

REPORT OF INTERIM ACTIONS

Office of the Secretary and Chief of Staff
May 20, 2010

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 Chairman of the Board and the President of the University approved the following recommendation:

Approval of a Guaranty, Related Agreements and Contingent Commercial Paper Funding to Support the Acquisition of a Substitute Liquidity Facility for Sierra Nevada College Series 2005 Bonds Issued to Finance the Tahoe Environmental Research Center, Davis Campus

- A. The President was authorized to execute a guaranty, related bank bond purchase agreement and related agreements to support the acquisition of a substitute bank liquidity facility for a term not to exceed one year on no more than \$10,660,000 outstanding Series 2005 Bonds issued by Sierra Nevada College for the Tahoe Environmental Research Center project.
- B. The President was authorized to use commercial paper financing to provide funding for the purchase of Bonds from the bank provider and payments made to the bank provider under the guaranty, if necessary. In the event that a backstop repayment source is needed, the Davis campus will allocate campus reserves to repay commercial paper principal and interest.
- C. The President delegated to the Executive Vice President – Chief Financial Officer authority to negotiate and execute all documents necessary in connection with the above guaranty, related agreements and financing.

2. The Chairman of Board, the Chair of the Committee on Finance, and the President of the University approved the following recommendations:

A. *Acceptance of a Gift of Facilities (Wasserman Building), Los Angeles Campus*

- (1) The President or his designee was authorized to:
- a. Accept following a determination of California Environmental Quality Act (CEQA) compliance and approval of the design by the Regents or its authorized delegate, as a gift in kind from the donor, ELW Building Company LLC (ELW), a core and shell building and certain related improvements to provide clinical and research space (the Donor Project) for the benefit of the Jules Stein Eye Institute (Institute), a UCLA administrative unit (with a quasi-independent board of trustees, but subject to University authority) and UCLA School of Medicine. The Donor Project would be designed and constructed by ELW (or its designee) at ELW's sole cost and expense on Regents-owned land, consistent with the design to be approved by the Regents and University-approved plans and specifications; and
 - b. As part of agreeing to accept the Donor Project, agree that following determination of CEQA compliance:
 - i. The University will undertake separate capital projects at University expense, subject to appropriate approvals by the Regents, the President and/or the Chancellor, consistent with their authority, to: (a) prepare a site for the Donor Project, and (b) complete tenant improvements and equip the new building (University Projects).
 - ii. In order to preserve views and open space, the University's right to construct separate improvements immediately adjacent to the Donor Project site shall require the concurrence of the board of the Institute.
 - iii. The name of the new building shall be the Edie and Lew Wasserman Building, or such other name as the University and ELW may mutually select consistent with University naming policy.
- (2) The President or his designee was authorized, with the concurrence of the General Counsel, to approve and execute a Project Agreement and Gift Agreement in connection with acceptance of the Donor Project, and all ancillary documents and agreements, and any amendments and modifications thereto, provided that such documents, agreements,

amendments, and modifications do not materially exceed the authority granted herein, in the Standing Orders, or in another recommendation approved by the Regents.

B. *Authorization to Include Permanent Equipment Financing as an Authorized Use of the Regents' Commercial Paper Program*

The Regents authorized the inclusion of permanent equipment financing as an authorized use of the Regents' commercial paper (CP) program.

The November 2009 authorization to revise internal limits and liquidity support options for the CP program will be modified as follows with the understanding that all other actions related to the November 2009 authorization remain unchanged.

Deletions shown by strikeout, additions by underlining

(1) Authorize the removal of limitations on the amount of the Regents' commercial paper (CP) program that is authorized for a.) the interim financing of capital projects and equipment, permanent financing of equipment, and financing of working capital for the teaching hospitals and other working capital needs and b.) standby/interim financing for gift-related projects. The overall \$2 billion authorized amount of the Regents' commercial paper program will remain unchanged.

3. The Chairman of the Board and the Chair of the Committee on Governance approved the following recommendation:

A. *Appointment of Regent to Standing Committees*

That effective immediately, Regent John Pérez be appointed to the Committees on Educational Policy and Finance, through June 30, 2010.

B. *Extension of Special Committee on Student Life and Alumni Affairs*

That the Special Committee on Student Life and Alumni Affairs be extended for one year until May 15, 2011.

