

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

April 6, 2023

A special meeting of the Regents of the University of California was held on the above date at the Engineering Science Building, Santa Barbara campus and by teleconference meeting conducted in accordance with California Government Code §§ 11133.

Members present: Regents Blas Pedral, Chu, Cohen, Drake, Elliott, Guber, Hernandez, Kounalakis, Leib, Makarechian, Matosantos, Park, Pérez, Pouchot, Reilly, Sherman, Sures, Thurmond, and Timmons

In attendance: Regents-designate Ellis, Raznick, and Tesfai, Faculty Representatives Cochran and Steintrager, Secretary and Chief of Staff Lyall, General Counsel Robinson, Provost Newman, Executive Vice President and Chief Financial Officer Brostrom, Executive Vice President and Chief Operating Officer Nava

The meeting convened at 9:50 a.m. with Chair Leib presiding.

1. PUBLIC COMMENT

Chair Leib explained that the public comment period permitted members of the public an opportunity to address University-related matters. The following persons addressed the Board concerning the items noted.

- A. Elena Salazar, parent of a UC Berkeley student, stated that the Berkeley campus was among the most dangerous in the country and reported that the prior day, a female student was sexually assaulted on campus in the Eucalyptus Grove. She expressed concern about chronic understaffing of campus police and urged UC Berkeley to provide more resources for campus safety and security.
- B. Sagar Jethani, representative of the advocacy group SafeBears, emphasized that violent crime in Berkeley was putting UC students at risk. The prior month, there were multiple cases of students robbed at gunpoint. He praised the administration for taking additional steps for security after shooting incidents in the past year but noted that dormitories were regularly invaded by violent intruders and suggested that UC Berkeley should restore its night shuttle service and put real solutions in place.
- C. Seema Burke, parent of a UC Berkeley student, implored the Regents to take a serious look at improving safety on this campus. Despite the high academic status of UC Berkeley, the City of Berkeley was unsafe for students and residents. UC police had experienced difficulty in recruiting personnel. Ms. Burke suggested calling on the Governor's office for assistance and having the National Guard come

in as a temporary measure until UC Berkeley police staff could be increased. Armed robberies had increased greatly. This was an urgent matter.

- D. Genevieve Ortiz, UC Riverside student, urged the Regents to support a budget request by the UC Student Association (UCSA) for additional support for students with disabilities. Disability specialists on every UC campus were overworked and underfunded, with massive caseloads. It was not unheard of for students to wait for over a month for accommodation. This negatively affected students' academic achievement. Ms. Ortiz enjoined the University to uplift this student population by providing needed support.
- E. Brandi Madison stated that students with disabilities at all UC campuses were suffering due to a lack of services. She reported that she had to wait a month to see a counselor while waiting for services. The University's spending allocation per disabled student appeared to have been reduced year over year. More funding was needed to support students with disabilities.
- F. Alex Niles, UCSA President, referred to testimony gathered by UCSA on long wait times for services for students with disabilities at UC, which affected these students' academic success. Campus centers for disabled students were understaffed, with sometimes one specialist for 500 students. It appeared that UC Merced had one staff member responsible for the entire disabled student program. There was not staffing capacity for other services such as career mentorship. Mr. Niles emphasized the difficulties caused by this understaffing.
- G. Yazbeck Muro, former UC Merced student, stated that 300 UCM students with disabilities did not have a campus center; there was a single coordinator for their services who worked very hard to ensure accommodations. There was need for a director and auxiliary staff. Ms. Muro asked that UC provide permanent and ongoing funding for these services across the UC system.
- H. Marvia Cunanan, External Vice President of Statewide Affairs for the Associated Students of UC Santa Barbara, urged the Regents to consider funding to expand staffing capacity at UC disability services centers. There were an estimated 19,000 UC students with a disability, and important services for them were lacking, which was shameful for a public university. UC could not continue to ignore the presence and needs of this community.
- I. Sophia Lee-Park, UC Santa Barbara student, stated that UC students with disabilities did not have a comprehensive, broad, and intersectional support system. These students deserved to have staff who advocate for them. She reported that she was not able to pursue a minor in Education due to the in-person requirements of that course of studies, which disability services staff could not accommodate.
- J. Monica Mekhlouf expressed concern about UC's programs for disabled students. Disabled students across UC were experiencing unprecedented wait times because

all campus specialists were overloaded and overworked. Service providers had caseloads of 400 to 500 students. There was a dire need to hire more staff at these service centers. Referring to her own experience, Ms. Mekhlouf stressed that a student's academic path can be derailed in a month when waiting for services, especially in the quarter system.

- K. Katrina Sacluti, UC Santa Barbara student, stressed the importance of allocating proper systemwide funding to disability service programs. She reported that UCSB almost lost its lecture note-taking service for disabled students in the past fall quarter. Delays in accommodation meant that students were attending UC without the support that would allow them to succeed. Increased funding would allow provision of services that students had requested but not been able to obtain, such as remote learning environments, assistive technology, and American Sign Language and Braille interpreters.

