

GOVERNANCE COMMITTEE

July 22, 2021

TO THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

1. RESOLUTION TO EXCLUDE ACCESS TO FEDERAL CLASSIFIED INFORMATION

The Committee recommends that the resolution pertaining to the University's Facility Security Clearances be approved as shown in Attachment 1.

Committee vote: Regents Cohen, Drake, Elliott, Leib, Park, Reilly, and Sherman voting "aye."

Board vote: Regents Butler, Cohen, Drake, Elliott, Estolano, Guber, Lansing, Leib, Lott, Makarechian, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Torres, and Zaragoza voting "aye."

2. APPROVAL OF CONTRACT COMPENSATION FOR JIM KNOWLTON AS DIRECTOR OF ATHLETICS, BERKELEY CAMPUS AS DISCUSSED IN CLOSED SESSION

Recommendation

The Committee recommends approval of the following items in connection with the contract compensation for Jim Knowlton as Director of Athletics, Berkeley campus:

- A. For the first contract year, annual guaranteed compensation of \$925,000, comprised of \$300,000 in base salary and \$625,000 in talent fee. Additionally, for each subsequent contract year, annual guaranteed compensation of \$950,000, comprised of \$300,000 in base salary and \$650,000 in talent fee. This exceeds the *Amendment of Regents' Delegation of Authority for Recruiting and Negotiation Parameters for Certain Athletic Positions and Coaches, Systemwide* (September 2008 Parameters) because the proposed annual guaranteed compensation of \$925,000 in year one is more than 30 percent over the annual guaranteed compensation of \$670,000 in the previous year's contract. In addition, the overall cumulative total guaranteed compensation of \$7,575,000 in the proposed contract is more than 30 percent over the previous contract's overall cumulative total guaranteed compensation of \$2,010,000, with the duration of the contracts adjusted so that a change in contract duration does not affect the comparison.
- B. Provide deferred compensation in the form of annual retention bonus payments totaling \$2.2 million. This exceeds the September 2008 Parameters because the total deferred compensation in the form of retention bonus payments over the life of the contract is more than the equivalent of the first year's guaranteed compensation.

The retention payment will be paid following the last day of each contract year. The deferred compensation for each contract year is presented in the chart below:

Contract Year	Annual Retention Payment
Year 1 (5/21/21-5/20/22)	\$100K
Year 2 (5/21/22-5/20/23)	\$150K
Year 3 (5/21/23-5/20/24)	\$200K
Year 4 (5/21/24-5/20/25)	\$250K
Year 5 (5/21/25-5/20/26)	\$300K
Year 6 (5/21/26-5/20/27)	\$350K
Year 7 (5/21/27-5/20/28)	\$400K
Year 8 (5/21/27-5/20/29)	\$450K

C. This contract will be effective from May 21, 2021 through May 20, 2029.

The compensation described above shall constitute the University's total commitment for the elements of compensation addressed above until modified by the Regents, the President, or the Chancellor, 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

The President of the University recommends approval for certain elements of contract compensation for an eight-year term for current UC Berkeley Director of Athletics, Jim Knowlton, effective from May 21, 2021 through May 20, 2029.

This action requires Regental approval as certain contract terms regarding guaranteed compensation and deferred compensation, which are needed to retain Mr. Knowlton, exceed the criteria in the *Amendment of Regents' Delegation of Authority for Recruiting and Negotiation Parameters for Certain Athletic Positions and Coaches, Systemwide* (September 2008 Parameters). All other elements of compensation and contract terms are within the September 2008 Parameters.

Funding for this position will come from Athletic Department revenues and/or private fundraising. No State funds will be used.

Committee vote: Regents Cohen, Drake, Elliott, Estolano, Leib, Park, Reilly, and Sherman voting "aye."

Board vote: Regents Cohen, Drake, Elliott, Estolano, Guber, Lansing, Leib, Lott, Makarechian, Ortiz Oakley, Park, Reilly, Sherman, and Zaragoza voting "aye," Regent Torres abstaining, and Regent Pérez voting "no."

3. **APPROVAL OF MARKET-BASED SALARY ADJUSTMENT FOR STEPHEN SUTTON AS VICE CHANCELLOR – STUDENT AFFAIRS, BERKELEY CAMPUS AS DISCUSSED IN CLOSED SESSION**

Recommendation

The Committee recommends approval of the following items in connection with the market-based salary adjustment for Stephen Sutton as Vice Chancellor – Student Affairs, Berkeley campus:

- A. Per policy, a market-based salary adjustment of 10.3 percent, increasing Mr. Sutton’s annual base salary from \$308,159 to \$340,000, as Vice Chancellor – Student Affairs, Berkeley campus, at 100 percent time.
- B. Per policy, continuation of standard pension and health and welfare benefits and standard senior management benefits, including continuation of eligibility for senior management life insurance and executive salary continuation for disability (will be eligible and vested after five or more consecutive years of Senior Management Group service).
- C. Per policy, continued eligibility to participate in the UC Employee Housing Assistance Program, subject to all applicable program requirements.
- D. Mr. Sutton will continue to comply with the Senior Management Group Outside Professional Activities (OPA) policy and reporting requirements.
- E. This action will be effective August 1, 2021.

COMPARATIVE ANALYSIS

Recommended Compensation

Effective Date: August 1, 2021

Annual Base Salary: \$340,000

Incentive Compensation: N/A

Target Cash Compensation:* \$340,000

Funding: Partially or Fully State-Funded

Current Compensation

Title: Vice Chancellor – Student Affairs

Annual Base Salary: \$308,159

Incentive Compensation: N/A

Target Cash Compensation:* \$308,159

Funding: Partially or Fully State-Funded

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

**COMPETITIVE ANALYSIS FOR VICE CHANCELLOR – STUDENT AFFAIRS
(MRZ TITLE: VICE CHANCELLOR – STUDENT AFFAIRS (CAMPUSES WITHOUT
HEALTH SERVICES))**

	MARKET REFERENCE ZONE FOR BASE SALARY				
Percentiles	25 th	50 th	60 th	75 th	90 th
Market Data	\$230.3k	\$261.1k	\$278.3k	\$298.3k	\$325.3k
% Difference	47.6%	30.2%	22.2%	14.0%	4.5%

Survey Source: College and University Professional Association (CUPA) Administrators in Higher Education Salary Survey (no incentive data is provided by CUPA) and California State University data

The compensation described above shall constitute the University’s total commitment until modified by the Regents, President, or Chancellor, 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 item seeks approval for a market-based salary adjustment for Stephen Sutton as Vice Chancellor – Student Affairs, Berkeley campus, due to the significant and permanent expansion in the scope and complexity of his position and to better align Mr. Sutton’s base salary with the criteria described in Regents Policy 7701, Senior Management Group Appointment and Compensation, Section III.C.4, given his skills, experience, and contributions.

The campus is requesting an increase of 10.3 percent (\$31,814), increasing Mr. Sutton’s annual base salary from \$308,159 to \$340,000, effective August 1, 2021. The proposed base salary is 4.5 percent above the 90th percentile (\$325,300) of the position’s Market Reference Zone; therefore, the action requires Regental approval.

The position will continue to be funded partially or fully using State funds.

Committee vote: Regents Cohen, Drake, Elliott, Estolano, Leib, Park, Reilly, and Sherman voting “aye.”

Board vote: Regents Butler, Cohen, Drake, Elliott, Estolano, Guber, Lansing, Leib, Lott, Makarechian, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Torres, and Zaragoza voting “aye.”

