

The Regents of the University of California

**GOVERNANCE COMMITTEE**

May 15, 2019

The Governance Committee met on the above date at the UCSF–Mission Bay Conference Center, San Francisco.

Members present: Regents Elliott, Kieffer, Lansing, Makarechian, Napolitano, Pérez, and Sherman

In attendance: Regents Anderson, Morimoto, and Zettel, Regents-designate Um and Weddle, Faculty Representatives Bhavnani and May, Secretary and Chief of Staff Shaw, General Counsel Robinson, Executive Vice President and Chief Financial Officer Brostrom, Executive Vice President and Chief Operating Officer Nava, and Recording Secretary Johns

The meeting convened at 5:25 p.m. with Committee Chair Kieffer presiding.

**1. APPROVAL OF MINUTES OF PREVIOUS MEETING**

Upon motion duly made and seconded, the minutes of the meeting of March 13, 2019 were approved.

**2. APPROVAL OF APPOINTMENT OF AND COMPENSATION FOR CYNTHIA LARIVE AS CHANCELLOR, SANTA CRUZ CAMPUS AS DISCUSSED IN CLOSED SESSION**

Recommendation

- A. Having completed consultation with the Committee to Advise the President on the Selection of the Chancellor of the Santa Cruz campus, the President of the University recommended to the Regents that Cynthia Larive be appointed as Chancellor, Santa Cruz campus, at 100 percent time, effective on or about July 1, 2019.
- B. The President recommended that, contingent upon and effective with Cynthia Larive's appointment by the Regents as Chancellor of the Santa Cruz campus, the following items be approved in connection with that appointment:
  - (1) Per policy, annual base salary of \$425,000, which will be funded by State and non-State sources.
  - (2) Per policy, University-provided housing while serving as Chancellor.

- (3) Per policy, reimbursement of actual and reasonable moving and relocation expenses associated with relocating Ms. Larive's primary residence as well as professional/scholarly books, records, and equipment, including laboratory supplies, in connection with the initial relocation to Santa Cruz and the subsequent move to the campus University House, subject to the limitations under policy.
- (4) Per policy, when Ms. Larive leaves the Chancellor position and returns to the University faculty at a UC campus, reimbursement of actual and reasonable expenses related to relocating household goods and personal effects, including her personal library, laboratory, and any other related equipment and materials to a location of her choice in California, subject to the limitations under policy.
- (5) Per policy, continuation of standard pension and health and welfare benefits and standard senior management benefits (including eligibility for senior manager life insurance and eligibility for executive salary continuation for disability after five consecutive years of Senior Management Group service).
- (6) Per policy, eligibility to participate in the UC Employee Housing Assistance Program, in accordance with all applicable policies when stepping down as Chancellor, if Ms. Larive assumes a tenured faculty position at Santa Cruz or at another UC campus.
- (7) Per policy, an administrative fund will be established for official entertainment and other purposes permitted by University policy. Adjustments may occur annually as allowed by policy.
- (8) If Ms. Larive maintains an active research program in connection with a tenured faculty appointment during her appointment as Chancellor, an annual allocation of campus funding will be established for this research during the term as Chancellor. This allowance is not compensation, and Ms. Larive may only use it for expenses related to her research allowed under University policy.
- (9) Per policy, continued accrual of sabbatical credits as a member of tenured faculty, consistent with academic personnel policy.

The compensation described above shall constitute the University's total commitment until modified by the Regents or the President, as applicable under Regents policy, and shall supersede all previous oral and written commitments. Compensation recommendations and final actions will be released to the public as required in accordance with the standard procedures of the Board of Regents.

Background to Recommendation

The President of the University recommended the appointment of and compensation for Cynthia Larive as Chancellor, Santa Cruz campus. Ms. Larive is currently Provost and Executive Vice Chancellor at the Riverside campus. Ms. Larive's start date as Chancellor is anticipated to be on or about July 1, 2019. Subject to academic personnel review, the Santa Cruz campus will process a request for Ms. Larive's appointment as a tenured non-salaried Professor at zero percent time at UC Santa Cruz.

Ms. Larive's proposed annual base salary is \$425,000, which will be funded by State and non-State sources. The proposed salary is 15.7 percent below the 25th percentile (\$504,200) of the Market Reference Zone (MRZ) for the position of Chancellor and 1.5 percent above the base salary of the current incumbent (\$418,690).

Ms. Larive joined UC Riverside as a faculty member in 2005 as a Professor of Chemistry and was appointed as the Vice Provost for Undergraduate Education in 2016. In October 2017, Ms. Larive was appointed as the Provost and Executive Vice Chancellor, Riverside campus, after having been appointed on an interim basis in February 2017. Ms. Larive has exceeded expectations by providing robust leadership to the deans and vice provosts, strengthening relationships with the Academic Senate, revitalizing the campus' commitment to achieving the 2:1 freshmen-transfer ratio by 2020-21, overseeing the planning for the Multidisciplinary Research Building 1 (MRB 1), and working closely with the Office of Financial Planning and Analysis to refine the implemented campus budget model (a variant of Responsibility Centered Management or RCM). Ms. Larive demonstrates a high level of competence, a unique ability to quickly learn and take charge, and political deftness in working collaboratively across the Riverside campus.

Ms. Larive was a first-generation college student and has distinguished herself as a world-renowned scholar, as evidenced by her election as a fellow of the American Association for the Advancement of Science, the International Union of Pure and Applied Chemistry, and the American Chemical Society. In addition, she has established a strong reputation and excellent track record as a university administrator.

Ms. Larive received her Bachelor of Science in Chemistry at South Dakota State University, her Master of Science in Inorganic Chemistry at Purdue University, and her Doctorate in Analytical Chemistry at UC Riverside.

[Background material was provided to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

President Napolitano stated that she was delighted to recommend the appointment of Cynthia Larive to be the next chancellor at UC Santa Cruz. Ms. Larive was the daughter of a coal miner from North Dakota, had been a first-generation college student, and was a bioanalytical chemist by academic discipline. Ms. Larive was currently serving as Provost at UC Riverside, where she had contributed to the campus' achievements in diversity and in closing achievement gaps between Pell Grant recipients and other students. President Napolitano declared that Ms. Larive was ready to lead UC Santa Cruz to new heights.