2. **AMENDMENT OF REGENTS POLICY 5309: POLICY ON THE UNIVERSITY OF CALIFORNIA EMPLOYEE HOUSING ASSISTANCE PROGRAM AND REGENTS POLICY 7708: UNIVERSITY-PROVIDED HOUSING**

The President of the University recommended that the Regents: (1) amend Regents Policy 5309: Policy on the University of California Employee Housing Assistance Program to allow Chancellors who reside in University-provided housing as their primary residence per Regents Policy 7708 to use the Program to purchase a secondary residence in conjunction with the University-provided housing, as shown in Attachment 1, and; (2) amend Regents Policy 7708: University-Provided Housing, 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.]

Chair Leib explained that there were two action items related to additional compensation before the Board at this meeting. The first item proposed amendments to current Regents policy that would allow for chancellors to participate in the UC Employee Housing Assistance Program. The second item specifically recommended approval of additional compensation for UC San Diego Chancellor Khosla, who had been offered a position at another institution. As mentioned in the preceding closed session discussion, approval of these items would provide the opportunity to retain an exceptional leader who had been and continued to be a strong and innovative higher education steward. He had not only transformed the San Diego campus but had been instrumental in bridging the campus and the local community.

Chair Leib noted that no State money would be involved in the proposed increase to Chancellor Khosla's salary. The increased compensation would come from a privately funded endowed chair. The proposed compensation package was well below the competitive offer Chancellor Khosla had received from another institution. Chair Leib encouraged the Board to accept these recommendations and allow Chancellor Khosla to continue to build upon UCSD's amazing trajectory.

Executive Vice President and Chief Financial Officer Brostrom briefly introduced the item. The proposed amendments to Regents Policy 5309, Policy on the University of California Employee Housing Assistance Program, and Regents Policy 7708, University-Provided Housing, would allow chancellors to participate in the University's Mortgage Origination Program (MOP). MOP was a robust program, with over 2,800 loans outstanding and a total balance of \$1.3 billion. The current MOP rate, 3.25 percent, was very favorable compared to commercial rates. Because chancellors are provided with University housing as their primary residence, chancellors had not been able to participate due to a requirement that the mortgage apply to the employee's principal place of residence. The proposed amendments would allow chancellors to use the Program to purchase a secondary residence in conjunction with the University-provided housing.

In response to a question by Regent Makarechian, Mr. Brostrom explained that chancellors are Senior Management Group employees, and thus included in the list of the population eligible for program participation in Regents Policy 5309.

Regent Makarechian asked about chancellors' ability to rent out their secondary residence. Mr. Brostrom responded that the University does not allow any program participant to use the residence for income-producing purposes. The amendment would allow chancellors to build up equity in a home.

Regent Makarechian countered that it did not make sense to allow a chancellor to purchase a residence that would remain empty. Mr. Brostrom responded that this was a policy requirement for all MOP participants. It would be seen as inequitable if UC allowed chancellors but not others to rent out these properties.

Regent Timmons observed that chancellors and their families would likely want to have a home of their own even though they live in UC-provided housing. They would seek to acquire this secondary residence for themselves, not as an income stream.

President Drake reflected that the chancellor's residence was not really the chancellor's home. Chancellors would see this as a benefit, and the policy should be configured in the same way for chancellors as for faculty.

In response to another question by Regent Makarechian, Mr. Brostrom stated that chancellors have expressed interest in having a secondary residence which is not the official residence and a way of building up equity while they are serving as chancellor.

Chair Leib suggested that the Board proceed with this action; further changes, such as an exception for chancellors that would allow them to rent out the secondary residence, could be considered by the Regents at a future meeting.

Regent Elliott expressed opposition to such a change. If a chancellor wishes to purchase a property for income-producing purposes, he or she can go to the traditional market for financing. The University should not support such an effort. This was not the purpose of the Mortgage Origination Program.

Regent Timmons noted that this amendment would work for retention. A chancellor who steps down and does not already have a secondary residence would be more likely to remain as a faculty member at the campus if he or she has a home in the community.

Chair Leib commented that the favorable loan rate was also a motivation to remain at UC.

Regent-designate Ellis reflected that the University must consider how it treats all its employees, including the chancellors. He suggested that the policy language should be amended to use the gender-inclusive pronouns they/them. President Drake stated that he accepted this proposed amendment and moved the item.