4. **AMENDMENT OF CERTAIN BYLAWS AND AMENDMENT AND RESCISSION OF CERTAIN STANDING ORDERS AND POLICIES ON PERSONNEL MATTERS, AND ADOPTION OF BYLAW ON OFFICERS OF THE UNIVERSITY AND POLICY ON SERVICE OBLIGATIONS AND LEAVES OF ABSENCE**

The President of the University recommends that the Governance Committee recommend that the Regents:

- A. Rescind the following Standing Orders pertaining to personnel matters: Standing Orders 100.1 – Officers of the University, 100.2 – Employment Status, 100.3 – Compensation, 100.4(c), 100.4(d), 100.4(e), and 100.4(dd)(4) – Duties of the President, 100.5 – Duties of the Vice Presidents, 100.7 – Duties of Other Officers of the University, 101.1(c) – Employment Status, 101.1(e) – Employment Status, 103.1 – Service Obligations, 103.4 – Sabbatical Leaves, 103.8 – Death Benefit, and 120 – Retirement Systems, following service of appropriate notice, as shown in Attachment 2.
- B. Rescind the following Standing Orders that were previously incorporated into the Bylaws or Committee Charters: Standing Orders 100.4(a), 100.4(f), 100.4(g), 100.4(h), 100.4(i), 100.4(j), 100.4(k), 100.4(l), 100.4(n), 100.4(s), 100.4(t), 100.4(u), 100.4(v), 100.4(w), 100.4(dd)(2), 100.4(dd)(3), 100.4(dd)(5), 100.4(ii), 100.4(mm), 100.4(oo), 100.4(pp), and 100.4(rr) – Duties of the President; 100.6 – Duties of the Chancellors; 101.1(a), 101.1(b), and 101.1(d) – Employment Status; 103.2 – Privilege of Hearing Before the Academic Senate and 103.9 – Tenure; and 105.1(b), 105.1(c), 105.2(a), 105.2(b), 105.2(d), and 105.2(e) – Academic Senate following service of appropriate notice, as shown in Attachment 3.
- C. Amend Bylaws 22.2 – Authority of the Board/Specific Reservations, 23.5 – Authority and Duties of Principal Officers, 30 – President of the University, and 31 - Chancellors, following service of appropriate notice, as shown in Attachment 4.
- D. Adopt Bylaw 32 – Officers of the University, following service of appropriate notice, as shown in Attachment 5.
- E. Rescind Regents Policy 7301 – Policy on Extended Administrative Leaves with Pay, Regents Policy 7302 – Policy on Officers’ Leaves of Absence or Vacation Leaves, and Regents Policy 7706 – Reemployment of UC Retired Employees, as shown in Attachment 6.
- F. Adopt a Regents Policy on Service Obligations and Leaves of Absence, as shown in Attachment 7.

- G. Amend Regents Policy 7201 – Principles for Review of Executive Compensation and Regents Policy 7600 – Policy on University of California Retirement System, as shown in Attachment 8.

Committee vote: Regents Cohen, Drake, Elliott, Estolano, Leib, Park, Reilly, and Sherman voting “aye.”

Board vote: Regents Butler, Cohen, Drake, Elliott, Estolano, Guber, Lansing, Leib, Lott, Makarechian, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Torres, and Zaragoza voting “aye.”

RESOLUTION

Pursuant to the *Policy on Security Clearance for Access to Federal Classified Information* adopted on March 29, 2012, and amended on December 30, 2015 and March 16, 2017, and this Resolution, the following named Key Management Personnel member as defined in Regents Policy 1600 shall not require, shall not have, and can be effectively excluded from access to all classified information and/or special nuclear material released to the Regents of the University of California until such individual is granted the required access authorization from the cognizant security agency. And, as a consequence of this Resolution, such individual does not occupy a position that would enable her to adversely affect the policies or practices of the University of California, or its subsidiary, regarding the performance of classified contracts for the United States Government.

NAME

TITLE

Cecilia V. Estolano Chair of the Board of Regents of the University of California

Attachment 2 - Standing Orders Pertaining to Personnel Matters Proposed for Rescission

Standing Order 100.1: Designation and to Whom Responsible

- a. Officers of the University shall be the President of the University, Executive Vice Presidents, Senior Vice Presidents, other Vice Presidents, Associate Vice Presidents, Assistant Vice Presidents, Chancellors, Vice Chancellors, and Director and Deputy Director of the Ernest Orlando Lawrence Berkeley National Laboratory, and Directors of University hospitals.
- b. The President shall be responsible directly to the Board. All other Officers shall be responsible to the President directly or through designated channels, with the exception of the General Counsel and Vice President for Legal Affairs, the Chief Investment Officer and Vice President for Investments, and the Senior Vice President—Chief Compliance and Audit Officer, all of whom shall have dual responsibility to the Board and to the President.

100.2: Employment Status

- a. Appointment and dismissal of the President of the University shall be by an affirmative vote of not less than a majority of the members of the Board.
- b. Appointment (including temporary appointment of acting or interim status), or reemployment after retirement of all Officers of the University for whom Regental approval is required pursuant to Regental policies shall be voted by the Board upon recommendation of the President of the University following consultation, as appropriate, with an appropriate Standing Committee of the Board, as determined by the President, or with a special committee established for that purpose.
- c. Action to demote or dismiss a Chancellor or the Director of the Ernest Orlando Lawrence Berkeley National Laboratory shall be voted by the Board upon recommendation of or following consultation with the President of the University.
- d. Action to demote or dismiss other Officers of the University shall be taken by the President of the University upon recommendation of or following consultation with appropriate Officers and shall be reported to the Board.

100.3: Compensation

- a. Compensation of the President of the University shall be determined by the Board upon recommendation of the Committee on Compensation.
- b. Compensation of all other Officers of the University for whom Regental approval is required pursuant to Regental policies shall be determined by the Board upon recommendation of the President of the University through the Committee on Compensation.

100.4: Duties of the President of the University

(e)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 and Chief of Staff, Chief Investment Officer, and General Counsel of The Regents. Before recommending or taking action that would affect personnel under the administrative jurisdiction of Chancellors, Executive Vice Presidents, Senior Vice Presidents, other Vice Presidents, or the Director of the Ernest Orlando Lawrence Berkeley 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.~~

~~(d)The President and those of his staff to whom he may delegate such authority are authorized to act as agents of The Regents to carry out the collective bargaining responsibilities of the University under the Higher Education Employer-Employee Relations Act (HEERA sections are 3560-3599). Whenever the President, under either general or specific authority delegated to him, takes action affecting the terms and conditions of employment of University employees, it shall be understood that for employees represented by an exclusive representative, such action may be taken only after satisfaction of any obligation the University may have to meet and confer with respect to such action, and then only to the extent approved by the President.~~

~~(e)The President is authorized to grant leaves of absence with or without pay, in accordance with such regulations as the President may establish, except that paid leaves of absence that exceed ninety days for Chancellors, the Ernest Orlando Lawrence Berkeley National Laboratory Director, Executive Vice Presidents, Senior Vice Presidents, and other Vice Presidents shall be subject to approval by the Board upon recommendation of the President of the University.~~

~~(dd) Except as otherwise specifically provided in the Bylaws and Standing Orders, the President is authorized to execute on behalf of the Corporation all contracts and other documents necessary in the exercise of the President's duties, including documents to solicit and accept pledges, gifts, and grants, except that specific authorization by resolution of the Board shall be required for documents which involve or which are:~~

~~(4) Agreements for the provision of employee group insurance benefits, with the understanding that Board authorization shall not be required for periodic revisions to existing agreements when the revisions do not substantially change the authorized scope of the benefit plans.~~

~~100.5: Duties of the Vice Presidents~~

- ~~a. The Executive Vice Presidents and Senior Vice Presidents shall perform such duties of the President of the University as the President shall designate. In the event of the unavailability or inability of the President to act, Executive Vice Presidents shall have and exercise all the duties and powers of the President, other than service as a Regent, in such order and to such extent as the President shall designate.~~
- ~~b. Other Vice Presidents shall advise and assist the President of the University in connection with those functions of the administration of the University assigned to them by the President.~~

100.7: Duties of the Other Officers of the University

All Officers of the University, other than those whose duties are defined in the Standing Orders or by resolution of the Board, shall perform such duties and shall have such powers as the President shall prescribe.

