

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

May 21, 2015

The Regents of the University of California met on the above date at UCSF–Mission Bay Conference Center, San Francisco.

Members present: Regents De La Peña, Elliott, Engelhorn, Gould, Kieffer, Lansing, Leong Clancy, Lozano, Makarechian, Napolitano, Ortiz Oakley, Reiss, Ruiz, Saifuddin, Sherman, Varner, and Zettel

In attendance: Regents-designate Davis, Gorman, and Oved, Faculty Representatives Gilly and Hare, Secretary and Chief of Staff Shaw, General Counsel Robinson, Provost Dorr, Executive Vice President and Chief Financial Officer Brostrom, Executive Vice President and Chief Operating Officer Nava, Vice Presidents Duckett and Sakaki, and Recording Secretary Johns

The meeting convened at 4:00 p.m. with Chairman Varner presiding.

1. **APPROVAL OF MINUTES OF PREVIOUS MEETING**

Upon motion duly made and seconded, the minutes of the meeting of March 19 and the meetings of the Committee of the Whole of March 17, 18, and 19, 2015 were approved.

2. **REPORT OF THE PRESIDENT**

The President presented her report concerning University activities and individuals. Fifteen UC scientists were elected to the National Academy of Sciences, one of the highest honors for a U.S. scientist. Thirteen faculty members were awarded Guggenheim Fellowships, which are granted on the basis of distinguished achievement and exceptional promise for future accomplishment. Over the years, UC faculty have garnered more Guggenheim Fellowships than faculty of any other college or university in the country. Twenty-two UC faculty members were elected to the American Academy of Arts and Sciences. UC now has 511 members in the Academy, a 235-year-old national honor society with leaders from academia, business, and public affairs. Lawrence Berkeley National Laboratory Director Paul Alivisatos and UC Berkeley professor of history Thomas Laqueur were elected to the American Philosophical Society. In the QS World University rankings, UC Davis ranked first in the world for teaching and research in agriculture, forestry, and veterinary sciences. President Napolitano recognized Staff Advisor Donna Coyne, whose term was ending. She concluded her remarks by recalling the May 2014 shootings in Isla Vista, near UC Santa Barbara. UC would work to improve the situation in Isla Vista and to keep students safe.

Chairman Varner expressed the Board's congratulations to President Napolitano on her recent election to the American Academy of Arts and Sciences.

3. **REPORT OF THE COMMITTEE ON COMPENSATION**

The Committee presented the following from its meeting of May 21, 2015:

Contract Compensation for James Les as Head Men's Basketball Coach, Intercollegiate Athletics, Davis Campus

The Committee recommended approval of the following items in connection with the contract compensation for James Les as Head Men's Basketball Coach, Intercollegiate Athletics, Davis campus:

- A. **Contract Duration.** The proposed contract will be effective July 1, 2015 through June 30, 2021.
- B. **Appointments.** Coach Les will continue to have a dual appointment as the Head Men's Basketball Coach and as an academic lecturer. If the University terminates or fails to reappoint Coach Les as a lecturer, the University will adjust his annual head coach base salary (using non-State funds) to ensure no reduction in total annual guaranteed compensation for the term of the contract.
- C. **Annual Guaranteed Compensation.** As an exception to the *Amendment of Regents' Delegation of Authority for Recruiting and Negotiation Parameters for Certain Athletic Positions and Coaches, Systemwide* (September 2008 Parameters), annual guaranteed compensation of \$300,000 in year one, which consists of the sum of Coach Les' annual head coach base salary and his annual lecturer salary (calculated by applying appointment percentages to annual salary rates). The annual guaranteed compensation will increase to \$310,000 in year two, \$320,000 in year three, \$330,000 in year four, \$340,000 in year five, and \$350,000 in year six. The proposed annual guaranteed compensation in the first year reflects an increase of 7.5 percent over Coach Les' annual guaranteed compensation of \$279,165 in the current year of the earlier contract. The total cumulative guaranteed compensation of \$1.95 million over six years in the proposed contract reflects an increase of 60.4 percent over the total cumulative guaranteed compensation of \$1,215,334 in the previous contract. The previous cumulative total annual guaranteed compensation was readjusted from five years to six years to complete the analysis. This constitutes an exception to the September 2008 Parameters because the proposed increase in the total cumulative guaranteed compensation exceeds 30 percent.
- D. **Maximum Potential Incentives.** As an exception to the September 2008 Parameters, Coach Les may be paid non-base-building performance incentives each year if specific milestones as outlined in his contract are achieved. The maximum potential performance incentive amount that Coach Les can earn is \$267,500. The proposed maximum potential performance incentive amount reflects an increase over Coach Les' previous contract, which does not include such performance incentives. This constitutes an exception to the September 2008

Parameters because the increase in the total amount of incentives for which he will be eligible under the proposed contract exceeds 15 percent and \$30,000.

For the appointee to be entitled to any incentive payment, the Men's Basketball team's Academic Progress Rate (APR) must be greater than or equal to 930 or the current minimum APR established by the National Collegiate Athletic Association (NCAA) for participation in the NCAA Tournament. The University will apply the rolling four-year average APR score reported in the normal course prior to each season. The incentives will be paid to the appointee as soon as practicable after the close of the applicable contract year. All incentive payments shall be subject to applicable federal and State taxes and appropriate withholding.

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.

Upon motion of Regent Kieffer, duly seconded, the recommendation of the Committee on Compensation was approved.

4. **REPORT OF THE COMMITTEE ON FINANCE**

The Committee presented the following from its meeting of May 21, 2015:

A. ***Allocation of Los Alamos National Security, LLC and Lawrence Livermore National Security, LLC Fee Income to be Expended in Fiscal Year 2015-16***

The Committee recommended that the President of the University be authorized to expend an estimated \$21.7 million from the University's net share of Los Alamos National Security, LLC (LANS) and Lawrence Livermore National Security, LLC (LLNS) income earned between January 1, 2015 and December 31, 2015, as projected by the limited liability companies (LLCs), for the following purposes and in the following amounts:

- (1) The University's contractually required share of compensation costs for LLC employees in UC-designated Key Personnel positions under the LLC Agreements that is not reimbursed by the federal government under the prime contracts. Compensation for LLC employees in Key Personnel positions is paid by the LLCs as approved by the LLC Executive Committees. The amount of UC's contractual share of unreimbursed compensation for UC-designated Key Personnel positions for 2015-16 is estimated at \$2 million (\$2.2 million in 2014-15).

In the event all or part of the \$2 million is not needed, the unspent allocation will be transferred to the LLC Fee Contingency Fund (see paragraph (4) below) and carried over to 2016-17 in order to maintain the LLC Fee Contingency Fund at the \$7 million level recommended to the Regents. In the event the LLC Fee Contingency Fund has been fully funded, the unspent allocation will instead be transferred to the Post-Contract Contingency Fund (see paragraph (3) below) and carried over to 2016-17 to build up that fund to the level approved by the Regents.