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

A. *Term Appointment of and Total Compensation for Christopher F. Edley, Jr. as Senior Policy Advisor to the President, Office of the President*

As the Senior Policy Advisor to the President, Mr. Edley will continue to provide advice and counsel to the President and his senior team regarding various policy,

political, and communications matters. Mr. Edley has been the President's special advisor for the last year, at the proposed rate of pay, and has agreed to continue this work under the existing arrangements. Mr. Edley has broad and deep knowledge of the University and the legislative and government-related projects that the President is undertaking. This position is funded by UC General Funds provided by the State.

During this two-year period, Mr. Edley will lead the development, coordination, and oversight of priority initiatives identified by the President, including the University's contributions to improving P-16 education in California; the University's contributions to addressing the energy and climate challenges facing California, the nation, and the world; and the framing of strategies to enhance federal support for UC operating budgets and facilities.

The following items were approved in connection with the appointment and compensation of Christopher Edley as Senior Policy Advisor to the President, Office of the President:

- (1) Continuation of Mr. Edley's current compensation of \$350,000 for the two-year period described below. This compensation is comprised of Mr. Edley's salary of \$307,000 as Dean, School of Law at UC Berkeley and an existing stipend of \$43,000 in recognition of his additional work as Senior Policy Advisor to the President.
- (2) The appointment as Senior Policy Advisor to the President will be effective December 15, 2009 and ending December 14, 2011, or earlier, at the discretion of the President.

Recommended Compensation

Effective Date: December 15, 2009
Base Salary: \$350,000
Grade Level: Not Slotted
Median Market Data: n/a
Funding Source: UC General Funds

Budget &/or Prior Data

Base Salary: \$307,000 (as Dean, School of Law, UC Berkeley)
Grade Level: SLCG Grade 111
(Min \$267,700, Midpoint \$344,000, Maximum \$420,100)
Funding Source: UC General Funds

Additional Compensation Items:

- Per policy, continuation of standard pension and health and welfare benefits and standard senior management benefits (including senior

management life insurance, executive business travel insurance, and executive salary continuation for disability).

- Per policy, continuation of accrual of sabbatical credits as a member of 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.

B. *Appointment of and Compensation for Max Reynolds as Deputy General Counsel – Health Law and Medical Center Services, Office of the President*

Action under interim authority was requested for the approval of the appointment and compensation for Max Reynolds, Deputy General Counsel – Health Law and Medical Center Services effective March 4, 2010 with an annual base salary of \$250,000. This appointment salary reflects no change in his current compensation made up of base salary and administrative stipend. In this capacity, Mr. Reynolds will coordinate all UC Medical Center legal affairs and report directly to the General Counsel. This urgent request was in response to Mr. Reynolds' administrative stipend ending on March 3, 2010. Mr. Reynolds was acting as Deputy General Counsel and had been receiving an administrative stipend of \$44,795 (21.8 percent) increasing his annualized base salary from \$205,205 to \$250,000. He has been acting as Deputy General Counsel since March 3, 2009. Mr. Reynolds was selected as the top candidate after an open recruitment for this position.

This position is split funded between State General Funds and Common Funds. The proposed base salary of \$250,000 is two percent above the midpoint salary range for SLCG Grade 108 (Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400) and 0.7 percent above other Deputy General Counsels at UCOP. Market data indicates a median base salary of \$233,628. The proposed salary will be reduced by ten percent to \$225,000 during participation in the salary reduction and furlough program.

The following items were approved in connection with the appointment of and compensation for Max Reynolds as Deputy General Counsel, Office of the President:

- (1) Appointment of Max Reynolds to Deputy General Counsel – Health Law and Medical Center Services, Office of the President.

- (2) Per policy, an annual base salary of \$250,000 at SLCG Grade 108 (Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400).
- (3) Per policy, this appointment is 100 percent time and effective on March 4, 2010.
- (4) Per policy, eligibility to participate in the University Home Loan Program.

