

REPORT OF INTERIM ACTIONS

Office of the Secretary and Chief of Staff
January 20, 2011

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:

1. The Chair of the Board, the Chair of the Committee on Finance and the President of the University approved the following recommendation:

Participation in OpenADR Alliance, Lawrence Berkeley National Laboratory

- A. The Regents authorize participation of the University as a sponsor member of a California non-profit mutual benefit corporation, named the OpenADR Alliance (“Corporation”).
 - B. The Regents authorize the President, in consultation with the General Counsel, to execute all documents necessary for the University to become a sponsor member of the Corporation, including, without limitation, authority to agree to the Member Agreement Terms and Conditions
2. The Chair of the Committee on Compensation and the President of the University approved the following recommendations:
 - A. *Salary Adjustment, Title and Personnel Program Change for Joseph I. Castro as Vice Chancellor – Student Academic Affairs, San Francisco Campus*

Background to Recommendation

UCSF requested approval of a title and personnel program change plus a salary adjustment for Joseph I. Castro as Vice Chancellor – Student Academic Affairs. The proposed base salary of \$235,000 was to acknowledge the increased scope and responsibilities of his new role, and to reflect the significant skills, knowledge, expertise, value and credibility he brings to the University.

It was proposed that his new position also be slotted in SLCG Grade 107 and that he be moved to the Senior Management Group (SMG) program from the Management and Senior Professional (MSP) program. Mr. Castro’s academic appointment as a

non-tenured (without salary) adjunct professor in the Department of Family and Community Medicine, School of Medicine, was continued without change.

Reporting directly to the Executive Vice Chancellor and Provost (EVCP), Mr. Castro's role has expanded since his original classification responsibilities, as follows:

- Leadership responsibility over five strategically important areas for UCSF: Education initiatives; K-12 and inter-segmental partnerships; climate, culture and inclusion initiatives; University and community partnerships, and Western Association of Schools and Colleges (WASC) Accreditation (organization chart attached).
- Acting as primary advisor to the Chancellor and EVCP on all matters related to students, including:
 - The system-wide Climate, Culture and Inclusion Committee, including representing the Chancellor and EVCP in interactions with Chancellor's committees on campus climate, culture, and inclusion issues.
 - K-12 and inter-segmental (CSU and CCC) partnerships. Leads the UCSF/San Francisco Unified School District Partnership. Acts as primary liaison with the Hispanic Association of Colleges and Universities.
 - Representing the Chancellor and EVCP in meetings with local, state, and federal elected officials who request information about student or education-related issues.
 - Acting as primary advisor to the Chancellor and EVCP on University and community partnerships, and providing leadership for community partnership initiatives that strengthen the campus' relationships with the San Francisco community.
- Providing strategic leadership for campus-wide education initiatives, including new efforts to enhance educational infrastructure, advance inter-professional health education and increase student support. Co-leading, with the Development Office, the formulation and implementation of the plan for the new fundraising campaign that will help the campus continue recruiting and retaining the most talented and diverse students.

Original responsibilities, which continue to be part of the portfolio of Mr. Castro, include the following:

- Oversight of the operations of Admissions and Registrar, Center for Science and Education Outreach, Educational Technology Services, Institutional Research, International Students and Scholars Office, Mission Bay Student Services, Student Financial Services, Student Health and Counseling Services, Student Information Systems, Student Life/Student Disability Services/Career and Professional

Development, University and Community Partnerships, and UCSF/San Francisco Unified School District Partnership.

- Responsibility for interpreting University, federal, State and other policies and regulations, as well as development and implementation of campus-wide procedures consistent with applicable policies.
- Coordination of Student Academic Affairs activities with other campus and University officials, as well as facilitating communication, clarifying jurisdictional boundaries of responsibility, and designing procedures to manage the interface between various administrative and academic units.

In addition to his responsibilities, Mr. Castro is respected by his colleagues and has the reputation of being a collaborative and effective leader. Mr. Castro has served as the UCSF Vice Provost for Student Academic Affairs since 2006 in an exemplary manner. His UCSF contributions are a reflection of his 20-year UC career, serving in leadership positions within the UC system at the Berkeley, Davis, Merced and Santa Barbara campuses as well as the Office of the President.

Compensation analysis shows that the traditional activities associated with Vice Chancellors – Student Academic Affairs carry heightened scope and complexity at an academic institution that focuses exclusively on graduate programs in the health sciences. UCSF's graduate students are keen and aggressive consumers of student services and the demand for program excellence is significantly high. Additionally, the Vice Chancellor – Student Academic Affairs position at UCSF carries some non-traditional programmatic and advisory responsibilities to the Chancellor, lending added scope and complexity. Average pay for Vice Chancellor – Student Academic Affairs positions at the nine other campuses is \$207,867. At the four other campus locations with schools of medicine, the average pay for this position is \$217,100. The College and University Professional Association (CUPA) 2009-10 Administrative Salary Survey custom cut of 26 institutions reports median pay for the Chief Student Affairs Officer as \$216,944. Given the added complexity of operating in a graduate, health sciences environment as well as the geographic salary pressures of the San Francisco Bay Area, the requested salary of \$235,000 was appropriately aligned to both the market and internal peers. This position may be split-funded through both State and non-State funds.

Recommendation

The following items were approved in connection with the title change, personnel program change, and salary adjustment for Joseph I. Castro, Vice Chancellor – Student Academic Affairs, San Francisco campus:

- (1) Title change from Vice Provost-Student Academic Affairs to Vice Chancellor – Student Academic Affairs at 100 percent time.
- (2) Per policy, a salary adjustment of 11.1 percent from \$211,500 to \$235,000.

- (3) Personnel program change to the Senior Management Group (SMG) from the Management and Senior Professional (MSP) program.
- (4) Continued slotting at SLCG Grade 107 (Minimum \$172,300, Midpoint \$218,700, Maximum \$265,000).
- (5) Effective upon approval.

Recommended Compensation**Effective Date:** Upon approval**Base Salary:** \$235,000**Total Cash Compensation:** \$235,000**Grade Level:** SLCG Grade 107

(Minimum \$172,300, Midpoint \$218,700, Maximum \$265,000)

Median Market Data: \$216,944**Funding Source:** Partially funded through State funds**Percentage Difference from Market:** 8.3 percent above market**Budget &/or Prior Incumbent Data****Base Salary:** \$211,500**Grade Level:** SLCG Grade 107

(Minimum \$172,300, Midpoint \$218,700, Maximum \$265,000)

Funding Source: Partially funded through State funds

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance and executive salary continuation for disability).
- Per policy, a five percent monthly contribution to the Senior Management Supplemental Benefit Program.
- Per policy, continued eligibility to participate in the University of California Home Loan Program, Mortgage Origination Program (MOP). Eligible for a Supplemental Home Loan Program (SHLP) allocation up to \$50,000 repayable over 10 years at a fixed interest rate of 3 percent, subject to Regental approval. The proposed loan will comply with all University/campus normal program parameters.

The compensation described above shall constitute the University's total commitment until modified by the Regents 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.

Submitted by: UCSF Chancellor Desmond-Hellmann
Reviewed by: President Yudof

**Committee on Compensation Chair Varner
Office of the President, Human Resources**

B. *Recall from Retirement, Appointment and Compensation for Stanley E. Nosek as Interim Vice Chancellor – Research, Davis Campus*

Background _____ to Recommendation

Action under interim authority was requested for the recall from retirement and approval of the appointment and compensation for Stanley E. Nosek as the Interim Vice Chancellor – Research, Davis campus, effective immediately upon approval. The recently appointed Interim Vice Chancellor – Research, Charles E. Hess, had announced that he must step down from the position immediately due to health concerns. Due to this unforeseen circumstance, it was critical that the campus receive approval to appoint Mr. Nosek as the Interim Vice Chancellor – Research, effective immediately upon approval.

UC Davis has concluded its national recruitment to permanently fill the position of Vice Chancellor – Research and the permanent Vice Chancellor will assume the post no later than March 30, 2011. The campus requested approval of an appointment salary for Mr. Nosek of \$237,400, for a period not to exceed five months. This position was recently re-slotted from SLCG Grade 109 to SLCG Grade 110 (Minimum \$239,700, Midpoint \$307,200, Maximum \$374,500). This urgent request was necessary to provide continuity of leadership and to assist in the transition of the new Vice Chancellor – Research.

Mr. Nosek retired from UC Davis in June 2010, after a long and distinguished career spanning over 30 years. Prior to his retirement, Mr. Nosek was the Vice Chancellor – Administration. As Vice Chancellor – Administration, his portfolio included Human Resources; Accounting and Financial Services (Central Storehouse, Mail Division, Materiel Management, Purchasing and Business Contracts); Architects and Engineers; Business Services (Campus Events and Visitor Services, Fleet Services, Repro Graphics and Transportation and Parking Services); Facilities; Safety Services (Emergency/Continuity Management, Occupational Health Services; Environmental Health and Safety; Risk Management; Institutional Animal Care and Use and Worker's Compensation); Fire Department, and the Police Department.

