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COMMITTEE ON COMPENSATION

ACTION ITEM

For Meeting of November 19, 2009

APPROVAL OF INDIVIDUAL COMPENSATION ACTIONS AS DISCUSSED IN CLOSED SESSION

RECOMMENDATION

The Committee recommends:

A. ***Appointment Time Reduction under Staff and Academic Reduction in Time (START) Program for Certain Individuals at the Berkeley Campus***

Effective July 1, 2008, the University implemented a two-year Staff and Academic Reduction in Time (START) program to enable non-probationary career staff and academic appointees an opportunity to voluntarily reduce their working time and corresponding pay, thereby reducing the University's expenses; accrual of UC Retirement Plan service credit and vacation and sick leave remains at the employees' pre-START rates. Five individuals at the Berkeley campus, Nathan E. Brostrom, Vice Chancellor – Administration; F. Scott Biddy, Vice Chancellor – University Relations; Shelton Waggener, Associate Vice Chancellor – Information Technology and Chief Information Officer; Christina Maslach, Vice Provost – Teaching and Learning; and Henry E. Brady, Dean – Goldman School of Public Policy have been or are participants in START.

Participation in this program has concluded for all but one individual. Mr. Brady will continue his START participation at ten percent in addition to the ten percent reduction under the University's Salary Reduction/Furlough plan implemented on September 1, 2009. All others are also subject to the furlough and salary reductions.

Approval of the following retroactive START requests for the following individuals at the Berkeley campus:

(1) Nathan E. Brostrom as Vice Chancellor – Administration, Berkeley campus:

a. Per START Program policy, a five percent voluntary appointment time reduction to 95 percent time with commensurate reduction of annual compensation to $268,945, based on current annual base salary of

$283,100 (SLCG Grade 110: Minimum $239,700, Midpoint $307,200, Maximum $374,500).

b. Per START Program policy, continued eligibility to participate in the Senior Management Supplemental Benefit Program at the rate of five percent of the reduced compensation rate of $268,945.

c. Effective retroactive to May 1, 2009 and ending August 31, 2009.

Additional items of compensation include:

- Per START Program policy, continued eligibility to receive 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 START program policies, continued vacation and sick leave accrual at the employee's pre-START rate.

(2) F. Scott Biddy as Vice Chancellor – University Relations, Berkeley campus:

a. Per START Program policy, a five percent voluntary appointment time reduction to 95 percent time with commensurate reduction of annual compensation to $258,400, based on current annual base salary of $272,000 (SLCG Grade 109: Minimum $214,700, Midpoint $274,300, Maximum $333,700).

b. Per START Program policy, continued eligibility to participate in the Senior Management Supplemental Benefit Program at the rate of five percent of the reduced compensation rate of $258,400.

c. Effective retroactive to May 1, 2009 and ending June 30, 2009.

Additional items of compensation include:

- Per START Program policy, continued eligibility to receive 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 START program policies, continued vacation and sick leave accrual at the employee's pre-START rate.

(3) Shelton Waggener as Associate Vice Chancellor – Information Technology and Chief Information Officer, Berkeley campus:

a. Per START Program policy, a five percent voluntary appointment time reduction to 95 percent time with commensurate reduction of annual compensation to $207,575, based on current annual base salary of $218,500 (SLCG Grade 108: Minimum $192,300, Midpoint $244,900, Maximum $297,400).

b. Per START Program policy, continued eligibility to participate in the Senior Management Supplemental Benefit Program at the rate of five percent of the reduced compensation rate of $207,575.

c. Effective retroactive to June 1, 2009 and ending August 31, 2009.

Additional items of compensation include:

- Per START Program policy, continued eligibility to receive 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 START program policies, continued vacation and sick leave accrual at the employee's pre-START rate.

(4) Christina Maslach as Vice Provost – Teaching and Learning, Berkeley campus:

a. Per START Program policy, a ten percent voluntary appointment time reduction to 90 percent time with commensurate reduction of annual compensation to $162,270, based on current annual base salary of $180,300 (SLCG Grade 105: Minimum $138,200, Midpoint $174,300, Maximum $210,400).

b. Effective retroactive to June 1, 2009 and ending July 31, 2009.

