REPORT OF INTERIM ACTIONS

Office of the Secretary and Chief of Staff
February 5, 2009

TO THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

INFORMATION ITEM

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 Chair of the Committee on Compensation and the President of the University approved the following recommendations:

(1) ***Appointment Renewal for John R. Sandbrook as Interim Chief of Staff, Office of the President***

a. In accordance with the original appointment request approved at the May 2008 Regents' meeting, renewal of the appointment effective January 1, 2009 through May 31, 2009 or until a permanent replacement is appointed, whichever is sooner. This appointment is at 100 percent time.

b. Continued appointment salary of $200,000.

c. Continued reimbursement for actual expenses as follows:

i. As exception to policy, temporary housing not to exceed $3,800 per month.

ii. One coach airfare, round trip between Oakland and Los Angeles and ground transportation to and from the airport each week.

iii. Per policy, rental car as needed.

Additional items of compensation include:

- Standard health and welfare benefits.

The compensation described above shall constitute the University's total commitment until modified by the Regents and shall supersede all previous oral or written commitments. All compensation (as defined in the Regents' 1993 Principles for Review of Executive Compensation) in this recommendation will be released to the public immediately following approval by the Regents.

(2) ***Administrative Stipend for Jan de Vries as Acting Dean – Division of Social Sciences, College of Letters and Science, Berkeley Campus***

Approval of the following items in connection with the appointment of Jan de Vries as Acting Dean – Division of Social Sciences, College of Letters and Science, Berkeley campus:

a. Per policy, an administrative stipend of 15 percent ($34,478). The stipend plus the adjusted faculty salary of $229,872 results in total compensation of $264,350 (SLCG Grade 108: Minimum $192,300, Midpoint $244,900, Maximum $297,400). This stipend amount is consistent with new SMG policy that indicates that appointment salaries will be within the salary range.

b. This appointment is at 100-percent time and is effective November 1, 2008 through June 30, 2009 or until a new Dean is hired, whichever occurs first.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits.

- Per policy, eligible to accrue sabbatical credits due to dual academic appointment.

The compensation described above shall constitute the University's total commitment until modified by the Regents and shall supersede all previous oral or written commitments. All compensation (as defined in the Regents' 1993 Principles for Review of Executive Compensation) in this recommendation will be released to the public immediately following approval by the Regents.

(3) ***Appointment of and Total Compensation for Mary Lynn Tierney as Associate Vice President – Communications, Office of the President***

Approval of the following terms in connection with the appointment and compensation for Mary Lynn Tierney as Associate Vice President, Communications, Office of the President:

a. Appointment as Associate Vice President for Communications, Office of the President, at 100 percent time, effective no later than February 9, 2009.

b. Base salary of $239,000 per annum (SLCG Grade 108: Minimum $192,300, Midpoint $244,900, Maximum $297,400).

c. Per policy, eligibility to participate in the University's Mortgage Origination Program.

d. As an exception to policy, reimbursement of actual and reasonable costs associated with temporary living expenses, not to exceed $15,000 over a period of four months.

e. Per policy, 100-percent reimbursement of actual and reasonable relocation expenses.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
- Per policy, a 5 percent monthly contribution to the Senior Management Supplemental Benefit Program.

The compensation described above shall constitute the University's total commitment until modified by the Regents and shall supersede all previous oral or written commitments. All compensation (as defined in the Regents' 1993 Principles for Review of Executive Compensation) in this recommendation will be released to the public immediately following approval by the Regents.

(4) ***Appointment of and Total Compensation for Christopher F. Edley, Jr., as Special Advisor to the President, Office of the President***

Approval of the following items in connection with the appointment of and total compensation for Christopher F. Edley, Jr. as Special Advisor to the President, Office of the President:

a. Per policy, an administrative stipend in the amount of $43,000 (14.0 percent), increasing the current base salary of $307,000 to $350,000.

b. Effective December 15, 2008 through December 14, 2009.

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. All compensation (as defined in the Regents' 1993 Principles for Review of Executive Compensation) in this recommendation will be released to the public immediately following approval by the Regents.

