

The Regents of the University of California

GOVERNANCE COMMITTEE

September 19, 2024

The Governance Committee met on the above date at the UCLA Luskin Conference Center, Los Angeles campus and by teleconference meeting conducted in accordance with California Government Code §§ 11133.

Members present: Regents Cohen, Drake, Hernandez, Leib, Pérez, Reilly, Robinson, Sarris, and Sures

In attendance: Regents Beharry, Lee, Matosantos, Pack, Salazar, and Sherman, Regents-designate Brooks, Komoto, and Wang, Faculty Representatives Cheung and Palazoglu, Regents Analyst Sheridan, General Counsel Robinson, Chief Investment Officer Bachher, Executive Vice President and Chief Operating Officer Nava, Interim Senior Vice President Turner, Vice Presidents Kao and Lloyd, Chancellors Hawgood, Khosla, Larive, Lyons, Muñoz, Wilcox, and Yang, Interim Chancellor Hunt, and Recording Secretary Johns

The meeting convened at 1:15 p.m. with Committee Chair Reilly presiding.

1. APPROVAL OF MINUTES OF PREVIOUS MEETING

Upon motion duly made and seconded, the minutes of the meeting of July 17, 2024 were approved, Regents Cohen, Drake, Hernandez, Leib, Pérez, Reilly, Robinson, Sarris, and Sures voting “aye.”¹

2. APPROVAL OF APPOINTMENT OF AND COMPENSATION FOR JUNE YU 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 June Yu as Vice President – UC National Laboratories, Office of the President:

- A. Per policy, appointment of June Yu as Vice President – UC National Laboratories, Office of the President.
- B. Per policy, an annual base salary of \$456,500.
- C. Per policy, continuation of standard pension and health and welfare benefits and standard senior management benefits including eligibility for senior manager life

¹ Roll call vote required by the Bagley-Keene Open Meeting Act [Government Code §11123(b)(1)(D)] for all meetings held by teleconference.

insurance and executive salary continuation for disability (eligible after five consecutive years of Senior Management Group service).

- D. Per policy, continued eligibility to participate in the UC Employee Housing Assistance Program, subject to all program requirements.
- E. Ms. Yu will continue to comply with the Senior Management Group Outside Professional Activities (OPA) policy and reporting requirements.
- F. This action will be effective September 19, 2024.

The compensation described above shall constitute the University's total commitment until modified by the Regents or President, as applicable under Regents policy, and shall supersede all previous oral and written commitments. Compensation recommendations and final actions will be released to the public as required in accordance with the standard procedures of the Board of Regents.

[Background 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.]

President Drake stated that he was pleased to seek approval for the appointment of and compensation for June Yu as the next Vice President of the UC National Laboratories. Ms. Yu was a leading physicist and a seasoned University leader. She would bring deep knowledge, dedication, and more than 30 years of experience to the job, having spent much of her career in various roles at the Lawrence Livermore National Laboratory (LLNL) and at the Office of the National Laboratories at the Office of the President (UCNL). She had been serving as Interim Vice President since February, following the retirement of Craig Leasure. Prior to that, she served as Associate Vice President and as Executive Director for National Laboratories Programs at UCNL. Ms. Yu received her bachelor's degree in physics from the California Polytechnic State University at San Luis Obispo and her master's and doctoral degrees in optical sciences from the University of Arizona. She has been honored with numerous leadership awards from LLNL and the U.S. Department of Defense. Ms. Yu was selected as the top candidate from a diverse applicant pool following a competitive national search. Her extensive leadership experience and keen understanding of the importance of the National Laboratories and the University's partnership with the federal government would be a tremendous asset to the University.

Upon motion duly made and seconded, the Committee approved the recommendation and voted to present it to the Board, Regents Cohen, Drake, Hernandez, Leib, Pérez, Reilly, Robinson, Sarris, and Sures voting "aye."

