

## TO MEMBERS OF THE COMMITTEE ON COMPENSATION:

### ACTION ITEM

*For Meeting of November 27, 2012*

#### **APPROVAL OF TOTAL COMPENSATION FOR NICHOLAS B. DIRKS AS CHANCELLOR, BERKELEY CAMPUS AS DISCUSSED IN REGENTS ONLY SESSION**

##### Background to Recommendation

Following a six-month search, Nicholas B. Dirks, Executive Vice President for the Arts and Sciences, Dean of the Faculty of Arts and Sciences, Franz Boas Professor of Anthropology, and Professor of History at Columbia University, was selected as the candidate of choice to become the tenth Chancellor of the University of California, Berkeley.

As Executive Vice President for the Arts and Sciences at Columbia since 2004, Mr. Dirks has overseen academic administration, operational and financial management, long-term academic and financial planning, and the overall direction of 29 humanities, social sciences, and natural sciences departments as well as six schools with a total budget of more than \$450 million: Columbia College, the Graduate School of Arts and Sciences, the School of International and Public Affairs, the School of the Arts, the School of General Studies, and the School of Continuing Education.

Under his leadership, Arts and Sciences have raised more than \$900 million toward a goal of \$1.4 billion. As Executive Vice President, he works directly with Columbia's President and Trustees. As Dean of the Faculty, he presides over the review, promotion, recruitment and retention of all Arts and Sciences faculty. He has recruited four new deans from outside Columbia and established a new administrative structure for Arts and Sciences and governance for the faculty. He also served as the key senior administrator for development of Columbia's global outreach and has worked directly with the President on a wide variety of global initiatives for the University.

Mr. Dirks led a major diversity initiative for Arts and Sciences and helped build academic programs in areas ranging from economics and statistics to sustainable development and nanoscience; he also supported and expanded programs in international, ethnic, African American, and gender studies.

Before becoming chair of the Department of Anthropology at Columbia in 1997, Mr. Dirks taught history and anthropology at the University of Michigan, where he co-founded the interdepartmental Ph.D. program in Anthropology and History and directed the Center for South

and Southeast Asian Studies. He taught Asian history at the California Institute of Technology for nine years before moving to Michigan. He has also taught at the École des Hautes Études en Sciences Sociales in Paris and held a visiting appointment at the London School of Economics.

Mr. Dirks has carried out extensive archival and field research in India and Britain. His published works include a number of books on South Asian history and culture and the impact of British colonial rule.

After graduating from Wesleyan University in 1972 with a bachelor's degree in African and Asian Studies, Mr. Dirks earned a master's degree in 1974 and a Ph.D. in 1981 from the University of Chicago in the Department of History, focusing on South Asian history.

### Recommendation

The Committee recommends that, contingent upon and effective with Nicholas B. Dirks' appointment by the Regents as Chancellor of the Berkeley campus, the following items be approved in connection with that appointment:

- A. Per policy, an annual base salary of \$486,800, funded by State and other sources. This represents an increase of \$50,000 (11.4 percent) over the previous incumbent's salary, which will be funded entirely from private donor sources.
- B. Per policy, annual automobile allowance of \$8,916.
- C. Per policy, a University-provided house on campus while serving as Chancellor.
- D. Per policy, an annual relocation allowance of \$30,425 to be paid over a four-year period beginning January 1, 2014 and terminating on January 1, 2017 (25 percent of annual base salary). Any unpaid installments will be forfeited if Mr. Dirks steps down as Chancellor and separates from University employment.
- E. The University will arrange for packing and relocation of household goods and personal effects associated with the initial relocation to Berkeley. The University will also arrange to pack and move Mr. Dirks' personal library and other related equipment and materials, subject to the limitations under University policy.
- F. Consistent with past practice, when Mr. Dirks leaves the Chancellor position and returns to the University faculty at a UC campus, the University will arrange for the relocation of personal belongings, including his library and any other related equipment and materials to a location of his choice in California.
- G. Per policy, eligibility to participate in the UC Home Loan Program, in accordance with all applicable policies when stepping down as Chancellor, if Mr. Dirks assumes a tenured faculty position at Berkeley or at another UC campus.

- H. Per policy, an administrative fund will be established for official entertainment and other purposes permitted by University policy. Adjustments may occur annually as allowed by policy.
- I. If Mr. Dirks maintains an active research program during his appointment as Chancellor, an annual allocation of campus funding will be established for this research during the term as Chancellor.
- J. Reimbursement of reasonable travel expenses, as defined by policy, for all business-related visits to the campus prior to Mr. Dirks' official start date.
- K. Per policy, two round trips each for the candidate and his spouse, for the purposes of organizing the move into the University-provided house, subject to the limitations under policy.
- L. Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance and executive salary continuation for disability).
- M. As an exception to policy, eligibility to participate in the University's insured retiree health-care plans on an accelerated eligibility schedule (subject to changes in the law), receiving 50 percent of the maximum University contribution after completing five years of service. For each additional year of service completed, the percentage will be increased by ten percent, thereby making Mr. Dirks eligible for the maximum University contribution upon completing ten years of service.
- N. Per policy, ineligible to participate in the Senior Management Supplemental Benefit Program due to tenured faculty appointment.
- O. Per policy, accrual of sabbatical credits as a member of tenured faculty.

**COMPARATIVE ANALYSIS**

**Recommended Compensation**

**Effective Date:** on or about June 1, 2013

**Base Salary:** \$486,800

**Target Cash Compensation:\*** \$486,800

**Funding:** partially or fully State-funded; private donations will fund the amount (\$50,000) above the previous incumbent’s salary.

**Budget &/or Prior Incumbent Data**

**Title:** Chancellor

**Base Salary:** \$436,800

**Target Cash Compensation:\*** \$436,800

**Funding:** partially or fully State-funded

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

**COMPETITIVE ANALYSIS**

MARKET REFERENCE ZONES FOR CHANCELLOR (BASE SALARY)						MARKET REFERENCE ZONES FOR CHANCELLOR (TARGET CASH)				
Percentiles	25 <sup>th</sup>	50 <sup>th</sup>	60 <sup>th</sup>	75 <sup>th</sup>	90 <sup>th</sup>	25 <sup>th</sup>	50 <sup>th</sup>	60 <sup>th</sup>	75 <sup>th</sup>	90 <sup>th</sup>
Market Data	\$380	\$508	\$583	\$695	\$876	\$374	\$638	\$696	\$782	\$868
% Difference from Market	28.1%	-4.2%	-16.5%	-30.0%	-44.4%	30.2%	-23.7%	-30.0%	-37.7%	-43.9%

**Survey Source:** College and University Professional Association (CUPA) survey and Mercer Chancellor Compensation Survey

The compensation described above shall constitute the University’s total commitment until modified by the Regents 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.

**Submitted by:** President Yudof  
**Reviewed by:** Committee on Compensation Chair Ruiz  
Office of the President, Human Resources