

# THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

September 19, 2019

The Regents of the University of California met on the above date at the Luskin Conference Center, Los Angeles campus.

Members present: Regents Anguiano, Cohen, Elliott, Estolano, Guber, Kieffer, Kounalakis, Lansing, Leib, Makarechian, Napolitano, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Simmons, Sures, Um, and Weddle

In attendance: Regents-designate Mart, Muwakkil, and Stegura, Faculty Representatives Bhavnani and Gauvain, Secretary and Chief of Staff Shaw, General Counsel Robinson, Chief Compliance and Audit Officer Bustamante, Chief Investment Officer Bachher, Provost Brown, Executive Vice President and Chief Operating Officer Nava, Executive Vice President Stobo, Interim Executive Vice President and Chief Financial Officer Jenny, Senior Vice President Holmes, Vice Presidents Brown and Humiston, Interim Vice President Leasure, Acting Vice President for Human Resources Lloyd, Chancellors Block, Christ, Gillman, Hawgood, Khosla, Larive, May, Wilcox, and Yang, Interim Chancellor Brostrom, and Recording Secretary Li

The meeting convened at 11:20 a.m. with Chair Pérez presiding.

## 1. APPROVAL OF MINUTES OF PREVIOUS MEETING

Upon motion duly made and seconded, the minutes of the meeting of July 18, 2019 were approved.

## 2. REMARKS FROM STUDENT ASSOCIATIONS

President Napolitano introduced new UC Student Association (UCSA) President Varsha Sarveshwar, UC Berkeley student and External Affairs Vice President of the Associated Students of UC Berkeley.

Ms. Sarveshwar began her remarks by introducing herself as the 2019–20 UCSA President. She stated that, as a political science major, much of her political science education has been outside of the classroom. Ms. Sarveshwar thanked President Napolitano for her service to UC, and she noted that President Napolitano had done more than any other UC president to meet and engage with students, resulting in changes to Title IX, basic needs, food security, and environmental policies. She looked forward to continuing this partnership until August 2020, which would mark the end of both of their presidencies. She thanked the student activists and faculty who fought for UC's divestment from fossil fuel companies, and she also thanked Chief Investment Officer Bachher and Regent Sherman for their bold and visionary leadership.

Ms. Sarveshwar introduced the initiatives that UCSA was developing in the upcoming year. First, UCSA would be advocating for a student-centered budget that would prioritize accessible academic advising, mental health counseling, and robust recruitment and retention efforts. This would be especially helpful to low-income students, underrepresented students of color, and undocumented students. Second, UCSA would support an effort to revise the Cal Grant to better address the total cost of attendance, as well as food and housing insecurity. Third, UCSA would work with UC and campus leadership to register every eligible student to vote, and student leaders also planned to advocate for the passage of State Assembly Bill 48, the facilities bond, which would appear on the March 2020 ballot. These goals represented the best of what student advocacy could be. Ms. Sarveshwar shared her concerns, particularly about the UCSA budget. She stated that UC's undergraduate and graduate student associations have struggled to hold systemwide meetings and conferences for students and lacked the resources to maintain an active presence in Sacramento. Many students have left advocacy work due to severe burnout. Ms. Sarveshwar looked forward to working with the Office of the President (UCOP) and the Regents to ensure that future students have a role in UC leadership and the University serves its nearly 300,000 students well.

President Napolitano introduced UC Graduate and Professional Council (UCGPC) President Connor Strobel, a Ph.D. candidate at UC Irvine.

Mr. Strobel began his remarks by thanking those who contributed to UC's divestment from fossil fuel companies. He expressed the collective shock of many graduate students at President Napolitano's announcement that she was ending her term. He recalled, at the inaugural conference at UC's National Center for Free Speech and Civic Engagement, he observed President Napolitano choosing to engage with students and asking how UC leadership could do better. Mr. Strobel thanked her and hoped that her sincerity would be part of her rich legacy.

Mr. Strobel reviewed two areas of graduate student concern. First, UCGPC called on the Regents to reconsider how they define affordable housing as discussions about housing and basic needs continue. While benchmarks for affordability have varied across the campuses and the Board has focused on keeping housing costs below market rate, UC economists and sociologists have shown that people do not compete for the same goods. People in the lowest income brackets do not compete for the same housing in the same markets as median renters in areas that surround the campuses, and the median income would sometimes exceed \$100,000. Benchmarking a campus rental to ten percent below the market rate would align affordability with a median income of \$90,000. UCGPC suggested using percentage of income to determine affordability. As an example, UC Berkeley deemed housing and cost of living expenses that took up 95 percent of one fellowship student's income to be affordable. The student therefore did not have enough income to visit family, buy professional clothing for speaking engagements, attend conferences, or even ride Bay Area Rapid Transit. Mr. Strobel highlighted the importance of understanding what it meant to afford housing.

Another area of graduate student concern was cohort-based tuition. While UCGPC had no position until a proposal was made by the cohort-based tuition working group, it echoed a concern raised by Regent Guber in a previous Regents meeting. He stated that two years must be added in the modeling to account for Regents setting the price and the University advertising the price to students and their families. Tuition must be set eight years in advance for undergraduate students and ten years in advance for graduate students, taking into account the risk of less State support and inflation. When the average recession is within a seven- to nine-year bandwidth, 80 percent of cohorts would be at the beginning, middle, or end of a recessionary period. A large amount of risk must be absorbed in these models. UCGPC wondered whether UC would inflate tuition unnecessarily to subsume that risk or renege on its guarantee of tuition due to lack of revenue. If cohort-based tuition was meant to provide a consistent benchmark for students, and the University reneged on its guarantee, then the principal purpose of the model would not make sense. UCGPC was also concerned that the discussion of cohort-based tuition was preceding understanding the overall cost of tuition, which should drive what the tuition model should be. Mr. Strobel closed his remarks by expressing his gratitude to this Board and administration for being a leader in addressing the high cost of housing, investing in an increasingly uncertain world, and ensuring that total cost of attendance is more affordable for students. UCGPC looked forward to sharing this ambitious vision of UC's future, as well as crafting shared metrics, ways of knowing, and understanding to exceed expectations.

3. **RESOLUTION IN APPRECIATION – JOHN “JACK” STOBO**

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

WHEREAS, the Regents of the University of California wish to express their heartfelt appreciation to Jack Stobo for his superlative leadership, unwavering integrity, and insightful contributions he brought to the Board of Regents as Executive Vice President – UC Health; and

WHEREAS, a nationally recognized expert in health management and planning, he distinguished himself in the complex world of health care as physician-in-chief at Johns Hopkins Hospital and as president of the University of Texas Medical branch at Galveston for a decade, where he helped the institution become a national leader in the number of medical degrees it awarded to Hispanic doctors, experience which he used to the benefit of the University of California, significantly increasing student diversity at its medical schools; and

WHEREAS, he defined the role of Executive Vice President – UC Health as the first person to hold that position, assisting the Regents in meeting their goals of establishing the highest standards of care and improving patient outcomes, increasing collaboration across medical centers, providing innovative, cutting-edge research and clinical care and educating the next generation of medical providers; and

WHEREAS, his signal accomplishments included his prominent role in reopening the Martin Luther King, Jr. Community Hospital, ensuring that high-quality UC care reaches

underserved populations, helping us all breathe better by promoting a Smoke-Free UC policy, and establishing the UC-wide Center for Health Quality and Innovation to develop innovative solutions to improve quality, access and value in healthcare delivery; and

WHEREAS, he provided extraordinary leadership in steering UC Health in a strategic direction, instituting an annual strategic planning process that has enabled UC Health to address the challenges of a rapidly changing and competitive healthcare environment, including developing successful cross-campus initiatives such as the UC Cancer Consortium and developing self-funded health plans to better serve UC employees; and

WHEREAS, as an ardent advocate for “systemness,” he transformed how UC medical centers are governed, creating structures to support collaboration and efficiencies across health sciences schools and hospitals, saving the University hundreds of millions of dollars through the Leveraging Scale for Value program, and creating a truly systemwide entity we now know as UC Health, which is widely recognized as a model by other universities;

NOW, THEREFORE, BE IT RESOLVED that the Regents of the University of California commend Jack Stobo for his distinguished service as Executive Vice President – UC Health and express their gratitude for his unwavering commitment to excellence in research and clinical practice, as well as for his wisdom and sound counsel;

AND BE IT FURTHER RESOLVED that the Regents wish Jack a well-deserved retirement and great personal fulfillment as he begins a new chapter in his life, and direct that a suitably inscribed copy of this resolution be presented to him as an expression of the Regents’ sincere appreciation, regard, and esteem.

Regent Lansing stated that she has worked with Dr. Stobo for over a decade, and memories of working with him were filled with his integrity, kindness, and patience. Dr. Stobo has always been available to answer Regents’ questions with great patience. Regent Lansing expressed her gratitude for the way he worked with the Health Services Committee and the Board. The Regents trusted that, with Dr. Stobo as leader, UC would conduct the business of UC Health with dignity and integrity. She noted his total dedication to the UC Health System. Regent Lansing recalled that UC hospitals were once isolated, not collaborative, and not profitable, and the Regents had considered separating them from the rest of the University. Dr. Stobo gained the respect of the chief executive officers of the hospitals and compelled them to work together, resulting in hospitals that were now among the most profitable in the nation. He coined the term “systemness,” which reflected UC Health. UC medical centers have provided access to the underserved, fulfilling the public mission of the university. Martin Luther King, Jr. Community Hospital has become the model for a public-private partnership, and Dr. Stobo made it possible. Regent Lansing called him a remarkable person who had an extraordinary legacy and has paved the way for an extraordinary future.

Dr. Stobo thanked the Regents for the opportunity to serve such a wonderful University and a dedicated, value-based Board. It was a privilege and an honor to serve the Board, the University, and UC Health.

Upon motion duly made and seconded, the resolution was approved.

4. **COMMITTEE REPORTS INCLUDING APPROVAL OF RECOMMENDATIONS FROM COMMITTEES**

Chair Pérez stated that Chairs of Committees and Special Committees that met the prior day and off-cycle would deliver reports on recommended actions and items discussed, providing an opportunity for Regents who did not attend a particular meeting to ask questions.

**Report of the Academic and Student Affairs Committee**

The Committee presented the following from its meeting of September 18, 2019. The Committee considered one action item, one discussion item, and one information item.

A. *Establishment of a School of Public Health, San Diego Campus*

The Committee recommended that Section 15 (a) of the Academic Units and Functions, Affiliated Institutions, and Related Activities of the University, as provided for in Standing Order 110.1, be amended as follows:

**Additions shown by underscoring**

\* \* \*

15. Professional Schools

\* \* \*

Public Health

- School of Public Health, at San Diego, with curricula leading to the degrees of Bachelor of Science, Master of Public Health, Master of Science, Master of Advanced Study, and Doctor of Philosophy.

Regent Anguiano stated that the School would bring together a variety of disciplines to address some of the most difficult issues in public health. UCSD planned to use current campus resources and also secured a \$25 million gift.

B. *Part II of the Annual Accountability Sub-report on Diversity – Health Sciences*

Regent Anguiano reported that representatives from the UC Berkeley School of Optometry, UCSF School of Pharmacy, and UC Davis School of Veterinary Medicine discussed efforts to improve racial and ethnic diversity in their programs, which was quite low. The Committee expressed deep concern. A task force would have a report and recommendations by mid-2020.

C. *Annual Report on Regents Policy 3501: Policy on Student Athletes*

Regent Anguiano stated that the athletic directors and departments were in compliance with the Regents Policy and protocols regarding admissions.

Upon motion of Regent Anguiano, duly made and seconded, the recommendation of the Academic and Student Affairs Committee was approved.

### **Report of the Compliance and Audit Committee**

The Committee presented the following from its meeting of September 18, 2019. The Committee considered three discussion items.

#### **A. *Internal Audit Activities Report***

Regent Elliott reported that the Committee expressed concern and disappointment regarding rates of compliance for the Fair Wage/Fair Work Plan, a program in its third year, and had many accountability process questions to increase the compliance rate. Chancellors and medical center directors needed to prioritize the program and help Regents understand why compliance rates were so low.

#### **B. *Update on Implementation of Recommendations from State Audit of Sexual Harassment Cases***

Regent Elliott reported that 31 of 32 recommendations by the State Auditor had been implemented. The University disagreed with the State Auditor as to whether one of the items was implemented. UC went above and beyond the recommendations for the item, and the State Auditor wished to see the item brought to conclusion.

#### **C. *University of California Herbicide Task Force Update***

Regent Elliott stated the Committee discussed several requested exemptions and how the exemption process was handled by the Herbicide Task Force.

Upon motion of Regent Elliott, duly made and seconded, the report of the Compliance and Audit Committee was accepted.