3. **APPROVAL OF 2024–25 SYSTEMWIDE SALARY PROGRAM INCREASES FOR CERTAIN LEVEL ONE SENIOR MANAGEMENT GROUP MEMBERS AS DISCUSSED IN CLOSED SESSION**

The Committee recommended approval of the following items in connection with the 2024–25 systemwide salary program increases for certain Level One Senior Management Group members:

- A. Per policy, as listed in Attachment 1, a general increase of 4.2 percent for each Level One Senior Management Group (SMG) employee systemwide who is eligible for such an increase pursuant to systemwide guidelines and any applicable local guidelines. As an exception to policy, a retroactive effective date for employees paid monthly of July 1, 2024 and a retroactive effective date for employees paid bi-weekly of June 23, 2024.
- B. Per policy, as listed in Attachment 1, a general increase of 4.2 percent for Level One Senior Management Group member Michael Witherell as Laboratory Director, Lawrence Berkeley National Laboratory, consistent with systemwide guidelines and the salary program approved by the Department of Energy. The effective date will be October 1, 2024.

Additionally, the Committee recommended approval of a 2024–25 systemwide salary program general increase of 4.2 percent for Michael V. Drake as President of the University, as listed on Attachment 1, and as an exception to policy, a retroactive effective date of July 1, 2024.

The resulting base salaries shall constitute the University's total commitment for base salary until modified by the Regents, President, or Chancellor, as applicable under Regents policy, and shall supersede all previous oral and written commitments. Compensation recommendations and final actions will be released to the public as required in accordance with the standard procedures of the Board of Regents.

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Vice President Lloyd explained that this item sought approval of 2024–25 systemwide salary program increases of 4.2 percent for Level One Senior Management Group (SMG) members. The proposed action was consistent with the 2024–25 systemwide salary program for policy-covered staff. Regents' approval is required for any compensation for Level One SMG members.

Regent Pérez asked if there was anything in this item that would make these raises self-effectuating in the future, or if future raises would continue to require approval by the Regents. Ms. Lloyd responded that, under current rules, future raises would require approval in the future.

Upon motion duly made and seconded, the Committee approved the recommendation and voted to present it to the Board, Regents Cohen, Drake, Hernandez, Leib, Pérez, Reilly, Robinson, Sarris, and Sures voting “aye.”

4. APPROVAL OF MARKET-BASED SALARY ADJUSTMENTS FOR CERTAIN UC CHANCELLORS AS DISCUSSED IN CLOSED SESSION

The Committee recommended approval of market-based salary adjustments for certain chancellors, within policy, effective September 1, 2024 as noted below:

Location	Name of Chancellor	Base Salary* Including 2024 Systemwide General Increase (4.2%) Pending Approval	MRZ Percentile	Market-Based Increase Funded through Private Sources**	Increase %	Total Proposed Base Salary After Market-Based Increase	MRZ Percentile After Market-Based Increase
UCD	Gary May	\$669,588	29.3	\$225,412	33.7%	\$895,000	50.2
UCI	Howard Gillman	\$679,416	30.2	\$215,584	31.7%	\$895,000	50.2
UCM	Juan Sanchez Muñoz	\$594,444	23.8	\$190,556	32.1%	\$785,000	40.0
UCR	Kim Wilcox	\$629,472	25.6	\$180,528	28.7%	\$810,000	42.3
UCSB	Henry Yang	\$660,348	28.4	\$159,652	24.2%	\$820,000	43.2
UCSC	Cynthia Larive***	\$618,528	24.8	\$176,472	28.5%	\$795,000	40.9
UCSF	Sam Hawgood	\$1,020,024	62.1	\$169,236	16.6%	\$1,189,260	69.6

* For the UCD and UCSF Chancellors, a portion of their current base salaries (including the pending 2024–25 general increases) are paid through private sources (UCD – \$100,437; UCSF – \$336,605).

** No State funds or tuition revenue to be used for the proposed market-based salary adjustments; funding will be through private sources.

