

BOARD OF REGENTS

April 6, 2023

1. COMPENSATION COMPONENTS FOR A CHANCELLOR

The Chair of the Board of Regents recommends approval by the Board of Regents for the following items in connection with the compensation components for Pradeep Khosla as Chancellor, San Diego Campus, effective May 1, 2023:

- (1) Per policy, an increase in base salary from \$641,524 to \$1,141,524, wherein \$500,000 will be funded through an endowed chair created specifically for the Chancellor position by the UC San Diego Foundation.
- (2) Eligibility to participate in the UC Employee Housing Assistance Program while serving as Chancellor, San Diego Campus.
- (3) Per policy, continuation of University-provided housing.
- (4) Per policy, continuation of an annual automobile allowance of \$8,916.
- (5) Per policy, continuation of arrangements by the University for the relocation of household goods and personal effects, including Chancellor Khosla's personal library, laboratory, and any other related equipment and materials to a location of his choice in California if he leaves the Chancellor position and returns to the University faculty at a University of California campus.
- (6) Per policy, continuation of an administrative fund established for official entertainment and other purposes permitted by University policy. Adjustments may occur annually as allowed by policy.
- (7) Per policy, continuation of an annual allocation of campus funding for his research during his term as Chancellor, if Chancellor Khosla maintains an active research program during his appointment as Chancellor.
- (8) Per policy, continuation of standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance and executive salary continuation for disability after five consecutive years of service in a Senior Management Group position).
- (9) Per policy, continued eligibility to accrue sabbatical credits as a member of the tenured faculty, consistent with academic personnel policy.

- (10) Chancellor Khosla will continue to comply with the Senior Management Group Outside Professional Activities (OPA) policy and reporting requirements.

COMPARATIVE ANALYSIS

Recommended Compensation

Effective Date: May 1, 2023

Annual Base Salary: \$1,141,324; \$641,324 to be paid with no change to current funding sources, plus \$500,000 to be funded by an endowed chair.

Incentive Compensation: N/A

Target Cash Compensation*: \$1,141,324

Current Compensation

Title: Chancellor, San Diego Campus

Annual Base Salary: \$641,324

Incentive Compensation: N/A

Target Cash Compensation*: \$641,324

*Target Cash Compensation consists of base salary and, if applicable, short-term incentive and/or stipend.

COMPETITIVE ANALYSIS FOR CHANCELLOR, SAN DIEGO CAMPUS (MRZ TITLE: CHANCELLOR)

Percentiles	MARKET REFERENCE ZONE FOR BASE SALARY				
	25 th	50 th	60 th	75 th	90 th
Market Data	\$558.7k	\$832.4k	\$942.0k	\$1231.2k	\$1639.7k
% Difference	104.3%	37.1%	21.2%	-7.3%	-30.4%

Survey Source: CUPA Administrators in Higher Education Salary Survey, Mercer Benchmark Database Survey, and Towers-Watson CDB General Industry Executive Survey. Market data for this position reports base salary only.

The compensation described above shall constitute the University's total commitment until modified by the Regents, as applicable under Regents policy, 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.

Board vote: Regents Blas Pedral, Drake, Elliott, Hernandez, Kounalakis, Leib, Makarechian, Matosantos, Park, Pérez, Pouchot, Reilly, Sherman, Sures, Thurmond, and Timmons voting "aye."

2. **AMENDMENT OF REGENTS POLICY 5309: POLICY ON THE UNIVERSITY OF CALIFORNIA EMPLOYEE HOUSING ASSISTANCE PROGRAM AND REGENTS POLICY 7708: UNIVERSITY-PROVIDED HOUSING**

The President of the University recommends that the Regents: (1) Amend Regents Policy 5309: Policy on the University of California Employee Housing Assistance Program to allow Chancellors who reside in University-provided housing as their primary residence per Regents Policy 7708 to use the Program to purchase a secondary residence in conjunction with the University-provided housing, as shown in Attachment 1, and; (2) Amend Regents Policy 7708: University-Provided Housing, as shown in Attachment 2.

Board vote: Regents Blas Pedral, Drake, Elliott, Hernandez, Kounalakis, Leib, Makarechian, Matosantos, Park, Pérez, Pouchot, Reilly, Sherman, Sures, Thurmond, and Timmons voting “aye.”

Attachment 1

Regents Policy 5309: Policy on the University of California Employee Housing Assistance Program

Additions denoted by underscoring

A. University of California Housing Assistance Program

Program loans provide financing using deeds of trust secured on real property to assist faculty and other eligible employees with the purchase of a primary residence, other than as specified in Section C(3)(a).

B. Eligibility

The eligible population for Program participation consists of full-time University appointees with positions in the following categories:

1. Academic Senate members.
2. Academic titles equivalent to titles held by Academic Senate members as defined in University policy.
3. Acting Assistant Professors.
4. Senior Management Group employees
5. UC Hastings faculty members.
6. University or UC Hastings employees who will be appointed to any of these eligible categories effective no more than 180 days after loan closing.

C. Eligible Properties

1. Properties financed using a Program loan must be used primarily for residential, non-income producing purposes.
2. Eligible properties are limited to Single Family Residences, Condominiums and properties located in a Planned Unit Development.
3. The subject property must be the principal place of residence for the participant throughout the term of the loan, other than during absences for sabbatical leave or other approved leaves of absence.
 - a. Chancellors who are residing in University-provided housing as their primary residence per Regents Policy 7708 may use the Program to purchase a secondary residence in conjunction with the University-provided housing.

Attachment 2

Regents Policy 7708: University-Provided Housing

Additions shown by underscore; deletions shown by ~~striketrough~~

C. Alternative Housing Arrangements

If the President determines that the University-provided housing is not suitable for supporting the Executive Officer's required range of duties or is not habitable as a personal residence as a result of disrepair or other like reason, the President may recommend to the Regents that the Executive Officer be provided other housing until the University-provided housing is repaired or otherwise improved to suitable standards. The President may make a request to the Regents for an alternative housing arrangement on ~~his/her~~ their own behalf if ~~he/she~~ they deems the University-provided housing is unsuitable for the performance of presidential duties or is not habitable.

In evaluating such requests, the Regents will consider, among other factors, the terms and conditions of the proposed alternate housing, the appropriateness of a temporary housing allowance and the source of funds used to pay for the requested alternate housing.

Approval of a home loan for a Chancellor under the terms of Regents Policy 5309: Policy on the University of California Employee Housing Assistance Program does not require Regents' approval as an alternative housing arrangement nor is it an exception to Regents Policy.
