



Approved
Approved as amended
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Notice served
Deferred
Withdrawn
Disapproved

Office of the Secretary of The Regents
September 21, 2006

TO THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

AMENDMENT OF THE BYLAWS AND STANDING ORDERS REGARDING TREASURER OF THE REGENTS

At the July 20, 2006 meeting of The Regents of the University of California, Regent Hopkinson served notice that at the next regular meeting she would move amendment of Bylaw 20–Officers of the Corporation, Bylaw 21–Duties and Responsibilities of Officers of the Corporation, Standing Order 100.4–Officers of the University, and Standing Order 101–Faculty Members and Other Employees of the University, as follows.

Deletions shown by strike out, additions by underscore

BYLAW 20

OFFICERS OF THE CORPORATION

20.1 Designation and Qualifications.

The Officers of the Corporation shall be President of the Board (who shall be the Governor of the State); Chairman; Vice Chairman; the following who shall collectively be known as the Principal Officers of The Regents: Secretary, ~~Treasurer~~ Chief Investment Officer and Vice President for Investments (who also serves as an Officer of the University), General Counsel and Vice President for Legal Affairs (who also serves as an Officer of the University), Chief Compliance Officer, and such deputies, associates and assistants of the foregoing Principal Officers as they may from time to time designate

in their respective areas of responsibility as Officers of the Corporation. The President, Chairman, and Vice Chairman shall be members of the Board, but membership on the Board shall not be a necessary qualification for other Officers. Any Officer, other than the President, Chairman, and Vice Chairman, may hold as many offices as the Board shall determine.

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BYLAW 21.

DUTIES AND RESPONSIBILITIES OF OFFICERS OF THE CORPORATION

21.4 ~~Treasurer~~ Chief Investment Officer.

- (a) The ~~Treasurer~~ The Chief Investment Officer, who shall also be an Officer of the University, shall have general charge of all investment matters pertaining to the Corporation and the University; shall advise the Corporation, its Committees and Officers, the President of the University, and other University Officers on investments matters; and shall, subject to the ~~direction~~ administrative oversight of the President of the University, oversee the provision of all investment services to the University.
- (b) The ~~Treasurer~~, in the name of the Corporation, shall receive, either directly or from the President of the University, all moneys of the Corporation subject to the control and direction of the Board. All moneys received by the University, whether by the Treasurer or by the President, shall be deposited forthwith to the credit of the Corporation in depositary bank accounts approved by the ~~Committee on Finance~~.
- (~~e~~)(b) The ~~Treasurer~~ Chief Investment Officer shall make such reports of receipts and disbursements of all investments and of such related matters pertaining to the activities of the ~~Treasurer~~ Chief Investment Officer as shall be requested by the Board or by the Committee on Finance or the Committee on Investments, and shall make an annual report to the Board of the ~~Treasurer~~ Chief Investment Officer's operations as of the 30th day of June of each year, in such form and at such time as the Board may require or approve.
- (~~d~~)(c) The ~~Treasurer~~ Chief Investment Officer shall be the custodian of all bonds, stocks, notes, contracts of sale, mortgages, and deeds of trust for real property held or acquired for investment purposes, and of all other securities belonging to the Corporation, and all insurance policies and other documents relating to any of the same and shall keep them in such places and in such manner as shall be

approved by the Committee on Investments. As used herein, assets held or acquired for investment purposes include endowment assets.

