

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

July 19, 2007

The Regents of the University of California met on the above date at University Center, Santa Barbara campus.

Present: Regents Allen, Blum, Brewer, Bugay, De La Peña, Dynes, Garamendi, Hopkinson, Island, Lansing, Lozano, Marcus, Moores, Parsky, Ruiz, Varner, and Wachter (17)

In attendance: Regents-designate Scorza and Shewmake, Faculty Representatives Brown and Oakley, Secretary and Chief of Staff Griffiths, Associate Secretary Shaw, General Counsel Robinson, Chief Investment Officer Berggren, Provost Hume, Executive Vice Presidents Darling and Lapp, Vice President Sakaki, Assistant Vice President Casey representing Acting Vice President Standiford, Chancellors Birgeneau, Drake, Fox, Kang, Vanderhoef, and Yang, Acting Chancellors Abrams, Blumenthal, and Grey, and Recording Secretary Bryan

The meeting convened at 12:55 p.m. with Chairman Blum presiding.

1. **STATEMENT ON PROPOSED REDUCTIONS TO THE UNIVERSITY OF CALIFORNIA BUDGET**

Chairman Blum reported that the Legislature was considering reducing the percentage of the University's base budget adjustment to below the figure submitted in the Governor's Budget and approved in the Conference Committee. He advocated taking urgent action to protest the change.

Upon motion of Regent Garamendi, duly seconded, the President was authorized to forward the following statement to the Governor and Legislature:

The Regents express deep concern and distress that the Legislature is considering reducing the 4 percent base budget adjustment to 3 percent – a loss of an estimated \$30 million to the University of California. This is contrary to the previously agreed upon budget adjustment included in the Conference Committee version of the budget. The resulting reduction in funding for the UC system further degrades UC's ability to prepare tomorrow's workforce and conduct vital research.

We urgently request the Legislature not reduce funding below the level in the current Conference Committee report and the Governor's 2007-08 budget request. We are specifically concerned about adequate funding for faculty and staff salaries, which currently lag the market by approximately 10 percent.

The University is in the midst of unprecedented growth in student enrollment to accommodate California's burgeoning college-age population. Reductions

of this magnitude would hinder our ability to meet Californians' expectations for high-quality education and a well-prepared workforce.

The Regents respectfully request that the Legislature and Governor support the University's budget as a critical State priority in their budget deliberations.

The Board recessed at 1:00 p.m.

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The Board reconvened at 2:25 p.m. with Chairman Blum presiding.

Present: Regents Allen, Blum, Brewer, Bugay, De La Peña, Dynes, Garamendi, Hopkinson, Island, Lansing, Lozano, Marcus, Moores, Parsky, Ruiz, Varner, and Wachter (17)

In attendance: Regents-designate Scorza and Shewmake, Faculty Representatives Brown and Oakley, Secretary and Chief of Staff Griffiths, Associate Secretary Shaw, General Counsel Robinson, Chief Investment Officer Berggren, Provost Hume, Executive Vice Presidents Darling and Lapp, Vice President Sakaki, Assistant Vice President Casey representing Acting Vice President Standiford, Chancellors Birgeneau, Drake, Fox, Kang, Vanderhoef, and Yang, Acting Chancellors Abrams, Blumenthal, and Grey, and Recording Secretary Bryan

2. **APPROVAL OF MINUTES OF PREVIOUS MEETING**

Upon motion duly made and seconded, the minutes of the meetings of May 2007 were approved.

3. **REPORT OF THE PRESIDENT**

President Dynes presented the report concerning University activities and individuals.

Upon motion duly made and seconded, the President's report was accepted, and it was directed that notes of thanks be sent to the donors of the gifts mentioned in the report, that congratulations be extended to those faculty and staff members who have been awarded honors, and that notes of sympathy and regret be sent to the families of those whose deaths were reported.

[The report was mailed to all Regents in advance of the meeting, and a copy is on file in the Office of the Secretary.]

4. REPORT OF THE COMMITTEE ON COMPENSATION

The Committee presented the following from its July 19 meeting:

A. Individual Salary Items

The Committee recommended the following:

(1) Appointment Salary for Gibor Basri as Vice Chancellor–Equity and Inclusion, Berkeley Campus

Approval of the following items in connection with the appointment salary for Gibor Basri as Vice Chancellor–Equity and Inclusion, Berkeley campus:

- a. An appointment salary of \$200,000. Given Mr. Basri's low faculty salary, as an exception to policy, a 43.6 percent increase is required in Mr. Basri's adjusted academic salary of \$139,278 to bring him to an appropriate placement in the salary range (Salary Grade 108: Minimum \$187,100, Midpoint \$238,200, Maximum \$289,300). This increase takes into consideration that Mr. Basri will not be eligible for merit/equity consideration in October 2007.
- b. This appointment is 100 percent time and effective August 14, 2007 pending approval by The Regents.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits and standard Senior Management benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, and Executive Salary Continuation for Disability.
- Per policy, accrual of sabbatical credits as a member of faculty.
- Per policy, ineligible for the Senior Management Supplemental Benefit Program due to dual appointment as member of faculty.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(2) ***Appointment Salary for Jon A. Gjerde as Dean–Social Sciences, Berkeley Campus***

Approval of the following items in connection with the appointment salary for Jon A. Gjerde as Dean–Social Sciences, Berkeley campus:

- a. Appointment salary of \$192,700. Given Mr. Gjerde's low faculty salary, as an exception to policy, a 28.2 percent increase is required in Mr. Gjerde's adjusted academic salary of \$150,267 to bring him to an appropriate placement in the salary range (Salary Grade 108: Minimum \$187,100, Midpoint \$238,200, Maximum \$289,300). This increase takes into consideration that Mr. Gjerde will not be eligible for merit/equity consideration in October 2007.
- b. Appointment is 100 percent time and is effective July 1, 2007 pending approval by The Regents.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits and standard Senior Management benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, and Executive Salary Continuation for Disability.
- Per policy, accrual of sabbatical credits as a member of faculty.
- Per policy, ineligible for participation in the Senior Management Supplemental Benefits Program due to dual appointment as a member of faculty.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(3) ***Appointment Salary for Dianne Lynch as Dean–Graduate School of Journalism, Berkeley Campus***

Approval of the following items in connection with the appointment salary for Dianne Lynch as Dean–Graduate School of Journalism, Berkeley campus:

- a. Appointment salary of \$230,600. (Salary Grade 107: Minimum \$167,600, Midpoint \$212,700, Maximum \$257,800).
- b. This appointment is 100 percent time and effective January 1, 2008 pending approval by The Regents.

- c. Per policy, a one-time lump sum relocation allowance of 25 percent of base salary or \$57,650, subject to a repayment requirement in the event that Ms. Lynch resigns within the first five years of employment.
- d. Per policy, full moving expenses and, as an exception, two house-hunting trips for Ms. Lynch and her husband.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits and standard Senior Management benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, and Executive Salary Continuation for Disability.
- Per policy, participation in the Mortgage Origination Program (MOP) and the Supplemental Home Loan Program (SHLP). The MOP loan may be up to \$1 million and the Supplemental loan may not exceed 5 percent of the lesser of the purchase price or appraised value of the home. If needed, the MOP loan may be in the form of a Graduated Payment MOP within the standard rate reduction terms of that program component.
- Per policy, accrual of sabbatical leave as a member of faculty.
- Per policy, ineligible for participation in the Senior Management Supplemental Benefit Program due to dual appointment as a member of faculty.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(4) ***Appointment Salary for S. Shankar Sastry as Dean—College of Engineering, Berkeley Campus***

Approval of the following items in connection with the appointment salary for S. Shankar Sastry as Dean—College of Engineering, Berkeley campus:

- a. Appointment salary of \$275,000 (9.7 percent increase) (Salary Grade 110: Minimum \$233,200, Midpoint \$298,800, Maximum \$364,300). This increase takes into consideration that Mr. Sastry will not be eligible for merit/equity consideration in October 2007.
- b. This appointment is 100 percent time and effective July 1, 2007 pending approval by The Regents.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits and standard Senior Management benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, and Executive Salary Continuation for Disability.
- Per policy, accrual of sabbatical credits.
- Per policy, ineligible for participation in the Senior Management Supplemental Benefit Program.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(5) ***Appointment Salary for Fred E. Wood as Vice Chancellor–Student Affairs, Davis Campus***

Approval of the following items in connection with the appointment salary for Fred E. Wood as Vice Chancellor–Student Affairs, Davis campus.

- a. As an exception to policy, an appointment salary of \$210,000 (40.1 percent). Given Mr. Wood's current salary of \$149,900, this increase is required to bring him to an appropriate placement in the salary range (Salary Grade 108: Minimum \$187,100 Midpoint \$238,200 Maximum \$289,300). This increase also takes into consideration that Mr. Wood will not be eligible for merit/equity consideration in October 2007.
- b. This appointment is at 100 percent time and is effective July 1, 2007, pending approval of The Regents.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits and standard Senior Management benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, and Executive Salary Continuation for Disability.
- Per policy, accrual of sabbatical credits as a member of faculty.
- Per policy, ineligible for the Senior Management Supplemental Benefit Program due to dual appointment as a member of faculty.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(6) ***Appointment Salary for Steve Kay as Dean–Division of Biological Sciences, San Diego Campus***

Approval of the following items in connection with the appointment of Steve Kay as Dean–Division of Biological Sciences, San Diego Campus.

- a. An appointment salary of \$250,000.
- b. This appointment is 100 percent time and is effective September 1, 2007.

Additional items of compensation include:

- Per policy, eligibility to participate in the Mortgage Origination Program (MOP) with a loan up to \$700,000, funded through the local Limited Resource Allocation Loan pool.
- Per policy, accrual of sabbatical credits as a member of faculty.
- Per policy, standard Pension and Health and Welfare benefits and standard Senior Management benefits including Senior Manager Life Insurance, Executive Business Travel Insurance, and Executive Salary Continuation for Disability.
- Per policy, ineligible for the Senior Management Supplemental Benefit Program due to dual appointment as member of faculty.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(7) ***Interim Slotting of Position and Promotional Salary for Mara Fellouris as Executive Director–Program Management Office, San Francisco Campus***

Approval of the following items in connection with the interim slotting of the position and promotional salary for Mara Fellouris as Executive Director–Program Management Office, San Francisco campus:

- a. Interim slotting of position Executive Director–Program Management Office, as recommended by Mercer Human Resource Consulting (SLCG Grade 106: Minimum \$150,000, Midpoint \$189,900, Maximum \$229,700).
- b. Promotion to Executive Director-Program Management Office with an annual salary of \$192,000, 100 percent time.

- c. Per policy, eligibility for participation in the Finance and Administrative Services Incentive Plan with a maximum payout of up to 6 percent of base salary.
- d. Effective upon approval of The Regents.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(8) ***Appointment Salary for Gale Morrison as Dean–Graduate Division, Santa Barbara Campus***

Approval of the following items in connection with the appointment salary for Gale Morrison as Dean–Graduate Division, Santa Barbara campus:

- a. An appointment salary of \$172,000. Given Ms. Morrison's low faculty salary, as an exception to policy, a 29.2 percent increase is required in Ms. Morrison's adjusted academic salary of \$133,144 to bring her to an appropriate placement in the salary range (Salary Grade 105: Minimum \$134,400, Midpoint \$169,600, Maximum \$204,700). This increase takes into consideration that Ms. Morrison will not be eligible for merit/equity consideration in October 2007.
- b. Appointment is 100 percent time and is effective July 1, 2007 pending approval by The Regents.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits and standard Senior Management benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, Executive Salary Continuation for Disability.
- Per policy, accrual of sabbatical credits as a member of the faculty.
- Per policy, ineligible for the Senior Management Supplemental Benefit Program due to dual appointment as member of faculty.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(9) ***Appointment Salary and Extension of Stipend for Geoffrey A. O'Neill as Assistant Vice President–Institutional Advancement, Office of the President***

Approval of the following items in connection with the appointment salary and extension of stipend for Geoffrey A. O'Neill as Assistant Vice President–Institutional Advancement:

- (1) Appointment salary of \$170,000.
- (2) Appointment is 100 percent time and is effective July 1, 2007 pending approval by The Regents.
- (3) Extension of an administrative stipend of \$1,139 for the period June 12, 2007 through June 30, 2007 for his service as Interim Assistant Vice President–Institutional Advancement beyond one year as an exception to policy.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits and standard Senior Management benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, and Executive Salary Continuation for Disability.
- Per policy, 5 percent monthly contribution to the Senior Management Supplemental Benefit Program.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(10) ***Stipend Extension for Lorraine Midanik as Acting Dean–School of Social Welfare, Berkeley Campus***

Approval of the following items in connection with the continuation of the stipend for Lorraine Midanik as Acting Dean–School of Social Welfare, Berkeley campus:

- a. Extension of the current administrative stipend of 15 percent (\$21,700 currently) of her adjusted academic salary (\$144,644).
- b. If an adjustment to the base salary is made prior to the termination of this acting role, the dollar amount of the administrative stipend will be recalculated based on 15 percent over the adjusted academic salary.
- c. One-and-a-half summer ninths for July and August per Academic Personnel Manual 600 to compensate for administrative work performed during the summer. This is not payment for research and does not provide payment beyond 100 percent time.
- d. As an exception to policy, this stipend extension will be effective July 1, 2007 through December 31, 2007, or until a new Dean assumes the position, whichever occurs first, pending approval by The Regents. This change extends the acting appointment beyond the one year allowed by policy for a total duration of one and one half years.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits.
- Per policy, accrual of sabbatical credits.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(11) ***Stipend Extension for Christina Maslach as Acting Dean–Undergraduate Division, Berkeley Campus***

Approval of the following items in connection with the extension of the stipend for Christina Maslach as Acting Dean–Undergraduate Division, Berkeley campus:

- a. An extension of her current administrative stipend of \$26,000 (15 percent) to increase her base salary of \$173,400 for an

annual salary of \$199,400 (SLCG Grade 106: Minimum \$150,000, Midpoint \$189,900, Maximum \$229,700).

- b. If an adjustment to the base salary is made prior to the termination of this acting role, the stipend will be recalculated based on the new base salary.
- c. As an exception to policy the stipend extension will be effective July 1, 2007 through December 31, 2007, or until a new Dean assumes the position, whichever occurs first (pending approval by The Regents). This change extends the acting appointment beyond the one year allowed by policy, for a total duration of one and one half years. This extension will allow her to serve until the search is concluded.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits and standard Senior Management benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, Executive Salary Continuation for Disability.
- Per policy, accrual of sabbatical credits as a member of faculty.
- Per policy, ineligible for participation in the Senior Management Supplemental Benefit Program due to dual appointment as a member of faculty.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(12) ***Stipend Extension for Rhea Turteltaub as Acting Vice Chancellor–External Affairs, Los Angeles Campus***

Approval of the following items in connection with the stipend extension for Rhea Turteltaub as Acting Vice Chancellor–External Affairs, Los Angeles campus:

- a. Extension of the current administrative stipend of 15 percent (\$30,000 currently) of annual base salary, currently \$200,100.
- b. If an adjustment to the annualized base salary is made prior to the termination of this acting role, the 15 percent stipend will be recalculated against the new annualized base salary.
- c. Effective July 1, 2007 through June 30, 2008, or until a permanent replacement is appointed, whichever occurs first.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits.
- Eligibility for UCLA Staff Achievement Award (up to 10 percent).

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(13) ***Stipend Extension for David N. Bailey, M.D. as Acting Vice Chancellor–Health Sciences and Acting Dean–School of Medicine, San Diego Campus***

Retroactive approval of the following items in connection with the compensation of David N. Bailey, M.D., as Acting Vice Chancellor–Health Sciences and Acting Dean–School of Medicine, San Diego Campus:

- (1) One month extension of the administrative stipend, in an annualized amount of \$100,000, originally approved by The Regents effective October 1, 2006 for service as Interim Vice Chancellor–Health Sciences and Interim Dean–School of Medicine and scheduled to end with the appointment of the permanent Vice Chancellor Health Sciences and Dean School of Medicine, which was effective February 1, 2007.
- (2) Retroactive effective date of February 1, 2007 through February 28, 2007.

