

# THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

September 20, 2007

The Regents of the University of California met on the above date at the Mondavi Center, Davis campus.

Present: Regents Allen, Blum, Brewer, Bugay, De La Peña, Dynes, Garamendi, Gould, Hopkinson, Island, Johnson, Kozberg, Lansing, Moores, Parsky, Pattiz, Preuss, and Ruiz (18)

In attendance: Regents-designate Cole and Shewmake, Faculty Representatives Brown and Croughan, Secretary and Chief of Staff Griffiths, Associate Secretary Shaw, General Counsel Robinson, Chief Investment Officer Berggren, Provost Hume, Executive Vice Presidents Lapp and Darling, Vice Presidents Broome, Foley, and Sakaki, Acting Vice President Standiford, Chancellors Birgeneau, Bishop, Block, Fox, Kang, Vanderhoef, and Yang, Acting Chancellors Blumenthal and Grey, and Recording Secretary Smith

The meeting convened at 2:25 p.m. with Chairman Blum presiding.

## 1. APPROVAL OF MINUTES OF PREVIOUS MEETING

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

## 2. 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.]

## 3. REPORT OF THE COMMITTEE ON AUDIT

The Committee presented the following from its meeting of September 11, 2007:

### SUMMARY REPORT

The minutes of the Meeting May 17, 2007 were approved.

All remaining items on the Agenda were for discussion:

- University Auditor Reed gave a brief update on completion rates for the online ethics briefing that is mandatory for all UC employees, and on the conflict of interest courses for UC designated officials and for researchers. A more comprehensive report on completion rates for all three courses, by location, will be given at the November Regents meeting.
- Vice President Sakaki reported on development of a new Presidential policy on student educational loan practices and agreed to provide the Committee on Audit with periodic updates regarding this topic. A copy of Vice President Sakaki's report is on file with the Office of the Secretary and Chief of Staff.
- The Berkeley and Los Angeles campus Directors of Internal Audit gave presentations about their local campus audit programs, focusing on the most significant internal control and compliance issues addressed in their recent reported findings. Future Committee meetings during this fiscal year will include similar presentations from all UC locations. The Berkeley and Los Angeles annual reports were mailed to Committee members in advance of the meeting and are on file with the Office of the Secretary and Chief of Staff.
- The Committee reviewed and discussed a revised, streamlined procedure for selecting and appointing an outside financial expert to replace Mr. Kent Vining, who has served the Committee well in this capacity. This procedure was also mailed to Committee members in advance of the meeting and as amended is on file with the Office of the Secretary and Chief of Staff.
- Finally, the Committee discussed its annual agenda.

Upon motion of Regent Preuss, duly seconded, the report of the Committee on Audit was accepted.

#### 4. **REPORT OF THE COMMITTEE ON COMPENSATION**

##### A. *Individual Salary Items*

The Committee recommended the following:

(1) *Appointment Salary for Lorraine Midanik a Dean–School of Social Welfare, Berkeley Campus*

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

- a. As an exception to policy, an appointment salary of \$200,000. This represents a 38.8 percent increase in Ms. Midanik's current adjusted faculty salary of \$144,644. (SLCG Grade 106: Minimum \$150,000, Midpoint \$189,900, Maximum \$229,700). This increase takes into

consideration that Ms. Midanik will not be eligible for merit/equity consideration in October 2007.

- b. This appointment is 100 percent time and effective September 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.
- Per policy, ineligible for participation in the Senior Management Supplemental Benefit Program due to dual faculty 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.

(2) ***Appointment Salary for Albert F. Bennett as Dean—School of Biological Sciences, Irvine Campus***

Approval of the following items in connection with the appointment salary for Albert F. Bennett as Dean—School of Biological Sciences, Irvine campus:

- a. Per policy, appointment salary of \$250,000. This represents a 23.6 percent increase over Mr. Bennett's Fiscal Year Academic salary of \$202,200 (Salary Grade 108: Minimum \$187,100, Midpoint \$238,200, Maximum \$289,300). This increase takes into consideration that Mr. Bennett will not be eligible for merit/equity consideration in October 2007.
- b. This appointment is 100 percent time and effective August 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, 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) ***Establishment of New Position and Appointment Salary for James R. Herron as Associate Vice Chancellor–Administration of Health Affairs, Irvine Campus***

Approval of the following items in connection with the establishment of a new Senior Management Group position and an appointment salary for James R. Herron as Associate Vice Chancellor–Administration of Health Affairs, Irvine campus:

- a. Establishment of new position within the Senior Management Group, of Associate Vice Chancellor–Administration of Health Affairs, Irvine campus. This new position combines responsibility for Health Sciences Corporate Compliance and Privacy Officer as well as the duties of the Associate Dean–Administration.
- b. Approval of interim slotting of new position, Associate Vice Chancellor–Administration of Health Affairs at SLCG Grade 110: Minimum \$233,200, Midpoint \$298,800, Maximum \$364,300, per Mercer Human Resource Consulting Group recommendation.
- c. Appointment salary of \$298,800. This represents a 46.8 percent increase to Mr. Herron's base salary of \$203,500 and takes into consideration that Mr. Herron will not be eligible for merit/equity consideration in October 2007.
- d. This appointment is 100 percent time and effective September 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, eligible to participate in the Senior Management Benefits Compensation Plan.

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 Paul W. Drake as Senior Vice Chancellor–Academic Affairs, San Diego Campus***

Approval of the following items in connection with the appointment salary for Paul W. Drake as Senior Vice Chancellor–Academic Affairs, San Diego campus:

- a. As an exception to policy, salary increase of \$81,300 (37.2 percent) to bring his annual base salary from \$218,700 to \$300,000 (SLCG Grade 111: Minimum \$260,400, Midpoint \$334,600, Maximum \$408,700 SLCG).
- b. This appointment is 100 percent time and effective October 1, 2007.
- c. Per policy, 5 percent monthly contribution to the Senior Management Supplemental Benefit Program. Per policy, as a Senior Manager who was in the Executive Program and who held a dual academic appointment as of June 30, 1996 shall continue participation in the Supplemental Benefit Program. Mr. Drake has been a member of the Senior Management Group since 1995.

Additional items of compensation are:

- Per policy, authorization by The Regents to participate in the Graduated Payment Mortgage Origination Program with a loan up to \$1,330,000.
- Per policy, accrual of sabbatical credits.
- 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, an annual automobile allowance of \$8,916.

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 Jane C. Moores as Assistant Vice Chancellor–Intellectual Property, San Diego Campus***

Approval of the following items in connection with the appointment salary for Jane C. Moores as Assistant Vice Chancellor–Intellectual Property, San Diego campus:

- a. As an exception to policy, salary increase of \$70,500 (61.6 percent) to bring her annual base salary from \$114,500 to \$185,000. (SLCG Grade 107: Minimum \$167,600, Midpoint \$212,700, Maximum \$257,800).
- b. This appointment is at 100 percent time and effective October 1, 2007.

Additional items of compensation are:

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

(6) ***Title Change and Appointment Salary for Daniel W. Park as Chief Campus Counsel and Associate General Counsel, San Diego Campus***

Approval of the following items in connection with the appointment salary and title change for Daniel W. Park as Chief Campus Counsel and Associate General Counsel, San Diego campus.

- a. As an exception to policy, a salary increase of \$48,600 (35.6 percent) to bring his annual base salary from \$136,400 to \$185,000, 100 percent time.
- b. Mr. Park will not be eligible for merit or equity consideration on October 1, 2007.
- c. Change in title for the position from Campus Counsel to Chief Campus Counsel and Associate General Counsel.
- d. Effective date of October 1, 2007.

Additional items of compensation include:

- 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.

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) ***Appointment Salary for Sheila E. Antrum as Chief Patient Care Services Officer, Medical Center, San Francisco Campus***

Approval of the following items in connection with the appointment salary for Sheila E. Antrum as Chief Patient Care Services Officer, San Francisco Medical Center:

- a. As an exception to policy, a salary increase of \$62,900 (33.6 percent increase) to bring her annual base salary from \$187,100 to \$250,000, (SLCG Grade 109: Minimum \$208,900, Midpoint \$266,800, Maximum \$324,600) 100 percent time.
- b. As an exception to policy, two house-hunting trips, the total number of days not to exceed 10 for Ms. Antrum. Reasonable expenses for coach, air fare, meals and lodging will be reimbursed.
- c. As an exception to policy, a \$50,000 (20 percent) lump sum Relocation Allowance to offset the cost of living differential. A portion of the allowance will be distributed each year, over four years and conditioned upon Ms. Antrum's active employment at UCSF during each year of the payout. Providing a relocation allowance to Ms. Antrum constitutes an exception to policy because this policy does not provide for the payment of a relocation allowance to intra-state transfers.
- d. The appointment is at 100 percent and is effective October 1, 2007.
- e. Per policy, eligibility to participate in the Mortgage Origination Program with a potential loan of up to \$1,000,000.
- f. Per policy, eligibility to participate in the Senior Management Supplemental Benefit Program at the contribution rate of 5 percent of base salary.

- g. Per policy, eligibility for participation in the Clinical Enterprise Management Recognition Program (CEMRP) with a maximum payout of up to 20 percent of base salary.
- h. Per policy, reimbursement of 100 percent of moving expenses to the extent allowed by policy.
- i. Per policy, one month of temporary housing assistance.

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) ***Appointment Salary for Brenda L. Johnson as University Librarian, Santa Barbara Campus***

Approval of the following items in connection with the appointment salary for Brenda L. Johnson as University Librarian, Santa Barbara Campus:

- a. Appointment salary of \$195,000. This represents a 15.6 percent increase in Ms. Johnson's current salary of \$168,694 as Associate University Librarian for Public Services, University of Michigan, Ann Arbor (SLCG Grade 105: Minimum \$134,400, Midpoint \$169,600, Maximum \$204,700).
- b. This appointment is 100 percent time and effective January 1, 2008 pending approval by The Regents.
- c. Per policy, \$48,750 (25 percent) as relocation allowance, subject to a pro-rated repayment requirement in the event that Ms. Johnson resigns within the first four years of employment.
- d. Per policy, reimbursement of 100 percent of the actual moving expenses up to \$10,000.
- e. Per policy, one house-hunting trip, not to exceed four days for Ms. Johnson and her spouse. Coach air fare, meals and lodging will be reimbursed up to \$2,500.
- f. Per policy, participation in the Mortgage Origination Program.

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, eligible for participation in the Senior Management Supplemental Benefits 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.

(9) ***Appointment Salary for Donald J. DePaolo as Earth Sciences Division Director–Faculty, Lawrence Berkeley National Laboratory***

Approval of the following items in connection with the appointment salary for Donald J. DePaolo as Earth Sciences Division Director–Faculty, Lawrence Berkeley National Laboratory (LBNL):

- a. Per policy, an increase in the amount of 15 percent (\$37,940) of his current annualized faculty salary of \$252,933, plus an administrative stipend of \$4,000 (1.5 percent) paid by the Berkeley campus for additional duties as Director of the Center of Isotope Geochemistry, for a total salary of \$294,873.
- b. If an adjustment to the academic base salary is made during the term of this ongoing appointment, the 15 percent stipend and the annualized salary will be recalculated against the new academic base salary.
- c. This appointment is at 50 percent time during the academic year (simultaneous 50 percent faculty appointment at UCB during the academic year) and at 100 percent time during the three summer months, and is effective September 1, 2007 pending approval by The Regents.