As the institutional official for animal care and use, Mr. Nosek worked with campus researchers, animal facility managers and federal and accrediting agencies to ensure a supportive environment for research while meeting the compliance expectations for the use of animals in research. In addition, Mr. Nosek also played a role on two in-house blue ribbon committees that the chancellor charged to review research and technology transfer practices on campus, and he participated in the Washington Advisory Group's outside review of research at UC Davis.

In the five month transition between Professor Hess's departure and Vice Chancellor-designate Harris Lewin's arrival on March 30, 2011, the highest priority of the campus in regard to the Office of Research is maintenance and improvement, where possible, of the administrative infrastructure that supports faculty research and technology transfer efforts. Therefore, Chancellor Katehi deemed it best to turn to Mr. Nosek, an experienced administrator with mature experience at the Vice Chancellor level and with well-respected skill in general administration, human resource management, strategic planning, fiscal oversight and technology management to assist the campus during this interim period.

The proposed salary is 27.9 percent below the market median base salary of \$329,220. This position is funded 100 percent by State funds.

Recommendation

The following items were approved in connection with the recall from retirement and appointment and compensation for Stanley E. Nosek as Interim Vice Chancellor – Research, Davis campus:

- (1) Per policy, appointment salary of \$237,400, effective immediately upon approval.
- (2) Continued slotting at SLCG Grade 110 (Minimum \$239,700, Midpoint \$307,200, Maximum \$374,500).
- (3) Per policy, this appointment will be at 100 percent time for no longer than five months (43 percent time).

Recommended Compensation

Effective Date: Upon approval

Base Salary: \$237,400

Grade Level: SLCG Grade 110

(Minimum \$239,700, Midpoint \$307,200, Maximum \$374,500)

Median Market Data: \$329,220

Funding Source: State funds

Percentage Difference from Market: 27.9 percent below market

Budget &/or Prior Incumbent Data

Base Salary: \$237,400

Grade Level: SLCG Grade 109

(Minimum \$214,700, Midpoint \$274,300, Maximum \$333,700)

Funding Source: State funds

Additional items of compensation include:

- Per policy, standard health and welfare benefits.

- Per policy, Mr. Nosek plans to sign and accept the Rehired Retiree Waiver Form that will serve to decline participation in the UC Retirement System (UCRS) and allow Mr. Nosek to continue receiving his retirement annuity while receiving compensation related to this appointment.

The compensation described above shall constitute the University's total commitment until modified by the Regents 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.

Submitted by: UC Davis Chancellor Katehi
Reviewed by: President Yudof
Committee on Compensation Chair Varner
Office of the President, Human Resources

C. *Contract for Norm Chow as Assistant Football Coach, Los Angeles Campus*

Background to Recommendation

The Los Angeles campus requested interim authority to enter into a new employment contract with Norm Chow for the two years immediately following the period covered by the University's existing contract with him and for an increase in his talent fee. This was requested in an effort to secure, as soon as possible, the continued services of one of the top offensive coaches in collegiate football history. Coach Chow is in his third season as the Bruin offensive coordinator and quarterback coach. He came to UCLA in January of 2008 from the National Football League (NFL) Tennessee Titans, where he had served as offensive coordinator for the previous three years, which included coaching the second quarterback to win Offensive Rookie of the Year and the first rookie quarterback to play in the Pro Bowl. Before joining the Titans, Coach Chow spent 32 years coaching at the collegiate level, winning three national titles, tutoring three Heisman Trophy winners, participating in 27 bowl games, and being named Assistant Coach of the Year three times. Coach Chow has mentored six first round NFL draft picks and one Pro Football Hall of Fame member (Steve Young).

Pending approval of the compensation terms, which exceeded delegated authority, Coach Chow's contract will be extended from February 15, 2011 for an additional two years to February 14, 2013 and his talent fee will be increased from \$140,000 to \$300,000 effective with the new contract. Because these changes to the existing contractual agreement exceed a 30 percent increase in guaranteed compensation under the authority delegated to the Chancellor, this proposal was submitted to the Regents for approval.

This position is funded 100 percent by athletic department revenues and private fundraising. No State or general campus funds are to be used in this arrangement.

Recommendation

The following items were approved in connection with a new Employment Contract for Norm Chow, Assistant Football Coach, Los Angeles campus:

- (1) **DURATION:** The term of this new Employment Contract will begin February 15, 2011 and will terminate on February 14, 2013. (Coach Chow's existing contract with the University is for the period from January 28, 2008 through February 14, 2011.)
- (2) **GUARANTEED COMPENSATION:**
 - a. Effective February 15, 2011, an annual "guaranteed compensation" of \$550,000 for the duration of the two year contract, comprised of a continuation of existing base salary of \$250,000 and an increase in the annual talent fee from \$140,000 to \$300,000. This represents a 41 percent increase in guaranteed compensation.
- (3) **SUPPLEMENTAL PERFORMANCE – BASED COMPENSATION:**
 - a. Athletic Success Incentive Payments: Coach Chow is eligible to earn supplemental compensation for accomplishments achieved during each contract year. This amount will not exceed an annual maximum of \$40,000.

<u>Accom</u>	<u>plishment</u>	<u>Amount</u>
	Team wins a Bowl Championship Series ("BCS")	\$25,000
	Team participates in a BCS Bowl	\$15,000
	Team participates in a non-BCS Bowl with a payout of \$1 million or more	\$ 6,500
	Team participates in a non-BCS Bowl with a payout of less than \$1 million.	\$ 4,000
- (4) **OTHER:**
 - a. Eligibility to earn up to \$10,000 per year for participating in summer camps.

Recommended Compensation

Effective Date: February 15, 2011

Guaranteed Compensation:

Base Salary: \$250,000

Talent Fee: \$300,000

Range of Total Incentive/Bonus Awards: \$0 - \$40,000

Range of Summer Camp Income: \$0 to \$10,000

Total Maximum Compensation: \$600,000

Grade Level: N/A

Funding Source: Athletic Revenues and Private Fundraising

Budget &/or Prior Incumbent Data

Guaranteed Compensation:

Base Salary: \$250,000

Talent Fee: \$140,000

Retention Bonus: \$250,000 (Paid in spring of 2010 per existing contract compensation approved by Regents interim action in February 2008)

Range of Total Incentive Bonus Awards: \$0 - \$40,000

Range of Summer Camp Income: \$0 to \$10,000

Total Maximum Compensation: \$440,000

Funding Source: Athletic Revenues and Private Fundraising

Additional elements of compensation include:

- Per policy, standard pension and health and welfare benefits.
- Per policy continuance of eligibility for one courtesy automobile.

If Coach Chow is terminated for cause under Section VII of the new Employment Contract (hereinafter "Agreement") between February 15, 2011 and February 14, 2013, all obligations of the University will cease. If Chow is terminated without cause under Section IX of the Agreement between February 15, 2011 and February 14, 2013, the University shall only be obligated to pay Coach Chow the base salary identified in Section IV.A of the Agreement, the talent fee identified in Section IV.D of the Agreement, any earned camp fees identified in Section IV.B of the Agreement, and any earned bonuses identified in Section IV.E.1 of the Agreement, to the extent to which such payments would have been due him if the University's right to terminate had not been exercised. All such payments shall be made in the same manner and on the same dates as such payments would have otherwise been made to Coach Chow pursuant to the terms and provisions of the Agreement but for the exercise of the University's right to terminate without cause. In the event that Coach Chow is unable to continue to perform his obligations under the Agreement by reason of illness or some other occurrence beyond his control or that of the University between February 15, 2011 and February 14, 2013, and such inability to perform has continued or will continue beyond a reasonable period of time, as determined by the Director of Intercollegiate Athletics, the Agreement will thereupon terminate and the obligations of the University will cease. If Coach Chow elects to terminate his employment under Section VIII.B of the Agreement between February 15, 2011 and February 14, 2013, the obligations of the University will cease.

If Coach Chow's employment is terminated prior to February 15, 2011, the termination will be governed by the existing contract between the University and

Coach Chow. The existing contract contains termination provisions that are substantively the same as those of the new Employment Contract.

The compensation set forth in the new Employment Contract described above (for the period from February 15, 2011 through February 14, 2013) and in the University's existing contract with Coach Chow (for the period from January 28, 2008 through February 14, 2011) shall constitute the University's total commitment until modified by the Regents and shall supersede all other 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.

Submitted by: UCLA Chancellor Block
Reviewed by: President Yudof
Committee on Compensation Chair Varner
Office of the President, Human Resources

D. *Approval of Incentive Payment for Claire Pomeroy, Vice Chancellor – Human Health Sciences and Dean – School of Medicine, Davis Campus*

Background to Recommendation

Action under interim authority was requested to expedite the approval of the Clinical Incentive Plan payment for 2009 – 2010 for Claire Pomeroy, Vice Chancellor – Human Health Sciences and Dean – School of Medicine. Other Clinical incentive awards were approved by the Regents in September. Dr. Pomeroy participates in the Health Sciences Compensation Program (HSCP), consistent with the Academic Policies governing HSCP, and has a “Z” component that is negotiated as a true incentive with objectives that are completely aligned with the objectives of the Clinical Enterprise Management Recognition Plan (CEMRP). Consistent with policies, Dr. Pomeroy may participate in only one incentive plan, the HSCP, and is not a participant in CEMRP. The “Z” payment is a variable payment, based on achievement of annual goals, with a maximum award amount of thirty percent. Dr. Pomeroy's award amount for the 2009 – 2010 period is \$154,983. The award is calculated as a percentage of base salary (\$468,800) plus “Y” payment (\$75,000) = \$543,800 times the award percentage of 28.50.