### **Report of the Finance and Capital Strategies Committee**

The Committee presented the following from its meeting of September 18, 2019. The Committee considered three action items and six discussion items:

#### **A. *Consent Agenda: Approval of the University of California 2020-21 Budget for State Capital Improvements***

The Committee recommended that the 2020-21 Budget for State Capital Improvements be approved as shown below:

		<b>State Funds (\$000s)</b>	<b>General Financed</b>
Los Angeles	Public Affairs Building Seismic Improvements		\$25,000
Riverside	School of Medicine Education Building II		\$100,000
Systemwide	UC Center in Sacramento		\$11,400
Systemwide	2020-21 UC Seismic Program Supported by State Resources		\$300,000
Systemwide	2020-21 Planning for Future State Capital Outlay		\$80,000
<b>Capital Projects Total</b>			<b>\$516,400</b>
2020-21 Systemwide State Deferred Maintenance Program			\$35,000
<b>TOTAL STATE FUNDS FINANCED</b>			<b>\$551,400</b>

Regent Makarechian stated that this was the wish list sent to the State.

B. *University of California Retirement Plan – Proposal to Adopt Changes in Actuarial Assumptions and Authorization to Increase the Employer Contribution Rates*

The Committee recommended that:

- (1) For the UC Retirement Plan (UCRP or Plan), a 6.75 percent investment return assumption, a 2.5 percent inflation assumption, a 0.75 percent real “across the board” salary increase assumption, and the merit and promotion salary increase assumptions for Staff and Safety members as summarized in Attachment 1 be adopted.
- (2) The Consulting Actuary’s recommendations regarding all other economic and non-economic actuarial valuation assumptions for the UCRP, other than those described above, summarized in Attachment 1 be adopted.
- (3) With respect to the UC-PERS Plus 5 Plan and the UC Retiree Health Benefit Program, the actuarial valuation assumptions summarized in Attachment 2 be adopted.
- (4) Authorize the Plan Administrator to implement the recommended changes.

- (5) Approve the following schedule of increases in the University contribution rate on behalf of active members in the Campus and Medical Centers (C/MC) and Lawrence Berkeley National Laboratory (LBNL) segments of UCRP and on behalf of active participants in “Savings Choice” from 14 percent and six percent, respectively, to:

Effective Date	UCRP Employer Contribution Rate	
	UCRP Active Members <sup>1</sup>	Savings Choice “UAAL Surcharge” <sup>2</sup>
July 1, 2020	14.5%	6.5%
July 1, 2021	15.0%	7.0%
July 1, 2022	15.5%	7.5%
July 1, 2023	16.0%	8.0%
July 1, 2024	16.5%	8.5%
July 1, 2025	17.0%	9.0%

- (6) It is the intent of the Board that members share in the normal cost increases over this same period. The Board hereby directs Office of the President staff to model options for increasing member contribution rates to achieve this cost-sharing for consideration at the November 2019 meeting

Regent Makarechian stated that an actuary was consulted for this item. Total impact of reducing the discount rate would be \$7.2 billion, an eight percent decrease in the funded percentage. The requested increase would be \$434 million per year, three percent of the total salaries paid. The Committee asked to revisit this matter at a future meeting to determine the possibility of receiving Proposition 2 funds and reducing the employee contribution.

In response to a question by Regent Kieffer, Regent Makarechian explained that part of the \$434 million would come from the employer and some from members. The Committee hoped that the State would contribute a portion, because it would be difficult to take from UC’s operating funds and it would be difficult for employees. If the State provided funding, UC would not have to increase the contribution. Otherwise, there would be a shortfall of \$7.2 billion. Even with this increase, UC would be closer to full funding but not at full funding.

<sup>1</sup> Excludes UCRP member class known as “Tier Two”, which is a frozen group that had four active members as of July 1, 2018. For Tier Two, employer rates are one-half of the rates for non-Tier Two members.

<sup>2</sup> The “UAAL Surcharge” is the employer contribution to UCRP on behalf of active employees who elected “Savings Choice” as their primary retirement benefit and are current participants in the Defined Contribution Plan. The UAAL Surcharge pays down UCRP’s Unfunded Actuarial Accrued Liability (UAAL).

C. ***Approval of the Budget, Scope, External Financing and Design, Verano 8 Graduate Student Housing and Approval of Long Range Development Plan Student Housing Amendment Following Action Pursuant to the California Environmental Quality Act, Irvine Campus***

The Committee recommended that:

- (1) The 2019-20 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

Irvine: Verano 8 Graduate Student Housing – design, construction, equipment, and interest during construction – \$284,583,000 to be funded from external financing (\$215,583,000), housing reserves (\$58 million), and campus funds (\$11 million).

- (2) The scope of the Verano 8 Graduate Student Housing project shall consist of approximately 421,800 gross square feet (312,100 assignable square feet) of housing space, including approximately 1,050 beds to primarily support single graduate and professional students; a community center for all Verano community residents of approximately 14,300 gross square feet (10,600 assignable square feet); a maintenance facility for all Graduate and Family Housing (GFH) communities of approximately 8,800 gross square feet (6,500 assignable square feet) included within the ground floor of an approximately 850-space parking structure of approximately 315,400 gross square feet to serve Verano 8 residents, visitors, fleet service vehicles, and general campus parking needs; and site improvements. The scope includes demolition of the existing 6,000-gross-square-foot maintenance building.
- (3) The President of the University be authorized to obtain external financing in an amount not to exceed \$215,583,000 plus additional related financing costs to finance the Verano 8 Graduate Student Housing project. 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 Irvine campus shall be maintained in amounts sufficient to pay the debt service and to meet the requirements of the authorized financing.
  - c. The general credit of the Regents shall not be pledged.
- (4) Following review and consideration of the environmental consequences of the proposed Verano 8 Graduate Student Housing project and Long Range Development Plan Student Housing Amendment, 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 Regents:

- a. Adopt the Initial Study/Mitigated Negative Declaration for the Verano 8 Graduate Student Housing project and Long Range Development Plan Student Housing Amendment in accordance with CEQA.
- b. Adopt the Mitigation Monitoring and Reporting Program for the Verano 8 Graduate Student Housing project and Long Range Development Plan Student Housing Amendment, and make a condition of approval the implementation of mitigation measures within the responsibility and jurisdiction of UC Irvine.
- c. Adopt the CEQA Findings for Verano 8 Graduate Student Housing project and Long Range Development Plan Student Housing Amendment.
- d. Approve the design of the Verano 8 Graduate Student Housing project.
- e. Approve the Long Range Development Plan Student Housing Amendment.

Regent Makarechian reported that this project would provide 1,050 new beds. Projected rates for rent would be 34 to 38 percent less than market rate.

**D. *Hilgard Faculty Housing, Los Angeles Campus***

Regent Makarechian stated that this project would have 75 to 100 apartment-style units and associated parking spaces. The Committee requested that rental rates be at least 38 percent below market rate.

**E. *Update on the 2020 Project, Merced Campus***

Regent Makarechian reported that 1.2 million square feet of academic research and student life facilities were under construction. The developer was design-building, managing, operating, and completing the project. This was funded using about \$600 million in external financing, about \$600 million in developer equity, and about \$50 million in campus financing. The first two phases were complete, and the third phase was 97 percent complete.

F. ***2020 Long Range Development Plan, Merced Campus***

Regent Makarechian stated that UC Merced asked to reduce the number of students projected in its 2009 Long Range Development Plan from 25,000 to a lower number. This was based on the campus' current growth pattern. The item would be presented to the Regents for approval at a later date.

G. ***Integrated Capital Asset Management Program***

Regent Makarechian reported that this item was deferred to a future meeting.

H. ***Update Regarding the New Hospital UCSF Helen Diller Medical Center program at Parnassus Heights Integrated Form of Agreement and Procurement Strategy, San Francisco Campus***

Regent Makarechian stated that, despite discussion, the Committee did not have a good understanding of the proposed delivery method and suggested that UCSF present the item for approval at a future meeting.

I. ***Preliminary Discussion of the University's 2020-21 Operating Budget***

Regent Makarechian stated that this item would be presented in detail and for approval at the November meeting. Issues raised included funding for projected increases enrollment growth, faculty, and maintenance. Sources would come from State General Funds, tuition, and Nonresidential Supplemental Tuition.

Upon motion of Regent Makarechian, duly made and seconded, the recommendations of the Finance and Capital Strategies Committee were approved.

**Governance Committee**

The Committee presented the following from its meeting of September 19, 2019. The Committee considered seven action items:

A. ***Approval of Salary Increases for Certain Level One Senior Management Group Employees and Authorization for the President of the University to Approve Retroactive Merit-Based Salary Increases for Certain Level Two Senior Management Group and Management and Senior Professional Employees, as Discussed in Closed Session***

The Committee recommended approval of the following:

- (1) Increases for the Level One Senior Management Group (SMG) employees listed below. The increase for the Lawrence Berkeley National Laboratory Director will be effective October 1, 2019. As an exception to policy, the increases for all other individuals listed below will be effective retroactively

to July 1, 2019 for employees paid monthly and June 30, 2019 for employees paid bi-weekly. As a further exception to policy, a three percent merit increase to the endowed chair portion of the base salary for the Chancellor, Davis campus, increasing that portion of his base salary from \$75,000 to \$77,250, effective retroactively to July 1, 2018.

- (2) Merit increases for the three Managers and Senior Professionals (MSP) Office of the President employees listed below. As an exception to policy, the increases for these employees will be effective retroactively to July 1, 2019 for employees paid monthly and June 30, 2019 for employees paid bi-weekly.

Title	Incumbent		Current Salary	Proposed Salary Increase	Proposed Annual Base Salary	Funding Source
<b>Direct and/or Dual Reports to the Regents</b>						
Chief Investment Officer and VP of Investments	Jagdeep	Bachher <sup>1</sup>	\$672,036	3.0%	\$692,208	Non State Funded
General Counsel and Vice President - Legal Affairs	Charles	Robinson	\$468,216	3.0%	\$482,268	Partially or Fully State Funded
Secretary and Chief of Staff to the Regents	Anne	Shaw	\$245,864	3.0%	\$253,248	Partially or Fully State Funded
Senior Vice President - Chief Compliance and Audit Officer	Alex	Bustamante	\$360,504	3.0%	\$371,328	Partially or Fully State Funded
<b>Chancellors – Campuses With Health Services</b>						
Chancellor - UCD	Gary	May <sup>2</sup>	\$509,850	3.0%	\$525,156	Partially or Fully State Funded
Chancellor - UCI	Howard	Gillman	\$529,973	3.0%	\$545,880	Partially or Fully State Funded
Chancellor - UCLA	Gene	Block	\$482,257	3.0%	\$496,728	Partially or Fully State Funded
Chancellor - UCR	Kim	Wilcox	\$418,690	3.0%	\$431,256	Partially or Fully State Funded
Chancellor - UCSD	Pradeep	Khosla	\$476,565	3.0%	\$490,872	Partially or Fully State Funded
Chancellor – UCSF	Sam	Hawgood	\$844,131	3.0%	\$869,460	Partially or Fully State Funded
<b>Chancellors – Campuses Without Health Services</b>						
Chancellor – UCB	Carol	Christ	\$547,897	3.0%	\$564,336	Partially or Fully State Funded
Interim Chancellor - UCM	Nathan	Brostrom	\$437,100	3.0%	\$450,216	Partially or Fully State Funded
Chancellor – UCSB	Henry	Yang	\$425,443	3.0%	\$438,216	Partially or Fully State Funded
<b>Chief Executive Officers - Health Systems</b>						
Chief Executive Officer - UCLA	Johnesse	Spisso <sup>1</sup>	\$1,059,472	3.0%	\$1,091,268	Non State Funded
Interim Chief Executive Officer – UCD	Bradley	Simmons <sup>1</sup>	\$732,022	3.0%	\$753,984	Non State Funded
Chief Executive Officer - UCSD	Patricia	Maysent <sup>1</sup>	\$907,194	3.0%	\$934,416	Non State Funded

Chief Executive Officer - UCSF	Mark	Laret <sup>1</sup>	\$1,430,008	3.0%	\$1,472,916	Non State Funded
<b>Lawrence Berkeley Laboratory Director</b>						
Laboratory Director (LBNL)	Michael	Witherell	\$466,800	3.0%	\$480,804	Non State Funded
<b>OP - Direct Reports to the President</b>						
Executive Vice President - Chief Operating Officer	Rachael	Nava	\$381,108	3.0%	\$392,544	Partially or Fully State Funded
Interim Executive Vice President - Chief Financial Officer	Paul	Jenny	\$429,452	3.0%	\$442,344	Partially or Fully State Funded
Executive Vice President - UC Health	John	Stobo <sup>1</sup>	\$652,800	3.0%	\$672,384	Partially or Fully State Funded
Provost and Executive Vice President - Academic Affairs	Michael	Brown	\$390,372	3.0%	\$402,084	Partially or Fully State Funded
Senior Vice President - External Relations and Communications	Claire	Holmes	\$360,000	3.0%	\$370,800	Partially or Fully State Funded
Vice President - Agriculture and Natural Resources	Glenda	Humiston	\$295,620	3.0%	\$304,500	Partially or Fully State Funded

<b>OP MSP Employees – Merit-Based Increases Requiring Regental Approval</b>					
Employee	Title	Current Salary	Proposed Salary Increase	Proposed Annual Base Salary	Reason for Regental Approval
Mark Cianca	Assoc. VP, Operational Services	\$347,844	3.80%	\$361,068	UCOP MSP <sup>3</sup> employee over the ICL <sup>4</sup> and over salary range maximum (\$347,357)
Dan Russi	Exec. Dir., UCPath Center	\$315,000	3.75%	\$326,820	UCOP MSP <sup>3</sup> employee over the ICL <sup>4</sup> and over salary range maximum (\$309,300)
Gary Falle	Exec. Dir., Federal Govt Relations – UC Nat'l Labs	\$339,504	3.00%	\$349,692	UCOP MSP <sup>3</sup> employee over the ICL <sup>4</sup> and over salary range maximum(\$347,357)

<sup>1</sup>Eligible for Incentive Pay (OCIO AIP or CEMRP)

<sup>2</sup>Current Salary shown includes proposed retroactive 3% increase on Endowed Chair portion of salary (\$75k) to 7/1/18 (\$2,250)

<sup>3</sup>Managers and Senior Professionals Personnel Program

<sup>4</sup>Indexed Compensation Level – Currently \$318k

- (3) As an exception to policy, because the time period between the effective date and the approval date is greater than 45 days, authorization for the President of the University to approve merit increases retroactive to July 1, 2019, for employees paid monthly and to June 30, 2019, for employees paid bi-weekly for those Level Two SMG members and employees in the MSP personnel program that require the President's approval and would normally be within the President's authority to approve. This does not include employees assigned to Lawrence Berkeley National Laboratory (LBNL).