101.1(c): Employment Status

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

101.1(c): Employment Status

Reemployment appointments of retired University employees to any Senior Management Group or other staff position shall be governed by the Regents policy on Reemployment of University of California Retired Employees.

103.1: Service Obligations

- a. No compensation shall be paid to any Officer, faculty member, or other employee of the University unless actively engaged in the service of the University, in accordance with such regulations as the President may establish.
- b. No one in the service of the University shall devote to private purposes any portion of time due to the University nor shall any outside employment interfere with the performance of University duties. Arrangements for private employment by Officers, faculty members, or other employees of the University shall be subject to such regulations as the President may establish.

103.4: Sabbatical Leaves

Sabbatical leaves are granted, in accordance with regulations established by the President, to enable recipients to be engaged in intensive programs of research and/or study, thus to become more effective teachers and scholars and to enhance their services to the University.

103.8: Death Benefit

Upon the death of any Officer, faculty member, or regular employee of the University, or Officer or regular employee of the Corporation, who has been employed a minimum of six months, a sum equal to the salary of the deceased for one month will be paid to the person or persons in the first of the following categories in which there is a survivor: legal spouse or domestic partner; child or children; parent or parents; or siblings. If there is no survivor in any of the foregoing categories, the benefit will be paid to the estate, or if there is no estate, to the individual designated as the beneficiary of the deceased's University paid life insurance policy. This payment is in addition to any other benefit provided under a pension or retirement plan in effect for the deceased person.

120.1: University of California Retirement System

~~The Regents have established the University of California Retirement System.~~

~~120.2: Other Retirement Systems~~

~~Employees who are members of the Public Employees' Retirement System, the State Teachers' Retirement System, the Federal Civil Service Retirement System, and county retirement systems shall participate in said systems under the conditions described in Regents' policy.~~

~~120.3: Provisions and Amendments~~

~~All provisions of the University of California Retirement System and provisions relating to the participation of employees in other retirement systems shall be set forth in Regents' policy.~~

Attachment 3

Standing Orders Previously Incorporated into the Bylaws or Committee Charters Proposed for Rescission

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 and Chief of Staff, Chief Investment Officer, General Counsel of The Regents, and Senior Vice President—Chief Compliance and Audit Officer. The President may delegate any of the duties of the office except service as an ex officio Regent.~~

~~(f)The President annually, through the appropriate Standing Committee, shall present to the Board recommendations as to the budget of the University, recommendations as to the Capital Improvement Program of the University, and recommendations as to requests for appropriations of funds for the University.~~

~~(g)The President shall fix and determine the amount, conditions, and time of payment of all fees, fines, and deposits to be assessed against students of the University, except that the President shall secure the Board's approval prior to the assessment of the University Registration Fee, Educational Fee, tuition fees, and fees and charges required in connection with the funding of loan financed projects, except student-fee funded facilities, parking facilities and housing projects.~~

~~(h)The President shall fix the calendar of the University, provided that no session of instruction shall be established or abolished except with the advice of the Academic Senate and the approval of the Board.~~

~~(i)The President is authorized to make awards of fellowships, scholarships, and prizes with the advice of the Chancellors and the Academic Senate, and to approve expenditures from appropriations, gifts, and endowments for these purposes.~~

~~(j)The President shall consult with the Chancellors and the Academic Senate regarding the educational and research policies of the University, and shall keep the Chancellors and the Academic Senate informed about significant developments within the University and within the State and Federal governments which may have serious consequences for the conduct of education and research within the University. The President shall present recommendations to the Board concerning the academic plans of the University and of the several campuses. The President shall transmit to the Board any memorial which the Academic Senate may address to The Regents.~~

~~(k)The President shall develop, initiate, implement, and approve fundraising campaigns for the benefit of the University in accordance with the policies of the Board.~~

~~(l)The President shall represent the Corporation and the University in all matters requiring action by the Congress or officers of the United States or by the Legislature or officers of the State of California.~~

~~(n)The President is authorized to permit expenditures against contracts, grants, and gifts, or against firm commitments thereon, provided that the contracts, grants, and gifts have been solicited or negotiated in accordance with established Regental policy.~~

~~(s) The President is authorized, in accordance with the terms specified by the donor, to designate the purpose for which, and the campus or other location at which, the income and/or principal of a gift shall be used and to make allocations in accordance therewith.~~

~~(t) The President is authorized to determine, consistent with any expressed intent of the donor, the purpose for which and the campus or other location at which a gift shall be used, to determine whether income and/or principal shall be used, and to make allocations and reallocations in accordance therewith, to the extent not specified by the donor of a gift.~~

~~(u) Any action taken pursuant to sections (s) and (t) above shall conform to established University programs and policies and shall not constitute a commitment requiring expenditures in excess of budgeted items.~~

~~(v) The President is authorized, after consultation with the General Counsel, to return to the donor all or any unused portion of a gift of personal property, when the purposes of the gift have been fulfilled or fulfillment has become impossible or impracticable and when alternative uses are precluded.~~

~~(w) The President is authorized to write off bad debts, provided reserves for that purpose are adequate or that specific income or an appropriation is available for that purpose.~~

(dd) Except as otherwise specifically provided in the Bylaws and Standing Orders, the President is authorized to execute on behalf of the Corporation all contracts and other documents necessary in the exercise of the President's duties, including documents to solicit and accept pledges, gifts, and grants, except that specific authorization by resolution of the Board shall be required for documents which involve or which are:

~~2. Renewal or modification of the prime contracts with the Department of Energy for the operation of the Ernest Orlando Lawrence Berkeley National Laboratory, the Los Alamos National Laboratory or the Lawrence Livermore National Laboratory that, in the opinion of the General Counsel, would constitute a cardinal change as a matter of law; and renewals or substantive modifications of the Los Alamos National Security LLC and Lawrence Livermore National Security LLC Agreements.~~

~~3. Loans of funds of the Corporation, other than loans from established student, faculty, and staff loan funds.~~

~~5. Affiliation agreements with other institutions or hospitals involving direct financial obligations or commitments to programs not previously approved.~~

(ii) The President shall be the custodian of all contracts of purchase and sale, gift agreements, leases, licenses, easements and rights of way, ground leases, mortgages, deeds of trust, insurance policies and other documents relating to real property transactions for University-related purposes custody for which is not established elsewhere in the Bylaws and Standing Orders.