The campus also requested approval to establish a new process for approval of Dr. Pomeroy's “Z” payment for fiscal year 2010 – 2011, and thereafter, by which Dr. Pomeroy's “Z” payment will be administered by the Administrative Oversight Committee, per the September Regental action. This payment is a clinically-aligned incentive payment under the HSCP. The campus believed that review and approval by the Administrative Oversight Committee was most appropriate consistent with policy and the recent Regental action.

Dr. Pomeroy is graded at SLCG Grade 113 (Minimum \$333,900, Midpoint \$431,500, Maximum \$529,100).

This position is funded 100 percent from Health System Clinical Revenue.

Recommendation

The following items were approved in connection with approval of the Clinical Incentive Payment for Claire Pomeroy as Vice Chancellor – Human Health Sciences and Dean – School of Medicine, Davis campus:

- (1) Per policy, approval of Clinical Incentive Payment of \$154,983 for 2009 – 2010 award period.
- (2) Per policy, beginning with fiscal year 2010 – 2011, and continuing thereafter, approval of Dr. Pomeroy's annual incentive award (specifically, the "Z" component under the Health Sciences Compensation Plan) will be administered by the Administrative Oversight Committee, consistent with the terms and conditions of the Clinical Enterprise Management Recognition Plan.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance and executive salary continuation for disability).
- Per policy, ineligible for participation in the Senior Management Supplemental Benefit Program due to dual faculty appointment.
- Per policy, accrual of sabbatical credits due to dual faculty appointment.

Recommended Compensation

Effective Date: Immediately upon approval

Base Salary: \$468,800

"Y" Payment: \$75,000

Total Salary: \$543,800

Proposed "Z" Payment: \$154,983

Total Cash Compensation: \$698,783

Grade Level: SLCG Grade 113

(Minimum \$333,900, Midpoint \$431,500, Maximum \$529,100)

Funding Source: Health System Clinical Revenue

The compensation described above shall constitute the University's total commitment until modified by the Regents 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.

Submitted By: UCD Chancellor Katehi
Reviewed by: President Yudof
Committee on Compensation Chair Varner
Office of the President, Human Resources

E. *Appointment and Total Compensation for Sandra A. Brown as Vice Chancellor for Research, San Diego Campus*

Background to Recommendation

The San Diego campus requested approval under interim authority for the appointment of Sandra A. Brown as Vice Chancellor for Research, effective December 1, 2010. This urgent request was in response to the campus' need to make an announcement regarding the selected candidate immediately following Regental approval for business continuity reasons, as well as to ensure continued compliance with federal regulations governing research following the resignation of Art Ellis effective August 31, 2010. The Vice Chancellor for Research (VCR) serves as the Institutional Official responsible for oversight of all human and animal subject research at the San Diego campus. Establishment of this role is required by government regulation in order for the campus to accept and participate in federal contract and grant funding for research of this type.

After a campuswide search, Ms. Brown was identified as the top candidate for this position. Ms. Brown has been a member of the faculty of UCSD since 1984. She currently is a Professor in the Department of Psychology and holds an additional non-salaried Professor appointment in the Department of Psychiatry. She also serves as Chief of Psychology Services at the VA San Diego Healthcare System. Her research interests are in the area of alcohol and drug abuse across the life span. She is a stellar scholar who has earned national and international recognition and is regarded as a leading expert in her field. This is reflected in her phenomenal rate of publication in refereed journals, her impressive success in procuring extramural funding, her high citation rate, and her service on important University committees and national panels. In addition to her distinguished academic background, she will bring to her new role broad experience in academic leadership.

In collaboration with the Chancellor, the Senior Vice Chancellor for Academic Affairs, and the faculty, Ms. Brown will have responsibility for ensuring the research preeminence of UC San Diego. Annual research funding for the San Diego campus totaled more than \$1 billion for the fiscal year ending June 30. The San Diego campus currently leads UC campuses in the amount of American Recovery and Reinvestment Act (ARRA) stimulus funding for research, with almost \$160 million granted to University projects to date.

Ms. Brown will have overall managerial responsibility for the research enterprise, including Research Administration, Intellectual Property Management, Contract

and Grant Administration, and Federal and State Research Relations. As Vice Chancellor for Research, Ms. Brown will develop the infrastructure and policy to further enhance research on the campus; foster interactions with federal, state, and private agencies and with industry to promote campus research programs and create new opportunities for enhancing research activities and research funding on campus; promote research ethics; and oversee compliance with federal and state guidelines for research. She will be responsible for exercising leadership at the local, state, national and international levels representing the University to external agencies and promoting cooperative research arrangements.

The campus requested re-slotting of the position from SLCG Grade 109 to 110 and a base salary of \$290,000. The market median base salary for vice chancellors for research (VCR) is \$329,220 (aged to October 2010) as provided by the College and University Professional Association (CUPA) Administrative Compensation survey. The recommended base salary is 11.9 percent below the market median. The proposed salary is 6 percent above the average (\$273,388) of the other VCR incumbents in the UC system, but lower than all of the VCRs in SLCG Grade 110. This position is funded 100 percent by State General Funds.

Recommendation

The following items were approved in connection with the appointment and compensation for Sandra A. Brown as Vice Chancellor for Research, San Diego campus:

- (1) Appointment of Sandra A. Brown as Vice Chancellor for Research, San Diego campus.
- (2) Interim re-slotting of the position from SLCG Grade 109 to SLCG Grade 110 (Minimum \$239,700, Midpoint \$307,200, Maximum \$374,500)
- (3) Per policy, an annual base salary of \$290,000.
- (4) Appointment is at 100 percent time to the Senior Management Group (SMG) personnel program, effective December 1, 2010.

Recommended Compensation

Effective Date: December 1, 2010

Base Salary: \$290,000

Total Cash Compensation: \$290,000

Grade Level: Grade 110

(Minimum \$239,700, Midpoint \$307,200, Maximum \$374,500)

Median Market Data: \$329,220

Average Internal Comparators: \$273,388

Funding Source: UC general funds provided by the State

Budget and/or Prior Incumbent Data**Base Salary:** \$251,100**Total Cash Compensation:** \$251,100**Grade Level:** SLCG Grade 109

(Minimum \$214,700, Midpoint \$274,300, Maximum \$333,700)

Funding Source: UC general funds provided by the State

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance and executive salary continuation for disability).
- Per policy, ineligible for participation in the Senior Management Supplemental Benefit Program due to dual faculty appointment.
- Per policy, continuation of accrual of sabbatical credits as a member of tenured faculty.

The compensation described above shall constitute the University's total commitment until modified by the Regents 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.

Submitted By: UCSD Chancellor Fox**Reviewed by:** President Yudof

Committee on Compensation Chair Varner

Office of the President, Human Resources

F. ***Recall from Retirement, Appointment of and Compensation for Ralph J. Hexter as Provost and Executive Vice Chancellor, Davis Campus***

Background to Recommendation

Action under interim authority was requested for the recall from retirement and approval of the appointment of and compensation for Ralph J. Hexter as Provost and Executive Vice Chancellor of the Davis campus, effective January 1, 2011. Mr. Hexter retired from UC Berkeley in 2006, following a one-year unpaid leave of absence. This urgent request was in response to the campus's need to make an announcement regarding the selected candidate immediately following Regental approval. Following a national search, aided by executive search firm Storbeck/Pimentel & Associates, Mr. Hexter emerged as the most highly qualified candidate and an exceptional match for UC Davis as its chief academic officer. The campus requested an appointment salary of \$350,000 at SLCG Grade 111 (Minimum \$267,700, Midpoint \$344,000, Maximum \$420,100).

A brilliant scholar and a broadly experienced administrator, Mr. Hexter has served since 2005 as President of Hampshire College, in Amherst, Massachusetts,

a selective liberal arts college renowned for the student-centered, portfolio-based course of interdisciplinary study it pioneered. Previously he served as Executive Dean of the University of California, Berkeley, College of Letters and Science, the largest of UC Berkeley's 14 colleges and schools, and as Dean of Arts and Humanities at UC Berkeley. He held prior academic administrative positions at the University of Colorado at Boulder and at Yale University.

Mr. Hexter has distinguished himself as a highly respected professor of classics and comparative literature and as a college and university administrator who inspires excellence. In 1995, he joined the faculty of UC Berkeley, quickly accelerating through the ranks as Chair of Comparative Literature, Dean of Arts and Humanities and Executive Dean of the College of Letters and Science. At Berkeley, he helped to renew and rebuild excellence in a dynamic environment, successfully recruiting and retaining faculty despite intense competition, and actively seeking and securing new monies from philanthropists and foundations. Shortly after his arrival as president at Hampshire College, Mr. Hexter launched a multi-step revisioning exercise, successfully guided the college's reaccreditation process, and initiated the first phase of full-scale strategic planning. He introduced new levels of accountability and professionalism at the college, recruiting outstanding finance and student affairs leaders who brought new levels of expertise, clarity and responsiveness to their units' work, creating an ombuds office, and developing a top-notch institutional advancement and development services team. He added a Special Presidential Assistant for Diversity and Multicultural Education to his presidential cabinet and guided the creation of an Anti-Racism Administrative Action Plan. As well, he allocated funds to significantly expand the college's support of faculty research and creative activity, and, through a grant of the Andrew W. Mellon Foundation, laid the groundwork for a deeper integration of the study of languages other than English into courses and individual projects of both faculty and students.

