

## REPORT OF INTERIM ACTIONS

Office of the Secretary and Chief of Staff  
September 15, 2011

### TO THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

#### INFORMATION ITEM

##### Report of Actions Taken Between Meetings

In accordance with authority previously delegated by the Regents, interim action was taken on routine or emergency matters as follows:

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

##### *Appointment of Regent to Standing Committee*

That Regent Makarechian be appointed to the Committee on Health Services, effective immediately, through June 30, 2012. Regent Makarechian will resign from the Committee on Finance, effective immediately.

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

##### *Authorization to Use Taxable Commercial Paper for the University of California's Deposit in the State Agency Investment Fund (SAIF) Pursuant to Government Code Section 16330 as Part of Senate Bill 79*

That the Regents authorize inclusion of the use of taxable commercial paper (CP) for a portion of the University of California's \$1 billion deposit in the State Agency Investment Fund (SAIF) pursuant to Government Code Section 16330 as part of Senate Bill 79.

The April 2010 interim action entitled *Authorization to Include Permanent Equipment Financing as an Authorized Use of the Regents' Commercial Paper Program* be amended as follows with the understanding that all other actions related to the April 2010 authorization remain unchanged.

##### **Additions shown by underscoring; deletions shown by strikethrough**

- (1) Authorize the removal of limitations on the amount of the Regents' commercial paper (CP) program that is authorized for (1) 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 (2)

standby/interim financing for gift-related projects and (3) use for a portion of a \$1 billion deposit in the State Agency Investment Fund (SAIF) pursuant to Government Code Section 16330 as part of Senate Bill 79. The overall \$2 billion authorized amount of the Regents' commercial paper program will remain unchanged.

C. The Chair of the Committee on Finance and the President of the University approved the following recommendations:

(1) ***Authorization to Approve and Execute Documents for North Campus Faculty Housing, Santa Barbara Campus***

- a. The President, or designee, after consultation with the General Counsel, be authorized to approve and to execute one or more leases in connection with a faculty for-sale housing project ("Project") for a total of approximately 26 acres of Santa Barbara campus land (the "Project Parcel"), in one or more phases, to one or more nonprofit homeowners associations, on the terms hereinafter set forth, and to designate, describe and subdivide such leasehold interests as may be appropriate to create a common interest residential development under California law, consisting of up to 161 residences for sale to faculty members and staff of the Santa Barbara campus.
- b. The President, or his designee, after consultation with the General Counsel, be authorized to approve and to execute a Declaration of Covenants, Conditions and Restrictions with respect to such subdivision and to approve and execute such other leases, subleases, condominium plans, deeds and related documents as are reasonably necessary for completion and sale of residences on the Project Parcel, said documents to contain the following provisions:
  - i. The duration of such leases shall not exceed 65 years.
  - ii. Each owner of a residence shall pay monthly sublease rent for the land which shall initially not exceed \$200.00 per residence, subject to annual increases which shall not exceed the greater of the increase in the Consumer Price Index – Urban Wage Earners and Clerical Workers – L.A.-Riverside-Orange County or 5 percent of the previous year's rent.
  - iii. Upon the resale of a residence, the owner shall first offer the residence to the University and to University-related persons in the priority established by the Chancellor of the Santa Barbara campus, at a price that conforms to b.v., below; provided, however, that if no such priority sale occurs during an established restricted sales period, the residence may be sold to a member of the general

- public, with any subsequent resale to require an offer of the residence to the University and to University-related persons in the priority established by the Chancellor at a price that conforms to b.v., below.
- iv. The President, or his designee, after consultation with the General Counsel, may extend the terms of the leases referenced above following a determination that such extensions are in the best interests of the University.
  - v. To ensure that the North Campus residences remain affordable by members of the University community, the maximum resale prices by individual owners shall be limited to the lesser of:
    - (a) The fair market value of the residence; or
    - (b) The sum of: (i) the purchase price of the residence paid by the owner, plus (ii) the product of the purchase price of the residence paid by owner and the fractional change in whichever one of the following indices which shall result in the largest product: (x) the Consumer Price Index – Urban Wage Earners and Clerical Workers – L.A.-Riverside-Orange County (CPI-W-all items), or (y) the Faculty Salary Index (as published by the University of California Office of Loan Programs), plus (iii) the costs of qualified capital improvements to the residence made by the owner, but only to the extent that each such capital improvement exceeds \$2,500 in cost and was certified by the University at the time such improvement was completed, but which may be limited by a formula that takes into account either depreciation or a determination of the appraised value of such improvements, less (iv) the cost of correcting damage to the residence in excess of normal wear and tear.
  - vi. The aggregate of all loans secured by a residence shall not exceed 95 percent of the amount determined for such residence under b.v(b), above.
- c. The President, or his designee, after consultation with the General Counsel, be authorized to approve and execute amendments to the above referenced documents as may be necessary or appropriate for the management of the Project and such additional documents as may be required or are reasonably necessary to effectuate the Project, so long as such amendments and additional documents do not materially alter the basic meaning or purposes of the provisions approved by the Regents.

d. Approval of Recommendations a.- c. above, be determined exempt from the California Environmental Quality Act (CEQA).