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

3. **APPROVAL OF MARKET-BASED SALARY ADJUSTMENT FOR MONROE GORDEN, JR. AS VICE CHANCELLOR – STUDENT AFFAIRS, LOS ANGELES CAMPUS AS DISCUSSED IN CLOSED SESSION**

Recommendation

The Committee recommended approval of the following items in connection with the market-based salary adjustment for Monroe Gorden, Jr. as Vice Chancellor – Student Affairs, Los Angeles campus:

- A. Per policy, an annual base salary of \$350,000.
- B. Per policy, continuation of standard pension and health and welfare benefits and standard senior management benefits (including eligibility for senior manager life insurance and eligibility for executive salary continuation for disability after five consecutive years of Senior Management Group service).
- C. Per policy, continued eligibility to participate in the UC Employee Housing Assistance Program, subject to all applicable program requirements.
- D. As an exception to policy, this action will be effective retroactively to March 1, 2019.

The compensation described above shall constitute the University's total commitment until modified by the Regents, the President, or the Chancellor, as applicable under Regents policy, and shall supersede all previous oral and written commitments. Compensation recommendations and final actions will be released to the public as required in accordance with the standard procedures of the Board of Regents.

Background to Recommendation

The President of the University recommended that the Regents approve a market-based salary adjustment in an effort to retain Monroe Gorden, Jr. as Vice Chancellor – Student Affairs (VCSA), Los Angeles campus. The campus reported that Mr. Gorden is a finalist for a similar role at another institution with a salary that is more than 50 percent above his

current compensation. The campus reported that, although the proposed base salary increase is substantially lower than the other institution's offer, Mr. Gorden has committed to remain at UCLA if the proposed base salary in this action can be offered to retain him.

Mr. Gorden's current annual base salary is \$321,672 and the campus is requesting an 8.8 percent (\$28,328) increase in base salary to \$350,000, effective retroactively to March 1, 2019. The base salary increase will place the proposed base salary 3.1 percent above the 75th percentile (\$339,400) and 1.5 percent below the 90th percentile (\$355,400) of the position's Market Reference Zone (MRZ). This action requires approval by the Regents because of the placement of the proposed base salary within the position's MRZ. The proposed effective date will also require Regents' approval because it will be an exception to policy as a retroactive action.

Salary increases to retain a Senior Management Group (SMG) employee are rare; however, this request for the Los Angeles campus is critical to avoid severe operational, service, and functional disruption for the campus and its ability to accomplish the University's mission. The Executive Vice Chancellor – Provost is retiring in June 2019, and the transition to a new appointee will disrupt operations to a certain degree. If UCLA were to also have a transition in Student Affairs leadership by having to replace the VCSA, there would be additional pressure on the campus as the current academic year winds down and the new one starts.

The placement of the proposed base salary near the 90th percentile is necessary due to the level of the offer from the competing institution, but also due to the breadth of the role based on the number of students, as UCLA had the largest enrollment of Undergraduate and Graduate students for the 2017-18 academic year (45,428). For the 2018-19 academic year, the campus reports that UCLA received more than 137,000 freshman and transfer student applicants for fall 2018 and that UCLA enrolled 45,930 students (31,577 undergraduates, 12,960 graduate students, and 1,393 medical and dentistry interns and residents). Additionally, UCLA guarantees three years of University Housing to freshmen and one year to transfer students, with more than 97 percent of freshmen living on campus.

Mr. Gorden joined UCLA in 2006 as the Chief Administrative and Financial Officer for Student Affairs and served in this role through 2013. He was then appointed as the Associate Vice Chancellor for Student Affairs Administration until 2016, when he was appointed as the Interim VCSA following the retirement of the previous Vice Chancellor – Student Affairs. Mr. Gorden was appointed as the career VCSA in April 2018. Prior to joining UCLA, Mr. Gorden worked for United Healthcare where he served as Manager of Legal Contracting and as the Assistant General Counsel at Tenet Healthcare.

The VCSA provides leadership for an integrated network of more than 20 departments whose programs, services, and experiences connect at some point with every UCLA student in virtually every aspect of his or her life outside the classroom. The Student Affairs organization spans the entire range of student needs and interests from early outreach through graduation, housing, physical and emotional wellness, recreation and student

organizations, and a host of other services and opportunities focused on the student population.

The campus reports that Mr. Gorden's documented sustained exceptional performance has been noted in his more than 12 years of service to UCLA. Under the leadership of Mr. Gorden, UCLA has received recognition in the Princeton Review as the number ten university nationwide for the student recreation center and by *U.S. News and World Report* as the number four nationwide in the category "Best Colleges for Veterans." Additionally, UCLA has been consistently ranked as one of the top ten LGBTQ-inclusive campuses in the U.S., and is currently ranked number three. UCLA Transportation's Bruin Commuter Transit Benefit program earned the Commuting Options in Public Transit award at the Association for Commuter Transportation's (ACT) 2018 International Conference.

Mr. Gorden received his B.A. in Political Science at UCLA and his Juris Doctorate from the Pepperdine University School of Law.

[Background material was provided to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Committee Chair Kieffer briefly introduced the item.

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

4. **APPROVAL OF MARKET-BASED SALARY ADJUSTMENT RESULTING FROM AN EQUITY REVIEW FOR CATHRYN NATION AS VICE PRESIDENT – HEALTH SCIENCES, UC HEALTH, OFFICE OF THE PRESIDENT AS DISCUSSED IN CLOSED SESSION**

Recommendation

The Committee recommended approval of the following items in connection with a market-based salary adjustment for Cathryn Nation, UC Health, Office of the President, with the updated title of Vice President – Health Sciences, UC Health, following an equity review of her position:

- A. An annual base salary of \$375,000. As an exception to policy, this action will be effective retroactive to January 1, 2018.
- B. Per policy, continuation of standard pension and health and welfare benefits and standard senior management benefits (including eligibility for senior manager life insurance and executive salary continuation for disability after five consecutive years of Senior Management Group service).
- C. Per policy, continued eligibility to participate in the UC Employee Housing Assistance Program, subject to all applicable program requirements.

- D. Per policy, continuation of monthly contribution to the Senior Management Supplemental Benefit Program because Dr. Nation retains her current position.