The base salaries presented above shall constitute the University's total commitment for base salary until modified by the Regents or the President of the University, 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 Chair Pérez, duly made and seconded, the recommendation of the Governance Committee was approved, with Regent Kounalakis abstaining.

**B. *Approval of Appointment of and Compensation for Craig Leasure as Vice President, UC National Laboratories, Office of the President as Discussed in Closed Session***

The Committee recommended approval of the following items in connection with the appointment of and compensation for Craig Leasure as Vice President – UC National Laboratories, Office of the President:

- (1) Per policy, appointment of Craig Leasure as Vice President – UC National Laboratories, Office of the President, at 100 percent time.
- (2) Per policy, annual base salary of \$384,500, which will be funded by U.S. Department of Energy funds. No State funds will be used.
- (3) Per policy, continuation of standard pension and health and welfare benefits and standard senior management benefits (including eligibility for senior management life insurance and eligibility for executive salary continuation for disability after five consecutive years of Senior Management Group service).
- (4) Per policy, continued eligibility to participate in the UC Employee Housing Assistance Program, subject to all program requirements.
- (5) Per policy, continued eligibility for reimbursement of actual and reasonable moving and relocation expenses associated with relocating his primary residence to accept the Associate Vice President – UC National Laboratories, Office of the President, appointment in November 2018, subject to the limitations under Regents Policy 7710, Senior Management Group Moving Reimbursement.
- (6) For any outside professional activities, Mr. Leasure will comply with applicable Outside Professional Activity policies and reporting requirements.
- (7) This action will be effective as of Mr. Leasure's hire date, which is estimated to be on or about October 1, 2019.

The compensation described above shall constitute the University's total commitment until modified by the Regents or the President of the University, 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 Chair Pérez, duly made and seconded, the recommendation of the Governance Committee was approved, with Regent Kounalakis abstaining.

C. ***Approval of Incentive Compensation Using Non-State Funds for Fiscal Year 2018-19 for Jagdeep Singh Bachher as Chief Investment Officer and Vice President – Investments, Office of the President, as Discussed in Closed Session***

The Committee recommended approval of an incentive award of \$1,037,933 for Plan Year 2018-19, under the Office of the Chief Investment Officer Annual Incentive Plan (AIP), for Jagdeep Singh Bachher as Chief Investment Officer and Vice President – Investments, Office of the President. The recommended incentive award represents 154.446 percent of Mr. Bachher's annual base salary at the end of the 2018-19 Plan Year of \$672,036.

**Recommended Compensation**

**Effective Date:** upon Regents' approval

**Base Salary at the end of the 2018-19 Plan Year:** \$672,036

**AIP Award:** \$1,037,933 (150,561 percent of base salary at the end of the 2018-19 Plan Year)

**Base Salary at the end of the 2018-19 Plan Year Plus Recommended AIP Award:** \$672,036

**Funding:** non-State-funded

**Prior Year Data (2017-18 Plan Year)**

**Effective Date:** upon Regents' approval

**Base Salary at the end of the 2017-18 Plan Year:** \$652,454

**AIP Award:** \$490,985 (75.252 percent of base salary at the end of the 2017-18 Plan Year)

**Base Salary at the end of the 2017-18 Plan Year Plus Recommended AIP Award:** \$1,143,439

**Funding:** non-State-funded

The incentive compensation described above shall constitute the University's total commitment regarding incentive compensation until modified by the Regents or the President of the University, 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.

Chair Pérez stated that this compensation was consistent with contract and based on performance.

Upon motion of Chair Pérez, duly made and seconded, the recommendation of the Governance Committee was approved, with Regent Kounalakis abstaining.

**D. *Approval of Contract Amendment for Daniel Guerrero as Director of Intercollegiate Athletics, Los Angeles Campus, as Discussed in Closed Session***

The Committee recommended approval of the following items in connection with the proposed Contract Amendment for Daniel Guerrero, Director of Intercollegiate Athletics, Los Angeles campus, which will be set forth in an appropriate Contract Amendment document and reviewed by the Office of the General Counsel:

- (1) Amend end date of current contract from December 31, 2019 to June 30, 2020.
- (2) Base salary as of April 1, 2019 (\$984,667) shall continue through the proposed contract end date of June 30, 2020 and will not increase as of April 1, 2020.
- (3) Amend payment date of eligible Supplemental Compensation to occur on or before the proposed contract end date of June 30, 2020.
- (4) This action will be effective upon approval.

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.

Chair Pérez stated that the amendment was consistent with the date of retirement.

Upon motion of Chair Pérez, duly made and seconded, the recommendation of the Governance Committee was approved, with Regent Kounalakis abstaining.

**E. *Approval of 2019 Benchmarking Framework/Market Reference Zones for Non-State-Funded UC Health Positions in the Senior Management Group and Approval of Market Reference Zones for All Other Senior Management Group Positions***

The Committee:

- (1) Reported its approval of the 2019 Benchmarking Framework/Market Reference Zones for non-State-funded UC Health positions in the Senior Management Group, as shown in Attachment 3.

- (2) Recommend that the Regents approve the revised Market Reference Zones for the Senior Management Group, as shown in Attachment 4.

The Market Reference Zones (MRZs) described in this item shall constitute the University's total commitment regarding MRZs until modified by the Regents, as applicable under Regents policy, and shall supersede all previous oral and written commitments. Compensation recommendations and final actions will be released to the public as required in accordance with the standard procedures of the Board of Regents.

Upon motion of Chair Pérez, duly made and seconded, the recommendation of the Governance Committee was approved, with Regents Elliott and Kounalakis abstaining.

- F. ***Suspension of Bylaw 21.7 for the Limited Purpose of Enabling the Davis Campus to Appoint Regent Estolano to a Board of Advisors Position, Provided That Any Such Position is Uncompensated***

The Committee recommended that Bylaw 21.7 be suspended for the limited purpose of enabling Regent Estolano to be eligible for appointment as a member on the UC Davis Institute for Transportation Studies Board of Advisors, provided that such position is uncompensated.

Chair Pérez explained that in this instance, Regent Estolano had a preexisting organizational relationship and that the action would conform with expectations.

Upon motion of Chair Pérez, duly made and seconded, the recommendation of the Governance Committee was approved, with Regent Estolano recusing herself.

- G. ***Dates of Regents Meetings for 2021***

The Committee recommended that the following dates of Regents meetings for 2021 be approved:

January 20-21  
March 17-18  
May 12-13  
July 21-22  
September 29-30  
November 17-18

Upon motion of Chair Pérez, duly made and seconded, the recommendation of the Governance Committee was approved.

**Report of the Health Services Committee**

The Committee presented the following from its meeting of August 13, 2019. The Committee considered one action item, five discussion items, and two information items:

A. ***Remarks of the Executive Vice President – UC Health, and Follow-Up to Discussion on a Clinical Quality and Safety Working Group***

This item was not summarized.

B. ***Approval of 2019 Benchmarking Framework/Market Reference Zones for Non-State-Funded UC Health Positions in the Senior Management Group***

This item was not summarized.

C. ***University of California Efforts to Improve Diversity in the Health Professions***

This item was not summarized.

D. ***Estimated Funding Needs for University of California Student Mental Health Services through Fiscal Year 2024-2025***

Regent Lansing reported that a working group with Regents Kieffer, Leib, Thurmond, Weddle, Zettel, and herself was formed to determine how to secure \$55 million more for student mental health. She welcomed additional ideas.

E. ***UC Health Transition Update***

This item was not summarized.

F. ***Three-Year Agenda Planning for the Health Services Committee***

This item was not summarized.

G. ***Clinical Quality Dashboard for University of California Medical Centers***

This item was not summarized.

H. ***Health System Transactions Approved by the Health Services Committee for Fiscal Years 2016-2019***

This item was not summarized.

Upon motion of Regent Lansing, duly made and seconded, the report of the Health Services Committee was accepted.

**Report of the Investments Committee**

The Committee presented the following from its meeting of September 17, 2019. The Committee considered two discussion items:

**A. *Chief Investment Officer Update on Final FY2018-2019 Performance***

Regent Sherman reported that the Chief Investment Officer would be providing an update before the Board at this meeting. All UC investment products reported positive returns on both absolute and relative bases.

**B. *The State of the World Economy and the State of Private Markets***

Regent Sherman reported that Jose Manuel Barroso, former President of the European Commission and former Prime Minister of Portugal, provided his views on the world economy. Jonathan Gray, President and Chief Operating Officer of Blackstone, provided his views on the private markets in the U.S. and worldwide.

Upon motion of Regent Sherman, duly made and seconded, the report of the Investments Committee was accepted.

**Report of the National Laboratories Committee**

The Committee presented the following from its meeting of September 18, 2019. The Committee considered one action item:

***Approval of Preliminary Funding for Hertz Hall Complex at Lawrence Livermore National Laboratory***

The Committee recommended that the President of the University be authorized to expend up to \$1 million of Capital and Campus Opportunity Fund funds for preliminary work for the potential renovation of Hertz Hall Complex at Lawrence Livermore National Laboratory.

Upon motion of Regent Sures, duly made and seconded, the recommendation of the National Laboratories Committee was approved.

**Report of the Public Engagement and Development Committee**

The Committee presented the following from its meeting of September 17, 2019. The Committee considered three discussion items:

**A. *University-Assisted Community Schools: Mann UCLA Community School***

Regent Leib stated that 15 Regents, Regent-designates, and ex officio members attended the meeting at Mann UCLA Community School (Mann). He thanked Regent Simmons for developing the agenda. The Committee was very impressed

with Mann Principal Orlando Johnson. Regent Leib underscored that only three percent of students at Mann had access to the internet at home and acknowledged the immense challenge of enrollment growth among the underserved. Early outreach would be crucial to enrollment growth, with Los Angeles Unified School District Superintendent Austin Beutner suggesting that outreach start at preschool. It was symbolically important for the Regents to be in the community.

**B. *UCLA Outreach, Recruitment, Retention and Alumni Engagement***

Regent Leib reported that UCLA alumnus Edward Barnett spoke about his organization Choices, a program for young African American men. Administrators and student leaders shared the challenges of college admission. UCLA Vice Provost Youlonda Copeland-Morgan, who also presented, was working hard to increase enrollment from underrepresented communities. Regent Leib thanked Chancellor Block for UCLA's partnership with Mann.

**C. *The Role of Policy in Closing Opportunity Gaps and Building Healthy Communities***

Regent Leib stated that State Senator Holly Mitchell, who made a presentation at the meeting, was impressed with the programs and people at Mann.

The Committee presented the following from its meeting of September 18, 2019. The Committee considered one action item and one discussion item:

**A. *Endorsement of Comprehensive Campaign, Irvine Campus***

The Committee recommended the endorsement of the public phase of the UC Irvine campus fundraising campaign, *Brilliant Future: The Campaign for UCI*, with a dollar goal of \$2 billion and an engagement goal of 75,000 unique alumni over the life of the campaign.