(2) ***Authorization to Enter into a Transfer and Disposition Agreement to Terminate the Affiliation with the Great Valley Center***

The President, in consultation with the Office of the General Counsel, be authorized to enter into a Transfer and Disposition Agreement in connection with the termination of the affiliation between the University and the Great Valley Center (“Center”), pursuant to which the University will accept a promissory note in the amount of \$430,746.68 in exchange for the University transferring to the Center certain assets, including active contracts and grants and associated cash accounts received by the University for work being performed by the Center, and all furniture and equipment, including computers and software, located in the Center’s offices, and execute all documents necessary in connection with this action.

D. The Chair of the Committee on Compensation and the Provost of the University, on behalf of the President, approved the following recommendations:

(1) ***Promotional Appointment of and Compensation for David M. Birnbaum as Chief Advisor and Deputy General Counsel, Office of the General Counsel***

Background to Recommendation

The Office of the President requested approval of a promotional appointment of and total compensation for David M. Birnbaum as Chief Advisor and Deputy General Counsel. Funding would include State funds. This request was in recognition of the increased scope and accountability of his role in the Office of the General Counsel (OGC).

When Mr. Birnbaum assumed additional responsibilities as Chief Advisor in addition to his former role as Deputy General Counsel, his title and classification were not changed. As Deputy General Counsel, Mr. Birnbaum’s responsibilities were limited to leading a designated legal practice group (Educational Affairs and Campus Services). In his current role of Chief Advisor and Deputy General Counsel, Mr. Birnbaum is the senior advisor in legal strategy across all practice groups within OGC and acts as the point person for substantive subject matter review for all legal issues. Further, Mr. Birnbaum functions on behalf of the General Counsel upon request or in his absence. He represents the position of the General Counsel on a broad range of policy and legal issues to individuals and groups within the Office of the President, at the campuses and to external organizations. Mr. Birnbaum’s title of Deputy General Counsel did not accurately reflect the nature and scope of his role, nor did it align with other Senior Management Group (SMG) positions of similar scope and complexity.

In the role of Chief Advisor and Deputy General Counsel, Mr. Birnbaum will assume responsibility for a number of critical and time-sensitive projects for the Office of General Counsel that require immediate attention. This includes strategic planning activities that must occur well in advance of the September meeting of the Board. As a result, interim action was requested.

In March 2008, the Regents approved a job and salary structure for attorneys in the Office of the General Counsel. This structure included designation of a Deputy General Counsel position, current grade of SLCG Grade 108, which would serve as legal and administrative head of one or more of the designated legal practice groups. In May 2009, David M. Birnbaum was appointed Deputy General Counsel – Educational Affairs and Campus Services. The Educational Affairs and Campus Services division handles matters concerning academic freedom, student discipline, political campaigning, Proposition 209, student affairs, Employee Assistance Program (EAP), and research compliance issues. The division also provides legal advice for UC Santa Barbara, UC Merced, and the Division of Agriculture and Natural Resources.

In recognition of his increased role, it was recommended that Mr. Birnbaum be reclassified from SLCG Grade 108 to SLCG Grade 109, and be assigned a new title of Chief Advisor and Deputy General Counsel. A base salary of \$280,000, slotted at SLCG Grade 109 (Minimum \$214,700, Midpoint \$274,300, Maximum \$333,700) was proposed for Mr. Birnbaum, which represents an increase of 12 percent from his current salary of \$250,000. The proposed \$280,000 base salary is 2.1 percent above the SLCG Grade 109 midpoint of \$274,300.

Mr. Birnbaum has been in legal practice for 34 years, the last 28 of which have been within the Office of the General Counsel. In 1983, he began his UC career as University Counsel, serving in the Litigation and Educational Affairs sections for 18 years. In 2001, he was promoted to Group Leader, Educational Affairs. In 2006, he acted as Interim Assistant Deputy General Counsel for the Oakland office for six months during recruitment for the permanent General Counsel. From 2007 until his May 2009 promotion to Deputy General Counsel, Mr. Birnbaum was Interim Lead/Acting Deputy General Counsel – Educational Affairs.