Additional items of compensation include:

- Per START Program policy, continued eligibility to receive 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 START program policies, continued vacation and sick leave accrual at the employee's pre-START rate.
- Per policy, accrual of sabbatical credits as a member of tenured faculty.

(5) Henry Brady as Dean – Goldman School of Public Policy, Berkeley campus:

a. Per START Program policy, a ten percent voluntary appointment time reduction to 90 percent time with commensurate reduction of annual compensation to $254,880, based on current annual base salary of $283,200 (SLCG Grade 108: Minimum $192,300, Midpoint $244,900, Maximum $297,400).

b. Effective retroactive to May 1, 2009 and ending June 30, 2010.

c. Subject to a ten percent salary reduction under the University's Furlough Salary Reduction Program.

Additional items of compensation include:

- Per START Program policy, continued eligibility to receive 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 START program policies, continued vacation and sick leave accrual at the employee's pre-START rate.
- Per policy, 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.

B. ***Appointment of Mona Sonnenshein as Acting Associate Vice Chancellor and Chief Executive Officer and Chief Operating Officer, UC San Diego Medical Center, San Diego Campus***

Approval of the appointment of Mona Sonnenshein as Acting Associate Vice Chancellor and Chief Executive Officer (CEO), UC San Diego Medical Center. This request is necessary to replace Richard Liekweg, who submitted his resignation, ending his employment with the University effective August 21, 2009. In order to maintain Medical Center operations after the departure of Mr. Liekweg and until the appointment of his successor, the current Chief Operating Officer, Mona Sonnenshein, has been serving as Acting CEO. Ms. Sonnenshein has served as Chief Operating Officer (COO) at the Medical Center for the last three years and will continue to serve as the COO while in the Acting CEO capacity, including overseeing the UC San Diego Medical Center on the Hillcrest and La Jolla East (Thornton Hospital) campuses.

The campus has submitted a separate action at this November meeting to appoint the new CEO. The appointment of Ms. Sonnenshein as the Acting CEO will be without additional compensation, and will terminate upon the appointment of the new CEO. This position is funded from medical center operating revenue.

Approval of the following items in connection with the appointment of Mona Sonnenshein as Acting Associate Vice Chancellor and Chief Executive Officer, UC San Diego Medical Center, San Diego campus:

(1) Appointment of Mona Sonnenshein as Acting Associate Vice Chancellor and

Chief Executive Officer, UC San Diego Medical Center, effective August 22, 2009 and continuing until the appointment of the new CEO.

(2) Continuation of current base salary of $514,700 and eligibility to participate in the Clinical Enterprise Management Recognition Program (CEMRP) with a maximum potential incentive of up to 25 percent of base salary.

Additional items of compensation include:

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

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. ***Appointment of and Promotion Compensation for Thomas Jackiewicz as Associate Vice Chancellor and Chief Executive Officer, UC San Diego Medical Center, San Diego Campus***

Approval of the appointment of and promotion compensation for Thomas Jackiewicz, who has been selected to fill the Associate Vice Chancellor and Chief Executive Officer position at UC San Diego Medical Center. The position was vacated when Richard Liekweg resigned to accept another position outside of the UC system. Following an internal search, Mr. Jackiewicz was identified as the top candidate, having served as an Associate Vice Chancellor in Health Sciences over a period of eight years with another 11 years of executive-level experience in academic medicine before joining the San Diego campus in 2001.

Vice Chancellor Brenner will take this opportunity to reorganize the Health Sciences leadership and eliminate a position, saving the University approximately $625,000 annually, when incentive award potential is considered. Under the reorganization, Mr. Jackiewicz will assume all of the responsibilities previously held by Mr. Liekweg, and in addition will retain responsibility for two areas that currently report to him: Resource Strategy and Planning, and Marketing and Communications for all of Health Sciences, inclusive of the Medical Center, and the Schools of Medicine and Pharmacy. The position Mr. Jackiewicz is vacating will be filled at a lower level. Mr. Jackiewicz's proposed salary is less than the previous incumbent, the salary range midpoint, the market median and the average of the other UC CEOs.