The compensation described above shall constitute the University's total commitment until modified by the Regents or the President, as applicable under Regents policy, and shall supersede all previous oral and written commitments. Compensation recommendations and final actions will be released to the public as required in accordance with the standard procedures of the Board of Regents.

#### Background to Recommendation

The President of the University recommended approval of a market-based salary adjustment resulting from an equity review for Cathryn Nation of UC Health, Office of the President, with a proposed annual base salary of \$375,000. In accordance with the Governance Committee Charter, the Chair of the Health Services Committee was consulted on this salary action as this is a role within UC Health; however, because the position is funded at least in part using State General Funds, the Governance Committee is the committee to recommend this action to the full Board of Regents for approval.

This action requires approval by the Regents because the proposed salary is above the 75th percentile of the Market Reference Zone (MRZ). Additionally, as an exception to policy, the proposed effective date of January 1, 2018 is retroactive to more than one year from the approval date, which exceeds the President's approval authority of 45 days earlier than the date of approval.

A review of all Health System MRZs was conducted in late 2016 and the MRZs were then approved in January 2018. Dr. Nation's MRZ, titled Associate Vice President, Health Sciences, was included in the review and approved at that time.

Dr. Nation requested a meeting with Systemwide Human Resources in late 2018. In that meeting, Dr. Nation expressed that she had been in discussions with Executive Vice President – UC Health Stobo, following the January 2018 approval of the Health System MRZs, about the level of her role and stated that her responsibilities had not been accurately vetted at the time the Health System MRZs were reviewed and approved. In her meeting with Systemwide Human Resources where she requested a formal equity review, Dr. Nation stated that the inequity she noted has been ongoing in her estimation for at least four years. She also stated that she and Dr. Stobo had met some time after the approval of the MRZs, and that a job description for her current role was developed, which also proposed a title change from Associate Vice President to Vice President to better reflect the level of work she has been responsible for over a number of years.

Her current responsibilities were researched and a job description was developed for review by Systemwide Executive Compensation and Sullivan Cotter, a neutral third party. It was found that neither the current MRZ data for Dr. Nation's role nor her working title appropriately reflected the depth and breadth of her current set of responsibilities.

It is important to note that this recommendation does not reflect an increase in responsibility, but rather a correction and market alignment that more accurately reflect the current role Dr. Nation is in, and has been in for a number of years.

Dr. Nation's current salary is \$280,441 and is seven percent above the 60th percentile (\$262,200) of her current MRZ. A market-based salary adjustment of 33.7 percent (\$94,559) is requested to cure the inequity of her current compensation following the updated review of her position and responsibilities against appropriate market data.

This increase would bring her salary to \$375,000, which is 15.03 percent above the 75th percentile (\$326,000) and 12.46 below the 90th percentile (\$428,400) of her current MRZ. The updated MRZ data for Dr. Nation's position will be presented to the Regents for approval at a future meeting, along with the full set of systemwide MRZs as part of the annual review and update. Based on the updated MRZ, her salary would be 3.3 percent below the 60th percentile (\$387,900). Placement within the current MRZ and updated MRZ is appropriate, considering current job responsibilities and Dr. Nation's experience and skill set.

Additionally, a retroactive effective date of more than one year, to January 1, 2018, was requested for the market-based salary increase. This aligns with the date when the Health System MRZs were made effective in 2018.

With regard to Dr. Nation's title, President Napolitano approved an update to the working title to align with the evaluation by Sullivan Cotter and based on the job description presented for the evaluation. In Sullivan Cotter's evaluation document, the title was stated as "Vice President and Chief Academic Officer, Health Sciences", however, after discussions with Dr. Stobo, the working title was updated to "Vice President – Health Sciences, UC Health."

No other changes are proposed to Dr. Nation's compensation. Dr. Nation is not a participant in the Clinical Enterprise Management Recognition Plan.

[Background material was provided to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Committee Chair Kieffer briefly introduced the item.

Upon motion duly made and seconded, the Committee approved the President's recommendation and voted to present it to the Board, Regent Elliott voting "no" and Regent Pérez abstaining.



5. **APPROVAL OF EXCEPTION TO REGENTS POLICY 7707: SENIOR MANAGEMENT GROUP OUTSIDE PROFESSIONAL ACTIVITIES FOR HAROLD SELICK AS VICE CHANCELLOR – BUSINESS INNOVATION, DEVELOPMENT, AND PARTNERSHIPS, SAN FRANCISCO CAMPUS AS DISCUSSED IN CLOSED SESSION**

The Committee recommended that the Regents approve an exception to Regents Policy 7707: Senior Management Group Outside Professional Activities for Harold Selick as Vice Chancellor – Business Innovation, Development, and Partnerships, San Francisco campus, to allow Mr. Selick to temporarily hold three compensated board Outside Professional Activities with the pledge that he will stop one of the board activities no later than December 31, 2019.

[Background material was provided to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Committee Chair Kieffer briefly introduced the item.

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

6. **ALTERNATIVE HOUSING ARRANGEMENTS FOR INCOMING CHANCELLOR, SANTA CRUZ CAMPUS**

The President of the University recommended that the Regents:

- A. Approve alternative housing arrangements for the incoming Chancellor of the Santa Cruz campus, consistent with Regents Policy 7708: University-Provided Housing.
- B. Authorize the President or her delegate to negotiate, approve, and execute a lease for a residence within all of the following parameters:
  - (1) Rent per month not to exceed \$8,500;
  - (2) Living space not to exceed 4,000 square feet;
  - (3) Property in good condition;
  - (4) Close proximity to the main Santa Cruz campus;
  - (5) Initial term of two years with options to extend until the University House is habitable as a personal residence.
- C. Authorize the President or her delegate to negotiate, approve, and execute all related documents associated with securing alternative housing arrangements for the incoming Chancellor of the Santa Cruz campus.

[Background material was provided to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Executive Vice President and Chief Operating Officer Nava introduced the item, a request for approval of temporary alternative housing arrangements for the incoming Chancellor of the UC Santa Cruz campus. This was necessary because University House had been deemed uninhabitable since 2015 due to seismic and other structural problems.

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

7. **AMENDMENT OF THE ANNUAL INCENTIVE PLAN FOR PARTICIPANTS IN THE OFFICE OF THE CHIEF INVESTMENT OFFICER, OFFICE OF THE PRESIDENT**

The President of the University recommended approval of the proposed amendments to the University of California Office of the Chief Investment Officer Annual Incentive Plan, as shown in Attachment 1, using investment proceeds and no State funds. The proposed changes will be effective July 1, 2019.