~~(mm) The President is authorized to develop and implement policies and procedures on matters pertaining to intellectual property, including patents, copyrights, trademarks, and tangible research products, and to execute documents necessary for the administration of intellectual property, including those which may contain commitments existing longer than seven years. The President annually shall report to the Board on matters pertaining to intellectual property.~~

~~(oo) The President is authorized to administer University participation in corporations, companies, and partnerships, provided that such participations have been approved by the Board for University-related purposes, and to execute all documents in connection therewith on behalf of the University. The President shall be the custodian of all documents related to such participations.~~

~~(pp)¹ 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:~~

- ~~(1) The President shall select the banks in which funds of the Corporation are deposited and from which funds are disbursed.~~
- ~~(2) The President is authorized to transfer to the name of the Corporation all bank accounts, including time certificates of deposit, received as gifts to the Corporation, and to make withdrawals from or close such accounts.~~
- ~~(3) The President is authorized to designate representatives of the University who may sign checks, drafts or other orders for the payment of money or initiate electronic transfers of funds against University checking accounts, provided that all such representatives are covered by fidelity bond. The President is authorized to approved the use of and to direct banks or other depositories to honor facsimile signatures.~~
- ~~(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 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 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.~~
- ~~(5) The President is authorized to make arrangements for lockbox, electronic transfer of funds, escrow services, credit card and other services to facilitate the collection or disbursement of funds.~~

~~(rr) Notwithstanding any provision in the Bylaws or Standing Orders to the contrary, including, without limitation, paragraphs (dd)(3) (loans of Corporation funds), (dd)(5) (certain affiliation agreements), (dd)(6) (agreements for the collection of fees), (dd)(9) (assumption of liability), and (oo) (participations) of this Standing Order, the President is authorized to approve and execute on behalf of the Corporation all contracts and documents relating to transactions that primarily arise from or serve the programs and services of UC Health or any of its components, as defined in Bylaw 12.7, where the transaction can~~

¹ Added 3-14-02 and as amended 9-21-06.

reasonably be anticipated to commit or generate up to the lesser of (i) 1.5% of the relevant Medical Center's annual operating revenue for the previous fiscal year, or (ii) \$25 million. This approval authority may be exercised only with the review and approval of the Chair or Vice Chair of the Committee on Health Services, and does not extend to any transaction for a Medical Center that, when combined with other transactions approved by the President under this paragraph (rr) for that Medical Center during the fiscal year, would reasonably be anticipated to commit or generate more than the lesser of (i) 3% of the relevant Medical Center's annual operating revenue for the previous fiscal year, or (ii) \$50 million; nor to any transaction involving more than one Medical Center.

100.6: Duties of the Chancellors

- a. The Chancellor of each campus shall be the chief campus officer thereof and shall be the executive head of all activities on that campus, except as herein otherwise provided and excepting such activities as may be designated by the Board as University wide activities; and with reference to these on a particular campus the Chancellor shall be consulted. In all matters within the Chancellor's jurisdiction, the Chancellor shall have administrative authority within the budgeted items for the campus and in accordance with policies for the University as determined by the President of the University. The Chancellor shall be responsible for the organization and operation of the campus, its internal administration, and its discipline; and decisions made by the Chancellor in accordance with the provisions of the budget and with policies established by the Board or the President of the University shall be final. The Chancellor of each campus shall nominate Officers, faculty members, and other employees on that campus in accordance with the provisions of these Standing Orders.
- b. The Chancellor on each campus shall appoint all the members of the instructional staff deemed necessary for the conduct of instruction in any summer session on that campus, and may fix their remuneration in accordance with the provisions of the budget established by the Board and of the salary scales of the University.
- e. The Chancellor of each campus shall preside at all formal functions on that campus. At formal exercises and ceremonies attended by the President, the Chancellor shall present the President, who, as the University's chief executive, shall function in accordance with the University's rules for protocol and procedure. The Chancellor, with the approval of the President, may replace or supplement formal exercises on the campus, including Commencement exercises, with informal functions at which Vice Chancellors, Provosts, or Deans may preside.

101.1: Employment Status

- a. Appointments of Regents' Professors and University Professors shall be voted by the Board upon recommendation of the President of the University, following consultation with the Committee on Educational Policy.
- d. No political test shall ever be considered in the appointment and promotion of any faculty member or employee.

~~103.2: Privilege of a Hearing Before the Academic Senate~~

~~Any member of the Academic Senate shall have the privilege of a hearing by the appropriate committee or committees of the Academic Senate on any matter relating to personal, departmental, or University welfare.~~

~~103.9: Tenure~~

~~All appointments to the positions of Professor and Associate Professor and to positions of equivalent rank are continuous in tenure until terminated by retirement, demotion, or dismissal. The termination of a continuous tenure appointment or the termination of the appointment of any other member of the faculty before the expiration of the appointee's contract shall be only for good cause, after the opportunity for a hearing before the properly constituted advisory committee of the Academic Senate, except as otherwise provided in a Memorandum of Understanding for faculty who are not members of the Academic Senate.~~

~~An Assistant Professor who has completed eight years of service in that title, or in that title in combination with other titles as established by the President, shall not be continued after the eighth year unless promoted to Associate Professor or Professor. By exception, the President may approve appointment of an Assistant Professor beyond the eighth year for no more than two years.~~

~~105.1: Organization of the Academic Senate~~

- ~~b. The Academic Senate shall determine its own membership under the above rule, and shall organize, and choose its own officers and committees in such manner as it may determine.~~
- ~~c. The Academic Senate shall perform such duties as the Board may direct and shall exercise such powers as the Board may confer upon it. It may delegate to its divisions or committees, including the several faculties and councils, such authority as is appropriate to the performance of their respective functions.~~

~~105.2: Duties, Powers, and Privileges of the Academic Senate~~

- ~~a. The Academic Senate, subject to the approval of the Board, shall determine the conditions for admission, for certificates, and for degrees other than honorary degrees. It shall recommend to the President all candidates for degrees in course and shall be consulted through committees appointed in such manner as the President may determine in connection with the award of all honorary degrees.~~
- ~~b. The Academic Senate shall authorize and supervise all courses and curricula offered under the sole or joint jurisdiction of the departments, colleges, schools, graduate divisions, or other University academic agencies approved by the Board, except that the Senate shall have no authority over courses in the Hastings College of the Law, San Francisco Art Institute, in professional schools offering work at the graduate level only, or over non-degree courses in the University Extension. No change in the curriculum of a college or professional school shall be~~

~~made by the Academic Senate until such change shall have been submitted to the formal consideration of the faculty concerned.~~

~~d. The Academic Senate is authorized to select a committee or committees to advise a Chancellor concerning a campus budget and to select a committee or committees to advise the President concerning the University budget.~~

~~e. The Academic Senate shall have the right to lay before the Board, but only through the President, its views on any matter pertaining to the conduct and welfare of the University.~~

Attachment 4

Proposed Amendment of Bylaws 22.2 – Authority of the Board/Specific Reservations, 23.5 – Authority and Duties of Principal Officers, 30 – President of the University, and 31 – Chancellors

Additions shown by underscoring; deletions shown by strikethrough

22.2 Specific Reservations.

The matters in the following areas are specifically reserved to the Board and/or its Committees for approval or other action, within parameters that may be specified in a Committee Charter or Regents Policy:

(e) Appointment and Compensation Matters

- Appointing, demoting or dismissing the President of the University, Chancellors, the Lawrence Berkeley National Laboratory Director and the Principal Officers of the Regents
- Approving compensation for the President of the University, Chancellors, the Lawrence Berkeley National Laboratory Director or Principal Officers of the Regents
- Approving paid leaves of absence for the President of the University, Chancellors, the Lawrence Berkeley National Laboratory Director or Principal Officers of the Regents, as specified in policy
- Approving University compensation plans and policies, including policies regarding outside professional activities, within parameters specified by Committee Charter or Regents Policy
- Approving substantial changes to the scope or availability of employee or retiree group health insurance benefits; or the creation of vested rights to such benefits
- Approving University retirement benefit and retiree health plans, within parameters specified by Committee Charter or Regents Policy
- Approving emerita/Emeritus status title suffix for ~~retired~~ Principal Officers of the Regents and ~~other Officers of the University~~ the President of the University, as specified in Regents Policy

Bylaw 23.5 – Authority and Duties of Principal Officers

Principal Officers are authorized to appoint, determine compensation, promote, demote and dismiss University employees in their respective areas of responsibility.