- (2) An appropriation to the Office of the President budget for federally unreimbursed costs of University oversight of its interest in LANS and LLNS, paid or accrued July 1, 2015 through June 30, 2016, including but not limited to an allocable share of the costs of the President's Executive Office, the Provost, the Academic Senate, Human Resources, Financial Management, Compliance and Audit, Laboratory Management Office, Research Security Office, Federal Government Relations, Office of Research and Graduate Studies, Office of the General Counsel, Office of the Secretary and Chief of Staff to The Regents, and the University-appointed Governors on the Boards of the LLCs in the amount of \$5.1 million for 2015-16 (\$5.05 million in 2014-15).

In the event all or part of the \$5.1 million is not needed, the unspent allocation will be transferred to the LLC Fee Contingency Fund (see paragraph (4) below) and carried over to 2016-17 in order to maintain the LLC Fee Contingency Fund at the \$7 million level recommended to the Regents. In the event the LLC Fee Contingency Fund has been fully funded, the unspent allocation will instead be transferred to the Post-Contract Contingency Fund (see paragraph (3) below) and carried over to 2016-17 to build up that fund to the level approved by the Regents.

- (3) An appropriation in 2015-16 to a Post-Contract Contingency Fund in the amount of \$1.3 million (zero for 2014-15). Starting in 2015-16, any income generated by the Post-Contract Contingency Fund under the University's Short Term Investment Pool (STIP) shall be reserved exclusively for that fund.
- (4) An increase in the funding target for the LLC Fee Contingency Fund, previously called Contingency for Factors Affecting the Final Fee, from \$5 million to \$7 million in order to reduce risk to the University due to any potential significant reductions in fee earned by the LLCs and the potential for substantial financial fines and penalties such as occurred in 2014-15. Actual income received from LLNS for 2014-15 was \$3.4 million greater than estimated by LLNS in December 2014. Of this \$3.4 million, \$1.3 million was allocated to the LLC Fee Contingency Fund as authorized by the Regents in the January 2015 *Amendment to the Allocation of Los Alamos National Security, LLC and Lawrence*

Livermore National Security, LLC Fee Income to be Expended in Fiscal Year 2014-15. Subject to approval of the current item, the remaining \$2.1 million in additional 2014-15 LLNS income will be allocated to the LLC Fee Contingency Fund to reach the \$7 million target. With this approval, no allocation to the Fund is required for 2015-16. Starting in 2015-16, any income generated by the LLC Fee Contingency Fund under the University's STIP shall be reserved exclusively for that fund.

- (5) An appropriation in 2015-16 in the amount of \$13.3 million for the UC Laboratory Fees Research Program and other research relevant to the missions of the National Laboratories and the University. Of this total appropriation, \$400,000 is a designated appropriation in 2015-16 for the UC-National Laboratory Student Fellowship Pilot Program, to be administered by the UC Laboratory Fees Research Program in the Research Grants Program Office. The original allocations for 2014-15 approved by the Regents in May 2014 of \$13.5 million for the UC Laboratory Fees Research Program and \$400,000 for the UC-National Laboratory Student Fellowship Pilot Program were zeroed out in the January 2015 *Amendment to the Allocation of Los Alamos National Security, LLC and Lawrence Livermore National Security, LLC Fee Income to be Expended in Fiscal Year 2014-15.*

B. *Approval of External Financing under Funding Mechanism AB 94 for the 2015-16 Budget for State Capital Improvements*

The Committee recommended that:

- (1) The President of the University be authorized to obtain external financing not to exceed \$296,711,000 (plus related interest expense and financing costs) for the 2015-16 Budget for State Capital Improvements shown in Attachment 1. The President shall require that:
 - a. Interest only, based on the amount drawn down, shall be paid on the outstanding balance during the construction period.
 - b. The primary source of repayment for the external financing of \$296,711,000 plus related interest expense and financing costs shall be from State General Fund appropriations, pursuant to the Education Code Section 924953 et seq. Should State General Fund appropriation funds not be available, the President shall have the authority to use any legally available funds to make debt service payments.
 - c. The general credit of the Regents shall not be pledged.

- (2) For all projects supported by this action that have already received design/California Environmental Quality Act (CEQA) approval, the Regents determine that no further CEQA action is required.
- (3) The President shall be authorized to execute all documents necessary in connection with the above.

C. ***Adoption of Expenditure Rate for the General Endowment Pool***

The Committee recommended that the expenditure rate per unit of the General Endowment Pool (GEP) for expenditure in the 2015-16 fiscal year shall remain at a rate of 4.75 percent of a 60-month moving average of the market value of a unit invested in the GEP.

D. ***Adoption of Endowment Administration Cost Recovery Rate***

The Committee recommended that the endowment administration cost recovery rate remain at 55 basis points (0.55 percent)¹ and apply to the distributions from the General Endowment Pool (GEP) to be made after July 1, 2015, from the eligible assets invested in the GEP. The funds recovered shall be used to defray, in part, the cost of administering and carrying out the terms of endowments on the campuses and at the Office of the President.

E. ***Endorsement of Framework Contained in the Governor's Revised Budget for 2015-16 and Beyond and Approval of Authority for Additional Increase in Nonresident Tuition***

The Committee recommended to the Regents the following actions for 2015-16 and beyond:

- (1) Endorse the framework for long-term funding agreed upon by the President and the Governor.
- (2) Authorize the President of the University to implement increases in Nonresident Supplemental Tuition for undergraduate nonresident students of up to eight percent annually for the years 2015-16 through 2019-20.

Upon motion of Regent Ruiz, duly seconded, the recommendations of the Committee on Finance were approved.

¹ One basis point is 0.01 percent of yield (i.e., one hundred basis points equals one percent); 55 basis points are the equivalent of \$55 on endowment assets with a 60-month average market value of \$10,000.

5. **REPORT OF THE COMMITTEE ON GOVERNANCE**

The Committee presented the following from its meeting of April 3, 2015:

The Committee recommended the following:

A. *Chairman of the Board*

Regent Monica Lozano be elected Chairman of the Board for the year commencing July 1, 2015.

B. *Vice Chairman of the Board*

Regent Frederick Ruiz be elected Vice Chairman of the Board for the year commencing July 1, 2015 until February 29, 2016 and that Bylaw 20, Officers of the Corporation, Section 20.2 “the Vice Chairman of the Board shall not be elected for more than two terms plus an immediately preceding unexpired term, if any,” be suspended.

Regent Bonnie Reiss be elected Vice Chairman effective March 1, 2016 through June 30, 2016.