The proposed base salary of \$280,000 is based on recent market data for the Deputy General Counsel, plus a premium of 12 percent for the added responsibilities for the Chief Advisor.

#### Recommendation

The following items were approved in connection with the promotional appointment of and compensation for David M. Birnbaum as Chief Advisor and Deputy General Counsel in the Office of the General Counsel:

- a. Promotional appointment of David M. Birnbaum as Chief Advisor and Deputy General Counsel in the Office of the General Counsel at 100 percent time.
- b. Per policy, an annual base salary of \$280,000 at SLCG Grade 109 (Minimum \$214,700, Midpoint \$274,300, Maximum \$333,700).
- c. Reclassification of Mr. Birnbaum's position to SLCG Grade 109 (Minimum \$214,700, Midpoint \$274,300, Maximum \$333,700) to reflect the new portfolio of responsibilities and to align with market and internal comparators.
- d. Per policy, five percent monthly contribution to the Senior Management Supplemental Benefit Program.
- e. Per policy, eligibility to participate in the University of California Home Loan Program, in accordance with all applicable policies
- f. Effective upon approval.

**Recommended Compensation****Effective Date:** Upon approval**Base Salary:** \$280,000**Grade Level:** SLCG Grade 109

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

**50<sup>th</sup> Percentile Market Data:** \$261,672**Percentage Difference from 50<sup>th</sup> Percentile Data:** 7 percent above market**75<sup>th</sup> Percentile Market Data:** \$303,870**Percentage Difference from 75<sup>th</sup> Percentile Data:** 7.86 percent below market**Funding Source:** Common Funds (20 percent), General Funds (20 percent), Campus Recharge to OGC (50 percent), LANS-LLC Research/administrative allocation (10 percent)**Prior Data****Title:** Deputy General Counsel - Educational Affairs & Campus Services**Base Salary:** \$250,000**Grade Level:** SLCG Grade 108

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

**Funding Source for Fiscal Year 11-12:** Common Funds (100 percent)

Additional items of compensation include:

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

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

**Submitted by: General Counsel Robinson**  
**Reviewed by: President Yudof**  
**Committee on Compensation Chair Ruiz**  
**Office of the President, Human Resources**

- (2) *Appointment of and Compensation for Shaun B. Keister as Vice Chancellor – Development and Alumni Relations and President – UC Davis Foundation, Davis Campus*

Background to Recommendation

The Office of the Chancellor requested approval under interim authority for the appointment and compensation of Shaun B. Keister, Vice Chancellor – Development and Alumni Relations and President – UC Davis Foundation, at the Davis campus. Funding for this action would come from gift fee revenue.

Mr. Keister's appointment and compensation was to begin upon approval, but no later than September 6, 2011. Mr. Keister was identified as the most qualified candidate following a national search facilitated by the executive search firm Storbeck/Pimental & Associates. This urgent request was necessary because the campus is in the midst of a major comprehensive campaign and this leadership position is crucial to its success. In addition, because Mr. Keister was a candidate in two other searches, there was a risk that he could accept an offer from another institution if the University did not act quickly to secure a commitment with him. The campus requested an appointment salary of \$335,000 at SLCG Grade 110 (Minimum \$239,700; Midpoint \$307,200; Maximum \$374,500).

Mr. Keister has over 19 years experience in development and has worked with a broad spectrum of educational, arts and conservation organizations throughout his career. He most recently served as Associate Vice President for Development at Pennsylvania State University, where he had supervisory responsibility for annual giving, development communications, corporate and foundation relations, donor relations, gift planning, leadership gifts and research/prospect development. He was actively involved in the launch of *For the Future: The Campaign for Penn State Students*, a \$2 billion fundraising effort underway at Pennsylvania State University. Prior to his appointment at Pennsylvania State University, Mr. Keister served as Vice President for Development Outreach at the Iowa State University Foundation. During his 13-year tenure at the Foundation, he helped develop and launch two major fundraising campaigns, including the most recent, *Campaign Iowa State: With Pride and Purpose*, with an original goal of \$800

million. At both institutions, Mr. Keister gained broad management, strategic planning, and budgeting experience.

Mr. Keister is also active in the Council for Advancement and Support of Education (CASE). He earned his bachelor's degree, with honors and distinction, from Pennsylvania State University and his master's and doctorate degrees from Iowa State University.