This position is funded from medical center operating revenue. The proposed base salary of $600,000 is 9.2 percent less than the previous incumbent, who was paid $660,500 and 11.6 percent less than the SLCG Grade 117 salary range midpoint of $679,000. According to Mercer Human Resource Consulting, data from the Clark Consulting Health Care Executive Compensation Survey indicate that the 50th percentile of base salaries for CEOs of comparable medical centers is $663,000, 9.5 percent higher than the salary proposed for Mr. Jackiewicz. The proposed base salary is 8.4 percent below the average base salary ($654,675) of the CEOs at the other UC medical centers.

Approval of the following items in connection with the appointment and promotion compensation for Thomas Jackiewicz, UC San Diego Medical Center, San Diego campus:

(1) Appointment of Thomas Jackiewicz as Associate Vice Chancellor and Chief Executive Officer, UC San Diego Medical Center, SLCG Grade 117 (Minimum $522,300, Midpoint $679,200, Maximum $835,800).

(2) Per policy, a promotional salary of $600,000, before the 2009-10 salary reduction is applied. This represents a 22.4 percent increase over Mr. Jackiewicz's current base salary of $490,000.

(3) Continued eligibility to participate in the Clinical Enterprise Management Recognition Plan with maximum incentive potential of 30 percent of base salary.

(4) This appointment is at 100 percent time and will become effective immediately upon approval by the Regents.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
- Per policy, annual automobile allowance of $8,916.
- Per policy, a five percent monthly contribution to the Senior Management Supplemental Benefit Program.

Base salary market data (as provided by Mercer Human Resource Consulting):

25th Percentile	50th Percentile (median)	75th Percentile
$581,000	$663,000	$729,600

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. ***Appointment of and Total Compensation for Amy Binder as Provost, Thurgood Marshall College, San Diego Campus***

Approval of the appointment of Amy Binder as Provost of Thurgood Marshall College at the San Diego campus. This request is in response to the campus' need to appoint a Provost to serve during Provost Alan Havis' sabbatical leave, effective April 1, 2010 through June 30, 2010. In addition to filling this role, she will also assist with the transition back to the returning Provost, during the month of July, in her capacity as a faculty member. Ms. Binder's scholarly accomplishments and her commitment to undergraduate education make her well qualified to provide leadership as provost of Thurgood Marshall College during this period.

This position is funded from UC general funds provided by the State. The proposed total annualized compensation rate of $130,961 is 5.8 percent below the salary range midpoint of $139,000 and 9.2 percent below the salary of Mr. Havis ($144,300).

Approval of the following items in connection with the appointment of and compensation for Amy Binder as Provost, Thurgood Marshall College, San Diego campus:

(1) Appointment of Amy Binder as Provost, Thurgood Marshall College, San Diego campus, SLCG Grade 103 (Minimum $110,800, Midpoint $139,000, Maximum $167,100).

(2) Per policy, a total annualized compensation rate of $130,961 (inclusive of one additional summer ninth to be provided at the conclusion of the term appointment when Ms. Binder returns to her faculty position and assists Mr. Havis with the transition).

(3) If an adjustment to the academic year professorial base salary is made prior to the termination of this acting role, the additional compensation will be recalculated against the new professorial base salary.

(4) This appointment is at 100 percent time and will be effective April 1, 2010 through June 30, 2010.

Additional items of compensation include:

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

E. ***Promotional Compensation and Administrative Stipend Extension for Certain Individuals in the Medical Center, San Francisco Campus***

Chief Operating Officer Tomi Ryba resigned from the UC San Francisco Medical Center effective January 23, 2009. At that time, Chief Executive Officer Mark Laret consulted with senior campus, faculty, and staff leadership regarding an effective organizational structure with the goals of maintaining organizational momentum, increasing capacity to execute the strategic plan, streamlining the efficiency of Medical Center operations, and providing development opportunities in relation to succession management. An interim structure was approved and implemented effective February 1, 2009. Subsequently, CEO Laret evaluated the interim structure, obtained input from key stakeholders, and reviewed plans with Chancellor Susan Desmond-Hellmann to make the interim organizational structure permanent.

Approval of the following items, effective November 1, 2009: Promotion and compensation for Mr. Kenneth M. Jones as Chief Operating Officer; promotion and a stipend extension, through no later than December 31, 2010, for Ms. Sheila Antrum as Chief Nursing and Patient Care Services Officer for assuming additional responsibilities of Pharmacy and Perioperative Services; and a stipend extension, through no later than June 30, 2010, for Ms. Susan Moore as Acting Chief Financial Officer, until the appointment of a permanent Chief Financial Officer is determined.

