

The Regents of the University of California

SPECIAL COMMITTEE ON REGENTS' PROCEDURES

May 16, 2002

The Special Committee on Regents' Procedures met on the above date at Covell Commons, Los Angeles campus.

Members present: Regents Atkinson, Davies, Hopkinson, Moores, Parsky, and Preuss

In attendance: Regents Blum, T. Davis, Johnson, Kozberg, Lansing, Lozano, Marcus, Montoya, Morrison, Sayles, and Seymour, Regents-designate Ligot-Gordon and Terrazas, Faculty Representatives Binion and Viswanathan, Secretary Trivette, General Counsel Holst, Provost King, Senior Vice President Mullinix, Vice Presidents Broome, Gomes, and Hershman, Chancellors Berdahl, Bishop, Carnesale, Cicerone, Dynes, Greenwood, and Yang, and Recording Secretary Nietfeld

The meeting convened at 11:50 a.m. with Special Committee Chair Parsky presiding.

1. APPROVAL OF MINUTES OF PREVIOUS MEETING

Upon motion duly made and seconded, the minutes of the meeting of March 13, 2002 were approved.

2. AMENDMENT OF BYLAWS AND STANDING ORDERS: RATES OF COMPENSATION FOR FACULTY

The President recommended that:

- (1) Service of notice be waived.
- (2) Bylaw 12.3(m) and Standing Order 101.2(a) be amended as shown below to delegate to the President the authority to approve routine academic personnel salary actions.

BYLAW 12.

RESPONSIBILITIES OF STANDING COMMITTEES

12.3 Committee on Finance.

The Committee on Finance shall:

- (m) Recommend to the Board:
- (1) All compensation of the following Officers of the Corporation and all Officers of the University: Principal Officers of The Regents and their chief deputies, President of the University, Provost and Senior Vice President, Senior Vice Presidents, other Vice Presidents, University Auditor, Chancellors, and Laboratory Directors;
 - (2) The rates of compensation of Regents' Professors at salary rates above the approved range and rates of compensation of ~~faculty members, including~~ University Professors; at exceptional-above-scale salary rates. An exceptional-above-scale salary rate is defined as a salary rate that exceeds the maximum salary step of the applicable academic salary scale, as adjusted from time to time, by more than the percent difference between the maximum salary step of the Regular Ladder-Faculty Academic Year salary scale and the compensation approval level. The compensation approval level is defined as the dollar limit on the President's authority to approve salaries (\$156,000). The compensation approval level shall be indexed annually in accordance with the Consumer Price Index, said percent increase to be reported annually to the Board; and
 - (3) Except as otherwise provided in Bylaw 12.7(c), the rates of compensation of all other University personnel, **except faculty other than Regents' Professors and University Professors**, whose annual full-time salary rate is \$150,000 or more. The compensation approval level shall be indexed annually in accordance with the Consumer Price Index, said percent increase to be reported annually to the Board.

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STANDING ORDER 101.

FACULTY MEMBERS AND OTHER EMPLOYEES OF THE UNIVERSITY

101.2 Compensation.

- (a) Rate of compensation and subsequent changes in rate of compensation shall be determined by the Board upon recommendation of the President of the University or upon recommendation of the Secretary, Treasurer, or General Counsel of The Regents in their respective areas of responsibility through the Committee on Finance for:
 - (1) A Regents' Professor at a salary rate above the approved range, and a ~~faculty member, including a~~ University Professor, at an exceptional-above-scale salary rate. An exceptional-above-scale salary rate is defined as a salary rate that exceeds the maximum salary step of the applicable academic salary scale, as adjusted from time to time, by more than the percent difference between the maximum salary step of the Regular Ladder-Faculty Academic Year salary scale and the compensation approval level. The compensation approval level is defined as the dollar limit on the President's authority to approve salaries (\$156,000). The compensation approval level shall be indexed annually in accordance with the Consumer Price Index, said percent increase to be reported annually to the Board;
 - (2) Other University personnel, **except faculty other than Regents' Professors and University Professors**, whose annual salary rate is \$150,000 or more. The compensation approval level shall be indexed annually in accordance with the California Consumer Price Index, said percent increase to be reported annually to the Board.

The Special Committee was informed that for University faculty, advancement to an above-scale salary is reserved for scholars and teachers of the highest distinction whose work has been internationally recognized and acclaimed and whose teaching performance is excellent. Currently, there are 790 faculty members with approved above-scale salary rates, representing 9 percent of the regular ladder faculty. They are senior scholars with many years of experience and distinguished academic records gained either at UC or at another renowned university who are acknowledged as leaders within their fields. In the last two years, fifty individual salary items, including routine merit increases, have been presented and approved by The Regents on the recommendation of the President.