C. *Standing Committee Assignments*

The following Standing Committee assignments for the year commencing July 1, 2015 (members listed in seniority order except for the Chair and Vice Chair):

Committee on Compensation

Regent Reiss, Chair
 Regent Ortiz Oakley, Vice Chair
 Regent Lansing
 Regent Pattiz
 Regent Blum
 Regent Island
 Regent Gould
 Regent Kieffer
 Regent Sherman
 Regent Elliott

Committee on Compliance and Audit

Regent Zettel, Chair
 Regent Sherman, Vice Chair
 Regent Blum
 Regent Ruiz
 Regent Makarechian
 Regent Atkins
 Regent Ortiz Oakley
 Regent Gorman
 Regent Oved

Committee on Educational Policy

Regent Island, Chair
 Regent Elliott, Vice Chair
 Regent Lansing
 Regent Gould
 Regent Reiss
 Regent Kieffer

Committee on Investments

Regent Wachter, Chair
 Regent Sherman, Vice Chair (Chair effective March 1, 2016)
 Regent Pattiz
 Regent De La Peña
 Regent Makarechian

Regent Newsom
Regent Ortiz Oakley
Regent Gorman
Regent Oved

Regent Kieffer
Regent Zettel
Regent Pérez (Vice Chair effective March 1,
2016)
Regent Oved

Committee on Finance

Regent Ruiz, Chair
Regent Kieffer, Vice Chair
(Chair effective March 1, 2016)
Regent Wachter
Regent Island
Regent Gould
Regent Reiss
Regent Makarechian (Vice Chair
effective March 1, 2016)
Regent Newsom
Regent Ortiz Oakley
Regent Davis

Committee on Long Range Planning

Regent Gould, Chair
Regent Kieffer, Vice Chair
Regent Lansing
Regent Blum
Regent De La Peña
Regent Reiss
Regent Makarechian
Regent Atkins
Regent Elliott
Regent Oved

Committee on Grounds and
Buildings

Regent Makarechian, Chair
Regent Sherman, Vice Chair
Regent Ruiz
Regent Zettel
Regent Pérez
Regent Elliott
Regent Davis
Regent Oved

Committee on Oversight of the
Department of Energy Laboratories

Regent Pattiz, Chair
Regent De La Peña, Vice Chair
Regent Reiss
Regent Kieffer
Regent Zettel
Regent Newsom
Regent Atkins
Regent Davis

Committee on Health Services

Regent Lansing, Chair
Regent Sherman, Vice Chair
Regent Pattiz
Regent Island
Regent Makarechian
Regent Kieffer
Regent Zettel
Regent Atkins
Regent Pérez
Regent Gorman

The President of the Corporation, the Chairman of the Board or in the Chairman's absence the Vice Chairman of the Board, the former Chairman of the Board for the year immediately following a term of office as Chairman provided that the

former Chairman is still a Regent, and the President of the University are ex officio members of the Standing Committees listed above, except that the President of the University is not a member of the Committee on Compliance and Audit. The Superintendent of Public Instruction is an ex officio member of the Committee on Educational Policy.

Upon motion of Regent Gould, duly seconded, the recommendations of the Committee on Governance were approved.

6. **REPORT OF THE COMMITTEE ON GROUNDS AND BUILDINGS**

The Committee presented the following from its meeting of May 20, 2015:

A. *Amendment of the Budget and Approval of External Financing, Clinical Sciences Building Seismic Retrofit and Renovation Project, San Francisco Campus*

The Committee recommended that:

- (1) Subject to the concurrence of the Committee on Finance, the 2015-16 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: San Francisco: Clinical Sciences Building Seismic Retrofit and Renovation – preliminary plans, working drawings, construction, and equipment – \$91,468,000 to be funded from external financing (\$57,752,000), external financing supported by State appropriations under the AB 94 mechanism (\$24,535,000) and campus funds (\$9,181,000).

To: San Francisco: Clinical Sciences Building Seismic Retrofit and Renovation – preliminary plans, working drawings, construction and equipment – \$95,812,000 to be funded from external financing (\$57,752,000), external financing supported by State appropriations under the AB 94 mechanism (\$24,535,000), and campus funds (\$13,525,000).

- (2) The President of the University be authorized to obtain external financing in an amount not to exceed \$57,752,000. The President shall require that:
 - a. Interest only, based on the amount drawn, shall be paid on the outstanding balance during the construction period.
 - b. As long as the debt is outstanding, the general revenues of the San Francisco campus shall be maintained in amounts sufficient to pay

the debt service and to meet the requirements of authorized financing.

c. The general credit of the Regents shall not be pledged.

- (3) Approval of the Regents shall be required for any further increase in budget or scope.
- (4) The President, in consultation with the General Counsel, be authorized to execute all documents necessary in connection with the above and to make changes in the terms that do not materially increase the cost of the project or the obligations of the Regents.
- (5) The Regents find that the July 2014 California Environmental Quality Act (CEQA) determination that the project is Categorically Exempt under Class 1 and 31 remains in effect, and no further CEQA action is required.

B. *Amendment of the Budget and Scope, Approval of External Financing, and Approval of Design following Action Pursuant to the California Environmental Quality Act, Berkeley Way West Project (Tolman Hall Seismic Replacement), Berkeley Campus*

(1) The Committee recommended that:

a. The 2014-15 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: Berkeley: Tolman Hall Seismic Replacement – preliminary plans, working drawings, construction, and equipment – \$150 million to be funded from external financing (\$75 million) and external financing supported by State appropriations (\$75 million).

To: Berkeley: Berkeley Way West (Tolman Hall Seismic Replacement) – preliminary plans, working drawings, construction, and equipment – \$185 million to be funded from external financing (\$110 million) and external financing supported by State appropriations (\$75 million).

b. The scope of the Berkeley Way West (Tolman Hall Seismic Replacement) project shall consist of constructing an eight-story, 325,000-gross-square-foot (gsf) building that will provide approximately 230,000 gsf of academic and research space and approximately 95,000 gsf of leasable space.

- c. The President of the University be authorized to obtain external financing not to exceed \$110 million. The President shall require that:
 - i. Interest only, based on the amount drawn down, shall be paid on the outstanding balance during the construction period.
 - ii. As long as the debt is outstanding, the general revenues of the Berkeley campus shall be maintained in amounts sufficient to pay the debt service and to meet the requirements of the authorized financing.
 - iii. The general credit of the Regents shall not be pledged.
- (2) Following review and consideration of the environmental consequences of the proposed Berkeley Way West project, as required by the California Environmental Quality Act (CEQA), including any written information addressing this item received by the Office of the Secretary and Chief of Staff no less than 24 hours in advance of the beginning of this Regents meeting, testimony or written materials presented to the Regents during the scheduled public comment period, and the item presentation, the Committee reported its:
 - a. Adoption of CEQA Findings based on analysis of the environmental impacts presented in the *UC Berkeley 2020 Long Range Development Plan Environmental Impact Report* as updated by Amendment #1 and accompanying Addendum #5 addressing Climate Change, and Addendum #12.
 - b. Approval of the design of the Berkeley Way West (Tolman Hall Seismic Replacement) project for the Berkeley campus.