Recommended Compensation**Annualized Base Salary:** \$250,000**Grade Level:** SLCG Grade 108

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

Median Market Data: \$233,628**Percentage Difference from Market:** 6.5 percent**Funding Source:** 50 percent State funds; 50 percent common funds**Budget &/or Prior Incumbent Data****Annualized Base Salary:** \$225,000**Grade Level:** SLCG Grade 108

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

Funding Source: 50 percent State funds; 50 percent common funds**Additional Compensation Items:**

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

C. ***Recall from Retirement and Compensation and Appointment of Michael Bocchicchio as Associate Vice President, Capital Resources Management, Office of the President***

Approval was requested for the recall of retiree Michael Bocchicchio as Associate Vice President, Capital Resources Management. This action will allow the critical business functions of Capital Resources Management to continue operating smoothly. It was proposed that Mr. Bocchicchio be reemployed in a limited

appointment at 40 percent fixed time for six months to provide oversight to high-level programs. His responsibilities include, but are not limited to, participation on the Mission Bay Hospital Advisory Council, leadership on the Mission Bay Project Review, development of capital program metrics and benchmarking, representing the University at Building Standards Commission meetings, and drafting the business plan for the Design and Construction Policy Unit. These responsibilities are vital to the University's obligations to campus facilities programs. The remainder of Mr. Bocchicchio's prior duties have been assumed by current staff and/or evaluated for alternate approaches.

The department intends to recruit for a permanent replacement for the Associate Vice President position during the next six months, and it is expected that Mr. Bocchicchio will play a prominent role in assisting with the recruitment. He will assist Vice President Lenz with updating the job description, interface with head hunter and senior management regarding the type of candidates desired, and manage the recruitment process and selection committee. The recruitment process will begin after Mr. Bocchicchio's limited appointment is approved. The department understands that this is a deviation from the standard practice of posting the position and beginning the search for the position within 30 days of the vacancy. The department expects the recruitment to conclude prior to Mr. Bocchicchio's appointment end date.

This position will be funded by salary savings from the vacated position, specifically by State general funds.

The following items were approved in connection with the recall compensation for Michael Bocchicchio as Associate Vice President, Capital Resources Management:

- (1) Recall from retirement of Michael Bocchicchio as Associate Vice President, Capital Resources Management at 40 percent fixed time, SLCG Grade 106 (Minimum: \$154,200, Midpoint: \$195,200, Maximum \$236,100).
- (2) Per policy, an annual base salary of \$185,848 (actual 40 percent rate of \$74,339). This represents his pre-retirement rate of pay.
- (3) This appointment was effective upon approval and for a six-month period thereafter.

Recommended Compensation

Effective Date: Immediately upon approval

Base Salary: \$74,339 (reflects 40 percent of \$185,848)

Grade Level: SLCG 106

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

Median Market Data: n/a

Funding Source: State general funds
Percentage Difference from Market: n/a

Budget &/or Prior Incumbent Data

Base Salary: \$185,848

Grade Level: SLCG 106

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

Funding Source: State general funds

Additional Compensation Items:

- Mr. Bocchicchio 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. Bocchicchio to continue receiving his retirement annuity while receiving compensation related to this appointment.
- Per policy, health and welfare benefits based upon 40 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.

D. ***Establishment of a New Senior Management Group Position and Appointment of and Compensation for Jeffrey Blair as Chief Laboratory Counsel, Lawrence Berkeley National Laboratory***

Action under interim authority was requested for the approval of the establishment of a new Senior Management Group position: Chief Laboratory Counsel, Lawrence Berkeley National Laboratory (LBNL); and for the appointment of and compensation for Jeffrey Blair as Chief Laboratory Counsel, Lawrence Berkeley National Laboratory. This request was in response to an immediate need to fill this position, and the need to align the position of Chief Laboratory Counsel, Lawrence Berkeley National Laboratory with the Senior Management Group Chief Campus Counsel positions at the UC campuses. Mr. Blair replaces the incumbent Chief Laboratory Counsel, who retired effective March 31, 2010. Mr. Blair is currently the Deputy General Counsel for Litigation, Labor and Employment, Laboratory Affairs at the University of California Office of the General Counsel (OGC), a Senior Management Group position. In his 20 years of progressive experience with OGC, Mr. Blair has been involved in a variety of complex legal matters across the University system and also specifically pertaining to the unique dynamics of the National Laboratories.

The source of funds for payment of this compensation item is Department of Energy (DOE) funds as provided under the University's contract with DOE.