Additional items of compensation approved by The Regents July 19, 2006:

- Annual base salary of \$142,500.
- Health Sciences Compensation Plan (HSCP) of \$144,530.
- Administrative Services Component (ASC) of \$30,000 for directing the clinical labs.
- Per policy, standard Pension and Health and Welfare benefits and sabbatical/administrative leave credits.
- Per policy, eligibility for additional non-base building incentive pay (pursuant to the Clinical Enterprise Management Recognition Plan) of up to 20 percent (\$57,405) of annual base salary to be awarded based on meeting performance objectives.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written communications.

(14) ***Stipend for Steven Gaines as Acting Dean–Division of Mathematical, Life and Physical Sciences, College of Letters and Science, Santa Barbara Campus***

Approval of the following items in connection with the appointment of Steven Gaines as Acting Dean–Division of Mathematical, Life and Physical Sciences, College of Letters and Science, Santa Barbara Campus:

- a. As an exception to policy, an administrative stipend of 25 percent (\$39,260, calculated against adjusted faculty salary of \$157,039 increases his base salary to a total annual salary of \$196,299) is requested to compensate for the significant increase in Mr. Gaines scope of responsibilities.
- b. The stipend amount will be increased as the base salary is increased, so the stipend will equal 25 percent of the base salary.
- c. This appointment is at 100 percent time and, pending approval of The Regents, is effective July 1, 2007 through June 30, 2008 or until the appointment of a permanent Dean–Division of Mathematical, Life and Physical Sciences, College of Letters and Science, whichever occurs first.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits and standard Senior Management benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, and Executive Salary Continuation for Disability.
- Per policy, accrual of sabbatical credits as a member of faculty.
- Per policy, ineligible to participate in the Senior Management Supplemental Benefit Program due to academic appointment.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(15) ***Stipend Extension for Jean Marie Scott as Acting Vice Chancellor–Student Affairs, Santa Cruz Campus***

Approval of the following items in connection with the extension of the stipend for Jean Marie Scott as Acting Vice Chancellor–Student Affairs, Santa Cruz campus:

- a. An extension of her current administrative stipend of \$22,968 (14.5 percent) to increase her base salary of \$158,484 for an annual salary of \$181,452 (SLCG Grade 108: Minimum \$187,100, Midpoint \$238,200, Maximum \$289,300).
- b. If an adjustment to the base salary is made prior to the termination of this acting role, the dollar amount of the administrative stipend of \$22,968 will not change.
- c. As an exception to policy, this appointment will be effective August 1, 2007 through December 31, 2007, or until a new Vice Chancellor assumes the position, whichever occurs first, pending approval by The Regents. This change extends the acting appointment beyond the one year allowed by policy for a total duration of one year and five months. This extension allows her to serve until the search is concluded.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(16) ***Stipend for Jesse Phillips as Acting Senior Managing Director of Public Equities, Office of the Treasurer***

Approval of the following items in connection with the appointment of Jesse Phillips as Acting Senior Managing Director of Public Equities, Office of the Treasurer:

- a. An administrative stipend of 10 percent (\$29,000, calculated against base salary of \$290,000 increases his base salary to a total annual salary of \$319,000) due to the significant increase in Mr. Phillips' scope of responsibilities.
- b. The stipend amount will be increased as the base salary is increased, so the stipend will equal 10 percent of the base salary.

- c. Per policy, continued eligibility to participate in the Office of the Treasurer's Annual Incentive Plan with a maximum payout of up to 120 percent of base salary.
- d. Per policy, continued participation in the Senior Management Supplemental Benefit Program at the rate of 5 percent.
- e. Effective May 1, 2007 through September 30, 2007 or until transition to a permanent management structure, whichever is earlier, upon approval of The Regents.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits and standard Senior Management benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, Executive Salary Continuation for Disability.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(17) ***Salary Adjustment for Stephen M. Shortell as Dean—School of Public Health, Berkeley Campus***

Approval of the following items in connection with the salary adjustment for Stephen M. Shortell as Dean—School of Public Health, Berkeley campus:

- a. Salary adjustment of \$35,400 (12.7 percent) added to his current base salary of \$279,600 for a total annual salary of \$315,000 to maintain a differential between Mr. Shortell's adjusted faculty salary of \$299,767 and his Dean's salary (Salary Grade 109: Minimum \$208,900, Midpoint \$266,800, Maximum \$324,600). He is a Professor, Above-Scale and received a merit increase in his academic year salary effective July 1, 2006. This adjustment will provide a 5.1 percent differential to recognize the decanal responsibilities.
- b. Effective July 1, 2007, pending approval of The Regents.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits and standard Senior Management benefits including Senior

Manager Life Insurance, Executive Business Travel Insurance, and Executive Salary Continuation for Disability.

- Per policy, accrual of sabbatical credits as a member of faculty.
- Per policy, ineligible for participation in the Senior Management Supplemental Benefits Program due to dual appointment as a member of faculty.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(18) ***Contract Compensation for Ben Braun as Head Men's Basketball Coach, Berkeley Campus***

Approval of the following revised compensation terms for Head Men's Basketball Coach, Ben Braun, Berkeley campus, 100 percent time. Pending approval by The Regents of these compensation terms, Mr. Braun's revised contract will be effective May 2007 and terminate on April 30, 2011, unless terminated earlier pursuant to the term of the Employment Contract or unless the parties agree in writing to the terms of a successor contract or a contract extension prior to that date.

The only change to the terms and conditions of Mr. Braun's contract is that it is being extended two years. The current termination date is April 30, 2009 and, pending approval by The Regents, will be changed to April 30, 2011. It was deemed necessary to enter into negotiations with Mr. Braun concerning an extension of his current contract for recruiting purposes.

The following terms and conditions are reflected in the proposed contract:

- a. Base Salary: This contract does not increase Coach Braun's annual base salary over the previous contract.

<u>Effective Dates</u>	<u>Amount</u>	<u>Percent Increase</u>
05/01/07 - 04/30/08	\$156,000	0 percent
05/01/08 - 04/30/09	\$159,000	2 percent
05/01/09 - 04/30/10	no less than \$159,000	0 percent
05/01/10 - 04/30/11	no less than \$159,000	0 percent

- b. Talent Fee: This contract does not increase Coach Braun's annual talent fee over the previous contract.

<u>Effective Dates</u>	<u>Amount</u>	<u>Percent Increase</u>
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05/01/07 - 04/30/08	\$794,000	0 percent
05/01/08 - 04/30/09	\$826,000	4 percent
05/01/09 - 04/30/10	no less than \$826,000	0 percent
05/01/10 - 04/30/11	no less than \$826,000	0 percent

c. Additionally, this contract provides the opportunity to earn supplemental compensation of up to \$320,745 per annum, as detailed below:

i. Performance Bonuses: In the event that Coach Braun or the Men's Basketball team, during the term of this Employment Contract, accomplishes the following, Coach Braun shall receive supplemental compensation during the contract year in which the accomplishment occurs as follows:

<u>Accomplishment</u>	<u>Bonus Amount</u>
Team wins Pac10 Regular Season Championship	\$15,000
Team wins Pac10 Tournament	\$15,000
Team wins both Pac10 Regular Season and Pac 10 Tournament	\$10,000
Selected for participation in NCAA Championship Tournament	\$25,000
Team participates in NCAA Round of 32	\$ 5,000
Team participates in NCAA Sweet Sixteen	\$32,500
Team participates in NCAA Round of Eight	\$10,000
Team participates in NCAA Final Four	\$65,000
Team wins the NCAA National Championship	\$25,000
Selected for participation in NIT Tournament	8.33% of base salary
Selected as Pac10 or NCAA Coach of the Year	\$25,000

Coach Braun is eligible to receive more than one bonus.

ii. Camps and Clinics: At the discretion of the Director of Athletics, Coach Braun will receive a stipend of \$60,000 annually for participating in summer camps.

iii. Academic Performance Bonus: At the discretion of the Director of Athletics, Coach may be awarded a bonus of up to \$20,000 based upon maintenance and/or improvement in the current team cumulative GPA and NCAA APR statistics (2.80 team GPA/950 APR).

This contract contains a penalty clause for early termination. If Coach Braun terminates his employment before April 30, 2009, he shall pay \$500,000 to the University. If Coach Braun terminates his employment before April 30, 2010, he shall pay \$400,000 to the University. If Coach Braun terminates his employment before April 30, 2011, he shall pay \$200,000 to the University.

In the event the University terminates this Employment Contract without cause, the University shall continue to pay Coach as follows: Coach's base salary and talent fee in amounts noted above, paid out in monthly installments, until April 30, 2009; after May 1, 2009 University shall pay Coach \$400,000; after May 1, 2010 University shall pay Coach \$200,000. University will pay any additional bonus income earned prior to the date of termination. The University will not be responsible for paying unearned bonus/stipend income in this circumstance. If Coach Braun secures employment during this time, these payments will be reduced by such amounts.

The compensation provided under this contract is funded exclusively from athletic department revenues and private fund raising and no State or general campus funds are used in this arrangement.

Additional elements of compensation include:

- Per contract, 16 hours of vacation leave are accrued each month of the contract. Coach may not accrue above PPSM policy accrual limits at any time.
- Per contract, 8 hours of sick leave are accrued each month of the contract.
- Per policy, eligible for standard Health and Welfare benefits.
- Consistent with practice, one courtesy vehicle or stipend of \$450 per month if vehicle is not available.
- Apparel with a value of approximately \$7,500 per contract year.
- Spouse or partner travel for required events outside the San Francisco Bay Area, and other travel as approved by the Director of Athletics.

The compensation described above shall constitute the University's total commitment until modified by the Regents and shall supersede all previous oral or written commitments.

- (19) ***Contract Compensation for Richard Feller as Head Women's Volleyball Coach, Berkeley Campus***

Approval of the following revised compensation terms for Head Coach of Women's Volleyball, Richard Feller, Berkeley campus, 100 percent time. Pending approval by The Regents of these compensation terms, Mr. Feller's revised contract will be effective December 21, 2006 and terminate on December 31, 2009, unless terminated earlier pursuant to the term of the Employment Contract or unless the parties agree in writing to the terms of a successor contract or a contract extension prior to that date.

The campus undertook negotiations with Coach Feller to enhance and extend his current contract to retain him in his position on the Berkeley campus. Coach Feller has become the most successful volleyball coach in University of California, Berkeley history. He has led the Golden Bears to an unprecedented five consecutive NCAA Tournament appearances. In both 2003 and 2006 he led the Golden Bears to the volleyball "Sweet Sixteen," which is unprecedented in school history.

The following terms and conditions are reflected in the proposed contract:

- a. Base Salary: This contract increases Coach Feller's annual base salary from \$ 92,000 to:

<u>Effective Dates</u>	<u>Base Salary</u>	<u>Percent Increase</u>
12/21/06-12/31/07	\$108,000	17.4 percent
01/01/08-12/31/08	\$111,240	3.0 percent
01/01/09-12/31/09	\$114,600	3.0 percent

- b. Additionally, this contract provides the opportunity to earn supplemental compensation of up to \$160,000 per annum, as described below:

- i. Performance Bonuses: In the event that Coach Feller or the Women's Volleyball team, during the term of this Employment Contract, accomplishes the following, Coach Feller shall receive supplemental compensation during the contract year in which the accomplishment occurs as follows:

Team wins PAC-10 Championship	\$10,000
Team participates in NCAA Tournament	\$20,000
Team participates in the NCAA Round of 16	\$10,000
Team participates in NCAA Elite Eight	\$10,000
Team participates in NCA Final Four	\$10,000
Team participates in NCAA Championship Game	\$10,000

Team wins the NCAA Championship Game	\$20,000
PAC-10 or AVCA Coach of the Year	\$10,000
AVCA Coach of the Year (additional)	\$10,000

Coach Feller is eligible to receive more than one bonus.

- ii. Camps and Clinics: At the discretion of the Director of Athletics, Coach Feller may earn up to \$50,000 annually for participating in summer camps.

This contract does not contain a penalty clause for early termination. If Coach Feller terminates before the expiration of the agreement he simply loses the benefits of the agreement, and all University obligations cease.

If the University terminates the contract early without cause, the University will owe the base salary in amounts noted above, paid out in monthly installments, and any additional earned bonus income. The University will not be responsible for paying unearned bonus/stipend income in this circumstance. If Coach Feller secures employment during this time, these payments will be reduced by such amounts.

The compensation provided under this contract is funded exclusively from athletic department revenues and private fundraising and no State or general campus funds are used in this arrangement.

Additional elements of compensation include:

- Per contract, 14 hours of vacation leave are accrued each month of the contract. Coach may not accrue above PPSM policy accrual limits at any time.
- Per contract, 8 hours of sick leave are accrued each month of the contract.
- Per policy, eligible for standard Health and Welfare benefits.
- Apparel with a value of approximately \$2,000 per contract year.
- Spouse or Partner travel for required events outside the San Francisco Bay Area, and other travel as approved by the Director of Athletics.

The compensation described above shall constitute the University's total commitment until modified by the Regents and shall supersede all previous oral or written commitments.

- (20) ***Contract Compensation for Robert Gregory as Assistant Football Coach, Berkeley Campus***

Approval of the following compensation terms for Assistant Football Coach, Robert Gregory, Berkeley campus, 100 percent time. Pending approval by The Regents of these compensation terms, Mr. Gregory's extended contract will be effective May 1, 2007 and terminate on April 30, 2008.

The campus undertook negotiations with Coach Gregory to extend his current contract to retain him in his current position on the Berkeley campus. Coach Gregory's contract expired on April 30, 2007.

The following terms and conditions are reflected in the new proposed contract:

- a. Base Salary: This contract does not increase Coach Gregory's annual base salary of \$168,000.
- b. Talent Fee: This contract does not increase Coach Gregory's annual talent fee of \$62,000.
- c. Additionally, this contract provides no change in the opportunity to earn supplemental compensation from the 2006/07 contract year of up to \$55,700 per annum, as detailed below:
 - Performance Bonuses: In the event that Coach Gregory or the Football team, during the term of this Employment Contract, accomplishes the following, Coach Gregory shall receive supplemental compensation during the contract year in which the accomplishment occurs as follows:

<u>Accomplishment</u>	<u>Bonus Amount</u>
Team wins 5 PAC-10 Conference games during a single season	\$5,100
Team wins 6 PAC-10 Conference games during a single season	\$8,400
Team wins 7 PAC-10 Conference games during a single season	\$6,700
Team wins 8 PAC-10 Conference games during a single season	\$5,000
Team participates in a non-BCS Bowl Game	\$6,000
Team participates in a Bowl Championship Series Game	\$10,000
Top 2 in the PAC-10 Regular Season Scoring Defense	\$1,500
Top 25 in nation-Regular Season Scoring Defense	\$1,500
Top 10 in nation-Regular Season Scoring Defense	\$1,500
Top 25 in nation-Regular Season Most Turnovers	\$1,500
Top 10 in nation-Total Defense	\$1,500
Top 20 in nation-Passing Defense	\$1,500
Top 20 in nation-Rushing Defense	\$1,500

Coach Gregory is eligible to receive more than one bonus.

Coach may receive supplemental compensation as determined by the Director of Athletics and the Head Football Coach. Coach is eligible to receive a portion of the \$250,000 allotment in Coach Tedford's contract, which Mr. Tedford can use for bonuses for his assistant coaches and staff each year. For 2007, Coach Gregory was awarded \$40,000.

- Camps and Clinics: At the discretion of the Director of Athletics, Coach Gregory may earn up to \$10,000 annually for participating in summer camps.