[The UC Berkeley 2020 Long Range Development Plan Environmental Impact Report, Amendment #1, Addendum #5, Addendum #12, and California Environmental Quality Act Findings were provided to Regents in advance of the meeting, and copies are on file in the Office of the Secretary and Chief of Staff.]

C. *Amendment of the Budget and Approval of External Financing, Biological and Physical Sciences Building, San Diego Campus*

The Committee recommended that:

- (1) Subject to the concurrence of the Committee on Finance, the 2015-16 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: San Diego: Biological and Physical Sciences Building – preliminary plans, working drawings, construction and equipment – \$111.6 million funded from external financing (\$46.7 million), external financing supported by State appropriations under the AB 94 mechanism (\$55.8 million), and campus funds (\$9.1 million).

To: San Diego: Biological and Physical Sciences Building – preliminary plans, working drawings, construction and equipment – \$115.5 million funded from external financing (\$50.6 million), external financing supported by State appropriations under the AB 94 mechanism (\$55.8 million), and campus funds (\$9.1 million).

- (2) The President of the University be authorized to obtain external financing in an amount not to exceed \$50.6 million. The President shall require that:
 - a. Interest only, based on the amount drawn, shall be paid on the outstanding balance during the construction period.
 - b. As long as the debt is outstanding, the general revenues of the San Diego campus shall be maintained in amounts sufficient to pay the debt service and to meet the requirements of authorized financing.
 - c. The general credit of the Regents shall not be pledged.
- (3) The President, in consultation with the General Counsel, be authorized to execute all documents necessary in connection with the above and to make changes in the terms that do not materially increase the cost of the project or the obligations of the Regents.

D. *Approval of the Budget and Approval of External Financing, Graduate and Professional Student Housing – East Campus, San Diego Campus*

The Committee recommended that:

- (1) The 2014-15 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: San Diego: Graduate and Professional Student Housing – East Campus – preliminary plans – \$4,871,000 to be funded from UC San Diego Housing Auxiliary Reserves.

To: San Diego: Graduate and Professional Student Housing – East Campus – preliminary plans, working drawings, construction, and equipment – \$208,584,000 to be funded from external financing

(\$200 million) and UC San Diego Housing Auxiliary Reserves (\$8,584,000).

- (2) The President of the University be authorized to obtain external financing not to exceed \$200 million to finance the Graduate and Professional Student Housing – East Campus project. The President shall require that:
 - a. Interest only, based on the amount drawn down, shall be paid on the outstanding balance during the construction period.
 - b. As long as the debt is outstanding, general revenues from the San Diego campus shall be maintained in amounts sufficient to pay the debt service and to meet the related requirements of the authorized financing.
 - c. The general credit of the Regents shall not be pledged.
- (3) Approval of the Regents shall be required for any further increase in budget or scope.
- (4) This approval is subject to the following conditions:
 - a. Project reviews will be performed by inspectors who are not employed by the University.
 - b. Appropriate construction defect insurance will be carried on the project.
- (5) The scope of the Graduate and Professional Student Housing – East Campus project shall provide approximately 442,000 assignable square feet of housing space and approximately 1,355 beds to support graduate and professional students. The scope also includes a parking structure of approximately 900 parking spaces, associated common spaces, site improvements, and demolition of 11 existing buildings at North Mesa Housing.
- (6) The President, in consultation with the General Counsel, be authorized to execute all documents necessary in connection with the above and to make changes in the terms that do not materially increase the cost of the project or the obligations of the Regents.

E. *Approval of Design following Action Pursuant to California Environmental Quality Act, Center for Novel Therapeutics, San Diego Campus*

Following review and consideration of the environmental consequences of the proposed Center for Novel Therapeutics, as required by the California

Environmental Quality Act, including any written information addressing this item received by the Office of the Secretary and Chief of Staff no less than 24 hours in advance of the beginning of this Regents meeting, testimony or written materials presented to the Regents during the scheduled public comment period, and the item presentation, the Committee reported its:

- (1) Certification of the Environmental Impact Report.
- (2) Adoption of the Mitigation Monitoring Report and Findings.
- (3) Approval of the design of the Center for Novel Therapeutics, San Diego campus.

[The Environmental Impact Report and California Environmental Quality Act Findings were provided to Regents in advance of the meeting, and copies are on file in the Office of the Secretary and Chief of Staff.]

F. ***Approval of Design following Action Pursuant to California Environmental Quality Act, Los Rios Community College District Davis Center Phase 2 Building, Davis Campus***

Following review and consideration of the environmental consequences of the proposed Los Rios Community College District Davis Center Phase 2 Building, as required by the California Environmental Quality Act (CEQA), including any written information addressing this item received by the Office of the Secretary and Chief of Staff no less than 24 hours in advance of the beginning of this Regents meeting, testimony or written materials presented to the Regents during the scheduled public comment period, and the item presentation, the Committee reported its:

- (1) Adoption of Addendum #2 and CEQA Findings based on the analysis of environmental impacts presented in the *2003 UC Davis Long Range Development Plan Environmental Impact Report* and Addendum #1.
- (2) Approval of the design of the Los Rios Community College District Davis Center Phase 2 Building, Davis Campus.

[The Environmental Impact Report Addendum #1 and Addendum #2 and California Environmental Quality Act Findings were provided to Regents in advance of the meeting, and copies are on file in the Office of the Secretary and Chief of Staff.]

Upon motion of Regent Makarechian, duly seconded, the recommendations of the Committee on Grounds and Buildings were approved.

7. REPORT OF INTERIM AND CONCURRENCE ACTIONS

Secretary and Chief of Staff Shaw reported that, in accordance with authority previously delegated by the Regents, interim or concurrence action was taken on routine or emergency matters as follows:

The Chairman of the Board, the Chair of the Committee on Compensation, and the President of the University approved the following recommendations:

A. *Preemptive Retention Incentive Arrangement for Paul Staton as Chief Financial Officer, UCLA Health System, Los Angeles Campus*

Background to Recommendation

Action under interim authority was requested to approve a preemptive retention incentive payment arrangement for Paul Staton as Chief Financial Officer, UCLA Health System, effective immediately.

With the support of Executive Vice President Stobo, the campus proposes providing Mr. Staton with annual retention-based incentive payments of ten percent of annual base salary for calendar years 2015 through 2017, payable using the base salary in effect for Mr. Staton as of each December 31 (a total of three payments). For example, based on Mr. Staton's current base salary of \$520,371 (plus any subsequent salary adjustments made during the remainder of 2015), the retention payment made for the 2015 year would be \$52,037 and would be paid in January 2016 if Mr. Staton meets the following requirements. Mr. Staton must:

- meet or exceed performance expectations,
- continue leading the Executive Revenue Cycle Steering Committee Initiative, a systemwide project described below, and
- be actively employed as Chief Financial Officer, UCLA Health System, on December 31 to receive that year's retention incentive payment.