Mr. Hexter is a member of the Executive Committee of the Association of Independent Colleges and Universities in Massachusetts, trustee of the Pacific School of Religion in Berkeley, founding member of LGBTQ Presidents in Higher Education, and regional board member of the National Council for Community and Justice. He served as chair of the Rhodes Scholar Selection Committee for Massachusetts and Connecticut these past two years, and continues to serve on the Phi Beta Kappa nominating committee.

As Provost and Executive Vice Chancellor, Mr. Hexter will report directly to the Chancellor and serve as the Chief Academic Officer of the Davis campus. In that role, he will act for the Chancellor in the Chancellor's absence and will be the Chancellor's principal liaison to the Academic Senate. He will be responsible for leading the development of academic priorities and strategies. In collaboration with the Chancellor and in close consultation with the Academic Senate, Mr. Hexter will be responsible for ensuring the academic preeminence of UC Davis by guiding academic planning efforts, promoting campus-wide academic initiatives, recruiting and retaining a diverse and outstanding faculty, allocating

resources among the deans, and formulating academic policies. He will collaborate with the Chancellor in leading the strategic planning process and providing oversight to progress made across the campus. Mr. Hexter will share with the Chancellor and the Vice Chancellor – Administrative and Resource Management a leadership role in defining resource allocation and developing campus-wide priorities, implementing the campus-wide budget process, and managing the daily operations of the campus.

This position is funded 100 percent from state funds. The market median base salary for provost and executive vice chancellors is \$371,630 (aged by a factor of 4.5 percent) as provided by the College and University Professional Association (CUPA) Administrative Compensation survey. The recommended base salary of \$350,000 is 6.18 percent below the market median.

Recommendation

The following items were approved in connection with the recall from retirement, appointment of and compensation for Ralph J. Hexter as Provost and Executive Vice Chancellor, Davis campus:

- (1) Per policy, recall from retirement and appointment of Ralph J. Hexter as Provost and Executive Vice Chancellor, Davis Campus.
- (2) Per policy, an annual base salary of \$350,000, at SLCG Grade 111 (Minimum \$267,700, Midpoint \$344,000, Maximum \$420,100)
- (3) Per policy, a hiring bonus and relocation allowance of 30 percent of base salary (\$105,000). This payment will be provided as a single lump-sum or as an annual stream of payments for a period of up to four years. If paid in a lump sum, and Mr. Hexter resigns within four years, he will be required to pay back a pro-rata portion of the payment. If paid in annual installments and Mr. Hexter resigns, any unpaid future installments would be forfeited.
- (4) Per policy, a temporary housing allowance not to exceed \$12,000 for a period of 90 days to offset limited housing-related expenses. If Mr. Hexter leaves the University prior to the completion of one year of service, or accepts an appointment at another University location within 12 months from his initial date of appointment, he will be required to pay 100 percent of the temporary housing allowance.
- (5) Per policy, two house hunting trips each, subject to the limitations under policy for the candidate and his spouse/partner.
- (6) Per policy, 100 percent reimbursement of reasonable and allowable expenses associated with moving expenses.

- (7) Per policy, eligibility to participate in the UC Home Loan Program, in accordance with all applicable policies.
- (8) This appointment is at 100 percent time and is effective January 1, 2011.

Additional items of compensation include:

- Per policy, Mr. Hexter will sign the UCRP Retired Employee Election Form completed for all rehired retirees and accept the option to suspend monthly UCRP retirement income and any other health and welfare benefits he received as a retiree, with the understanding that he must re-retire immediately after his employment ends.
- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance and executive salary continuation for disability).
- Per policy, an automobile allowance of \$8,916 per annum.
- Per policy, ineligible for participation in the Senior Management Supplement Benefit Program due to tenured faculty appointment.
- Per policy, accrual of sabbatical credits as a member of tenured faculty.

Recommended Compensation

Effective Date: January 1, 2011

Base Salary: \$350,000

Relocation and Hiring Allowance: \$105,000

Total Cash Compensation: \$455,000

Grade Level: Grade 111

(Minimum \$267,700, Midpoint \$344,000, Maximum \$420,100)

Median Market Data: \$371,630

Funding Source: UC general funds

Percentage Difference from Market: 6.18 percent above market

Prior Incumbent Data

Title: Provost and Executive Vice Chancellor

Base Salary: \$307,500

Incentive/Bonuses: \$0

Total Cash Compensation: \$307,500

Grade Level: SLCG Grade 111

(Minimum \$267,700, Midpoint \$344,000, Maximum \$420,100)

Funding Source: UC general funds

The compensation described above shall constitute the University's total commitment until modified by the Regents 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.

Submitted By: UC Davis Chancellor Katehi
Reviewed by: President Yudof
Committee on Compensation Chair Varner
Office of the President, Human Resources

G. *Appointment of and Compensation for David Vlahov as Dean – School of Nursing, San Francisco Campus*

Background to Recommendation

Action under interim authority was requested for the approval of the appointment of and compensation for David Vlahov as Dean – School of Nursing, San Francisco campus at an annual base salary of \$290,000, with an annual Health Sciences Compensation Plan (HSCP) component of \$60,000, for total annual compensation of \$350,000, SLCG Grade 108, effective upon interim approval, with a starting date no sooner than April 1, 2011. The Dean position will be funded 100 percent by State funds and the HSCP component will be funded through non-State funds. In addition to this Senior Management Group (SMG) appointment, Mr. Vlahov was proposed for an appointment as a tenured faculty member, without salary while serving as Dean, in the School of Nursing's Department of Community Health Systems. While the anticipated starting date is April 1, 2011, the campus requested interim approval to secure this job offer. Without interim approval, the campus stated that it ran the risk of losing the candidate and repeating an extensive recruitment which could critically impact the leadership aspects within the School of Nursing. In addition, Mr. Vlahov would be available, in advance of his report date, to participate in critical school and campus operational and budget decisions that will affect UCSF for years to come.

Former Dean Kathleen Dracup stepped down from the Dean position effective October 1, 2010. Currently, Dr. Sally Rankin is serving as the Interim Dean through March 31, 2011. In anticipation of the Dean vacancy, recruitment for this position began many months ago. After a very extensive national recruitment, Mr. Vlahov emerged as the top candidate.

His extensive and solid background makes him extremely well-suited for the Dean – School of Nursing position. Since October 2006, Mr. Vlahov has been serving as the Interim Executive Director of The New York Academy of Medicine (New York, New York) as well as the Senior Vice President for Research (since 2006) and Director – Center for Urban Epidemiologic Studies (since 1999). He is also Professor of Clinical Epidemiology at the Joseph L. Mailman School of Public Health at Columbia University (since 2000), Adjunct Professor of Clinical Epidemiology and Health Services Research at Cornell University (since 2002), Adjunct Professor of Psychiatry at New York University (since 2003), Adjunct Professor of Pediatrics (Adolescent Medicine) at Mt. Sinai School of Medicine, New York (since 2004), and Adjunct Professor in Epidemiology at The Johns Hopkins Bloomberg School of Public Health (since

1996). His service at The Johns Hopkins University spans over 24 years in various academic leadership roles with the primary focus of epidemiology. Prior to The Johns Hopkins University, Mr. Vlahov served as a nurse, in various capacities, at the University of Maryland Medical Systems, Baltimore, Maryland (1975-1977 and 1978-1983) as well as Sinai Hospital, Baltimore, Maryland (1977-1978). Mr. Vlahov is the editor-in-chief of the *Journal of Urban Health*, and serves as an editor for the *American Journal of Epidemiology* and *Epidemiology*. He has edited three books on urban health and has published over 600 scholarly papers. Mr. Vlahov received baccalaureate and masters degrees in Nursing from the University of Maryland (1974 and 1980, respectively) and his doctorate in Epidemiology at the Johns Hopkins School of Hygiene and Public Health (1988). As can be seen through this experience summary, he has a proven track record as a leader and will bring the required skills, knowledge, and abilities to this critical role at UCSF.

The Dean – School of Nursing role is a critical senior leadership role. Reporting directly to the Chancellor, Mr. Vlahov will be responsible for advancing the School's commitment to combining research and scholarship with high quality clinical education at the graduate level; developing new ways to sustain the growth of the School and to lead initiatives to expand the revenue base and control expenses; indentifying, in conjunction with faculty, priorities and the allocation of resources to meet those priorities (e.g., recruit and sustain talented faculty as well as support junior faculty in a manner to insure that the school remains preeminent in education and research among the nation's schools of nursing); leading the school in its strong commitment to diversity; expanding and diversifying revenue sources, which includes cultivating private donors and leading innovative initiatives; representing the school as a key thought leader in the national and international nursing community; and supporting transparent collaborative leadership, working well with the participatory faculty governance structure of the School of Nursing.