Additional elements of compensation include:

- Per contract, 14 hours of vacation leave are accrued each month of the contract. Coach may not accrue above PPSM policy accrual limits at any time.
- Per contract, 8 hours of sick leave are accrued each month of the contract.
- Per policy, eligible for standard Health and Welfare benefits.
- Consistent with practice, one courtesy vehicle.

- Sport Club Family Membership with a value of approximately \$2,250.
- Spouse or partner travel for required events outside the San Francisco Bay Area, and other travel as approved by the Director of Athletics.

The compensation described above shall constitute the University's total commitment until modified by the Regents and shall supersede all previous oral or written commitments.

(21) ***Contract Compensation for Kevin Grimes as Head Men's Soccer Coach, Berkeley Campus***

Approval of the following revised compensation terms for Head Men's Soccer Coach, Kevin Grimes, Berkeley campus, 100 percent time. Pending approval by The Regents of these compensation terms, Mr. Grimes' revised contract will be effective July 1, 2006 and terminate on June 30, 2010, unless terminated earlier pursuant to the term of the Employment Contract or unless the parties agree in writing to the terms of a successor contract or a contract extension prior to that date.

It was deemed necessary to enter into negotiations with Mr. Grimes, concerning an enhancement and extension of his current contract, to make a long term commitment to him and retain him in his current position on the Berkeley campus.

The following terms and conditions are reflected in the new proposed contract:

- a. Base Salary: This contract increases Coach's annual base salary from \$74,500 to:

<u>Effective Dates</u>	<u>Amount</u>	<u>Percent Increase</u>
07/01/06 - 06/30/07	\$74,500	0.0 percent
07/01/07 - 06/30/08	\$80,000	7.4 percent
07/01/08 - 06/30/09	\$85,000	6.3 percent
07/01/09 - 06/30/10	\$90,000	5.9 percent

- b. Additionally, this contract provides the opportunity to earn supplemental compensation of up to \$ 152,900 per annum, as shown below:

- i. Performance Bonuses: In the event that Coach Grimes or the Men's Soccer team, during the term of this Employment Contract, accomplishes the following,

Coach Grimes shall receive supplemental compensation during the contract year in which the accomplishment occurs as follows:

<u>Accomplishment</u>	<u>Bonus Amount</u>
Team wins the Pac-10 Championship	\$4,000
Team participates in the NCAA Championship	\$3,000
Team participates in the NCAA 2nd Round	\$4,000
Team participates in the NCAA 3rd Round	\$4,000
Team participates in the NCAA 4th Round	\$4,000
Team participates in the NCAA Championship 5th Round	\$5,000
Team participates in the NCAA College Cup Final	\$5,000
Team wins the NCAA Championship	\$5,000

Coach Grimes is eligible to receive more than one bonus.

ii. Athletic Equipment/Apparel Contract Payments:

<u>Accomplishment</u>	<u>Bonus Amount</u>
Team wins 75% of Games	\$1,000
Team is the Conference Champion	\$1,000
Team makes an NCAA Tournament Appearance	\$1,500
Team is the College Cup Champion	\$10,000

Item ii. is subject to receipt of sufficient funds from University contracts with athletic equipment suppliers.

iii. Camps and Clinics: At the discretion of the Director of Athletics, Coach Grimes may earn up to \$100,000 annually for participating in summer camps.

ii. Courtesy Car Stipend: In lieu of a courtesy vehicle, Coach Grimes will receive a stipend of \$450 per month.

This contract does not contain a penalty clause for early termination. If Coach Grimes terminates before the expiration of the agreement, he simply loses the benefits of the agreement, and all University obligations cease.

If the University terminates the contract early without cause, the University will owe the base salary in amounts noted above, paid out

in monthly installments, and any additional earned bonus income. The University will not be responsible for paying unearned bonus/stipend income in this circumstance. If Coach Grimes secures employment during this time, these payments will be reduced by such amounts.

The compensation provided under this contract is funded exclusively from athletic department revenues and private fundraising and no State or general campus funds are used in this arrangement.

Additional elements of compensation include:

- Per contract, 14 hours of vacation leave are accrued each month of the contract. Coach may not accrue above PPSM policy accrual limits at any time.
- Per contract, 8 hours of sick leave are accrued each month of the contract.
- Per policy, eligible for standard Health and Welfare benefits.
- Apparel with a value of approximately \$3,000 per contract year.
- Spouse or partner travel for required events outside the San Francisco Bay Area, and other travel as approved by the Director of Athletics.

The compensation described above shall constitute the University's total commitment until modified by the Regents and shall supersede all previous oral or written commitments.

(22) ***Contract Compensation for Jim Michalczik as Football Offensive Coordinator, Berkeley Campus***

Approval of the following revised compensation terms for Assistant Football Coach, Jim Michalczik, Berkeley campus, 100 percent time. Pending approval by The Regents of these compensation terms, Mr. Michalczik's revised contract will be effective February 1, 2007 and terminate on April 30, 2008, unless terminated earlier pursuant to the term of the Employment Contract or unless the parties agree in writing to the terms of a successor contract or a contract extension prior to that date.

The campus undertook negotiations with Coach Michalczik to enhance and extend his current contract upon his promotion from Assistant Head Coach/Offensive Line Coach to Offensive Coordinator with the departure of Mike Dunbar.

The following terms and conditions are reflected in the proposed contract:

- a. Base Salary: This contract increases Coach Michalczyk's annual base salary from \$135,000 to:

<u>Effective Dates</u>	<u>Amount Increase</u>	<u>Percent</u>
02/01/07- 04/30/07	\$168,000	24 percent
05/01/07- 04/30/08	\$168,000	0.0 percent

- b. Talent Fee: This contract does not change Coach Michalczyk's annual talent fee:

<u>Effective Dates</u>	<u>Amount Increase</u>	<u>Percent</u>
02/01/07- 04/30/07	\$24,000	0.0 percent
05/01/07- 04/30/08	\$24,000	0.0 percent

- c. Additionally, this contract provides the opportunity to earn supplemental compensation of up to \$55,700 per annum, as detailed below:

- i. Performance Bonuses: In the event that Coach Michalczyk or the Football team, during the term of this Employment Contract, accomplishes the following, Coach Michalczyk shall receive supplemental compensation during the contract year in which the accomplishment occurs as follows:

<u>Accomplishment</u>	<u>Bonus Amount</u>
Team wins 5 PAC-10 Conference games during a single season	\$5,100
Team wins 6 PAC-10 Conference games during a single season	\$8,400
Team wins 7 PAC-10 Conference games during a single season	\$6,700
Team wins 8 PAC-10 Conference games during a single season	\$5,000
Team participates in a non-BCS Bowl Game	\$6,000
Team participates in a Bowl Championship Series Game	\$10,000
Top 2 in the PAC-10 Regular Season Scoring Offense	\$1,500
Top 25 in nation-Regular Season Scoring Offense	\$1,500
Top 10 in nation-Regular Season Scoring Offense	\$1,500
Top 25 in nation-Regular Season Fewest Turnovers	\$1,500
Top 10 in nation-Total Offense	\$1,500

Top 20 in nation-Passing Offense	\$1,500
Top 20 in nation-Rushing Offense	\$1,500

Coach Michalczyk is eligible to receive more than one bonus.

Coach may receive supplemental compensation as determined by the Director of Athletics and the Head Football Coach. Coach is eligible to receive a portion of the \$250,000 allotment in Coach Tedford's contract, which Mr. Tedford can use for bonuses for his assistant coaches and staff each year. For 2007, Coach Michalczyk was awarded \$8,000.

- ii. Camps and Clinics: At the discretion of the Director of Athletics, Coach Michalczyk may earn up to \$10,000 annually for participating in summer camps.

Additional elements of compensation include:

- Per contract, 14 hours of vacation leave are accrued each month of the contract. Coach may not accrue above PPSM policy accrual limits at any time.
- Per contract, 8 hours of sick leave are accrued each month of the contract.
- Per policy, eligible for standard Health and Welfare benefits.
- Consistent with practice, one courtesy vehicle or a stipend of \$450 per month if vehicle is not available.
- Sport Club Family Membership with a value of approximately \$2,250 per contract year.
- Spouse or partner travel for required events outside the San Francisco Bay Area, and other travel as approved by the Director of Athletics.

The compensation described above shall constitute the University's total commitment until modified by the Regents and shall supersede all previous oral or written commitments.

(23) ***Contract Compensation for Neil McGuire as Head Women's Soccer Coach, Berkeley Campus***

Approval of the following compensation terms be approved for Head Coach Women's Soccer, Neil McGuire, Berkeley campus, 100 percent time. Pending approval by The Regents of these compensation terms, Mr. McGuire's contract will be effective May 17, 2007 and terminate on June 30, 2011, unless terminated earlier pursuant to the term of the Employment Contract or unless the parties agree in writing to the terms of the successor contract or a contract extension prior to that date pending approval by The Regents.

The campus undertook negotiations with Neil McGuire to employ him as head coach for women's soccer on the Berkeley Campus upon the resignation of former head coach, Kevin Boyd.

The following terms and conditions are reflected in the proposed contract:

- a. Base Salary: This contract establishes an initial base salary of \$105,000, with annual increases of 3 percent as follows:

<u>Effective Dates</u>	<u>Amount</u>	<u>Percent Increase</u>
05/17/07 - 06/30/08	\$105,000	Appointment Salary
07/01/08 - 06/30/09	\$108,150	3 percent
07/01/09 - 06/30/10	\$111,395	3 percent
07/01/10 - 06/30/11	\$114,735	3 percent

- b. Additionally, this contract provides the opportunity to earn supplemental compensation of up to \$148,900 per annum, as shown below:

- i. Performance Bonuses: In the event that Coach McGuire or the Women's Soccer team, during the term of this Employment Contract, accomplishes the following, Coach McGuire shall receive supplemental compensation during the contract year in which the accomplishment occurs as follows:

<u>Accomplishment</u>	<u>Bonus Amount</u>
Team wins the Pac10 Championship	\$4,000
Team participates in NCAA 1st Round	\$3,000
Team participates in NCAA 2nd Round	\$4,000
Team participates in NCAA Sweet 16	\$4,000
Team participates in NCAA Championship	

Quarterfinals	\$4,000
Team participates in NCAA College Cup Semifinals	\$4,500
Team participates in NCAA College Cup Final	\$5,000
Team wins the NCAA Championship	\$5,000

Coach is eligible to receive identified bonuses for all levels of accomplishment achieved in a Contract Year.

- ii. Camps and Clinics: At the discretion of the Director of Athletics, Coach McGuire may earn up to \$100,000 annually for participating in summer camps.
- iii. Signing Bonus: Upon full execution of the contract addendum, Coach McGuire will receive a signing bonus of \$10,000. This bonus must be repaid in full if Coach McGuire terminates his employment before May 16, 2008.
- iv. Courtesy Car Stipend: In lieu of a courtesy vehicle, Coach McGuire will receive a stipend of \$450 per month.

This contract does not contain a penalty clause for early termination. If Coach McGuire terminates before the expiration of the agreement, he simply loses the benefits of the agreement, and all University obligations cease.

If the University terminates the contract early without cause, the University will owe the base salary in amounts noted above, paid out in monthly installments, and any additional earned bonus income. The University will not be responsible for paying unearned bonus/stipend income in this circumstance. If Coach secures employment during this time, any payments will be reduced by such amounts.

The compensation provided under this contract is funded exclusively from athletic department revenues and private fundraising and no State or general campus funds are used in this arrangement.

Additional elements of compensation include:

- Per contract, 12 hours of vacation leave are accrued each month of the contract. Coach may not accrue above PPSM policy accrual limits at any time.
- Per contract, 8 hours of sick leave are accrued each month of the contract.
- Per policy, eligible for standard Health and Welfare benefits.

- Apparel with a value of approximately \$2,000 per contract year.
- Per contract, but as an exception to policy, up to a maximum of thirty days of temporary housing will be provided.
- Per contract, but as an exception to policy, one preliminary trip for Coach and spouse to find housing.
- Per policy, up to a maximum of thirty days of temporary storage will be provided.
- Per policy, travel expenses for Coach and immediate family (excluding pets) will be provided.
- Per contract, but as an exception to policy, 100 percent reimbursement for moving costs. (reimbursement of moving costs is 50 percent for MSP).

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(24) ***Interim Re-Slotting of the Position and a Salary Adjustment for Rex R. Perschbacher as Dean–School of Law, Davis Campus***

Approval of the following items in connection with the interim re-slotting of the Dean–School of Law and a salary adjustment for Rex R. Perschbacher as Dean–School of Law, Davis campus:

- a. Change in slotting from SLCG grade 108 to SLCG Grade 110: range Minimum \$233,200, Midpoint \$298,800, Maximum \$364,300, as recommended by Mercer Human Resource Consulting.
- b. As an exception to policy, salary adjustment increase of \$50,500 (25 percent) to bring his annual base salary from \$202,100 to \$252,600. This proposed increase, in combination with the 2.5 percent merit increase he received October 1, 2006, would bring his total increase for this fiscal year to 27.2 percent.
- c. Effective July 1, 2007, pending approval by The Regents.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits and standard Senior Management benefits including Senior Manager Life Insurance, Executive Business Travel Insurance, and Executive Salary Continuation for Disability.
- Per policy, accrual of sabbatical credits as a member of faculty.
- Per policy, ineligible for participation in the Senior Management Supplemental Benefit Program due to dual appointment as a member of faculty.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(25) ***Title Change, Interim Slotting of Position and Salary Adjustment for Paul A. Craig as Chief Risk Management and Patient Safety Officer, Medical Center, San Diego Campus***

Approval of the following items in connection with the slotting and salary adjustment for Paul A. Craig as Chief Risk Management and Patient Safety Officer, San Diego Medical Center:

- a. Title change from Director of Risk Management to Chief Risk Management and Patient Safety Officer.
- b. Slotting of position of Chief Risk Management and Patient Safety Officer at SLCG Grade 107: range Minimum \$167,600, Midpoint \$212,700, Maximum \$257,800, as recommended by Mercer Human Resource Consulting. This new slotting combines the incumbent's current role, Director of Risk Management, with a currently vacant role, Patient Safety Officer, and expands the scope of the overall function.
- c. Salary adjustment of \$36,800 (23.7 percent) to increase his annual base salary from \$155,200 to \$192,000, 100 percent time.
- d. Per policy, eligibility to participate in the Clinical Enterprise Management Recognition Plan, with a maximum payout of up to 20 percent of base salary annually.
- e. Effective upon approval of The Regents.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(26) ***Title Change, Interim Re-Slotting of Position and Salary Adjustment for Leland Giddings, M.D., as Chief Compliance Officer, Privacy Officer, and Medical Director for Clinical Resource Management, San Diego Campus***

Approval of the following items in connection with the slotting and salary adjustment for Dr. Leland Giddings as Chief Compliance Officer, Privacy Officer, and Medical Director for Clinical Resource Management, San Diego campus. These actions recognize the assumption of additional responsibilities as a result of a retirement.

- a. Title change from Medical Director, Managed Care to Chief Compliance Officer, Privacy Officer, and Medical Director for Clinical Resource Management.
- b. Re-slotting of position, as recommended by Mercer Human Resource Consulting, as SLCG Grade 108: Minimum \$187,100, Midpoint \$238,200, Maximum \$289,300.
- c. Salary adjustment of \$30,400 (15.0 percent) to increase his annual base salary from \$202,800 to \$233,200.
- d. Per policy, eligibility to participate in the Clinical Enterprise Management Recognition Plan, with a maximum payout of up to 20 percent of base salary annually.
- e. Per policy, participation in the Senior Management Supplemental Benefit Program at a rate of 5 percent.
- f. Effective upon approval of The Regents.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits and standard Senior Management benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, Executive Salary Continuation for Disability.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(27) ***Establishment of New Position and Interim Slotting of the Position of Vice Chancellor–Information Technology, Santa Cruz Campus***

Approval of the following items in connection with the establishment and interim slotting of this position as part of the transition of this position from Vice Provost to Vice Chancellor and to allow for completion of the recruitment process currently under way.