Additional items of compensation include:

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

The source of funds for payment of these LBNL related compensation items is the Department of Energy (DOE) as provided under the University's contract with the DOE.

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. Approval from DOE has been received.

(10) ***Appointment Salary for Arunava Majumdar as Environmental Energy Technologies Division Director–Faculty, Lawrence Berkeley National Laboratory***

Approval of the following items in connection with the appointment for Arunava Majumdar as Environmental Energy Technology Division Director–Faculty, Lawrence Berkeley National Laboratory (LBNL):

- a. An administrative stipend in the amount of 15 percent (\$29,160) of his current annualized faculty salary of \$194,400 for a total salary of \$223,560.
- b. If an adjustment to the academic base salary is made during the term of this ongoing appointment, the 15 percent stipend and the annualized salary will be recalculated against the new academic base salary.
- c. This appointment is at 50 percent time during the academic year (simultaneous 50 percent faculty appointment at UC Berkeley during the academic year) and at 100 percent time during the three summer months; and is effective October 1, 2007 pending approval by The Regents.

Additional items of compensation include:

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

The source of funds for payment of these LBNL related compensation items is the Department of Energy (DOE) as provided under the University's contract with DOE.

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 for Vicki L. Ruiz as Acting Dean–School of Humanities, Irvine Campus***

Approval of the following items in connection with the appointment for Vicki L. Ruiz as Acting Dean–School of Humanities, Irvine campus:

- a. Per policy, an administrative stipend of 8.2 percent (\$16,411) plus her adjusted academic salary of \$199,589 for an annual salary of \$216,000 (Salary Grade 108: Minimum \$187,100, Midpoint \$238,200, Maximum \$289,300).
- b. If an adjustment to the adjusted academic base salary is made prior to the termination of this acting role, the 8.2 percent stipend will be recalculated against the new annualized academic base salary.
- c. This appointment is 100 percent time and is effective September 1, 2007 through August 31, 2008, or until the appointment of a permanent Dean–School of Humanities, whichever occurs first.

Additional items of compensation include:

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

(12) ***Stipend for Fernando Torres-Gil as Acting Dean–School of Public Affairs, Los Angeles Campus***

Approval of the following items in connection with the appointment of Fernando Torres-Gil as Acting Dean–School of Public Affairs, Los Angeles campus:

- a. Per policy, an administrative stipend of 3.8 percent (\$8,000) to increase his 9-month professorial salary of \$158,000 plus 3 summer ninths of \$52,700 to \$218,700.
- b. If an adjustment to the annual academic base salary is made prior to the termination of this acting role, the current stipend will be recalculated against the new annualized academic base salary.
- c. This appointment is at 100 percent time and is retroactive to August 1, 2007, and effective through June 30, 2008, or until the permanent incumbent returns to the position, whichever occurs first.

It will be understood that if a shorter period of time is appropriate, the acting appointment and stipend will end.

- d. Mr. Torres-Gil is currently receiving an \$8,000 administrative stipend for his responsibilities as Associate Dean–School of Public Affairs. Effective August 1, 2007, through June 30, 2008, that stipend will be used to compensate Mr. Torres-Gil for both his responsibilities as Associate Dean and Acting Dean. If the permanent incumbent in the Dean position returns prior to June 30, 2008, Mr. Torres-Gil will retain this stipend for his duties as Associate Dean.

Additional items of compensation include:

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

(13) ***Stipend for Sharon A. Duffy as Acting Dean–University Extension, Riverside Campus***

Approval of the following items in connection with the appointment salary for Sharon A. Duffy as Acting Dean–University Extension, Riverside campus:

- a. As an exception to policy, an administrative stipend of 39.4 percent (\$44,661) plus Ms. Duffy's adjusted academic salary of \$113,339 for an annual salary of \$158,000 (Salary Grade 105: Minimum \$134,400, Midpoint \$169,600, Maximum \$204,700).
- b. If an adjustment to the adjusted academic base salary is made prior to the termination of this acting role, the 39.4 percent stipend will be recalculated against the new annualized academic base salary.
- c. This appointment is 100 percent time and is effective October 1, 2007 through September 30, 2008, or until the appointment of a permanent Dean–University Extension, whichever occurs first.

Additional items of compensation include:

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

(14) ***Stipend for Susan Harlow as Acting Vice Chancellor–University Advancement, Riverside Campus***

Approval of the following items in connection with the appointment salary for Susan Harlow as Acting Vice Chancellor–University Advancement, Riverside campus:

- a. As an exception to policy, an administrative stipend of 20 percent (\$37,000) to increase Ms. Harlow's base salary of \$185,000 for an annual salary of \$222,000 (Salary 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 20 percent stipend will be recalculated against the new base salary.
- c. This appointment is 100 percent time and effective September 10, 2007 through September 9, 2008 or until the appointment of a permanent Vice Chancellor–University Advancement, whichever occurs first, pending 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.

(15) ***Stipend for Jeffrey L. Elman as Acting Dean–Division of Social Sciences, San Diego Campus***

Approval of the following items in connection with the compensation for Jeffrey L. Elman as Acting Dean–Division of Social Sciences, San Diego campus:

- a. Per policy, an annual administrative stipend of 12.8 percent (\$30,000) plus his adjusted academic salary of \$235,367 for total annual compensation of \$265,367.
- b. If an adjustment to the adjusted academic base salary is made prior to the termination of this acting role, the 12.8 percent stipend will be recalculated against the new annualized academic base salary.

- c. This appointment is at 100 percent time and is effective October 1, 2007 through September 30, 2008, or until a new Dean is hired, whichever occurs first.

Additional compensation and related items 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.

(16) ***Stipend Extension for Patricia Calarco as Acting Dean—Graduate Division, San Francisco Campus***

Approval of the following items in connection with the stipend extension for Patricia Calarco as Acting Dean—Graduate Division, San Francisco campus:

- a. As an exception to policy, an extension of her existing stipend of \$32,880 (20.9 percent) to increase her base salary of \$157,700 for an annual salary of \$190,580 (SLCG Grade 107: Minimum \$167,600, Midpoint \$212,700, Maximum \$257,800). The total stipend percentage of 20.9 percent represents an exception to the policy which provides for a maximum stipend amount of 15 percent.
- b. The stipend amount of \$32,880 is to remain constant with any and all salary adjustments, inclusive of merit increases.
- c. The stipend will be effective July 1, 2007 through June 30, 2008. This period represents an exception to policy which provides for one-year acting appointments. Ms. Calarco has served in this acting capacity since November 1, 2005 (20 months). Ms. Calarco is to serve in this capacity up to an additional three months following the appointment of a permanent Dean or June 30, 2008, whichever occurs first, to facilitate a transition.
- d. This is an 80 percent appointment.

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.

(17) ***Stipend Extension for Harold G. Levine as Associate Provost for Education Initiatives, Office of the President***

Approval of the following items in connection with the stipend extension for Harold G. Levine as Associate Provost for Education Initiatives, Office of the President:

- a. As an exception to policy, increase in administrative stipend from \$26,865 (15 percent) to \$35,820 (20 percent) to increase his base salary of \$179,100, for a total annual salary of \$214,920. The stipend of 20 percent represents an exception to the policy which provides for a maximum stipend amount of 15 percent.
- b. The stipend amount will be increased as the base salary is increased, so the stipend will equal 20 percent of the base salary.
- c. Effective September 1, 2007 through August 31, 2008.

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.

(18) ***Stipend for Acting Department Counsels in the Office of the General Counsel***

Approval of the following in support of a reorganization of the Office of the General Counsel:

- a. Six stipends totaling \$265,904 on an annualized basis as shown in Attachment 1. Four of the six stipends are exceptions to policy since they exceed 15 percent of base salary.
- b. The stipend amount will be increased as the base salary is increased, so the stipend will remain at the same percent of the base salary.
- c. Effective July 1, 2007 through June 30, 2008, or until the positions are filled permanently, and to be paid from State and common funds in the Office of the General Counsel.

The compensation described in [Attachment 1](#) shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

(19) ***Retention Increase for Charles F. Louis as Vice Chancellor–Research, Riverside Campus***

Approval of the following items in connection with the retention increase for Charles F. Louis as Vice Chancellor–Research, Riverside campus:

- a. Per policy, retention increase of \$18,700 (8.5 percent) to increase his annual base salary from \$221,300 to \$240,000. (Salary Grade 107: Minimum \$167,600, Midpoint \$212,700, Maximum \$257,800).
- b. This appointment is 100 percent time and effective 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.
- 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 the faculty.
- Per policy, participating in Mortgage Origination Program as part of his original appointment package in 2004.

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) ***Title Change and Salary Adjustment for Thomas V. McAfee, M.D., as Dean–Clinical Affairs, Health Sciences, San Diego Campus***

Approval of the following items in connection with the title change and salary adjustment for Thomas V. McAfee, M.D., as Dean–Clinical Affairs, Health Sciences, San Diego campus. These actions recognize the assumption of additional responsibilities as a result of a reorganization.

- a. Title change from Physician-In-Chief to Dean–Clinical Affairs, Health Sciences. Dr. McAfee will continue to retain his dual appointment at 0 percent as non-tenured Associate Clinical Professor Health Sciences. Per Academic Personnel Policy 240-16, Restrictions, the title of Dean will be regarded as a non-academic Dean.

- b. As an exception to policy, a salary adjustment of \$94,100 (26.7 percent) to increase his annual base salary from \$353,100 to \$447,200. This salary adjustment will take into consideration Dr. McAfee's 2007-08 merit increase and preclude him from further merit or equity increase consideration until October 2008.
- c. 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.
- d. Effective retroactive to July 1, 2007, the date the additional responsibilities were assumed.
- e. Per policy, 5 percent monthly contribution to the Senior Management Supplemental Benefit Program. Dr. McAfee continues to be eligible for this benefit program since his dual, academic appointment as Health Sciences Associate Clinical Professor (Fiscal Year) is a non-tenured position.

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.

(21) ***Retroactive Compensation of One Summer Month, Each Year for Five Years, for Robert Rosen as Dean–School of Theater, Film, and Television, Los Angeles Campus***

Approval of an exception to policy to provide a total retroactive payment of \$70,300 in compensation for one summer month for the years 2002, 2003, 2004, 2005, and 2006 for Robert Rosen, Dean–School of Theater, Film, and Television, Los Angeles campus. Erroneously, Mr. Rosen was not compensated for the past five years during which he engaged in summer research. Corresponding vacation time will be forfeited from his accrued vacation.

The compensation described above includes only the University's commitment for the one summer month salary for each of five years, as outlined in this recommendation.

(22) ***Additional Compensation of One Summer Month for Two Employees at the Santa Barbara Campus***

Approval of additional one month summer compensation payments to the following employees at the Santa Barbara campus:

- a. David B. Marshall as Executive Dean—College of Letters and Science and Dean—Humanities and Fine Arts, to add to his current \$235,100 salary \$17,091 for 11 days in July 2007 plus 10 days in August 2007, for a total annual salary of \$252,191. Dean Marshall will forfeit 21 days of vacation.
- b. Melvin L. Oliver as Dean—Division of Social Sciences, College of Letters and Science, to add to his current \$202,650 salary \$16,833 for the month of August 2007, for a total annual salary of \$219,483. Dean Oliver will forfeit 23 days of vacation.