The Vice Chancellor – Development and Alumni Relations and President – UC Davis Foundation will report directly to the Chancellor and function as the campus' chief fundraising officer. The incumbent will be responsible for redesigning and directing a comprehensive and dynamic development program that will enable UC Davis to maintain and enhance its reputation on the national and international stage. Four units previously in University Relations – Alumni Relations, Advancement Services, Foundation Accounting and University Development – have been reassigned to report to the Vice Chancellor – Development and Alumni Relations and President – UC Davis Foundation. UC Davis has many achievements of significant interest to the public, and the campus must be even more proactive in communicating these achievements in order to attract the talent, resources, and public support it requires for the next century.

The Davis campus launched its first major comprehensive campaign in 2005 during a time when dwindling State support made private gift giving increasingly vital. The campaign entered its public phase on October 22, 2010 with a goal of raising over \$1 billion from 100,000 donors by 2014. UC Davis intends to use funds raised through the campaign for student scholarships and financial aid, new endowed chairs and professorships, enriched teaching and research, better patient care, improved facilities, library materials, art and scholarly collections and equipment, and to enable the campus to act on emerging opportunities.

An aggressive, focused campaign is needed to catalyze long-term growth in private support and prepare for a second, larger campaign that the campus intends to launch immediately after the first. It is for the next campaign, as much as for the current, that UC Davis needs a dynamic, engaging, and visionary leader.

This position is funded 100 percent from gift fee revenue. The proposed annual base salary of \$335,000 is 9.1 percent above the 50<sup>th</sup> percentile market data of \$307,004 and 16.1 percent below the 75<sup>th</sup> percentile market data of \$399,297.

#### Recommendation

The following items were approved in connection with the appointment of and compensation for Shaun B. Keister as Vice Chancellor – Development and Alumni Relations and President – UC Davis Foundation, Davis campus:

- a. Per policy, an annual base salary of \$335,000 at SLCG Grade 110



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

- b. Per policy, a relocation allowance of \$83,750 (25 percent of proposed annual salary). This payment will be distributed in two installments with 50 percent paid in year one (\$41,875) and the other 50 percent (\$41,875) being paid out on September 6, 2012 if Mr. Keister is still employed by the University at that time. If Mr. Keister separates from the University within four years of his appointment, this relocation allowance is subject to the following repayment schedule: 100 percent if separation occurs within the first year; 75 percent if within the second year; 50 percent if within the third year; and 25 percent if within the fourth year.
- c. Per policy, two house hunting trips each, subject to the limitations under policy, for Mr. Keister and his spouse/partner.
- d. Per policy, a temporary housing allowance not to exceed \$12,000 for a period of 90 days to offset limited housing related expenses. If Mr. Keister leaves the University prior to the completion of one year of service, or accepts an appointment with another University location within 12 months from his initial date of appointment, he will be required to pay back 100 percent of the temporary housing allowance.
- e. Per policy, 100 percent reimbursement of actual and reasonable moving expenses associated with relocating his primary residence.
- f. Per policy, a five percent monthly contribution to the Senior Management Supplemental Benefits Program.
- g. Per policy, an automobile allowance of \$8,916 per year.
- h. This appointment is 100 percent time.

**Recommended Compensation**

**Effective Date:** Upon approval but no later than September 6, 2011

**Base Salary:** \$335,000

**Total Cash Compensation:** \$335,000

**Grade Level:** SLCG Grade 110

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

**50<sup>th</sup> Percentile Market Data:** \$307,004

**Percentage Difference from 50<sup>th</sup> Percentile Data:** 9.1 percent above market

**75<sup>th</sup> Percentile Market Data:** \$399,297

**Percentage Difference from 75<sup>th</sup> Percentile Data:** 16.1 percent below market

**Funding Source:** gift fee revenue

**Prior Data**

**Not available – This is a new position for UC Davis**

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance and executive salary continuation for disability).
- Per policy, eligibility to participate in the UC Home Loan Program, in accordance with all applicable policies.

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

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

- (3) *Reemployment of and Compensation for University of California Retired Employee Ronald A. Nelson as Executive Director – Contracts and Administration and as Facility Security Officer, Office of Laboratory Management, Office of the President*

Background to Recommendation

The Office of Laboratory Management requested approval for the reemployment of retired employee Ronald A. Nelson as Executive Director – Contracts and Administration, Office of Laboratory Management and as Facility Security Officer (FSO), Office of the President. This position is funded from non-State funds, specifically Department of Energy (DOE) contract fees earned as UC's partner share at the Lawrence Alamos National Laboratory (LANL) and the Lawrence Livermore National Laboratory (LLNL), and reimbursed costs for Laboratory Management expenses approved by the DOE Contracting Officer at Lawrence Berkeley National Laboratory (LBNL).