- (e)(d) The ~~Treasurer~~ Chief Investment Officer shall be responsible for collection when due of all interest and principal payments on bonds, dividends on stocks, interest and principal payments on notes secured by mortgages and deeds of trust incident to real property held or acquired for investment purposes, and of all rentals and all other payments arising from or incidental to the ownership of investments of the Corporation, and the ~~Treasurer~~ Chief Investment Officer may delegate to the President of the University the collection of any moneys due the Corporation.
- (f)(e) The ~~Treasurer~~ Chief Investment Officer, in general, shall be manager of the investments of the Corporation and shall do all things necessary to assure prompt payments of indebtedness due the Corporation and to assure the preservation of the investment properties of the Corporation and, subject to the approval and direction of the Committee on Investments, shall purchase, exchange, sell and otherwise deal in and with bonds, stocks, mortgage- backed securities, foreign exchange contracts, and deeds of trust incident to real property held or acquired for investment purposes, and other investments of the Corporation.
- (g) ~~The Treasurer is authorized to receive and collect from the State of California or the United States of America all amounts appropriated or otherwise payable to The Regents of the University of California.~~
- (h)(f) The ~~Treasurer~~ Chief Investment Officer is authorized to receive, either directly or from the President of the University, on behalf of the Corporation, funds, securities, properties, or other assets distributed to The Regents of the University of California, the University, or any department or division of the University from any estate, or received as gifts, ~~or from any trust, and to cause to be issued appropriate receipts and releases in connection therewith; and is authorized to receive and to issue receipts and releases for any funds or other assets payable or deliverable to The Regents of the University of California as a result of any court action.~~
- (i)(g) The ~~Treasurer~~ Chief Investment Officer shall:
- (1) ~~As ex officio Land Agent, procure the issuance of patents for land held by and for the State of California for educational purposes by virtue of grants from the United States Government and shall collect all sums due in connection with sales of such land.~~

- (2) ~~N~~egotiate the sale, acquisition by purchase, gift, patent or grant, or lease of real properties which are held or acquired for investment purposes and execute all documents related to the purchase or sale of real property held or acquired for investment purposes, except those conveying title; provided, however, that any such document executed prior to approval of such purchase or sale by the Board or by a Committee thereof empowered to act, or by the ~~Treasurer~~ Chief Investment Officer in accordance with ~~Bylaw 21.4(r) and 21.4(s)~~ Bylaw 21.4(m) and 21.4(n) shall be conditioned on such approval.
- (j) ~~The Treasurer is authorized and directed to place covering insurance when mortgagors fail to deliver renewals of insurance before the date of expiration of old policies and to charge the cost of covering insurance so obtained to the loan account of the mortgagor.~~
- (k)(h) ~~The Treasurer~~ Chief Investment Officer is authorized to give receipts for all moneys due the Corporation received directly by the ~~Treasurer~~ Chief Investment Officer and for all securities and other assets which the Corporation is entitled to possess which are received by the ~~Treasurer~~ Chief Investment Officer.
- (l)(i) ~~The Treasurer~~ Chief Investment Officer is authorized to endorse checks and warrants received by the ~~Treasurer~~ Chief Investment Officer in the name of the Corporation, but only for deposit in depositary bank accounts of the Corporation.
- (m) ~~The Treasurer is authorized to permit notes secured by mortgages or deeds of trust to run not to exceed three years after the date of maturity, provided regular payments in amounts not less than installments originally agreed to be paid are continued.~~
- (n)(j) With respect to real properties held or acquired for investment purposes, the ~~Treasurer~~ Chief Investment Officer is authorized to execute releases and satisfactions of mortgages and requests for reconveyances of deeds of trust when the notes secured by such mortgages and deeds of trust have been paid in full.
- (o)(k) ~~The Treasurer~~ Chief Investment Officer is authorized to execute agreements relating to the acquisition of securities in direct placement transactions.
- (p)(l) ~~The Treasurer~~ Chief Investment Officer is authorized to execute bonds of indemnity, affidavits of loss, and similar documents, the execution of which is required to obtain issuance of new securities to replace lost, stolen or destroyed securities.