**B. *UC Research for California: Fighting Wildfires with Cameras***

Regent Leib reported that former Governor Gray Davis, who has taken a leadership role in addressing California wildfires, spoke about the success of high-definition cameras developed at UCSD for locating wildfires. The Committee discussed how the Regents could support this program, as well as others like it, and also emphasized prioritizing this research.

Upon motion of Regent Leib, duly made and seconded, the recommendation of the Public Engagement and Development Committee was approved.

**Report of the Special Committee on Basic Needs**

The Special Committee presented the following from its meeting of September 17, 2019. The Special Committee considered three discussion items:

A. ***CalFresh Eligibility, Access, Enrollment, and Partnership Across the University of California***

Regent Weddle stated that basic needs leadership reported on efforts to increase CalFresh enrollment through outreach and application support, as well as institutional barriers to enrollment. Special Committee members committed to working with State Governmental Relations to improve access to CalFresh.

B. ***Rapid Rehousing Efforts***

Regent Weddle reported that UC received ongoing State funds for rapid rehousing. Current interventions included emergency housing funds, short-term transitional housing, and case management. No UC campus offered a safe parking program.

C. ***Review of the 2017 Total Cost of Attendance Working Group Report***

Regent Weddle stated that several recommendations from this report intersected with basic needs issues. Recommendations included summer Cal Grants, multi-year financial aid, and improving the measurement of total cost of attendance. Special Committee members discussed building on the work of the Total Cost of Attendance Working Group.

Upon motion of Regent Weddle, duly made and seconded, the report of the Special Committee on Basic Needs was accepted.

**Report of the Special Committee on Nominations**

The Special Committee presented the following from its closed session meeting of September 18, 2019. The Special Committee considered two action items:

A. ***Appointment of Advisory Member to National Laboratories Committee***

The Special Committee recommended that the Regents appoint UC Davis Professor Robert Powell as a non-voting advisory member of the National Laboratories Committee, effective immediately through June 30, 2021.

Regent Sherman noted that Mr. Powell was the first advisory member to be appointed to the National Laboratories Committee.

B. *Appointment of Regent and Chancellor as Members to Standing Committees for 2019-20*

The Special Committee recommended that:

- (1) Regent Reilly be appointed as a member of the Academic and Student Affairs Committee, the National Laboratories Committee, and the Public Engagement and Development Committee, effective immediately through June 30, 2020.
- (2) Chancellor Larive be appointed as an advisory member of the Compliance and Audit Committee, effective immediately through June 30, 2020.

Regent Kounalakis suggested that Regent Reilly participate in the Health Services Committee based on her experience managing a nonprofit clinic. Chair Pérez stated there was not currently a vacancy on that Committee. Adding a member would require a Charter amendment. Regent Sherman noted that any Board member may attend the Committee meeting regardless whether the member could vote in the Committee. Regent Reilly stated that she looked forward to participating in the Health Services Committee as a non-voting member.

Upon motion of Regent Sherman, duly made and seconded, the recommendations of the Special Committee on Nominations were approved.

5. **ELIMINATING GAPS IN TIMELY GRADUATION BY 2030**

[Background material was provided to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Provost Brown introduced the item by reviewing the goals of the multi-year framework. The second goal, eliminating educational and achievement gaps for Pell Grant recipient, first-generation, and underrepresented students, was imperative for future socioeconomic success in California. Investing in UC student success was critical to democracy and a multi-ethnic society. These students were the new generation of students. For the state to successfully address challenges such as income inequality and healthcare concerns, UC must ensure all students, including these “new generation” (new gen) students, succeed in order to become future leaders. New gen students reflected the growing communities in the state. On some UC campuses, new gen students did not graduate in as timely a manner as their peers. On other UC campuses, overall graduation rates were not as high as desired. The inequity throughout the educational system also existed at UC. In partnership with the State and the business community, UC might lead the nation in achieving the American Dream for all.

Vice President Brown stated that new gen students—Pell Grant recipient, first-generation, and underrepresented students—who graduated in four years instead of six years had an average debt level difference of \$7,500. The cumulative earnings differential for four-year

graduates against six-year graduates was \$215,000. People with more debt had less in earnings to pay for their education, which meant lower contributions to local communities, less spending, and lower taxable contributions to the State. About 75 percent of UC alumni who pursued a graduate degree completed their undergraduate degree within four years, and new gen students were less likely to pursue a graduate degree. UC wanted to ensure that future graduates reflected the diversity of California. Each campus identified graduation rate goals. UC Berkeley, UC Irvine, and UCLA planned to improve outcomes for new gen students. UC Davis, UC San Diego, UC Santa Barbara, and UC Santa Cruz planned to improve overall timely graduation, with a particular focus on new gen students. UC Merced and UC Riverside had a majority of new gen students, so their goals were to increase graduation rates overall. Provost Brown stated that, although the State did not provide funding for these goals, the University would still work to achieve them and still needed support.

Ms. Brown explained that strategies would vary by campus and often by individual students. Students who were placed on academic probation or not retained in their first year were less likely to graduate, let alone in a timely manner. Campuses with lower first-year retention would focus on improving academic skills to support students in their first year. Other schools planned to address basic needs and students' sense of belonging. Some campuses were developing living and learning communities to increase academic and social engagement, while others planned to increase undergraduate research opportunities. Students in science, technology, engineering, and mathematics (STEM) fields had lower graduation rates. UC planned to maintain access to those fields for new gen students.

Provost Brown stated that improving students' sense of belonging, particularly when they reflect a small portion of the campus, was one strategy to address graduation gaps. The 2018 UC Undergraduate Experience Survey (UCUES) data showed that UC Berkeley's new gen students had less of a sense of belonging. In response, the campus wished to expand enrollment using Berkeley Connect, which would match Ph.D. student mentors with freshman students and hold special events featuring faculty and alumni. A fall 2017 survey of program participants showed positive results.

Ms. Brown stated that many UC Santa Barbara students faced food insecurity and homelessness. One strategy to address basic needs issues was to grow the Promise Scholars Program, which provides financial stability and helps students connect with activities on campus. Another strategy is expanding the Summer Housing Incentive Program, which provides students with credits for living in school apartments.

Provost Brown stated that 90 percent of UC Merced students were at the bottom third of the systemwide academic index. These talented students entered UC with less academic preparation. UC Merced identified expanding the Summer Bridge program, expanding the right to learn initiatives, developing cohort-based learning experiences, and expanding the Summer Undergraduate Research Institute as approaches to inspire further pursuit of graduate studies.

Ms. Brown stated that the Office of the President (UCOP) sought ways to provide more research, mine existing data, and examine UCUES data in more detail. For example, UCUES responses have shown that hearing from similar students creates a better connection and a sense of belonging. Responses from UCUES have shed more light on this.

Provost Brown closed the presentation by showing a video produced by UC Riverside featuring students reading letters from their parents about what it meant to have children who graduated from college.

Regent Ortiz Oakley stated that it would be beneficial to present the Legislature with the link between UC's budget request and its equity efforts. Legislators would want to know how State funding could achieve these goals. He added that UC needed to show more leadership in three ways. First, UC should eliminate the standardized admissions examination requirement. State Assembly Bill (AB) 751 would continue to embed standardized admissions exams in the K-12 system. He stated his belief that that UC should oppose it. Second, UC should show that it cares about transfer student issues and inviting California Community College (CCC) and California State University (CSU) faculty to share their expertise and experience with students of color. He suggested summits of discipline faculty to address this issue. Third, UC should show leadership regarding the total cost of attendance through Cal Grant reform and reducing the cost of education.

Regent-designate Muwwakkil noted that UC had the opportunity to be a model for the nation as a minority-serving institution as the issues discussed become more exacerbated. He advocated for opening undergraduate research to transfer students, as it would provide them with professional development, work references, and skill sets.

Regent Anguiano stated that she felt reassured that UC was pursuing these goals regardless of whether it received State funding. While graduation gaps were important, there also needed to be equity in admissions and enrollment.

Regent-designate Stegura stated that summer research opportunities were key to student retention, but students needed financial support during the summer. She hoped that more campuses developed resources like the housing credits at UCSB. She also suggested that campus career centers could find more opportunities for students and that campuses could reach out to corporations, foundations, and private donors.

Regent Simmons asked how UC was supporting student-initiated outreach and retention programs, which were successful in providing support and accountability partners to students, as well as how UC assisted students with academic challenges with readmission.

Faculty Representative Bhavnani noted that the Academic Council had a Standardized Testing Task Force (STTF) that would be reporting its findings this academic year. Many other universities would be looking to UC's decision. STTF, comprised of some of the best researchers, was careful to provide evidence-based information. The Academic Senate has met regularly with CCC and CSU and discussed transfer student issues. UCOP Student

Affairs was working effectively to communicate UC's transfer procedure. She asked whether a sense of belonging was less predominant in STEM fields than in other areas at UC Merced. Ms. Brown replied that the sense of belonging is not the issue in STEM.

Regent Kounalakis shared some statistics about California and stated that higher education is the key to socioeconomic mobility in the state and that this message should be communicated broadly. She thanked President Napolitano for her role in helping create an environment in which 44 percent of the UC student body were first generation students.

Regent Park asked about the lower number in UC Irvine's goals for timely graduation. Chancellor Gillman stated goals would be revisited. UCI's metrics were higher than other campuses and it ranked well nationally, so its goals were conservative. He acknowledged that there was still room for more improvement despite outstanding outcomes.

Regent Park added that she looked forward to hearing results from the Academic Senate's task force on standardized testing. She noted that language used for students was still framed around what students lacked. She encouraged UC to focus on students' assets.

Chair Pérez commended the nuance in the presentation and ensuing conversation. He noted the persistence of the difference in earnings. He echoed Regent Ortiz Oakley's comment about engaging the Legislature and others in conversation with this type of data.

Regent Makarechian asked how much the timely graduation issue was due to the lack of available courses. Provost Brown replied that course availability was one of many factors. There needed to be available classrooms, faculty, graduate student instructors, and advisors. He stated that such constraints prevented UC Irvine from setting higher goals and underscored the need to seek support. Regent Makarechian suggested adding this information to the upcoming State budget request. Chair Pérez agreed.

Chair Pérez asked whether UC needed to wait for the Academic Senate task force to complete its work before deciding whether to eliminate the standardized test requirement. General Counsel Robinson replied that the Regents had delegated this authority and could take it away. Chair Pérez asked whether action could be taken without changing the delegation of authority. General Counsel Robinson stated that the authority to consider admissions criteria had been delegated to the Academic Senate.

Regent Estolano stated her belief that there was sufficient data and consensus that Scholastic Aptitude Test (SAT) scores predicted family income. Given UC's emphasis on eliminating graduation and achievement gaps, she stated her belief that the decision of whether to eliminate the standardized testing requirement was time-sensitive. President Napolitano cautioned the Board, reminding them that it had asked the Academic Senate to assemble a task force to consider the use of standardized testing. The Board had been careful not to insert prejudgment in the ultimate recommendations of the task force. STTF needed the opportunity to finish its work, and Ms. Bhavnani could advise as to a reasonable timeline for its completion. The Board would then review the recommendations and then make its own judgment. Each option presented would have disparate impacts, and she

believed that the Regents would want to have that information. The University's decision would be a national precedent; UC should get it right. She suggested that, rather than setting an arbitrary timeline, the Board should encourage STTF to complete its work.

Chair Pérez clarified that he was asking a procedural question and reminded the Board that it could not act on the underlying subject matter because action was not appropriately noticed. Regent Estolano clarified that she was stating a hypothetical to encourage action. Chair Pérez explained that some may have predispositions about the issue, partially informed by the issue of access to resources in underserved communities, but not conclusions.

Regent Leib asked about composition of the task force, how long it has existed, how often it met, and when the report was expected. Ms. Bhavnani stated that STTF had been meeting since early 2019 and that preliminary recommendations were expected at the beginning of 2020. There were 14 to 17 people on the task force for the purpose of obtaining an evidence-based assessment. She noted that many in the UC community grew up in difficult circumstances and many work with students in those circumstances. If UC wished to make a bold statement about standardized testing, that statement must be made on very strong grounds. Ms. Bhavnani would keep the Board apprised of updates. She also thanked Regents Simmons and Leib for giving UC leadership an opportunity to see struggles in the K-12 system through the visit to Mann UCLA Community School, noting that the lack of internet access in schools was related to allocations to schools. Regent Leib asked how often STTF has met. Ms. Bhavnani replied that it met monthly via teleconference.

Regent Kieffer stated that he had not made up his mind regarding standardized testing and expressed his concern that, if SAT were eliminated, the State might eventually ask for another standardized test. He agreed that the University's decision must be based on strong grounds and with support from faculty because the public was also split on this issue.

Ms. Bhavnani stated that a high level of granularity must be used before a dramatic decision is made and urged caution, reiterating that such a decision took time. She invited the Regents to contact her directly with questions about the work of the STTF.