No incentive payment will be made until after the end of each calendar year and after Mr. Staton's performance has been assessed by Chancellor Block (or his designee) and Dr. Stobo. Normal taxes and withholdings will apply to the payment. No retention incentive will be paid for a particular year if Mr. Staton terminates employment prior to December 31 of that year, if his performance for that year is below acceptable levels, or if he ceases his leadership role in the Executive Revenue Cycle Steering Committee Initiative. The retention incentive will not be prorated for a partial year of service.

Funding for the retention incentives will come exclusively from the Health System revenue and would not include State General Funds or student fee revenue.

Action under interim authority was requested because of the critical need to retain Mr. Staton in light of the recent departures of the Vice Chancellor of Health Sciences and Dean (Dr. A. Eugene Washington) and the Health System's Chief Executive Officer (Dr. David Feinberg). In addition, Mr. Staton's continued engagement in leading the systemwide Executive Revenue Cycle Steering Committee initiative, described below, is critical. Because of the significant impact Mr. Staton's role has within the UCLA Health System and his oversight of the systemwide UC Health initiative, immediate retention of this key executive is essential to the success of the enterprise. Both the campus and Dr. Stobo have been engaged in active, ongoing conversations with Mr. Staton regarding the need for Mr. Staton to remain engaged in the work associated with leading the systemwide initiative, as well as providing continuity of business operations in light of the key vacancies that now exist at the UCLA Health System. Therefore, this action needed to be taken before the meeting in May.

The Executive Revenue Cycle Steering Committee Initiative commissioned by Dr. Stobo and resulting from the UC "Value from Scale" Revenue Cycle review will focus on the development and implementation of opportunities for improved financial and operational performance for all UC hospitals, thereby creating greater integration throughout the University. The effort to build a top industry, integrated revenue model is being spearheaded by Mr. Staton, with a target savings of annual recurring cash flow of between \$122 million and \$148 million. This three-to-five year optimization and standardization effort led by Mr. Staton will deliver opportunities for performance improvement and develop strategic direction, functional decision-making, and tactical implementation activities across the UC system.

Recommendation

The following items were approved in connection with the preemptive retention incentive arrangement for Paul Staton as Chief Financial Officer, UCLA Health System, Los Angeles Campus:

- (1) The preemptive retention incentive provides for an annual incentive payment of ten percent of the base salary for calendar years 2015 through 2017, based on the base salary in effect as of each December 31 (a total of three payments) and payable in January of the following year if Mr. Staton meets the following requirements:
 - a. meets or exceeds performance expectations, as determined by Chancellor Block (or his designee) and Executive Vice President Stobo,
 - b. continue leading the Executive Revenue Cycle Steering Committee initiative, and

- c. be actively employed as Chief Financial Officer, UCLA Health System, on December 31 to receive that year's retention incentive payment.

This is an exception to policy because no policy authorizes retention incentive payments, because such payments are typically not permissible under the Policy on Senior Management Group Incentive Awards adopted in July 2010, and because Mr. Staton is a participant in the Clinical Enterprise Management Recognition Plan.

- (2) Per policy, continued appointment as Chief Financial Officer, UCLA Health System at 100 percent time, with an annual base salary of \$520,371.
- (3) Per policy, continued eligibility to participate in the Clinical Enterprise Management Recognition Plan (CEMRP) with a target award of 15 percent of base salary (\$78,055) and a maximum potential award of 25 percent of base salary (\$130,093). The actual award will be determined based on performance against pre-established objectives.
- (4) Per policy, continuation of a monthly contribution to the Senior Management Supplemental Benefit program.
- (5) 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).
- (6) Per policy, continued eligibility to participate in the UC Home Loan Program, subject to all applicable requirements.
- (7) Retention incentive payments will not be prorated for a partial year of service.
- (8) Consistent with policy, these retention incentive payments will not be included in the calculation of:
 - a. Clinical Enterprise Management Recognition Program incentive awards
 - b. Senior management life insurance
 - c. Executive salary continuation for disability
 - d. Terminal vacation payout
 - e. UC Retirement Plan covered compensation

f. Senior Management Supplemental Benefit Plan payments

(9) This action will be effective upon approval.

Recommended Compensation

Effective Date: upon approval

Annual Base Salary for this position: \$520,371

Clinical Enterprise Management Recognition Plan (CEMRP): \$78,055 (at 15 percent target rate)

Annual Retention Incentive: ten percent of base salary (\$52,037 estimated for the retention incentive payable in January 2016 for calendar year 2015 using current base salary)

Target Cash Compensation for this position: \$650,463, assuming estimated retention incentive payable in January 2016

Funding: non-State-funded

Budget &/or Prior Incumbent Data

Title: Chief Financial Officer

Base Salary: \$520,371

Clinical Enterprise Management Recognition Plan (CEMRP): \$78,055 (at 15 percent target rate)

Target Cash Compensation:* \$598,426

Funding: non-State-funded

*Target Cash Compensation consists of base salary and, if applicable, incentive and/or stipend. For participants in the Health Sciences Compensation Plan (HSCP), Target Cash Compensation also includes HSCP payments.

The compensation described above shall constitute the University's total commitment 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.

B. *Contract Compensation for Russell Turner, Head Men's Basketball Coach, Intercollegiate Athletics, Irvine Campus*

Background to Recommendation

Action under interim authority was requested to approve new contract compensation for Russell Turner, Head Men's Basketball Coach, Intercollegiate Athletics, Irvine campus, which would be effective May 1, 2015 and continue through April 30, 2020. The term of Coach Turner's current contract, with addenda, is September 8, 2014 through April 30, 2018.

Action under interim authority was requested due to the urgency the campus is facing in responding to an active retention concern. For the first time in the campus' history, UC Irvine won the Big West Men's Basketball Tournament and played in the National Collegiate Athletic Association (NCAA) Men's Basketball Tournament. This unprecedented performance by UC Irvine's Men's Basketball team has been transformational for the campus' reputation and community engagement. It has also resulted in multiple competitive employment offers for Coach Turner. The campus wishes to retain Mr. Turner and, therefore, must respond with an approved retention offer immediately.

Because Coach Turner's total potential cash compensation exceeds \$301,000, his contract compensation is subject to the parameters under the *Amendment of Regents' Delegation of Authority for Recruiting and Negotiation Parameters for Certain Athletic Positions and Coaches, Systemwide* (the September 2008 Parameters). Regents' approval is required because the proposed contract compensation contains exceptions to the September 2008 Parameters.