Bylaw 30. President of the University

The President of the University is appointed by and serves at the pleasure of the Board, and exercises authority delegated by the Board pursuant to Bylaw 22.1.

The President is the executive head of the University and shall have full authority and responsibility over the administration of all affairs and operations of the University, except those activities within the responsibility of the Principal Officers. The President facilitates the development by the Board of the University's direction, goals and strategy. The President implements the policies and objectives of the

Board, and keeps the Board informed of all significant developments affecting the University. The President may delegate any of the duties of the office except service as an *ex officio* Regent.

The President administers the day to day central and/or system-wide functions of the University, except those activities within the responsibility of the Principal Officers. The President develops, and on the approval of the Board, manages the University budget and is authorized to determine fees that are not reserved to the Regents. Except as otherwise reserved to the Regents or the Principal Officers of the Regents, the President is authorized to appoint, determine compensation, promote, demote and dismiss University employees and to carry out the collective bargaining responsibilities of the University under the Higher Education Employer-Employee Relations Act.

The President serves as the academic leader of the University, subject to any authority delegated to the Academic Senate, and is expected to consult with the Academic Senate, consistent with the principles of shared governance, on issues of significance to the general welfare and conduct of the faculty.

The President is charged with establishing a University environment that is conducive to compliance with law, regulation, policy and ethical principles. The President is expected to promote diversity in the University community, consistent with applicable law and the public mission of the University.

The President serves as principal administrative spokesperson for the University, promoting the University's interests and managing its reputation with external stakeholders. Except as may be otherwise provided in the Bylaws or as may be within the authority of a Principal Officer, the President represents the University before the executive and legislative branches of the state and federal governments, and of any foreign governments.

Bylaw 31. Chancellors

The Chancellors of the University campuses are appointed by and serve at the pleasure of the Board, on recommendation of and in consultation with the President of the University. The Chancellors serve as the executive heads of their respective campuses, implementing the policies and objectives of the Board and of the President of the University, and apprising the Board and the President of the University of significant developments affecting their campuses and the University. The Chancellors set the policies, goals and strategic direction for their campuses, consistent with those of the University. The Chancellors are responsible for the organization, internal administration, operation, financial management, and discipline of their campuses within the budget and policies approved by the Board and/or the President of the University. They oversee all faculty personnel and other staff at their locations, and appoint all members of the instructional staff, and may fix their remuneration in accordance with the provisions of the budget established by the Board and the salary scales of the University. The Chancellors shall consult with a properly constituted advisory committee of the Academic Senate regarding appointment, compensation, promotion or dismissal of Senate faculty.

On recommendation of the Academic Senate, the Chancellors are authorized to confer academic degrees on candidates successfully completing their courses of instruction. The Chancellors are authorized to serve as principal spokespersons for their campuses, and shall preside at all formal functions of their campuses unless they delegate the presiding function to a campus provost, vice chancellor, or dean.

Attachment 5 – Proposed Bylaw 32 – Officers of the University

Additions shown by underscoring

Bylaw 32 – Officers of the University

Officers of the University shall be defined as individuals who are Level One Senior Management Group members.

Attachment 6

Proposed Rescission of Regents Policy 7301 – Policy on Extended Administrative Leaves with Pay, Regents Policy 7302 – Policy on Officers’ Leaves of Absence or Vacation Leaves, and Regents Policy 7706 – Reemployment of UC Retired Employees

Regents Policy 7301: Policy on Extended Administrative Leaves With Pay

~~Approved May 20, 1994~~

~~Updated September 22, 2005~~

~~The Board endorses as Regental policy the Presidential practice announced on April 6, 1994 that no extended paid administrative leaves will be approved for Chancellors, Vice Presidents, or Laboratory Directors~~

Regents Policy 7302: Policy on Officers' Leaves of Absence or Vacation Leaves

~~Approved November 16, 1962~~

~~Amended September 22, 2005~~

~~A Principal Officer or Acting Principal Officer of The Regents (the General Counsel, Secretary, and Treasurer) who plans a leave of absence or vacation leave for a period of more than 90 days shall request approval from the Chairman of the Board of Regents.~~

See next page for Regents Policy 7706



Reemployment of UC Retired Employees Into Senior Management Group and Staff Positions

Approved September 18, 2008

Amended February 9, 2009 and September 18, 2013

Responsible Officer: ~~Vice President–Human Resources~~

Responsible Office: ~~Human Resources~~

Effective Date: ~~November 14, 2013~~

Next Review Date: ~~The Responsible Officer will review the policy annually for update purposes and will conduct a full review at least every three years.~~

Who is Covered: ~~All UC retired employees (Senior Management Group members; staff employees; and academic appointees) who are reemployed into Senior Management Group positions or staff positions. Recall appointments for academic appointees are governed by *Academic Personnel Policy 205 (Recall for Academic Appointees)* and the *Guidelines for Rehire of UC Retirees*. This policy is applicable to retired academic appointees who are rehired into SMG or staff positions; however, it does not apply to academic appointees recalled into academic administrator, teaching, research, or service appointments.~~

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~~Reemployment of UC Retired Employees Into Senior Management Group and Staff Positions~~

~~I. POLICY SUMMARY~~

~~This policy governs the reemployment of all Retired Employees (as defined in Section II. below) into Senior Management Group (SMG) or staff positions.~~

~~II. POLICY DEFINITIONS~~

~~**Career Appointment:** An appointment established at a fixed or variable percentage of time at 50 percent or more of full-time that is expected to continue for one year or longer.~~

~~**COBRA:** The Consolidated Omnibus Budget Reconciliation Act (COBRA), which gives University employees and their covered family members the right to temporarily continue their UC-sponsored group health coverage in situations that would ordinarily cause the individual to lose coverage.~~

~~**Exception to Policy:** An action that exceeds what is allowable under current policy or that is not expressly provided for under any policy. Any such action must be treated as an exception.~~

~~**Executive Officer:** The University President, Chancellor, or Laboratory Director.~~

~~**Normal Retirement Age:** Normal retirement age under UCRP means age 50 with a minimum of 5 years of service credit for Safety Members and age 60 with a minimum of 5 years of service credit for all other Members.~~

~~**Retired Employees:** Former University employees (SMG members, staff employees, and academic appointees) who have separated from University service and elected monthly retirement income or a lump sum cashout under the University of California Retirement Plan.~~

~~**Senior Management Group:** Individuals whose career appointments are in the Senior Management Group personnel program. Employees with a dual academic appointment at 0% and an appointment to a Senior Management Group position will be considered to possess a career appointment in the Senior Management Group.~~