- a. Establishment of a new Senior Management Group (SMG) position of Vice Chancellor–Information Technology.
- b. Approval of the interim slotting of this position, at SLCG Grade 108: range Minimum \$187,100, Midpoint \$238,200, Maximum \$289,300.
- c. Effective immediately upon approval by The Regents.

The establishment of the position in SMG, the assignment of the title and the slotting of the position as described establishes the grade and salary range for the University to complete recruitment efforts. The total compensation, terms and conditions for the successful candidate will be presented to The Regents for approval, as required under RE61, *Policies on Universitywide and Senior Leadership Compensation, and Procedures for Senior Leadership Compensation*, and amended in Regents' Item 7C, *Procedures for Setting Compensation 2006-07 for Those Classified in the Senior Leadership Compensation Group and Other Specified Non-Faculty Employees*, approved by The Regents in July 2006.

(28) ***Additional Compensation of One Summer Month for Various Employees at Multiple Campuses***

Approval of additional compensation payments of one summer month for various employees at multiple campuses ([Attachment 1](#)). This additional compensation is for the time period indicated on documents provided to The Regents and will be paid from various funding sources. Corresponding vacation time will be forfeited from the individual's accrued vacation.

(29) ***Exception to Retiree Health Policy in Connection with Settlement for Donna Yamasaki as IT Resource Manager III, Office of the President***

Approval that, as an exception to policy, four years of service credit be awarded to Donna Yamasaki as IT Resource Manager III, solely for the purpose of determining eligibility for retiree healthcare benefits in connection with a proposed settlement agreement.

(30) ***Continuation of Participation in Mortgage Origination Program for UC-Designated Key Personnel at Lawrence Livermore National Security, LLC***

Approval of continuation of participation of Steven R. Patterson, currently Associate Director, Engineering at Lawrence Livermore National Laboratory, in the University's Mortgage Origination Program, after September 30, 2007, at which time he will be a UC-designated key person at Lawrence Livermore National Security, LLC.

Upon motion duly made and seconded, the Committee approved the recommendations and voted to present them to the Board.

B. ***Establishment of Recruiting and Negotiation Parameters for Certain Athletic Positions and Coaches, Systemwide***

The Committee recommended approval of the following delegations of authority to the President, and further delegations from the President to the Chancellors, to negotiate and finalize compensation contracts for coaches. This request for delegation of authority is specific and limited to the following circumstances, terms and conditions.

- (1) Approval of delegations to negotiate compensation contracts for coaches, as defined below, to be used in two specific circumstances.
 - a. Pre-emptive or Active Retention – When the Chancellor, or his/her designee, needs to negotiate with an incumbent coach as a result of that coach receiving an expression of serious interest of employment from another entity, or an actual offer of employment from another entity.
 - b. Replacement – After the termination of a coach either by his/her own choice or by the department's choice, the Chancellor, or his/her designee, must immediately negotiate with candidates as a replacement for the coach who is terminating.

- (2) Approval of the following parameters for delegation of authority:
 - a. Guaranteed Compensation – Authority to negotiate an increase of up to 30 percent on the annual guaranteed compensation (defined as salary and talent fees). This authority applies the 30 percent limit to the overall cumulative total (before and after negotiation) for Guaranteed Compensation under the new and old contracts.
 - b. Maximum Bonus – Authority to negotiate an increase of up to 15 percent on all incentives or bonuses. This authority applies the 15 percent limit to the overall cumulative total (before and after negotiation) for Maximum Bonus under the new and old contracts.
 - c. Deferred Compensation – Authority to negotiate an increase of up to 15 percent on any deferred compensation. This authority applies the 15 percent limit to the overall cumulative total (before and after negotiation) for Deferred Compensation under the new and old contracts.
 - d. Camps – Authority to negotiate an increase of up to 30 percent on compensation earned from camps. This authority applies the 30 percent limit to the overall cumulative total (before and after negotiation) for Camp income under the new and old contracts.
 - e. Benefits – Authority to offer the same systemwide benefits, including vacation, sick leave, disability, and standard University of California pension, health and welfare benefits under the programs and policies pertaining to all employees of the University.
 - f. Other – Authority to negotiate providing courtesy vehicles (supplied by donors/contributors) and non-cash compensation such as club memberships and other perquisites, consistent with standard practices.
- (3) Approval of delegation of authority under the defined parameters, above, for all men's and/or women's coaches and football offensive/defensive coordinators whose new potential total cash compensation exceeds the Indexed Compensation Level, currently set at \$200,000 per annum.
- (4) It is proposed that this specific set of delegations will be reviewed by The Regents annually, along with a full reporting of all coaches whose

total cash compensation exceeds the Indexed Compensation Level. In addition, any actions taken under this delegation by Chancellors will be reported publicly at the next Regents' meeting in the same manner as interim actions. The Office of the President will be responsible for providing corresponding updated market and comparability data to The Regents as part of the annual process.

Any proposals exceeding the levels or parameters noted above would continue to require submission to and advance approval by The Regents. In addition, if the new contract includes exceptions to policy, advance approval by The Regents will be required.

Termination and liability clauses limiting the University's obligations will be used in all contracts. Each final contract will require the review and sign off by Office of the General Counsel.

If the funding of a coach's contract comes from sources other than athletic department revenues (including athletic equipment supplier agreements) or private fundraising, this will require Regental review and approval.

C. *Approval of Bonus Payments for Los Alamos National Laboratory Pension Asset Transfer Team Members*

The Committee recommended that the award amounts proposed below be approved.

High Level Contributors

Name	Loc	Title / Organization	Proposed Bonus Payment
Judith W. Boyette ⁽¹⁾	OP	Associate Vice President Human Resources and Benefits	\$25,000
Ronald Nelson ⁽¹⁾	OP	Executive Director, Contracts & Administration Laboratory Management	\$20,000
John Plotts ^(1,3)	OP	Assistant Vice President Financial Management	\$20,000
Melvin Stanton ^(1,2)	OP	Associate Chief Investment Officer Office of the Treasurer of The Regents	\$0 ⁽²⁾
Judy Ackerhalt	OP	Deputy to the Associate Vice President Human Resources and Benefits	\$20,000
Barbara Clark	OP	University Counsel Office of General Counsel	\$20,000
Jim Hirahara	OP	Executive Director, Business & Finance Laboratory Management	\$20,000
Richard Townsend	OP	Coordinator, Retirement Policy and Planning Human Resources and Benefits	\$20,000

**Mid-Level
Contributors**

David Olson	OP	Director, Financial Services & Plan Disbursements Human Resources and Benefits	\$7,500
Gary Schlimgen	OP	Director, Retirement Policy and Planning Human Resources and Benefits	\$7,500
Robert Yastishak	OP	Director, Treasury Operations Office of the Treasurer of The Regents	\$7,500

**Lower Level
Contributors**

Randolph Scott	OP	Executive Director, Policy & Program Design Human Resources and Benefits	\$5,000
Michael Baptista	OP	Director, Information Systems & Support Human Resources and Benefits	\$5,000

Total			\$177,500
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- (1) Member of the Senior Management Group
- (2) Although otherwise qualified as a member of the team, under the Treasurer's Annual Incentive Plan, participants are not eligible to receive an award under any other UC incentive program.
- (3) Mr. Plotts is also eligible for an incentive award of up to 10 percent of base pay, as previously approved by The Regents, based on performance against predetermined goals and objectives. The team bonus award being proposed above is outside Mr. Plotts' normal job functions.

In accordance with the *Policies on Universitywide and Senior Leadership Compensation, and Procedures for Senior Leadership Compensation (RE-61)* and *Regents' Plan for Reforms in Response to the Report of the Task Force on UC Compensation, Accountability, and Transparency (RE-74)*, The Regents reviews and approves compensation, including bonus payments, for individuals whose total cash compensation exceeds \$200,000, as recommended by the Task Force on UC Compensation, Accountability and Transparency, and approved by The Regents. The following recipients of the proposed bonuses are subject to these reporting and approval criteria.

Name	Loc.	Title / Organization	Annual Base Salary	Proposed Bonus	Total Cash Compensation
Judith W. Bovette	OP	Associate Vice President Human Resources and Benefits	\$204,299	\$25,000	\$229,299
Ronald Nelson	OP	Executive Director, Contracts & Administration Laboratory Management	\$215,696	\$20,000	\$235,696
John Plotts	OP	Assistant Vice President Financial Management	\$222,700	\$20,000	\$242,700
Jim Hirahara	OP	Executive Director, Business & Finance Laboratory Management	\$208,656	\$20,000	\$228,656
Randolph Scott	OP	Executive Director, Policy & Program Design Human Resources and Benefits	\$212,200	\$5,000	\$217,200

The compensation described above is for work performed in FY 2006-07. This compensation shall constitute the University's total bonus or incentive

award commitment for those individuals during that time frame until modified by The Regents and shall supersede all previous oral or written commitments, except that Mr. Stanton will continue to be eligible for an award under the Treasurer's Annual Incentive Plan. If approved, payment will be made in calendar year 2007.

D. *Regents Policy on the Associate of the President and the Associate of the Chancellor*

The Committee recommended approval of the following Regents Policy on the Associate of the President and the Associate of the Chancellor to replace the current Presidential policy which was issued on July 1, 1995.

- (1) Upon the request of the President or Acting President, The Regents may approve the appointment of the spouse or domestic partner of the President or Acting President as the Associate of the President.
- (2) Upon the request of a Chancellor or Acting Chancellor, the President may approve the appointment of the spouse or domestic partner of a Chancellor or Acting Chancellor as the Associate of the Chancellor. The President will provide a report to The Regents of such appointments.
- (3) Appointment as the Associate of the President (or Chancellor) is intended to reflect and recognize the contributions and services of those individuals who are called upon to serve as ambassadors for the University and/or the President (or Chancellor). The Associate will represent the University in association with the President (or Chancellor) or independently at the campuses, national laboratories, and at national and international functions. The Associate will be expected to accompany the President (or Chancellor) in settings where this will enhance the University's relationships with students, alumni, faculty, staff, donors, friends, public officials, private sector officials, and representatives of foreign governments. Intended significant involvement in activities and functions such as described above is required in order to be granted the appointment as Associate. This appointment is without salary.
- (4) The Associate of the President and the Associate of the Chancellor will be eligible for the following:
 - a. A University identification card which will allow access to campus facilities and services (e.g. University library privileges) in accordance with campus procedures.

- b. Reimbursement of University-related travel expenses, including expenses associated with the use of a personal automobile when providing substantial services on behalf of the University. Such expenditures will be reimbursed in accordance with the provisions contained in Business and Finance Bulletin G-28, Policy and Regulations Governing Travel, and Business and Finance Bulletin G-45, Implementing Requirements on Expenses Incurred in Support of Official Responsibilities of the President and Chancellors.
- c. Reimbursement of business meeting and entertainment expenses incurred when providing substantial services on behalf of the University. Such expenditures will be reimbursed in accordance with the provisions contained in Business and Finance Bulletin BUS-79, Expenditures for Entertainment, Business Meetings, and Other Occasions.
- d. Reimbursement of costs associated with cellular phones and other portable electronic resources used when providing substantial services on behalf of the University. Such expenditures will be reimbursed in accordance with the provisions contained in Business and Finance Bulletin G-46, Guidelines for the Purchase and Use of Cellular Phones and Other Portable Electronic Resources.
- e. Use of the University equipment (e.g. laptop) when providing substantial services on behalf of the University. Such expenditures will be in accordance with the provisions contained in Business and Finance Bulletin BUS-29, Management and Control of University Equipment, Section N. Personal. Use of University Property, Electronic Communications Policy, Business and Finance Bulletin IS-3 Electronic Information Security, and Business and Finance Bulletin RPM-8 legal Requirements on Privacy of and Access to Information.
- f. Travel insurance coverage while traveling on University business in an amount equivalent to that provided to non-SMG University employees.
- g. Workers compensation coverage for any injury arising out of the course and scope of the service performed as an Associate, in accordance with the California Workers Compensation Act.
- h. Defense and indemnification of the Associate with respect to any claims resulting from acts or omissions in the service

performed as an Associate, except when the action or failure to act resulted from actual fraud, corruption, or malice.

- i. Business cards bearing the Associate of the President or Associate of the Chancellor title.
 - j. Courtesy parking permits for use at University-owned facilities.
- (5) The cost of expenses incurred under parts (4) b., c., and d. above will be charged to unrestricted, non-State funds.
- (6) Annual Budget
- a. The budget for the Associate to the President must be included as a discrete item in the budget of the President's immediate office when the annual budget for the Office of the President is submitted to The Regents for approval.
 - b. The budget for each Associate to the Chancellor must be approved in advance by the President annually based on submission of a detailed budget for the year.
- (7) Approval of Expenditures
- a. The Secretary and Chief of Staff to The Regents will approve the reimbursement of expenses based on receipts submitted by the Associate to the President, in conformance with the approved annual budget for the Associate to the President and applicable University policy. If an expense represents an exception to the approved annual budget or applicable University policy, the expenditure must be approved by the Chair of The Regents' Committee on Finance.
 - b. The Executive Vice President and Chief Financial Officer will approve the reimbursement of expenses based on receipts submitted by each Associate to the chancellor, in conformance with the approved annual budget for the Associate to the Chancellor and applicable University policy. In the absence of the Executive Vice President and chief Financial Officer, approval authority will be delegated to the Executive Vice President–Business Operations.
 - c. An annual report will be provided in September of each year to The Regents with the budget expenditures for the Associate to

the President and each Associate to the Chancellor for the preceding fiscal year.

- (8) The University Auditor will be responsible for conducting regular audits of the expense reimbursement process under this Policy.
- (9) This policy will become effective immediately and supersedes the July 1, 1995 Associate of the President/Chancellor policy and guidelines.

E. ***Appointment of Associate of the President, Two Associates of the Chancellors, Two Associates of Acting Chancellors, and Retroactive Approval of Other Appointments of Associates of the Chancellors***

The Committee recommended approval of the following items in connection with the appointment of Ann Parode Dynes as Associate of the President, Carol Block and Mia Kang as Associates of the Chancellor, retroactive approval of the appointments of the current Associates of the Chancellors, and approval of the appointments of Poshka Abrams and Kelly Wiesberg as Associate of the Chancellor for the Acting Chancellors:

- (1) Appointment of Ann Parode Dynes as Associate of the President effective March 3, 2007 and extending through the period of President Dynes' appointment as President.
- (2) Appointment of Carol Block as Associate of the Chancellor effective August 1, 2007.
- (3) Appointment of Mia Kang as Associate of the Chancellor effective March 1, 2007.
- (4) Retroactive approval by The Regents of the President's previous approvals, as authorized by policy, of the appointments of the current Associates of the Chancellors at the Berkeley, Davis, Irvine, Riverside, San Diego, San Francisco, and Santa Barbara campuses.
- (5) Appointments of Poshka Abrams and Kelly Weisberg as Associate of the Acting Chancellor at the Los Angeles, and Santa Cruz campuses, respectively.

These appointments are subject to the Policy on Associate of the President/Chancellor, as described in the Regents' Item RE93. This revised policy is currently under review for approval by The Regents. Once approved, the new policy shall govern the terms and conditions of these appointments.

F. ***Approval to Amend Housing and Expenses Agreement for UC Designated Key Personnel at Los Alamos National Security, LLC***

The Committee recommended approval of the following items in connection with supplemental compensation for Bret Knapp, Associate Director for Weapons Engineering, UC-Designated Key Personnel at Los Alamos National Security, LLC.

In June 2006 The Regents approved the following terms for Mr. Knapp for a two year period through May 31, 2008. Due to extenuating personal circumstances that require Mr. Knapp's family to remain in California, Director Anastasio is requesting The Regents approval to extend the same terms for items 1 and 2 below by an additional two years through May 31, 2010, or until Mr. Knapp relocates to New Mexico, whichever occurs first.