Upon motion duly made and seconded, the President's recommendation was approved as amended, Regents Blas Pedral, Drake, Elliott, Hernandez, Kounalakis, Leib, Makarechian, Matosantos, Park, Pérez, Pouchot, Reilly, Sherman, Sures, Thurmond, and Timmons voting "aye."¹

3. **APPROVAL OF COMPENSATION COMPONENTS FOR A CHANCELLOR**

The Chair of the Board of Regents recommended approval by the Board of Regents for the following items in connection with the compensation components for Pradeep Khosla as Chancellor, San Diego Campus, effective May 1, 2023:

- A. Per policy, an increase in base salary from \$641,524 to \$1,141,524, wherein \$500,000 will be funded through an endowed chair created specifically for the Chancellor position by the UC San Diego Foundation.
- B. Eligibility to participate in the UC Employee Housing Assistance Program while serving as Chancellor, San Diego Campus.
- C. Per policy, continuation of University-provided housing.
- D. Per policy, continuation of an annual automobile allowance of \$8,916.
- E. Per policy, continuation of arrangements by the University for the relocation of household goods and personal effects, including Chancellor Khosla's personal library, laboratory, and any other related equipment and materials to a location of his choice in California if he leaves the Chancellor position and returns to the University faculty at a University of California campus.
- F. Per policy, continuation of an administrative fund established for official entertainment and other purposes permitted by University policy. Adjustments may occur annually as allowed by policy.

¹ Roll call vote required by the Bagley-Keene Open Meeting Act [Government Code §11123(b)(1)(D)] for all meetings held by teleconference.

- G. Per policy, continuation of an annual allocation of campus funding for his research during his term as Chancellor, if Chancellor Khosla maintains an active research program during his appointment as Chancellor.
- H. Per policy, continuation of standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance and executive salary continuation for disability after five consecutive years of service in a Senior Management Group position).
- I. Per policy, continued eligibility to accrue sabbatical credits as a member of the tenured faculty, consistent with academic personnel policy.
- J. Chancellor Khosla will continue to comply with the Senior Management Group Outside Professional Activities (OPA) policy and reporting requirements.

[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.]

Chair Leib briefly introduced the item.

Regent Kounalakis emphasized the significance of increasing a chancellor's salary by \$500,000 annually. She acknowledged the remarkably successful efforts by Board members and the San Diego community to gather philanthropic support to augment the chancellor's salary without any use of State funds, and without forcing a choice between this funding need and the many other needs of UC students and others. She thanked the philanthropic community for showing their appreciation in this way for Chancellor Khosla's leadership.

Upon motion duly made and seconded, the Chair of the Board's recommendation was approved, Regents Blas Pedral, Drake, Elliott, Hernandez, Kounalakis, Leib, Makarechian, Matosantos, Park, Pérez, Pouchot, Reilly, Sherman, Sures, Thurmond, and Timmons voting "aye."

The meeting adjourned at 10:30 a.m.

Attest:

Secretary and Chief of Staff

Attachment 1

Regents Policy 5309: Policy on the University of California Employee Housing Assistance Program

Additions denoted by underscoring

A. University of California Housing Assistance Program

Program loans provide financing using deeds of trust secured on real property to assist faculty and other eligible employees with the purchase of a primary residence, other than as specified in Section C(3)(a).

B. Eligibility

The eligible population for Program participation consists of full-time University appointees with positions in the following categories:

1. Academic Senate members.
2. Academic titles equivalent to titles held by Academic Senate members as defined in University policy.
3. Acting Assistant Professors.
4. Senior Management Group employees
5. UC Hastings faculty members.
6. University or UC Hastings employees who will be appointed to any of these eligible categories effective no more than 180 days after loan closing.

C. Eligible Properties

1. Properties financed using a Program loan must be used primarily for residential, non-income producing purposes.
2. Eligible properties are limited to Single Family Residences, Condominiums and properties located in a Planned Unit Development.
3. The subject property must be the principal place of residence for the participant throughout the term of the loan, other than during absences for sabbatical leave or other approved leaves of absence.
 - a. Chancellors who are residing in University-provided housing as their primary residence per Regents Policy 7708 may use the Program to purchase a secondary residence in conjunction with the University-provided housing.

Attachment 2

Regents Policy 7708: University-Provided Housing

Additions denoted by underscore

C. Alternative Housing Arrangements

If the President determines that the University-provided housing is not suitable for supporting the Executive Officer's required range of duties or is not habitable as a personal residence as a result of disrepair or other like reason, the President may recommend to the Regents that the Executive Officer be provided other housing until the University-provided housing is repaired or otherwise improved to suitable standards. The President may make a request to the Regents for an alternative housing arrangement on his/her own behalf if he/she deems the University-provided housing is unsuitable for the performance of presidential duties or is not habitable.

In evaluating such requests, the Regents will consider, among other factors, the terms and conditions of the proposed alternate housing, the appropriateness of a temporary housing allowance and the source of funds used to pay for the requested alternate housing.

Approval of a home loan for a Chancellor under the terms of Regents Policy 5309: Policy on the University of California Employee Housing Assistance Program does not require Regents' approval as an alternative housing arrangement nor is it an exception to Regents Policy.