[Background material was provided to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Committee Chair Kieffer briefly introduced the item.

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

8. **AMENDMENT OF THE GOVERNANCE COMMITTEE CHARTER**

The Chair of the Board recommended that the Charter of the Governance Committee be amended as shown in Attachment 2.

[Background material was provided to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Committee Chair Kieffer briefly introduced the item, explaining that the proposed amendment would add the most immediate past Chair of the Board to the Governance Committee in the interest of continuity.

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

9. **AMENDMENT OF THE HEALTH SERVICES COMMITTEE CHARTER**

The Chair of the Board recommended that the Charter of the Health Services Committee be amended as shown in Attachment 3.

Committee Chair Kieffer briefly introduced the item, noting that the proposed amendment would increase the number of chancellors on the Health Services Committee from two to three.

[Background material was provided to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

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

The meeting adjourned at 5:35 p.m.

Attest:

Secretary and Chief of Staff

**The University of California  
Office of the Chief Investment Officer**

**Annual Incentive Plan (AIP)  
For Plan Year July 1, ~~2018-2019~~ through June 30, ~~2019~~2020**

**I. Plan Purpose**

Under the authority granted by The Board of Regents, the purpose of the University of California Office of the Chief Investment Officer Annual Incentive Plan (“Plan”) is to provide the opportunity for at risk variable financial incentives to those employees responsible for attaining or exceeding key objectives in the Office of the Chief Investment Officer (CIO) which are consistent with University investment objectives.

The Plan provides participants with an opportunity to receive an annual non-base building cash incentive based on the performance of the University’s total investment portfolio, the assets and/or functional groups managed by the individual participant, and the individual participant’s qualitative performance. The incentive award is earned based on the achievement of specific financial, non-financial, and strategic objectives relative to the mission and goals of the Office of the CIO and the performance of the investment portfolio. The Plan focuses participants on maximizing returns in excess of stated performance benchmarks for all funds managed while assuming appropriate levels of risk. It is intended to support teamwork so that members of the Office of the CIO operate as a cohesive group.

**II. Plan Year**

The Plan year will correspond to the University’s fiscal year, beginning July 1 of each year and ending the following June 30.

**III. Plan Oversight**

Development, governance and interpretation of the Plan will be overseen by an independent Administrative Oversight Committee (AOC) comprised as follows:

- Executive Vice President – Chief Operating Officer
- Executive Vice President – Chief Financial Officer
- Vice President – Systemwide Human Resources
- Executive Director – Systemwide Compensation Programs and Strategy

The AOC, in its deliberations pertaining to the development or revision of the Plan, may consult with the CIO or other key members of the CIO’s staff. The AOC will abide by the Political Reform Act, which would prohibit Plan participants, such as the CIO and other members of the CIO’s staff, from making, participating in making, or influencing decisions that would affect whether they participate in the Plan, the objectives that will govern whether they earn awards under the Plan, and the amount of awards paid to them under the Plan. The Office of General Counsel will be consulted if there are any questions about the application of the Political Reform Act in this context. The Chief Compliance and Audit Officer will assure that periodic auditing and monitoring will occur, as appropriate.

#### **IV. Plan Approval**

The Plan will be subject to an annual review conducted by the AOC to address design issues and market alignment. The Plan will be implemented each year upon the approval of the AOC if no changes to the Plan are being recommended. If the AOC recommends any substantive or material changes to the Plan, including, but not limited to, changing the award opportunity levels, the AOC will obtain the approval of the President and the ~~Regents' Committee on Governance and Compensation and consult with the Chair of the Regents' Investments Subcommittee~~ Regents' Investments Committee before implementing such changes.

Reasonable efforts, given all circumstances, will be made to delay implementing substantive or material Plan changes until after the current Plan year has ended. However, if changes are implemented during the Plan year that would affect the award calculations, changes will only be applied prospectively to the remaining portion of the Plan year. Moreover, no changes will affect awards earned by Plan participants for performance in prior Plan years. Plan changes recommended by the AOC that are not material or substantive, or are deemed to be technical corrections, may be approved by the AOC after consultation with the President and will then be implemented by the AOC at an appropriate time. The Regents will receive reports of all substantive or material changes to the Plan.

#### **V. Plan Administration**

The Plan will be administered by the Executive Director – Systemwide Compensation Programs and Strategy, consistent with the provisions of this Plan approved by the President and the Regents. The Plan features and provisions outlined in this document shall supersede any other Plan summary.

Except as set forth below, all award amounts will be reviewed by and require the approval of the AOC. In the unlikely event that the AOC proposes an award that is not consistent with the terms of this Plan document, approval by the President and Regents will be required. The AOC will consult the Chief Compliance and Audit Officer in an independent advisory capacity during its review of proposed awards. Any incentive award for the CIO or any other participant who is a direct report to the Regents and/or the President will require the approval of the Regents in addition to the AOC.

#### **VI. Eligibility to Participate**

Eligible participants for the Plan include senior management, professional investment and trading staff and other key positions in the Office of the CIO, as recommended by the CIO and subject to approval by the AOC. Eligibility is reviewed annually by the CIO and is subject to approval by the AOC, prior to the beginning of the Plan year.

A participant who has been found to have committed a serious violation of state or federal law or a serious violation of University policy at any time prior to distribution of an award will not be eligible for such awards under the Plan for that Plan year and/or performance period. If such allegations against a participant are pending investigation at the time of the award distribution, the participant's award(s) may be withheld pending the outcome of the investigation. If the participant's violation is discovered later, the participant may be required to repay awards for the Plan years and/or performance periods in which the violation occurred.

Participants in the Plan may not participate in any other incentive or recognition plan during the plan year, except in the event of a mid-year transfer within the University. Specifically, if a Plan participant is eligible for only a partial year award under this Plan because a mid-year transfer of position renders him or her eligible for Plan participation for only a portion of the Plan year, he or she may participate in a different University plan for the other portion of the Plan year. Concurrent participation in this Plan and another University plan is not permitted.

Prior to the beginning of the Plan year, the AOC will provide the President and the Chair of the Regents' ~~Committee on Governance and Compensation~~ Investments Committee with a list of Plan participants for that Plan year, including appropriate detail regarding each Plan participant.