~~**SMG Level One:** The position of President, all SMG positions that directly report to the Regents and/or the President, and the Chief Executive Officers of the medical centers.~~

~~**SMG Level Two:** All SMG positions that are not in SMG Level One.~~

~~**Top Business Officer:** Executive Vice President—Business Operations for the Office of the President, Vice Chancellor for Administration, or the position responsible for the location's financial reporting and payroll as designated by the Executive Officer.~~

~~III. POLICY TEXT~~

~~A. Scope~~

~~Retired Employees may be reemployed by the University in accordance with the provisions of this policy, which incorporates requirements developed [1] to address legal concerns regarding preservation of the tax-qualified status of the University of California Retirement Plan (UCRP) as described in Section B. below and [2] to address the University's concerns~~

~~Reemployment of UC Retired Employees Into Senior Management Group and Staff Positions~~

~~regarding operation of a public retirement plan, administrative feasibility, and compliance as described in Section C. below.~~

~~B. IRS Restrictions for Preserving the Tax-Qualified Status of UCRP~~

~~The Internal Revenue Code imposes restrictions on the timing of the distribution of benefits to participants in defined benefit plans such as UCRP. Generally, payments are permitted when an employee retires or attains normal retirement age. Otherwise, retirement benefits should remain in the plan so they will be available to provide support to participants after they cease working. Failure to satisfy the distribution timing restrictions could disqualify the plan, which could cause the vested benefits of UCRP members to become immediately taxable.~~

~~If an employee retires before reaching the normal retirement age under a pension plan, the Internal Revenue Service (IRS) may question whether the employee's retirement is a true separation from service or a strategy to access retirement funds that otherwise would not be available to the employee.~~

~~Normal retirement age under UCRP means age 50 with a minimum of 5 years of service credit for Safety members and age 60 with a minimum of 5 years of service credit for all other members. Once an employee attains normal retirement age, the IRS no longer is concerned about an employee's access to retirement funds because those funds were intended to be available at that age.~~

~~The following factors support a determination that a true separation from service has occurred for an employee who has not reached normal retirement age:~~

- ~~▪ The employee and the employer did not engage in discussions regarding reemployment before the employee's separation from service. The IRS has singled out this factor as critical to support the occurrence of a true separation. Therefore, for employees who have not reached normal retirement age, discussions about reemployment are prohibited until after the employee has received his or her first monthly payment or lump sum cashout or 30 days after separation, whichever is later. (For employees who have reached normal retirement age, discussions about reemployment prior to actual separation are not prohibited.)~~
- ~~▪ The length of the break in service before reemployment is reasonable~~
- ~~▪ Both the employer and the employee intended that a separation from service occur and that it be permanent~~
- ~~▪ Upon separation from service, the employee surrendered something of value, such as seniority rights or access to benefits available only to active employees~~
- ~~▪ The employer processed the employee as if he or she were separating from service. For example, a COBRA election or information on retiree health insurance coverage was provided to the employee upon separation, or benefits not available to anyone other than active employees were terminated, or a separation date was entered into the payroll/personnel system~~
- ~~▪ The employee is reemployed into a position that requires different skills from those used in his or her prior position or is with a different department or supervisor~~
- ~~▪ The employee was employed by an unrelated employer prior to reemployment~~

~~C. University Policy Restrictions~~

~~The following restrictions on the reemployment of Retired Employees are based on University policy which has been developed to reflect responsible stewardship of the University related to the perception of individuals drawing a retirement benefit and another~~

~~Reemployment of UC Retired Employees Into Senior Management Group and Staff Positions~~

~~UC income simultaneously, and to provide public accountability, transparency, and sound succession planning. Individuals receiving UCRP monthly retirement income who are reemployed into career appointments and suspend their monthly retirement payments are exempted from complying with certain restrictions as delineated in Section 5 below.~~

~~1. University Need~~

~~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.~~

~~For situations in which a Retired Employee is reemployed on a temporary basis into a career position (such as the same position held before retirement or another vacant career position), the job must be posted and a search begun within 30 days of the vacancy being created and a minimum 30-day recruitment period must be held.~~

~~Written documentation on University need must be provided for all reemployment actions, including specification of the duration of the appointment in order to support the existence of University need.~~

~~2. Break in Service~~

~~A Retired Employee must not be reemployed until there has been a break in service of at least 30 days, but preferably 90 days. The break in service restriction is not required to preserve the tax-qualified status of UCRP if the Retired Employee has reached normal retirement age at the time of separation from service; however, this policy requires that the break in service restriction be applied to all Retired Employees.~~

~~In addition, employees who have not reached normal retirement age must not engage in discussions concerning reemployment until after they have received their first monthly payment or lump sum cashout or 30 days after separation, whichever is later.~~

~~3. Appointment Percentage~~

~~Due to potential Medicare complications and to minimize situations where individuals draw a retirement benefit and another UC income simultaneously, this policy requires that Retired Employees be reemployed with an appointment of no more than 43% during any 12 month period. Appointments may not normally exceed 12 months. Appointments in excess of 43% time may be approved in accordance with Section IV.C. or Section IV.D. of this policy as appropriate. Extensions beyond 12 months may be approved in accordance with Section IV.C. or Section IV.D. of this policy as appropriate. Appointments at 43.75% time or more provide eligibility to Retired Employees for UC-sponsored employee medical coverage, which makes Medicare become the secondary payer.~~

~~It is the intent of this policy that Retired Employees be reemployed with limited appointments that do not qualify them for active employee health and welfare benefits, regardless of whether the Retired Employee has elected monthly retirement income or a lump sum cashout.~~

~~Appointment at no more than 43% also ensures that Retired Employees who elected monthly retirement income are reemployed with limited appointments and do not become active members in UCRP.~~

~~Reemployment of UC Retired Employees Into Senior Management Group and Staff Positions~~

~~4. Duration of Reemployment~~

~~Reemployment in one or multiple positions must not exceed a total of 12 months. If reemployment is necessary after 12 months has expired, the request must be approved in accordance with Section IV.C. or Section IV.D. of this policy as appropriate.~~

~~5. Reemployment into Career Appointments~~

~~A Retired Employee who is receiving UCRP monthly retirement income, but agrees to suspend the payments, may be reemployed into a career appointment subsequent to an appropriate recruitment and break in service, and is not subject to the policy restrictions in Sections 1, 3 and 4 above, but is subject to Section 2.~~

~~A Retired Employee who took a lump sum cashout may not be reemployed into a career appointment and is subject to Sections 1, 2, 3 and 4 above.~~

~~D. Reporting Requirements and Disclosure~~

~~1. Reporting Requirements~~

~~For each Retired Employee reemployed into a staff position, the locations must submit a completed *UCRP Retired Employee Election Form* (not required for Retired Employees who received a lump sum cashout) to the Vice President—Human Resources at the time the Retired Employee is reemployed.~~

~~In addition, the locations must submit a summary report semi-annually by June 30 and December 31 of each year to the Vice President—Human Resources that incorporates a list of all reemployed Retired Employees, with identification of appointments greater than 43% within a 12-month period and appointments for which other types of variations from policy have been approved, and provide documentation that required approvals were obtained.~~

~~2. Disclosure~~

~~In accordance with University policy, individuals inside or outside the University are entitled to have access to information in employees' personnel records in conformance with State of California statutes and University records policies. The Executive Officer is to establish procedures for the release of information. Examples of information which is public information and is to be released upon request include name, current salary, retirement compensation, and appointment type.~~

IV. APPROVAL AUTHORITY

A. Implementation of the Policy

The Vice President—Human Resources is the Responsible Officer for this policy and has the authority to implement the policy. The Responsible Officer may develop procedures or other supplementary information to support the implementation of this policy. Such supporting documentation does not require approval by the Regents. The Responsible Officer may apply appropriate interpretations to clarify policy provided that the interpretations do not result in substantive changes to the underlying policy. The Office of the President Human Resources will work with the Responsible Officer of each policy to implement each policy.