The funding source for both payments is unrestricted gift funds.

The compensation described above includes only the University's commitment for the one summer month salary outlined in this recommendation.

(23) ***Participation in the Treasurer's Office Annual Incentive Plan for the Director of Operations and the Business Manager, and Adjustment to the Recently Approved Incentive Target for the Director of Communications, Office of the Treasurer***

Approval of participation in the Treasurer's Office Annual Incentive Plan for the Director of Operations and the Business Manager, and an adjustment to the recently approved incentive target for the Director of Communications ([Attachment 2](#)). All three new participants would have a target incentive of 20 percent of base pay. The annual cost of adding the three participants at a 20 percent target incentive totals \$68,905.

(24) ***Appointment Salary for Erwin Chemerinsky as Dean–Donald Bren School of Law, Irvine Campus***

Approval of the following items in connection with the appointment salary for Erwin Chemerinsky as Dean–Donald Bren School of Law, Irvine campus:

- a. Appointment salary of \$350,000 (Salary Grade 110: Minimum \$233,200, Midpoint \$298,800, Maximum \$364,300) as he will not be eligible for annual merit/equity consideration until October 2009.
- b. This appointment is 100 percent time and effective June 1, 2008 pending approval by The Regents.
- c. Per policy, a relocation allowance of 25 percent of base salary or \$87,500, subject to a repayment requirement in the event that Mr. Chemerinsky resigns within the first five years of employment.
- d. Per policy, full moving expenses, as allowed within University policy. e. Per policy, participation in the Mortgage Origination Program (MOP), up to \$1 million.

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 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.

**B. *Compensation for Participants of the Clinical Enterprise Management Recognition Plan for Fiscal Year 2006-07***

The Committee recommended that awards under the Clinical Enterprise Management Recognition plan, as proposed by the Medical Centers for 72 eligible participants and totaling \$2,878,234, be approved for certain members of the Senior Leadership Compensation Group, as shown below.

<b>Last Name</b>	<b>First Name</b>	<b>Title</b>	<b>Base Salary</b>	<b>Actual Award Amount<sup>1</sup></b>	<b>Annual Total Cash</b>
<b>Davis</b>					
Madden Rice	Ann	Director/CEO	\$495,000	\$74,250	\$569,250
Pomeroy	Claire	Vice Chancellor/Dean	\$435,600	\$77,319	\$512,919
McGowan	William	CFO/Acting CEO	\$341,400	\$51,210	\$392,610
Bonham	Ann	Executive Associate Dean	\$303,300	\$60,660	\$363,960
Nesbitt	Thomas	Executive Associate Dean	\$303,200	\$60,640	\$363,840
Siefkin	Allan	Executive Dir., Clinical Affairs	\$320,850	\$32,085	\$352,935
Musallam	Nabil	Chief Ambulatory Care Officer	\$270,000	\$40,500	\$310,500
Koppel	Guy	Executive Dir., Information Services	\$266,355	\$13,318	\$279,673
Duruisseau	Shelton	Chief Pt. & Admin. Services Officer	\$234,600	\$35,190	\$269,790
Robinson	Carol	Chief Pt. Care Services Officer	\$224,000	\$33,600	\$257,600
<b>Irvine</b>					
Zehntner	Maureen	Interim CEO	\$375,500	\$75,100	\$450,600
King	Ron	CFO	\$365,000	\$49,275	\$414,275
Spiritus	Eugene	CMO	\$269,100	\$34,983	\$304,083
Grosser	Joy	CIO	\$216,600	\$32,490	\$249,090
Winner	Cynthia	Chief Ambulatory Care Officer	\$215,100	\$26,880	\$241,980
Herron	James	Chief Compliance Officer (Assc Dean)	\$203,500	\$28,490	\$231,990
Reiser	Lisa	Chief Patient Care Services Officer	\$195,000	\$25,350	\$220,350
Thatcher	Patricia	Chief Human Resource Officer	\$189,000	\$23,625	\$212,625
Rayburn	Susan	Exec Dir, Clin Entrprse Contracting	\$184,200	\$27,630	\$211,830

Last Name	First Name	Title	Base Salary	Actual Award Amount <sup>1</sup>	Annual Total Cash
<b>Office Of The President</b>					
Munoz	Santiago	Associate Vice President, Clinical Services Dev.	\$190,000	\$28,500	\$218,500
<b>Los Angeles</b>					
Callender	David	AVC Hospital System, CEO UCLA Medical Center	\$549,018	\$79,717	\$628,735
Rubin	Amir	COO, UCLA Medical Center	\$526,510	\$78,029	\$604,539
Fawzy	Fawzy	Hospital Medical Director, NPI/H	\$460,000	\$66,930	\$526,930
Creem	Mitch	AVC & CFO, Medical Sciences	\$436,893	\$61,907	\$498,800
Rosenthal	J. Thomas	CMO, UCLA Medical Center	\$325,100	\$46,619	\$371,719
Staton	Paul	CFO Hospital System	\$298,793	\$44,102	\$342,895
Klove	Carole	Chief Compliance Officer, Medical Sciences	\$241,894	\$33,938	\$275,832
Crooks	Heidi	Senior Associate Director, Operations & Patient Care Services	\$232,603	\$33,914	\$266,517
Speare	Mark A.	Sr. Associate Director, Patient Relations, Human Resources & Marketing	\$218,008	\$32,309	\$250,317
Carpenter	Posie	CAO, SM-UCLA Medical Center	\$218,196	\$31,420	\$249,616
O'Kelley	Shannon	Associate Director, Clinical Services	\$215,001	\$23,413	\$238,414
Shultz	James	COO, Practice Plan	\$197,691	\$30,599	\$228,290
Flynn	Meredith	Associate Director, Managed Care Programs	\$195,291	\$30,228	\$225,519
Watkins	Paul	Associate Director, Support Services	\$184,996	\$20,143	\$205,139
<b>San Diego</b>					
Liekweg	Richard	CEO	\$470,500	\$70,105	\$540,605
Sonnenshein	Mona	COO	\$365,000	\$54,385	\$419,385
Mcafee	Thomas	Physician-in-Chief	\$353,100	\$52,612	\$405,712
Sakai	David	CFO Health Sciences	\$313,900	\$46,771	\$360,671
Taylor	Palmer	Assoc Vice Chan Health Sciences & Founding Dean School of Pharm & Pharmaceutical Sciences	\$303,400	\$45,207	\$348,607
Babakanian	Edward	Chief Information Officer	\$273,300	\$43,318	\$316,618
Scioscia	Angela	Medical Director - Med Center	\$261,000	\$38,889	\$299,889
Baggett	Margarita	Chief Patient Care Services Officer	\$232,000	\$36,772	\$268,772
Hogan	Robert	CFO Medical Center	\$217,900	\$32,467	\$250,367
Friedman	Lawrence	Medical Director - Med Group	\$217,000	\$32,333	\$249,333
Giddings	Leland	Chief Compliance Officer/Privacy Officer/Med. Dir. For Clin Resource Mgt	\$202,800	\$32,144	\$234,944
Antrum	Sheila	Chief of Ambulatory Services	\$187,100	\$27,878	\$214,978

Last Name	First Name	Title	Base Salary	Actual Award Amount <sup>1</sup>	Annual Total Cash
<b>San Francisco</b>					
Laret	Mark	Chief Executive Officer	\$552,700	\$82,905	\$635,605
Ryba	Tomi	Chief Operating Officer	\$526,500	\$78,975	\$605,475
Ring, MD	Ernie	Chief Medical Officer	\$367,800	\$55,170	\$422,970
Jones	Ken	Chief Financial Officer	\$353,900	\$53,085	\$406,985
Barclay	Steve	SVC-Administration and Finance	\$335,000	\$50,250	\$385,250
Harris	John	Chief Strategy and Business Development Officer	\$256,300	\$38,445	\$294,745
Lotenero	Larry	Chief Information Officer	\$255,900	\$38,385	\$294,285
Wittenberg	Catherine	Chief Nursing/Patient Care Officer	\$242,600	\$36,390	\$278,990
Louie	Clifton	Executive Director, Clinical/Professional Svcs	\$239,100	\$35,865	\$274,965
Fawley	Reece	Executive Director, Contracting & Revenue Mgmt	\$238,200	\$35,730	\$273,930
Fernandes	Roxanne	Executive Director, Mothers' and Children's Svcs	\$238,200	\$35,730	\$273,930
Mahaney	Tim	Executive Director, Facilities & Support Services	\$238,200	\$35,730	\$273,930
Odato	David	Executive Director, Human Resources & Svc Exc	\$238,200	\$35,730	\$273,930
Morgan	David	Executive Director, Ambulatory Care Svcs	\$238,200	\$34,777	\$272,977
Moore	Susan	Director, Finance	\$213,200	\$31,980	\$245,180

<sup>1</sup>Per *Policies on Universitywide and Senior Leadership Compensation, and Procedures for Senior Leadership Compensation* (RE61) and subsequent revisions, those individuals with total annual cash compensation in excess of \$205,000 are presented for Regental approval.

The incentive compensation described above shall constitute the University's total commitment under the Clinical Enterprise Management Recognition Plan until modified by The Regents and shall supersede all previous oral or written commitments.

**C. *2006-07 Annual Incentive Awards for Selected Participants of the Annual Incentive Plan for the Office of the Treasurer***

The Committee recommended approval of the following award amounts for certain individuals of the Senior Leadership Compensation Group under the 2006-07 Office of the Treasurer's Annual Incentive Plan (AIP). This award, consistent with AIP terms and conditions, will be paid out incrementally over a three-year period.

<b>Incumbent</b>	<b>Position</b>	<b>Base Salary (1)</b>	<b>Target AIP (\$)</b>	<b>Target as a % of Base Salary</b>	<b>Total Award (\$)</b>	<b>Award as a % of Base Salary</b>	<b>Total Cash Comp</b>
Melvin Stanton	Asst. Treasurer	\$262,675	\$157,605	60%	\$234,710	89%	\$497,385
Randall Wedding	MD, Fixed Income MD, Risk Management	\$259,258	\$155,555	60%	\$150,130	58%	\$409,388
Jesse Phillips	Sr. Portfolio Mgr	\$251,467	\$150,880	60%	\$205,460	82%	\$456,927
Linda Fried	Sr. Portfolio Mgr	\$214,375	\$96,469	45%	\$102,980	48%	\$317,355
Satish Swamy	Sr. Portfolio Mgr	\$211,583	\$95,212	45%	\$72,080	34%	\$283,663
David Schroeder	Sr. Portfolio Mgr	\$214,083	\$96,337	45%	\$104,770	49%	\$318,853
Kim Evans	Sr. Portfolio Mgr	\$212,708	\$95,719	45%	\$87,840	41%	\$300,548
Lynda Choi	Dir. of Absolute Return	\$209,531	\$94,289	45%	\$168,520	80%	\$378,051
Gloria Gil	Dir. Of Real Estate PE Investment	\$215,750	\$97,088	45%	\$173,520	80%	\$389,270
Thomas Lurquin	Officer RE Investment	\$147,279	\$51,548	35%	\$92,130	63%	\$239,409
Rebecca Stafford	Officer	\$137,495	\$48,123	35%	\$86,000	63%	\$223,495
Aileen Liu	Assoc Director	\$147,731	\$51,706	35%	\$70,410	48%	\$218,141
<b>TOTAL</b> <sup>(2)</sup>		\$2,483,935	\$1,190,530	48%	\$1,548,550	62%	

(1) Actual salary earned during the 2007 fiscal year.