Regent Ortiz Oakley agreed that it was most appropriate for the Academic Senate to produce recommendations. He underscored the urgency of the decision and its impact on students, who would be spending billions of dollars in test preparation this year. He believed that, the longer the University takes to make its decision, the more students would be put in a similar position of spending money for test preparation. He added that nearly 1,000 schools had already made standardized testing optional.

Faculty Representative Gauvain expressed her gladness about the discourse, stating that the Academic Senate was working quickly and would respond in the best way possible. She reminded the Board that views were divided, which underscored the value of having a decision based on scientific evidence. Otherwise, deficient views would be reinforced.

Regent Simmons stated her wish to return discussion back to the topic of the item, which was student retention. The University would still be at a deficit if, regardless of how they were admitted to UC, students were not able to graduate.

6. **UPDATE ON COHORT-BASED TUITION**

This item was not discussed.

7. **ANNUAL UPDATE ON INVESTMENT PRODUCTS**

[Background material was provided to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Chief Investment Officer (CIO) Bachher opened his remarks by sharing net returns for UC investments in 2018–19. Assets grew because of the strength of the equity markets. Over the last five years, the Office of the Chief Investment Officer (OCIO) has added \$2.4 billion in value added over policy benchmarks. The OCIO had 75 percent fewer investment partners since 2014 and saved \$1 billion in fees since that time. The OCIO operated at about one-tenth of industry costs.

Chair Pérez noted that a written report was available and that Mr. Bachher made a longer version of this presentation during the Investments Committee meeting. He thanked Mr. Bachher and his team for their work and the outcomes.

Regent Sures asked for Mr. Bachher’s outlook in the next six to 12 months in light of what was happening in the political environment and the interest rate market. Mr. Bachher stated that interest rates had been decreasing in the last 30 years with no signs of abating; current negative interest rates accounted for about \$16 trillion in worldwide debt. Equity markets were at all-time highs. Mr. Bachher preferred to remain conservative from an asset allocation perspective. The UC Pension had risen 34 percent in assets in the last five years. In the next six to 12 months, the OCIO planned to keep more assets as cash. Mr. Bachher had recently increased UC’s cash position from three to eight percent in the Pension and Endowment. He anticipated some artificial inflation but was optimistic overall.

8. **REPORT OF INTERIM, CONCURRENCE AND COMMITTEE ACTIONS**

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

Approvals Under Interim Action

- A. The Chair of the Regents, the Vice Chair of the National Laboratories Committee, and the President of the University approved the following recommendation:

***Appointment of Chairs of the Governing Boards of Lawrence Livermore National Security, LLC; Los Alamos National Security, LLC; and Triad National Security, LLC***

- (1) Regent Charlene Zettel be appointed as an Executive Committee Governor (voting member) and Chair of the Lawrence Livermore National Security, LLC, Board of Governors.
  - (2) Interim Vice President Craig Leasure be appointed as an Executive Committee Governor (voting member) and Chair of the Los Alamos National Security, LLC, Board of Governors, subject to terms and conditions set forth by the President in consultation with the General Counsel.
  - (3) Michael Anastasio be appointed as a Director (voting member) and Chair of the Triad National Security, LLC, Board of Directors, subject to terms and conditions set forth by the President in consultation with the General Counsel.
  - (4) The President of the University be authorized, in consultation with the General Counsel, to execute all documents necessary in connection with the above-described actions.
- B. The Chair of the Health Services Committee, the Vice Chair of the Health Services Committee, and the President of the University approved the following recommendation:

***Contract Appointment of and Compensation for Larry Anstine as Interim Chief Executive Officer, UC Irvine Health System, Irvine Campus***

Background

Approval under interim authority was requested for the contract appointment of and compensation for Larry Anstine as Interim Chief Executive Officer (CEO), UC Irvine Health System, Irvine campus effective September 1, 2019 through August 31, 2020, or until a new CEO UC Irvine Health System, Irvine campus is appointed, whichever comes first.

The campus reported that funding for this position will come exclusively from non-State funds, specifically from UC Irvine Health System revenue. No State or UC general funds will be used. As this is a Level One position in the Senior Management Group, Regental approval was required, and this action is within the authority of the Health Services Committee to approve as this position is non-State funded.

The incumbent, Richard Gannotta, announced that he would be leaving UC Irvine Health as of September 30, 2019 for another career opportunity. Due to the timing of Mr. Gannotta's exit and the need to avoid a gap in leadership, Regental approval under interim authority was requested.

It was recommended that the appointment of Mr. Anstine into the Interim CEO role be effective September 1, 2019 as Mr. Gannotta will be out of the office for a two-week vacation in mid-September 2019. Appointing Mr. Anstine as of September 1, 2019 would also give Mr. Gannotta the opportunity to transition responsibilities to Mr. Anstine prior to and following Mr. Gannotta's scheduled vacation. As Interim CEO, Mr. Anstine will be authorized to exercise the full authority of the CEO, UC Irvine Health System position.

The campus reported that a waiver of competitive recruitment was invoked for this contract appointment in accordance with PPSM-20 and local procedures and reports that it will immediately initiate a competitive recruitment for a career appointee. The campus also noted that Mr. Anstine will not be considered for the career position as he intends to continue with his consulting practice at the conclusion of his contract appointment as Interim CEO, UC Irvine Health System. Mr. Anstine will recuse himself from any UC Irvine issues that would affect his recent private clients and will consult with the Office of General Counsel as appropriate.

A base salary for Mr. Anstine of \$850,000 was proposed, at 100 percent time, during this contract appointment effective September 1, 2019 through August 31, 2020, or until the appointment of a new CEO, UC Irvine Health System, whichever occurs first. The proposed base salary of \$850,000 is 6.1 percent below the 60<sup>th</sup> percentile (\$904,900) of the position's Market Reference Zone (MRZ) and nine percent above the current incumbent's base salary of \$780,000. The proposed base salary and position in the MRZ are appropriate given Mr. Anstine's qualifications and experience.

During the 2019–20 Plan Year, Mr. Anstine will be eligible to participate in the Clinical Enterprise Management Recognition Plan's (CEMRP) Short Term Incentive (STI) component, with a target award of 20 percent of base salary (\$170,000) and maximum potential award of 30 percent of base salary (\$255,000), subject to all applicable plan requirements and Administrative Oversight Committee approval. Any actual award will be determined based on performance against pre-established objectives and will be pro-rated based on the dates of employment.

Because the duration of the interim contract appointment is not more than one year, Mr. Anstine will not be eligible for the Long Term Incentive component of CEMRP. Also, as the interim contract appointment has a planned end date no later than August 31, 2020, Mr. Anstine will not participate in CEMRP for the 2020-21 Plan Year.

Mr. Anstine is an external candidate who lives outside of California and will not be relocating his primary residence for this contract appointment; therefore, the campus is requesting exceptions to policy in relation to the cost to move one of his vehicles to California and back to his home state of Florida at the conclusion of the interim contract appointment, reimbursement for two house-hunting trips to secure suitable temporary housing, reimbursement for moving of household goods and personal effects, and reimbursement of up to \$4,000 per month for temporary housing for the duration of his interim contract appointment for either furnished lodging or unfurnished lodging; furniture rental would be included in the \$4,000 per month maximum reimbursable amount.

This item requested exceptions to Regents Policy 7710: *Senior Management Group Moving Reimbursement* as Mr. Anstine will not be considered as a candidate for the career position and will be separating from the University at the conclusion of the interim contract appointment. Due to the temporary nature of the interim appointment, Mr. Anstine will not be relocating his primary residence and has requested the exceptions to policy in order to accept the interim position.

Regents Policy 7710 notes that to be eligible for reimbursement of moving and/or relocation expenses, an appointee must meet certain criteria. Mr. Anstine is a new hire, is qualified for and has accepted and intends to fulfill his contract appointment for at least one year from the date his contract appointment commences, and will be in active status in the payroll system prior to receiving reimbursement of moving and/or relocation expenses and/or will receive approval, per policy, for an advance to cover anticipated expenditures.

However, as Mr. Anstine is not relocating his primary residence in order to accept the contract appointment, he does not satisfy all of the criteria in policy to be eligible for reimbursement of moving and/or relocation expenses. As an exception to policy, this item requested that Mr. Anstine be allowed reimbursement of certain actual and reasonable moving and/or relocation expenses associated with his temporary relocation to the Irvine area. This item recommended the following exceptions to Regents Policy 7710: *Senior Management Group Moving Reimbursement*:

1. Regents Policy 7710 authorizes reimbursement for moving of household goods and personal effects. The campus anticipates that Mr. Anstine will need to move a minimal amount of household goods and personal effects. The policy would require that Mr. Anstine move his primary residence in order to be eligible for this reimbursement. As an exception to policy, this item requests that Mr. Anstine be reimbursed for those expenses for this temporary relocation to accept the interim contract appointment.
2. Regents Policy 7710 authorizes the reimbursement of the following temporary housing-related expenses if actually and reasonably incurred

while an appointee seeks permanent housing: the cost of furnished temporary lodging up to 90 days, reasonable residential parking fees up to 90 days, and meals for the first 30 days of residence in temporary quarters that do not have cooking facilities.

Although Mr. Anstine will not be relocating his primary residence or seeking permanent housing, this item requests an exception to policy to extend the time period for furnished or unfurnished temporary lodging for the full duration of the interim contract appointment, which is a maximum of 12 months. This reimbursement may not exceed \$4,000 per month and may include furniture rental, if needed.

3. Regents Policy 7710 authorizes reimbursement of actual and reasonable expenses related to moving two personal motor vehicles per household. Although Mr. Anstine will not be relocating his primary residence, this item requests an exception to policy to authorize reimbursement of actual and reasonable expenses related to moving one personal vehicle. As a further exception to policy, this item also requests that Mr. Anstine be reimbursed for actual and reasonable expenses related to returning his personal vehicle to his home state of Florida at the end of his interim contract appointment. If Mr. Anstine voluntarily separates from the University before his interim contract appointment ends, the University will not reimburse him for returning his personal vehicle to Florida.
4. Regents Policy 7710 authorizes reimbursement for up to two house-hunting trips for the appointee and the appointee's spouse or domestic partner. The expenses include cost of transportation, meals and lodging (up to a maximum of ten nights of reimbursable lodging). As an exception to policy, because Mr. Anstine will not be relocating his primary residence, the campus requests approval for up to two house-hunting trips for Mr. Anstine and his spouse or domestic partner within the limitations noted in policy.
5. Under Regents Policy 7710, if an appointee voluntarily separates from the position prior to completing one year of service, or accepts an appointment at another University of California location within 12 months from his or her initial date of appointment, the appointee will be required to pay back 100 percent of the moving and relocation expenses. As an exception to policy, the campus requests approval of the following repayment schedule if Mr. Anstine voluntarily separates from the University: 100 percent if he voluntarily separates within the first month of employment; 75 percent if he voluntarily separates within the second or third months of employment; and 50 percent if he voluntarily separates within the fourth, fifth, or sixth months of employment.

The CEO, UC Irvine Health System, is responsible for visionary and strategic leadership of Orange County's only academic medical center, a 417-bed acute care

hospital providing tertiary and quaternary care, ambulatory and specialty medical, behavioral health and rehabilitation services. The CEO is accountable for operational oversight for the inpatient and ambulatory settings, and for ensuring that care is delivered effectively and efficiently, with a focus on growing ambulatory services.

The CEO works closely with the Chancellor and the Vice Chancellor of Health Affairs to ensure a strategic alignment between the clinical enterprise and the academic and research mission of the Susan and Henry Samueli College of Health Sciences. The CEO provides vision and strategic planning in the ever-changing healthcare environment; drives operational excellence in the delivery of high quality, patient-centered care; builds key alliances and partnerships in the community and across the UC Health system, and embraces the aspirations of UC Irvine Health System to be a preeminent academic medical center.

From 2015 to 2017, Mr. Anstine served as an independent consultant with the UC Irvine Health System, assisting the organization with operational matters, where he helped develop and execute a significant operational transformation resulting in a \$50 million operating improvement for 2017. He also has been actively involved as a consultant and executive coach in the Academic Medical Center field. Mr. Anstine was brought in to the UCI Health System to help address the structural deficit expected to hit the medical center at the beginning of fiscal year 2017–18.

Mr. Anstine is an accomplished senior health care executive who has counseled and led stand-alone as well as large-scale academic and not-for-profit medical centers for more than 30 years. The campus notes that he is recognized for exceeding results-oriented metrics and that his strategic nature and collaborative leadership style have driven high-performing teams to operational excellence.

Following a distinguished 25-year career at The Ohio State University Wexner Medical Center (OSUWMC), where he had served as the chief executive officer of The Ohio State University Hospital, Mr. Anstine retired in 2015. During his tenure at the medical center, he led five of the six hospitals within OSUWMC, including the opening of the OSU Ross Heart Hospital in 2004. Mr. Anstine and his leadership team received numerous awards and distinctions for consistently exceeding performance measurements in quality and accountability.

