

\*Approved\*

**GOVERNANCE COMMITTEE**

January 21, 2021

TO THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

**APPROVAL OF 2020-21 FEDERAL FISCAL YEAR SALARY ADJUSTMENTS FOR CERTAIN SENIOR MANAGEMENT GROUP EMPLOYEES AT LAWRENCE BERKELEY NATIONAL LABORATORY AS FUNDED BY THE DEPARTMENT OF ENERGY AS DISCUSSED IN CLOSED SESSION**

Recommendation

The Governance Committee recommends to the Regents approval as an exception to policy of the following salary increases for the Senior Management Group employees of Lawrence Berkeley National Laboratory listed below, effective retroactive to October 1, 2020:

Employee Name	Job Title	Current Annual Base Salary	Proposed Merit Increase %	Proposed Equity Increase %	Proposed Annual Base Salary	Placement within Position's MRZ
<b>SMG – Level One</b>						
Witherell, Michael	Laboratory Director	\$480,804	4.00%	N/A	\$500,040	1.2% Below 60th %tile (\$506.0k)
<b>SMG – Level Two</b>						
Simon, Horst	Deputy Lab Director for Research	\$472,656	4.00%	N/A	\$491,568	2.3% Above 90th %tile (\$480.3k)
Brandt, Michael	Deputy Lab Director for Operations and COO	\$400,188	4.00%	5.00%	\$437,004	9.0% Over 75th %tile (\$400.8k)
Blair, Jeffrey	Chief Laboratory Counsel	\$353,628	4.00%	N/A	\$367,776	2.2% Below 60th %tile (\$376.1k)
Huebner, Minh-Ngoc	Chief Financial Officer	\$323,760	4.00%	N/A	\$336,708	10.0% Below 50th %tile (\$374.3k)
Hubbard, Susan	Associate Lab Dir for Earth & Environ. Sciences	\$408,996	4.00%	N/A	\$425,352	1.9% Above 60th %tile (\$417.3k)
Maxon, Mary	Associate Lab Dir for Biosciences	\$377,952	4.00%	N/A	\$393,072	5.8% Below 60th %tile (\$417.3k)
Neaton, Jeffrey	Associate Lab Dir for Energy Sciences	\$364,860	4.00%	N/A	\$379,452	9.1% Below 60th %tile (\$417.3k)
Prasher, Ravi	Associate Lab Dir for Energy Technologies	\$351,456	4.00%	3.00%	\$376,488	9.8% Below 60th %tile

						(\$417.3k)
Carter, Jonathan	Associate Lab Dir for Computing Sciences	\$360,000	3.00%	N/A	\$370,800	11.1% Below 60th %tile (\$417.3k)

The base salaries presented above shall constitute the University's total commitment for base salary until modified by the Regents, the President, or Laboratory Director, 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.

### Background to Recommendation

This request seeks approval for 2020-21 fiscal year salary adjustments for certain Senior Management Group (SMG) employees at the Lawrence Berkeley National Laboratory (Berkeley Lab). The proposed salary adjustments will be paid with Department of Energy (DOE) funds, no State or general funds will be used. The requests are within the Berkeley Lab's organization-wide 2020-21 salary program funded by DOE funds, effective retroactively to October 1, 2020, the start date of Berkeley Lab's fiscal year:

- 1) A merit-based salary adjustment for the Laboratory Director who is in a Level One Senior Management Group (SMG) position, requiring approval by the Regents for all salary actions and for exceptions to policy.
- 2) Merit-based salary adjustments for nine Level Two SMG employees that would have been within the President's authority to approve, if not for exceptions to policy.
- 3) Market-based salary adjustments for two employees in Level Two SMG positions one of which would have been within the President's authority to approve, if not for an exception to policy. The other request includes an exception to policy and places the proposed base salary above the 75<sup>th</sup> percentile, requiring approval by the Regents.

Regents Policy 7701: *Senior Management Group Appointment and Compensation* allows for systemwide salary program increases to base salary, such as merit increases, in accordance with Universitywide guidelines. However, the systemwide salary program for 2020-21 was suspended, therefore, no Universitywide guidelines were provided. Without a systemwide salary program or Universitywide guidelines, the merit-based salary adjustments within Berkeley Lab's 2020-21 salary program are an exception to policy and require approval by the Regents.

Additionally, as the DOE approved an effective date of October 1, 2020 for the proposed salary adjustments, an exception to policy is being requested for approval of a retroactive effective date greater than 45 days from the anticipated approval date.

The budget for Fiscal Year 20-21, and the plan for Fiscal Year 21-22\* includes no across-the-board salary adjustments for faculty and staff. As a result, Systemwide Human Resources Executive Compensation did not prepare any SMG 1 or SMG 2 salary increase requests for presidential or regental authority. In late September 2020, Berkeley Lab submitted their annual SMG salary increase to the Executive Compensation Unit of the Office of the President. The Office of the President determined that the Lab would be exempt from the no across-the board salary adjustments for faculty and staff since the lab is funded from the DOE, and would be eligible for those increases. However, review and preparation of the materials could not be completed in time for the November 2020 Regents meeting submission deadlines. Retroactive approval is being sought at this January 2021 meeting.

Committee vote: Regents Anguiano, Drake, Elliott, Estolano, Kieffer, Lansing, Leib, Makarechian, Sherman, and Zettel voting “aye” and Regent Pérez abstaining.

Board vote: Regents Drake, Elliott, Estolano, Kieffer, Lansing, Leib, Makarechian, Mart, Muwwakkil, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Stegura, and Zettel voting “aye.”

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\* See “APPROVAL OF THE UNIVERSITY OF CALIFORNIA’S 2021–22 BUDGET FOR CURRENT OPERATIONS” <https://regents.universityofcalifornia.edu/regmeet/nov20/b4.pdf>