Both the requested annual base salary of \$290,000 and HSCP component of \$60,000 is equivalent to the annual base salary of \$290,000 plus HSCP component of \$60,000 for the former UCSF Dean – School of Nursing (0.0 percent lead/lag). Mr. Vlahov's current salary is \$292,000.

A \$25,000 (8.6 percent) relocation allowance was offered to address cost of living difference between New York City and San Francisco. The UCSF Dean – School of Nursing presides over one of the highest ranked graduate schools of nursing in the country. The College and University Professional Association (CUPA) Administrative Survey, Full Comparison Group, reports a July 2009 median salary of \$305,250 for the dean of nursing benchmark. That salary, aged to the present, suggests a median salary of \$314,408. The size, scope, and programmatic complexity of the UCSF graduate nursing programs makes positive alignment to that national market median appropriate. The only UC system

comparator is the UCLA – Dean School of Nursing displaying an annual salary of \$250,000.

The proposed base salary of \$290,000 is 18.4 percent above the SLCG Grade 108 salary range midpoint of \$244,900.

Recommendation

The following items were approved in connection with the appointment and compensation of David Vlahov as Dean – School of Nursing, San Francisco campus:

- (1) Appointment of David Vlahov as Dean – School of Nursing at 100 percent time.
- (2) Per policy, an annual base salary of \$290,000, at SLCG Grade 108 (Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400).
- (3) Per policy, an annual Health Sciences Compensation Plan component of \$60,000.
- (4) Effective no sooner than April 1, 2011.

Recommended Compensation

Effective Date: no sooner than April 1, 2011

Base Salary: \$290,000

HSCP: \$60,000

Total Cash Compensation: \$350,000

Grade Level: SLCG Grade 108

(Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400)

Median Market Data: The aged median from the CUPA Administrative Survey, Full Comparison Group is \$314,408

Funding Source: State funds (Dean appointment); non-State funds (HSCP)

Percentage Difference from Market: 11.3 percent (base salary + HSCP) above market

Budget &/or Prior Incumbent Data

Base Salary: \$290,000

HSCP: \$60,000

Total Cash Compensation: \$350,000

Grade Level: SLCG Grade 108

(Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400)

Additional items of compensation include:

- Per policy, a lump sum relocation allowance of \$25,000 (approximately 8.6 percent) paid within 30 days of the date of hire with a graduated pay-

back clause should the incumbent terminate prior to his third year of employment.

- Per policy, reimbursement for 100 percent of all actual and reasonable moving expenses, as defined by policy.
- Per policy, two University paid house-hunting trips each, subject to the limitations under policy for the candidate and his spouse/partner.
- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance and executive salary continuation for disability).
- Per policy, eligibility to participate in the University of California Home Loan Program, available to be exercised within a period not to exceed 24 months from date of employment. Participation will comply with all University/Campus normal Program parameters.
- Per policy, accrual of sabbatical credits as a member of tenured faculty.
- Per policy, ineligible to participate in the Senior Management Supplemental Benefit Program due to tenured faculty appointment.

The compensation described above shall constitute the University's total commitment until modified by the Regents 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.

Submitted By: UCSF Chancellor Desmond-Hellmann
Reviewed by: President Yudof
Committee on Compensation Chair Varner
Office of the President, Human Resources

H. *Approval for 2008-09 Deferred Incentive Awards for Employees at the Davis Campus*

Background to Recommendation

Approval was sought for the payment of 2008-09 fiscal year non-clinical incentive awards that were deferred by the Davis campus as a result of the action taken by the Regents to freeze senior management group salaries and suspend bonus and certain other variable pay plans (Item C1) at the special meeting of January 14, 2009 and related 2009 Regental actions. At the September 2010 meeting, the Regents approved an item entitled Delegation of Authority to Pay Certain Incentive Awards Deferred by the Regents' 2009 Actions, which delegated authority to the President to review and approve processing of incentive awards that had been deferred as a result of the 2009 Regental actions, subject to the concurrence of the Chair of the Committee on Compensation, with such payments to include interest at the Short Term Investment Pool (STIP) rate where deemed appropriate. A review of the 2008-2009 fiscal year incentive awards deferred for employees at the Davis campus was conducted, and it was

determined that the awards recommended by the campus satisfy the criteria for payment. The President was therefore asked to approve these awards and authorize their payment under the authority delegated to him by the Regents.

Recommendation

The following was approved in connection with the authorization to the Davis campus to process payment of the deferred 2008-09 fiscal year awards recommended by the campus, with such payments to include interest at the Short Term Investment Pool (STIP) rate, under the authority delegated to the President by the Regents of the University of California, subject to the concurrence of the Chair of the Committee on Compensation.

The number of employees for whom awards have been recommended total 149 with a total recommended payout of \$135,500. The names of the employees and their respective recommended awards are shown in **Attachment 1**.

Awards paid pursuant to this delegation for Senior Management Group employees and for employees whose total cash compensation exceeds \$214,000 will be reported to the Committee on Compensation of the Board of Regents. In addition, awards paid to employees whose compensation is subject to reporting in the Annual Report on Compensation will be reflected in the report for the fiscal year in which the payments are made.

I. ***Approval for 2008-09 Deferred Incentive Awards for Employees at the San Francisco Campus***

Background to Recommendation

Approval was sought for the payment of 2008-09 fiscal year non-clinical incentive awards that were deferred by the San Francisco campus as a result of the action taken by the Regents to freeze senior management group salaries and suspend bonus and certain other variable pay plans (Item C1) at the special meeting of January 14, 2009 and related 2009 Regental actions. At the September 2010 meeting, the Regents approved an item entitled Delegation of Authority to Pay Certain Incentive Awards Deferred by the Regents' 2009 Actions, which delegated authority to the President to review and approve processing of incentive awards that had been deferred as a result of the 2009 Regental actions, subject to the concurrence of the Chair of the Committee on Compensation, with such payments to include interest at the Short Term Investment Pool (STIP) rate where deemed appropriate. A review of the 2008-2009 fiscal year incentive awards deferred for employees at the San Francisco campus was conducted, and it was determined that the awards recommended by the campus satisfy the criteria for payment. The President was therefore asked to approve these awards and authorize their payment under the authority delegated to him by the Regents.

Recommendation

The following was approved in connection with the authorization to the San Francisco campus to process payment of the deferred 2008-09 fiscal year awards recommended by the campus, with such payments to include interest at the Short Term Investment Pool (STIP) rate, under the authority delegated to the President by the Regents of the University of California, subject to the concurrence of the Chair of the Committee on Compensation.

The number of employees for whom awards have been recommended total 1,480 with a total recommended payout of \$4,021,392. The names of the employees and their respective recommended awards are provided in [Attachment 2](#).

Awards paid pursuant to this delegation for Senior Management Group employees and for employees whose total cash compensation exceeds \$214,000 will be reported to the Committee on Compensation of the Board of Regents. In addition, awards paid to employees whose compensation is subject to reporting in the Annual Report on Compensation will be reflected in the report for the fiscal year in which the payments are made.

J. ***Appointment and Compensation for Alison Mudditt as Director – University of California Press, Office of the President***

Background to Recommendation

Approval was requested for re-slotting, appointment and total compensation for Allison Mudditt as Director – University of California Press, Office of the President.

After an extensive search, Alison Mudditt was selected as the top candidate out of 19 applicants for the Director – UC Press position at the Office of the President. Ms. Mudditt brings a unique combination of experience in academic and commercial publishing and is the ideal candidate to take on the challenges of the UC Press. She is ideally suited to lead the Press, maintaining its historic standards of academic excellence while navigating the many challenges that beset the publishing industry in general and academic publishing in particular. She has worked on the academic side at both Blackwell's and Sage publishing houses with both monographs and journals and has extensive experience launching innovative publishing programs that take aggressive advantage of digital technologies. Her business success at Blackwell's and Sage is of great interest to the UC Press, especially now as it seeks financially to sustain itself better in a turbulent economy. Her experience with business and strategic planning for both journal and monograph series, and her long experience of working with academic authors made her ideally suited for this role.

A January 3, 2011 start date allowed for a seamless transition with the present

Director, Lynne Withey, who will retire on December 31, 2010. In addition, that start date would allow Ms. Mudditt to immediately become engaged in the business and strategic planning process underway.

It was proposed that the position be re-slotted from SLGC Grade 106 to SLCG Grade 108 (Minimum \$192,300, Midpoint \$244,900 Maximum \$297,400) to better align the UC structure to the market. The requested base salary of \$244,900 is less than the market median of \$248,900 by approximately 1.6 percent. The position is funded 100 percent by UC Press revenue.

Additional elements of Ms. Mudditt's recruitment package, all of which comply with UC policy, are detailed below.

Recommendation

The following was approved in connection with the re-slotting of the position of Director – University of California Press, and the appointment of and compensation for Alison Mudditt as Director – University of California Press, Office of the President.