Mr. Nelson retired from the University effective July 1, 2011 after 30 years with the University. This request was to reemploy Mr. Nelson at a 43 percent time appointment for the period August 1, 2011 through July 31, 2012.

Per University policy 2.325, *Reemployment of UC Retired Employees Into Senior Management Group and Staff Positions*, "Reemployment must be as a result of University need, such as the Retired Employee possesses skills and institutional knowledge that the hiring department cannot otherwise obtain with equal cost effectiveness, the hiring department anticipates a prolonged process for hiring a

replacement, or the hiring department anticipates that the retired employee will assist a replacement to acquire necessary skills and knowledge.”

Until his retirement, Mr. Nelson had been serving in the position of Executive Director for Contracts Management since 1992. Prior to that, he was Deputy Business Manager for the Lawrence Livermore National Laboratory, Assistant to the Controller and Counsel at the Los Alamos National Laboratory, and Assistant Staff Judge Advocate for Kirtland Air Force Base in Albuquerque, New Mexico. Mr. Nelson possesses skills and institutional knowledge that will be difficult for the Laboratory Management Office to replace in the near term. Mr. Nelson’s responsibilities have been identified as having significant impact upon the University and are complex and public in nature.

Mr. Nelson’s performance as Executive Director for Contracts Management was exceptional. He is considered the institutional expert on the DOE management and operating contracts, and is highly valued by the Laboratories, the DOE Berkeley Site Office and across the DOE complex. His contributions to the ongoing administration of the LBNL contract and his participation in assuring the University’s fiduciary responsibilities are met as a partner in Los Alamos National Security, LLC and Lawrence Livermore National Security, LLC were incomparable. He was instrumental in providing structure and framework for several projects at LBNL, including the potential second campus and is a leading member of a group that is working with DOE to develop a closeout contract that will fund future pension liabilities and potential litigation and claims.

In addition, with the retirement of FSO Willie Archie in February 2010, Mr. Nelson assumed the role of FSO and has been mentoring an Assistant Facility Security Officer (AFSO) since June 2010. This process will take one to two years while the experience and breadth of the AFSO is further developed and evaluated. Therefore, it is very important to have Mr. Nelson return to the University and resume this mentoring role, and to continue his work on the evolution of the Laboratory Management Office organizational model to support the needs of the University related to the oversight of Lawrence Berkeley National Laboratory, Los Alamos National Security, LLC and Lawrence Livermore National Security, LLC.

#### Recommendation

The following items were approved in connection with the reemployment of Ronald A. Nelson as Executive Director – Contracts and Administration, and as Facility Security Officer, Office of Laboratory Management, Office of the President:

- a. Appointment of Ronald A. Nelson, Executive Director – Contracts and Administration, and as Facility Security Officer (FSO), Office of Laboratory Management, Office of the President, at 43 percent time for

12 months.

- b. Per policy, appointment salary of \$224,324 (\$96,459 at 43 percent time).
- c. This appointment was effective August 1, 2011 upon approval. Per policy, any extension beyond the 12-month appointment is subject to approval by the Regents.

**Recommended Compensation**

**Effective Date:** August 1, 2011

**Base Salary:** \$224,324 (\$96,459 at 43 percent time)

**Grade Level:** SLCG Grade 106

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

**Funding Source:** Non-State funds

**Budget &/or Prior Incumbent Data**

**Title:** Executive Director, Contracts and Administration, Laboratory Management

**Base Salary:** \$224,324 (100 percent time)

**Funding Source:** Non-State funds

Additional items of compensation include:

- Per policy, Mr. Nelson will sign the University of California Retirement Plan Rehired Retiree Waiver Form that serves to decline participation in the UC Retirement System (UCRS) and allow Mr. Nelson to continue receiving his retirement annuity while receiving compensation related to this appointment.

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

**Submitted by:** Vice President Darling

**Reviewed by:** President Yudof

**Committee on Compensation Chair Ruiz**

**Office of the President, Human Resources**

- (4) ***Term Appointment Extension and Total Compensation for Samuel J. Traina as Vice Chancellor for Research and Dean of Graduate Studies, Merced Campus***

The Merced campus requested action under interim authority for a term appointment extension for Samuel J. Traina as Vice Chancellor for Research and Dean of Graduate Studies effective July 1, 2011 through June 30, 2013. Funding for this action would come from State funds. This request was urgently needed

because Mr. Traina's current term appointment expired June 30, 2011. It was necessary to reappoint Mr. Traina prior to the next Regents' meeting in order to maintain the uninterrupted advancement of UC Merced's research mission. He would not receive compensation in August if the term appointment was not extended. This action resulted in no change to Mr. Traina's compensation.