Prior to joining OSUWMC, Mr. Anstine was a consultant with Arthur Andersen & Co. in Dallas, Texas.

Mr. Anstine received both his undergraduate degree (B.S. in Business Administration) and graduate degree (M.A. in Health Administration) from The Ohio State University, where he recently received the Distinguished Alumni Award.

Recommendation

That the following items be approved in connection with the contract appointment of and compensation for Larry Anstine as Interim Chief Executive Officer, UC Irvine Health System, Irvine campus:

- (1) Per policy, contract appointment of Larry Anstine as Interim Chief Executive Officer, UC Irvine Health System, Irvine campus, at 100 percent time.
- (2) Per policy, an annual base salary of \$850,000. Mr. Anstine will not be eligible for systemwide salary programs including any merit program.
- (3) Per policy, eligibility to participate in the Clinical Enterprise Management Recognition Plan's Short Term Incentive component during the 2019–20 Plan Year, with a target award of 20 percent of base salary (\$170,000) and maximum potential award of 30 percent of base salary (\$255,000), subject to all applicable plan requirements and Administrative Oversight Committee approval. Any actual award will be determined based on performance against pre-established objectives and will be pro-rated based on the dates of employment.
- (4) As an exception to policy, reimbursement of the following actual and reasonable moving and/or relocation expenses associated with Mr. Anstine's temporary relocation to the Irvine area:
  - a. As an exception to policy, reimbursement of actual and reasonable expenses associated with moving Mr. Anstine's household goods and personal effects from Florida to the Irvine area.
  - b. As an exception to policy, reimbursement of actual and reasonable housing costs (furnished or unfurnished lodging and furniture rental, if needed) not to exceed \$4,000 per month during the interim contract appointment.
  - c. As an exception to policy, reimbursement of actual and reasonable expenses related to moving one personal motor vehicle from Florida to the Irvine area.
  - d. As an exception to policy, reimbursement of actual and reasonable expenses related to moving one personal motor vehicle from the Irvine area to Florida at the end of Mr. Anstine's interim contract appointment, provided that Mr. Anstine does not voluntarily separate from the University.

- e. As an exception to policy, reimbursement of actual and reasonable expenses for up to two house-hunting trips for Mr. Anstine and his spouse or domestic partner to secure housing in the Irvine area.
- (5) As an exception to policy, Mr. Anstine will be required to pay back the above moving and relocation expenses subject to the following repayment schedule if he voluntarily separates from the University: 100 percent if he voluntarily separates within the first month of employment; 75 percent if he voluntarily separates within the second or third months of employment; and 50 percent if he voluntarily separates within the fourth, fifth, or sixth months of employment.
- (6) Per policy, standard pension and health and welfare benefits consistent with this appointment type, percentage, and duration.
- (7) For any outside professional activities, Mr. Anstine will comply with applicable Outside Professional Activity (OPA) policies and reporting requirements.
- (8) This action will be effective September 1, 2019 through August 31, 2020, or until the appointment of a new Chief Executive Officer, UC Irvine Health System, Irvine campus, whichever occurs first.

### COMPARATIVE ANALYSIS

#### **Recommended Compensation**

**Effective Date:** September 1, 2019 to August 31, 2019 or until the appointment of a new CEO, UC Irvine Health System, Irvine campus, whichever occurs first

**Title:** Interim Chief Executive Officer, UC Irvine Health System, Irvine campus

**Annual Base Salary:** \$850,000

**Clinical Enterprise Management Recognition Plan (CEMRP) – Short Term**

**Incentive (STI):** \$141,667 (at 20 percent target rate, pro-rated based on hire date)

**Target Cash Compensation\*:** \$991,667

**Funding:** Non-State-Funded (UC Irvine Health System revenue)

#### **Current Incumbent Data**

**Title:** Chief Executive Officer, UC Irvine Health System, Irvine campus

**Annual Base Salary:** \$780,000

**Clinical Enterprise Management Recognition Plan (CEMRP): Short Term**

**Incentive (STI):** \$156,000 (at 20 percent target rate)

**Clinical Enterprise Management Recognition Plan (CEMRP) – Long Term**

**Incentive (LTI):** \$78,000 (at 10 percent target rate)

**Target Cash Compensation\*:** \$1,014,000

**Funding:** Non-State-Funded (UC Irvine Health System revenue)

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

Approvals under Health Services Committee Authority

- C. At its August 13, 2019 meeting, the Health Services Committee approved the following:

***Approval of 2019 Benchmarking Framework/Market Reference Zones for Non-State-Funded UC Health Positions in the Senior Management Group***

Contingent upon approval by the Governance Committee, the 2019 Benchmarking Framework/Market Reference Zones for non-State-funded UC Health positions in the Senior Management Group, as shown in Attachment 5 be approved.

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 Senior Vice President, External Relations and Communications, an email and announcement that the University of California and the University of Southern California have reached a settlement in the ongoing Alzheimer's disease research lawsuit, *Regents of the University of California v. Aisen et al.* July 4, 2019.
- B. From the Secretary and Chief of Staff, the Summary of Communications Received in June 2019. July 9, 2019.
- C. From the President of the University, a statement announcing that Elsevier has restricted the University's access to articles published in 2019, noting that the University librarians are prepared to help users access these articles through alternative means, and that the University hopes to reenter formal negotiations with the publisher. July 10, 2019.
- D. From the President of the University, a Memorial from the Academic Senate, proposed by the UCSF Senate Division "to divest the University's endowment portfolio of all investments in the 200 publicly traded fossil fuel companies with the largest carbon reserves." July 15, 2019.
- E. From the President of the University, a response by the Associate Vice Provost and Executive Director of the California Digital Library to a blog piece authored by an Elsevier staff member regarding negotiations with the University. July 18, 2019.

- F. From the President of the University, a letter and attachments to Chancellors from the Chief Compliance and Audit Officer and the Vice President, Research and Graduate Studies, regarding systemwide restrictions on engagements with Huawei. July 18, 2019.
- G. From the Governor of California, a letter asking for the University's support to help engage and inform students and communities about the 2020 United States Census. July 22, 2019.
- H. From the General Counsel and Vice President, the UC Legal Annual Report on Outside Counsel Expenditures for 2016-2018. July 22, 2019.
- I. From the General Counsel and Vice President, the Bi-Monthly Report on New Litigation for the months of May and July. July 23, 2019.
- J. From the President of the University, letters to legislators regarding the allocation to the University in the Budget Act of 2019. July 24, 2019.
- K. From the President of the University, the *Report on Health System Transactions Approved by the Health Services Committee for the period from July 1, 2016 through June 30, 2019*. July 31, 2019.
- L. From the President of the University, the *Significant Information Technology Projects Report for the period January 1, 2019 through April 30, 2019*. August 1, 2019.
- M. From the Secretary and Chief of Staff, the Summary of Communications Received for the month of July, 2019. August 2, 2019.
- N. From the President of the University, a response to the Governor's July 17 letter regarding the 2020 Census. August 6, 2019.
- O. From the Secretary and Chief of Staff, a press release from the Governor of California announcing several higher education appointments including the selection of a new Regent, Janet Reilly. August 9, 2019.
- P. From the President of the University, a letter with an update on the UC Path project including information on deployment timelines for UC Davis, UC Davis Health and UC Agriculture and Natural Resources (ANR). August 23, 2019.

**To the members of the Public Engagement and Development Committee:**

- Q. From the Federal Government Relations Office, the Federal Update, 2019, Issue 7. August 15, 2019.

The meeting adjourned at 2:15 p.m.

Attest:

Secretary and Chief of Staff

**SUMMARY OF RECOMMENDATIONS REGARDING  
CHANGES IN ACTUARIAL VALUATION ASSUMPTIONS FOR UCRP**

**Economic Assumptions**

<b>Assumption</b>	<b>Description</b>	<b>Recommendation</b>
Inflation	Affects projections of investment returns, active member salary increases, cost-of-living adjustments (COLA) for retirees	Decrease rate from 3.00 percent per annum to 2.50 percent per annum
Investment Return	Estimates average future net rate of return on assets over projected lifetime of the Plan as of the valuation date	Decrease rate from 7.25 percent per annum to 6.75 percent per annum
Individual Salary Increases	Includes components of inflation, real “across the board” (ATB) salary increases and merit and promotion (M-P) increases in salary.	<ul style="list-style-type: none"> <li>• Inflation: see above</li> <li>• ATB: Increase from 0.50 percent to 0.75 percent</li> <li>• M-P: Increases for both Faculty and Staff/Safety members. For Staff/Safety use recommended assumptions as shown at the end of this Attachment.</li> </ul>
Administrative Expenses	Fees for administrative, legal, accounting and actuarial services, as well as routine costs for printing, mailings, computer-related activities and other functions carried out for Plan operation are paid from Plan assets.	Decrease load on Normal Cost from 0.50 percent of covered payroll to 0.40 percent of covered payroll

### Non-Economic Assumptions

Assumption	Description	Recommendation
Retirement Rates for Members Retiring from Active Membership	Predicts the conditional probability of retirement at each age at which members are eligible to retire, given attainment of that age	<p>1976 Tier Faculty:</p> <ul style="list-style-type: none"> <li>• &lt; 20 years of service: Decreases</li> <li>• 20+ years of service: Decreases</li> </ul> <p>1976 Tier Staff:</p> <ul style="list-style-type: none"> <li>• &lt; 10 years of service: Decreases</li> <li>• 10-20 years of service: Decreases</li> <li>• 20+ years of service: Increases</li> </ul> <p>2013 &amp; 2016 Tier Faculty &amp; Staff – Decreases            Modified 2013 Tier Staff – Increases            Safety Members – Increases</p> <p>New Assumption – No retirements occur until the next July 1 following the valuation date</p> <p>New Assumption – All future retirees with either a 1976 Tier benefit or Safety benefit will receive an increase in benefit reflecting the assumed Inactive COLA that occurs just prior to the member’s July 1 retirement date.</p>
Retirements for Members Retiring from Inactive Membership	Inactive vested members assumed to retire at a fixed age.	<p>2013 &amp; 2016 Tier Members – Increase from age 60 to age 63            Maintain at age 60 for all other inactive vested members</p>
Refunds of Accumulations for Current Terminated Non-Vested Members	Current assumption: Immediate refund at valuation date	Change to assume receipt of refund over a five-year period

**Non-Economic Assumptions (continued)**

Assumption	Description	Recommendation
Mortality Rates for Non-disabled Members	Estimates the conditional probability of dying at each age, after attaining that age	<p>Pre-Retirement – Change to the Pub-2010 Teacher Employee Amount-Weighted Above-Median Mortality Table, projected generationally with the two-dimensional mortality improvement scale MP-2018</p> <p>Post-Retirement – Change to the Pub-2010 Healthy Teachers Employee Amount-Weighted Above-Median Mortality Table, projected generationally with the two-dimensional mortality improvement scale MP-2018. For Faculty, table rates adjusted by 90% for males and 95% for females. For Staff &amp; Safety, table rates adjusted by 100% for males and 110% for females.</p> <p>Separate tables for males and females</p>
Mortality Rates for Disabled Members	The probability of dying for members who are either receiving Disability Income or who have “crossed over” to receive retirement income is assumed to be different than for members not in this group.	<p>Pre- and Post-Retirement – Use the Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table, projected generationally with two-dimensional mortality improvement scale MP-2018</p> <p>Separate tables for males and females</p> <p>Members who have “crossed over” will continue to be valued using disabled mortality tables</p>

**Non-Economic Assumptions (continued)**

<b>Assumption</b>	<b>Description</b>	<b>Recommendation</b>
Mortality Rates for Beneficiaries	Current assumption: Same as that used for healthy retirees	Pub-2010 Contingent Survivor Amount-Weighted Mortality Table, projected generationally with two-dimensional mortality improvement scale MP-2018. Table rates adjusted by 100% for males and 90% for females.  Separate tables for males and females
Mortality for Actuarial Equivalence Basis	Mortality table used for converting Plan benefits under one form of payment to an actuarially-equivalent amount under a different form of payment	Change to “static” version that approximates generational mortality table recommended for non-disabled members above
Rates of Separation Prior to Retirement	Estimates the probability of leaving active UCRP membership after attaining each level of service credit	Overall decreases in the rates
Incidence of Disability	Estimates the probability of becoming disabled at each age	Overall decreases in the rates
Eligible Survivor Assumptions	Assumptions for how many non-retired members will have eligible survivors at retirement or pre-retirement death, the age of the eligible survivor(s) and the number of eligible survivors	Age difference of Member compared to Eligible Survivor: <ul style="list-style-type: none"> <li>• Male Survivors – Reduce from three years older to two years older</li> <li>• Female Survivors – Maintain current assumption</li> </ul>
Assumption for Unused Sick Leave Converted to Service Credit	Unused sick leave hours at separation are converted to service credit	Faculty and Staff – Maintain current assumption Safety – Increase in load from 1.90 percent to 2.00 percent
Lump Sum Cashout (LSC) Take-Rate	The rate at which retirement-eligible members opt to receive a LSC in lieu of monthly retirement income	Overall decreases in the rates

The recommendation for any current assumption not listed here is to maintain the current assumption for the July 1, 2019 valuation.