- (1) Appointment of Alison Mudditt as Director – University of California Press, Office of the President.
- (2) Re-slotting of the position from SLGC Grade 106 to SLCG Grade 108 (Minimum \$192,300, Midpoint \$244,900 Maximum \$297,400) to better align the UC structure to the market.
- (3) Per policy, appointment salary of \$244,900 SLCG Grade 108 (Minimum \$192,300, Midpoint \$244,900 Maximum \$297,400).
- (4) Per policy, a 25 percent (\$61,225) relocation allowance paid in two annual installments of \$30,612.50. If Ms. Mudditt resigns within four years of appointment, any payments made to her are subject to repayment as follows: 100 percent if resignation occurs within the first year of employment; 60 percent if resignation occurs the second year of employment; 30 percent if resignation occurs the third year of employment; 10 percent if resignation occurs the fourth year of employment. Any unpaid future installments would be forfeited.
- (5) Per policy, reimbursement of temporary living expenses in the Oakland area for a period of up to three months, not to exceed \$12,000. Ms. Mudditt will be given the option of having the University provide her with a temporary living allowance, up to 100 percent of the per diem amount related to housing expenses for the Oakland area, which is currently \$161 daily, in lieu of reimbursement. This amount would include meals and cannot exceed the \$12,000 maximum.

- (6) Per policy, two house hunting trips each, subject to the limitations under policy for the candidate and her spouse/partner.
- (7) Per policy, 100 percent reimbursement of all reasonable moving expenses for the purpose of relocation of the primary residence subject to the current policy guidelines.
- (8) Per policy, eligibility to participate in the University Mortgage Origination Program. Participation will comply with all University/Campus normal program parameters.
- (9) This appointment is at 100 percent time and effective January 3, 2011.

Recommended Compensation**Effective Date:** January 3, 2011**Base Salary:** \$244,900**Total Cash Compensation:** \$244,900**Grade Level:** SLCG Grade108

(Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400)

Median Market Data: \$248,000**Funding Source:** 100 percent UC Press revenue**Percentage Difference from Market:** .013 percent below market**Budget &/or Prior Incumbent Data****Title:** Director – University of California Press**Base Salary** \$207,000**Funding Source:** 100 percent UC Press revenue funds

Additional

1 items of compensation include:

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

Reviewed by: **President Yudof**
 Committee on Compensation Chair Varner
 Office of the President, Human Resources

K. *Appointment of and Compensation for Jerolyn Renee Chapman Navarro as Vice Chancellor – Diversity and Outreach, San Francisco Campus*

Background to Recommendation

The San Francisco campus requested approval under interim authority for the appointment of and compensation for Jerolyn Renee Chapman Navarro as Vice Chancellor – Diversity and Outreach at an annual base salary of \$270,000, SLCG Grade 108, effective upon approval, with a start date no sooner than December 1, 2010. This position will be funded 100 percent by state funds.

The campus stated that, as expressed by President Yudof earlier this year, diversity and outreach efforts are of critical focus systemwide. UCSF is anxious to proceed with developing and enhancing current campus initiatives to create robust programs on the San Francisco campus. While the anticipated start date was December 1, 2010, and while this appointment was an internal transfer from academic to Senior Management Group (SMG) within UCSF, the campus requested interim approval to secure this job offer so that Dr. Navarro could begin critical diversity and outreach efforts on the UCSF campus in December.

UCSF has been at the forefront of addressing health care disparities and community health needs, while promoting diversity and inclusion among its students, trainees, staff, and faculty.

UCSF's commitment to diversity and inclusion is integral to fulfilling its mission to meeting the highest standard of excellence in health care delivery, scholarly research, community service, and training the next generation of health care professionals. In furtherance of that excellence and acknowledgement that UCSF strives to achieve more from its diversity and outreach efforts, the campus has found in Dr. Navarro an exceptional leader to serve in the newly created position of Vice Chancellor – Diversity and Outreach.

Reporting directly to the Chancellor, Dr. Navarro will oversee and align all diversity efforts on the San Francisco campus and will be responsible for developing and implementing a strategic plan that enhances its efforts to nurture diversity and ensure alignment with the University's mission and priorities to create a diverse and inclusive environment in which everyone has the opportunity to excel. Dr. Navarro will be a member of the Chancellor's Cabinet.

The campus stated that Dr. Navarro's extensive and solid background makes her extremely well-suited for the Vice Chancellor – Diversity and Outreach position and, after conducting an extensive search, she emerged as the top candidate. Dr. Navarro joined the UCSF Anesthesia Faculty in 1990 and has held various academic and staff roles within Anesthesia and Perioperative Care during her tenure. She is currently a Health Sciences Clinical Professor in the Department of Anesthesia and Perioperative Care, UCSF School of Medicine, as well as the

Associate Dean of Academic Affairs, School of Medicine, and Director of Academic Diversity, UCSF Chancellor's Office (first in this role, effective 2007). In this role, she has been charged with coordinating the University's strategic goal of enhancing the diversity of faculty, students, trainees, and staff. Dr. Navarro received her MD from UCSF (1986) and her PharmD from the University of the Pacific, Stockton, California (1982). Her internship in Medicine was performed at Cedars Sinai, Los Angeles, California (1986-1987) and her residency in Anesthesia was performed at UCSF (1987-1990).

Dr. Navarro is a steering committee member of the African American Health Initiative for San Francisco County and a member of the UC President's Task Force on Faculty Diversity. Due to her service to the University and the community, Dr. Navarro has been honored by receipt of the Alpha Omega Alpha award, Chancellor's Celebration of Women Faculty, Chancellor's Martin Luther King Award, and former Mayor Willie Brown's Proclamation of Ms. J. Renee Navarro Day in San Francisco.

Both market and internal comparisons are challenging to identify given the expanded scope and complexity of this role. Market data is available for executive level diversity leaders in traditional academic settings. However, the unique nature of the clinical enterprise in which this positions operates; the critical organizational and community impact of this position; and the extraordinary background of the candidate suggest compensation significantly above standard benchmarks is appropriate. The most meaningful available published market data is found in the Watson Wyatt Executive survey and reports an aged median of \$177,263. Given the factors described above, significant indexing of that figure is appropriate.

The proposed base salary of \$270,000 is 10.2 percent above the SLCG Grade 108 salary range midpoint of \$244,900.

Recommendation

The following was approved in connection with the appointment of and compensation for Jerolyn Renee Chapman Navarro as Vice Chancellor – Diversity and Outreach, San Francisco campus:

- (1) Appointment of Jerolyn Renee Chapman Navarro as Vice Chancellor – Diversity and Outreach at 100 percent time.
- (2) Per policy, an annual base salary of \$270,000, at SLCG Grade 108 (Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400).
- (3) Effective no earlier than December 1, 2010.

Recommended Compensation

Effective Date: No earlier than December 1, 2010

Base Salary: \$270,000
Total Cash Compensation: \$270,000
Grade Level: SLCG Grade 108
(Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400)
Median Market Data: \$177,263
Funding Source: State funds
Percentage Difference from Market: 52.3 above market

Budget &/or Prior Incumbent Data

Title: New position
Base Salary: N/A
Total Cash Compensation: N/A
Grade Level: N/A
Funding Source: N/A

Additional items of compensation include:

- Per policy, a five percent monthly contribution to the Senior Management Supplemental Benefit Program.
- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life 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 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.

Submitted By: UCSF Chancellor Desmond-Hellmann
Reviewed by: President Yudof
Committee on Compensation Chair Varner
Office of the President, Human Resources

- L. *Appointment of and Compensation for Karen Petrulakis as Deputy General Counsel – Litigation, Labor and Employment, Office of General Counsel, Office of the President*

Background to Recommendation

Action under interim authority was requested for the appointment of and compensation for Karen Petrulakis as Deputy General Counsel – Litigation, Labor and Employment, Office of General Counsel, Office of the President to provide adequate notice to her current employer and to begin work in early January 2011.

After an extensive search, Karen Petrulakis was selected as the top candidate out of 70 applicants for the Deputy General Counsel – Litigation, Labor and Employment position at Office of the General Counsel (OGC). Ms. Petrulakis is the ideal candidate to take on the challenges of the Litigation, Labor and Employment Legal group. She has 17 years of counsel experience, of which the last eight were at the partner level. For the past year, she has been with Crowell & Moring LLP in San Francisco. Previously, Ms. Petrulakis was with Folger Levin & Kahn for 16 years. Her practice background includes trial experience representing employers in a wide variety of employment matters, including discrimination, retaliation and harassment claims, as well as other employment-related claims such as wrongful discharge and wage and hour violations.

The position had been vacant since May 2010 due to the departure of Jeffrey Blair (now chief attorney for Lawrence Berkeley National Laboratory). The position is a highly significant leadership role, reporting directly to the General Counsel, and is a member of the Office of General Counsel Cabinet. The incumbent will oversee the Litigation, Labor and Employment division, encompassing a broad range of legal practices areas, including general litigation, employment law, grievance representation, insurance, labor law, risk services, benefits and other disciplines as assigned. The Deputy General Counsel manages a large litigation portfolio, frequently consisting of significant and controversial and/or challenging matters as well as oversees multiple senior incumbent attorneys, some managing their own staff of attorneys. In addition to providing long-range vision and strategy, the incumbent will provide advice and counsel on highly complex legal disputes.