Plan participation in any one year does not provide any right or guarantee of eligibility or participation in any subsequent year of the Plan.

Participants must be active full-time employees of the University in the Office of the CIO at the conclusion of the Plan year (i.e., as of midnight on June 30th) to be eligible to receive an award for that Plan year, unless the circumstances of their separation from the University entitle them to a full or partial award as set forth in the Separation from the University provision below in Section XIII.

Eligible employees who are appointed after the start of the Plan year must have an employment start date no later than January 15, to be eligible to receive an award for that Plan year. Newly hired participants will be eligible to receive a prorated award in their first partial year.

Participants who were not working for a significant portion of the Plan year may receive a partial award, if they are active full-time employees in the OCIO at the end of the Plan year. For the purpose of this Plan, leave of absence status will be determined by applicable University policies governing such leaves.

## **VII. Performance Standards**

Each performance objective will include standards of performance defined as follows:

- **Threshold Performance:** This level represents satisfactory results, but less than full achievement of performance objectives.
- **Target Performance:** This level represents full achievement of all performance expectations.
- **Maximum Performance:** This level represents results that clearly exceed expectations.

## **VIII. Incentive Award Opportunity Levels**

Plan participants are assigned award levels that serve to motivate individual, group and total entity performance as part of a competitive total cash compensation package. Participants are eligible to receive an incentive award, expressed as a percentage of their base salary that corresponds to predetermined target levels of performance. Actual incentive award levels may be greater or less than the target opportunity level, depending on performance relative to policy portfolio benchmarks and individual contribution. Award opportunity levels by position are as follows:

Position	Threshold Opportunity (as % of Salary)	Target Opportunity (as % of Salary)	Maximum Opportunity (as % of Salary)
Chief Investment Officer (CIO)	50%	100%	<del>165%</del> 200%
Senior Managing Directors & Chief Operating Officer	30%	60%	120%
Managing Directors	25%	50%	100%
Investment and Risk Directors	22.5%	45%	90%
Investment Officers	17.5%	35%	70%
Sr. Investment Analyst /Portfolio Mgr	10%	20%	40%
Other Participants, including Operations Managers/Directors	10%	20%	<del>25%</del> 40%

## IX. Performance Objectives

The three Performance Objective categories of the Plan are:

1. Quantitative Entity Performance (e.g., total investment portfolio performance)
2. Quantitative Asset Class and/or Functional Group Performance, if applicable
3. Individual/Qualitative performance

The quantitative investment performance objectives will be reviewed and approved by the AOC in consultation with the CIO, the President, and ~~Chairs of the Regents' Committees on Governance and Compensation, and Investments Subcommittee~~Chair of the Regents' Investments Committee, and an independent investment consultant prior to the beginning of the Plan year. Performance objectives for each Plan participant must include the Entity Performance, the Asset Class Performance (where applicable), and the Individual/Qualitative Performance.

Individual/Qualitative Performance objectives may be established in, but are not limited to, the following areas:

- Leadership
- Implementation of operational goals
- Management of key strategic projects
- Effective utilization of human and financial resources

Individual/Qualitative performance objectives for each Plan participant other than the CIO will be defined by his/her supervisor. These objectives will be subject to endorsement by the CIO and approval by the AOC prior to the beginning of the Plan year. The individual performance objectives of the CIO will be defined annually by the President, who may consult with the Chair of the Regents' Investments SubcommitteeCommittee, prior to the beginning of the Plan year or as soon as possible thereafter. The AOC will consult the Chief Audit and Compliance Officer in an independent advisory capacity during its review of Plan participants' objectives.

Prior to the beginning of the Plan year or as soon as possible thereafter, the-supervisor of each Plan participant will provide him/her with written documentation that (a) identifies the participant's individual performance objectives applicable to the Plan, (b) defines the performance standards and metrics that will be used to measure threshold, target, and maximum performance for each investment objective, and assigns performance weightings to the participant's objectives.

## **X. Performance Measures and Weightings**

For Plan participants other than the CIO, the participant's performance against assigned Individual/Qualitative goals will be assessed by the participant's supervisor and require the approval of the CIO. The CIO's performance against assigned Individual/Qualitative objectives will be assessed by the President, who will consult with the Chair of the Regents' Investments Subcommittee.

Quantitative investment performance of both the University portfolios and the market indexes for performance objectives is measured using a three-year rolling average. This method provides for longer term focus on and accountability for sustainable performance results. Investment returns in a given year, whether positive or negative, affect the average, and thus the payout, over three separate Plan years. The lowest value of any award in a given year will be zero.

If the Entity, Asset Class and/or Functional Group experience negative three-year rolling average returns (or other, applicable performance measurement periods, as described in Section XI, below) in any year, regardless of relative performance against benchmarks, that year's award for that component (Entity, Asset Class and/or Functional Group) will be zero. In those years where a component has negative three-year rolling average returns and nil awards, a participant may nevertheless earn awards tied to the other components where performance is positive, as well as for Individual/Qualitative performance. Negative performance in the current year will have no adverse impact on the deferred portions of prior year awards.

Awards are determined based on achievement of performance objectives relative to policy portfolio benchmarks and individual contribution, and in accordance with the payout curve established for each performance objective. Performance measures for participants in their first full Plan year or later are weighted as displayed in the table below.

<b>Position</b>	<b>Weighting for Entity Performance Objectives</b>	<b>Asset Class Performance Objectives, if applicable</b>	<b>Weighting for Individual/Qualitative Performance Objectives</b>
Chief Investment Officer	75%	0%	25%
Senior Managing Directors (Risk Mgmt and Chief Operating Officer)	75%	0%	25%
Senior Managing Directors (Asset Class)	50%	25%	25%
Managing Directors (Asset Class)	50%	25%	25%
Directors (Asset Class)	50%	25%	25%
Investment Officers Asset Class	50%	25%	25%
Investment Officers, Risk Management	75%	0%	25%
Managing Directors and Directors, Risk	75%	0%	25%
Sr. Investment Analysts	75%	0%	25%
Other Participants, including Operations Managers	75%	0%	25%



## XI. Transitional Weightings for New Hires

In recognition of a participant's limited ability to affect attainment of objectives during the first two years of service, the following adjustments are made in the Weighting table for participants in their first three Plan years, as reflected in the following table.