The campus sought approval to provide an annual guaranteed compensation of \$410,000, which consists of a base salary of \$325,000 and a talent fee of \$85,000. The proposed annual guaranteed compensation reflects an increase of 32.3 percent over Coach Turner's current annual guaranteed compensation of \$310,000, which consists of base salary only. This constitutes an exception to the September 2008 Parameters because the increase exceeds the 30 percent limit. The cumulative total annual guaranteed compensation of \$2,050,000 in the proposed new contract reflects an increase of 32.3 percent over the cumulative total annual guaranteed compensation in the current contract, which is \$1,550,000. The current cumulative total annual guaranteed compensation was readjusted from three years, seven months, and 23 days to five years to complete the analysis. Because this increase exceeds 30 percent, it is also an exception to the September 2008 Parameters. The talent fee will include professional services provided in connection with various appearances and speaking engagements on television and radio broadcasts of UC Irvine basketball games and sports shows covering UC Irvine sports, promotional and fundraising activities, and assignment of all rights of any kind to enter into professional, endorsement, or consultation contracts with athletic shoe, athletic apparel, athletic equipment, and other sports manufacturers.

In addition, the campus requested approval of deferred compensation totaling \$625,000 to be paid in five annual retention bonuses of \$125,000, over the duration of the entire contract, provided that coach remains employed through the applicable contract year and applicable game fee minimums are met. This constitutes an exception to the September 2008 Parameters because the total deferred compensation amount exceeds the first year's guaranteed compensation of \$410,000.

Lastly, the campus sought approval of a one-time signing bonus in the amount of \$165,000. The signing bonus amount of \$165,000 is approximately 40.2 percent of the first year's annual guaranteed compensation. This constitutes an exception to the September 2008 Parameters because this amount exceeds 33 percent of the first year's guaranteed compensation.

All other proposed compensation terms are consistent with the September 2008 Parameters.

The source of funding for this position is non-State funds; the position will be funded with athletic department revenues.

Russell Turner coached UC Irvine to its first NCAA Tournament appearance, where he guided UC Irvine to a near-upset of fourth-seeded Louisville in the East Regional. Although UC Irvine lost to the Cardinals, 57-55, this game thrust Coach Turner into the national spotlight for college basketball coaching talent.

Russell Turner was named 2014 Big West Conference Coach of the Year and National Association of Basketball Coaches (NABC) District 9 Coach of the Year after leading UC Irvine to its first league regular-season title in 12 years and a second consecutive 20-win season. Coach Turner has led UC Irvine to 44 wins over the past two seasons and two consecutive postseason appearances, including the 2014 National Invitation Tournament.

Action under interim authority was requested because Coach Turner was being actively and aggressively pursued by other institutions. The campus' retention offer is modest in comparison to the verifiable outside offers that Coach Turner has received. Due to the need to respond to Coach Turner immediately, this action must be taken before the next scheduled Regents meeting in May 2015.

Recommendation

The following items were approved in connection with the new contract compensation for Russell Turner, Head Men's Basketball Coach, Intercollegiate Athletics, Irvine campus:

- (1) As an exception to the *Amendment of Regents' Delegation of Authority for Recruiting and Negotiation Parameters for Certain Athletic Positions and Coaches, Systemwide* (September 2008 Parameters), an annual guaranteed compensation of \$410,000, comprised of a base salary of \$325,000 and a talent fee of \$85,000. The annual guaranteed compensation will remain constant throughout the contract's duration. This constitutes an exception because the increase in annual guaranteed compensation is more than 30 percent over the previous contract's annual guaranteed compensation of \$310,000, which consists entirely of base salary. In addition, the cumulative total guaranteed compensation of \$2,050,000 is more than

30 percent over the previous contract's cumulative total guaranteed compensation of \$1,550,000. The current cumulative total annual guaranteed compensation was readjusted from three years, seven months, and 23 days to five years to complete the analysis.

- (2) As an exception to the September 2008 Parameters, a one-time signing bonus of \$165,000. This constitutes an exception because the signing bonus amount exceeds 33 percent of the first year's annual guaranteed compensation.
- (3) As an exception to the September 2008 Parameters, deferred compensation in the amount of \$625,000 that will be paid in annual retention bonuses of \$125,000 over the contract's five-year period. Coach Turner will be entitled to this annual retention bonus for contract years beginning July 1, 2015, July 1, 2016, July 1, 2017, July 1, 2018, and July 1, 2019 provided he remains continuously employed as the Head Coach through the applicable contract year and the guaranteed game fee minimums for the preceding season meet or exceed \$275,000 per year. Also, to be entitled to this retention bonus, the team's Academic Progress Rate (APR) must be greater than or equal to 930, or the current minimum APR established by the National Collegiate Athletic Association (NCAA) for participation in the NCAA Tournament. The University will apply the rolling four-year average APR score reported in the normal course prior to each season. The bonus will be paid to Coach as soon as practicable after the close of the applicable contract year. This constitutes an exception because the total deferred compensation exceeds the first year's annual guaranteed compensation of \$410,000.
- (4) The new contract will be effective May 1, 2015 and continue through April 30, 2020.

Recommended Compensation

Effective Date: May 1, 2015 and continuing through April 30, 2020

Base Salary: \$325,000

Talent Fee: \$85,000

Guaranteed Compensation: \$410,000

Maximum Potential Bonus/Incentives: not applicable

Camps: not applicable

Deferred Compensation: \$125,000 (first installment of deferred compensation, payable if certain conditions are met)

Signing Bonus: \$165,000

Total Potential Cash Compensation in first year of the contract: \$700,000

Funding: non-State-funded

Budget &/or Prior Incumbent Data

Title: Head Basketball Coach

Base Salary: \$310,000

Talent Fee: not applicable

Guaranteed Compensation: \$310,000

Maximum Potential Bonus/Incentives: \$30,000

Deferred Compensation: \$100,000 (annual installments, payable if certain conditions are met)

Camps: \$35,000

Total Potential Cash Compensation: \$475,000

Funding: non-State-funded

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.

8. **REPORT OF COMMUNICATIONS RECEIVED**

Secretary and Chief of Staff Shaw reported that, in accordance with Bylaw 16.9, Regents received a summary of communications in reports dated April 23 and May 13, 2015.