Bylaw 12.3(m) and Standing Order 101.2(a) require The Regents to approve salary rates that exceed the compensation threshold for individual faculty, whether upon initial appointment

or advancement to a salary above the threshold. Salaries that exceed the thresholds requiring approval by The Regents range from \$168,000 for regular-scale academic year faculty to \$226,500 for academic-year law school faculty.

The proposed revisions of Bylaw 12.3(m) and Standing Order 101.2(a) would streamline the administrative process and eliminate the volume of routine, individual faculty salary actions requiring approval by The Regents. In addition, they would reduce significantly the length of time required to approve such actions and would thereby improve the timeliness and flexibility in the recruitment and retention of individual faculty members whose presence on the University faculty may be critical to the future of an academic department or program. The President would hold the authority to approve any above-scale salaries upon appointment and advancement to salaries that exceed the current thresholds and would report annually to The Regents any action taken under this authority. As is the practice in similar delegations to the President, the thresholds will be indexed annually in accordance with the California Consumer Price Index or with the general faculty salary increase, whichever percentage rate is higher.

Regent Montoya expressed concern that the proposed amendments to the Bylaws and Standing Orders had not been presented to the Academic Senate for consideration. She believed that it was helpful for the Regents to receive information about above-scale salaries and suggested that the President report to the Board more frequently than annually.

Regent Parsky observed that the Regents very rarely raise any questions or objections pertaining to these recommendations. He supported the President's efforts to streamline The Regents' agenda process.

In response to Regent Montoya's comments, Faculty Representative Viswanathan confirmed that the Academic Senate had not been asked to review or comment upon the recommendation. President Atkinson stressed that the recommendation had been discussed at the regular Cabinet meeting which is attended by the Faculty Representatives. Professor Viswanathan commented that the action would be beneficial to the faculty because action on recruitment and retention will be taken in a timely manner.

Senior Vice President Mullinix confirmed for Regent Montoya that administrative salaries would continue to be submitted to The Regents for action.

Following further discussion, it was agreed that background information on the faculty members whose salaries had been approved would be provided to Regent Montoya as well as to other Regents who requested it.

Upon motion duly made and seconded, the Special Committee approved the President's recommendation and voted to present it to the Board.

3. **AMENDMENT OF BYLAWS AND STANDING ORDERS: APPROVAL OF FEES ADOPTED BY STUDENT REFERENDUM**

The President recommended that:

- (1) Service of notice be waived.
- (2) Standing Order 100.4(g), as shown below, be amended to delegate to the President authority to approve compulsory, campus-based fees, including summer charges for these fees, as follows:

additions shown by shading, deletions by strikeout

100.4 Duties of the President of the University

- (g) The President shall fix and determine the amount, conditions, and time of payments of all fees, fines, and deposits to be assessed against students of the University, except that the President shall secure the Board's approval prior to the assessment of the University Registration Fee, Educational Fee, tuition fees, ~~compulsory student government fees~~, and fees and charges required in connection with the funding of loan financed projects, except **student-fee-funded facilities**, parking facilities, and housing projects.

It was recalled that students at each campus may vote to establish or increase compulsory campus-based fees that must be paid by all registered students to whom the fee applies. These fees cover a variety of student-related expenses that are not supported by the Educational Fee or the University Registration Fee, such as student government, student programs, and construction, renovation, and repair of student facilities. Generally, compulsory campus-based fees may be established or increased following a referendum in which students vote in favor of the fee.

Currently, students vote on most compulsory, campus-based fees when student government elections are held annually in the late spring. Once the balloting has been verified, the campus administration prepares a proposal requesting approval of the fee and submits it to the President for review. To ensure compliance with University and Regental policies, the President, in consultation with the General Counsel, reviews all new compulsory campus-based fees proposed by the campuses and any subsequent increases in those fees and recommends their approval to The Regents. Because of the timing of the student elections and the meeting schedule of The Regents, nearly all campus-based student fee items are forwarded to the July Regents meeting for consideration.

At the July 2001 Regents meeting, Regent Preuss suggested that approval of these fees be delegated to the President, given that the students vote on most of these items and the items also undergo extensive review by the Chancellor and the President before being forwarded

to The Regents for consideration. Therefore, it is proposed that The Regents delegate to the President authority to approve all new compulsory campus-based fees, as well as increases to all such existing fees. There will be no change in the campus student referendum procedures, and the President will continue to review, in consultation with the General Counsel, all campus proposals for compulsory campus-based fees for consistency with University and Regental policies. In addition, the President will report to The Regents any changes in fee levels annually in the fall.

Upon motion duly made and seconded, the Special Committee approved the President's recommendation and voted to present it to the Board.

The meeting adjourned at 12:03 p.m.

Attest:

Secretary