Time Period	Weighting for Quantitative Performance Objectives (Entity, Asset Class, Functional Group)	Weighting for Individual/Qualitative Performance Objectives
First <i>partial</i> year	50% / 1 year performance	50%
Year 1 (first full year)	75% / 1 year performance*	25%
Year 2 (second full year)	75% / 2 years' performance*	25%
Year 3 (third full year)	Standard participation as provide by level under the Plan	

\* or including weighting for asset class performance, as provided in the chart in Section X.

In special cases, such as for a new participant charged with the restructuring of an entire asset class or strategy, the above weights may be modified at the recommendation of the CIO, subject to approval by the AOC. In such a case, the participant will be required to meet specific objectives that contribute to long-term performance.

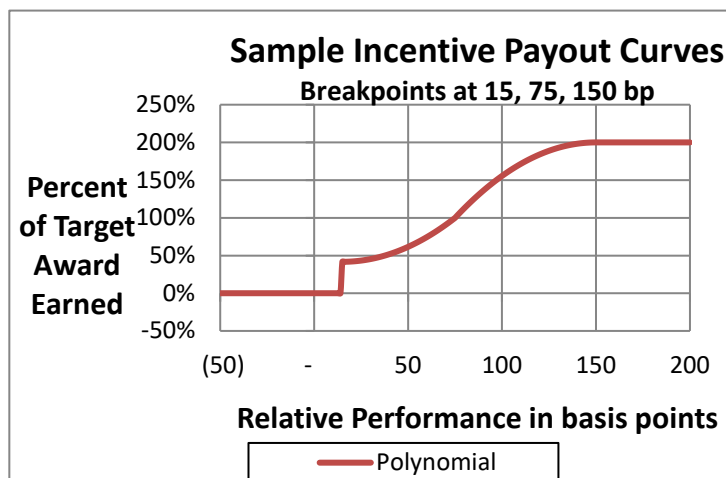
The phase-in of new asset classes will be handled in a similar way, that is, performance for the first year of a new asset class will be based on a single year's return; performance for the second year of the class will be based on the first two years' returns. See the Administrative Guidelines for more details of specific circumstances.

## XII. Award Determination and Processing

Annual incentive awards will be payable in cash, subject to appropriate taxes and pursuant to normal University payroll procedures. The participant's total salary (which includes base salary, and any stipends, but does not include any prior year incentive award payouts or disability pay) paid as of the end of the Plan year (i.e., as of midnight on June 30) will be used in the calculation of the award amount. The current position held by the participant at the end of the Plan year or the applicable performance period will determine the award opportunity level in the calculation. For Investment Officers and above, the award will be payable in three annual payments comprised of 50 percent paid after the conclusion of the current Plan year, 25 percent paid when awards are paid for the next Plan year and 25 percent paid when awards are paid for the Plan year after that. For participants below the Investment Officer level (as reflected in the charts above), awards are payable in one lump sum; there is no deferral of any portion of their awards.

The deferred portion of awards earn interest during the period of deferral based on the ~~Short-Term Investment Pool (STIP) rate of return during the period of deferral~~ performance of the Total Entity, calculated using a three-year rolling average (but not less than zero). The calculation of the interest percentage will be completed at the close of each plan year. Payments of the deferred portions of awards for prior Plan years are generally issued during the fall of each year when the non- deferred portion of awards are paid for the recently concluded Plan year. Accrued awards for participants on approved leave of absence will be paid according to the normal schedule.

A polynomial payout curve is used to determine actual awards for performance levels between threshold and maximum and relative to Entity, Asset Class, and Functional Group quantitative performance objectives. The chart below shows an example of the polynomial payout curve. In this example, the Threshold is 15 bp, the Target is 75 bp, and the Maximum is 150 bp.



The primary advantage of the polynomial curve is that it supports higher proportional awards for better performance thereby encouraging participants to achieve target level or higher performance.

### XIII. Separation from the University

The table below indicates whether a participant who separates from the University will be eligible to receive partial awards and/or payout of deferred portions of the awards for prior Plan years and also specifies when forfeiture of such awards will occur. Payment of deferred portions of prior Plan year awards will be paid with interest, as described in Section XII. Retirement will be determined based upon applicable University policies. In order to determine the most accurate award for the current Plan year, partial payments will be calculated at the end of the Plan year and issued in accordance with the normal process and schedule. The table, below, provides an example of how separations will be handled.

Reason for Separation	Separation During Plan Year (i.e., on or before June 30, 2020)	Separation on or after July 1, 2020
Voluntary Separation for any reason other than retirement	<ul style="list-style-type: none"> <li>Forfeiture of award for 2018-19 Plan year.</li> <li>Forfeiture of deferred portions of awards from 2016-17 and 2017-18 Plan years.</li> </ul>	<ul style="list-style-type: none"> <li>Payout of 50% of award 2018-19 Plan year; forfeiture of remainder.</li> <li>Payout of half of deferred portion of award for 2017-18 Plan year; forfeiture of remainder.</li> <li>Payout of remaining portion of deferred award for 2016-17 Plan year.</li> </ul>

<ul style="list-style-type: none"> <li>• Retirement</li> <li>• Medical separation due to disability</li> <li>• Death*</li> <li>• Involuntary separation due to reorganization or restructuring</li> </ul>	<ul style="list-style-type: none"> <li>• Partial award for <del>2018-19</del><u>2019-20</u> Plan year.</li> <li>• Payout of all deferred portions of awards from <del>2017-18</del><u>2018-19</u> and <del>2016-17</del><u>2017-18</u> Plan years.</li> </ul>	<ul style="list-style-type: none"> <li>• Award for <del>2018-19</del><u>2019-20</u>.</li> <li>• Payout of all deferred portions of awards from <del>2017-18</del><u>2018-19</u> and <del>2016-17</del><u>2017-18</u> Plan years.</li> </ul>
Involuntary termination due to misconduct or inadequate performance	<ul style="list-style-type: none"> <li>• Forfeiture of award for <del>2018-19</del><u>2019-20</u> Plan year.</li> <li>• Forfeiture of deferred portions of awards from <del>2017-18</del><u>2018-19</u> and <del>2016-17</del><u>2017-18</u> Plan years.</li> </ul>	<ul style="list-style-type: none"> <li>• Forfeiture of award for <del>2018-19</del><u>2019-20</u> Plan year.</li> <li>• Forfeiture of deferred portions of awards from <del>2017-18</del><u>2018-19</u> and <del>2016-17</del><u>2017-18</u> Plan years.</li> </ul>

\* In such cases, payments will be made to the estate of the participant.