(2) Totals include payout values for individuals with >\$205,000 Total Cash Compensation. Totals that include all eligible incumbents except the CIO are: Base Salary: \$3,276,073; Target AIP: \$1,448,185; Average Target Percent: 44%; Total Actual AIP: \$1,756,880; Average Actual Percent: 54%

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

**D. *Recommendations for Base Salary Adjustments for Certain Senior Managers in the Medical Centers***

The Committee recommended that equity adjustments for certain individuals of the Senior Leadership Compensation Group be approved, as illustrated in [Attachment 3](#).

**E. *Compensation for Participants of Bonus and/or Incentive Plans for Fiscal Year 2006-07***

The Committee recommended approval of award amounts as proposed by UCLA, UCSF, UCI, UCSD, and the Office of the President for certain members of the Senior Leadership Compensation Group. The award payments total \$576,033, to be paid to 29 senior managers.

The incentive compensation described in [Attachment 4](#), which shall supersede all previous oral or written commitments, shall constitute the University's total

commitment regarding incentive awards for the individuals identified, until modified by The Regents.

F. ***Change in Title, Classification, Slotting of Position, and Salary Adjustment for Cathryn Nation, M.D., as Associate Vice President–Health Sciences, Office of the President***

The Committee recommended approval of the following items in connection with the change in title, classification, slotting of position, additional responsibilities, and salary adjustment for Dr. Cathryn Nation:

- (1) Change in title from Executive Director–Health Affairs to Associate Vice President–Health Sciences.
- (2) Classification of position in the Senior Management Group.
- (3) Approval of interim slotting of new position, Associate Vice President–Health Sciences at SLCG Grade 106: Minimum \$150,000, Midpoint \$189,900, Maximum \$229,700 per the Mercer Human Resources Consulting Group recommendation.
- (4) As an exception to policy, salary adjustment of \$40,900 (28.4 percent) added to her current salary of \$144,100, for a total annual salary of \$185,000.
- (5) This appointment is at 100 percent time and effective October 1, 2007 pending approval by The Regents.
- (6) Per policy, 5 percent monthly contribution to the Senior Management Supplemental Benefit Program.

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.

G. ***Appointment Salary for Nicholas P. Jewell as Vice Provost–Academic Personnel, Office of the President***

The Committee recommended approval of the following items in connection with the appointment salary for Nicholas P. Jewell as Vice Provost–Academic Personnel:

- (1) Appointment salary of \$263,750.
- (2) Appointment is at 100 percent time and is effective September 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.
- Continuation of faculty appointment at 0 percent in School of Public Health, Berkeley campus.
- Per policy, accrual of sabbatical credits as a member of the faculty.
- Per policy, ineligible to participate in the merit/equity program until October 1, 2008.
- Per policy, ineligible to participate 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.

H. ***Position Review and Compensation for Marie N. Berggren as Chief Investment Officer, Vice President–Investments, and Acting Treasurer of The Regents***

The Committee recommended approval of the following actions for Marie N. Berggren as Chief Investment Officer, Vice President–Investments, and Acting Treasurer of The Regents.

- (1) Slotting the position to SLCG Grade 114: Minimum \$362,700, Midpoint \$470,200, Maximum \$577,600) to align with current competitive market data and consistent with the recent slotting recommendations for other positions within the Office of the Treasurer, as presented to The Regents in May. This recommendation has also been documented in a letter from Mercer Human Resource Consulting dated June 4, 2007.

- (2) A base salary increase of 5.3 percent (\$23,750) over Ms. Berggren's base salary (including stipend), resulting in a final base salary of \$470,000. This adjustment reflects the competitive market data review and takes into account Ms. Berggren's performance and contribution over the 2006-07 fiscal year. This increase incorporates Ms. Berggren's normal 2007 merit increase and will be effective October 1, 2007, consistent with normal program timing. The stipend Ms. Berggren is currently receiving will cease effective October 1, 2007.
- (3) Adjust the maximum incentive opportunity for the Chief Investment Officer and Treasurer position to 165 percent of the target incentive from the current maximum of 150 percent, effective commencing with the 2007-08 plan year. The University of California, Office of the Treasurer Annual Incentive Plan dated March 2002 (Plan) states that maximum incentive opportunity for Plan participants is to be capped at 200 percent of the target incentive opportunity; however, the incentive opportunity for this position was capped at 150 percent of target due to a provision inherited through a contractual agreement that UC negotiated with Ms. Berggren's predecessor.
- (4) Per policy, continuation of an automobile allowance (\$8,916 per annum).
- (5) Per policy, continued eligibility for participation in the Mortgage Origination Program loan program.
- (6) Per policy, continued 5 percent monthly contribution to the Senior Management Supplemental Benefit Program.

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.

**I. *2006-07 Annual Incentive Award for Chief Investment Officer of The Regents***

The Committee recommended that the total award amount of \$486,200 for 2006-07 contributions and performance under the Office of the Treasurer Annual Incentive Plan (AIP) be approved for Marie Berggren as Chief Investment Officer, Vice

President–Investments, and Acting Treasurer of The Regents. This award, consistent with AIP terms and conditions, will be paid out incrementally over a three-year period.

J. ***Total Compensation for Senior Vice President–Chief Compliance and Audit Officer***

The Committee recommended approval of the following items in connection with the appointment salary for Sheryl Vacca as Senior Vice President–Chief Compliance and Audit Officer, 100 percent, effective no later than October 10, 2007.

- (1) An annual salary of \$405,000 be approved, along with the additional compensation related items listed below.
- (2) As exception to policy, reimbursement of actual reasonable costs associated with temporary accommodations not to exceed \$25,000 over a period of six months to assist with the transition of Ms. Vacca from her current location to Oakland.
- (3) As exception to policy, reimbursement of up to three round-trip, coach-class airfares plus reasonable accommodation expenses between the San Francisco Bay Area and Orange County, to be used before October 10, 2007.
- (4) As exception to policy, reimbursement of round-trip, coach-class airfares up to a maximum of \$6,000 between the San Francisco Bay Area and Orange County during Ms. Vacca's first 12 months of employment if needed to complete the sale or other arrangements necessary to take care of her current home and family in Orange County.
- (5) Per policy, relocation of household effects.
- (6) Per policy, 5 percent monthly contribution to the Senior Management Supplemental Benefit Program.
- (7) Per policy, an automobile allowance of \$8,916 per annum.
- (8) Per policy, participation in the Mortgage Origination Loan Program, available to be exercised within a period not to exceed 24 months from date of employment.

Additional compensation and related items include:

- Per policy, Administrative Fund for official entertainment and other purposes permitted by University policy.

- Per policy, standard Pension and Health and Welfare benefits and standard Senior Management benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance.
- Per policy, continuation of her current speaking and teaching activities on behalf of two not-for-profits (Health Care Compliance Association (HCCA) and the Society of Corporate Compliance and Ethics (SCCE)) as well as her current board membership of HCCA and her advisory board membership of SCCE.

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. *Adjustments to Selected Provisions of the Annual Incentive Plan for Investment Professionals in the Office of the Treasurer***

The Committee recommended approval of the following actions effective with the 2007-08 plan year:

- (1) Amend the University of California Office of The Treasurer Annual Incentive Plan (Plan), as indicated below, to bring the Plan into alignment with common and competitive practices among other incentive plans for university endowments and foundations.
- (2) Authorize the Office of the President Human Resources and Benefits to implement the proposed amendments.

**Plan Design Changes**

The key Plan design features that are being recommended for change will align with market prevalent practices based on the Mercer 2007 Compensation Survey of Investment Groups within University Endowments and Foundations. These three changes include:

**Performance Measures**

- (1) Implement a three-year rolling average investment performance measurement period to replace the one year performance measurement period/claw-back feature. This will provide for longer-term focus on and accountability for sustainable performance results.

The current one-year measurement period (Current 1-Year) features a "claw-back," which provides potential for awards to carry a negative value and affect both current year and deferred (i.e., previously earned but unpaid) awards.

The rolling three-year average (Recommended 3-Year) measures performance in the current and prior two years. Investment returns in a given year, whether positive or negative, will inherently impact this average, and thus the incentive award, in three separate plan years.

The lowest value of any award under the three-year rolling average would be zero. Measuring multiyear performance to determine awards is the predominant market practice, used in 73 percent of Mercer survey respondents who offer incentive compensation. The chart below provides a side-by-side comparison of the current one-year period with claw-back feature with the three-year rolling average.

<b>Feature</b>	<b>Period for Performance Measure</b>	<b>Impact on Annual Incentive Award Earned</b>	<b>Impact on Annual Incentive Award Paid</b>
<b>Current 1-Year</b>	One year	Award amount earned each year could be negative or positive.	Payout comprised of current year award and prior two years' deferred awards. Negative Accruals <sup>1</sup> in a given year will reduce payout, but never below zero.
<b>Recommended 3-Year</b>	Average of three years, comprised of the current plan year and the two prior plan years.	Award amount earned each year could be zero or positive.	Payout comprised of current year award and the two prior years' deferred awards.

<sup>1</sup> Performance below the threshold level in one performance area can earn a negative award ("Negative Accrual"), and thus offset awards earned in other areas, including unpaid awards from previous years.

### ***Cost Impact of Implementing a Recommended Measurement Period***

Because incentive opportunity is not changing, the amount that can be earned under the plan at threshold, target, and maximum performance levels remains unchanged and unaffected by this recommendation.

The amount that could be paid to the recipient under the adoption of the three-year rolling average could be greater or lesser than under the one year claw-back, depending on investment performance. Preliminary analysis using a model based on twenty years of investment performance randomly assigning positive and negative returns indicates the Plan's total average annual payout would increase by approximately \$430,000 or 0.0006 percent of assets under management. The CIO was not included in these calculations and would need to be added to determine the full impact. Because of the complexity of the plan calculations, further review of this preliminary analysis would be required to validate the results.

- (2) Weight performance measures by position as displayed in the following table. This provides rewards based on "line of sight," appropriately aligning rewards with the performance in those areas for which the position has direct responsibility. All levels continue to have varying degrees of tie-in to overall entity performance.

<b>Recommended Weighting</b>	<b>Entity</b>	<b>Asset Class / Sector</b>	<b>Individual / Subjective</b>
Chief Investment Officer	75%	0%	25%
Associate CIO	60%	15%	25%
Senior Managing Director (Risk Mgmt)	70%	0%	30%
Senior Managing Director (Asset Class)	20%	60%	20%
Managing Director	20%	60%	20%
Senior Portfolio Manager	10%	70%	20%
Investment Officer, Director	10%	70%	20%
Investment Officer, Risk Management	70%	0%	30%
Risk Management Analyst	70%	0%	30%
Jr. Portfolio Manager; Jr. / Sr. Analyst	10%	70%	20%

### **Cost Impact of Implementing Recommended Weightings**

Because incentive opportunity is not changing, the amount that can be earned under the plan at threshold, target and maximum performance levels remains unchanged and unaffected by this recommendation.