Recommended Merit and Promotion Salary Increase Assumptions for Staff and Safety:

Years of Service	Staff/Safety
Less than 1	2.50
1 – 2	2.30
2 – 3	2.10
3 – 4	1.90
4 – 5	1.80
5 – 6	1.65
6 – 7	1.50
7 – 8	1.45
8 – 9	1.40
9 – 10	1.35
10 – 11	1.25
11 – 12	1.10
12 – 13	1.00
13 – 14	1.00
14 – 15	0.95
15 – 16	0.95
16 – 17	0.90
17 – 18	0.85
18 – 19	0.80
19 – 20	0.80
20 – 21	0.75
21 – 22	0.70
22 – 23	0.65
23 – 24	0.65
24 – 25	0.65
25 – 26	0.65
26 – 27	0.65
27 – 28	0.65
28 – 29	0.65
29 – 30	0.50
30 & Over	0.40

**SUMMARY OF CONSULTING ACTUARY'S RECOMMENDATIONS  
THAT ALSO APPLY TO OTHER UC BENEFIT PLANS**

Recommended changes to also be applied to the actuarial valuations of other UC benefit plans—

UC-PERS Plus 5 Plan:

- Investment Return,
- Inflation, and
- Mortality Rates.

UC Retiree Health Benefit Program:

- Retirement Rates
- Mortality Rates
- Termination Rates
- Incidence of Disability Rates
- Conversion of Unused Sick Leave, and
- Lump Sum Cashout Take-Rate.

**2019 Benchmarking Framework/Market Reference Zones (MRZs)  
for Non-State-Funded UC Health Positions in the Senior Management Group  
For Approval by The Regents' Governance Committee - September 2019**

*(Approved by the Regents Health Services Committee at the August 2019 meeting)*

MRZ Title	Location	Market Base Salary Data Proposed - 2019				
		P25	P50	P60	P75	P90
<b>SMG Level One</b>						
Chief Executive Officer (UCSF Health)	UCSF	\$1,230.6	\$1,392.9	\$1,540.3	\$1,761.2	\$1,974.0
Chief Executive Officer (UCLA Hospital System)	UCLA	\$1,230.6	\$1,392.9	\$1,540.3	\$1,761.2	\$1,974.0
Chief Executive Officer (UC Davis Medical Center)	UCD	\$776.1	\$1,045.4	\$1,159.1	\$1,329.5	\$1,725.3
Chief Executive Officer (UC San Diego Health)	UCSD	\$739.2	\$995.4	\$1,105.4	\$1,270.3	\$1,490.9
Chief Executive Officer (UC Irvine Health)	UCI	\$698.4	\$864.7	\$993.5	\$1,186.7	\$1,305.8
<b>SMG Level Two</b>						
Chief Operating Officer (UCSF Health)	UCSF	\$652.5	\$786.5	\$896.9	\$1,062.4	\$1,144.4
Chief Operating Officer (UCLA Health System)	UCLA	\$652.5	\$786.5	\$896.9	\$1,062.4	\$1,144.4
Chief Operating Officer (UC Davis Medical Center)	UCD	\$450.4	\$663.3	\$721.2	\$808.0	\$1,071.7
Chief Operating Officer (UC San Diego Health)	UCSD	\$439.2	\$575.8	\$639.4	\$734.8	\$888.4
Chief Operating Officer (UC Irvine Health System)	UCI	\$404.0	\$487.1	\$575.0	\$706.8	\$1,045.0
Chief Nursing Officer (UCLA Hospital System)	UCLA	\$409.4	\$468.4	\$505.0	\$559.8	\$576.8
Chief Nursing Officer (UC Davis Medical Center)	UCD	\$346.0	\$426.3	\$451.4	\$489.2	\$537.5
Chief Nursing Officer (UC Irvine Health)	UCI	\$339.5	\$358.5	\$380.5	\$413.5	\$499.5
EVP, Physician Services and Vice Dean-Clinical Affairs	UCSF	\$701.8	\$813.6	\$841.8	\$884.1	\$961.7
Chief Medical Officer (UC Davis Medical Center)	UCD	\$496.5	\$596.8	\$632.8	\$686.9	\$808.9
Chief Medical Officer (UC San Diego Health)	UCSD	\$470.0	\$563.3	\$597.3	\$648.4	\$766.7
Chief Medical Officer (UC Irvine Health)	UCI	\$447.1	\$532.8	\$575.1	\$638.5	\$826.9
<b>SMG Level Two (Cont'd)</b>						
Chief Information Officer (UC Davis Health)	UCD	\$439.4	\$468.9	\$506.6	\$563.1	\$723.4
Chief Information Officer (UC Irvine Health)	UCI	\$343.0	\$426.3	\$458.3	\$506.4	\$639.1
Chief Financial Officer (UCSF Health)	UCSF	\$624.4	\$742.7	\$800.5	\$887.1	\$974.3
Chief Financial Officer (UCLA Health)	UCLA	\$624.4	\$742.7	\$800.5	\$887.1	\$974.3
Chief Financial Officer (UC Davis Medical Center)	UCD	\$471.6	\$637.8	\$696.2	\$783.9	\$928.2
Chief Financial Officer (UC San Diego Health)	UCSD	\$448.3	\$550.6	\$599.7	\$673.3	\$790.3
Chief Financial Officer (UC Irvine Health)	UCI	\$356.4	\$484.3	\$552.5	\$654.9	\$794.9
Associate Vice President - Chief Transformation Officer (UC Health)	UCOP	\$399.1	\$490.8	\$523.7	\$573.0	\$640.4
Sr. Vice President, Adult Services/ President-UCSF Medical Center	UCSF	\$472.2	\$551.9	\$599.1	\$669.9	\$818.8
Sr. Vice President, Children's Services/ President of Benioff Children's Hospital	UCSF	\$621.4	\$742.9	\$801.0	\$888.1	\$1,050.9
Chief Clinical Officer (UC San Diego Health)	UCSD	\$327.3	\$376.8	\$395.2	\$422.7	\$489.8
Executive Director, UC San Diego Medical Group	UCSD	\$285.6	\$345.0	\$369.2	\$405.4	\$466.2
Sr. Vice President, Clinical Practice and Ambulatory Care (UC San Diego Health)	UCSD	\$339.8	\$398.2	\$431.2	\$480.8	\$517.8
<b>Approved in 2019 - Not Updated</b>						
Chief Executive Officer (UC Riverside Health)*	UCR	\$389.8	\$471.4	\$496.3	\$533.6	\$594.5
Chief Strategy Officer and Head of Health Affiliates Network (UCSF Health)**	UCSF	\$557.5	\$689.9	\$747.9	\$834.8	\$925.7

\*New MRZ - SMG Level One - Approved by Full Board - January 2019

\*\*New MRZ - SMG Level Two - Approved by HSC - June 2019 / Governance - July 2019

**Office of the President and Lawrence Berkeley National Lab Positions**  
**2019 Market Reference Zones (MRZs)**  
**for Positions in the Senior Management Group**  
*For Approval by The Regents - September 2019*

MRZ Title	Location	Market Base Salary Data Proposed - 2019 (in thousands)				
		P25	P50	P60	P75	P90
<b>SMG Level One</b>						
President of the University	UCOP	\$617.9	\$837.1	\$911.2	\$1,053.2	\$1,413.0
Executive Vice President - Chief Operating Officer	UCOP	\$334.7	\$423.7	\$450.4	\$515.2	\$634.6
Executive Vice President and Chief Financial Officer	UCOP	\$336.8	\$493.9	\$526.6	\$583.2	\$679.6
General Counsel and Vice President - Legal Affairs	UCOP	\$340.6	\$466.5	\$495.8	\$549.8	\$634.6
Provost and Executive Vice President - Academic Affairs	UCOP	\$367.3	\$417.9	\$474.1	\$530.1	\$626.5
Secretary and Chief of Staff to the Regents	UCOP	\$230.4	\$282.2	\$306.7	\$343.7	\$429.7
Senior Vice President - Chief Compliance and Audit Officer	UCOP	\$275.1	\$330.2	\$362.8	\$410.9	\$451.1
Senior Vice President - External Relations	UCOP	\$261.2	\$340.3	\$362.9	\$404.6	\$504.0
Vice President - Agriculture and Natural Resources (ANR)	UCOP	\$283.9	\$309.2	\$332.7	\$367.8	\$392.3
Vice President for National Labs	UCOP	\$273.4	\$374.1	\$408.8	\$461.0	\$579.7
Chief Investment Officer and Vice President - Investments	UCOP-OCIO	\$589.0	\$646.6	\$712.8	\$812.1	\$858.0
Executive Vice President - UC Health	UCOP-Health	\$683.8	\$787.5	\$852.5	\$949.9	\$1,116.8
Laboratory Director	LBNL	\$374.3	\$470.3	\$506.0	\$559.7	\$561.1
<b>SMG Level Two</b>						
Assistant Vice President - Institutional Advancement	UCOP	\$213.2	\$255.7	\$278.8	\$313.5	\$337.3
Associate Vice President - Academic Programs and Strategic Initiatives (ANR)	UCOP	\$194.7	\$230.0	\$243.4	\$263.9	\$289.1
Associate Vice President - Budget Analysis and Planning	UCOP	\$210.2	\$257.7	\$272.2	\$298.6	\$344.9
Associate Vice President - Business Operations (ANR)	UCOP	\$221.1	\$270.6	\$282.8	\$312.2	\$393.5
Associate Vice President - Capital Financial Planning and Analysis	UCOP	\$235.8	\$329.8	\$347.3	\$379.5	\$446.6
Associate Vice President - Chief Procurement Officer	UCOP	\$232.6	\$282.0	\$306.6	\$337.1	\$393.9
Associate Vice President - Energy and Sustainability	UCOP	\$228.0	\$253.6	\$278.9	\$316.7	\$354.8
Associate Vice President - Federal Government Relations	UCOP	\$236.6	\$290.3	\$320.7	\$366.2	\$419.5
Associate Vice President - Systemwide Controller	UCOP	\$212.0	\$279.7	\$316.5	\$372.9	\$446.2

MRZ Title	Location	Market Base Salary Data Proposed - 2019 (in thousands)				
		P25	P50	P60	P75	P90
<b>SMG Level Two (Cont'd)</b>						
Associate Vice President and Director - State Government Relations	UCOP	\$211.4	\$246.8	\$262.5	\$292.4	\$323.4
Chief Risk Officer	UCOP	\$223.1	\$256.2	\$270.3	\$291.8	\$394.1
Deputy General Counsel	UCOP	\$239.1	\$290.8	\$306.3	\$340.1	\$382.5
Vice President - Information Technology and Chief Information Officer	UCOP	\$287.5	\$385.1	\$415.8	\$455.9	\$531.7
Vice President - Institutional Research and Academic Planning	UCOP	\$236.6	\$288.3	\$318.8	\$356.6	\$417.2
Vice President - Research and Graduate Studies	UCOP	\$385.1	\$452.5	\$481.3	\$526.7	\$597.4
Vice President - Student Affairs	UCOP	\$200.4	\$289.8	\$332.9	\$356.6	\$393.2
Vice President - Systemwide Human Resources	UCOP	\$248.3	\$326.6	\$363.2	\$408.0	\$479.2
Vice Provost - Academic Personnel	UCOP	\$242.8	\$304.0	\$314.3	\$369.2	\$398.5
Vice Provost - Education Partnership	UCOP	\$289.4	\$315.5	\$334.0	\$402.7	\$463.6
Associate Vice President - UC National Labs	UCOP	\$232.4	\$318.0	\$347.5	\$391.8	\$492.7
Senior Managing Director (OCIO)*	UCOP-OCIO	\$319.5	\$378.2	\$408.5	\$454.0	\$522.0
Chief Investment Operating Officer (OCIO)**	UCOP-OCIO	\$250.4	\$337.4	\$363.0	\$401.3	\$473.4
Medical Director, Student Health Insurance Plan	UCOP-Health	\$192.1	\$247.6	\$277.8	\$322.9	\$426.3
Vice President - Health Sciences, UC Health***	UCOP-Health	\$300.7	\$342.7	\$391.7	\$485.9	\$539.1
Chief Strategy Officer	UCOP-Health	\$455.9	\$525.0	\$568.3	\$633.3	\$744.5
Chief Legal Counsel for Health Services	UCOP-Health	\$471.4	\$525.3	\$574.4	\$648.0	\$921.3
Chief Transformation Officer	UCOP-Health	\$399.1	\$490.8	\$523.7	\$573.0	\$640.4
Deputy Laboratory Director	LBNL	\$331.3	\$378.9	\$405.1	\$444.5	\$480.3
Chief Financial Officer	LBNL	\$277.5	\$374.3	\$427.2	\$506.4	\$632.7
Associate Laboratory Director	LBNL	\$335.1	\$371.6	\$417.3	\$485.9	\$587.8
Chief Operating Officer	LBNL	\$256.5	\$330.2	\$358.5	\$400.8	\$577.1
Chief Laboratory Counsel	LBNL	\$273.2	\$343.2	\$376.1	\$425.4	\$534.4