During the months devoted to the search process, the work has been handled by David Birnbaum, OGC's current Deputy General Counsel – Educational Affairs and Campus Services. In effect, both Mr. Birnbaum's division as well as the division of Litigation, Labor and Employment has been detrimentally impacted due to reduced leadership and some initiatives, such as the outside counsel scorecard project, have been delayed pending the start of a career incumbent in the position. Further, there was a need to move quickly to finalize the appointment so that Ms. Petralulakis may give notice to leave her firm. The position is currently slotted at SLCG Grade 108. The requested base salary of \$260,000 is 5.8 percent above the range midpoint of \$244,900, and 1.29 percent above the market median (source: Mercer Legal Survey) of \$256,700. Ms. Petrulakis will experience a 25 percent reduction in base pay and bonus opportunity potential in accepting UC's offer.

This position is funded equally by state and common funds.

Recommendation

The following was approved in connection with the appointment of and

compensation for Karen Petrulakis as Deputy General Counsel – Litigation, Labor and Employment, Office of General Counsel:

- (1) Appointment of Ms. Karen Petrulakis as Deputy General Counsel – Litigation, Labor and Employment, Office of General Counsel, Office of the President.
- (2) Per policy, an annual base salary of \$260,000 at SLCG Grade 108 (Minimum \$192,300, Midpoint \$244,900 Maximum \$297,400).
- (3) Per policy, eligibility to participate in the UC Home Loan Program, in accordance with all applicable policies.
- (4) This appointment is at 100 percent time.

Recommended Compensation

Effective Date: January 3, 2011

Base Salary: \$260,000

Total Cash Compensation: \$260,000

Grade Level: SLCG Grade 108

(Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400)

Median Market Data: \$256,700

Funding Source: 50 percent non-State funds; 50 percent State funds

Percentage Difference from Market: 1.29 percent

Budget &/or Prior Incumbent Data

Title: Deputy General Counsel – Litigation, Labor and Employment

Base Salary: \$250,000

Funding Source: 34 percent Common funds; 33 percent non-State/non-Common (Laboratory Management); 33 percent State funds

Additional items of compensation include:

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

Reviewed by: **President Yudof**
 Committee on Compensation Chair Varner

Office of the President, Human Resources**M. *Recall from Retirement Appointment and Compensation for Randolph M. Siverson as Acting University Librarian, Davis Campus***Background to Recommendation

Action under interim authority was requested for the recall from retirement for Randolph M. Siverson, Distinguished Professor Emeritus and Research Professor – Political Science, to serve as the Acting University Librarian, effective immediately upon approval of the Regents. Helen Henry and Gail Yokote had been serving as Acting Co-University Librarians since the former University Librarian, Marilyn Sharrow, retired and while the Davis campus conducted a national search for a permanent replacement. Their acting appointments ended on December 31, 2010. Ms. Henry and Ms. Yokote have provided excellent leadership to the University Library during their acting appointments; however, it is in the best interest of the campus that they return to their permanent positions as Associate University Librarians.

The campus has decided to temporarily suspend—for the remainder of this academic year—its search for a University Librarian. Interviews and assessment of candidates during the process, to date, have revealed to the search committee, the Chancellor, and the campus at large, that it is necessary to substantially reconceptualize the position. Specifically, the campus has initiated two processes that it anticipates will fundamentally restructure the University Library to become the campus hub of academic technology – a center of excellence in learning and scholarship in which faculty and students will find fully integrated the print and technology resources necessary for their advancement of instruction, research, and service. It is anticipated that the successful implementation of this vision will require a different kind of leadership than is reflected in the current conception of the University Librarian position—an individual who has the skills, knowledge, and abilities to creatively integrate essential library functions with the best in information technology.

In May 2010, Provost and Executive Vice Chancellor Lavernia and Academic Senate Chair Robert Powell appointed a Task Force, the “Joint Academic Senate/Administration Task Force on the University Library,” and appointed Distinguished Professor Emeritus and Research Professor Siverson to serve as co-chair, along with Ken Burtis, Dean – College of Biological Sciences. The Task Force is charged with providing advice and perspective on the future course of the UC Davis General Library. The Task Force will provide an assessment of the Library’s current status, including academic priorities, centers of particular strength, and operational challenges and opportunities. The work of this Task Force is on-going and will help guide Distinguished Professor Emeritus and Research Professor Siverson and the new University Librarian in their planning efforts. Mr. Siverson has been serving on the Task Force on a volunteer (uncompensated) basis.

In addition, Chancellor Katehi has appointed a Blue Ribbon Panel on Information Technology Excellence. Among other things, this panel is charged to develop a vision for a Library that is fully integrated into the campus's academic technology infrastructure. It is anticipated that these groups will provide recommendations by early 2011. Based on these recommendations, it is anticipated that the University Librarian search will be restarted, with a new hire in place during January, 2012. In order to provide leadership during this interim period, approval is requested to appoint Distinguished Professor Emeritus and Research Professor Siverson to serve as the Acting University Librarian, effective immediately upon approval, at an average of 43 percent time within a twelve month period, with a base salary of \$180,000. In the event that a new University Librarian is not hired prior to the expiration of the twelve-month acting appointment, the campus will seek re-approval to extend the acting appointment until the permanent University Librarian is appointed.

This position is slotted at SLCG Grade 106 (Minimum \$154,200, Midpoint \$195,200, Maximum \$236,100). Interim authority was requested to allow the campus to make an announcement regarding this acting appointment immediately following word of approval and because the current Acting Co-University Librarian appointments will soon be ending.

This interim appointment was necessary to provide leadership with an individual from the academic community who has strong communication skills and is well respected by the executive team at UC Davis. Distinguished Professor Emeritus and Research Professor Siverson knows the campus, has the respect of the Council of Deans and Vice Chancellors, and is well-regarded by the UC Davis Division of the Academic Senate. His leadership skills are ideally suited to the needs of the UC Davis Library during this critical transitional phase, as careful attention to the faculty voice will be necessary in the revisioning process, as well as attendance to some fundamental human resources and business functions. The campus is embarking on major changes to its libraries, knowing that it must find more cost-effective ways to deliver high-quality library services to faculty, students, and staff.

The University Librarian is responsible for the leadership and administration of the UC Davis General Library which is ranked by the Association of Research Libraries as one of the top seventy-five research libraries in North America. The University Librarian reports to the Provost and Executive Vice Chancellor and is a member of the Council of Deans and Vice Chancellors, the UCD Academic Senate, the UC University Librarians Group, the Board of the Regional Library Facilities, the UCD Academic Senate Library Committee, and the Campus Council for Information Technology.

The University Librarian is responsible for the administration of the Shields Library, the Carlson Health Sciences Library, the Physical Sciences and Engineering Library, and the Blaisdell Medical Library.

In addition, the University Librarian is responsible for administering, managing, planning and policy formulation for the General Library's resources, programs and services; working with campus constituents; furthering the Library's use of technologies; developing the Library's collections and services through outside support; and partnering and leadership at the national, regional, local and university-wide levels on research library issues.

The University Librarian administers the Library within a University characterized by a strong commitment to excellence of scholarship, research, teaching and community partnerships.

The proposed base salary of \$180,000 is 10.69 percent below the average base salary of \$199,233 for other UC university librarians; 8.44 percent below the midpoint for SLCG Grade 106 (Minimum \$154,200, Midpoint \$195,200, Maximum \$236,100); and 21.40 percent below the market median of \$218,525. Mr. Siverson's previous salary was \$156,271. This position is funded 100 percent by State funds.

Recommendation

The following was approved in connection with the recall from retirement and appointment and compensation of Randolph M. Siverson as Acting University Librarian, Davis campus:

- (1) Per policy, recall from retirement at an average of 43 percent time within a twelve month period, at an annualized appointment salary of \$180,000.
- (2) Effective upon approval.

Recommended Compensation

Effective Date: Upon approval

Base Salary: \$180,000

Total Cash Compensation: \$180,000

Grade Level: SLCG Grade 106

(Minimum \$154,200, Midpoint \$195,200, Maximum \$236,100)

Median Market Data: \$218,525

Funding Source: State funds

Percentage Difference from Market: 21.4 percent below market

Budget &/or Prior Incumbent Data

Base Salary: \$191,300

Grade Level: SLCG Grade 106

(Minimum \$154,200, Midpoint \$195,200, Maximum \$236,100)

Funding Source: State funds

Additional items of compensation include:

- Per policy, Mr. Siverson plans to sign the UCRP Reired Retiree Waiver Form that will serve to decline participation in the UC Retirement System (UCRS) and allow Mr. Siverson to continue receiving his retirement annuity while receiving compensation related to this appointment.
- Per policy, health and welfare benefits based upon a 43 percent limited-time appointment.

The compensation described above shall constitute the University's total commitment until modified by the Regents 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.

Submitted by: UC Davis Chancellor Katehi
Reviewed by: President Yudof
Committee on Compensation Chair Varner
Office of the President, Human Resources

N. *Interim Re-Slotting and Market-Based Salary Increase for Gary E. Strong as University Librarian, Los Angeles Campus*

Background to Recommendation

Gary E. Strong has provided outstanding leadership to the UCLA Library since joining the campus in 2003. His accomplishments include transformational changes in its collections and the services that support them. For example, in the spring of 2010, the UCLA Library acquired its nine-millionth volume, despite reductions in the library's overall budget. Most recently, the UCLA Library acquired the literary papers of the Los Angeles novelist, short-story writer and screenwriter John Fante, as well as the literary archive of the visionary novelist and essayist Aldous Huxley. Acquisitions such as these have allowed the UCLA Library to continue its high ranking among the most elite academic research libraries in North America. Mr. Strong's highly visible presence in the field of library administration and his professional leadership activities have attracted significant support among UCLA donors and friends of the University. Last year, the UCLA Library received \$5 million from the Arcadia Fund, the largest single gift for collections in its history. More recently, the library's annual telefundraising campaign surpassed its goal by nearly 20 percent. In addition to his leadership for the Library, Mr. Strong has played a key role in major campuswide initiatives related to the UCLA information technology strategic plan. His retention is a major objective in UCLA's commitment to remain among the top 10 research libraries in the nation.