*** The UCSC Chancellor will voluntarily forego any increases to base salary for FY 2024–25. This salary increase will be subject to approval by the President, Chair of the Board, and Vice Chair of the Board before implementation.

The base salaries described above shall constitute the University’s total commitment for base salaries 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.

[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.]

Vice President Lloyd explained that this item sought approval to bring base salaries for seven UC chancellors into alignment with the current market as well as internal industry peers. As the chancellors are Level One Senior Management Group members, any compensation action for them requires approval by the Regents.

Regent Pérez expressed concern about overreliance on Market Reference Zones as a market indicator. That being said, the Regents had a clear sense of the market with respect to the chancellors' positions, given recent hires.

Upon motion duly made and seconded, the Committee approved the recommendation and voted to present it to the Board, Regents Cohen, Drake, Leib, Pérez, Reilly, Robinson, Sarris, and Sures voting "aye."

5. APPROVAL OF MARKET-BASED SALARY ADJUSTMENTS FOR CERTAIN LEVEL ONE SENIOR MANAGEMENT GROUP EMPLOYEES, OFFICE OF THE PRESIDENT AS DISCUSSED IN CLOSED SESSION

The Committee recommended approval of market-based salary adjustments for certain Level One Senior Management Group members at the Office of the President, within policy, effective September 1, 2024, as noted below:

Title	Incumbent	Base Salary Including 2024 Systemwide General Increase (4.2%) Pending Approval	Current MRZ Percentile	Proposed Market-Based Increase \$	Proposed Market-Based Increase %	Total Proposed Base Salary After Market-Based Increase	MRZ Percentile After Market-Based Increase
Chief Investment Officer and Vice President - Investments	Bachher, Jagdeep	\$812,088	22.3	\$237,912	29.3%	\$1,050,000	59.1
Provost and Executive Vice President - Academic Affairs	Newman, Katherin	\$553,692	24.0	\$44,308	8.0%	\$598,000	32.9
Executive Vice President - Chief Operating Officer	Nava, Rachael	\$497,376	35.4	\$67,624	13.6%	\$565,000	43.1
Vice President - Agriculture and Natural Resources	Humiston, Glenda	\$357,240	28.3	\$32,760	9.2%	\$390,000	41.1

Additionally, the Committee recommended approval of the market-based salary adjustments for the President of the University and the Secretary and Chief of Staff to the Regents, within policy, effective September 1, 2024, as noted below:

Title	Incumbent	Base Salary Including 2024 Systemwide General Increase (4.2%) Pending Approval	Current MRZ Percentile	Proposed Market-Based Increase \$	Proposed Market-Based Increase %	Total Proposed Base Salary After Market-Based Increase	MRZ Percentile After Market-Based Increase
President of the University	Drake, Michael	\$1,044,132	46.0	\$263,868	25.3%	\$1,308,000	80.3
Secretary and Chief of Staff to the Regents	Lyall, Tricia	\$283,392	23.4	\$61,908	21.8%	\$345,300	40.0

The base salaries described above shall constitute the University's total commitment for base salaries 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.

[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.]

Regent Pérez asked that the matter be divided, with the Committee voting separately on salary adjustments for employees who report directly to the Board of Regents, and for those who do not.

Upon motion duly made and seconded, Regent Pérez's motion was approved, Regents Cohen, Drake, Leib, Pérez, Reilly, Robinson, Sarris, and Sures voting "aye."

Vice President Lloyd explained that this item sought approval for market-based salary adjustments for six Level One Senior Management Group (SMG) members at the Office of the President. The increases were being proposed to provide more competitive compensation for these employees and to bring their salaries into alignment with their market peers.

Upon motion duly made and seconded, the Committee approved the recommendation for the market-based salary adjustments for the President of the University, Secretary and Chief of Staff to the Regents, and Chief Investment Officer and Vice President – Investments and voted to present it to the Board, Regents Cohen, Drake, Leib, Pérez, Reilly, Robinson, Sarris, and Sures voting "aye."