- (q)(m) The ~~Treasurer~~ Chief Investment Officer, or the ~~Associate Treasurer~~ Deputy Chief Investment Officer or the ~~Assistant Treasurer~~ Associate Chief Investment Officer, and Assistant Chief Investment Officer of the Corporation is authorized and empowered to transfer, convert, endorse, sell, assign, set over and deliver any and all shares of stock, bonds, debentures, notes, subscription warrants, stock purchase warrants, evidences of indebtedness or other securities standing in the name of or owned by the Corporation and to make, execute and deliver, under the corporate seal of the Corporation, any and all written instruments of assignment and transfer necessary or proper to effectuate the authority hereby conferred.
- (r)(n) The Secretary, Associate Secretary, or Assistant Secretary of the Corporation shall annex to any instrument of assignment and transfer executed pursuant to and in accordance with the provisions of this section a certificate which shall set forth the statement that such provisions are in full force and effect and, furthermore, which shall set forth the names of the ~~Treasurer~~ Chief Investment Officer, Deputy Chief Investment Officer, ~~Associate Treasurer~~ Associate Chief Investment Officer, and ~~Assistant Treasurer~~ Assistant Chief Investment Officer of the Corporation. All persons to whom such instrument with such annexed certificate shall thereafter come, shall be entitled, without further inquiry or investigation and regardless of the date of such certificate, to assume and to act in reliance upon the assumption that the shares of stock or other securities named in such instrument were duly and properly transferred, endorsed, sold, assigned, set over, and delivered by the Corporation, and that with respect to such securities the provisions of Bylaw 21.4(k) and the authority of the ~~Treasurer~~ Chief Investment Officer, the Deputy Chief Investment Officer, the ~~Associate Treasurer~~ Associate Chief Investment Officer, and ~~Assistant Treasurer~~ Assistant Chief Investment Officer with respect thereto continue in full force and effect.
- (s)(o) The ~~Treasurer~~ Chief Investment Officer is authorized to approve the ~~purchase~~, sale of gifted property, or the receipt by gift of real property held or acquired for investment purposes when the consideration is \$10 million or less. The ~~Treasurer~~ Chief Investment Officer is also authorized to approve the ~~purchase~~, sale of gifted property, or the receipt by gift of real property to be held or acquired for investment purposes when the consideration is in excess of \$10 million up to and including \$20 million, provided that concurrence is obtained from the Chairman of the Board and the Chairman of the Committee on Investments, and also provided that all actions taken in excess of \$10 million up to and including \$20 million under this authority be reported at the next following meeting of the Board. Amounts in excess of \$20 million require Board approval. The ~~Treasurer~~ Chief Investment Officer is authorized to approve acceptance of conveyances releasing or otherwise eliminating liens or encumbrances affecting title to investment property; and to approve licenses, easements, and rights-of-way with

respect to gifted real property held ~~or acquired~~ for investment purposes when the consideration is \$10 million or less.

(t)(p) The ~~Treasurer~~ Chief Investment Officer is authorized to approve leases, assignment of leases or subleases, and related amendments of such documents for mineral rights, including gas, oil, and other hydrocarbons, or geothermal resources as to gifted real property held ~~or acquired~~ for investment purposes if the land rent does not exceed \$500,000 per year during the primary lease term.

(t)(q) The ~~Treasurer~~ Chief Investment Officer is authorized to approve and execute on behalf of the Corporation contracts, real property rental agreements, and other documents pertaining to gifted real property held ~~or acquired~~ for investment purposes provided that base annual rent shall not exceed \$500,000 for the initial year, and that, when the rent is aggregated over the lease term, the total base rent will not exceed \$10 million. Provided that concurrence is obtained from the Chairman of the Board and the Chairman of the Committee on Investments, the ~~Treasurer~~ Chief Investment Officer is also authorized to approve and execute contracts, real property rental agreements, and other documents, as described above, for amounts in excess of \$500,000 up to and including \$1 million for the initial year, and for amounts in excess of \$10 million up to and including \$20 million for aggregated base rent over the lease term, and also provided that all actions taken under this authority be reported at the next following meeting of the Board. Amounts in excess of the \$1 million and \$20 million described above require Board approval. The maximum initial year base rent and the maximum aggregate rent specified above shall each be increased annually by a percentage equal to the percentage increase in the National Consumer Price Index for all Urban Consumers (CPI-U all items) for the preceding year.