Had this recommendation been in place for the FY 2006 plan year, the amounts paid would not have materially changed.

### **Award Determination**

- (3) Individual Subjective awards for Senior Managing Director level positions and below (all those who have primary responsibilities for asset class performance) will be contingent on respective asset classes meeting threshold investment performance rather than on the entity meeting threshold performance. Individual Subjective awards for Chief Investment Officer, Associate Chief Investment Officer, and Risk Management would continue to be contingent on the entity's achieving threshold investment performance.

### **Cost Impact**

Because incentive opportunity is not changing, the amount that can be earned under the plan at threshold, target and maximum performance levels remains unchanged and unaffected by this recommendation.

Had this recommendation been in place for the FY 2006 plan year, the amount paid would have decreased by \$30,000, due to below-threshold performance in the Public Equity asset class. Investment Officers would not have received an individual subjective award.

### **Revised Plan Summary**

The proposed Plan summary below notes any changes from the current plan provisions:

#### Eligibility

- Eligible participants include senior management, professional investment and trading staff, and the following senior operations positions: Director of Communications, Director of Operations and Business Manager (new to FY 2008).
- Eligibility is reviewed annually. Recommendations for eligibility are made by the Chief Investment Officer and approved by the President, in consultation with the Chairs of the Committee on Investments and Committee of Compensation.
- Plan participants must be active, full-time employees at the end of the plan year and must be employed by the UCOT for at least six months during the year to be eligible to receive an award for that plan year.

#### Incentive Opportunity and Performance Measures

- The incentive award is earned based on performance relative to policy portfolio benchmarks and individual contribution.
- Target awards vary from 20 percent to 100 percent of base salary, depending on position.
  - Threshold awards range from 40 percent to 50 percent of Target awards, depending on position.
  - Maximum awards are equal to 200 percent of Target awards, with the exception of the Chief Investment Officer, whose maximum award is equal to 150 percent of Target.
- Investment performance of both UC and the market is measured using a three-year rolling average (new to FY 2008).

#### Award Determination and Payout

- Payout is determined using a polynomial curve.
- Investment returns in a given year, whether positive or negative, affect the payout over three separate plan years via measurement of a three-year rolling average (new to FY 2008).
- Individual Subjective awards for Managing Director level positions and below are contingent on respective asset classes' meeting threshold level of performance rather than on the entity meeting a threshold level of performance (new to FY 2008).
- Individual Subjective awards for Senior Managing Directors and above (i.e., Chief Investment Officer, Associate Chief Investment Officer, Risk Management) are contingent on the entity's achieving a threshold level of performance.

- Annual incentive awards are payable in three equal annual payments. The first award payment is paid as soon as practicable following the end of the plan year.
- The deferred portion of the award earns interest based on the Short-Term Investment Pool rate of return.

L. ***Senior Leadership Compensation Group Salary Range Adjustment and Budget Allocations for Senior Management Group Merit and Equity Increases***

The Committee recommended the following changes to the Senior Leadership Compensation Group (SLCG) and Senior Management Group (SMG) merit and equity budget, effective upon approval of The Regents for FY 2007-08:

- (1) A salary range structure increase of 2.8 percent, to maintain competitiveness with the SLCG salary ranges with the external higher education labor market.
- (2) An overall budget allocation of 5 percent for SMG merit and equity increases, comprised of a 4 percent allocation for merit increases and a 1 percent allocation for equity increases. Equity moneys will be used to recognize and reward performance and contribution of individuals. Equity monies will be used to increase base salaries for those individuals whose performance warrants and whose salary is further below midpoint, or where market pressures or internal equity considerations warrant adjustments.

M. ***Authorization to Enter into Discussion with the Department of Energy/National Nuclear Security Administration Regarding Transfer of University of California Retirement Plan Assets and Liabilities to Facilitate the Close-Out of the Lawrence Livermore National Laboratory Management Contract and Amendments of the Plan to Provide an Alternate Method for Paying Accrued Benefits for Former Laboratory Employees Prior to the Final Transfer***

The Committee recommended that, effective October 1, 2007:

- (1) In accordance with the Contract, the Associate Vice President–Human Resources and Benefits be authorized to enter into discussions with the Department of Energy/National Nuclear Security Administration (DOE/NNSA) to determine the final amount of assets and liabilities to be transferred from the University of California Retirement Plan (UCRP) to the Lawrence Livermore National Security, LLC (LLNS) Plan and the funding methodology to be adopted by DOE/NNSA to address any shortfalls in funding within the Lawrence Livermore National Laboratory segment of UCRP, provided that the proposed Final Transfer amount and any funding agreement not become effective until consultation with the Academic Senate has occurred and unless approved by The Regents at a future meeting.

- (2) The Regents authorize the amendment of UCRP to provide an alternative method for paying the UCRP benefits accrued through September 30, 2007 to or on behalf of eligible members of the LLNS Plan who retire, die, or become disabled prior to the Final Transfer and to the alternate payees of members of the LLNS Plan named in a qualified domestic relations order, including former spouses, who request that their benefits begin before the Final Transfer, and delegate to the Associate Vice President–Human Resources and Benefits, as the Plan Administrator, the authority to implement the necessary UCRP amendments. Any monies paid from UCRP to Eligible Payees under the alternative method will be accounted for in the determination of the amount of the Final Transfer.

Upon motion of Regent Moores, duly seconded, the report of the Committee on Compensation was approved, Regent Garamendi voting “No.”

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

### *Overview Report of the Study Group on University Diversity*

The Committee recommended that:

- A. The Regents of the University of California adopt as Regents Policy the following University of California Diversity Statement adopted by the Assembly of the Academic Senate in May 2006 and endorsed by the President in June 2006:

#### UNIVERSITY OF CALIFORNIA DIVERSITY STATEMENT

The diversity of the people of California has been the source of innovative ideas and creative accomplishments throughout the state’s history into the present. Diversity – a defining feature of California’s past, present, and future – refers to the variety of personal experiences, values, and world views that arises from differences of culture and circumstance. Such differences include race, ethnicity, gender, age, religion, language, abilities/disabilities, sexual orientation, socioeconomic status, and geographic region, and more.

Because the core mission of the University of California is to serve the interests of the State of California, it must seek to achieve diversity among its student bodies and among its employees. The State of California has a compelling interest in making sure that people from all backgrounds perceive that access to the University is possible for talented students, staff, and faculty from all groups. The knowledge that the University of California is open to qualified students from all groups, and thus serves all parts of the community equitably, helps sustain the social fabric of the state.

Diversity should also be integral to the University's achievement of excellence. Diversity can enhance the ability of the University to accomplish its academic mission. Diversity aims to broaden and deepen both the educational experience and the scholarly environment, as students and faculty learn to interact effectively with each other, preparing them to participate in an increasingly complex and pluralistic society. Ideas, and practices based on those ideas, can be made richer by the process of being born and nurtured in a diverse community. The pluralistic university can model a process of proposing and testing ideas through respectful, civil communication. Educational excellence that truly incorporates diversity thus can promote mutual respect and make possible the full, effective use of the talents and abilities of all to foster innovation and train future leadership.

Therefore, the University of California renews its commitment to the full realization of its historic promise to recognize and nurture merit, talent, and achievement by supporting diversity and equal opportunity in its education, services, and administration, as well as research and creative activity. The University particularly acknowledges the acute need to remove barriers to the recruitment, retention, and advancement of talented students, faculty, and staff from historically excluded populations who are currently under-represented.

- B. The Regents of the University of California affirm the finding of the Study Group on University Diversity that change is needed to achieve a level of diversity among students, faculty, and staff appropriate to the University's mission, as well as a climate on each of its campuses that is open and inclusive of individuals from all backgrounds. The reports of the Study Group's work teams provide direction for this change.
- C. The Regents of the University of California require the President of the University, as a fundamental component of his or her responsibilities, to report annually to The Regents on the status of diversity at the University. This report should include consistent and clear metrics of diversity among students, faculty, and staff. It should (1) identify trends, including areas of progress or concern; (2) allow for meaningful comparisons among campuses and, where appropriate, among academic fields; and, (3) include appropriate contextual data that illuminate University performance (for example, demographic trends among California public high school graduates provide context for evaluating trends in the enrollment of new undergraduates). In addition, while issues of campus climate are not easily tracked using statistical data, the report should address climate issues each year – for example, by reporting the results of new surveys or qualitative research performed for the system as a whole or for individual campuses.

Upon motion of Regent Island, duly seconded, the report of the Committee on Educational Policy was approved.

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

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

The Committee recommended that changes to the University of California 2007-08 budget plan for State General Funds consistent with the final budget act adopted by the Legislature and the Governor be approved.

B. ***Authorization to Submit Applications for Proposition 71 Grant Funding for Major Facilities Grants and Take Related Actions to Receive Funding***

With the concurrence of the Committee on Grounds and Buildings, the Committee recommended that:

- (1) The Regents authorize the chancellors to submit applications for Proposition 71 grant funding for the California Institute for Regenerative Medicine Major Facilities Grant Program.
- (2) The Regents authorize the President or his designee, after consultation with the General Counsel, to execute grant contract documents and take such further actions, including but not limited to:
  - a. The establishment of a mechanism for financial transactions.
  - b. Execution and delivery of such additional, related instruments, certificates, statements, and documents as are reasonably required to obtain the Grants.
- (3) Any action taken by the President or his designees, in furtherance of the matters authorized by the foregoing actions, is hereby ratified, approved, and confirmed as the act and deed of The Regents.
- (4) Approval of the individual capital projects, including its financial feasibility, for which the grant funding would be applied, will follow the standard University approval practices.

C. ***Authorization for Approval of Appropriations from LANS LLC Fee Income to Be Expended in FY 2007-2008***

The Committee recommended the following resolution that:

- (1) The President be authorized to expend, for the following purposes and in the following amounts, from the University's net share of Los Alamos National Security (LANS), LLC income earned from contract inception through September 30, 2007:

- a. Supplemental compensation and other payments previously approved by The Regents for certain LANS LLC employees, incurred through September 30, 2007 – \$1.2 million.
  - b. An appropriation to the Office of the President budget for federally unreimbursed costs of University oversight of its interest in LANS LLC and LLNS LLC, paid or accrued through June 30, 2008, including but not limited to an allocable share of the costs of The Regents; the Secretary and Chief of Staff to The Regents; Human Resources; Finance; Strategic Communications; Governmental Affairs; the General Counsel; the University appointed Governors on the LLCs; and the Vice President for Laboratory Management – \$2.6 million.
  - c. An appropriation to a new LLC post-contract contingency fund – \$700,000.
- (2) The balance of fee income to be appropriated to scientific research in the following priority order:
- a. California Institutes for Science and Innovation – \$2.5 million.
  - b. UC Campus-Los Alamos Research and Education Initiatives – \$3.05 million.
  - c. Los Alamos-New Mexico Universities Research Initiatives – \$1.5 million.
  - d. Science and Technology Policy Initiatives – \$1.0 million.
  - e. UC System-Wide Institute for Geophysics and Planetary Physics – \$500,000.
  - f. UC Institute on Global Conflict and Cooperation – \$500,000.
  - g. Collaborative Research Program – \$1.0 million.
  - h. UC Professorship – \$1.0 million.
  - i. UC National Laboratory Doctoral Student Fellowship Program – \$1.0 million.
  - j. Net fee income received in excess of the above appropriation would be used to supplement funding for S&T Policy Initiatives,

Collaborative Research Program, and the UC National Laboratory Doctoral Student Fellowship Program.