All positions in this recommendation are funded 100 percent by medical center operating revenue. No State General Funds are used for these positions.

Approval of the following items in connection with the formal reorganization of the Medical Center, San Francisco campus:

Kenneth M. Jones as Chief Operating Officer

(1) Promotion to Chief Operating Officer classified at SLCG Grade 115 (Minimum $416,300, Midpoint $541,200, Maximum $666,100).

(2) Per policy, a base salary increase of $77,400 (16.5 percent) to increase his current base salary of $470,200 to an annual salary of $547,600. This position is subject to a ten percent base salary decrease during participation in the University's approved furlough plan.

(3) Per policy, continued eligibility to participate in the Clinical Enterprise Management Recognition Program (CEMRP) at the Tier II level with a target of 15 percent and a maximum potential incentive of up to 25 percent of base salary.

(4) This appointment is at 100 percent time and will be effective November 1, 2009.

Additional items of compensation include:

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

Position is funded 100 percent by medical center operating revenue. No State General Funds are used for this position.

Base salary market data (as provided by Mercer Human Resource Consulting):

25th Percentile	50th Percentile (median)	75th Percentile
$414,170	$493,866	$555,084

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.

Sheila Antrum as Chief Nursing and Patient Care Services Officer

(1) Promotion and interim re-slotting to SLCG Grade 110 (Minimum $239,700, Midpoint $307,200, Maximum $374,500), with continued title of Chief Nursing and Patient Care Services Officer.

(2) As an exception to policy, continued administrative stipend of $37,500 (15 percent) to increase her current base salary of $250,000 to an annual salary of $287,500. This position is subject to a ten percent base salary decrease during participation in the University's approved furlough plan.

(3) The stipend amount will be increased as the base salary is increased, so the stipend will equal 15 percent of the base salary, at a 100-percent-time appointment.

(4) Per policy, continued eligibility to participate in the Clinical Enterprise Management Recognition Program (CEMRP) at the Tier II level with a target of 15 percent and a maximum potential incentive of up to 25 percent of base salary.

(5) This appointment is at 100 percent time and will be effective January 1, 2010, through no later than December 31, 2010. The original acting appointment is scheduled to end on December 31, 2009.

Additional items of compensation include:

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

- Per policy, a five percent monthly contribution to the Senior Management Supplemental Benefit Program.

Position is funded 100 percent by medical center operating revenue. No State General Funds are used for this position.

Base salary market data (as provided by Mercer Human Resource Consulting):

25th Percentile	50th Percentile (median)	75th Percentile
$212,200	$245,000	$300,000

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.

Susan Moore as Acting Chief Financial Officer

(1) As an exception to policy, extension of appointment as Acting Chief Financial Officer. This represents an exception to policy which allows for acting Senior Management Group appointments to be up to 12 months in length.

(2) As an exception to policy, continued administrative stipend of $58,625 (25 percent) to increase her current base salary of $234,500 to an annual salary of $293,125. Continued classification for primary classification as SLCG Grade 107 (Minimum $172,300, Midpoint $218,700, Maximum $265,000) as well as Management and Senior Professional (MSP) Grade 7. Slotting for Acting Chief Financial Officer is SLCG Grade 114 (Minimum $372,900, Midpoint $483,400, Maximum $593,800).

(3) The stipend amount will be increased as the base salary is increased, so the stipend will equal 25 percent of the base salary, at a 100-percent-time appointment.

(4) Per policy, continued eligibility to participate in the Clinical Enterprise Management Recognition Program (CEMRP) at the increased Tier II level with a target of 15 percent and a maximum potential incentive of up to 25 percent of base salary.

(5) This appointment is at 100 percent time and will be effective January 1, 2010, through no later than June 30, 2010, or until the permanent Chief Financial Officer is appointed, whichever comes first, inclusive of a 60-day transition

period. The original acting appointment is scheduled to end on December 31, 2009.

Additional items of compensation include:

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

Position is funded 100 percent by medical center operating revenue. No State General Funds are used for this position.