(5) ***Appointment Extension of and Total Compensation for Robert D. Grey as Interim Provost, University of California, Office of the President***

Approval of the following in connection with the extension of the appointment of and total compensation for Robert D.Grey as Interim Provost, Office of the President:

a. As an exception to policy, extension of appointment as Interim Provost, at 60 percent time. This constitutes an exception to policy that requires retired employees to be rehired with no more than a 43 percent appointment. Appointments in excess of 43 percent time will require the endorsement of the President and approval of the Regents.

b. A continued base salary rate of $350,000 (SLCG Grade 113: Minimum $333,900, Midpoint $431,500, Maximum $529,100). Actual salary will be $210,000.

c. This appointment extension will be effective on January 1, 2009, and will continue until a permanent Provost is hired and for a reasonable transition period thereafter, or until June 30, 2009, whichever occurs first.

d. As an exception to policy, reimbursement for reasonable and actual expenses associated with housing and meals, up to $2,400 per month for the duration of this appointment since Mr. Grey's primary residence is in Davis and he will be required to be in Oakland four days per week. Reimbursement using standard business travel policy will apply. Transportation costs between his home in Davis and the Oakland office will not be reimbursed.

e. As an exception allowed under the guidelines for rehired retirees, retirement pension benefits will continue since Mr. Grey has elected to continue his monthly UCRP retirement income by signing the UCRP Rehired Retiree Election Form. Under University policy, this will result in there being no accrual of additional pension service credit during his appointment as Interim Provost.

Additional items of compensation include:

- Per policy, standard sick leave and vacation accrual.

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

- Per policy, Mr. Grey signed an “Opt-Out” form that will ensure that he will not have employee medical, dental, and vision coverage, but rather, will continue his medical and dental coverage under his retiree status.

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. All compensation (as defined in the Regents’ 1993 Principles for Review of Executive Compensation) in this recommendation will be released to the public immediately following approval by the Regents.

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

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

a. Per policy, continuation of the administrative stipend to $35,820 (20 percent) to increase his base salary of $179,100, for a total annual salary of $214,920.

b. As an exception to policy, effective January 1, 2009 through March 31, 2009. This constitutes an exception to policy which allows for administrative stipends to be paid for up to 12 months. Mr. Levine has been serving in this acting appointment since September 1, 2006.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management 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. All compensation (as defined in the Regents’ 1993 Principles for Review of Executive Compensation) in this recommendation will be released to the public immediately following approval by the Regents.

(7) ***Stipend for Steven P. Raphael as Acting Dean – Goldman School of Public Policy, Berkeley Campus***

Approval of the following items in connection with the appointment of Steven P. Raphael as Acting Dean – Goldman School of Public Policy, Berkeley campus:

a. Per policy, an administrative stipend of 25.0 percent ($49,600) of his adjusted faculty salary of $198,439 for total compensation of $248,039 (Salary Grade 107: Minimum $172,300, Midpoint $218,700, Maximum $265,000). This stipend amount is consistent with new SMG policy that dictates that stipend amounts will result in salaries consistent with the policy section indicating that appointment salaries will be within the salary range. The $8,000 stipend provided for service as Associate Dean will be suspended.

b. This appointment will be at 100 percent time and effective January 1, 2009 through June 30, 2009.

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. All compensation (as defined in the Regents' 1993 Principles for Review of Executive Compensation) in this recommendation will be released to the public immediately following approval by the Regents.

(8) ***Appointment of, and Total Compensation for, Tina W. Combs as Deputy General Counsel – Business and Land Use, Office of General Counsel, Office of the President***

Approval of the following terms in connection with the appointment and compensation for Tina W. Combs as Deputy General Counsel – Business and Land Use, Office of General Counsel, Office of the President:

a. Appointment of Tina W. Combs as Deputy General Counsel – Business and Land Use, Office of General Counsel, Office of the President, effective no later than February 9, 2009.

b. Base salary of $244,900 per annum (SLCG Grade 108: Minimum $192,300, Midpoint $244,900, Maximum $297,400).

c. Per policy, eligibility to participate in the University's Mortgage Origination Program.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
- Per policy, 5 percent monthly contribution to the Senior Management Supplemental Benefit Program.

The compensation described above shall constitute the University's total commitment until modified by the Regents and shall supersede all previous oral or written commitments. All compensation (as defined in the Regents' 1993 Principles for Review of Executive Compensation) in this recommendation will be released to the public immediately following approval by the Regents.