- (3) IT IS RESOLVED that the intent of the University is to maximize the use of fee income for science while maintaining appropriate oversight, and The Regents will review such allocation.

D. ***Adoption of Policy Requiring Special Review/Approval Procedures Prior to University Submission of Research Proposals to Tobacco Industry Funders***

The Committee recommended that RE89 [“Adoption of Policy Restricting University Acceptance of Funding from the Tobacco Industry,” presented at the July 18, 2007 Regents meeting] be withdrawn from consideration, and the following substitute resolution be adopted:

- (1) The Regents exhorts University researchers to:
  - a. Consider carefully whether to accept research funding from the tobacco industry (and whether their research might be better served by seeking funding from alternate sources).
  - b. Exercise the utmost care in assuring that their research (including research carried out with tobacco industry funding) adheres to the highest scientific and ethical standards. This includes being particularly vigilant about not allowing any funder to direct or control the outcome of the research or the dissemination of its results.
- (2) The Regents directs the Chancellor to establish a policy requiring that prior to the submission of any proposal to seek research funding from the tobacco industry, the research proposal must be reviewed by a scientific review committee drawn from the community of scholars designated by the Chancellor for this purpose, and must be approved by the Chancellor. Additionally, The Regents shall receive timely notice of such grants and a description of the research to be undertaken. Under the policy:
  - a. The scientific review committee shall be charged with reviewing proposals intended for submission to tobacco industry funders, and with advising the relevant Chancellor regarding whether a proposed study uses sound methodology and appears designed to allow the researcher to reach objective and scientifically valid conclusions.
  - b. The review committee shall be composed of at least three faculty members with expertise in areas of science relevant to the proposal being submitted. If a standing committee is established for this purpose, a provision shall be made allowing for consultation with

experts in additional areas or from specific campuses, as needed, to evaluate a particular research proposal appropriately.

- c. For each proposal it reviews, the scientific review committee shall produce a written report including a recommendation as to whether the proposal should be approved for submission, and/or whether any changes should be made to the proposal prior to submission, along with the rationale for the committee's recommendation. The report should be sent to the researcher, the Chancellor, the President, and The Regents and shall be publicly posted on the UC Office of the President website.
  - d. Chancellors shall be directed to take the advice of the review committee into account in deciding whether to approve submission of the proposal by the campus. Chancellors shall also be directed to take into account any advice issued by the campus conflict of interest committee, in cases where under existing policy requirements, the researcher has disclosed a financial interest in the research sponsor.
  - e. The Chancellor shall issue his or her determination (i.e., whether the proposal is to be approved for submission, with or without changes) in writing, including a rationale for his or her determination, with a copy to be sent to the researcher, the President, and The Regents. A copy of the Chancellor's determination letter shall be publicly posted on the UC Office of the President website.
- (3) The Regents directs the President to prepare and submit to The Regents an annual report summarizing the number of proposals submitted to the scientific review committee, the number approved, and the number funded, along with a description or abstract of each proposal. The reporting requirement shall be in kept in place for at least five years, which will allow The Regents to review the type of research conducted by University researchers with funding from the tobacco industry. After five years, the President will consult with The Regents to evaluate whether the reporting requirement should be continued.

Upon motion of Regent Gould, duly seconded, the report of the Committee on Finance was approved, Regent Allen voting "No" on paragraph C., *Authorization for Approval of Appropriations from LANS LLC Fee Income to Be Expended in FY 2007-2008*, and Regents Brewer, De La Peña, Garamendi, and Ruiz voting "No" on paragraph D., *Adoption of Policy Requiring Special Review/Approval Procedures Prior to University Submission of Research Proposals to Tobacco Industry Funders*.

## 7. REPORT OF THE COMMITTEE ON GOVERNANCE

A. *Amendment of Policy on Appointment of the President of the University and Bylaw 10.2 – Special Committees*

The Committee recommended that:

- (1) The Policy on Appointment of the President be amended as follows:

**Additions shown by underscore, deletions by strikeout**

POLICY ON APPOINTMENT OF THE  
PRESIDENT OF THE UNIVERSITY

Each time a vacancy occurs in the presidency or is imminent, The Regents will undertake a search on a nationwide basis to seek the most highly qualified applicants and nominees for the position, following the general guides set forth below.

- a. In accordance with Bylaws 10.2 and 10.4, the Chairman of the Board of Regents will appoint a Special Committee to consider candidates and to recommend to the Board the appointment of a President of the University. The Chairman of the Board will name ~~five~~ up to six members (designating a Chairman and Vice Chairman) in addition to the Alumni Regent who is President of the Alumni Associations of the University, the Student Regent, and the following as ex officio members: the President of the Corporation, the Chairman of the Board, and the former Chairman of the Board as described in Bylaw 10.4.
- b. The Chairman of the Special Committee will invite the Academic Council to appoint an Academic Advisory Committee, composed of not more than ~~twelve~~ thirteen members, including the Chairman of the Academic Council and at least one representative of each of the ~~nine~~ ten campuses, to assist the Special Committee in screening candidates.
- c. The Special Committee will consult broadly with constituent groups of the University, including the Academic Advisory Committee appointed by the Academic Council, Chancellors, Laboratory Directors, Vice Presidents, students, staff, and alumni. To facilitate consultation, there shall be appointed advisory committees, each with no more than twelve members, of students, staff, and alumni. The student advisory committee shall be appointed by the Chairman of the University of California Student Association and shall include at least one student from each campus. The staff advisory committee shall be appointed by the Chairman of the Council of UC Staff

Assemblies and shall include at least one staff member from each campus. The alumni advisory committee shall be appointed by the President of the Alumni Associations of the University of California and shall include at least one alumnus from each campus. Such consultation will be for the purpose of (1) reviewing the relevancy of the criteria approved by the Board of Regents and (2) presenting the nominee or nominees to members of the groups at the conclusion of the search.

- d. The Special Committee will consult with the Board of Regents at the beginning of the search for the purpose of reviewing the relevancy of the criteria to be considered and approved by the Board of Regents and discussing potential candidates. All Regents will be invited to all meetings with all constituencies.
- e. In general, the consultative practices followed in recent presidential searches shall be carried forward.

(2) Bylaw 10.2 be amended as follows:

- a. Service of notice be waived.
- b. Bylaw 10.2 be amended as shown below.

**Additions shown by underscore, deletions by strikeout**

BYLAW 10

COMMITTEE OF THE BOARD OF REGENTS

10.2 Special Committees.

Special Committees shall be appointed by the President or Chair of the Board upon authority of the Board with such powers and duties as the Board may determine, provided that no Special Committee shall be created to act upon any matter appropriate to be acted upon by a Standing Committee. A Special Committee shall act for no more than one year from the date of appointment and shall be considered discharged upon the expiration of said year, unless specifically authorized by the Board at the time of its appointments, or from year to year, to act for a longer period. No Special Committee, other than a Special Committee to consider the selection of a President, shall have more than seven members in addition to ex officio members.

**B. *Appointments of Regent and Regent-Designate to Standing Committees***

The Committee recommended that:

- (1) Regent Allen be appointed to the Committee on Long Range Planning, effective immediately through June 30, 2008. He will come off the Committee on Health Services.
- (2) Regent-designate Scorza be appointed as an advisory member of the Committees on Compensation, Finance, and Oversight of the Department of Energy Laboratories through June 30, 2008.

C. *Appointments to the Investment Advisory Group*

The Committee recommended that Investment Advisory Group member Charles Martin be reappointed to the Investment Advisory Group for a term to begin September 1, 2007 and to end September 1, 2011.

Upon motion of Regent Lansing, duly seconded, the report of the Committee on Governance was approved.

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

A. *Authorization to Submit Applications for Proposition 71 Grant Funding for Major Facilities Grants and Take Related Actions to Receive Funding*

With the concurrence of the Committee on Finance, the Committee recommended that:

- (1) The Regents authorize the chancellors to submit applications for Proposition 71 grant funding for the California Institute for Regenerative Medicine Major Facilities Grant Program.
- (2) The Regents authorize the President or his designee, after consultation with the General Counsel, to execute grant contract documents and take such further actions, including but not limited to:
  - a. The establishment of a mechanism for financial transactions.
  - b. Execution and delivery of such additional, related instruments, certificates, statements, and documents as are reasonably required to obtain the Grants.
- (3) Any action taken by the President or his designees, in furtherance of the matters authorized by the foregoing actions, is hereby ratified, approved, and confirmed as the act and deed of The Regents.

- (4) Approval of the individual capital projects, including its financial feasibility, for which the grant funding would be applied, will follow the standard University approval practices.

B. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program and Approval of External Financing, Clark Kerr Campus Renewal, Berkeley 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:

Berkeley: Clark Kerr Campus Renewal – preliminary plans, working drawings, construction and equipment – \$135,350,000, to be funded from external financing (\$128,600,000) and the Berkeley campus' share of the University of California Housing System Net Revenue Fund (\$6,750,000).

- (2) The President be authorized to obtain external financing not to exceed \$128,600,000 to finance the Clark Kerr Renewal 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. As long as this debt is outstanding, University of California Housing System fees for the Berkeley campus shall be established at levels sufficient to provide excess net revenues sufficient to pay the debt service and to meet the related requirements of the proposed financing.
  - 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 deferral income taxation under existing law.
- (4) The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

C. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program and Approval of External Financing, Telemedicine and Prime HEQ Education Facility, San Diego Campus***

The Committee recommended that:

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

From: San Diego: Telemedicine and PRIME HEq Education Facility – preliminary plans, working drawings, construction, and equipment – \$59,170,000, to be funded from State funds (\$35,000,000), gift funds (\$20,375,000), campus funds (\$3,295,000), and University funds (\$500,000).

To: San Diego: Telemedicine and PRIME HEq Education Facility – preliminary plans, working drawings, construction, and equipment – \$60,227,000, to be funded from State funds (\$35,000,000), external financing (\$20,457,000), capitalized leases (\$1,950,000), campus funds (\$2,320,000), and University funds (\$500,000).

- (2) The President be authorized to obtain external financing not to exceed \$20,457,000 to finance the Telemedicine and PRIME HEq Education Facility, 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 the University Opportunity Fund.
  - 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.

D. ***Annual Report on Approvals of Chancellors' Residences and Other Capital Projects for the Year Ended June 30, 2007***

The Committee reported its acceptance of, in accordance with the Schedule of Reports, the annual report on Chancellors' Residences and Other Capital Projects for the year ending on June 30, 2006.

E. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program and Approval of External Financing, Student Athlete High Performance Center, Berkeley Campus***

The Committee recommended that, subject to a decision by the court in favor of the University in the matter of pending litigation concerning this project, and with concurrence of the Chairman of the Board of Regents and the Chairs of the Committee on Grounds and Buildings and the Committee on Finance:

- (1) The President be authorized to amend the 2007-08 Budget for Capital Improvements and the Capital Improvement Program as follows:

From: Berkeley: Student Athlete High Performance Center – preliminary plans, working drawings, construction, and equipment – \$111,948,000, to be funded from gift funds.

To: Berkeley: Student Athlete High Performance Center – preliminary plans, working drawings, construction, and equipment – \$117,448,000, to be funded from gift funds (\$17,448,000) and external financing (\$100,000,000).

- (2) The President be authorized to obtain external financing not to exceed \$100 million to finance the Student Athlete High Performance Center (SAHPC) 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 debt shall be from the Berkeley campus football program gross revenues and the income earned on the SAHPC Initiative Fund, which shall be sufficient to meet operating expenses, pay debt service, and meet requirements related to the financing.
- c. The general credit of The Regents shall not be pledged.

- (3) The President to be authorized to obtain standby financing not to exceed \$6,248,000 prior to awarding a construction contract for any gift funds not received by that time and 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 any financing shall be from gift funds and, in the event such gift funds are insufficient, from the Berkeley campus' football program net revenue.

- c. The general credit of The Regents shall not be pledged.
- (4) 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.
- (5) The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

Upon motion of Regent Kozberg, duly seconded, the report of the Committee on Grounds and Buildings was approved.

#### 9. **REPORT OF THE COMMITTEE ON HEALTH SERVICES**

##### *UCSD Medical Center Participation in Ambulatory Surgery Center Joint Venture, San Diego Campus*

The Committee recommended approval of UCSD Medical Center's participation in an ambulatory surgery center joint venture with Surgical Care Affiliates.

Upon motion of Regent Lansing, duly seconded, the report of the Committee on Health Services was approved.

#### 10. **REPORT OF THE COMMITTEES ON FINANCE AND INVESTMENTS**

##### *Amendment of Policy on Conflict of Interest Disclosure Obligations of Investment Advisory Group Members*

With the concurrence of the President and the Vice President for Investments/Acting Treasurer, the Committees recommended adoption, effective immediately, of an amendment to the policy on conflict of interest disclosure by members of the Investment Advisory Group, as follows:

##### **Deletions shown by ~~strikeout~~; additions shown by underlining**

1999 Policy Establishing the Investment Advisory Committee [now Group, per Regents' action at the July 2007 meeting]:

\*\*\*

Conflicts: Members of the Advisory Group shall upon taking and leaving office and annually during their terms, with updates when information changes, disclose ~~all existing and potential conflicts of interest and shall abstain from voting on any such matters~~ the following: their status and the status of their immediate family, within the meaning of the Political Reform Act, as partners, members, executive officers or employees with any and

all investment management firms; any ownership interest in a privately held investment management firm; and any ownership interest of 1 percent or more in a publicly traded investment management firm.

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

\*\*\*

Upon motion of Regent Gould, duly seconded, the report of the Committees on Finance and Investments was approved.

## 11. **REPORT OF THE COMMITTEES ON FINANCE AND EDUCATIONAL POLICY**

### ***Approval of a Three-Year Plan for Professional Degree Program Fees and Proposed Professional Degree Fee Increases for 2008-09***

The Committee on Finance recommended that:

- A. The three-year plan of professional degree program fees, shown in **Attachment 5**, be endorsed for planning purposes.
- B. The proposed fee increases for 2008-09, also shown in **Attachment 5**, be approved for implementation.
- C. The following conditions be adopted for future professional degree fee increases:
  - (1) Access and inclusion are among the University's core commitments, and student affordability is a vitally important component to a public education system. Any increases in professional degree fees (PDFs) must be justified by programmatic and financial needs, but also must not adversely affect the University's commitment to access, inclusion, and keeping the door open for students interested in pursuing low-paying public interest careers.
  - (2) With this sentiment in mind, if a professional school unit wishes to propose a PDF increase greater than 6 percent or in excess of the percentage increase in the Education Fee for a given year, it must submit a plan, endorsed by its chancellor, describing academic and/or programmatic reasons for the requested increase and describing policies to ensure or enhance access and inclusion in the face of the rising fees.
  - (3) Each plan should consider the following (including expenditure projections, design parameters, and performance metrics) components:

- a. Front-end financial aid such that needy students are able to pursue their academic and summer interests without regard to financial considerations.
  - b. Loan forgiveness programs (or some equivalent alternative program) for, among others, students interested in pursuing low-paying public service jobs such that their debt from professional school does not unduly restrict their career decision.
  - c. A strategy for inclusion of underrepresented groups.
  - d. A detailed marketing and outreach plan to explain financial aid and loan forgiveness.
- (4) Each unit's PDF plan shall also include:
- a. Assurances that in any program directly supported by State 19900 funds, the total in-state fees charged will be at or below the total tuition and/or fees charged by comparable degree programs at other comparable public institutions.
  - b. Information as to the views of the unit's student body and faculty on the proposed increase. This information may be obtained in a variety of ways ranging from consultations with elected student leaders and faculty executive committees to referenda. The information would be treated as advisory, but The Regents would view more favorably PDF proposals that enjoy the support of a unit's faculty and student body.
- (5) The Provost and Executive Vice President will provide further guidance and coordination as needed to the campuses and to elements of the Office of the President, and coordinate submission of the PDF proposals to The Regents for annual action. Chancellors will carefully review PDF proposals and the supporting plans concerning financial aid, loan forgiveness, outreach, evaluation, and implementation of corrective measures if needed (such as a PDF rollback, freeze, limit on future increases, or other financial and/or non-financial measures), and forward the PDF proposals as revised to the Office of the President. PDF proposals from the campuses and as submitted to The Regents should cover a rolling period of not less than three years.
- (6) These conditions are effective in academic year 2009-10 and onwards. For academic year 2008-09, any PDF increases greater than 6 percent approved by The Regents are conditional on the President's determination by March 1, 2008, that the unit has satisfied conditions equivalent to those above; such a determination will be reported to The Regents for information.

Upon motion of Regent Gould, duly seconded, the recommendation of the Committee on Finance was approved, Regents Allen, Garamendi, Island, Johnson, and Ruiz voting “No.”

12. **REPORT OF THE COMMITTEES ON COMPENSATION AND FINANCE**

*Approval of Plan to Adjust Faculty Salary Scales*

The Committees recommended approval of the plan for new faculty salary scales, effective October 1, 2007, examples in [Attachment 6](#), and further approve the overall budgetary strategy for the remaining three years of a four-year program to improve faculty scales.

Upon motion of Regent Moores, duly seconded, the report of the Committees on Compensation and Finance was approved.

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

*Authorization to Approve and Execute Modification to the Department of Energy Contract for the Lawrence Berkeley National Laboratory to Amend Clauses and Add a New Clause as a Result of Changes to the Department of Energy Acquisition Regulations*

The Committee recommended that the President be authorized to execute a modification to the provisions of Lawrence Berkeley National Laboratory contract DE-AC02-05CH11231 in order to incorporate revisions to four clauses and add one new clause.

Upon motion of Regent Pattiz, duly seconded, the report of the Committee on Oversight of the Department of Energy Laboratories was approved.

14. **REPORT OF INTERIM ACTIONS****Report of Actions Taken Between Meetings**

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) ***Interim Slotting of Position and Promotional Salary for Cindy Lima as Executive Director of Administration, Medical Center, San Francisco Campus***

Approval of the following items be approved in connection with the interim slotting and promotion of Cindy Lima. Ms. Lima is being promoted into a currently unslotted and vacant position which encompasses a broader scope of duties and responsibilities:

- a. Interim slotting of position Executive Director of Administration, as recommended by Mercer Human Resource Consulting (SLCG Grade 107: Minimum \$167,600, Midpoint \$212,700, Maximum \$257,800).
- b. Promotion to Executive Director of Administration with an annual salary of \$212,700 and an appointment at 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 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.

(2) ***Stipend for Ann M. Williamson as Acting Chief Patient Care Services Officer, Medical Center, San Francisco Campus***

Approval of the following items in connection with the appointment of Ann M. Williamson as Acting Chief Patient Care Services Officer:

- a. As an exception to policy, administrative stipend of 20.4 percent (calculated against appointment salary of \$173,492, the stipend is \$35,408) when included with her base salary for a total annual salary of \$208,900.
- b. The stipend amount will be increased as the base salary is increased, so the stipend will equal 20.4 percent of the base salary.
- c. Continued eligibility for participation in the UCSF Medical Center Director-level Incentive Award Plan with a maximum payout of up to 15 percent of base salary.
- d. Effective June 17, 2007, at 100 percent time or upon approval of The Regents, through December 31, 2007, or until this responsibility is transferred to the new Chief Patient Care Services Officer, including a one-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.

(3) ***Interim Slotting of New Position and Appointment Salary for Mark Ramirez as Director–Supply Chain Management, Medical Center, San Francisco Campus***

Approval of the following items in connection with the classification and appointment of Mark Ramirez as Director–Supply Chain Management, Medical Center, San Francisco campus:

- a. Interim slotting of new position entitled Director–Supply Chain Management as recommended by Mercer Human Resource Consulting (SLCG Grade 106: Minimum \$150,000, Midpoint \$189,900, Maximum \$229,700).
- b. Appointment salary of \$199,000, 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 (beginning in FY 2008).
- d. Effective upon approval of The Regents.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits.
- Per policy, ineligible to participate in the 2007-2008 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.

(4) ***Continuation of Current Compensation (Base and Extension of Existing Stipend) for Marie N. Berggren as Chief Investment Officer and Vice President–Investments and Acting Treasurer, Office of the Treasurer***

- a. Extension of Ms. Berggren's existing stipend of 14.4 percent (\$56,250 per annum) when combined with her base salary totals \$446,250. Ms. Berggren's stipend was effective for a one-year period and expired on June 2, 2007. The extension will be effective from June 3, 2007 and continue until The Regents assess her past year's performance and determine the full scope of her duties, expected to occur at the September Regents meeting. At that time, it is expected that The Regents, taking into account performance and scope of duties, will determine an appropriate base salary for Ms. Berggren.

Additional elements of compensation currently include:

- Per policy, continued eligibility for participation in the Annual Incentive Plan for the Treasurer's Office.
- Per policy, continuation of an automobile allowance (\$8,916 per annum).
- Per policy, continued eligibility for participation in the Mortgage Origination Program loan program.
- Per policy, continued participation in the Senior Management Supplemental Benefit Program at the rate of 5 percent.
- 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.

(5) ***Appointment Salary for Penny Rue as Vice Chancellor–Student Affairs, San Diego Campus***

Approval of the following items in connection with the appointment of Penny Rue as Vice Chancellor–Student Affairs, San Diego campus:

- a. Title of Vice Chancellor–Student Affairs.
- b. Appointment salary of \$215,000, 100 percent time.
- c. Per policy, 5 percent monthly contribution to the Senior Management Supplemental Benefit Program.
- d. Per policy, a \$53,750 relocation allowance equal to 25 percent of base pay (subject to a repayment requirement in the event that she resigns within the first four years of employment).
- e. Per policy, reimbursement of moving expenses.
- f. Per policy, 30 days of temporary housing and reimbursement of moving expenses.
- g. Per policy, authorization by The Regents to participate in the Mortgage Origination Program with a loan up to \$1,330,000.
- h. Effective date of September 10, 2007, 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, and Executive Salary Continuation for Disability.
- Per policy, Ms. Rue 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.