B. Revisions to the Policy

The Regents is the Policy Approver for this policy and has the authority to approve any policy revisions upon recommendation by the President.

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~~The Vice President—Human Resources has the authority to initiate revisions to the policy, consistent with approval authorities and applicable *Bylaws* and *Standing Orders* of the Regents.~~

~~The Executive Vice President—Business Operations has the authority to ensure that policies are regularly reviewed and updated, and are consistent with the *Principles for Review of Executive Compensation* (Regents Policy 7201) and other governance policies.~~

~~C. Approval of Actions Authorized by this Policy~~

~~Actions authorized by this policy must be approved in accordance with this section.~~

- ~~1. For Retired Employees reemployed into Level One SMG positions, Level Two SMG positions, or positions designated as Officers of the University but that are not part of the SMG, reemployment actions must be approved in accordance with Section IV.C. of the policy on *SMG Appointment and Compensation* (Regents Policy 7701). The base salary at the appointment rate in the rehire position will be used to determine appropriate placement in the Market Reference Zone or salary grade, as applicable.~~
- ~~2. For Retired Employees reemployed into staff positions and whose base salary plus any other cash compensation in the rehire position (the total cash compensation at the appointment rate in the rehire position will be used) exceeds the Indexed Compensation Level:~~
 - ~~a. The Regents has the authority to approve reemployment actions that are applicable to reemployed Retired Employees who report directly to the President or who are designated by the President as Other Specified Employees.~~
 - ~~b. For staff positions at the Office of the President, the President has the authority to approve reemployment actions that are applicable to reemployed Retired Employees who do not report directly to the President.~~
 - ~~c. For staff positions at a campus or the Lawrence Berkeley National Laboratory, the President has the authority to approve reemployment actions that are applicable to reemployed Retired Employees who report directly to the Chancellor or Laboratory Director.~~
 - ~~d. For staff positions at his/her location, the Chancellor and Laboratory Director have the authority to approve reemployment actions that are applicable to reemployed Retired Employees who do not report directly to the Chancellor or Laboratory Director.~~
- ~~3. For Retired Employees reemployed into staff positions and whose base salary plus any other cash compensation in the rehire position (the total cash compensation at the appointment rate in the rehire position will be used) does not exceed the Indexed Compensation Level:~~
 - ~~a. Reemployment actions authorized by this policy must be approved in accordance with local procedures, which must include a provision for review and sign-off by the local Chief Human Resources Officer prior to approval by the location's Chancellor or Laboratory Director.~~

~~The Chancellor or Laboratory Director may delegate the authority to approve actions authorized by this policy that are applicable to Retired Employees reemployed into staff positions and whose base salary plus any other cash compensation in the rehire position does not exceed the Indexed Compensation Level. The Chancellor and Laboratory Director remain~~

Reemployment of UC Retired Employees Into Senior Management Group and Staff Positions

accountable for all reemployment actions at his/her location and for submission of timely and accurate reports in compliance with Section V.A. of this policy. Documentation of the delegation of authority must be submitted to the Vice President—Human Resources. The Office of the President will conduct periodic audits of delegations and reemployment actions.

D. Approval of Exceptions to this Policy

Unless there is explicit and specific authorization for an action by this policy, the action is considered to be an exception to this policy and must be approved in accordance with this section.

1. For Retired Employees reemployed into Level One SMG positions, Level Two SMG positions, or positions designated as Officers of the University but that are not part of the SMG, reemployment actions must be approved in accordance with Section IV.C. of the policy on *SMG Appointment and Compensation* (Regents Policy 7701). The base salary at the appointment rate in the rehire position will be used to determine appropriate placement in the Market Reference Zone or salary grade, as applicable.
2. For Retired Employees reemployed into staff positions and whose base salary plus any other cash compensation in the rehire position (the total cash compensation at the appointment rate in the rehire position will be used) exceeds the Indexed Compensation Level:
 - a. The Regents has the authority to approve reemployment actions that are applicable to reemployed Retired Employees who:
 - i. Are designated as Other Specified Employees by the President;
 - ii. Will report directly to the President;
 - iii. Will report directly to the Chancellor or Laboratory Director, or
 - iv. Work at the Office of the President.
 - b. The President has the authority to approve reemployment actions that are applicable to reemployed Retired Employees who do not report directly to the Chancellor or Laboratory Director.
3. For Retired Employees reemployed into staff positions and whose base salary plus any other cash compensation in the rehire position (the total cash compensation at the appointment rate in the rehire position will be used) does not exceed the Indexed Compensation Level:
 - a. The local Chief Human Resources Officer must review and sign off on a request for an exception to this policy before submission to the location's Chancellor or Laboratory Director for approval.
The Chancellor and Laboratory Director may delegate the authority to approve exceptions to this policy but remain accountable for all reemployment actions at his/her location.

V. COMPLIANCE

A. Compliance with the Policy

The following roles are designated at each location to implement compliance monitoring responsibility for this policy:

~~Reemployment of UC Retired Employees Into Senior Management Group and Staff Positions~~

~~The Top Business Officer and/or the Executive Officer at each location will designate the local management office to be responsible for the ongoing reporting of policy compliance, including collecting all relevant compensation package activity, and creating specified regular compliance reports (such as a monthly compensation compliance report) for review by the location's Top Business Officer.~~

~~The Top Business Officer establishes procedures to collect and report information, reviews the specified regular compliance reports (such as a monthly compensation compliance report) for accuracy and completeness, reviews policy exceptions and/or anomalies to ensure appropriate approval has been obtained, and submits a copy of the compliance report to the Executive Officer for signature.~~

~~The Executive Officer is accountable for monitoring and enforcing compliance mechanisms, ensuring monitoring procedures are in place, approving the specified regular compliance reports (such as a monthly compensation compliance report), and sending notice of final approval for the reports to the Senior Management Compensation Office, Top Business Officer, and Local Resources.~~

~~The Vice President—Human Resources is accountable for reviewing the administration of this policy. The Senior Vice President—Chief Compliance and Audit Officer will periodically monitor compliance to these policies, and the process and results will be reported annually to senior management and the Regents through the Committee on Compensation.~~

~~B. Noncompliance with the Policy~~

~~Noncompliance with the policy is handled in accordance with the Regents' *Guidelines for Corrective Actions Related to Compensation Practices* and *Guidelines for Resolution of Compensation and Personnel Issues Resulting from the Findings of Audits and Management Reviews*.~~

~~Noncompliance is reported in the monthly compliance report from each location as approved by the Executive Officer and reviewed by the Senior Vice President—Chief Compliance and Audit Officer and the Regents at least three times per fiscal year.~~

REVISION HISTORY

As a result of the issuance of this policy, the following document is rescinded as of the effective date of this policy and is no longer applicable:

- ~~*Reemployment of UC Retired Employees Into Senior Management Group and Staff Positions* (Regents Policy 7706), dated January 1, 2009~~

The following documents were rescinded as of January 1, 2009, the original effective date of this policy, and are no longer applicable to Retired Employees reemployed January 1, 2009 or later into Senior Management Group or staff positions:

- ~~*Guidelines for Rehire of UC Retirees*~~
- ~~*Reappointment Guidelines for Rehired Retirees*~~

IMPLEMENTATION PROCEDURES

FREQUENTLY ASKED QUESTIONS

Attachment 7

Regents Policy on Service Obligations and Leaves of Absence

POLICY SUMMARY/BACKGROUND

This policy describes the service obligations of all employees of the University as well as leaves of absence.