The median base salary for University Librarians as reflected in the College and

University Professional Association (CUPA) Administrative Compensation Survey, aged to October 2010, is \$283,179. For this reason an interim re-slotting to SLCG Grade 109 was proposed. The midpoint of SLCG Grade 109 is \$274,300.

A base salary increase of 15 percent was proposed for Mr. Strong, to bring his salary from \$212,700 to \$244,600 effective upon approval. The resulting salary would be 13.6 percent below the market median of \$283,179. This position is funded 100 percent from State General Funds.

In addition to lagging the external market for positions of similar size and scope, Mr. Strong's salary also lagged internal comparators. The University Librarian at UCSD recently received a retention increase of 15 percent for a resulting salary of \$239,200, and the UCSF comparator is paid \$247,700 based on inclusion of that position in the health system equity increases approved by the Regents in November 2008. Notwithstanding his excellent 5-year performance review, Mr. Strong had not received a salary increase since October 2007 due to the freeze on executive salaries.

Recommendation

The following was approved in connection with the interim re-slotting and salary adjustment for Gary Strong as University Librarian, Los Angeles campus:

- (1) Per policy, interim re-slotting of the position University Librarian from SLCG Grade 108 to SLCG Grade 109 (Minimum \$214,700, Midpoint \$274,300, Maximum \$333,700).
- (2) Per policy, a 15 percent base salary increase of \$31,900 to \$244,600.
- (3) The above action to be effective upon approval.

Recommended Compensation

Effective Date: Upon Approval

Base Salary: \$244,600

Total Cash Compensation: \$244,600

Grade Level: SLCG Grade 109

(Minimum \$214,700, Midpoint \$274,300, Maximum \$333,700)

Median Market Data: \$283,179

Percentage Difference from Market: 13.6 percent below market

Funding Source: State General Funds

Budget &/or Prior Incumbent Data**Base Salary:** \$212,700**Total Cash Compensation:** \$212,700**Grade Level:** SLCG Grade 108

(Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400)

Funding Source: State General Funds

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance and executive salary continuation for disability).
- Per policy, continued participation in the Senior Management Supplemental Benefits Program at the rate of 5 percent.
- Per policy, continued participation in Mortgage Origination Program.

The compensation described above shall constitute the University's total commitment until modified by the Regents 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.

Submitted By: UCLA Chancellor Block**Reviewed by:** President Yudof

Committee on Compensation Chair Varner

Office of the President, Human Resources

O. ***Extension of Appointment of and Compensation for Daniel G. Aldrich, III as Interim Vice Chancellor – University Advancement, Irvine Campus***

Background to Recommendation

Action under interim authority was requested for approval of the extension of the appointment of and compensation for Daniel G. Aldrich, III as Interim Vice Chancellor – University Advancement, effective January 1, 2011, through May 15, 2011, or until the appointment of a permanent incumbent. This extension was sought because Mr. Aldrich's interim appointment was scheduled to end on December 31, 2010 and there has been a delay in hiring a permanent Vice Chancellor – University Advancement due to the focus on filling other critical leadership positions.

Mr. Aldrich has been serving as Interim Vice Chancellor – University Advancement since April 29, 2010. The campus has enlisted the services of a search firm and has begun recruitment efforts. However, a permanent incumbent

is not expected to be in place for several months.

Mr. Aldrich is an experienced fundraiser, seasoned administrator and a qualified Interim Vice Chancellor – University Advancement. Mr. Aldrich serves as the chief advancement officer and manages all activities related to financial, political, community, governmental, alumni and public support for UC Irvine. Mr. Aldrich has been an administrator in the UC system since 1980, with most of this time spent in the development area. He was the Council for the Advancement and Support of Education (CASE) District VII Tribute Award Winner in 1998.

This position is funded 100 percent by UC general funds provided by the State. This action was an extension of the current terms of Mr. Aldrich's interim appointment. No changes were proposed to his compensation package. The base salary of \$265,000 is 24.6 percent below the current market median of \$351,321 as provided by the College and University Professional Association (CUPA) Administrative Compensation Survey. The proposed base salary is 3.6 percent below the prior incumbent's salary of \$275,000. The proposed base salary is 3.5 percent below the average base salary of \$274,525 for the permanent Vice Chancellor – University Relations/Advancement at other UC locations. Additionally, the proposed base salary is 8.2 percent above the midpoint for SLCG Grade 108 (Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400).

Recommendation

The following was approved in connection with the extension of the appointment of and compensation for Daniel G. Aldrich, III as Interim Vice Chancellor – University Advancement, Irvine campus:

- (1) Extension of term appointment of Daniel G. Aldrich, III as Interim Vice Chancellor – University Advancement, Irvine campus.
- (2) Per policy, an annual base salary of \$265,000 (SLCG Grade 108: Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400).
- (3) This appointment is 100 percent time and, upon approval, would be effective January 1, 2011 through May 15, 2011, or until the appointment of a permanent new Vice Chancellor – University Advancement, whichever occurs first.

Recommended Compensation

Effective Date: January 1, 2011

Base Salary: \$265,000
Total Cash Compensation: \$265,000
Grade Level: SLCG Grade 108
(Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400)
Median Market Data: \$351,321
Funding Source: UC general funds
Percentage Difference from Market: 24.6 percent below market

Budget &/or Prior Incumbent Data

Base Salary: \$275,000 (plus \$8,916 auto allowance)
Total Cash Compensation: \$283,916
Grade Level: SLCG Grade 108
(Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400)
Funding Source: UC general funds

Additional items of compensation include:

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

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

Submitted By: UCI Chancellor Drake
Reviewed by: President Yudof
Committee on Compensation Chair Varner
Office of the President, Human Resources

P. ***Pre-emptive Retention Salary Adjustment for Paul Staton, Chief Financial Officer, Hospital System, Los Angeles Campus***

Background to Recommendation

The Los Angeles campus requested approval under interim authority of a pre-emptive retention salary adjustment for Paul Staton, Chief Financial Officer, UCLA Hospital System to be effective December 1, 2010. With the departure of UCLA's Hospital System's Chief Operating Officer at the end of 2010, retaining members of this senior leadership team has taken on an even greater significance. Many of the strategic plans for growth and development that are underway are within Mr. Staton's jurisdiction and purview, necessitating stability and continuity. With the opening of the new Santa Monica – Orthopaedic UCLA Hospital in approximately six months and the implementation of the electronic health record program, their capital resources and financial data reporting and

oversight are critical to the success of these initiatives.

As Chief Financial Officer (CFO) for the Hospital System, Mr. Staton is responsible for the integrity and successful financial performance of the entities within the Hospital System. He is also responsible for collaborating and ensuring compliance and alignment with the David Geffen School of Medicine, campus and systemwide-wide budget and finance offices, as well as external agencies and network organizations. Mr. Staton was recently approached as a potential candidate for similar chief financial positions at the Ohio State Hospital System and the Oregon State University Hospital System, necessitating the urgency of this request.

Under the leadership of David Feinberg, M.D., as Associate Vice Chancellor and Chief Executive Officer, the UCLA Hospital System completed the most successful year in its history in 2008-09, achieving the highest level of performance for the three major performance goals under its annual performance plan for Patient Quality and Safety, Patient Experience/Satisfaction and Financial Performance. Financial performance exceeded industry standards, a development that serves the broader interest of UCLA Health Sciences because these gains support many academic programs and capital projects. The recent Stockamp Revenue Cycle Initiative met with acclaimed success far exceeding its target improvement goal of a 5 percent increase in revenue. As UCLA continues to process through the critical stages of this project, it has exceeded the target of \$164 million by \$143 million additional revenue.

The Los Angeles Hospital System's executive team is a model of extraordinary excellence and leadership, and the campus must ensure that Mr. Staton can be compensated at or near the market median for his role and responsibilities. A base salary increase of \$40,000 (10.5 percent) was proposed, bringing Mr. Staton's annual base salary from \$380,000 to \$420,000, effective December 1, 2010. According to market data provided by Mercer Human Resource Consulting, the proposed base salary lags the market median of \$493,700 by 14.9 percent for a CFO position for a hospital system with net revenue in excess of \$1.5 billion. This position is funded 100 percent by hospital system revenue funds.

Recommendation

The following was approved in connection with the pre-emptive retention salary adjustment for Paul Staton, Chief Financial Officer, UCLA Hospital System, Los Angeles campus:

- (1) Per policy, an adjustment to the base salary of \$40,000 (10.5 percent) to increase his base salary from \$380,000 to \$420,000, SLCG Grade 112 (Minimum \$298,900, Midpoint \$385,300 Maximum \$471,500).