(6) ***Appointment Salary for Barbara Allen-Diaz as Assistant Vice President–Programs, Agriculture and Natural Resources, Office of the President***

Approval of the following items in connection with the appointment of Barbara Allen-Diaz as Assistant Vice President–Programs, Agriculture and Natural Resources, Office of the President:

- a. Appointment salary of \$180,000 at 100 percent time.
- b. Effective date of September 1, 2007, 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, and Executive Salary Continuation for Disability.
- Per policy, ineligible to participate in the merit/equity program until October 1, 2008.
- Per policy, eligible to participate in the Mortgage Origination Program.
- Per policy, ineligible for participation in the Senior Management Supplemental Benefit Program.
- Per policy, 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.

(7) ***Appointment Salary for Jennifer Ridgeway as Facilities Division Director, Lawrence Berkeley National Laboratory***

Approval of the following items in connection with the appointment of Jennifer Ridgeway as Facilities Division Director, Lawrence Berkeley National Laboratory:

- a. Appointment salary of \$200,000 (LBNL Job Code 197.1 Salary Grade N15: Minimum \$165,684, Midpoint \$248,472, Maximum \$331,260) at 100 percent time.
- b. Effective September 4, 2007, upon approval of The Regents.
- c. Per policy, a hiring bonus of \$20,000.

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) ***Stipend for John D. B. Featherstone as Acting Dean–School of Dentistry, San Francisco Campus***

Approval of the following items in connection with the appointment of John D. B. Featherstone as Acting Dean–School of Dentistry, San Francisco campus:

- a. As an exception to policy, an administrative stipend of 32 percent (\$72,000) to increase his current base salary of \$142,500 and his Health Sciences Compensation Plan (HSCP) salary of \$82,500 to an annual salary of \$297,000 (Salary Grade 111: Minimum 260,400, Midpoint \$334,600, Maximum 408,700).
- b. The stipend amount of (\$72,000) is to remain constant with any and all salary adjustments, inclusive of merit increases.
- c. Effective July 1, 2007, through June 30, 2008, or until the effective date of the appointment of a permanent Dean, whichever occurs first. This period represents a two-month overlap in service, with the current Dean of Dentistry. This appointment is at 100 percent.

Additional items of compensation include:

- Per policy, standard Pension and Health and Welfare benefits.
- Per policy, accrual of sabbatical credits as a member of faculty.
- Per policy, authorization by The Regents to participate in the Mortgage Origination Program (MOP) with a loan up to \$980,000. This represents an increase of \$390,000 to Mr. Featherstone's current MOP loan of \$590,000. This is a second MOP loan for Mr. Featherstone to use to refinance his existing MOP loan plus any housing related debit used for qualified home improvements. The loan will comply with all other normal Mortgage Origination Program parameters.

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 Barry A. Wolitzky as Chief Operating Officer–Immune Tolerance Network, School of Medicine, San Francisco Campus***

Approval of the following items in connection with the appointment of Barry A. Wolitzky as Chief Operating Officer–Immune Tolerance Network, School of Medicine, San Francisco campus:

- a. Slotting of new position, Chief Operating Officer–Immune Tolerance Network, as recommended by Mercer Human Resource Consulting (SLCG Grade 106: Minimum \$150,000, Midpoint \$189,900, Maximum \$229,700).
- b. Appointment salary of \$195,000, 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. As an exception to policy, reimbursement of 100 percent of moving expenses to the extent allowed by policy. MSP policy allows for reimbursement of up to 50 percent of moving expenses.
- e. As an exception to policy, two house-hunting trips, the total number of days not to exceed ten for Mr. Wolitzky and his spouse. Coach airfare, meals, and lodging will be reimbursed, per policy.
- f. 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.

(10) ***Appointment Salary for Felicia E. McGinty as Vice Chancellor–Student Affairs, Santa Cruz Campus***

Approval of the following items in connection with the appointment of Felicia E. McGinty as Vice Chancellor–Student Affairs, Santa Cruz campus:

- a. Appointment salary of \$200,000.

- b. This appointment is 100 percent time, effective September 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, 5 percent monthly contribution to the Senior Management Supplemental Benefit Program.
- Per policy, eligibility for a Mortgage Origination Program loan for an amount of up to \$1 million.
- Per policy, a relocation allowance of \$50,000 (25 percent) with a contingent repayment schedule.
- Per policy, reimbursement of moving expenses up to a maximum of \$20,000.

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 and the Chair of the Committee on Compensation approved the following recommendation:

***Extension of the Appointment of Ann Parode Dynes as Interim Associate of the President***

- (1) Extension of the appointment of Ann Parode Dynes as Interim Associate of the President, effective May 16, 2007 and continuing until the full Board approves the revised policy, anticipated at its July 2007 meeting.
- (2) This appointment is subject to the proposed Policy on Associate of the President/Chancellor, as described in the March 2007 Regents' Item RE-93, and all administration shall be in accordance with this proposed policy. This revised policy is under review for approval by The Regents in July 2007. Once approved, the new policy shall govern the terms and conditions of this appointment.

- C. The Chairman of the Board, the Chair of the Committee on Grounds and Buildings, and the President of the University concurred in the following:

***Amendment of the Budget for Capital Improvements and the Capital Improvement Program and Approval of External Financing for West Village Backbone Infrastructure, Campus Wastewater Treatment Plant Expansion Phase 1, and Relocating Agricultural Research, Davis Campus***

*Pursuant to Standing Order 100.4(q) and Standing Order 100.4 (nn)*

- (1) The President, subject to concurrence of the Chairman of the Board, and the Chair of the Committee on Grounds and Buildings, amend the 2006-07 Budget for Capital Improvements and the Capital Improvement Program to include the following:

From: Davis: West Village Backbone Infrastructure – Preliminary plans – \$750,000, to be funded with campus funds.

To: Davis: West Village Backbone Infrastructure – Preliminary plans, working drawings, and construction – \$14,594,000 to be funded with external financing.

- (2) The President, subject to concurrence of the Chairman of the Board and the Chair of the Committee on Grounds and Buildings, amend the 2006-07 Budget for Capital Improvements and the Capital Improvement Program as follows:

From: Davis: Campus Wastewater Treatment Plant Expansion Phase 1 – Preliminary plans, working drawings, and construction – \$7,166,000, funded from State funds (\$3,543,000) and campus funds (\$3,623,000).

To: Davis: Campus Wastewater Treatment Plant Expansion Phase 1 – Preliminary plans, working drawings, and construction – \$7,166,000, to be funded from State funds (\$3,543,000), external financing (\$2,600,000), and campus funds (\$1,023,000).

- (3) The President, subject to concurrence of the Chairman of the Board and the Chair of the Committee on Grounds and Buildings, amend the 2006-07 Budget for Capital Improvements and the Capital Improvement Program as follows:

Davis: Relocating Agricultural Research – \$896,500 to be funded with external financing.

- (4) The President be authorized to obtain external financing not to exceed \$18,090,500 for items (1), (2), and (3), 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 project ground rent, utility surcharges, and funds available to the Chancellor, which shall generate net revenues sufficient to pay debt service and to meet all related financing requirements of the proposed funding.
  - c. The general credit of The Regents shall not be pledged.
- (5) 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.
  - (6) The Officers of The Regents be authorized to execute all documents necessary in connection with above.

15. **SUMMARIES OF COMMUNICATIONS RECEIVED**

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

16. **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 Compensation:

- A. Letter and resolution regarding the Academic Senate's call for rejection of the Senior Leadership Compensation Group salary structure. August 9, 2007
- B. Letter and enclosure regarding salary actions taken for professors, as well as administrators, in the Academic Personnel Program. August 14, 2007
- C. Letter and enclosure regarding the 2006 report of uncompensated outside professional activities of members of the Senior Management Group. August 22, 2007

To Members of the Committee on Grounds and Buildings:

- D. Capital Project Design Approvals since July 2002. August 22, 2007

To Members of the Committee on Health Services:

- E. Medical Center Activity and Financial Status Report for the eleven months ended May 31, 2007. July 24, 2007

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

- F. Investment Performance and Assets Allocation Report of the University of California Foundations for the quarter ending March 31, 2007. July 25, 2007

To The Regents of the University of California:

- G. Letter from the Department of Energy announcing that UC received \$3 million fine from the Department for violations of classified information security requirements relating to the October 2006 security incident at Los Alamos. July 13, 2007.
- H. Response to Glorja Kaufman regarding her concerns about programs and activities taking place at Glorja Kaufman Hall at UCLA. July 16, 2007
- I. Letter to Gov. Schwarzenegger and legislators regarding Regents' statement urging support for maintaining the University as a high priority during the resolution of the budget. July 19, 2007
- J. Update on the status of the State budget. July 24, 2007
- K. Notification of review by the Western Association of Schools and Colleges. July 30, 2007
- L. University Auditor's report on follow-up review of recommendations from the various executive compensation audits and reviews conducted in 2006. August 2, 2007
- M. Rejection of University's proposal to host and manage a petascale computing system for the National Science Foundation. August, 10, 2007
- N. President Dynes' announcement that he is stepping down from the presidency. August 13, 2007
- O. Letter from Chairman Blum regarding President Dynes' decision to step down. August 13, 2007
- P. Announcement of membership of the Special Committee to Consider the Selection of a President. August 17, 2007

- Q. Save the date notice for UC Merced's and UCLA's upcoming Chancellor Inauguration events. August 20, 2007
- R. Summary of the State Budget from President's office. August 21, 2007
- S. Letter to Gov. Schwarzenegger regarding the budget. August 21, 2007
- T. Letter and document entitled, "We Need to Be Strategically Dynamic," by Chairman Blum. August 22, 2007
- U. Op-ed by Chancellor Birgeneau in the "San Francisco Chronicle." August 23, 2007
- V. Summary of 2007-08 State budget impact on UC. August 24, 2007
- W. UC Berkeley Native American Graves Protection and Repatriation Act background summary. August 27, 2007
- X. President Dynes' Goals and Priorities. August 30, 2007
- Y. Response from Provost Hume to Chairman Blum's "Strategically Dynamic" letter. September 2, 2007.
- Z. Long Range Guidance Team Report. September 4, 2007
- AA. Response from Chair of the Council of UC Staff Assemblies Kathy Mendonca to Chairman Blum's "Strategically Dynamic" letter. September 5, 2007
- BB. Response to Mrs. Janet J. Gray regarding her son's financial aid processing at UC Merced. September 5, 2007
- CC. Copy of a letter expressing the opposition of the systemwide Vice Chancellors for Research to certain provisions of the draft compromise proposal on "University Acceptance of Research Funding From the Tobacco Industry." September 6, 2007

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The meeting adjourned at 2:40 p.m.

Attest:

Secretary and Chief of Staff