- (1) As an exception to policy, a housing allowance of \$27,500 every six months, with a tax gross-up to offset any adverse tax consequences.
- (2) As an exception to policy, reimbursement of amounts related to non-business travel for visits between family members (generally between the Bay Area and New Mexico), during the initial four-year period of employment with LANS, up to \$30,000 annually, with a tax gross-up to offset any adverse tax consequences.

The Regents also approved in June 2006 the following terms for Mr. Knapp that do not require an extension, but are presented below for disclosure.

- As an exception to policy, reimbursement (on a tax-equivalent basis) for up to 24 months of the employer portion of the cost of health care for his immediate family members residing in California who continue to be covered by their existing health care provider with comparable health insurance under COBRA provisions, until their relocation to New Mexico, whichever occurs first.
- As an exception to policy, if Mr. Knapp leaves his LANS position and returns to Lawrence Livermore National Laboratory (LLNL) prior to September 30, 2007, and there is no agreement with DOE which allows transfer of pension credit, he will be compensated by the amount necessary to reflect any loss in pension credit for the period of time he was employed by LANS, with a tax gross-up to reflect any adverse tax consequences resulting from the payment;

The commitment to provide these items of compensation is necessary to attract and retain the highly specialized talent needed to meet the mission of the Laboratory. The source of funds for the payment of all these compensation items shall be from the fee earned by the University under the terms of the

LANS contract, and such fee income shall be applied first to these compensation obligations prior to the use of the fee income for any other purpose.

The compensation described above shall constitute the University's total commitment for these elements of compensation until modified by The Regents and shall supersede all previous oral or written commitments.

G. ***Conferral of Title Suffix Emeritus for Acting Chancellor, Los Angeles Campus***

The Committee recommended approval of the conferral of the title suffix emeritus upon Norman Abrams as Acting Chancellor, Emeritus effective August 1, 2007.

H. ***Extension of Compensation for Acting Chancellor, Los Angeles Campus***

The Committee recommended that, contingent upon approval of the extension of the appointment of Norman Abrams by The Regents as Acting Chancellor, Los Angeles campus, a one month extension of an annualized base salary of \$320,000 be continued, originally approved by The Regents effective July 1, 2006 for service as Acting Chancellor, along with the additional compensation related items listed below.

Additional items of compensation approved by The Regents July 19, 2006:

- Per policy, standard sick leave and vacation accrual.
- Per policy, Administrative Fund for official entertainment and other purposes permitted by University policy.
- Per policy, standard Pension and Health and Welfare benefits.

Additional item of compensation approved by The Regents March 14, 2007:

- Per policy, automobile allowance.

Additional item of compensation not submitted for approval at the July 19, 2006 meeting but effective July 1, 2007

- Per policy, sabbatical leave accrual.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written communications.

I. ***Extension of Compensation for Acting Chancellor, Santa Cruz Campus***

The Committee recommended that, contingent upon approval of the extension of the appointment of George Blumenthal by The Regents as Acting Chancellor, Santa Cruz campus, 100 percent time, the annual salary of \$260,000 be continued, along with the additional compensation related items listed below.

Additional compensation and related items include:

- Per policy, standard sick leave and vacation accrual.
- Per policy, Administrative Fund for official entertainment and other purposes permitted by University policy.
- Per policy, standard Pension and Health and Welfare benefits.
- Per policy, eligible to earn sabbatical credits

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written communications.

J. *Compensation for Acting Chancellor, Riverside Campus*

The Committee recommended that, contingent upon approval of the appointment of Robert D. Grey by The Regents as Acting Chancellor, Riverside campus, 100 percent time, the annual salary of \$300,000, along with the items listed below be approved.

- (1) Per policy, monthly auto allowance of \$743.
- (2) As an exception to policy, required to live in the Chancellor's Residence in Riverside in order to fulfill the appointment responsibilities.
- (3) As an exception allowed under the guidelines for rehired retirees, retirement pension benefits will continue upon Mr. Grey signing the appropriate waiver under University policy so that there will be no accrual of additional pension service credit during his appointment as Acting Chancellor.
- (4) Movement of limited personal effects to the Chancellor's Residence in Riverside, and shipped back to permanent residence upon termination of appointment, not to exceed \$5,000.
- (5) UC will provide reasonable, basic furnishings for the private quarters of the Chancellor's residence during this period. UC will rent or purchase furnishings depending on the final cost analysis.

- (6) If the Chancellor's residence is not available for Mr. Grey upon his appointment, reimbursement of reasonable hotel accommodations and meals, per standard business travel policy, will apply.

Additional items of compensation include:

- Per policy, standard sick leave and vacation accrual.
- Per policy, Administrative Fund for official entertainment and other purposes permitted by University policy.
- Per policy, standard medical and other health benefits will apply. Mr. Grey will continue to pay his premiums for Medicare, and will contribute to the regular cost of benefits under the programs and policies pertaining to a rehired retiree.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

K. *Campus/Laboratory Plans to Implement Corrective Actions*

The Committee recommended approval of the Corrective Action Plans (CAPs) as summarized in [Attachment 2](#).

L. *Extension of Procedures for Setting Compensation in 2007-08 for Those Classified in the Senior Leadership Compensation Group*

The Committee recommended extension of the July 1, 2006 Regents Item *Procedures for Setting Compensation in 2006-07 for Those Classified in the Senior Leadership Compensation Group and Other Specified Non-faculty Employees (7C)*, to be effective July 1, 2007 through June 30, 2008 as follows:

- (1) Salary actions during FY 2007/2008 for Senior Leadership Compensation Group (SLCG) members and Other Specified Employees (OSEs) that would result in base salary, plus any bonus, incentives, relocation allowance, stipend or any other cash compensation, exceeding the Indexed Compensation Level (ICL) of \$205,000 shall be individually approved by The Regents.
- (2) Any increase in base salary in excess of 7.5 percent for SLCG members and OSE shall be individually approved by The Regents.

M. *Conforming Amendments to the University of California Retirement Plan to Facilitate the Closeout of the Lawrence Livermore National Laboratory Management Contract*

The Committee recommended that, effective October 1, 2007, the UCRP be amended as necessary to:

- (1) Provide that if an eligible LLNL employee elects to participate in the LLNS defined benefit plan, and a designated payee named in a domestic relations order (DRO) is entitled to a share of the employee's UCRP benefits, the designated payee may elect to have his or her benefits transferred to the LLNS defined benefit plan or retained in UCRP and distributed under UCRP terms, including the lump sum option which will not be available in the LLNS defined benefit plan.
- (2) Provide that if a part-time, eligible LLNL employee with a concurrent (split) appointment at another UC location elects to transfer his or her UCRP benefits and service credit to the LLNS defined benefit plan and continues to work part-time for UC following the transition, UCRP will:
 - Retain the employee's original UCRP entry date and count the employee's transferred service credit towards UCRP's five-year vesting requirement (but not as actual service credit used in the calculation of future UCRP retirement income); and
 - Use a Highest Average Plan Compensation (HAPC) to calculate the employee's future UCRP benefit (if eligible) based only on "covered compensation" (as determined under UCRP rules) that the employee earned after the date of the transition.
- (3) Provide that an LLNL employee who previously retired and suspended UCRP retirement income upon reemployment with UC (i.e., a rehired retiree) would not be required immediately to return to UCRP retirement status upon subsequent separation from UC, as currently required by the Plan. By so doing, the rehired retiree would be treated the same as all other vested LLNL employees and would not be disadvantaged as a result of the transition.
- (4) Authorize the Plan Administrator to implement the proposed amendments.

Upon motion of Regent Lozano, duly seconded, the recommendations of the Committee on Compensation were approved, Regent Garamendi voting "No."

5. **REPORT OF THE COMMITTEE ON EDUCATIONAL POLICY**

The Committee presented the following from its meeting of July 19, 2007:

A. ***Authorization to Enter into an Affiliation to Establish and Operate a Model Charter High School, Davis Campus***

The Committee recommended that:

- (1) The Davis campus be authorized to enter into an affiliation with the Washington Unified School District (WUSD) and the Los Rios Community College District (LRCCD) to operate a public early college charter high school in the City of West Sacramento, contingent upon:
 - a. The WUSD providing sufficient operating funds, as determined by the President, from state funding of charter schools, to enable the Early College High School (ECHS) to achieve its educational mission.
 - b. The formation of a nonprofit public benefit corporation with the University, WUSD, and LRCCD as directors on terms and conditions satisfactory to the President, such nonprofit corporation to oversee and govern the ECHS.
 - c. After consultation with the Office of General Counsel, execution of an agreement by the University, WUSD, and LRCCD on terms and conditions satisfactory to the President, that defines the rights, responsibilities, obligations, and benefits of each party concerning the operation and governance of the ECHS.
- (2) The President, or designee, after consultation with the Office of General Counsel, be authorized to approve and execute all documents which are necessary with respect to the foregoing, and any amendments thereto, which do not materially increase the obligations of The Regents.

B. ***Approval of Conforming Amendments to Policy on Fees for Selected Professional School Students***

The Committee recommended adoption of the following Policy on Fees for Professional School Students, as revised below:

Deletions shown by strike out, additions by underscoring

- (1) A Fee for Selected Professional School Students be assessed to students enrolled in ~~the first~~ graduate professional degree programs in ~~dentistry (D.D.S.), veterinary medicine (D.V.M.), business/management (M.B.A), law (J.D.), and medicine (M.D.);~~

~~taking into consideration the following factors; the amount of resources required to sustain academic quality at, and enrollments in, the particular professional program; the ability of the University to remain competitive with other institutions; the cost of education for each specific program; the average fees charged by comparable public and private institutions for each specific program; overall State General Fund support for the University; and other market-based factors that permit University programs to compete successfully for students, as determined by The Regents, to sustain and enhance the quality of the professional schools' academic programs and services.~~

- (2) ~~The Fee for Selected Professional School Students be phased in over time so that the total fees charge to students enrolled in each of the five professional programs be similar to the average fee charged for that program by comparable, high-quality institutions across the nation. Revenue from professional school fees will remain with the campuses and will not be used to offset reductions in State support.~~
- (3) ~~An amount of funding equivalent to at least one-third of the total fee revenue should be used to provide supplemental existing financial aid including loan forgiveness programs, to help maintain the affordability of a professional school education, and the remaining revenue be retained by the professional school and be used to sustain and enhance the quality of the professional schools' academic programs and student services and to fund the costs related to instruction.~~
- (3) Fees for professional school students will be approved by The Regents, within the context of a multi-year plan that is subject to annual reconsideration.
- (4) The Provost is responsible for ensuring that the leadership of each campus designs a multi-year plan of fee increases for each professional degree program in a manner that effectively advances the program's mission and strategic academic plan.
- (5) In developing a program's multi-year plan, the following factors are among those to be taken into consideration: the amount of resources required to sustain academic quality at, and enrollments in, the particular professional degree program; the ability of the University program to remain competitive with other institutions of similar quality; the cost of education for each specific degree program; the average resident and nonresident tuition and fees charged by comparable public and private institutions for each specific program; overall State General Fund support for the University; and other market-based factors (such as scholarship and grant support) that permit University the degree program to compete successfully for

students. Within this context, different fee levels may be set for professional programs in the same discipline at different campuses.

- (6) Financial aid targeted for students enrolled in professional degree programs is necessary to ensure access to the degree program, and to minimize financial barriers to the pursuit of careers in public service. The Provost is responsible for ensuring that each campus complements its proposed multi-year plans for professional degree programs with financial aid measures, including scholarships, grants and loan repayment assistance programs, to adequately meet these goals. Financial aid sources should be supplemented by an amount equivalent to at least 33 percent of new professional school fee revenue or by an amount necessary to ensure that financial aid sources are equivalent to at least 33 percent of all professional school fee revenue. Campuses will regularly evaluate and report on the effectiveness of these financial aid measures.

C. *School of Law, Irvine Campus: Consideration of the California Postsecondary Education Commission Report*

The Committee recommended that The Regents formally note the issues that could not be resolved between the University and the California Postsecondary Education Commission related to the Irvine campus law school proposal.

Upon motion of Regent Marcus, duly seconded, the recommendations of the Committee on Educational Policy were approved.

6. **REPORT OF THE COMMITTEE ON FINANCE**

The Committee presented the following from its meeting of July 18, 2007:

A. *Approval of the 2007-08 Final Budget*

The Committee concurred with the recommendation of the Committee on Grounds and Buildings that the State Capital Improvements Budget for 2007-08 be amended as follows:

- (1) Delete \$625,000 for preliminary plans, working drawings, and construction for the Davis campus, Seismic Corrections Thurman Laboratory project.
- (2) Add \$5,700,000 for construction for the Merced campus, Social Sciences and Management Building project.
- (3) Delete \$11,980,000 for construction for the Riverside campus, Environmental Health and Safety project.

- (4) Delete \$29,100,000 for construction and equipment for the San Francisco campus, Telemedicine and PRIME-US Education Facilities.

B. *Office of the President 2007-08 Budget*

The Committee recommended that the Fiscal 2007-08 Office of the President Budget be adopted. The Office of the President will return to the Board of Regents at its September 2007 meeting to seek approval of the President's plan for use of national laboratory fee income.

C. *Amendment of Standing Order 110.2 – Matters Relating to Residency: Nonresident Tuition Waivers for Employees Assigned to Work Out of State*

The Committee recommended that:

- (1) Service of Notice be waived.
- (2) Standing Order 110.2 – Matters Relating to Residency be amended to provide nonresident tuition waivers as a benefit to those employees of Lawrence Livermore National Security, LLC, and their dependents, spouses and domestic partners, who may not qualify as California residents. Standing Order 110.2 would be amended as follows:

STANDING ORDER 110.2
MATTERS RELATING TO RESIDENCY

Additions shown by underscoring; deletions shown by strikeout.

Standing Order 110.2, section (d), is amended as follows:

110.2 Matters Relating to Residency

....

- d. ~~Los Alamos National Laboratory and Other~~ Out-of-State Employees and Non-University Employees at Los Alamos and Lawrence Livermore National Laboratories (LANL and LLNL).

- (1) An individual who is a full-time University employee assigned to work outside the State of California, or the dependent child, spouse, or registered domestic partner of such an employee, shall be entitled to resident classification for tuition purposes.
- (2) ~~If, following the expiration of the longstanding University/DOE contract for the management of the~~

~~Los Alamos National Laboratory (LANL); So long as the University continues to participate in as a member of a limited liability company holding the contract for the management of LANL or LLNL, as a principal in a separate legal entity that is awarded the successor contract an individual who is an employee of such entity company, or a dependent child, spouse, or registered domestic partner of such an employee, shall be entitled to resident classification for tuition purposes to the same extent as if the employee were an employee of the University assigned to work outside of California.~~

- (3) An individual who is a full-time employee of the University assigned to work at LANL or elsewhere outside of California, or who is a full-time employee of ~~a successor LANL contractor~~ a company described in (2) above in which the University is a principal, and who transfers without a break in service to full-time University employment within the state of California, shall be entitled to resident classification for tuition purposes. Any dependent child, spouse, or registered domestic partner of such an employee also would be entitled to resident classification for tuition purposes.
- (4) An individual who is a full-time University employee at LANL or LLNL, or any dependent child, spouse, or registered domestic partner of such an employee, and who is enrolled as a student in a degree-granting program at a UC campus at such time as the University contract to manage LANL or LLNL expires and the University's participation in the management of LANL or LLNL ceases, shall be exempted from payment of nonresident tuition fees for the remainder of the current quarter or semester.
- (5) ~~The General Counsel of The Regents may implement this Standing Order by promulgating regulations in accordance therewith.~~

D. ***Approval of a Sale by The Regents of the University of California on Behalf of the UCSF Tissue Bank to the Musculoskeletal Transplant Foundation, Inc.***

The Committee recommended approval of the sale of the UCSF Tissue Bank to the Musculoskeletal Tissue Bank, Inc., that formerly managed the UCSF

Tissue Bank on behalf of the Department of Orthopaedic Surgery at UCSF, pursuant to a Agreement of Purchase and Sale between The Regents and MTF, Inc., the terms and form of which have been approved by the General Counsel and the effectiveness of which is contingent upon Regents' approval.

