions of the University~~
- The appointment of the external independent financial auditor, the external audit plan and the general delivery of these services
- Resolving any disputes between the independent financial auditor and management
- Assuring that the independent financial auditor has access to the Committee for independent discussions, where appropriate
- Reviewing with the independent auditors matters required to be discussed under external auditing standards
- Overseeing development and regular review of the University's ethics policies and statements of ethical principles with particular attention to compliance with University policies and applicable laws and regulations

The assignment of responsibility to this Standing Committee under Paragraphs C and D signifies that it is the Committee to which matters otherwise appropriate for Board consideration generally will be referred and does not create an independent obligation to present a matter to this Standing Committee or its Subcommittee, to the Board or to any other Committee.

- E. Independent Experts. The Committee shall have the authority to retain independent legal counsel, following consultation with the General Counsel, and to retain other independent experts, as necessary to conduct the business of the Committee.

- F. Expert Advisors. The Committee shall have the authority to retain independent experts and advisors, as necessary to conduct the business of the Committee. Any advisors not otherwise subject to University policy, shall be subject to the laws and policies applicable to Regents governing compensation and reimbursement of expenses, and shall be subject to conflict of interest disclosure and recusal obligations as specified in the University's Conflict of Interest Code and other applicable policies.

Policy on Reports to the Regents

The Office of the Secretary and Chief of Staff shall maintain a Schedule of Reports due to the Regents. Reports address significant systemwide policy issues.

New reports shall only become part of the Schedule of Reports if requested by a Committee or the Board in a recommendation that is adopted by the Board or if required by an external agency. The Governance and Compensation Committee periodically will make a recommendation to the Board to revise the Schedule of Reports to add any such reports adopted by the Board or required by an external agency.

Existing reports may be required by Regents Policy or by Committee Charter. Regents or senior leadership can request a report or presentation on any subject, even if not specified on the Schedule of Reports.

All Board members receive reports mailed between meetings, and those mailings are reported at the next regular meeting of the Board.

The Schedule of Reports and all reports to the Regents will be reviewed every three years to determine whether they remain useful to the Board, and whether they should remain as presentations to a Committee or to the Board or be mailed between meetings. The Board must take affirmative action to extend a report for another three-year period.

SCHEDULE OF REPORTS TO THE REGENTS
[Pursuant to ~~Bylaw 16.8(a)~~ the Policy on Reports to Regents]
Amended July 2014-March 2017

	Month(s) Provided to Regents
BOARD	
Report of the President Concerning University Activities and Individuals (the President's Report)	January March May July September November
<u>Annual University of California Accountability Report</u>	<u>July</u>
<u>UC Health Strategic Plan and Budget</u>	<u>July</u>
<u>Health Systems Transactions Approved by Health Service Committee</u>	<u>March</u>
<u>COMMITTEE ON GOVERNANCE AND COMPENSATION COMMITTEE</u>	
Annual Reports on Executive Compensation for Calendar Year ___ : (a) Incumbents in Senior Management Positions and (b) Deans and Certain Faculty Administrators (<i>mbm</i> ¹)	July
Annual Report on Compensated Outside Professional Activities for Calendar Year ___ : Incumbents in Senior Management Positions (<i>mbm</i>)	July
<u>Semi-Annual Report on Outside Professional Activities Approved in the Preceding Six Month Period: Incumbents in Senior Management Positions</u>	<u>January</u> <u>July</u>
Annual Report on Compensated Outside Professional Activities for Calendar Year ___ : Deans and Faculty Administrators (<i>mbm</i>)	January
Annual Report on Health Sciences Compensation Plan Participants' Compensation that Exceed the Reporting Threshold (<i>mbm</i>)	November
Annual Report on Adjustment of the Indexed Compensation Level (<i>mbm</i>)	September
Annual Compensation Monitoring Report for Calendar Year ___ : Actions for Certain Athletic Positions and Coaches Systemwide (<i>mbm</i>)	July
<u>COMMITTEE ON COMPLIANCE AND AUDIT COMMITTEE</u>	
Annual Biennial Report on Risk Management (<i>mbm</i>)	January <u>November</u>
<u>Annual Report on Use of Outside Counsel (<i>mbm</i>)</u>	<u>January</u>

¹ mbm: Report is sent to all Regents as a mailing between meetings (mbm)