It was discovered on Wednesday, July 5, 2011 that Mr. Traina's appointment as Vice Chancellor for Research and Dean of Graduate Studies was a term with an end date of June 30, 2011. Vice chancellor appointments at the Merced campus are not typically term appointments and therefore no appointment tracking method was created to follow Mr. Traina's beginning and end dates. Action on this interim item was needed to ensure that there is no disruption in his regular compensation.

Mr. Traina is an effective and seasoned academic administrator and brings extensive knowledge of the campus to his current post. He joined UC Merced in 2002 as Director of the Sierra Nevada Research Institute and Professor, Natural Sciences. He was appointed Acting Vice Chancellor for Research and Dean of Graduate Studies in 2006 and has made many significant contributions to the continued development of the campus research administration infrastructure and to campus graduate programs. He has also fostered an effective collaboration with other UC campuses and the Lawrence Livermore National Laboratory. At the July 2008 meeting, the Regents' approved Mr. Traina's term appointment as Vice Chancellor for Research and Dean of Graduate Studies effective July 1, 2008 through June 30, 2011. The timeframe provided the campus with academic leadership continuity and the need to progress successfully through the WASC accreditation process and other significant campus milestones.

Working with the faculty, Mr. Traina increased the graduate student population from 37 to more than 240 students. Under his leadership, the first four fully authorized, stand-alone graduate groups – Environmental Systems, Qualitative Systems Biology, Cognitive and Information Sciences, and Psychological Services – were established. He also opened an operational Vivarium and Stem Cell Instrumentation Foundry, which are two core research facilities. He has worked with faculty to establish the Organized Research Unit (ORU) at UC Merced and the campuses' first Natural Reserve Site. He obtained federal assurances for the use of animals and human subject in research and established the Institutional Animal Care and Use Committee (IACUC), the Institutional Review Board (IRB), and the Conflict of Interest (COI) and Bio Safety committees. He has also obtained AAALAC<sup>1</sup> accreditation for the animal research program. Through his leadership, the campus has moved toward the COEUS-KUALI model for grants submittals and management. He established a

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<sup>1</sup> AAALAC International is a private, nonprofit organization that promotes the humane treatment of animals in science through voluntary accreditation and assessment programs. AAALAC stands for the "Association for Assessment and Accreditation of Laboratory Animal Care."

tech transfer program independent from UCOP with full authority delegated to the campus on July 2, 2011. In addition, he wrote the first graduate faculty advisor's handbook and the first graduate program review documents for UC Merced.

The campus proposes that Mr. Traina continue to receive an annual base salary of \$202,000 at SLCG Grade 106 (Minimum \$154,200 Midpoint \$195,200 Maximum \$236,100). According to market data provided by Mercer (US) Inc., which includes data from the 2010/2011 College and University Professional Association (CUPA) Administrative Compensation Survey, the proposed base salary is 19.1 percent below the 50<sup>th</sup> percentile market rate of \$249,687 and 32.8 percent below the 75<sup>th</sup> percentile market rate of \$300,579. In addition, the proposed base salary is 3.5 percent above the midpoint range for SLCG Grade 106 and 29.0 percent below the average base salary of \$284,388 for the Vice Chancellor – Research at the other UC campuses.

#### Recommendation

The following items were approved in connection with the term appointment extension of and compensation for Samuel J. Traina as Vice Chancellor for Research and Dean of Graduate Studies, Merced campus:

- a. Term appointment extension of Samuel J. Traina as Vice Chancellor for Research and Dean of Graduate Studies.
- b. Per policy, continued appointment base salary of \$202,000 at SLCG Grade 106 (Minimum \$154,200 Midpoint \$195,200 Maximum \$236,100).
- c. This term appointment is at 100 percent time and is effective from July 1, 2011 through June 30, 2013 or until a permanent appointment is made, whichever occurs first.

#### Recommended Compensation

**Effective Date:** July 1, 2011

**Term Appointment base Salary:** \$202,000

**Total Cash Compensation:** \$202,000

**Grade Level:** SLCG Grade 106

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

**50th Percentile Market Data for base salary only:** \$249,687

**Percentage Difference from 50<sup>th</sup> Percentile Market Data for base salary only:**

19.1 percent below market

**75th Percentile Market Data for base salary only:** \$300,579

**Percentage Difference from 75<sup>th</sup> Percentile Market Data for base salary only:**

32.8 percent below market

**Funding Source:** State funds

#### Current Data

**Title:** Vice Chancellor for Research and Dean of Graduate Studies

**Base Salary:** \$202,000

**Total Cash Compensation:** \$202,000

**Grade Level:** SLCG Grade 106

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

**Funding Source:** State funds

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance and executive salary continuation for disability).
- Per policy, ineligible to participate in the Senior Management Supplemental Benefits 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 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.