Upon motion of Regent Hopkinson, duly seconded, the recommendations of the Committee on Finance were approved.

7. **REPORT OF THE COMMITTEE ON GROUNDS AND BUILDINGS**

The Committee presented the following from its July 17, 2007 meeting:

A. ***Certification of Environmental Impact Report and Approval of 2006 Long Range Development Plan, Lawrence Berkeley National Laboratory***

Upon review and consideration of the Environmental Impact Report, the Committee recommended:

- (1) Certification of the Final EIR for the LBNL 2006 Long Range Development Plan.
- (2) Adoption of the Mitigation Monitoring Program for the Final EIR.
- (3) Adoption of the Statement of Overriding Considerations included in the Findings.
- (4) Adoption of the Findings pursuant to the California Environmental Quality Act.
- (5) Adoption of the 2006 Long Range Development Plan, Lawrence Berkeley National Laboratory.

B. ***Approval of Amended State Capital Improvements Budget Consistent with the Final 2007-08 Budget Act***

The Committee recommended that the State Capital Improvements Budget for 2007-08 be amended as follows:

- (1) Delete \$625,000 for preliminary plans, working drawings, and construction for the Davis campus, Seismic Corrections Thurman Laboratory project.
- (2) Add \$5,700,000 for construction for the Merced campus, Social Sciences and Management Building project.

- (3) Delete \$11,980,000 for construction for the Riverside campus, Environmental Health and Safety project.
- (4) Delete \$29,100,000 for construction and equipment for the San Francisco campus, Telemedicine and PRIME-US Education Facilities.

C. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program and Approval of External Financing for the Physical Sciences Expansion Project, Davis Campus***

The Committee recommended that:

- (1) The 2007-08 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: Davis: Physical Sciences Expansion – preliminary plans, working drawings, and construction – \$49,721,000, to be funded from State funds (\$48,515,000) and campus funds (\$1,206,000).

To: Davis: Physical Sciences Expansion – preliminary plans, working drawings, and construction – to be funded from State funds (\$48,515,000), campus funds (\$1,206,000), and external financing (\$15,762,000).

- (2) The President be authorized to obtain external financing not to exceed \$15,762,000 for the Physical Sciences Expansion project, subject to the following conditions:
 - a. Interest only, based on the amount drawn down, shall be paid on the outstanding balance during the construction period.
 - b. Repayment of the external financing shall be from the Davis campus' share of University Opportunity Funds.
 - c. The general credit of The Regents shall not be pledged.
- (3) The Officers of The Regents be authorized to provide certification to the lender that interest paid by The Regents is excluded from gross income for purposes of federal income taxation under existing law.
- (4) The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

D. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program for Digital Arts Facility, Santa Cruz Campus***

The Committee recommended that:

- (1) The 2007-08 Budget for State Capital Improvements and the State Capital Improvement Program be amended as follows:

From: Santa Cruz: Digital Arts Facility – preliminary plans, working drawings, construction, and equipment – \$23,013,000, to be funded from State funds.

To: Santa Cruz: Digital Arts Facility – preliminary plans, working drawings, construction, and equipment – \$35,453,000, to be funded from State funds (\$23,013,000) and campus funds (\$12,440,000).

- (2) The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

E. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program, Northwest Campus Student Housing Infill, Los Angeles Campus***

The Committee recommended that the 2007-08 Budget for Capital Improvements and the Capital Improvement Program be amended to include preliminary plans funding for the following project:

Los Angeles: Northwest Campus Student Housing Infill – preliminary plans – \$9 million, to be funded from the Los Angeles campus' share of the University of California Housing System (UCHS) Net Revenue Fund Reserves.

F. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program and Approval of External Financing for Cogeneration Plant Expansion, San Diego Campus***

The Committee recommended that:

- (1) The 2007-08 Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:

San Diego: Cogeneration Plant Expansion – preliminary plans, working drawings, and construction – \$26,580,000, to be funded from external financing.

- (2) The President be authorized to obtain external financing not to exceed \$26,580,000 for the Cogeneration Plant Expansion project, subject to the following conditions:
 - a. Interest only, based on the amount drawn down, shall be paid on the outstanding balance during the construction period.
 - b. Repayment of financing shall be from the San Diego campus' share of federal indirect cost recovery deposited to Fund 19933, which shall be in amounts sufficient to pay the debt service and to meet the related financing requirements.
 - c. The general credit of The Regents shall not be pledged.
- (3) The Officers of The Regents be authorized to provide certification that interest paid by The Regents is excluded from gross income for purposes of federal income taxation under existing law.
- (4) The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

G. ***Adoption of Initial Study/Negative Declaration and Approval of Design, Berkeley Lab Guest House, Lawrence Berkeley National Laboratory***

Upon review and consideration of the environmental consequences of the proposed project, the Committee reported its:

- (1) Adoption of the Initial Study/Negative Declaration.
- (2) Adoption of the Findings.
- (3) Approval of the design of the Berkeley Lab Guest House, Lawrence Berkeley National Laboratory.

H. ***Certification of Environmental Impact Report and Approval of Design of Veterinary Medicine 3B, Davis Campus***

Upon review and consideration of the environmental consequences of the proposed Veterinary Medicine 3B project as indicated in the Environmental Impact Report, the Committee reported its:

- (1) Certification of the Environmental Impact Report.
- (2) Approval of the Findings.
- (3) Approval of the design of Veterinary Medicine 3B, Davis Campus.

I. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program, Adoption of Mitigated Negative Declaration and Mitigation Monitoring Program, and Approval of Design, Irvine Biomedical Research Facility 4, Irvine Campus***

The Committee recommended that:

- (1) The 2007-08 Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:

Irvine: Irvine Biomedical Research Facility 4 (IBRF-4) – preliminary plans – \$1,882,000, to be funded from campus ground lease revenues.

- (2) Upon review and consideration of the environmental consequences of the proposed project as described in the Mitigated Negative Declaration:
 - a. Adoption of the Mitigated Negative Declaration.
 - b. Adoption of the Findings and Mitigation Monitoring Program.
 - c. Approval of the design of the Irvine Biomedical Research Facility 4 (IBRF-4), Irvine Campus.

J. ***Adoption of Mitigated Negative Declaration and Approval of Design, Telemedicine/PRIME-LC Facilities, Irvine Campus***

Upon review and consideration of the environmental consequences of the proposed project as evaluated in the Mitigated Negative Declaration, the Committee reported its:

- (1) Adoption of the Initial Study/Mitigated Negative Declaration.

- (2) Adoption of the Findings and Mitigation Monitoring Program.
- (3) Approval of the design, Telemedicine/Prime-LC Facilities, Irvine campus.

K. ***Approval of Design, Police Station Replacement Building, Los Angeles Campus***

Upon review and consideration of the environmental consequences of the proposed project, the Committee reported its:

- (1) Finding that the Police Station Replacement Building project to be Categorically Exempt under the California Environmental Quality Act (CEQA).
- (2) Approval of the design of the Police Station Replacement Building, Los Angeles campus.

L. ***Adoption of Negative Declaration and Approval of Design, Spieker Aquatic Center, Los Angeles Campus***

Upon review and consideration of the environmental consequences of the proposed project as evaluated in the Negative Declaration, the Committee reported its:

- (1) Adoption of the Negative Declaration.
- (2) Adoption of the Findings.
- (3) Approval of the design of the Spieker Aquatic Center, Los Angeles campus.

M. ***Adoption of Findings and Approval of Design, Social Sciences and Management Building Project, Merced Campus***

Upon review and consideration of the environmental consequences of the proposed project as evaluated in the UC Merced 2002 Long Range Development Plan Environmental Impact Report, the Committee reported its:

- (1) Adoption of the Findings.
- (2) Approval of the design of the Social Sciences and Management Building Project, Merced campus.

N. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program, Adoption of Mitigated Negative Declaration Report,***

Amendment of Long Range Development Plan, and Approval of Design, Engineering II Life Safety Improvements and Addition, Santa Barbara Campus

- (1) The Committee recommended that the 2007-08 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: Santa Barbara: Engineering II Life Safety Improvements and Addition – preliminary plans, working drawings, construction, and equipment – \$10 million, to be funded from State funds (\$5 million), gift funds (\$3.8 million), and campus funds (\$1.2 million).

To: Santa Barbara: Engineering II Life Safety Improvements and Addition – preliminary plans, working drawings, construction, and equipment – \$15.375 million, to be funded from State funds (\$5 million), gift funds (\$9.175 million), and campus funds (\$1.2 million).

- (2) Upon review and consideration of the environmental consequences of the proposed action as evaluated in the Mitigated Negative Declaration Report, the Committee reported its:
- a. Adoption of the Mitigated Negative Declaration.
 - b. Adoption of the Findings and Mitigation Monitoring Program.
 - c. Amendment of the Long Range Development Plan.
 - d. Approval of the design of the Engineering II Life Safety Improvements and Addition, Santa Barbara Campus.

O. ***Adoption of Mitigated Negative Declaration and Approval of Design, J. Craig Venter Institute, San Diego Campus***

Upon review and consideration of the environmental consequences of the proposed project, the Committee reported its:

- (1) Adoption of the Initial Study/Mitigated Negative Declaration.
- (2) Adoption of the Mitigation Monitoring Program and Findings.
- (3) Approval of the design of the J. Craig Venter Institute, San Diego campus.

Upon motion of Regent Hopkinson, duly seconded, the recommendations of the Committee on Grounds and Buildings were approved.

8. **REPORT OF THE COMMITTEES ON FINANCE AND INVESTMENTS**

The Committees presented the following from their July 18, 2007 joint meeting.

***Policy on Conflict of Interest for Investment Advisory Committee Members:
Amendment of Policy Establishing the Investment Advisory Committee to Clarify
Duties and Disclosure Obligations***

The Committees recommended that, effective immediately, The Regents adopt amendments to the policy establishing the Investment Advisory Committee, and amendments to the Policy on Conflict of Interest Regarding Assets Managed by the Treasurer.

The amendments do the following:

- A. Reconstitute the Investment Advisory Committee as the Investment Advisory Group (IAG), which would be advisory to The Regents' Committee on Investments. Eligibility to serve on the IAG would be limited to investment professionals, faculty, and UC Foundation members not currently serving as Regents.
- B. Clarify that the responsibilities of the IAG are to advise on the establishment of investment policies and investment performance, and do not include selection of specific investments, or the selection of investment managers.
- C. Require the General Counsel to take action to assure that selections of investment managers by the Treasurer's Office have been exercised free of any conflicts of interest.

**POLICY ON CONFLICT OF INTEREST REGARDING ASSETS MANAGED BY
THE TREASURER**

Approved September 22, 2005

Deletions shown by strike out, additions by underscore

The Regents has adopted Investment Policy Statements for the University of California Retirement Plan and General Endowment Pool, which assign limited roles and responsibilities to investment fiduciaries, with appropriate checks and balances.

The existing governance process has avoided the potential for and the appearance of conflicts of interest with respect to the selection of individual investments or investment managers by maintaining a separation of roles and responsibilities.

The Regents' Committee on Investments, ~~with advice from the Investment Advisory Committee~~, is responsible for oversight of the management of investments on behalf of The Regents. This involves the establishment of investment policies and oversight of the management of the assets with advice from the Investment Advisory Group. These responsibilities include approving an asset allocation policy, performance benchmarks, risk budgets, and investment guidelines.

The Treasurer is responsible for implementing the approved investment policies and the development of investment processes and procedures for asset allocation, risk management, investment manager selection and termination, allocation, monitoring and evaluation, and the identification of management strategies that will improve the investment efficiency of the Fund assets.

The General Counsel is responsible for determining that the Treasurer's responsibilities for selecting investment managers have been exercised free of any efforts to influence the Treasurer's selection by individuals within the Treasurer's Office, on the Investment Advisory Group, on the Board of Regents, or with oversight responsibility for the performance of the Treasurer's Office, with a financial interest in the selection, within the meaning of the Political Reform Act. Any such efforts to influence the Treasurer's selection of investment managers by such individuals with a financial interest in the selection is expressly prohibited. In the event such a prohibited effort to influence a Treasurer's selection of an investment manager is identified, the General Counsel shall immediately bring the matter to the attention of the Chair of the Regents' Committee on Investments.

In order to maintain the highest fiduciary standards and to continue to comply with institutional investment best practices, this Policy explicitly separates the roles and responsibilities of various UC fiduciaries to ensure the continuance of sound investment practice and the protection against real or perceived conflict of interest, especially with regard to the selection of individual investments or investment managers. By separating the duties of investment policymaking and investment implementation, The Regents' Committee on Investments has created an institutional framework to uphold the California Political Reform Act of 1974, which provides that public officials shall not make, participate in making, or influence a governmental decision in which the official has a financial interest.

1999 POLICY ESTABLISHING THE INVESTMENT ADVISORY COMMITTEE:

Deletions shown by strikeout, additions by underscore

Function: The Investment Advisory ~~Committee~~ Group shall function in an oversight and evaluative role providing advice to The Regents with respect to ~~all aspects of the investment program~~ establishment of investment policies and investment performance, including, but not limited to, investment strategies, policies and procedures; investment performance; investment personnel in the Office of the Treasurer;

external investment ~~advisors~~ managers; and Office of the Treasurer budget.

- Authority: The Committee on Investments has authority under Regents Bylaw 12.5 for management of investments of the Corporation, and the Advisory ~~Committee~~ Group shall have no management or action authority ~~except in the event of express delegation by The Regents or the Committee on Investments.~~ 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: The Advisory ~~Committee~~ Group shall have not more than ~~nine~~ six and not fewer than ~~seven~~ four members, ~~of which not more than four nor fewer than three shall be Regents (one of whom shall be Chairman of the Committee on Investments and one of whom shall be the President of the University, who may be represented by an Officer of the University who would serve as his designee).~~ Members of the Advisory Committee and its Chairman, who may be a Regent, shall be appointed by the Board of Regents upon recommendation of the Nominating Committee on Governance. Membership is limited to investment professionals, faculty, and UC Foundation members not currently serving as Regents. Members of the Advisory ~~Committee~~ Group shall serve for an initial term of four years and may serve a second term of four years.
- Meetings: ~~Meetings~~ Members of the Advisory ~~Committee~~ Group shall be 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. ~~Meetings shall be held at least quarterly, and may be held more frequently as required; for review of investment performance and other matters.~~
- Reports: The Advisory ~~Committee~~ Group may request the Treasurer, other University of California staff, and such external sources as the ~~Committee~~ Group shall determine advisable to provide reports on investment matters. ~~The Advisory Committee shall provide through its Chairman periodic reports to the Board and the Committee on Investments on the activities of the Advisory Committee.~~
- Consultant: The Advisory ~~Committee~~ Group may recommend to the Committee on Investments that one or more consultants be retained from time to time to advise the Advisory ~~Committee~~ Group and the Committee on Investments.

Conflicts: Members of the Advisory ~~Committee~~ Group shall, upon taking and leaving office and annually during their terms, disclose all existing and potential conflicts of interest and shall abstain from voting on any such matters.

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

Upon motion of Regent Wachter, duly seconded, the recommendation of the Committee on Investments was approved.

9. **REPORT OF THE COMMITTEE ON OVERSIGHT OF THE DEPARTMENT OF ENERGY LABORATORIES**

The Committee presented the following from its meeting of July 19, 2007:

A. ***Authorization for Approval of Contract Closeout Authority for Contract W-7405-ENG-48 for the Operation of Lawrence Livermore National Laboratory Between September 2, 1952 and September 30, 2007***

The Committee recommended that the President be authorized to take such actions as may be required to perform a termination of contract W-7405-ENG-48 for the management and operation of the Lawrence Livermore National Laboratory between September 2, 1952 and September 30, 2007, including but not limited to execution of amendments and revisions of the contract during closeout, agreements to transfer obligations, and entering into final settlements of any outstanding claims by or against the University; provided however, nothing in this action authorizes the President to make any changes to the University of California retirement program.