<p><u>Annual Report on Settlements and Separation Agreements (mbm)</u></p> <p><u>Bi-Monthly Report on New Litigation (mbm)</u></p> <p>Internal Audit Plan</p> <p>Annual Review of External Audit of Hastings College of the Law (mbm)</p> <p><u>Summary of Results of the University's A-133 Audit (mbm)</u></p> <p><u>Annual Ethics and Compliance Plan</u></p> <p>Annual Report on Ethics and Compliance</p> <p>Annual Report of External Auditors for the Year Ended June 30, ____</p> <p>Annual Report on Internal Audit Activities</p>	<p><u>January</u></p> <p><u>January</u> <u>March</u> <u>May</u> <u>July</u> <u>September</u> <u>November</u></p> <p>July</p> <p>March</p> <p><u>March</u></p> <p><u>July</u></p> <p>September</p> <p>November</p> <p>November</p>
<p><u>COMMITTEE ON EDUCATIONAL POLICY/ACADEMIC AND STUDENT AFFAIRS COMMITTEE</u></p> <p>Annual Report on Private Support, Major Donors, and Namings and Endowed Chairs (mbm)</p> <p>Annual Report on Student Financial Support (mbm)</p> <p>Annual Report on Undergraduate Admissions Requirements and Comprehensive Review (mbm)</p> <p>Annual Report on Self-Supporting Professional Degree Programs (mbm)</p> <p>Annual Accountability Sub-Report on Diversity at the University of California</p> <p>Annual Report on the University of California Technology <u>Commercialization Report Transfer Program (mbm)</u></p>	<p>November</p> <p>March</p> <p>November <u>February</u></p> <p>August</p> <p>January</p> <p>May</p>
<p><u>COMMITTEE ON FINANCE AND CAPITAL STRATEGIES COMMITTEE</u></p> <p>Annual <u>Biennial</u> Report on Risk Management (mbm)</p> <p>Annual Report on Use of Outside Counsel (mbm)</p>	<p>January <u>November</u></p> <p>January</p>

Annual Report on Settlements and Separation Agreements <i>(mbm)</i>	January
Annual Report on University Housing Assistance Programs <i>(mbm)</i>	January
Annual Report on Expenditures of Associates to the President and Chancellors <i>(mbm)</i>	September
University of California Financial Reports	November
Annual University of California Retirement Plan-Actuarial Valuation Report	November
<u>Annual Actuarial Valuation of the University of California Retiree Health Benefit Program</u>	<u>November</u>
Annual Report on Debt Capital and External Finance Approvals <i>(mbm)</i>	January
Annual Report on the University of California Technology Transfer Program <i>(mbm)</i>	May
Annual Report on Administrative Efficiencies <i>(mbm)</i>	September
Annual Report on Newly Approved Indirect Costs <i>(mbm)</i>	November
Bi-Monthly Report on New Litigation <i>(mbm)</i>	January March May July September November
Annual Report on the Net Fee Income Received as Owner of a Limited Liability Company Managing a Department of Energy National Laboratory and Expenditures Made Therefrom <i>(mbm)</i>	November
COMMITTEE ON GROUNDS AND BUILDINGS	
Annual Report on Sustainable Practices <i>(mbm)</i>	January
Annual Report on Chancellor's Residence and Office Capital Projects <i>(mbm)</i>	September
Annual Report on Major Capital Projects Implementation <i>(mbm)</i>	October
Ten Year Consolidated State and Non-State Capital Financial Plan	November
COMMITTEE ON HEALTH SERVICES COMMITTEE	
Biannual Activity and Financial Status Report on Hospitals and Clinics <i>(mbm)</i>	March November

Annual Report on Health Sciences Compensation Plan Participants' Compensation that Exceed the Reporting Threshold <i>(mbm)</i>	<u>November</u>
Annual Report on Student Health and Counselling Centers and UC Student Health Insurance Plan <i>(mbm)</i>	<u>September</u>
<u>COMMITTEE ON INVESTMENTS SUBCOMMITTEE</u>	
Annual Endowment Investment Report <i>(mbm)</i>	February
Annual Report of the Treasurer/Chief Investment Officer <i>(mbm)</i>	November <u>September</u>
Annual Report on UC Ventures	<u>September</u>
<u>COMMITTEE ON LONG RANGE PLANNING</u>	
Annual University of California Accountability Report	<u>July</u>
<u>PUBLIC ENGAGEMENT AND DEVELOPMENT COMMITTEE</u>	
Annual Report on Private Support, Major Donors, and Namings and Endowed Chairs <i>(mbm)</i>	November
Annual Report on Sustainable Practices <i>(mbm)</i>	<u>January</u>