(9) ***Amendment to Contract Compensation for Jeff Tedford as Head Football Coach, Berkeley Campus***

Approval of the following revised compensation terms for Head Coach of Football, Jeff Tedford, Berkeley campus.

Mr. Tedford's revised contract will be effective immediately and extend through the 2015 season, an extension of two years beyond the current agreement. Continuing from the current contract, these terms may be extended one year for each season (including the bowl season) that the University of California, Berkeley Football team wins nine games. Upon such extension, all terms and conditions of the contract will remain in place and unless otherwise agreed to in writing, the compensation will remain as approved for the 2015 contract year.

The campus undertook negotiations with Mr. Tedford, to enhance and extend his current contract when he was contacted by other universities to fill their head coach position.

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

c. Base Salary: There is no change to this element of Mr. Tedford's compensation:

01/01/08 – 12/31/08	$225,000	no increase
01/01/09 – 12/31/09	$225,000	no increase
01/01/10 – 12/31/10	$225,000	no increase
01/01/11 – 12/31/11	$225,000	no increase
01/01/12 – 12/31/12	$225,000	no increase
01/01/13 – 12/31/13	$225,000	no increase
01/01/14 – 12/31/14	$225,000	no increase
01/01/15 – 12/31/15	$225,000	no increase

c. Talent Fee: There is no change to Mr. Tedford's annual talent fee, except as noted in section 4, below, which could provide potentially significant additional compensation to these amounts.

01/01/08 – 12/31/08	$1,575,000	no increase
01/01/09 – 12/31/09	$1,575,000	no increase
01/01/10 – 12/31/10	$1,575,000	no increase
01/01/11 – 12/31/11	$1,575,000	no increase
01/01/12 – 12/31/12	$1,575,000	no increase
01/01/13 – 12/31/13	$1,575,000	no increase
01/01/14 – 12/31/14	$1,575,000	no increase
01/01/15 – 12/31/15	$1,575,000	no increase

c. Deferred Compensation: The revised contract eliminates what was characterized as retention bonus payable in the following manner under the old contract if the Coach met certain conditions:

$1,000,000 payable on January 8, 2009
$1,500,000 payable on January 8, 2012
$1,000,000 payable on January 8, 2014

The retention bonuses have been eliminated and replaced with the following:

- UC will pay $500,000 as regular income to the Coach on January 8, 2009

- UC will contribute $500,000 on January 8, 2009 to the Deferred Compensation Plan on behalf of the Coach.

- On January 8 of each subsequent year the Coach is employed through the end of each season through 2015, including post season play, UC will contribute $500,000 to the Deferred Compensation Plan on behalf of the Coach.

In the event Coach becomes unable to provide services described in contract and contract is terminated**,** UC's contribution to the Deferred Compensation Plan will be a pro-rated amount based on the termination date**.**

d. Additionally, this new contract provides opportunity to increase Mr. Tedford’s talent fee by the amounts shown below, effective the year following the accomplishment. The maximum escalation over the length of the contract will be capped at $1,000,000. Any escalated amounts will become additions to the talent fee in all subsequent years of the contract.

<u>Accomplishment</u>	<u>Amount</u>
<u>National Championship</u>	
Team wins National Championship (AP or Coaches’ Poll)	$1,000,000
Team plays in National Championship	$750,000
<u>Post Season Play</u>	
The highest of the following accomplishments would be paid:	
Team wins the Pac-10 Championship or participates in the Rose Bowl	$500,000
Team participates in a BCS Bowl other than the Rose Bowl, but does not win the Pac-10	$400,000
Team ties for the Pac-10 Championship but not selected for a BCS Bowl game	$250,000
Team participates in the Holiday Bowl	$ 60,000
Team participates in the Sun Bowl	$ 40,000
Team participates in any other non-BCS bowl	$ 30,000
<u>Regular Season Achievements have not changed under the proposed contract</u>	
Team wins nine games during the regular season	$ 25,000

<u>Coaching Achievements have not changed under the proposed contract</u>
(The highest of the following:)

Coach is named National Coach of the Year; or	$100,000
Coach is named Pac-10 Coach of the Year	$ 50,000

<u>Support of Educational Objectives</u>
The new contract proposes increasing to $20,000 each (from $25,000 total) achieving an 80 percent graduation rate, 950 APR and a 2.8 GPA.

e. Other Incentive Pay has not changed from the previous contract.