#### **XIV. Extraordinary Market Environments**

In periods of unusual market and economic stress, when the entity experiences negative investment returns, regardless of the entity's relative performance against benchmarks, the portion of the current Plan year awards that would normally be paid at the end of the current Plan year may be deferred. If this deferral mechanism is invoked, awards will be reviewed and approved in the usual manner. But, in conjunction with that review and approval process, deferral will be recommended by the AOC and then approved by the President and the Chairs of the Regents' ~~Committees on Governance and Compensation and Investments Subcommittee~~Investments Committee. In such a case, the portion of the current Plan year awards that have been deferred will earn interest ~~based on the STIP rate of return~~ during the period of deferral, as defined in Section XII, above. The portion of the current Plan year awards that have been deferred will be processed and distributed as soon as possible. However, in no event will they be deferred longer than one year.

#### **XV. Award Approval Process**

The AOC must convene to review all recommended awards within a reasonable time after the close of the Plan year. The AOC will provide the President and the Chair of the Regents' ~~Committee on Governance and Compensation~~Investments Committee with a listing of award recommendations before awards are scheduled to be paid. Payouts to individuals of approved awards will be processed as soon as possible unless the provision in Section XIV above regarding Extraordinary Market Environments applies.

On behalf of the AOC, the Executive Director – Systemwide Compensation Programs and Strategy will provide the President and the Regents with the award details in the Annual report on Executive Compensation. The AREC will also report awards paid to non-SMGs whose compensation falls within the AREC's reporting criteria.

This Plan may be terminated or replaced at any time for any reason upon the recommendation of the President, in consultation with the Chairs of the Regents' ~~Committee on Governance and Compensation and the Investments Subcommittee~~Investments Committee, and with the approval of the Regents. Reasonable efforts, given all circumstances, will be made to delay Plan termination until after the current Plan year has concluded. However, if the Plan is terminated during the Plan year, prorated awards for the current year will still be processed based on participants' performance during the portion of the Plan year prior to termination. Moreover, such termination will not affect awards earned by Plan participants for

performance in prior Plan years.

The University may require repayment of an award that that was made as a result of inappropriate circumstances. For example, if there is an inadvertent overpayment, the participant will be required to repay the overage. If the participant has not made the repayment before the award or the employee for a subsequent year is approved, the outstanding amount may be deducted from the employee's subsequent award.

## Additions shown by underscoring

### Charter of the Governance Committee

- A. Purpose. The Governance Committee shall provide strategic direction and oversight, make recommendations to the Board, and take action pursuant to delegated authority, on matters pertaining to the organization and management of the Board, pertaining to the appointment and compensation of the University's senior leadership, performance evaluation of the Principal Officers and the President of the University, and personnel policies for senior leadership, and pertaining to the development, review and amendment of employee compensation and benefits programs and policies.
- B. Membership and Terms of Service. The Committee shall consist of the President of the Board, the Chair and Vice Chair of the Board, the President of the University, the immediate past Chair of the Board if that individual is still a Regent, and the Chairs of the Standing Committees. The Chair of the Board shall be the Chair of the Committee and the Vice Chair of the Board shall be the Vice Chair of the Committee. All members shall be voting Regents, with no advisory members.
- C. Delegated Authority. The benchmarking framework for UC Health compensation shall be reviewed and approved by both the Health Services Committee and the Governance Committee at least every two (2) years. The Health Services Committee and the Governance Committee shall also approve any new UC Health positions in the Senior Management Group and their corresponding salary ranges for positions that are not State-funded without further Regents action. Matters requiring Board or Committee action between meetings may be approved by the Governance Committee.
- D. Other Oversight Responsibilities. In addition to the responsibilities assigned to the Committee described above, and to the extent not otherwise within such responsibilities, the charge of the Committee shall include reviewing and making recommendations to the Board with regard to the following matters and/or with regard to the following areas of the University's business:
- Review and amendment of the University's Bylaws, Regents Policies that pertain to Board operations, and other governing documents
  - Formation and organization of the Board's Standing Committees, subcommittees and special committees, and development of committee charters
  - Review and oversight of the Board code of conduct and other Board policies
  - Oversight of member compliance with laws, regulations and University policy
  - Development of Board training and performance assessment programs
  - Development of Board meeting and other processes
  - Advising the President of the University on strategic issues and direction of the Office of the President
  - Appointment and performance evaluation of the President of the University and the Principal Officers of the Regents, in accordance with University policy
  - Review of University personnel policies

- Approval of appointment and compensation of University senior leadership, other than individuals within the express jurisdiction of another Committee as specified in a committee charter, in accordance with University policy
- Review of University compensation and benefit plans and programs
- Development of compensation benchmarks, unless otherwise specified in a committee charter, and other tools to assess the efficiency and competitiveness of the University's compensation and benefits plans and programs
- Oversight of University collective bargaining practices
- Assuring that appropriate subject matter expertise is available to the Board and its Committees
- Recommending to the Board procedures to consider any allegation that a Regent, Committee member, Regent Designate or advisor to a Board Committee has not fulfilled their duties as set forth in University Bylaws, policy or applicable law; to implement appropriate response(s) when such allegation is found to have merit, and to determine levels of authority to act on such matters.