The following items were approved in connection with the appointment salary for Jeffrey Blair, Chief Laboratory Counsel, Lawrence Berkeley National Laboratory (LBNL):

- (1) Establishment of a new Senior Management Group position: Chief Laboratory Counsel, Lawrence Berkeley National Laboratory (LBNL). This aligns the Chief Laboratory Counsel, Lawrence Berkeley National Laboratory position with the Senior Management Group Chief Campus Counsel positions at the UC campuses.
- (2) Appointment of Jeffrey Blair as Chief Laboratory Counsel, Lawrence Berkeley National Laboratory.
- (3) Per policy, a base salary of \$260,004 (LBNL Job Code 199.3, Salary Grade N14: Minimum \$165,612, Midpoint \$248,406, Maximum \$331,200).
- (4) This appointment is at 100 percent time and is effective upon the approval of the Regents.

Recommended Compensation

Effective Date: Immediately upon approval

Base Salary: \$260,004

Grade Level: N14

(Minimum \$165,612, Midpoint \$248,406, Maximum \$331,200)

Funding Source: DOE Funds

Budget &/or Prior Incumbent Data

Title: Chief Laboratory Counsel

Base Salary: \$233,088

Funding Source: DOE Funds

Additional Compensation Items:

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

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

Action under interim authority was requested for the approval of the appointment and compensation for Daniel G. Aldrich, III as Interim Vice Chancellor – University Advancement effective immediately upon Regental approval through December 31, 2010, or until the appointment of a permanent Vice Chancellor – University Advancement. This request was in response to an immediate need to appoint Mr. Aldrich to the position on a temporary basis upon the resignation of the previous incumbent, effective April 2010. The campus will recruit for a permanent Vice Chancellor in the near future. Mr. Aldrich is an experienced fundraiser, seasoned administrator, and a qualified Interim Vice Chancellor – University Advancement.

During this interim period, Mr. Aldrich will serve as the chief advancement officer and manage 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 awarded the Council for the Advancement and Support of Education (CASE) District VII Tribute Award in 1998. Recently, Mr. Aldrich served as Acting Vice Chancellor – University Advancement at the Riverside campus. Mr. Aldrich has been serving as the Senior Development Associate in Institutional Advancement for the Office of the President. In this role, he has provided fundraising counsel to systemwide multi-campus research units, the Division of Agriculture and Natural Resources, the Education Abroad Program, system-wide outreach programs, and the Merced campus.

This position is funded 100 percent by UC General Funds provided by the State. The proposed base salary of \$265,000 is 8.2 percent above the midpoint for SLCG Grade 108 (Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400). Market data indicates a median of \$300,000. The requested base salary is 11.7 percent below that market rate. Additionally, the base salary is 3.6 percent below the prior incumbent's salary of \$275,000 and 4.6 percent above the average base salary of \$253,350 for the Vice Chancellor – University Relations/Advancement at other UC locations.

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

- (1) 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 at 100 percent time and effective immediately upon Regental approval, through December 31, 2010, or until the appointment of a permanent Vice Chancellor – University Advancement, whichever occurs first.
- (4) Per policy, this position is subject to the Regents' approved salary reduction/furlough plan effective September 1, 2009 through August 31, 2010, with a ten percent base salary reduction.

Recommended Compensation**Effective Date:** Immediately upon approval**Base Salary:** \$265,000**Grade Level:** SLCG Grade 108

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

Median Market Data: \$300,000**Funding Source:** UC General Funds**Percentage Difference from Market:** -11.7 percent**Budget &/or Prior Incumbent Data****Title:** Vice Chancellor – University Advancement**Base Salary:** \$275,000**Grade:** SLCG Grade 108

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

Funding Source: UC General Funds**Additional Compensation Items:**

- 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.

F. ***Appointment Compensation Amendment for G. Richard Olds as Vice Chancellor – Health Affairs and Dean – School of Medicine, Riverside Campus***

Action under interim authority was requested to amend the previously approved appointment compensation for Dr. G. Richard Olds. The

Riverside campus hired Dr. Olds as Vice Chancellor – Health Affairs and Dean – School of Medicine effective February 1, 2010. Due to a clerical error made by the campus in the October 26, 2009 Interim Regents' Item for Dr. Olds, the campus would like to amend the previously approved compensation package to include a \$3,000 per month temporary cash allowance for a period of 90 days to offset limited housing-related expenses instead of reimbursement of \$3,000 per month associated with temporary living expenses for a period of 90 days. If Dr. Olds 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 back 100 percent of the temporary cash allowance. The campus reports that Dr. Olds' early arrival to the Riverside campus on February 1, 2010 was at the request of the Chancellor in order to maintain the momentum of the development of the School of Medicine.