Based on performance of Coach, annual non-base building bonus as determined by the Athletic Director during Contract Year 1 (01/01/07-12/31/07) and Contract Years 4-5 (01/01/10-12/31/11)	$ 4,000 - $10,000
Based on performance of Coach, annual non-base building bonus as determined by the Athletic Director during Contract Year 2 and 3 (01/01/08-12/31/08 and 01/01/09-12/31/09)	$14,000 - $20,000

The Stadium Renovation Bonus remains unchanged from the original contract as follows:

- Coach remains as Head Cal Football Coach until team fully occupies the Simpson High Performance Center (amount due within 30 calendar days following game). $250,000
- Coach remains as Head Cal Football Coach on the date team plays its first home football game subsequent to the completion of the West Side Improvements (amount due within 30 calendar days following game). $250,000

<u>Termination Clause</u>:
This contract contains a penalty clause for early termination. If Mr. Tedford terminates before the expiration of the agreement and before the football program fully occupies the Student-Athlete High Performance Center (SAHPC), he shall pay, within 30 days of leaving employment, $150,000 for each contract year remaining in the agreement, inclusive of the year he leaves. If Mr. Tedford terminates before the expiration of the agreement and after the football program fully occupies the SAHPC, he shall pay, within 30 days of leaving employment,

$300,000 for each contract year remaining in the agreement, inclusive of the year he leaves.

Furthermore, once the team fully occupies the Simpson High Performance Center, Mr. Tedford agrees that he will not be employed by any Pac-10 school during the term of this contract.

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

The maximum total potential payout under this contract occurs in year five in the amount of $4,285,000. Payment of this amount is dependent upon Mr. Tedford achieving all goals, including all those in the “Accomplishments” section, above.

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

Additional elements of compensation currently provided and will continue to be provided include:

- Per contract, 20 working days of vacation at the beginning of each contract year. Coach may not have more than 40 working days of accrued vacation leave at any time during the employment contract. When 40 days of accrued vacation is reached, Coach will cease to earn additional vacation leave until accrued vacation balance is reduced to 20 working days.

- Per contract and policy, 12 days of sick leave during each twelve-month period of the contract

- Per policy, eligible for standard health and welfare benefits

- Consistent with practice, two courtesy vehicles will be provided. These courtesy vehicles may be withdrawn at any time at the sole discretion of the Director-Intercollegiate Athletics.

- Country Club Membership with a value of approximately $7,080

- Football Tickets – 30 season and 5 parking passes with a potential value of approximately $10,000

- In accordance with University policies and regulations governing travel and subject to approval by the Athletic Director, University will pay spouse travel for required events outside the San Francisco Bay Area

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. All compensation (as defined in the Regents' 1993 Principles for Review of Executive Compensation) in this recommendation will be released to the public immediately following approval by the Regents.

(10) ***Total Compensation for A. Paul Alivisatos as Interim Laboratory Director, Lawrence Berkeley National Laboratory***

Approval of the compensation for A. Paul Alivisatos as Interim Laboratory Director, Lawrence Berkeley National Laboratory (LBNL) to facilitate a smooth transition in leadership following the confirmation and swearing-in of Steven Chu as Secretary of Energy:

a. Per policy, a 14 percent administrative stipend of $49,980 to increase his base salary of $357,000 to $406,980 (SLCG 113: Minimum $333,900, Midpoint $431,500, Maximum $529,100).

   i. As provided under the University's contract with the Department of Energy (DOE), any compensation amount approved by the Regents that is over the compensation amount approved by DOE will be paid from the fee earned under the contract.

   ii. Mr. Alivisatos' current salary of $357,000 (approved by the Regents in November 2008) has been approved for reimbursement by the Department of Energy (DOE) in the amount of $338,000. The unreimbursed amount will be paid by UC, from the fee earned under the DOE contract.

   iii. This stipend will be in effect for up to twelve months from the date of Mr. Alivisatos interim appointment.

   iv. The stipend amount will be increased as the base salary is increased, so the stipend will equal 14 percent of the base salary, at a 100 percent appointment.