9. **REPORT OF MATERIALS MAILED BETWEEN MEETINGS**

Secretary and Chief of Staff Shaw reported that, on the dates indicated, the following were sent to the Regents or to Committees:

To the Regents of the University of California

- A. From the President, announcement of the promotion of Dr. John Stobo to Executive Vice President. (March 9, 2015)
- B. From the Secretary and Chief of Staff, a statement by Chairman Varner and President Napolitano regarding recent instances of anti-Semitism on UC campuses. (March 11, 2015)
- C. From the President, copy of an essay/book review by the President published in *The Washington Post*. (March 12, 2015)
- D. From the President, a letter notifying Regents of the passing of President Emeritus Peltason. (March 23, 2015)
- E. From the President, a letter notifying Regents that Laboratory Director Alivisatos would step down from the directorship of Lawrence Berkeley National Laboratory. (March 23, 2015)

- F. From the President, the Medical Center Activity and Financial Status Report for the six months ended December 31, 2014. (March 26, 2015)
- G. From the President, an article on the UCLA Men's Basketball team competing in the National Collegiate Athletic Association tournament and taking final exams. (March 26, 2015)
- H. From the Secretary and Chief of Staff, an article by Chancellor Blumenthal about how public higher education can again transform California, published in the *San Francisco Chronicle*. (March 29, 2015)
- I. From the Secretary and Chief of Staff, summary of communications for March 2015. (April 23, 2015)
- J. From the Secretary and Chief of Staff, announcement regarding the selection of the Special Committee on the Selection of a Student Regent for 2016-17. (April 30, 2015)
- K. From the Secretary and Chief of Staff, summary of communications for April 2015. (May 13, 2015)

10. **RESOLUTION IN APPRECIATION – SHELDON ENGELHORN**

Upon motion of Regent Zettel, duly seconded, the following resolution was adopted:

WHEREAS, the Regents of the University of California wish to express their heartfelt appreciation to Sheldon Engelhorn as he prepares to relinquish his responsibilities as a respected ex officio member of this Board, having faithfully and conscientiously carried out his Regental duties, at all times providing diligent oversight of UC's many operations for the betterment of the University and those it serves; and

WHEREAS, since receiving his Bachelor of Science degree in biology from UC San Diego, he has proved himself a true champion of the University, serving his beloved alma mater in many capacities including service as a member of the UC San Diego Foundation Board of Trustees; as Chair and Advisor to the Student Foundation and the UC San Diego Scholarship Council; and as Chair of the Scripps Institution of Oceanography's Director's Council, in addition to his selfless service as President of the Alumni Associations of the University of California; and

WHEREAS, a well-informed and staunch advocate of the University, his commitment to the well-being and success of its students is well chronicled in his service on the Board, and his passionate desire to throw open wide the doors of opportunity and to give back to the University that, as he has said, gave him the tools to succeed, is exemplified by the generous donation he and his wife, Susan, made to establish the Engelhorn Family Scholarship Fund for qualified community college transfer students; and

WHEREAS, a highly successful scientific researcher and entrepreneur, he has brought to the role of ex officio Regent keen intellect, insightful perception, and wise counsel, most evident in his service as a member of the Committees on Compliance and Audit, Educational Policy, and Long Range Planning, where his professionalism and expertise, coupled with his keen understanding of the inner workings of the University, have added immeasurably to the Board's deliberations, earning the respect and admiration of his fellow Regents; and

WHEREAS, in recognition of his devoted service as a member of the Board of Regents of the University of California, and in the hope that he will continue as an active and vital participant in the life of the University, the Regents do hereby confer upon Sheldon Engelhorn the title, Regent Emeritus;

NOW, THEREFORE, BE IT RESOLVED that the Regents convey to Sheldon Engelhorn their deepest appreciation for his outstanding service on this Board and for his many notable contributions and achievements as an esteemed alumnus and spirited supporter of the University;

AND BE IT FURTHER RESOLVED that the Regents direct that a suitably inscribed copy of this resolution be presented to Sheldon and Susan Engelhorn as an expression of the Board's gratitude, warm regard, and lasting friendship.

Regent Zettel thanked Regent Engelhorn for his service, describing him as a well-informed and staunch advocate for the University.

11. RESOLUTION IN APPRECIATION – KAREN LEONG CLANCY

Upon motion of Regent Gould, duly seconded, the following resolution was adopted:

WHEREAS, Karen Leong Clancy will complete her term on the Board of Regents having conscientiously and meticulously fulfilled all of the duties and responsibilities incumbent upon her as Vice President of the Alumni Associations of the University of California and as an ex officio Regent, at all times exhibiting a deep and sensitive understanding of the academic values of the University and an abiding concern for the needs of its students; and

WHEREAS, after receiving her Bachelor of Arts degree in Economics from UC Berkeley, she has devoted her life to community and public service in the education arena, serving on the Board of Trustees of the Belmont-Redwood Shores School District and as president of the San Mateo County School Boards Association, as Asian/Pacific Islander Director at Large of the California School Boards Association, as a member of the Western Association of Schools and Colleges (WASC) Accrediting Commission for Schools, the WASC Corporate Board's Audit Committee, and as a member of the Advisory Board of the Spark Program, as well as Vice President of the Alumni Associations of the University of California; and

WHEREAS, the members of the Board have benefitted greatly from her thoughtful and incisive questions, which have led to productive discussions on many of the vital issues of the day, and she has demonstrated great concern for the well-being of the University's students, faculty, and staff through dedicated service as a member of the Committees on Educational Policy, Finance, and Grounds and Buildings; and

WHEREAS, as a consultant she has endeavored to great effect to shape both State and national educational policy, staunchly supported dual language education, and played an instrumental role in developing the National Center for K-16 Chinese Language Pedagogy at UC Berkeley; and

WHEREAS, her adherence to the highest precepts of duty and public trust has never been more evident than in her service on the UC President's Task Force on Sexual Assault, which led to establishment of consistent systemwide standards and training for handling and preventing sexual violence and sexual assault; and

WHEREAS, in recognition of her devoted service as a member of the Board of Regents of the University of California, and in the hope that she will continue as an active and vital participant in the life of the University, the Regents do hereby confer upon Karen Leong Clancy the title, Regent Emerita;

NOW, THEREFORE, BE IT RESOLVED that the Regents of the University of California express their sincerest gratitude and admiration to Karen Leong Clancy for her highly visible, articulate, and enthusiastic advocacy of the her beloved alma mater;

AND BE IT FURTHER RESOLVED that the Regents direct that a suitably inscribed copy of this resolution be presented to Karen Leong Clancy and Dallon Clancy as an expression of the Board's high regard, appreciation, and best wishes for the future.

Regent Gould expressed the Board's appreciation for Regent Leong Clancy's dedication to UC alumni and the University, her candor, and her good judgment.