The following amendment was approved in connection with the appointment and compensation for G. Richard Olds as Vice Chancellor – Health Affairs and Dean – School of Medicine:

Per policy, a temporary cash allowance of \$3,000 per month for a period of 90 days to offset limited housing-related expenses. If Dr. Olds 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 back 100 percent of the temporary cash allowance.

Additional items already approved on October 26, 2009 include:

- Establishment of a new position within the Senior Management Group, Vice Chancellor – Health Affairs and Dean – School of Medicine, Riverside Campus.
- Interim slotting of the new position of Vice Chancellor – Health Affairs and Dean – School of Medicine at SLCG Grade 113 (Minimum 333,900, Midpoint \$431,500, Maximum \$529,100), as recommended by Mercer Human Resource Consulting.
- Per policy, an appointment salary of \$525,000, SLCG Grade 113 (Minimum 333,900, Midpoint \$431,500, Maximum \$529,100). This base represents an 8.6 percent decrease from Dr. Olds' current base salary.
- As an exception to policy, annual performance-based incentive compensation up to \$100,000. This constitutes an exception to policy because there is currently no approved incentive plan at the

campus for such an incentive. This compensation will be in lieu of a Health Sciences Compensation Plan (HSCP) which does not yet exist at the Riverside campus. Once an HSCP is established this component of compensation will be shifted to that plan.

- This appointment is at 100 percent time and effective no later than February 1, 2010.
- ~~Per policy, reimbursement of \$3,000 per month associated with temporary living expenses for a period of 90 days.~~
- Per policy, two house-hunting round trip coach class airfare trips each, plus reasonable accommodations to take place between approval of the appointment and the effective date of employment, for Dr. Olds and his spouse.
- Per policy, 100 percent reimbursement of actual and reasonable relocation expenses, to be completed within one year of assuming the position of Vice Chancellor – Health Affairs and Dean – School of Medicine.
- Per policy, reimbursement of reasonable travel expenses for all business related visits to the campus during transition period from the time the appointment is approved by the Regents and the effective start date of no later than February 1, 2010.
- Per policy, a relocation allowance of 25 percent (\$131,250) of base salary, to be paid in a lump sum. If Dr. Olds leaves the University prior to the completion of five consecutive years of service, he will have to pay back the amount of the allowance, prorated to the length of time he has served.
- Per policy, participation in the University of California Home Loan Programs.
- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
- Per policy, ineligible to participate in the Senior Management Supplemental Benefits Program due to tenured faculty appointment.
- Per policy, eligible to accrue sabbatical credits due to dual academic appointment.

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

G. ***Promotional Appointment of and Compensation for Christopher M. Patti as Chief Campus Counsel, Berkeley Campus***

Action under interim authority was requested for the approval of the promotional appointment of and compensation for Christopher M. Patti as Chief Campus Counsel, Berkeley campus, effective May 8, 2010, with an annual base salary of \$240,000. In this capacity, Mr. Patti will assist the Chancellor and the General Counsel by providing advice and counsel on highly complex legal matters or problems involving the Berkeley campus; leading administrative and/or management initiatives; advising and rendering opinions to the Berkeley Chancellor and senior management with respect to the legal implications of establishing or changing policy; and working with representatives of campus units on developing and modifying practices and procedures to conform with legal requirements.

This urgent request was in response to the retirement of the previous incumbent, effective July 1, 2009. A national search was conducted with the assistance of Major, Lindsey & Africa, an attorney search firm, to assist in the recruitment for this critical position. Mr. Patti was selected as the most qualified candidate. He currently serves as the Principal University Counsel for Academic Affairs Litigation in the Office of the General Counsel. He brings over 20 years of UC experience to this position and his areas of specialization are critical to campus legal operations. Mr. Patti's wealth of management and legal experience will be invaluable as the campus works to redefine the Office of Legal Affairs.