(b) Per policy, an annual car allowance of $8,916.

(c) Per policy, accrual of sabbatical credits as a member of tenured faculty.

(d) Per policy, an Administrative Fund for official entertainment and other purposes that comply with University policy.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).

- Per policy, eligibility for participation in the University of California Mortgage Origination Program up to the maximum loan amount (currently $1,330,000). The loan will comply with all 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. All compensation (as defined in the Regents' 1993 Principles for Review of Executive Compensation) in this recommendation will be released to the public upon approval by the Regents.

(11) ***Administrative Stipend for John Melack as Acting Dean, Donald Bren School of Environmental Science and Management, Santa Barbara Campus***

Approval of the following items in connection with the appointment of John Melack as Acting Dean, Donald Bren School of Environmental Science and Management, Santa Barbara Campus:

(a) Per policy, administrative stipend of $30,571 (15.0 percent) to increase his annual adjusted faculty base salary from $203,806 to $234,377 (SLCG 106: Minimum $154,200 Midpoint $195,200 Maximum $236,100). This is a 100 percent time appointment.

(b) The stipend amount will be increased as the base salary is increased, so the stipend will remain 15.0 percent of the adjusted faculty base salary.

(c) Effective January 1, 2009 through December 31, 2009 or upon completion of a transition period after the interim duties are transferred to the new Dean, whichever comes 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. All compensation (as defined in the Regents' 1993 Principles for Review of Executive Compensation) in this recommendation will be released to the public immediately following approval by The Regents.

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B. The Chairman of the Board and the President approved the following recommendation:

Change in Dates and Location of the January 2009 Regents Meeting

That the dates of the January 2009 Regents meeting be changed from January 13-15 to February 3-5, 2009 and that the location be changed from the UC Berkeley campus to UCSF – Mission Bay, San Francisco.

C. The Chairman of the Board and the Chair of the Committee on Finance approved the following recommendation:

(1) ***Authorization for Minor Capital Expenditure, President's Residence***

Authorization of the expenditure of up to $15,000 plus tax, in non-State funds, to install air conditioning equipment at the rental residence of President and Mrs. Yudof.

(2) ***Authorization for the Amendment of the Lease Agreement, President's Residence***

Authorization of the amendment of the lease agreement for the President's residence to include the monthly rental costs of $2,650 for the estimated 1,200 square foot unit on Level 2 of the residence, effective February 1, 2009, in order to provide appropriate office space for the House Manager, previously assigned to Blake House and now assigned to the Yudof's residence, as well as to increase the available space at the residence for catering needs for large group meetings/events. An estimated monthly credit of $765.00 will be recognized by the owner against the monthly rental amount through June 2010 to offset the costs of the installation of air conditioning equipment at the residence which is necessary to ensure that the security system being installed at the residence can operate effectively. The net additional monthly rental amount will be an estimated $1,885.00 through June 2010.

Modification of the November 12, 2008 Interim Regental Action Item which authorized the expenditure of up to $50,000 in non-State funds to install a security system at the President's residence by reducing the authorized amount to up to $25,000 for the security system installation, monthly monitoring fees and certain capital improvements to the residence to enhance security.

Modification of the November 21, 2008 Interim Regental Action Item, which authorized the expenditure of non-State funds to install air conditioning equipment at the President's residence on the master bedroom level in order to accommodate the security system, to reflect the agreement that the University will be reimbursed for those costs by monthly offsets against the monthly rent for the unit on Level 2 referenced above.

D. The Chair of the Committee on Grounds and Buildings, the Chair of the Committee on Finance, and the President approved the following recommendation:

Amendment of the Previous Action to Grant an Exception to Regents' Policy on Bonding Capital Projects, Mt. Zion Medical Office Building, San Francisco Campus

That the Regents amend the action taken September 19, 2007 at a joint meeting of the Committee on Finance and the Committee on Grounds and Buildings as follows:

Additions shown by underscore

. . . . .

<u>(12) Approve a change to the authorization for this project to allow the San Francisco campus to accept a performance bond wherein the University is not a beneficiary (i.e., does not have a right to sue to enforce the bond).</u>

Diane M. Griffiths