12. **RESOLUTION IN APPRECIATION – SADIA SAIFUDDIN**

Upon motion of Regent Reiss, duly seconded, the following resolution was adopted:

WHEREAS, on June 30, 2015, Sadia Saifuddin will complete her term as the 40th student Regent, having conscientiously fulfilled her responsibilities with enthusiasm, thoughtfulness, diplomacy, and a deep dedication to the highest ideals for which the University stands; and

WHEREAS, throughout her career as an undergraduate student at the University of California, Berkeley, she has exhibited a sincere concern for her fellow students, has advocated with passion and to great effect on a variety of issues affecting them, served on the President's Task Force on Sexual Assault that established protocols for investigating and preventing sexual violence, spoken out about student hunger as part of the UC Global

Food Initiative, championed free speech, and worked diligently to improve the campus climate for all students; and

WHEREAS, she has well and faithfully discharged her Regental duties, always welcoming of all points of view, quickly grasping the intricacies and subtleties of the many complex issues facing the University, and contributing valuable insight to the deliberations of the Board and its Committees on Compensation, Compliance and Audit, Educational Policy, Finance, Grounds and Buildings, Investments, and Long Range Planning; and

WHEREAS, she has been an admirable representative of the University and the Regents, with her professionalism, the courage of her convictions, profound insight into the many challenges facing UC, and fervent advocacy of those issues of greatest concern to the community of learning, earning the Board's respect and appreciation; and

WHEREAS, in recognition of her devoted service as a member of the Board of Regents of the University of California, and in the hope that she will continue as an active and vital participant in the life of the University, the Regents do hereby confer upon Sadia Saifuddin the title, Regent Emerita;

NOW, THEREFORE BE IT RESOLVED that the Regents of the University of California commend Sadia Saifuddin for her unflagging efforts as a member of the Board, for her exemplary service to her fellow students, as well as for the gracious and thoughtful manner in which she has always discharged her duties as a Regent, and the Regents extend all good wishes as she completes her degree in social welfare on the Berkeley campus;

AND BE IT FURTHER RESOLVED that the Regents direct that a suitably inscribed copy of this resolution be presented to Sadia Saifuddin and Shahryar Abbasi as an expression of the Board's continuing friendship and gratitude.

Regent Reiss praised Regent Saifuddin for the quality of her service on the Board, noting that she was the first Muslim student Regent, and stressing the fact that Regent Saifuddin had effectively advocated for all UC students.

13. RESOLUTION IN APPRECIATION – JACK W. PELTASON

Upon motion of President Napolitano, duly seconded, the following resolution was adopted:

WHEREAS, the Regents of the University of California mark with profound sadness the passing of Jack W. Peltason, the 16th President of the University, second Chancellor of the Irvine campus, UC Presidential Medal recipient, and influential higher education leader, whose presidency had an indelible impact on the life of the University of California; and

WHEREAS, his dedicated and selfless service as the University's 16th president was the apex of a long and distinguished career in higher education, including service as member of the faculty of Smith College and of the University of Illinois at Urbana-Champaign, where he later served as Dean and as Chancellor; as President of the American Council on Education, where he established the highly regarded Business-Higher Education Forum, dedicated to closer understanding and cooperation between higher education and business on problems of mutual and national concern, and where he championed the notion that college students must meet certain academic standards before participating in sports; as a founding member of the UC Irvine faculty; as founding Dean of UCI's College of Arts, Letters, and Science and as its second Vice Chancellor of Academic Affairs, positions in which he helped recruit the campus' founding faculty and establish academic programs of the highest order, all of which set the gold standard for that emerging campus; and

WHEREAS, the University of California, Irvine stands as eloquent testimony to the dedicated stewardship, indomitable spirit, and inspiring leadership of Jack W. Peltason as its second Chancellor, a man of great moral courage and honor whose strategic vision and astute administrative leadership were decisive influences in shaping the burgeoning campus and in advancing the cause of educational excellence in every facet of campus life; and

WHEREAS, as UC President he worked indefatigably to ensure that the luster of the University was never dulled by budgetary troubles, the magnitude of which had not been seen since the Great Depression, nor by internal crises that threatened the very core of this great institution of higher learning, accomplishing all that and more with grace, honesty, integrity, and dedication to the highest precepts of public trust; and

WHEREAS, those fortunate enough to know or to work with him remember with great admiration and pleasure his brilliant mind, warm humanity, ready wit, dedication to family, devotion to duty, humility, and, above all, his unshakeable faith in the greatness of this institution and his indefatigable efforts to safeguard that greatness;

NOW, THEREFORE, BE IT RESOLVED that the Regents of the University of California express their great sorrow over the loss the University has sustained in the passing of Jack W. Peltason, their abiding gratitude for his untold contributions to the life of the University, their admiration for his scholarly accomplishments, and their heartfelt thanks for the simple pleasure of his company;

AND BE IT FURTHER RESOLVED that the Regents convey to his beloved wife and partner of 69 years, Suzie, and the entire Peltason family their deep sympathy and heartfelt thanks for sharing this wonderful man with us for so many years, and direct that suitably inscribed copies of this resolution be sent to them as a symbol of the Regents' and the University of California's lasting regard, respect, and esteem for President Emeritus Jack W. Peltason, a treasured member of the UC family.

President Napolitano recalled that President Emeritus Peltason was a renowned constitutional scholar and champion of higher education who had led the University through a time of true budgetary peril. He would be very much missed.

The meeting adjourned at 4:15 p.m.

Attest:

Secretary and Chief of Staff

2015-16 BUDGET FOR STATE CAPITAL IMPROVEMENTS (\$000s)
CCCI 6284

Additions shown by underscoring; deletions shown by strikethrough

CATEGORY TYPE (as % of Total State Funds)	CAMPUS	PROJECT	PHASE(s)²	2015-16 STATE FUNDS	ALL NON-STATE FUNDS³
Modernization (25%)	ANR	Intermountain REC Field Laboratory and Multipurpose Facility	C	\$ 1,786	\$100
	UCB	Wheeler Hall	WC	19,400	1,100
	UCR	Batchelor Hall Building Systems Renewal	WC	17,777	
	UCR	Pierce Hall Improvements	PWC	34,680	
Seismic and Life Safety (50%)	UCD	Chemistry Seismic & Life Safety	C	31,076	
	UCI	Fire and Life Safety Improvements Phase 1 ⁴	DC	<u>34,290</u> 35,486	
	UCLA	CHS – SOM West Seismic Renovation	C	25,000	15,000
	UCR	Environmental Health and Safety Expansion	E	369	3,663
	UCSF	Clinical Sciences Building Seismic Retrofit	C	21,735	<u>71,277</u>
	UCSB UCSC	Campbell Hall Replacement Building Environmental Health and Safety Expansion	PWCE PWC	15,787 19,437	52,001 15,787
Previous Growth (21%)	UCM	Classroom and Academic Office Building	E	4,951	
	UCSD	Biological and Physical Sciences Building	WC	55,800	<u>59,700</u>
	UCSC	Coastal Biology Building	E	2,000	51,300 10,565
Infrastructure (4%)	UCSC	Telecommunications Infrastructure Phase B	C	12,623	413
TOTAL STATE PROGRAM				\$296,711 \$ 297,907	<u>\$177,605</u> \$149,852

² P= Preliminary Plans, W=Working Drawings, C=Construction, and E= Equipment.

³ These figures represent total non-State funds for the entire project, and include funds subject to related Grounds & Building action items (Clinical Sciences Building and Biological and Physical Sciences Building).

⁴ Amount corrected to match project budget