**Submitted by:** UC Merced Chancellor Leland

**Reviewed by:** President Yudof

**Committee on Compensation Chair Ruiz**

**Office of the President, Human Resources**

- E. The Chair of the Committee on Compensation and the President approved the following recommendation:

***Appointment of and Compensation for Gregory R. Leet as Vice Chancellor – University Advancement, Irvine Campus***

Background to Recommendation

The Office of the UC Irvine Chancellor requested approval under interim authority for the appointment and compensation of Gregory R. Leet, Vice Chancellor – University Advancement at the Irvine campus, at an annual base salary of \$320,000. Funding for this action would come fully from State funds.

This urgent request was necessary to provide Mr. Leet sufficient time to notify his current employer, relocate from Arizona, and begin employment in Irvine on September 19, 2011. The former Vice Chancellor – University Advancement vacated the position in August 2010.

UC Irvine conducted an exhaustive national search to fill this vice-chancellorship, employing a notable search firm and a search committee consisting of various UC Irvine stakeholders. The recruitment proved difficult; the campus conducted two full search rounds before realizing success.

Mr. Leet brings nearly 20 years of experience in higher education advancement. He is currently Vice President of Grenzebach Glier and Associates, a leading international consultant group to non-profit institutions specializing in fundraising. He has provided counsel services to the University of California, Los Angeles Health System; California State University, San Bernardino; Los Angeles Philharmonic Association; The Pew Charitable Trusts; University of San Diego; University of Southern California; Villanova University School of Law; and the Women's College Hospital Foundation.

Prior to his position at Grenzebach Glier and Associates, Mr. Leet served as Vice President of Development with the Arizona State University Foundation from 2006 to 2010. There he oversaw the University's fundraising operations, managing a staff of 69 and helping lead efforts for a planned \$1.3 billion campaign. Working with the foundation's executive leaders and the University president, he led the foundation's strategic effort to rapidly expand its fundraising capacity and activities, which saw a tripling of donor appointments within three years. Mr. Leet was also closely involved in the foundation's work leading Arizona State University's institutional rebranding initiative, which resulted in a CASE National Silver Award in special events in 2010. The foundation also received a CASE National Gold Award for its innovative advancement services program, a strategic management initiative in which Mr. Leet was a key partner.

From 1995 to 2006, Mr. Leet served Creighton University in a variety of senior management and frontline regional officer fundraising positions, most recently as Director of Principal Gifts. In this role, he formed and implemented the University's first principal gifts program, which leveraged the university's board to increase philanthropic activity and support and which raised over \$120 million in new commitments in under two and half years. Before joining Creighton, Mr. Leet was Library Campaign Director with Kansas State University, where he successfully directed a \$5 million capital campaign to expand the primary campus library.

Mr. Leet is a longstanding member of the Council for Advancement and Support of Higher Education (CASE) and the Association of Fundraising Professionals (AFP). He holds a bachelor's degree in agricultural journalism from Kansas State University and a master's in non-profit studies from Arizona State University.

The Vice Chancellor – University Advancement serves as UC Irvine's chief advancement officer. University Advancement is responsible for creating awareness, building relationships and generating support for UC Irvine's teaching, research and public service missions.

UC Irvine launched its Shaping the Future campaign in July 2005 and recently celebrated the milestone success of having achieved \$609 million of the campaign's overall



\$1 billion goal. Through this campaign's success, UC Irvine will expand its role as a leading research and teaching institution and continue to invest in undergraduate scholarships, graduate fellowships and critical academic support.

As the campus completes this important campaign, building private support will continue to remain a priority to support the academic and research mission of UC Irvine. Securing exceptional talent to lead these efforts is imperative. The Irvine campus is certain that Mr. Leet has the experience, track record, and leadership abilities to lead an aggressive campaign and build a fundraising and advocacy enterprise that supports campus priorities.

UC Irvine proposed a compensation package that includes a base salary of \$320,000, a relocation allowance of 25 percent (\$80,000), moving expenses, participation in the Senior Management Supplemental Benefit Program at five percent, eligibility for a UC Home Loan Program loan up to \$800,000, eligibility to purchase a home in the on-campus community of University Hills, and standard and senior management benefits. Mr. Leet's permanent residence is currently in Phoenix, Arizona. According to Sperling's cost of living comparison, Irvine is 74 percent more expensive in cost of living and 236 percent more expensive in housing than Phoenix.