\*Previously separated by Asset Class (Fixed Income Assets, Public Equity Investments, Risk Management)

\*\*Previously listed as Associate Chief Investment Officer

\*\*\*Previously listed as Associate Vice President - Health Sciences

**Campus Positions**  
**2019 Market Reference Zones (MRZs)**  
**for Positions in the Senior Management Group**  
*For Approval by The Regents - September 2019*

MRZ Title	Market Base Salary Data Proposed - 2019 (in thousands)				
	P25	P50	P60	P75	P90
<b>SMG Level One</b>					
Chancellor (Campuses with Health Services)	\$594.6	\$834.0	\$949.1	\$1,144.5	\$1,524.2
Chancellor (Campuses without Health Services)	\$519.4	\$713.5	\$802.2	\$958.1	\$1,273.3
<b>SMG Level Two</b>					
Executive Vice Chancellor and Provost (Campuses with Health Services)	\$452.6	\$480.8	\$512.5	\$622.3	\$729.1
Executive Vice Chancellor and Provost (Campuses without Health Services)	\$385.6	\$425.3	\$436.2	\$494.0	\$620.3
Vice Chancellor - Health Sciences* (Campuses with Health Services)	\$581.3	\$798.9	\$804.9	\$828.4	\$984.7
Vice Chancellor - Health Sciences* (Campuses without Health Services)	\$490.5	\$647.3	\$668.0	\$714.7	\$857.2
Chief Campus Counsel (Campuses with Health Services)	\$265.2	\$336.4	\$357.8	\$399.2	\$451.6
Chief Campus Counsel (Campuses without Health Services)	\$231.7	\$286.3	\$303.3	\$333.1	\$394.1
Dean - University Extension (Campuses with Health Services)	\$241.5	\$269.8	\$291.6	\$331.3	\$361.6
Dean - University Extension (Campuses without Health Services)	\$209.3	\$235.9	\$248.6	\$270.5	\$310.4
University Librarian (Campuses with Health Services)	\$226.5	\$257.2	\$271.4	\$294.3	\$330.9
University Librarian (Campuses without Health Services)	\$189.7	\$220.0	\$232.1	\$253.7	\$301.5
Vice Chancellor - Academic Personnel (Campuses with Health Services)	\$224.8	\$281.5	\$291.1	\$341.8	\$369.0
Vice Chancellor - Academic Personnel (Campuses without Health Services)	\$187.6	\$227.8	\$232.2	\$266.5	\$302.0
Vice Chancellor - Budget and Planning (Campuses with Health Services)	\$198.5	\$239.2	\$256.0	\$284.8	\$329.6
Vice Chancellor - Budget and Planning (Campuses without Health Services)	\$177.2	\$210.1	\$227.1	\$254.0	\$297.2
Vice Chancellor - Business Administration (Campuses with Health Services)	\$232.3	\$310.3	\$334.0	\$386.1	\$476.8
Vice Chancellor - Business Administration (Campuses without Health Services)	\$198.7	\$263.4	\$281.1	\$317.0	\$398.6
Vice Chancellor - Business Dev, Innovation and Partnerships (Campuses with Health Services)	\$339.4	\$411.9	\$429.0	\$454.7	\$610.6
Vice Chancellor - Chief Financial Officer (Campuses with Health Services)	\$284.7	\$355.9	\$381.7	\$424.7	\$511.9
Vice Chancellor - Chief Financial Officer (Campuses without Health Services)	\$248.2	\$304.8	\$323.2	\$359.6	\$433.1

\*Previously titled: VC and Dean-School of Medicine

MRZ Title	Market Base Salary Data Proposed - 2019 (in thousands)				
	P25	P50	P60	P75	P90
<b>SMG Level Two (Cont'd)</b>					
Vice Chancellor and CFO Health Sciences and Campus (Campuses with Health Services)	\$447.6	\$514.7	\$545.3	\$591.1	\$679.0
Vice Chancellor - Development/University Relations (Campuses with Health Services)	\$387.5	\$474.0	\$498.2	\$560.2	\$615.1
Vice Chancellor - Development/University Relations (Campuses without Health Services)	\$322.7	\$390.0	\$416.4	\$460.5	\$520.9
Vice Chancellor - Equity and Inclusion (Campuses with Health Services)	\$217.7	\$265.8	\$290.8	\$331.5	\$393.0
Vice Chancellor - Equity and Inclusion (Campuses without Health Services)	\$194.3	\$236.4	\$258.8	\$294.4	\$345.2
Vice Chancellor - Grad Studies and Dean - Graduate Division (Campuses with Health Services)	\$234.4	\$290.6	\$301.4	\$324.2	\$367.5
Vice Chancellor - Grad Studies and Dean - Graduate Division (Campuses without Health Services)	\$201.4	\$240.1	\$256.6	\$277.9	\$316.2
Vice Chancellor - Information Technology (Campuses with Health Services)	\$279.2	\$322.0	\$347.4	\$388.9	\$456.5
Vice Chancellor - Information Technology (Campuses without Health Services)	\$264.1	\$310.9	\$331.1	\$360.8	\$407.0
Vice Chancellor - Research (Campuses with Health Services)	\$321.0	\$377.1	\$401.1	\$438.9	\$497.8
Vice Chancellor - Research (Campuses without Health Services)	\$292.3	\$344.3	\$366.9	\$403.5	\$458.4
Vice Chancellor - Strategic Communications (Campuses with Health Services)	\$201.6	\$238.5	\$265.5	\$291.8	\$339.2
Vice Chancellor - Strategic Communications (Campuses without Health Services)	\$189.1	\$226.3	\$244.3	\$271.1	\$310.4
Vice Chancellor - Student Affairs (Campuses with Health Services)	\$276.3	\$319.5	\$333.5	\$349.5	\$366.0
Vice Chancellor - Student Affairs (Campuses without Health Services)	\$230.3	\$261.1	\$278.3	\$298.3	\$325.3
Vice Chancellor - Undergraduate Education (Campuses with Health Services)	\$262.2	\$315.8	\$349.9	\$420.2	\$501.5
Vice Chancellor - Undergraduate Education (Campuses without Health Services)	\$213.4	\$234.0	\$252.8	\$294.3	\$374.4
Vice Chancellor - Marine Sciences and Dean - Graduate School of Marine Sciences (UCSD)	\$369.6	\$379.8	\$398.7	\$427.1	\$458.4
<b>Approved in 2019 - Not Updated</b>					
Vice Chancellor - Community and Govt Relations** (Campuses with Health Services)	\$227.7	\$246.7	\$256.3	\$276.5	\$345.6
Vice Chancellor - Community and Govt Relations** (Campuses without Health Services)	\$200.4	\$222.9	\$235.2	\$258.2	\$309.6

\*\*New MRZ - SMG Level Two - Approved by Full Board - January 2019

**2019 Benchmarking Framework/Market Reference Zones (MRZs)  
for Non-State-Funded UC Health Positions in the Senior Management Group  
For Approval by The Regents' Health Services Committee - August 2019**

*(Upon approval by the HSC will be presented to the Regents' Governance Committee for approval - September 2019)*

MRZ Title	Location	Market Base Salary Data Proposed - 2019				
		P25	P50	P60	P75	P90
<b>SMG Level One</b>						
Chief Executive Officer (UCSF Health)	UCSF	\$1,230.6	\$1,392.9	\$1,540.3	\$1,761.2	\$1,974.0
Chief Executive Officer (UCLA Hospital System)	UCLA	\$1,230.6	\$1,392.9	\$1,540.3	\$1,761.2	\$1,974.0
Chief Executive Officer (UC Davis Medical Center)	UCD	\$776.1	\$1,045.4	\$1,159.1	\$1,329.5	\$1,725.3
Chief Executive Officer (UC San Diego Health)	UCSD	\$739.2	\$995.4	\$1,105.4	\$1,270.3	\$1,490.9
Chief Executive Officer (UC Irvine Health)	UCI	\$698.4	\$864.7	\$993.5	\$1,186.7	\$1,305.8
<b>SMG Level Two</b>						
Chief Operating Officer (UCSF Health)	UCSF	\$652.5	\$786.5	\$896.9	\$1,062.4	\$1,144.4
Chief Operating Officer (UCLA Health System)	UCLA	\$652.5	\$786.5	\$896.9	\$1,062.4	\$1,144.4
Chief Operating Officer (UC Davis Medical Center)	UCD	\$450.4	\$663.3	\$721.2	\$808.0	\$1,071.7
Chief Operating Officer (UC San Diego Health)	UCSD	\$439.2	\$575.8	\$639.4	\$734.8	\$888.4
Chief Operating Officer (UC Irvine Health System)	UCI	\$404.0	\$487.1	\$575.0	\$706.8	\$1,045.0
Chief Nursing Officer (UCLA Hospital System)	UCLA	\$409.4	\$468.4	\$505.0	\$559.8	\$576.8
Chief Nursing Officer (UC Davis Medical Center)	UCD	\$346.0	\$426.3	\$451.4	\$489.2	\$537.5
Chief Nursing Officer (UC Irvine Health)	UCI	\$339.5	\$358.5	\$380.5	\$413.5	\$499.5
EVP, Physician Services and Vice Dean-Clinical Affairs	UCSF	\$701.8	\$813.6	\$841.8	\$884.1	\$961.7
Chief Medical Officer (UC Davis Medical Center)	UCD	\$496.5	\$596.8	\$632.8	\$686.9	\$808.9
Chief Medical Officer (UC San Diego Health)	UCSD	\$470.0	\$563.3	\$597.3	\$648.4	\$766.7
Chief Medical Officer (UC Irvine Health)	UCI	\$447.1	\$532.8	\$575.1	\$638.5	\$826.9

MRZ Title	Location	Market Base Salary Data Proposed - 2019				
		P25	P50	P60	P75	P90
<b>SMG Level Two (Cont'd)</b>						
Chief Information Officer (UC Davis Health)	UCD	\$439.4	\$468.9	\$506.6	\$563.1	\$723.4
Chief Information Officer (UC Irvine Health)	UCI	\$343.0	\$426.3	\$458.3	\$506.4	\$639.1
Chief Financial Officer (UCSF Health)	UCSF	\$624.4	\$742.7	\$800.5	\$887.1	\$974.3
Chief Financial Officer (UCLA Health)	UCLA	\$624.4	\$742.7	\$800.5	\$887.1	\$974.3
Chief Financial Officer (UC Davis Medical Center)	UCD	\$471.6	\$637.8	\$696.2	\$783.9	\$928.2
Chief Financial Officer (UC San Diego Health)	UCSD	\$448.3	\$550.6	\$599.7	\$673.3	\$790.3
Chief Financial Officer (UC Irvine Health)	UCI	\$356.4	\$484.3	\$552.5	\$654.9	\$794.9
Associate Vice President - Chief Transformation Officer (UC Health)	UCOP	\$399.1	\$490.8	\$523.7	\$573.0	\$640.4
Sr. Vice President, Adult Services/ President-UCSF Medical Center	UCSF	\$472.2	\$551.9	\$599.1	\$669.9	\$818.8
Sr. Vice President, Children's Services/ President of Benioff Children's Hospital	UCSF	\$621.4	\$742.9	\$801.0	\$888.1	\$1,050.9
Chief Clinical Officer (UC San Diego Health)	UCSD	\$327.3	\$376.8	\$395.2	\$422.7	\$489.8
Executive Director, UC San Diego Medical Group	UCSD	\$285.6	\$345.0	\$369.2	\$405.4	\$466.2
Sr. Vice President, Clinical Practice and Ambulatory Care (UC San Diego Health)	UCSD	\$339.8	\$398.2	\$431.2	\$480.8	\$517.8
<b>Approved in 2019 - Not Updated</b>						
Chief Executive Officer (UC Riverside Health)*	UCR	\$389.8	\$471.4	\$496.3	\$533.6	\$594.5
Chief Strategy Officer and Head of Health Affiliates Network (UCSF Health)**	UCSF	\$557.5	\$689.9	\$747.9	\$834.8	\$925.7

\*New MRZ - SMG Level One - Approved by Full Board - January 2019

\*\*New MRZ - SMG Level Two - Approved by HSC - June 2019 / Governance - July 2019