This position was funded 100 percent by UC General Funds provided by the State. The proposed base salary of \$240,000 is about 2.0 percent below the midpoint of SLCG Grade 108 (Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400) and 12.6 percent above the average base salary of \$213,716 for other Chief Campus Counsels at other UC locations. The proposed base salary is appropriate in the context of other Chief Campus Counsels that received salary increases as part of the Phase II proposal of the slotting structure for attorney positions in the Office of General Counsel approved by the Regents in the March 2008 meeting. Market data indicates a median base salary of \$233,628. The requested base salary is 2.7 percent above that market rate. The proposed salary will be reduced by ten percent to \$216,000 during participation in the salary reduction and furlough program.

The following items were approved in connection with the promotional appointment of and compensation of Christopher Patti as Chief Campus Counsel:

- (1) Appointment of Christopher M. Patti as Chief Campus Counsel, Berkeley campus.
- (2) Per policy, an annual base salary of \$240,000 (SLCG Grade 108 Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400).
- (3) This appointment is at 100 percent time and effective May 8, 2010.
- (4) Per policy, this position is subject to the salary reduction/furlough plan effective September 1, 2009, through August 31, 2010, with a ten percent base salary reduction.

Recommended Compensation

Base Salary: \$240,000

Grade Level: SLCG Grade 108

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

Median Market Data: \$233,628

Funding Source: UC General Funds

Percentage Difference from Market: 2.7 percent

Budget &/or Prior Incumbent Data

Title: Chief Campus Counsel and Associate General Counsel

Base Salary: \$180,900

Grade Level: SLCG Grade 108

Funding Source: UC General Funds

Additional Compensation Items:

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

H. *Interim Slotting of a New Senior Management Group Position – Vice Chancellor – Development, Davis Campus*

Action under interim authority was requested for approval of interim slotting of a new Senior Management Group position as Vice Chancellor – Development, at the Davis campus. Interim action was requested to allow the campus and the executive search firm to begin advertising the position this spring and start formal discussion with possible candidates as soon as possible. This search has an ambitious timeline that is driven by the need to quickly succeed in the campus' current campaign and move beyond it to another, larger, fundraising effort.

The Davis campus launched its first major “comprehensive campaign” in 2005. This first comprehensive campaign is a critical step in an era where private support is vital to maintaining excellence, and State support is a dwindling proportion of revenue. An aggressive and focused campaign will increase much-needed private support for the Davis campus. It is a critical investment in the future and in the second century for UC Davis. It would be a great advantage for the campus' development prospects if it could conclude the search and have cabinet-level leadership in place by the time it announces the public phase of the UC Davis comprehensive campaign in October.

The campaign is set to enter its public phase with a goal of raising over \$1 billion by 2014. The UC Davis campus intends to earmark funds raised through the campaign for graduate student fellowships, undergraduate scholarships, and endowed professorships, and there will also be support for major cross-disciplinary initiatives. The campaign also will raise money for research and infrastructure that would come from no other source. For this reason, the campus needs a dedicated Vice Chancellor – Development. The Vice Chancellor – Development will function as the campus' chief fundraising officer and will be responsible for designing and directing a comprehensive and dynamic development program for a world-renowned University. The incumbent will also serve as the President of the UC Davis Foundation.

The Vice Chancellor – Development position will report directly to the Chancellor and oversee a staff of 75 directly and through subordinates. The campus currently has a total of five Vice Chancellor positions. The Vice Chancellor – Development position will replace the eliminated Vice Chancellor – Office of the Administration position.

This position is 100 percent funded from gift fee revenue. The proposed slotting at SLCG Grade 110 is supported by Mercer Human Resource Consulting which reported a market median of \$312,300. There will be no associated salary action at this time.

The following items were approved in connection with the interim slotting of a new Senior Management Group position – Vice Chancellor – Development, Davis Campus:

- (1) Establishment of the new Senior Management Group position of Vice Chancellor – Development, Davis Campus.
- (2) Interim slotting at SLCG Grade 110 (Minimum \$239,700, Midpoint \$307,200, Maximum \$374,500).
- (3) Per policy, this position is subject to the Regents' approved salary reduction/furlough plan effective September 1, 2009 through August 31, 2010, with a ten percent base salary reduction.

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.