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

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

**Additions shown by underscoring; deletions shown by strikethrough**

### **Appendix E - Charter of the Health Services Committee**

- A. Purpose. The Health Services Committee shall provide strategic direction and oversight, make recommendations to the Board, and take action pursuant to delegated authority, on matters pertaining to the University's health professions schools, academic health centers, health systems, non-hospital clinics and student health and counseling centers ("UC Health").
- B. Membership. The Committee shall consist of sixteen members, constituted as follows:
- The President of the Board, serving in an ex officio capacity
  - The Chair of the Board, serving in an ex officio capacity
  - The President of the University, serving in an ex officio capacity
  - A member of the Regents Finance and Capital Strategies Committee
  - ~~A member of the Regents Governance Committee~~
  - ~~Five~~ Six other Regents
  - The senior executive in the Office of the President charged with overseeing UC Health, serving in an ex officio capacity
  - ~~Two~~ Three Chancellors of University of California campuses with medical schools
  - One member in good standing of the Academic Senate, holding a clinical appointment at one of the University's health sciences schools
  - Four additional advisory members, demonstrating expertise in health care delivery management, academic health services, health care mergers and acquisitions or other relevant expertise
- C. Appointment. Except for ex officio members, all members of the Committee, and those chosen to serve as Chair and Vice Chair, shall be nominated by the Governance, and approved by the Board. Candidates for the Chancellor, Academic Senate, and Advisory Member positions on the Committee shall be forwarded for consideration to the ~~Governance~~ Special Committee on Nominations by the President of the University.
- D. Term. Unless otherwise specified by action of the Board, voting Regent members of the Committee, other than ex officio members, shall be appointed for a term of three years, subject to reappointment, in order to facilitate the development of expertise needed to provide effective oversight of the health enterprise. Regents who have less than three years remaining in their terms are eligible for appointment. Advisory members may serve for such terms as recommended by the ~~Governance~~ Special Committee on Nominations, and approved by the Board, and shall not be subject to any term limits.

- E. Special Requirements for Chancellors/Advisory Members. Only the Regent members of the Committee shall be permitted to vote on Committee business. A Chancellor member of the Committee shall be permitted to participate on a matter primarily affecting or benefitting their campus only to the extent of presenting or assisting in the presentation of the matter to the Committee, and shall not otherwise participate in the Committee's deliberations. This limitation shall not apply when the matter is expected to affect or benefit all or substantially all UC Health campuses. External advisory members (non-Chancellors) shall meet separately with the senior executive of UC Health periodically to provide advice.
- F. Delegated Authority Over Transactions.
1. General Delegation: Subject to the limitations and other requirements specified below, the Committee shall have plenary authority to approve the following UC Health business transactions, which, on approval, shall require no further action or authorization from the Board or any other committee:
    - alliances and affiliations involving University financial commitments, use of the University's name, research resources, and the University's reputation;
    - acquisitions of physician practices, hospitals and other facilities and clinics and ancillary services providers;
    - participation or membership in joint ventures, partnerships, corporations or other business entities; and
    - other business transactions primarily arising from or serving the programs or services of UC Health.
  2. Further Delegation: With review and approval of the Chair or Vice Chair of the Health Services Committee, the President may approve any UC Health transaction that can reasonably be anticipated to commit or generate no more than the lesser of (i) 1.5% of the relevant Medical Center's annual operating revenue for the previous fiscal year, or (ii) \$25 million and when combined with other transactions approved by the President for a particular Health Center in the current fiscal year, would reasonably be anticipated to commit or generate no more than the lesser of (i) 3% of the relevant Health Center's annual operating revenue for the previous fiscal year, or (ii) \$50 million; nor to any transaction involving more than one Medical Center.
  3. Exclusions From Delegations:
    - When a transaction is predominantly (by revenue committed or generated) a real estate transaction; or
    - when a transaction includes issuance of debt; or
    - when a transaction is anticipated to generate or commit more than 3% of the annual operating revenue of the sponsoring health center(s), as reflected in the audited financial statement(s) for the most recent fiscal year; or



- when a transaction, when combined with the value of other transactions approved by the Committee in the current fiscal year, reasonably is anticipated to generate or commit more than 5% of the annual operating revenue of the sponsoring health center(s), as reflected in the audited financial statements for the most recent fiscal year.

G. Delegated Authority Over Appointments and Compensation.

1. When the appointment of or compensation for an employee serving UC Health or any of its components, whose compensation is paid solely from sources other than State general fund support to the University, otherwise requires approval from the Regents or a Committee of the Regents, the Health Services Committee may review and approve such appointment and/or compensation without further Regents action.
2. The Committee shall develop a benchmarking framework for use in evaluating compensation proposals that may be approved under the authority delegated in paragraph G(1). The benchmarking framework shall identify peer institutions against which UC Health competes for high level positions and identify external salary data for positions comparable to those that may be approved by the Committee. The benchmarking framework shall be reviewed and approved by both the Health Services Committee and the Governance Committee at least every two (2) years. The Health Services Committee and the Governance Committee shall also approve any new UC Health positions in the Senior Management Group and their corresponding salary ranges for positions that are not State-funded without further Regents action.

H. Other Oversight Responsibilities. In addition to the authority described above, the Committee may review and make recommendations with regard to the following matters and/or with regard to the following areas of the University's business:

- The general operation of UC Health
- Functions and operations of the governing body of each of the academic health centers
- Systemwide or regional UC Health initiatives
- Patient care and the cost, quality and accessibility of service
- Development of health system performance dashboards
- Strategic plans and budgets for UC Health
- Issuance of debt that may affect UC Health clinical strategy
- Real estate transactions that may affect UC Health clinical strategy
- Capital improvements that may affect UC Health clinical strategy
  - The Health Services Committee shall consider proposals for plans for improvements and capital improvement requests involving UC Health or any of its

components prior to or concurrent with consideration, recommendation, or approval by the Finance and Capital Strategies Committee. This requirement applies only to those capital projects that are related to patient care or research, or are otherwise of strategic importance to UC Health.

- Health system acquisitions, affiliations and alliances (for matters not covered by the Committee's delegated authority)
- Health system procurement
- Health system appointments and compensation (for matters not covered by the Committee's delegated authority)
- Health system incentive compensation programs
- Participation in government health care programs and contracts with private health plans
- University health benefits self-insurance programs under UC Health (e.g., UC Care)
- Health information privacy, security and data protection
- Regulatory compliance
- All other matters significantly affecting UC Health

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

- I. Administrative Committees. Notwithstanding any other University policy, the Regent members of the Committee shall be permitted to serve on committees or work groups established by the President of the University or other University administrators for the conduct of the business of UC Health.
- J. Reporting. In addition to the reports required under Bylaw 24.11, the Committee shall deliver to the Board the following reports, which may be in writing, on at least an annual basis:
  - The UC Health strategic plan and budget, presented to the Board for review
  - A report on the status of the University student health and counseling centers
  - A written report on the status of all health system transactions approved under the Committee's delegated authority during the previous three years