STANDING ORDER 100.

OFFICERS OF THE UNIVERSITY

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100.4 Duties of the President of the University.

(a) The President shall be the executive head of the University and shall have full authority and responsibility over the administration of all affairs and operations of the University, excluding only those activities which are the responsibility of the Secretary, ~~Treasurer~~ Chief Investment Officer, General Counsel of The Regents, and Chief Compliance Officer. The President may delegate any of the duties of the office except service as an ex officio Regent.

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- (c) The President of the University, in accordance with such regulations as the President may establish, is authorized to appoint, determine compensation, promote, demote, and dismiss University employees, except as otherwise provided in the Bylaws and Standing Orders and except those employees under the jurisdiction of the Secretary, ~~Treasurer~~ Chief Investment Officer, and General Counsel of The Regents. Before recommending or taking action that would affect personnel under the administrative jurisdiction of Chancellors, Senior Vice Presidents, Vice Presidents, or Directors of the Ernest Orlando Lawrence Berkeley National Laboratory, the Ernest Orlando Lawrence Livermore National Laboratory, and the Los Alamos National Laboratory, the President shall consult with or consider recommendations of the appropriate Officer. When such action relates to a Professor, Associate Professor, or an equivalent position; Assistant Professor; a Professor in Residence, an Associate Professor in Residence, or an Assistant Professor in Residence; a Professor of Clinical (e.g., Medicine), an Associate Professor of Clinical (e.g., Medicine) or an Assistant Professor of clinical (e.g., Medicine); a Senior Lecturer with Security of Employment, or a Lecturer with Security of Employment, the Chancellor shall consult with a properly constituted advisory committee of the Academic Senate.

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- (pp) The President shall be the representative of the Corporation in, and is authorized to execute agreements in connection with, all matters relating to bank accounts and bank services; banking relationships; financial and banking type services provided by entities other than banks, including but not limited to, the following:

* * *

- (4) The President is authorized to designate a list of representatives of the Corporation who may sign checks, drafts or other orders for the payment of money or initiate electronic transfers of funds against bank accounts used for deposit of ~~Treasurer's~~ Chief Investment Officer's General Cash and to make withdrawals from savings accounts, provided that all such actions have been approved by two such representatives, including one from the Office of the President and one from the Office of the ~~Treasurer~~ Chief Investment Officer, and provided further that all such representatives are covered by fidelity bond, and provided that nothing herein shall be construed as empowering the President to direct banks or other depositories to honor facsimile signatures except on authority of the Committee on Finance.

STANDING ORDER 101.

FACULTY MEMBERS AND OTHER EMPLOYEES OF THE UNIVERSITY

101.1 Employment Status.

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- (c) Appointments, promotions, demotions, and dismissals of all faculty members and other employees, except as otherwise provided in the Bylaws and Standing Orders, shall be under the jurisdiction of the President of the University, and of the Secretary, ~~Treasurer~~ Chief Investment Officer, and General Counsel of The Regents in their respective areas of responsibility.

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101.2 Compensation.

- (a) Rate of compensation and subsequent changes in rate of compensation shall be determined by the Board upon recommendation of the President of the University or upon recommendation of the Secretary, ~~Treasurer~~ Chief Investment Officer, or General Counsel of The Regents in their respective areas of responsibility through the Committee on Finance for:

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- (b) Mutually agreeable changes in the effective date of appointment of and in percent of time to be served by those enumerated in (a) above may be approved by the President of the University and by the Secretary, ~~Treasurer~~ Chief Investment Officer, or General Counsel of The Regents in their respective areas of responsibility with commensurate adjustment in compensation based on the salary rates approved by The Regents. Any such changes shall be reported annually to the Board.
- (c) Compensation of other employees except as otherwise provided in the Bylaws and Standing Orders of The Regents shall be under the jurisdiction of the President of the University and of the Secretary, ~~Treasurer~~ Chief Investment Officer, and General Counsel of The Regents in their respective areas of responsibility.