I. ***Promotional Appointment of and Total Compensation for Peggy Arrivas, as Associate Vice President and Systemwide Controller, Office of the President***

When the current Vice President of Finance at the University of California Office of the President retires in June 2010, the position will not be replaced, resulting in annual salary savings of approximately \$305,000. Some of the functions that have been performed by the Vice President of Finance will transfer to Peggy Arrivas, whom the Chief Financial Officer proposes to promote to a new position, Associate Vice President and Systemwide Controller. The Associate Vice President and Systemwide Controller position replaces the previous Assistant Vice President – Financial Management position held by John Plotts, who has transferred to another position on the San Francisco campus.

The Associate Vice President and Systemwide Controller will report to the Executive Vice President and Chief Financial Officer. Ms. Arrivas will be responsible for the development and implementation of accounting and financial policies for the University and its campuses and Medical Centers. In addition, Ms. Arrivas will oversee the accounting and financial policies for the UC Retirement System and, to a lesser extent, the Lawrence Berkeley National Laboratory and campus foundations, with particular emphasis on control policies and procedures, operations, and financial reporting.

The campus controllers who currently have dotted-line reporting to the Vice President of Finance will have a dotted-line reporting relationship to the Associate Vice President and Systemwide Controller.

After an extensive national search, Peggy Arrivas was selected as the top candidate. She is currently the Controller for the University of California Medical Center at Davis. Prior to her current position, she served as Audit Partner with the firm of PricewaterhouseCoopers LLP., and she also served as Controller for Wells Fargo Bank Investment Advisors. Since becoming Controller of the UC Davis Medical Center, she has demonstrated leadership and financial acumen by successfully leading a team of 50 employees, both union represented and non-represented, with regard to financial reporting, general accounting, government reimbursement, budgeting, decision support, financial planning (strategic, capital and operational), accounts payable, payroll, and capital finance.

This position is funded 85 percent by non-State funds, with the balance coming from State funds. The position is currently slotted at SLCG Grade 109 and the requested base salary of \$295,000 is 7.5 percent above the midpoint of the SLCG Grade 109 range (\$274,300).

The following items were approved in connection with the promotional appointment of and compensation for Peggy Arrivas as Associate Vice President and Systemwide Controller, Office of the President:

- (1) Senior Management Group title change from Assistant Vice President – Financial Management to Associate Vice President and Systemwide Controller. Continued grading at SLCG Grade 109 (Minimum \$214,700, Midpoint \$274,300, Maximum \$333,700).
- (2) Appointment of Peggy Arrivas as Associate Vice President and Systemwide Controller at 100 percent time.
- (3) Per policy, appointment salary of \$295,000.
- (4) Per policy, a 25 percent (\$73,750) relocation allowance paid as a single lump sum or in annual installments for a period of up to five years. If paid in a lump sum and she resigns within four years, the repayment schedule would be as follows: 100 percent if resignation occurs within the first year of employment; 60 percent within the second year of employment; 30 percent within the third year of employment; and 10 percent within the fourth year of employment. If paid in annual installments and she resigns, any unpaid future installments would be forfeited.
- (5) Per policy, 90-day temporary living assistance including cost of furnished temporary lodging and reasonable residential parking fees, reimbursed within normal policy limits, not to exceed \$15,000 in total.
- (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 Home Loan Program. Participation will comply with all normal program parameters.
- (9) Per policy, this position is subject to the Regents' approved salary reduction/furlough plan effective September 1, 2009 through August 31, 2010, with a ten percent base salary reduction.
- (10) This appointment is effective upon Regental approval, pending suitable transition notice to Ms. Arrivas' current manager.

Recommended Compensation**Effective Date:** Immediately upon approval**Base Salary:** \$295,000**Total Cash Compensation:** \$295,000**Grade Level:** SLCG Grade 109

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

Median Market Data: no match**Funding Source:** 85 percent Non-State Funds**Percentage Difference from Market:** n/a**Budget &/or Prior Incumbent Data****Title:** Assistant Vice President – Financial Management**Base Salary:** \$236,108**Funding Source:** 85 percent Non-State Funds**Additional Compensation Items:**

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

5. The Chair of the Committee on Grounds and Buildings and the President of the University approved the following recommendation:

Authorization to Submit Applications for Construction Grant Funding Under National Institute of Standards and Technology Construction Grant Program

The President was authorized to solicit Construction Grant Funding under the National Institute of Standards and Technology Construction Grant Program. Approval of the individual capital projects that are the subject of the award, including financial feasibility for which the grant funding would be applied, will follow the standard University approval practices.