POLICY TEXT

A. Service Obligations

No compensation shall be paid to any employee of the University unless actively engaged in the service of the University, in accordance with such regulations as the President may establish.

No one in the service of the University shall devote to private purposes any portion of time due to the University nor shall any outside employment interfere with the performance of University duties. Arrangements for outside professional activities by any employee of the University shall be subject to such regulations as the Regents or President may establish.

B. Leaves of Absence

The President is authorized to grant leaves of absence with or without pay, in accordance with Senior Management Group, academic personnel, and/or University personnel policies, as applicable. Any exceptions to policy for Senior Management Group members require approval by the Regents.

C. Faculty and Other Academic Appointees

Academic appointees are subject to Academic Personnel Manual policies and/or University policies pertaining to leaves of absence, as applicable. Sabbatical leaves are granted in accordance with regulations established by the President and under principles affirmed in Regents Policy 2305.

COMPLIANCE/DELEGATION

By special action of the Regents, a Chancellor may be authorized to suspend the pay of a faculty member on involuntary leave pending a disciplinary action. The President has delegated authority for all other decisions regarding leaves of absence to the Chancellors, Laboratory Director, the Executive Vice President – Chief Operating Officer, and Vice President of Agriculture and Natural Resources at their respective locations.

By special action of the Regents, a Chancellor may be authorized to suspend the pay of a faculty member on involuntary leave pending a disciplinary action.

The President has delegated to the Provost and Executive Vice President – Academic Affairs the authority to act for the President with respect to specific academic personnel matters including the granting of leave of absence.

Chancellors and the Vice President – Agriculture and Natural Resources are delegated authority to approve leaves of absence for academic appointees under their respective jurisdictions, subject to the provisions and time limitations established in Academic Personnel Manual policies and/University policies.

The President has delegated the authorities and responsibilities in this policy for non-academic employees to the Chancellors, Executive Vice President–Chief Operating Officer, Vice President–Agriculture and Natural Resources, Principal Officers of the Regents, and the Lawrence Berkeley National Laboratory Director. The authorities granted in the policy may be redelegated except as otherwise indicated.

NO RIGHT OF ACTION

This policy is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the University of California or its Board of Regents, individual Regents, officers, employees, or agents.

PROCEDURES AND RELATED DOCUMENTS

- [Senior Management Group Outside Professional Activities Policy \(Regents Policy 7707\)](#)
- [APM - 025 – Conflict of Commitment and Outside Activities of Faculty Members](#)
- [APM - 671 - Conflict of Commitment and Outside Activities of Health Sciences Compensation Plan Participants](#)
- [PPSM II – 42: Disability Leave](#)
- [PPSM II – 43: Personal Leave](#)
- [PPSM II – 46: Administrative Leaves with Pay](#)
- [PPSM 63 – Investigatory Leave](#)
- [PPSM 2.210 – Absence from Work](#)
- [Regents Policy 2305 – Policy on Sabbatical Leaves of Absence](#)
- [APM - 740 – Leaves of Absence/Sabbatical Leaves](#)
- [PPSM II-50 - Sabbatical Leaves](#)
- [APM - 700 through 760: Leaves of Absence](#)

Unless otherwise required by the Bylaws or Regents Policies, changes to procedures and related documents do not require Regents approval, and inclusion or amendment of references to these documents can be implemented administratively by the Office of the Secretary and Chief of Staff upon request by the unit responsible for the linked documents.

Attachment 8

**Amendment of Regents Policy 7201 – Principles for Review of Executive Compensation
and Regents Policy 7600 – Policy on University of California Retirement System**

Additions shown by underscoring; deletions shown by strikethrough

Regents Policy 7201: Principles for Review of Executive Compensation

Approved May 15, 1992

Amended November 19, 1993, January 21, 2010, July 15, 2010, and September 18, 2013

~~4. Any paid leave of absence for Officers of the University granted by the President pursuant to Standing Order 100.4(e), shall be reported to the Board by the President. Any paid leave of absence for the President, or for Principal Officers of The Regents shall be approved by The Regents. Any paid leave of absence that exceeds ninety days for Chancellors, the Ernest Orlando Lawrence Berkeley National Laboratory Director, Executive Vice Presidents, Senior Vice Presidents, and other Vice Presidents shall be subject to approval by the Board of Regents; and~~

Regents Policy 7600: Policy on University of California Retirement System

Adopted January 20, 1989

Amended 1990, 2004, and September 22, 2005

POLICY SUMMARY/BACKGROUND

The Regents of the University of California have established the University of California Retirement System. This policy summarizes the purpose of the retirement system and responsibility for its oversight and administration.

POLICY TEXT

~~Subject to and concurrent with adoption of the substance of the Standing Order of The Regents Relating to the University of California Retirement System (Standing Order 120) as Regents' policy the University of California Retirement will consist of:~~ The Regents have established the University of California Retirement System (UCRS) which consists of:

The University of California Retirement Plan

The University of California Defined Contribution Plan

The University of California Tax-Deferred 403(b) Plan

The University of California 457(b) Deferred Compensation Plan

The primary purpose of UCRS is to provide savings and retirement income to eligible employees of the University of California and its affiliate, Hastings College of Law, and their beneficiaries. The UCRS is created and maintained for their exclusive benefit and is intended to be permanent and ongoing. The Regents, however, reserve the right to amend or terminate the UCRS, or individual plans within the UCRS, at any time in accordance with the applicable provisions of each plan.

The Regents have broad oversight responsibility for the administrative and investment functions of the UCRS.

All provisions of the UCRS plans shall be set forth in the Plan Documents and/or Plan Regulation for each plan.

COMPLIANCE/DELEGATION

The President of the University shall serve as Plan Administrator of the UCRS except to the extent the duties of the Plan Administrator are delegated under University policies and procedures to another individual, in which case such individual shall serve as the Plan Administrator with respect to the delegated duties.

The Office of the Chief Investment Officer (OCIO) has primary responsibility for implementing the investment policies established by The Regents, maintaining investment options as applicable, and serving as custodian of plan assets. The OCIO may, however, re-delegate all or part of its duties as custodian to an entity that satisfies the requirements of Section 408(n) of the Internal Revenue Code. The custodian shall hold all assets of the Plan under its control for the benefit of Participants and their Beneficiaries.

PROCEDURES AND RELATED DOCUMENTS

[University of California Retirement Plan](#)

[UC Retirement Plan Regulations](#)

[University of California Tax-Deferred 403\(b\) Plan](#)

[University of California Tax-Deferred 403\(b\) Plan Regulations](#)

[University of California 457\(b\) Deferred Compensation Plan](#)

[University of California 457\(b\) Deferred Compensation Plan Regulations](#)

[University of California Defined Contribution Plan](#)

[UC Defined Contribution Plan Regulations](#)