The campus requested that this position be re-slotted from Senior Leadership Compensation Group (SLCG) Grade 108 to SLCG Grade 109. Five of the ten comparable positions in the UC systems are slotted in SLCG Grade 109 or higher. SLCG Grade 109 has a minimum of \$214,700, midpoint of \$274,300, and maximum of \$333,700.

This position is funded 100 percent by State funds. The proposed base salary of \$320,000 is 4.2 percent above the 50<sup>th</sup> percentile market salary of \$307,004 and 19.9 percent below the 75<sup>th</sup> percentile market salary of \$399,297.

#### Recommendation

The following items were approved in connection with the appointment of and compensation for Gregory R. Leet as Vice Chancellor – University Advancement, Irvine campus:

- (1) Reslotting of the position from SLCG Grade 108 (Minimum \$192,300 Midpoint \$244,900, and Maximum \$297,400) to SLCG Grade 109 (Minimum \$214,700 Midpoint \$274,300, and Maximum \$333,700).
- (2) Per policy, an appointment salary of \$320,000 at SLCG Grade 109 (Minimum \$214,700 Midpoint \$274,300, and Maximum \$333,700).
- (3) Per policy, a relocation allowance of 25 percent of base salary (\$80,000). This payment will be provided in either a lump sum or two installments. If the payment is provided in a lump sum and Mr. Leet resigns from the University within four

years, the repayment schedule would be as follows: 100 percent if separation occurs within the first year of employment; 75 percent if within the second year of employment; 50 percent if within the third year of employment; and 25 percent if within the fourth year of employment. Alternatively, if the payment is provided in two installments and Mr. Leet separates from the University prior to the second payment, forfeiture provisions would apply, and payment of the second installment would be forfeited.

- (4) Per policy, two house-hunting trips each for Mr. Leet and his partner, subject to the limitations under policy.
- (5) Per policy, 100 percent reimbursement of actual and reasonable moving expenses associated with relocating the primary residence, subject to the limitations under policy.
- (6) Per policy, eligibility to participate in the UC Home Loan Program, in accordance with all applicable policies and up to a loan amount of \$800,000. Participation will comply with all University/campus normal program parameters.
- (7) Per policy, five percent monthly contribution to the Senior Management Supplemental Benefits Program.
- (8) This appointment is at 100 percent time, and the actions associated with the appointment are effective upon approval with an anticipated start date of September 19, 2011.

**Recommended Compensation****Effective Date:** Upon approval**Base Salary:** \$320,000**Total Cash Compensation:** \$320,000**Grade Level:** SLCG Grade 109

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

**50<sup>th</sup> Percentile Market Data:** \$307,004**Percentage Difference from 50<sup>th</sup> Percentile Market Data:** 4.2 percent above market**75<sup>th</sup> Percentile Market Data:** \$399,297**Percentage Difference from 75<sup>th</sup> Percentile Market Data:** 19.9 percent below market**Funding Source:** Fully State-funded**Prior Incumbent Data****Job Title:** Vice Chancellor – University Advancement**Base Salary:** \$275,000**Total Cash Compensation:** \$275,000**Grade Level:** SLCG Grade 108

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

**Funding Source:** Fully State-funded

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance and executive salary continuation for disability).
- Per policy, eligibility to purchase a home in the on-campus community of University Hills.

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

**Submitted By: UCI Chancellor Michael V. Drake, M.D.**

**Reviewed By: President Yudof**

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

- F. The Chairman of the Board and President of the University approved the following recommendation:

***Authorization to Waive a Credit Concentration Limitation in the University of California's Short Term Investment Pool (STIP) Guidelines to Enable the University's Deposit in the State Agency Investment Fund (SAIF) Pursuant to Government Code Section 16330 as Part of Senate Bill 79***

That the Regents authorize waiver of the credit concentration limitation in the Short Term Investment Guidelines Pool (STIP) Investment Guidelines to enable the University of California's \$1 billion deposit in the State Agency Investment Fund (SAIF) pursuant to Government Code Section 16330 as part of Senate Bill 79 (2011 Cal.Stat.142). As this is a one-time waiver, there will be no change to the STIP Investment Policy and Guidelines. The waiver will lapse at the final maturity of the Deposit Agreement, which is April 25, 2013, unless the Deposit Agreement is terminated at an earlier date.