B. ***Appointments to the Executive Committee of the Board of Governors of Lawrence Livermore National Security, LLC, and Indemnification of Appointees***

The Committee recommended approval of the appointments of Executive Vice President Bruce B. Darling and Mr. William R. Frazer as permanent Governors of the Executive Committee of the Board of Governors of the limited liability company known as Lawrence Livermore National Security, LLC (LLNS); and that (1) these two individuals be indemnified against claims and liabilities that may arise in the course and scope of their service as Governors to the same extent as is permitted by California law and University policy, and (2) the President be authorized to negotiate appropriate compensation for Mr. Frazer's service, not to exceed \$60,000 per annum, and to issue any terms of

appointment necessary to implement the appointments and such indemnifications.

C. ***Authorization to Approve and Execute Modification to the Department of Energy Contract for the Lawrence Berkeley National Laboratory to Amend Clause***

The Committee recommended that the President be authorized to execute a modification to the provisions of LBNL contract DE-AC02-05CH11231 in order to modify Clause F.2 Award Term Incentive (Special).

D. ***Approval of Resolution to Exclude Access to Classified Information for a Regent***

The Committee recommended the adoption of the following resolution pertaining to the University's respective Department of Defense and Department of Energy Facility Security Clearances, as follows:

WHEREAS, current Department of Defense and Department of Energy Regulations contain a provision making it mandatory that the Chairman of the Board, Chief Executive Officer, and those other officers and officials who are to have access to classified information meet the personnel clearance requirements established for a contractor's facility clearance; and

WHEREAS, said Regulations permit the exclusion from the personnel clearance requirements of certain members of the Board of Regents, provided that this action is recorded in the University Regents' Board Minutes;

NOW, THEREFORE, BE IT DECLARED that the Chairman of the Board, at least an official quorum of the Board of Regents, and the Chief Executive Officer at the present time do possess, or will be processed for, the required security clearance; and

BE IT RESOLVED that in the future, when any individual enters upon any duties as Chairman of the Board, as a replacement for one of the cleared quorum of the Board, or as the Chief Executive Officer, such individual shall immediately make application for the required security clearance; and

BE IT RESOLVED FURTHER that the following member of the Board of Regents shall not require, shall not have, and shall be effectively excluded from access to all classified information in the possession of the Corporation and does not occupy a position that would enable him to affect adversely Corporate policies or practices in

the performance of classified contracts for the Department of Defense, U.S. Department of Energy or contracts with other Federal User Agencies of the National Industrial Security Program:

NAME	TITLE
Benjamin Allen	Regent

Upon motion of Regent Moores, duly seconded, the recommendations of the Committee on Oversight of the Department of Energy Laboratories were approved.

10. **REPORT OF INTERIM ACTIONS**

Secretary and Chief of Staff Griffiths reported that in accordance with authority previously delegated by The Regents, interim action was taken on routine or emergency matters as follows:

A. The Chairman of the Board, the Chair of the Committee on Compensation, and the President of the University approved the following recommendations:

(1) ***Contract Approval for James A. Wooldridge as Head Coach of Men's Basketball, Riverside Campus***

Approval of the following compensation terms for Head Coach of Men's Basketball, James A. Wooldridge, Riverside campus, 100 percent time. Mr. Wooldridge's contract will be effective May 1, 2007 and terminate on June 30, 2011, unless terminated earlier pursuant to the term of the Employment Contract or unless the parties agree in writing to the terms of a successor contract or a contract extension prior to that date.

It is necessary quickly to conclude negotiations with Mr. Wooldridge, the finalist for the Head Coach of Men's Basketball, to secure his commitment to accept the campus' offer.

The following terms and conditions are reflected in the proposed contract:

a. Base Salary: The annual base salary prorated monthly for this position shall be as follows:

<u>Contract Year</u>	<u>Effective Date</u>	<u>Base Salary</u>	<u>Potential Base Building Increases (defined in Section 2)</u>
Partial	05/01/07 – 06/30/07	\$200,000	none
1	07/01/07 – 06/30/08	\$200,000	Up to 10%, no merit
2	07/01/08 – 06/30/09	\$200,000	Up to 10% or merit
3	07/01/09 – 06/30/10	\$200,000	Up to 10% or merit
4	07/01/10 – 06/30/11	\$200,000	Up to 10% or merit

Coach will be eligible for consideration for annual merit increases pursuant to campus policy and guidelines if there are no base building salary increases resulting from the Big West Conference accomplishments, as outlined in Section b., below.

- b. **Annual Performance Based Compensation:** In addition to the annual base salary, this contract provides opportunity to earn performance-based compensation of up to \$128,000 per annum, as detailed below. Coach will receive the following performance bonuses for each Contract Year in which such performance is achieved. Any annual one-time performance bonuses shall be paid in a single lump sum not later than July 1 following the season in which such performance bonuses are earned. Coach is eligible to receive more than one bonus.

Big West Conference and NCAA Accomplishments:

20 or more wins:	5 percent base building salary increase and increase contract length one additional year such that the maximum length of a contract does not exceed five (5) years
The Big West Conference season champions:	\$5,000 one-time bonus
The Big West Conference tournament champions:	\$5,000 one-time bonus
NCAA first round win:	\$7,500 one-time bonus
NCAA second round win:	\$10,000 one-time bonus
NCAA third round win:	\$12,500 one-time bonus
NCAA final four:	\$25,000 one-time bonus
Participation in the NIT Tournament in the 07-08 season:	\$5,000 one-time bonus

- Sell out two-thirds (2/3rds)
of all home games, exhibitions
excluded. A valid attendance
count system must be in place. \$3,000 one-time bonus
- Conference Coach of the Year: \$5,000 one-time bonus
- NABC Regional Coach of the Year; 5 percent base building salary
increase
- NCAA Coach of the Year honors: \$50,000 one-time bonus and
increase contract length three
(3) years such that the
remaining term of the contract
does not exceed five (5) years.

As indicated in Section a., above, Coach will be eligible for consideration for annual merit increases pursuant to campus policy and guidelines if there are no base building salary increases resulting from the Big West Conference accomplishments.

If the University terminates the contract early without cause, the campus will owe the base salary balance of the contract paid out in monthly installments, and any additional earned bonus income. The University will not be responsible for paying unearned bonus/stipend income in this circumstance. If Mr. Wooldridge secures employment during this time, these payments will be reduced by such amounts.

The compensation provided under this contract is funded by outside sources, e.g., athletic vendor contracts, private donors, etc., and by State or general campus funds as appropriate.

Additional elements of compensation include:

- Relocation and Moving: Coach is eligible for a relocation allowance of \$50,000, subject to normal taxation, equal to 25 percent of the base salary, as permitted by Business and Finance Bulletin G-13, Policy and Regulations Governing Moving and Relocation, Appendix B. The relocation allowance will be disbursed in monthly installments, with 40 percent of the allowance paid in the first year, 30 percent in the second year, 20 percent in the third year, and 10 percent in the fourth year. In the event that the appointment, as Head Coach of Men's Basketball, terminates prior to the end of the payment schedule, the monthly relocation allowance

installments will cease. Furthermore, the relocation allowance installments will be included in gross income as taxable wages, but are excluded from covered compensation under the University's retirement or employee benefits plan.

- As an exception to Business and Finance Bulletin G-13, reimbursement of moving expenses, up to 100 percent of allowable expenses will be provided, subject to the restrictions outlined in UC and campus guidelines and policies. In addition, the University will reimburse up to thirty days of temporary living expenses (including the cost of meals and lodging, in accordance with BFB-G28) to facilitate the transition and relocation of Mr. Wooldridge. Total reimbursement of allowable moving expenses and the temporary living expenses is limited to \$25,000. Any portion of expenses exceeding the \$25,000 cap will not be reimbursed by the University.
- Per policy, eligible for standard Health and Welfare benefits.

The compensation described above shall constitute the University's total commitment until modified by the Regents and shall supersede all previous oral or written commitments.

(2) ***Appointment Salary for Timothy M. Frazier as National Ignition Facility Optimization Manager, Lawrence Livermore National Laboratory***

Approval of the following in connection with the appointment of Timothy M. Frazier as National Ignition Facility Optimization Manager, Lawrence Livermore National Laboratory:

- a. Appointment salary of \$213,600, 100 percent time.
- b. To be effective upon approval.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits.

The source of funds for payment of this compensation is Department of Energy (DOE) funds as provided under the University's contract with the DOE. The DOE provided its approval on February 14, 2007.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(3) ***Mortgage Origination Program Loan for Lynda Choi as Managing Director–Absolute Return, Office of the President***

Approval, as an exception to policy, to allow participation in the Mortgage Origination Program for Lynda Choi as Managing Director–Absolute Return, Office of the President. This is an exception since Ms. Choi is not classified in a position that would normally qualify for participation in the program.

- a. The loan may be up to \$1.33 million (maximum loan amount not to exceed the allowable threshold under authority at the time the loan is received).
- b. The loan will comply with all other normal Mortgage Origination Program parameters.

(4) ***Establishment of New Position of Associate Vice Chancellor and Chief Financial Officer–Health Sciences, and Appointment Salary for Thomas Jackiewicz, San Diego Campus***

Approval of the following in connection with the appointment of Thomas Jackiewicz as Associate Vice Chancellor and Chief Financial Officer–Health Sciences:

- a. Establishment of a new position entitled Associate Vice Chancellor and Chief Financial Officer–Health Sciences.
- b. Slotting of new position of Associate Vice Chancellor and Chief Financial Officer at Salary Grade 113: Minimum \$324,800, Midpoint \$419,700, Maximum \$514,700).
- c. Appointment salary of \$490,000, 100 percent time.
- d. An effective date of July 1, 2007.

Additional items of compensation include:

- Per policy, eligibility to participate in the Clinical Enterprise Management Recognition Plan, with a maximum payout of up to 20 percent of base salary annually.

- Per policy, 5 percent monthly contribution to the Senior Management Supplemental Benefit Program.
- Per policy, standard Pension and Health and Welfare benefits and standard Senior Management benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, and Executive Salary Continuation for Disability.
- Per policy, Mr. Jackiewicz will not be eligible to participate in the merit/equity program until October 1, 2008.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(5) ***Appointment Salary for Thomas M. Putnam as Associate Vice Chancellor–Information Technology and Chief Information Officer, Santa Barbara Campus***

Approval of the following in connection with the appointment of Thomas M. Putnam as Associate Vice Chancellor–Information Technology and Chief Information Officer, Santa Barbara Campus:

- a. Reslotting of position Associate Vice Chancellor–Information Technology and Chief Information Officer into Salary Grade 107: Minimum \$167,600 Midpoint \$212,700 Maximum \$257,800.
- b. Appointment salary of Thomas M. Putnam as Associate Vice Chancellor– Information Technology and Chief Information Officer at an annual base salary of \$200,000, 100 percent time.
- c. Per policy, one house-hunting trip, not to exceed four days, for Mr. Putnam and his spouse. Coach air fare, meals, and lodging will be reimbursed up to \$2,500.
- d. Per policy, reimbursement of 100 percent of the actual moving expenses up to \$10,000.
- e. Per policy, 25 percent (\$50,000) lump sum relocation allowance, subject to a pro-rated repayment requirement in the event that Mr. Putnam resigns within the first four years of employment. This allowance is to assist with offsetting additional expenses relative to the sale and purchase of housing and the extraordinary expenses associated with the relocation to a higher cost housing market.

- f. Per policy, eligibility to participate in the Mortgage Origination Program.
- g. Per policy, 5 percent monthly contribution to the Senior Management Supplemental Benefit Program.
- h. An effective date of July 1, 2007.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits and standard Senior Management benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, and Executive Salary Continuation for Disability.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(6) ***Preemptive Retention and Equity Increase for Paul A. Staton as Chief Financial Officer, UCLA Hospital System, Los Angeles Campus***

Approval of the following in connection with the preemptive retention and equity increase for Paul A. Staton as Chief Financial Officer, UCLA Hospital System, Los Angeles campus:

- a. An equity increase of \$41,200 (16 percent), resulting in an annual base salary of \$298,800 at the Midpoint of Salary Grade 110: Minimum \$233,200 Midpoint \$298,800, Maximum \$364,300.
- b. Per policy, continuing eligibility to participate in the Clinical Enterprise Management Recognition Plan with a maximum target of up to 20 percent of base salary (\$59,760).
- c. Per policy, continued participation in the Senior Management Supplemental Benefit Program (5 percent of base salary)
- d. An effective date of July 1, 2007.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits and standard Senior Management benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance,

Senior Management Supplemental Benefit Program, and Executive Salary Continuation for Disability.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(7) ***Preemptive Retention Increase for Amir D. Rubin as Chief Operating Officer, UCLA Hospital System, Los Angeles Campus***

Approval of the following in connection with the preemptive retention increase for Amir D. Rubin as Chief Operating Officer, UCLA Hospital System, Los Angeles campus:

- a. As exception to policy, base salary increase of \$142,100 (37 percent) to an annual base salary of \$526,500 at the midpoint of Salary Grade 115: Minimum \$405,000, Midpoint \$526,500, Maximum \$648,000.
- b. Per policy, continued eligibility for participation in the Clinical Enterprise Management Recognition Program with a maximum payout not to exceed 20 percent of base salary (\$105,300).
- c. Per policy, continued participation in the Senior Management Supplemental Benefit Program at the rate of 5 percent.
- d. Payment of remaining portion (\$28,125) of approved relocation allowance totaling \$93,750 per schedule originated at time of appointment in October 2005.
- e. An effective date of July 1, 2007.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits and standard Senior Management benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, and Executive Salary Continuation for Disability.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(8) ***Reslotting of the Position and Appointment Salary for David W. Stewart as Dean—A. Gary Anderson Graduate School of Management, Riverside Campus***

Approval of the following in connection with the reslotting of the position and an appointment salary for David W. Stewart as Dean–A. Gary Anderson Graduate School of Management, Riverside campus:

- a. Change in slotting from Salary Grade 109 to Salary Grade 111: Minimum \$260,400, Midpoint \$334,600, Maximum \$408,700, as recommended by Mercer Human Resource Consulting. Mercer’s recommendation is based on the campus’ request for consideration under “strategic importance” which The Regents established to address particular issues of strategic importance to the campus by increasing the grade of the position to provide for compensation commensurate with the goals of the program.
- b. Appointment salary of \$370,000, 100 percent time.
- c. Effective date of July 1, 2007.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits and standard Senior Management benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, and Executive Salary Continuation for Disability. This does not include Senior Management Supplemental Benefit Program participation.
- Per policy, eligibility to participate in Mortgage Origination Program.
- Per policy, moving expenses up to 100 percent of allowable expenses.
- Per policy, eligibility for sabbatical accrual benefits.

The compensation described above shall constitute the University’s total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(9) ***Appointment Salary for David T. Feinberg, M.D., as Acting Associate Vice Chancellor and Chief Executive Officer for the Hospital System, Los Angeles Campus***

Approval of the following in connection with the appointment of David T. Feinberg, M.D. as Acting Associate Vice Chancellor and Chief Executive Officer for the Hospital System, Los Angeles campus:

- a. Appointment of David T. Feinberg, M.D., as Associate Vice Chancellor and Chief Executive Officer (AVC/CEO) at an annual base salary of \$265,100, 100 percent time. The proposed salary is the same as the former incumbent's.
- b. As an exception to policy, an administrative stipend of \$283,900 annualized (\$23,658 per month) to achieve a salary commensurate with Dr. Feinberg's acting Hospital System AVC/CEO role, and in recognition of the necessary reduction of clinical revenue he will realize while he assumes the acting CEO responsibilities and eliminates his clinical practice. This salary recommendation is intended to compensate Dr. Feinberg at the same level as the previous incumbent. With the exception of treating a few existing patients, Dr. Feinberg will not continue in clinical practice for the duration of his acting appointment. As a result, he will forego presently derived clinical income. Dr. Feinberg will discontinue his current role as medical director for the Stewart and Lynda Resnick Neuropsychiatric Hospital during the acting appointment. This stipend will be effective July 1, 2007 through June 30, 2008, or earlier, if a permanent appointment is made. Subsequent extensions of the stipend beyond June 2008 will require Regental approval.