Ms. Lloyd distinguished general increases and market increases. She explained that general salary increases were flat increases for everyone who meets performance expectations, whereas market increases were increases motivated by the fact that compensation for a position lags its market peers.

Regent Pérez reiterated his misgivings about overreliance on Market Reference Zones (MRZs), raised in the preceding discussion. In the past, when the Regents have reviewed MRZs, the idea was to determine a base, especially for the purpose of hiring, but not to create a situation in which UC automatically makes significant increases to salaries because some external factors might have changed. He expressed discomfort about how the University dealt with compensation for employees at the high end of the pay scale, which was not consistent with how it considered the broad base of its employees. This inconsistency and the overreliance on MRZs were troubling.

Regent Cohen expressed agreement with Regent Pérez and asked Committee Chair Reilly about her plans for work in this area.

Committee Chair Reilly concurred with the view that there seemed to be overreliance on MRZs. In the next few months, she would assemble a task force or working group to review

compensation at this level and perhaps find a more fitting way to manage compensation for some of these positions.

Upon motion duly made and seconded, the Committee approved the recommendation for the market-based salary adjustments for the Provost and Executive Vice President – Academic Affairs, Executive Vice President – Chief Operating Officer, and Vice President – Agriculture and Natural Resources and voted to present it to the Board, Regents Cohen, Drake, Reilly, Robinson, Sarris, and Sures voting “aye” and Regents Leib and Pérez abstaining.

6. **APPROVAL OF INCENTIVE COMPENSATION FOR FISCAL YEAR 2023–24 FOR 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 \$357,203 for Plan Year 2023–24, 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 50 percent of Mr. Bachher’s total salary paid as of the end of the plan year of \$714,406.

The incentive compensation described above shall constitute the University’s total commitment regarding incentive compensation until modified by the Regents or the President, as applicable under Regents policy, and shall supersede all previous oral and written commitments. Compensation recommendations and final actions will be released to the public as required in accordance with the standard procedures of the Board of Regents.

[Background 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.]

Committee Chair Reilly briefly introduced the item.

Upon motion duly made and seconded, the Committee approved the recommendation and voted to present it to the Board, Regents Cohen, Drake, Leib, Pérez, Reilly, Robinson, Sarris, and Sures voting “aye.”

7. **DATES OF REGENTS MEETINGS FOR 2026 AND AMENDMENT OF NOVEMBER 2025 REGENTS MEETING DATES**

The Chair of the Board and the President of the University recommended that (1) the November 2025 Regents meeting be held on November 18-20, 2025; and (2) the following dates of Regents meetings for 2026 be approved:

2026

January 13-15
March 17-19
May 12-14
July 14-16
September 15-17
November 17-19

[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.]

Committee Chair Reilly briefly introduced the item.

Upon motion duly made and seconded, the Committee approved the recommendation and voted to present it to the Board, Regents Cohen, Drake, Leib, Pérez, Reilly, Robinson, Sarris, and Sures voting “aye.”

8. **BIENNIAL REPORT ON DIVERSITY IN CAMPUS AND SYSTEMWIDE EXECUTIVE SEARCHES**

[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.]

This item was not discussed.

The meeting adjourned at 1:30 p.m.

Attest:

Secretary and Chief of Staff

Attachment 1

2024 UC Systemwide Salary Program Increase¹ for the President of the University

Title	Incumbent		Appointment Date	Current Salary	4.2% General Increase	Proposed Annual Base Salary
President of the University	Michael V.	Drake	8/15/2020	\$1,002,036	4.2%	\$1,044,132

2024 UC Systemwide Salary Program Increase¹ for the Secretary and Chief of Staff to the Regents

Title	Incumbent		Appointment Date	Current Salary	4.2% General Increase	Proposed Annual Base Salary
Secretary and Chief of Staff to the Regents	Tricia	Lyall	12/1/2022	\$271,968	4.2%	\$283,392