Base salary market data (as provided by Mercer Human Resource Consulting):

25th Percentile	50th Percentile (median)	75th Percentile
$322,100	$369,900	$415,000

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 of and Total Compensation for Steven Gaines as Dean – Donald Bren School of Environmental Science and Management, Santa Barbara Campus***

Following a national search and extensive consultation with the Academic Senate, the Bren Foundation, the Bren School Advisory Board, faculty and administrators, Professor Steven Gaines has been selected to fill the Dean of Donald Bren School of Environmental Science and Management post effective January 1, 2010. In this position, Professor Gaines will be responsible for all management aspects of the Bren School. The School's mission is to lead research in environmental issues, train research scientists and professionals, identify and solve environmental problems as well as foster multidisciplinary approaches to the study of the environment and humankind's impact on natural resources. The School features both a Ph.D. program, which embodies the broad research efforts of the School, as well as a master's program, which provides a professional degree and trains students to work in the private and public employment sectors.

This position is funded 100 percent by UC general funds provided by the State. The campus proposed a total annual compensation of $234,000, which is an increase of 6.8 percent above Professor Gaines' current annualized total cash compensation. In addition, the proposed total compensation is 3.8 percent above other UC Santa Barbara deans in SLCG Grade 106 with an average compensation of $225,362. Market data are not available for this position.

Approval of the following items in connection with the appointment salary for Steven Gaines as Dean – Donald Bren School of Environmental Science and Management, Santa Barbara campus:

(1) Appointment of Steven Gaines as Dean – Donald Bren School of Environmental Science and Management, SLCG Grade 106 (Minimum $154,200, Midpoint $195,200, Maximum $236,100).

(2) Total annual compensation of $234,000. This represents a 17 percent increase over Mr. Gaines' adjusted faculty salary of $194,092 and a 6.8 percent increase over his total annual compensation of $219,092.

(3) This appointment is at 100 percent time and will become effective January 1, 2010.

Additional items of compensation include:

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

G. ***Salary Adjustment for Vijay Dhir as Dean – Henry Samueli School of Engineering and Applied Science, Los Angeles Campus***

At the January 2009 special meeting, the Regents approved the *Proposal to Freeze Senior Management Group Salaries and Suspend Bonus and Certain Other Variable Pay Plans* (Item C1), an action to freeze salary for members of the Senior Management Group (SMG) for fiscal year 2008-09 and fiscal year 2009-10 and for certain additional restrictions on participation in bonus, incentive and variable pay programs for that same time period as well as fiscal year 2007-08. Subparagraph 2 of Item C1 includes a provision allowing for SMG members who hold an academic appointment in addition to their staff role, and who receive an academic merit increase resulting in the faculty salary exceeding the staff salary, to receive an adjustment to the staff salary so that the staff salary matches the faculty salary.

Approval of this type of salary adjustment for Vijay Dhir, Dean – Henry Samueli School of Engineering and Applied Science, effective November 1, 2009. Mr. Dhir's administrative salary has fallen behind his underlying adjusted faculty appointment salary

($300,300, inclusive of 2.5 summer ninths) thus disadvantaging him in serving as Dean. In addition, his salary reflects a significant market lag and has fallen behind more recent hires of deans of engineering at other UC campuses whose salaries more appropriately reflect market rates. The proposed action will bring Mr. Dhir's administrative salary equal to his adjusted faculty salary and, as a result, better align him with his cohorts both within UC and in the marketplace.

UC deans' salaries are funded by State funds; hence this salary increase will also be obtained from that source. UCLA's School of Engineering is one of the largest of the UC programs with a total annual enrollment of more than 4,000 students. This position is subject to the University's salary reduction/furlough plan as approved by the Regents. Market data provided by Mercer Human Resource Consulting reveal a market median salary of $300,000.

Approval of the following items in connection with a salary adjustment for Vijay Dhir, Dean – Henry Samueli School of Engineering and Applied Science, Los Angeles campus:

(1) A salary adjustment of $30,000 (11.1 percent) from $270,300 to $300,300, at SLCG Grade 110 (Minimum $239,700, Midpoint $307,200, Maximum $374,500).

(2) Per policy, ineligible for any further merit or equity increase until October 2010.

(3) Effective November 1, 2009.

Additional items of compensation include:

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

Base salary market data (as provided by Mercer Human Resource Consulting):

25th Percentile	50th Percentile (median)	75th Percentile
$286,900	$300,000	$325,900

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.