The proposed total cash compensation for Dr. Feinberg is less than the previous incumbent's.

- c. Per policy, eligibility to participate in the Clinical Enterprise Management Recognition Plan with a maximum target of up to 20 percent of base salary (\$53,020). This is a critical factor in aligning Dr. Feinberg's performance with that of the Medical Center, given the shift in his responsibilities.
- d. Effective date of July 1, 2007 through June 30, 2008, or until the appointment of a permanent AVC/CEO, whichever occurs first. The new hospital is anticipated to open in the spring of 2008 and the recruitment is expected to take nine months. If the recruitment for a permanent CEO does not commence until

after the transition to the new Ronald Reagan UCLA Medical Center in 2008, an extension of the acting role may be required. The current incumbent is leaving his position effective June 30, 2007; therefore, it is critical that Dr. Feinberg begin this appointment July 1, 2007. Additionally, it is anticipated that there may be a transition period whereby Dr. Feinberg may be required to retain his acting role to aid in the transition of responsibilities to the new appointee, requiring an extension of the stipend by The Regents.

- e. As an exception to policy, automobile allowance not to exceed \$8,916 per annum. Incumbent will be devoting 100 percent of his time to this acting role, which normally would provide an auto allowance.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits.
- Per policy, continuation of accrual of sabbatical credits as a member of faculty.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(10) ***Appointment Salary for Provost and Executive Vice Chancellor Emeritus Robert E. Grey as Special Faculty Assistant to the Provost, Office of the President***

Approval of the following items in connection with the recall appointment salary of Robert E. Grey as Special Faculty Assistant to the Provost, Office of the President:

- a. Salary of \$108,000 (43 percent of \$250,000).
- b. Effective date of May 1, 2007.

Additional items of compensation related to this appointment:

- Per policy as an annuitant, standard Pension and Health and Welfare benefits.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(11) *Appointment Salary for David Blinder as Associate Vice Chancellor–University Relations, Berkeley Campus*

Approval of the following items in connection with the appointment salary for David Blinder as Associate Vice Chancellor–University Relations, Berkeley campus:

- a. Appointment salary of \$240,000 at Salary Grade 107: Minimum \$167,600, Midpoint \$212,700, Maximum \$257,800.
- b. The appointment is 100 percent time and effective August 1, 2007.
- c. Per policy, participation in the Mortgage Origination Program (MOP) and the Supplemental Home Loan Program for non-Senate and non-Senior Management Group employees with total cash compensation in excess of the Indexed Compensation Level (currently \$200,000) requires authorization by The Regents. The MOP loan may be up to \$1 million and the Supplemental loan may not exceed 5 percent of the purchase price of the home.
- d. Per policy, a relocation allowance of 25 percent of base salary or \$60,000, subject to a repayment requirement in the event that Mr. Blinder resigns within the first five years of employment.
- e. As an exception to policy, moving expenses to be covered at 100 percent rather than 50 percent as provided for under Management and Senior Professional policy.
- f. As an exception to policy, a maximum of thirty days of temporary housing will be provided.
- g. Per policy, a maximum of thirty days of storage will be provided.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(12) ***Slotting of Position and Appointment Salary for Opinder Bawa as Director–Information Service Unit, School of Medicine, San Francisco Campus***

Approval of the following in connection with the appointment salary for Opinder Bawa as Director–Information Service Unit, School of Medicine, San Francisco campus:

- a. Slotting of position Director–Information Service Unit, as recommended by Mercer Human Resource Consulting, at Salary Grade 105: Minimum \$134,400, Midpoint \$169,600, Maximum \$204,700.
- b. Appointment salary of \$175,000, 100 percent time.
- c. Per policy, eligibility for participation in the School of Medicine Management Incentive Program with a maximum payout of up to 20 percent of base salary.
- d. Effective upon approval.

Additional items of compensation include:

- Standard Pension and Health and Welfare benefits.
- Per policy, ineligible to participate in 2007 merit and equity review.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(13) ***Appointment Salary for Marjorie C. Caserio as Acting Senior Vice Chancellor– Academic Affairs, San Diego Campus***

Approval of the following in connection with the appointment of Marjorie C. Caserio as Acting Senior Vice Chancellor–Academic Affairs, San Diego campus:

- a. Recall from retirement with a fixed appointment of 43 percent to the title of Acting Senior Vice Chancellor–Academic Affairs.
- b. Effective July 1, 2007 and continuing through December 31, 2007, or until the appointment of the new Senior Vice Chancellor–Academic Affairs, whichever occurs first.

- c. A salary of \$117,347 representative of 43 percent of the former incumbent's full-time base salary rate of \$272,900.

Additional items of compensation are:

- Per policy, standard benefits as a UC annuitant returning at a 43 percent appointment.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(14) ***Slotting of Position and Appointment Salary for John Reaves as Director–Information Technology Project Management, Medical Center, San Francisco Campus***

Approval of the following in connection with the appointment of John Reaves as Director–Information Technology Project Management, Medical Center, San Francisco campus:

- a. Slotting of position Director–Information Technology Project Management, as recommended by Mercer Human Resource Consulting, at Salary Grade 106: Minimum \$150,000, Midpoint \$189,900, Maximum \$229,700.
- b. Appointment salary of \$179,900, 100 percent time.
- c. Per policy, eligibility for participation in the Medical Center Incentive Award Plan with a maximum payout of up to 15 percent of base salary.
- d. Per policy, reimbursement of one-half of moving expenses.
- e. As an exception to policy, one month of temporary housing (\$3,366). This is an exception to policy as temporary housing is available only to those classified as Senior Management Group, and this position is classified as Management and Senior Professional.
- f. Effective upon approval.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits.

- Per policy, ineligible to participate in 2007 merit and equity review.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(15) ***Stipend for David Rein as Acting Vice Dean—Administration, Finance, and Clinical Affairs, School of Medicine, San Francisco Campus***

Approval of the following in connection with the appointment of David Rein as Acting Vice Dean—Administration, Finance, and Clinical Affairs, School of Medicine, San Francisco campus:

- a. Administrative stipend of 15 percent (calculated against appointment salary of \$169,600, the stipend is \$25,440) to increase his base salary for a total annual salary of \$195,040.
- b. The stipend amount will be increased as the base salary is increased, so the stipend will equal 15 percent of the base salary.
- c. Continued participation in School of Medicine Manager Incentive programs with maximum payout of up to 20 percent.
- d. Effective July 1, 2007, at 100 percent time upon approval of The Regents, through March 1, 2008, or until this responsibility is transferred to the new Vice Dean—Administration, Finance, and Clinical Affairs, including a three-month transition period, whichever is sooner.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(16) ***Stipend for Bruce R. White as Acting Vice Provost—Academic Personnel, Davis Campus***

Approval of the following in connection with the administrative stipend for Bruce R. White as Acting Vice Provost—Academic Personnel, Davis campus:

- a. An administrative stipend of 20.1 percent (\$31,760), to increase his adjusted academic base salary of \$158,240, for an annual salary of \$190,000 at Salary Grade 107: Minimum \$167,600, Midpoint \$212,700, Maximum \$257,800. The recommended new base salary of \$190,000 represents a 12.9 percent increase over Mr. White's current adjusted total compensation inclusive of a \$10,000 stipend for his role as Associate Dean. The Associate Dean stipend will be discontinued while he serves as Acting Vice Provost.
- b. This appointment is at 100 percent time and is effective July 1, 2007 through June 30, 2008, or until the effective date of the return of the incumbent, whichever is earlier.
- c. If an adjustment to the academic base salary is made prior to the termination of this acting role, the stipend will be recalculated against the new adjusted academic base salary.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare Benefits.
- Per policy, accrual of sabbatical credits as a member of the faculty.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments

(17) ***Confirmation of Appointment of and Total Compensation for Robert D. Grey as Acting Chancellor, Riverside Campus***

Approval of the following items in connection with the appointment of and total compensation for Robert D. Grey as Acting Chancellor, Riverside campus:

- a. Appointment as Acting Chancellor, Riverside Campus, 100 percent time.
- b. Appointment salary of \$300,000.
- c. Effective date of June 29, 2007, upon approval of The Regents, and effective until such time as the new Chancellor begins serving, allowing for a reasonable transition period, or for one year, whichever is earlier.
- d. Per policy, monthly auto allowance of \$743.
- e. As an exception to policy, required to live in the Chancellor's Residence in Riverside in order to fulfill the appointment responsibilities.
- f. As an exception allowed under the guidelines for rehired retirees, retirement pension benefits will continue upon Mr. Grey's signing the appropriate waiver under University policy so that there will be no accrual of additional pension service credit during his appointment as Acting Chancellor.
- g. Moving of limited personal effects to the Chancellor's Residence in Riverside and shipping back to permanent residence upon termination of appointment, not to exceed \$5,000.
- h. UC will provide reasonable, basic furnishings for the private quarters of the Chancellor's residence during this period. UC will rent or purchase furnishings depending on the final cost analysis.
- i. If the Chancellor's residence is not available for Mr. Grey upon his appointment, reimbursement of reasonable hotel accommodations and meals, per standard business travel policy, will apply.

Additional items of compensation include:

- Per policy, standard sick leave and vacation accrual.
- Per policy, Administrative Fund for official entertainment and other purposes permitted by University policy.
- Per policy, standard medical and other health benefits will apply. Mr. Grey will continue to pay his premiums for Medicare, and will contribute to the regular cost of benefits under the programs and policies pertaining to a rehired retiree.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

B. The Chairman of the Board, the Chair of the Committee on Grounds and Buildings, and the President concurred in the following recommendations:

(1) ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program and Approval of External Financing for Student Life Seismic Corrections, Santa Cruz Campus***

a. The President be authorized to amend the 2006-07 Budget for Capital Improvements and the Capital Improvement Program to include the following project:

UC Santa Cruz: Student Life Seismic Corrections – preliminary plans, working drawings, and construction – \$15,232,000, to be funded from student seismic/life safety fee reserves (\$600,000) and external financing (\$14,632,000).

Pursuant to Standing Order 100.4(nn)

b. The President be authorized to approve external financing not to exceed \$14,632,000 to finance the project listed in a., above, subject to the following conditions:

- i. Interest only, based on the amount drawn down, shall be paid on the outstanding balance during the construction period.
- ii. Repayment of any financing shall be from the Santa Cruz campus' student seismic/life safety fee.

- iii. The general credit of The Regents shall not be pledged.
 - c. The Officers of The Regents be authorized to provide certification to the lender that interest paid by The Regents is excluded from gross income for purposes of federal income taxation under existing law.
 - d. The Officers of The Regents be authorized to execute all documents necessary in connection with the above.
- (2) ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program and Approval of External Financing for Cowell Student Health Center Expansion and Renovation, Santa Cruz Campus***

Pursuant to Standing Order 100.4(q)

- a. The President be authorized to amend the 2006-07 Budget for Capital Improvements and the Capital Improvement Program to include the following project:

UC Santa Cruz: Cowell Student Health Center Expansion and Renovation – preliminary plans, working drawings, and construction – \$11,012,000, to be funded from Registration Fee reserves (\$250,000) and external financing (\$10,762,000).

Pursuant to Standing Order 100.4(nn)

- b. The President be authorized to approve external financing not to exceed \$10,762,000 to finance the project listed in a. above, subject to the following conditions:
 - i. Interest only, based on the amount drawn down, shall be paid on the outstanding balance during the construction period.
 - ii. Repayment of any financing shall be from the Santa Cruz campus' Student Health Center Facilities Fee and revenues from the Health Center Fee for Service.
 - iii. The general credit of The Regents shall not be pledged.
- c. The Officers of The Regents be authorized to provide certification to the lender that interest paid by The Regents is

excluded from gross income for purposes of federal income taxation under existing law.

- d. The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

11. **PERSONNEL ACTIONS**

In accordance with Bylaw 14.7(b), Secretary and Chief of Staff Griffiths reported that the following personnel action was taken at the May 16, 2007 meeting. There was no roll call vote taken on this action.

That Dr. Kantathi Suphamongkon be appointed Regents' Professor, International Institute and the Department of Political Science, Los Angeles campus, for the 2007-08 academic year.

12. **SUMMARIES OF COMMUNICATIONS RECEIVED**

Secretary and Chief of Staff Griffiths presented summaries of communications received subsequent to the May 2007 meeting, which will be referred to President Dynes as appropriate.

13. **REPORT OF MATERIALS MAILED BETWEEN MEETINGS**

Secretary and Chief of Staff Griffiths reported that, on the dates indicated, the following were mailed to The Regents or to its Committees:

To Members of the Committee on Audit

- A. Internal Audit Activity Report for the quarter ended March 31, 2007. June 13, 2007

To Members of the Committee on Health Services

- B. Medical Center Activity and Financial Status Report for the nine months ended March 31, 2007. May 30, 2007

To Members of the Committee on Investments and the Investment Advisory Committee

- C. Investment Performance and Assets Allocation Report. June 17, 2007

To The Regents of the University of California

- D. Report of sexual harassment complaint activity during calendar year 2006. May 9, 2007
- E. Announcement concerning missing UC Irvine medical records that could provide opportunities for possible identity theft. May 10, 2007
- F. UCLA data regarding the Statements of Intent to Register from admitted students for the Fall 2007 freshman class. May 11, 2007
- G. Review of the Regents' meetings in 2003 and 2004 concerning provisions contained in the Higher Education Compact. May 11, 2007
- H. Press release regarding Governor's May revision to the State budget for the 2007-08 fiscal year. May 14, 2007
- I. Information concerning the naming of the Cesar E. Chavez Department of Chicana and Chicano Studies at UCLA. May 14, 2007
- J. Copy of report on the appropriation of net fee income received as an owner of Los Alamos National Security, LLC. May 14, 2007
- K. Action approved by the Academic Council related to eligibility requirements for the University's Eligibility on the Local Context (ELC) program. May 21, 2007
- L. Copy of press release announcing an agreement between the University and AFSCME on special wage increases for custodians and other lower-paid employees. May 22, 2007
- M. Letter from Staff Advisor Dave Miller expressing his thoughts and concerns as he prepares to step down as Staff Advisor to the Board of Regents. May 30, 2007
- N. Information regarding the Fall 2007 freshman Statements of Intent to Register. June 12, 2007
- O. Announcement concerning the cancellation of commencement ceremony at the Riverside campus due to threat. June 15, 2007
- P. Announcement of arrest in connection with incidents leading to cancellation of commencement ceremony at the Riverside campus. June 18, 2007

- Q. Letter from Academic Council Chair John Oakley regarding vote opposing adoption of RE-89, proposed policy restricting funding from the tobacco industry. June 19, 2007.
- R. Announcement that Bill Johansen is the 2007-09 Staff Advisor to The Regents. June 20, 2007
- S. Additional information concerning cancellation of commencement ceremony at Riverside campus. June 20, 2007
- T. Announcement of appointment of Robert Grey as Acting Chancellor of UC Riverside. June 26, 2007
- U. Letter regarding religious holiday conflicts with residence hall "move-in" days and new policy. June 26, 2007
- V. Letter regarding attempted firebombing incident at the home of UCLA professor. June 29, 2007.

The meeting adjourned at 2:30 p.m.

Attest:

Secretary and Chief of Staff