2024 UC Systemwide Salary Program Increase¹ for Level One SMGs Systemwide

Title	Incumbent		Appointment Date	Current Salary	4.2% General Increase	Proposed Annual Base Salary
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Dual Reporting to the Regents

Chief Investment Officer and VP of Investments	Jagdeep	Bachher ²	3/31/2014	\$779,352	4.2%	\$812,088
General Counsel and Vice President - Legal Affairs	Charles	Robinson	1/1/2007	\$542,976	4.2%	\$565,788
Senior Vice President - Chief Compliance and Audit Officer	Alex	Bustamante	9/5/2017	\$418,080	4.2%	\$435,648

UCOP - Direct Reports to the President

Executive Vice President - Chief Financial Officer	Nathan	Brostrom	9/22/2014	\$575,328	4.2%	\$599,496
Executive Vice President - Chief Operating Officer	Rachael	Nava	2/9/2015	\$477,324	4.2%	\$497,376
Executive Vice President - UC Health	David	Rubin	10/1/2023	\$960,000	4.2%	\$1,000,320
Provost and Executive Vice President - Academic Affairs	Katherine	Newman	1/9/2023	\$531,372	4.2%	\$553,692
Interim Senior Vice Vice President - Ext. Relations & Comms	Meredith	Turner	10/1/2023	\$345,000	4.2%	\$359,496
Interim Vice President for UC National Labs	June	Yu	Interim 2/1/24-1/31/25	\$433,500	4.2%	\$451,716
Vice President - Agriculture and Natural Resources	Glenda	Humiston	8/3/2015	\$342,840	4.2%	\$357,240

LBNL

Laboratory Director (LBNL)	Michael	Witherell	3/1/2016	\$562,992	4.2%	\$586,644
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Chancellors

Chancellor - UCD	Gary	May	8/1/2017	\$642,588	4.2%	\$669,588
Chancellor - UCI	Howard	Gillman	9/18/2014	\$652,020	4.2%	\$679,416
Chancellor - UCM	Juan	Munoz	7/1/2020	\$570,480	4.2%	\$594,444
Chancellor - UCR	Kim	Wilcox	8/19/2013	\$604,092	4.2%	\$629,472
Chancellor - UCSB	Henry	Yang	6/23/1994	\$633,720	4.2%	\$660,348
Chancellor - UCSC ⁴	Cynthia	Larive	7/1/2019	\$593,592	4.2%	\$618,528
Chancellor - UCSD	Pradeep	Khosla	8/1/2012	\$1,141,324	4.2%	\$1,189,260
Chancellor - UCSF	Sam	Hawgood	7/1/2014	\$978,900	4.2%	\$1,020,024

Chief Executive Officer - Community-Based Services

Chief Executive Officer - UCR	Tim	Collins ²		\$550,000	4.2%	\$573,108
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Chief Executive Officers - UC Medical Centers

VC-Health and Human Services and CEO - UCD Health	David	Lubarsky ²	7/2/18; CEO 1/1	\$1,206,708	4.2%	\$1,257,396
Chief Executive Officer - UCI	Chad	Lefteris ²	3/31/2020	\$1,200,000	4.2%	\$1,250,400
Chief Executive Officer - UCLA	Johnesse	Spisso ^{2,3}	2/8/2016	\$1,751,018	4.2%	\$1,824,578
Chief Executive Officer - UCSD	Patricia	Maysent ^{2,3}	1/21/2016	\$1,404,702	4.2%	\$1,463,709
Chief Executive Officer - UCSF	Suresh	Gunasekaran ^{2,3}	3/1/2022	\$1,935,096	4.2%	\$2,016,382

¹Increases under the 2024-25 systemwide salary program are partially or fully state funded, except for LBNL, which is funded through the Department of Energy

²Eligible for Incentive Pay (OCIO AIP or CEMRP).

³Bi-weekly Payee.

⁴The UCSC Chancellor will voluntarily forego any increases to base salary for FY 24-25. This salary increase will be subject to approval by the President, Chair of the Board, and Vice Chair of the Board before implementation.